



Report to: General Committee

Date Report Authored: August 5, 2015

SUBJECT: First Markham Place Condominiums YRCC910, YRCC922, YRC926 – Request for City Waste Management Services or Waste Grant Rebate

PREPARED BY: Claudia Marsales, Senior Manager, Waste & Environmental Management (x3560)
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RECOMMENDATION:

1. THAT the report entitled “First Markham Place Condominiums YRCC910, YRCC922, YRC926 – Request for City waste management services or waste grant rebate” be received;
2. AND THAT Council deny Condominiums YRCC910, YRCC922, YRC926 their request to receive City waste collection services; and deny their request for a waste grant rebate in lieu of collection services;
3. AND THAT Council request York Region give consideration to accepting 3-stream materials generated from Condominiums YRCC910, YRCC922, YRC926 if delivered to the Miller Waste Earl Turcotte Transfer station as Markham residential waste;
4. AND THAT a copy of this report is forwarded to York Region for their consideration.

AND FURTHER THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this Report is to provide a response to the March 23, 2015 General Committee request that staff report back with respect to whether the condominium dwellings at 10 Cox Blvd. (First Markham Place YRCC910, YRCC922, YRC926) can receive municipal waste collection or a waste (tax) grant rebate in lieu of collection services.

BACKGROUND:

Markham has strict waste management policies in place for multi - residential/condominium developments

Markham has been at the forefront in development of new urbanized communities with increased densities, compact development forms, alternative development standards and infill developments. A result has been an ever increasing number of high density multi-residential developments in Markham.

For the past 13 years, it has been the practice that all developments conform to strict standards developed by the City's Waste Management Department in order to receive City collection services. These standards include internal waste rooms, 3-stream recycling, a minimum lane width of 6 metres, and cul-de-sac turning circle or hammerhead turn-arounds and mandatory tri-sorter chute systems. Developments are not permitted to opt out of receiving City collection services and must satisfy strict design requirements to ensure future residents can participate in the City's diversion programs whether they live in a condo unit, townhome or single family home.

As a result of these progressive practices, Markham is a leader in multi-residential diversion with residential developments approved since 2002 having accessible collection systems including recycling, internal storage and waste/recycling rooms and tri sorter chute systems and City collection.

In 1999 Council cancelled the waste grant rebate option and grandfathered twelve developments to receive a waste grant in lieu of collection. For 2015, nine developments received a waste grant rebate and for 2016 there will be eight that will receive a waste a grant rebate in lieu of collection.

In 1995, Markham Council approved a rebate, (waste tax grant) for residential condominiums receiving and paying for private garbage removal.

At its meeting of June 14th, 1999, Council cancelled the waste grant rebate and grandfathered twelve Condominium properties receiving the waste grant rebate in lieu of receiving municipal waste collection services:

- 1) YRC #226 – 7811 Yonge Street
- 2) YRC #344 - 8111 Yonge Street
- 3) YRC #550 - 7451 Yonge Street
- 1) YRC #618 - 55 Austin Drive
- 2) YRC #636 - 25 Austin Drive
- 3) YRC #784 - 7805 Bayview Avenue
- 4) YRC #792 - 610 Bullock Drive
- 5) YRC #794 - 7825 Bayview Avenue
- 6) YRC #798 - 7905 Bayview Avenue*
- 7) YRC #885 - Blue Heron Beach, Christina Falls Way, Kingfisher Cove, Colleen Bay Way*
- 8) YRC #899 - Rougehaven Way*87
- 9) YRC #887 - Bethune Way**

Note

*YRC #885 – Removed from Waste Grant program effective 2004.

*YRC #798 – Removed from Waste Grant program effective 2005.

*YRC #899 – Removed from Waste Grant program effective 2005

**YRC#887 – Removed from Waste Grant Rebate program effective 2016

The annual operating budget includes a Waste Grant Rebate amount of \$155,000, which is proportionately allocated to the nine Residential Condominium developments noted above. The annual Waste Grant budget of \$155,000 is divided by the total Current Value Assessment (CVA) of the nine Residential Condominium developments which produces the annual Waste Grant Rate. The Waste Grant Rate is then multiplied by the individual CVA for each condominium which equates to the individual Waste Grant Rebate.

- a) 2015 Total CVA: \$573,348,726
- b) 2015 Budget: \$155,000
- c) 2015 Waste Rate: 0.000270342 (b / a)

As the Condominiums that are the subject to this report YRCC910, YRCC922, YRCC926 were in the process of being built in 1999, they were not registered and therefore not included in the list of condominiums grandfathered to receive a waste grant rebate.

In 2000, First Markham Place opted out of city waste collection services

In 1997, Markham entered into a Site Plan agreement for condominium townhomes at 10 Cox Blvd. between Markham and Tenstone Development - 426 (10 commercial) units registered as 3 separate condominiums YRCC910, YRCC922, YRCC926. The Site Plan approval specified above ground waste collection secured by a Letter of Credit.

In a letter dated, June 14, 2000, requesting return of the Waste Management Letter of Credit, the developer acknowledged non compliance with the site plan agreement. The developer, Tenstone Developments Inc. indicated:

“ the waste management is carried out below grade in the underground garage and is the responsibility of the condominium boards under Declarations and By-laws of same. It is a joint contract for all three condos by one contractor and is administered by our property manager’

Since 2000, First Markham Place condominiums have been using a private collection service and fully fund their waste management system.

In 2002 Council strengthened Multi Residential Waste Management policy

In 2002, as a result of a request from Swan Lake Condominiums YRCC 906 & 932, Council reaffirmed its earlier position that no additional condominiums be provided waste grant rebates, and adopted broader recommendations that required all future residential condominium developments to meet City waste management standards and receive City collection services.

In addition, Council approved the following resolution which provided an opportunity for all existing condominiums on private collection to receive municipal collection subject to certain conditions:

“Commissioner of Community Services be authorized to provide municipal collection services to the existing condominium developments currently receiving private municipal waste collection, if so requested, subject to:

- 1) additional costs being equivalent to the City’s current contracted prices; and
- 2) being equivalent to the City’s existing service level”

As a result, several condominiums that met the above criteria requested and were approved for City collection and were removed from the waste grant rebate program.

First Markham Place was informed of the new policy, but a review of the development site by staff and Miller Waste, determined that City collection could not be provided within the current contracted price or the City’s existing service level due to the underground collection requirement.

FIRST MARKHAM PLACE SERVICE OPTIONS

Since 2000, First Markham Place condominiums have been self funding their waste management system through the services of a property management company that collects the material from the underground parking garage in a trailer and delivers it to the Miller Transfer facility as a commercial account.

Unfortunately, due to Department of Transport licensing and regulatory issues, the cost to privately collect, transport and dispose of waste material from First Markham Place has increased dramatically. Not only do the condominium owners pay to have the material collected; they also pay to have the material disposed of as commercial waste.

Staff have met numerous times with representatives of the Condominium Board, Property Management Company and Miller Waste in an effort to find a workable solution. Three potential scenarios have been investigated and considered:

1. Provide City collection services
2. Provide waste tax grant rebate in lieu of collection service
3. Status quo collection / Request Region to offset disposal cost

Scenario #1 - Provide City collection services

In 2002, Council provided clear direction and criteria to be eligible for City waste management services. Based on this criteria, Waste Management staff have deemed First Markham Place Condominiums ineligible to receive standard City collection at the current contracted price due to significant design issues: low ceiling height in the underground parking garage, narrow turning radius, no road access, absolutely no storage areas or space

for either above ground containers or below ground containers. Curbside collection is not an option due to the site design and lack of roads and frontage.

The cost to provide 3-stream collection services to this development using properly Ministry of Transportation licensed vehicles for the haulage of solid waste is estimated at \$200,000 per year for collection only. This additional cost includes the price of new collection equipment which would be required to service this development only. To accommodate the additional cost, the 2016 Waste Management operating budget would need to be increased by a corresponding amount.

If Markham assumes collection through the residential waste collection contract, York Region has confirmed it will accept the material as residential and cover the cost for processing and disposal.

As of 2016, there will be 8 condominium developments on private collection and receiving the waste grant rebate. These remaining Condominiums declined the offer to switch to City collection services made in 2002. There are many reasons why a development may prefer private collection such as less restrictive diversion requirements and unlimited waste collection.

Waste management staff has confirmed that Miller Waste provides collection service to all 8 of these developments as corporate accounts. All 8 could receive City collection if they chose to give up the waste grant rebate. Staff are not aware of any other multi residential developments in Markham with similar design issues as First Markham Place. A complete review has been completed and all multi residential buildings on private collection meet City Waste Management design criteria.

Scenario #2 - Provide Waste Grant rebate in lieu of collection service

As previously noted, in 1999, Markham Council ended the practice of providing a waste grant rebate in lieu of collection services for condominium properties in Markham.

In accordance with Council policy, First Markham Place did not qualify for the waste grant as the condominium development was registered after the 1999 Council resolution.

To estimate the cost of providing a Waste Grant rebate for the First Markham Place Condominiums, staff applied the 2015 Waste Grant rate of 0.000270342 to the total CVA of the First Markham Place Condominiums. A Waste Grant rebate for this development is estimated at \$46,000 per year. To accommodate this additional cost, the 2016 Waste Grant rebate budget would need to be increased from \$155,000 to \$201,000 (or by \$46,000). To accommodate the additional cost, the 2016 budget would need to be increased by a corresponding amount.

Scenario #3 - Status Quo Collection / Request Region to offset disposal cost

Under York Region's 2-tier residential waste management system, the lower tier municipalities are responsible for the cost of collection and the upper tier is responsible for the cost of processing and disposal. Institutional, commercial, and industrial waste (ICI) is a totally separate waste management system and falls under provincial jurisdiction.

Current practice by York Region is to classify multi residential developments in York Region that receive private collection as commercial waste. Waste from First Markham Place Condominiums is classified as a commercial account and the cost of disposal billed directly to the Condominium Corporation.

York Region and Markham waste management staff have met to discuss potential options and solutions. Regional staff has confirmed that if Markham assumes collection at First Markham Place under the residential waste collection contract, York Region will accept all materials collected.

Regional Staff are less supportive of accepting waste that is privately collected due to the potential mixing of residential and commercial materials.

Staff recommend that York Region be formally requested to consider a onetime exemption with agreed to safeguards and conditions to accept properly sorted 3-stream materials generated from First Markham Place. While the current private collection system would continue, this scenario would provide some financial relief for the residents.

CONCLUSION

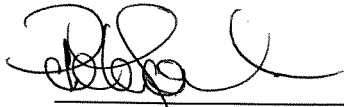
Markham Council has established clear direction relating to the provision of Waste Management service requirements for high density multi residential and condominium developments in Markham. Since 2002, Markham has recognized that all residents should have equal access to the City's many diversion programs whether they live in a home, apartment or townhome. As a result of this forward thinking, Markham's has achieved high participation and diversion from this challenging sector.

Unfortunately, First Markham Place does not meet Council's requirements for receiving collection service as approved by Council in 2002, or the waste grant rebate which Council eliminated in 1999.

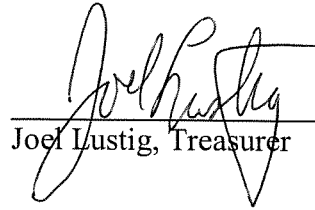
The implications of providing collection services to First Markham Place and compromising on Markham's current design standards and collection methods are; potential increased costs to the municipality, the potential precedent impacts of such decisions, and relative fairness to all Markham property owners.

It is recommended, that the First Markham Place request for City collection or a waste grant rebate be denied for reasons outlined in this report, and York Region be requested to give consideration for a one time exemption, with appropriate safeguards and monitoring, to receive properly separated material from First Markham Place under the York Region residential account with Miller Waste. (Scenario #3)

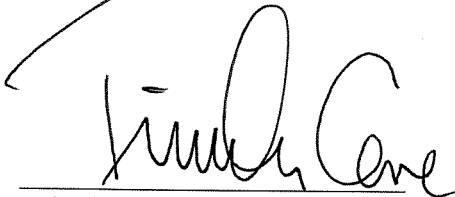
RECOMMENDED BY:



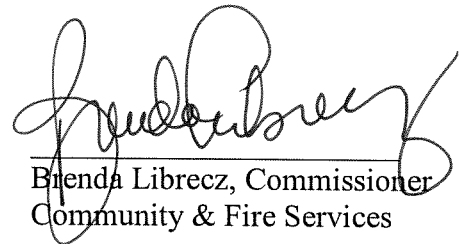
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