

30 Day Challenge Ideas for 2018 – City Council Direction Required
Additional Information

Removal of the Dedicated Snow & Ice Levy

- Estimated savings for 2018: \$1,212,700
- Estimated property tax reduction: 0.55%
- Background: During 2016 budget deliberations, City Council allocated \$1.039M (equivalent to 0.55% at the time) towards expansion of the City's Snow & Ice program with an aim towards a city-wide snow removal program. The cost of a city-wide snow removal program was estimated at that time to be:
 - \$8.1M - \$9.4M in additional annual operating costs; and
 - \$69.0M - \$92.0M in capital costs for a permanent snow storage site.

The direction of City Council was to continue the 0.55% mill rate phase-in until a city-wide snow removal program could be obtained. The 2018 indicative budget currently includes \$1.212M (0.55%) to continue increasing this service level. Removal of this amount would have no effect on current service levels.

Reintroduction of an Amusement Tax

- Estimated Revenue for 2018: \$1.0M
- Estimated Property Tax Reduction: 0.45%
- Background: Under *The Cities Act*, the City of Saskatoon (City) has the ability to charge a tax on the entrance or admission fee to a place of amusement. The City had charged an amusement tax up until 2007 at which point it was eliminated.

Many other municipalities continue to charge an amusement tax. For example, Regina and Winnipeg charge 10% on the price of admission to events and theatres. An amusement tax would provide a better source of funding than general taxation for amusement related infrastructure and events, as there is a direct correlation between the users and costs.

The estimated revenue is subject to change as the scope and fee amount would need to be determined in a future bylaw. The Amusement Tax collected in 2004 by the City was \$535,605 based on a 9% surcharge.

Implementation of a Secondary Suite Fee

- Estimated Revenues for 2018: \$200,000
- Estimated Property Tax Reduction: 0.09%
- Background: The City of Surrey, British Columbia, has charged an additional fee on homes with secondary suites since 2011. The purpose of this fee is to compensate for civic services (road maintenance, snow removal, street lighting, etc.) that are provided to two sets of homeowners/tenants but are currently only paying property tax for a single property.

Secondary suites already have an impact on property tax as they are factored into the assessed value of a home. Depending on the area of the city, the presence of a secondary suite can have a negative or positive impact on the assessed value. As such, this fee would be in addition to any current property taxes paid.

The City of Surrey's current secondary suite fee is \$568 per year and is budgeted to create over \$17M in revenue for 2017. Any revenue for the City of Saskatoon would be dependent on the specific process and fees included in a future bylaw offset by any additional resource requirements, for example: appropriate community and stakeholder engagement, property inspections, and communications. The current estimate is based on the legalization of 461 suites under the Housing Business Plan since 2008 at an approximate \$500 per year fee. This program has the potential to create significantly more revenue than currently estimated, based on the initial approach and growth over time.

Decreased Watering in Park/Green Spaces

- Estimated Revenues for 2018: Future report pending
- Estimated Property Tax Reduction: Future report pending
- Background: Irrigation water consumption reductions would demonstrate leadership in terms of resource conservation to citizens, while also reducing demands on the current water treatment system and distribution infrastructure.

Potential impacts for 2018 and beyond are currently being developed as part of the Parks Service Level Review which will be presented to City Council in September 2017 for consideration.

Permanently Reduce the Annual Allocation to RCE:

- Estimated Savings for 2018: \$500,000
- Estimated Property Tax Reduction: 0.23%
- Background: The Reserve for Capital Expenditures is established per Bylaw No. 6774 (Capital Reserve Bylaw), and is intended to finance the cost of capital expenditures (at City Council discretion) which have been authorized through the City's Capital Budget. Historically, this has been used for capital items that do not have a dedicated funding source or its funding source has been insufficient.

In 2017, this funding source was utilized to fund projects such as:

- Growth Plan to Half a Million (\$750,000);
- Service Saskatoon Systems/ERP (\$500,000);
- Play Structure Upgrades & Replacements (\$480,000); and
- Dog Park Development (\$250,000).

The current annual allocation to this reserve is \$3.68M on an annual basis.

Discontinue Printing and Mailing of the Collection Calendar

- Estimated Savings for 2018: \$85,000
- Estimated Property Tax Reduction: 0.04%

- Background: The annual Waste & Recycling Collection Calendar is printed and mailed to approximately 70,240 single-family households and includes personalized collection route and waste service-related information, as well as hazardous waste and composting options.
- The following engagement and survey results have been collected over the past number of years regarding the collection calendar:
 - Early results from the 2017 Recycling Survey indicate that 70% (as of July 24, 2017; survey closes July 28) of people strongly support or somewhat support discontinuing the distribution of printed calendars, and instead would choose to access the information through the website and collection reminders. Note that this survey sample includes multi-unit respondents who currently do not receive a collection calendar. The final survey results which will be presented to City Council in a future report will be filtered to only include those who receive the calendar.
 - Results from the 2015 survey indicate that more than 75% of Saskatoon residents claim to recall receiving a printed copy of the Waste & Recycling Collection Calendar, most of whom say they have it available at home for easy reference.
- Discontinuing printing and mailing the collection calendar would generate savings of approximately \$85,000 - \$95,000 per year.

Bi-Weekly Garbage Collection

- Estimated Savings for 2018: \$350,000
- Estimated Property Tax Reduction: 0.16%
- Background: The City currently provides bi-weekly garbage collection in the winter and weekly collection in the summer. Several municipalities offer bi-weekly garbage collection year round. This creates efficiencies and cost savings for those municipalities, and also supports waste diversion and environmental goals as it encourages recycling and green bin programs to those who would otherwise utilize their garbage for these items.

Implementation of a year round bi-weekly garbage collection program is anticipated to save \$300,000 - \$480,000 on an annual basis. Further information and service level options will be presented to Standing Policy Committee on Finance in September as part of the waste services service level review.

Billboards on City Rights-of-Way

- Estimated Savings for 2018: \$100,000
- Estimated Property Tax Reduction: 0.05%
- Background: Currently, the City limits the amount of billboards on rights-of-way (along Circle Drive, etc.). The majority of billboards that are erected around the city are on private land. Since many of the City's rights-of-way are on high-traffic/volume roadways, it is believed that these locations would be in high demand for advertisers.

In order to allow for billboards along rights-of-way, several bylaw and policy amendments would be required including changes to the zoning bylaw. It is estimated that the City could receive upwards of \$10,000 annually for each billboard contract and up to \$100,000 per kilometre of road. As the scope and magnitude of this program is yet to be determined, an estimated \$100,000 in additional revenue is assumed at this point, pending further direction. If selected by City Council as a viable option, future reporting would be required in order to determine maintenance, traffic safety impacts, and potential locations.

Waste as a Utility

- Estimated Savings for 2018: \$8,900,000
- Estimated Property Tax Reduction: 4.04%
- Background: Currently, the City's garbage collection program is funded by the mill rate. As presented at the August 15, 2017 Standing Policy Committee on Environment, Utilities & Corporate Services, a waste utility could have several benefits, including:
 - increased awareness of the full costs of managing waste;
 - increased sense of responsibility and stewardship for waste among citizens;
 - reward waste reduction and diversion;
 - extended life of the landfill due to increased diversion; and
 - ability to create a sustainable funding model for waste management to ensure safe, responsible and efficient management.

If implemented, the current property tax funding which supports \$8.9M worth of waste expenditures would be transferred to a utility model. This would result in a 4.04% reduction to the mill rate in 2018.