

City of Mississauga
Corporate Report



<p>Date: August 8, 2023</p>	<p>Originator's files:</p>
<p>To: Chair and Members of Budget Committee - Fees and Charges</p> <p>From: Jodi Robillos, Commissioner of Community Services</p>	<p>Meeting date: October 4, 2023</p>

Subject

2024 Parks, Forestry & Environment Fees and Charges

Recommendation

1. That the Parks, Forestry & Environment fees and charges, as outlined in Appendix 1, Appendix 2, and Appendix 3 attached to the Corporate Report dated August 8, 2023 from the Commissioner of Community Services entitled "2024 Parks, Forestry and Environment Fees and Charges" be approved.
2. That User Fees and Charges By-law 0244-2022, as amended, be repealed effective at the end of December 31, 2023.
3. That a new consolidated user fees and charges by-law, effective January 1, 2024, which will include the approved fees and charges of various City departments, be enacted to incorporate and establish the new, revised, and existing fees and charges for the Parks, Forestry and Environment division as outlined in Appendix 1, Appendix 2 and Appendix 3 attached to the Corporate Report dated August 8, 2023 from the Commissioner of Community Services entitled, "2024 Parks, Forestry and Environment Fees and Charges".

Executive Summary

- Fees for Parks, Forestry and Environment services include rates for park permits, requested tree maintenance, sports fields, cemeteries, marinas, museums and associated services provided for specific residents, individuals and organizations;
- Parks, Forestry and Environment fees and charges are reviewed annually to recover increased costs and respond to market conditions;
- Incremental revenues of \$135,000 are forecasted as a result of the proposed fee changes

Background

On an annual basis in accordance with the Municipal Act 2001, SO 2001, c.25, Parks, Forestry and Environment reviews the rental rates for City-owned and operated facilities including parks, sports fields, cemeteries, museums and marinas, along with additional fees for Parks, Forestry and Environment services provided to specific residents, individuals and organizations.

Ensuring that fees and charges maintain appropriate proportion of cost recovery ensure those who benefit directly contribute to these services, reducing the burden on the City's tax requirements. If fees do not increase proportionately to cover increased costs, tax support must increase and the costs to administer are left to all taxpayers. The 2024 Fees and Charges, if approved through this report, will be added into a consolidated user fees and charges by-law.

Comments

As part of the draft 2024-2027 Corporate Business Plan Update and 2024 Budget development process, staff have reviewed the fees and charges for Parks, Forestry and Environment services with the objective of ensuring that recommended price increases maintain cost recovery without adversely affecting demand. Staff reviewed cost impacts as well as current market rates, utilization and demand for rentals and services, user and staff feedback, and prior increases to determine specific pricing changes. The recommended pricing changes to Parks, Forestry and Environment services are outlined below.

Parks

Fees for the rental of park facilities and associated services help offset the costs to maintain over 3,178 hectares (7,853 acres) of City-owned parkland and open space, and for services to individual park users. In order to maintain cost recovery, rate increases are required to offset increased operating costs for materials, vehicles, equipment and labour. Fee increases of 3% are recommended for parks rental rates, vendor permits and associated services to offset inflationary costs. Historical increases for parks rental fees and associated services have not detrimentally impacted demand for facility use. Fee increases are recommended in Appendix 1.

Marinas

The majority of the fees for marina rentals and services are recommended for 3% increase to recover the inflationary costs to deliver services. Further reviews and benchmarking has resulted in a recommended increase to shrink wrapping fees by 15% due to material inflationary increases. It is also recommended to remove the fees for the Sea Wall Daily Slip Rental at Credit Village Marina as this site has been too dangerous to transition on and off boats based on the location and water conditions. Alternative sites are available within the marina for daily slips.

With the increases proposed, fees at the marina will remain competitive. Revenues for Marina rentals and services are expected to remain on target in 2023 as previous increases have not impacted demand for these services. Fee increases are recommended in Appendix 1.

Park Planning and Development

The majority of fees related to Park Planning and Development are recommended to remain unchanged, as greenbelt and park processing fees are charged as a percentage of works completed. Additional fees are recommended to have a 3% increase to offset inflationary costs. Fee increases are recommended in Appendix 1.

Forestry

Fees charged for Forestry services include on-demand tree works, tree permits and tree replacement costs as well as streetscape processing fees. To offset increased costs for contractor services, vehicles, equipment, materials and labour for requested services, an increase of 3% is recommended for most fees. A 32% increase is recommended for Street Tree Planting Replacements and Replacements for Trees Removed from Private Property to offset increased operating costs. A 50% increase annually for two years is recommended Corporate Tree Planting Events for events ranging from one to 100 participants. This increase is based on aligning the recoveries with the actual costs of events. For events 101+ people, it is proposed to provide an assessed value based on the number of participants due to the rarity of these events and escalating costs based on increased participants. These fees also better align with benchmarking of similar programs within the Greater Toronto Area. By aligning these fees with actual costs this team can provide increased events for community and affiliated groups through increased revenues and cost recovery. Historically, increases to fees for Forestry Services have not detrimentally impacted revenues. Fee increases are recommended in Appendix 1.

Cemeteries

Under the Funeral, Burial and Cremation Services Act, 2002 S.O 2002, c.33 the City is required to maintain abandoned and municipally owned Cemeteries in a state of good repair. Lot sales, interment fees and other service charges are used towards offsetting annual operating costs for the ongoing care of 11 municipally owned or maintained cemeteries. A portion of the total fees charged for burial rights is placed in a reserve fund, where interest collected is used towards the perpetual care and maintenance of cemeteries owned and maintained by the City.

For most fees, staff is proposing rate increases of 3% to recover increased costs and to ensure that fees are consistent with market rates across the GTA, with the exception of any veteran fees which remain unchanged.

Historically, increases to fees for Cemetery Services have not detrimentally impacted revenues. Fee increases are recommended in Appendix 2.

Sports Fields

Parks Operations maintains 399 sports fields across the City to support permitting for major and minor baseball, cricket, soccer, football, rugby, volleyball and artificial fields. Pricing for sports fields is founded on the principle that in order to maintain service sustainability, sports fields should endeavour to maintain or incrementally increase their cost recovery rate year over year.

Over the last several years, staff have consulted with most outdoor sports field users both individually and through the Outdoor Sports Field User Network on user fees to receive feedback and support for rental fees prior to Budget Committee's consideration.

To address cost recovery deficiencies in sports user fees, rate increases will need to be considered over several years. Currently cost recovery for various field types range from 16% to 32%, with an average of 23% across all sport and field types; comparator municipalities are priced on average 49% higher than Mississauga. In 2024, a rate increase of 5% is proposed to begin to increase the operating cost recovery. Additionally, based on benchmarking and fee usage, Non-Resident and Commercial fee categories have been combined. The Outdoor Sports Field User Network has been advised of the changes for 2024 fees. Historically, minimal increases to Sports Fees has not had detrimental impacts to participation rates or demand for City facilities. Fee increases are recommended in Appendix 3.

Since the proposed increase will only bring fees marginally closer to adequate recovery rate, a multi-year strategy will be required. Looking to 2025 Fees and Charges, a comprehensive review of sports field rate with revised cost recovery and benchmarking model will be completed. City staff will work with the Outdoor Sports Field User Network throughout late 2023 to receive feedback and complete the multi-year pricing strategy from 2025 to approximately 2029.

New Fees

Natural Heritage Processing Fee

Forestry is proposing a new fee is related to review of all development applications from a natural heritage perspective. This was a service previously provided by the Conservation Authorities; based on newly introduced provincial legislation, natural heritage reviews are not considered a core service and have not been provided since January 1, 2023.

Going forward Forestry will be completing this Natural Heritage review and applying this fee based on the value of the application. The fee amount is based on the current Streetscape processing fee as it is the same process but reviewing different aspects of development plans.

Financial Impact

As a result of the projected increases, a \$135,000 revenue budget increase is proposed in the 2024-2027 Budget and Business Plan. Revenues are not anticipated to be detrimentally impacted by any increases to fees.

Conclusion

Fee increases assist Parks, Forestry and Environment in offsetting increased annual operating costs including labour, equipment, materials and supplies for the ongoing care and maintenance of City-owned open space assets. The proposed fees for Parks, Forestry and Environment have been adjusted to assist in maintaining user demand for rentals, along with maintaining cost recovery for on-demand services to reduce the pressure on the tax levy.

Attachments

- Appendix 1: Parks, Marinas and Forestry Fees and Charges
- Appendix 2: Cemetery Fees and Charges
- Appendix 3: Sports Field Fees and Charges



Jodi Robillos, Commissioner of Community Services

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