



MEMORANDUM

To: Regional Chair Emmerson and Members of Regional Council

From: Jason Li, CPA, CA
Acting Commissioner of Finance and Regional Treasurer

Date: December 15, 2021

Re: **2022 Budget – Potential additions to Regional Budget as Tabled
November 25, 2021**

Following the tabling of the 2022 Regional Budget on November 25, 2021 and the departmental budget presentations to the Committee of the Whole on December 2 and 9, 2021, some additional initiatives were identified for potential inclusion in the budget.

The list of items below is provided for Council's consideration and direction on whether any of the initiatives should be added to the 2022 Budget. The table lists the initiatives, the cost and resulting increase to the proposed 2022 tax levy. Additional details are included in the appendices of this memorandum.

Initiative	Amount	2022 Tax Levy Impact*
1. Painted Crosswalk in Sutton Raised as part of Dec. 2, 2021 Committee of the Whole meeting and motion subsequently received from the Town of Georgina. <i>There is currently no policy to govern how this initiative would be approached across the Region at this time.</i>	\$45,000 in 2022 only	0.004%
2. Year-Round 24/7 Operations of Inn from the Cold and Year-Round Overnight Only Out of the Cold Seasonal Shelters Raised as part of Dec. 2, 2021 Committee of the Whole meeting. <i>Homelessness Community Programs staff recommend an analysis of the system needs post COVID-19 be undertaken, including discussions with the service providers to determine the</i>	\$983,093 – Inn from the Cold in 2022 and ongoing	0.08% - Inn from the Cold

Initiative	Amount	2022 Tax Levy Impact*
<i>willingness and capacity to extend to year-round operations. A report with additional details could be brought forward in Q2 2022 before proceeding with the initiative.</i>	\$533,300 – Out of the Cold in 2022 and ongoing	0.04% - Out of the Cold
<p>3. Financial Support for York Region Arts Council</p> <p>Deputation at Dec. 9, 2021 Committee of the Whole meeting.</p> <p><i>The Region provided \$125K to YRAC in 2021 to manage COVID-19 impacts. A review is planned in 2022 on the Region's role in tourism delivery support. The current funding request could be considered as part of this review.</i></p>	Up to \$250,000 in 2022 only	0.02%
<p>4. Additional York Regional Police Staffing</p> <p>Raised as part of Dec. 9, 2021 Committee of the Whole meeting</p> <p><i>YRP is not recommending the proposal at this time. Through the budget process, the Police Services Board determined that staffing proposals were sufficient to provide adequate and effective police services in 2022.</i></p>	\$200,000 in 2022, approximately \$1.1 million annually thereafter	0.02%

* For any initiative approved, the amount in the last column would be added to the 2.96% tax levy increase proposed in the 2022 budget.



Jason Li, CPA, CA
Acting Commissioner of Finance and Regional Treasurer



Bruce Macgregor
Chief Administrative Officer

Edocs # 13547307

Appendix 1: Painted Crosswalk

Initiative

- Painting a crosswalk in Sutton in support of the Every Child Matters initiative

Description/Background

- The Town of Georgina recently passed a motion to request \$25,000 in funding from York Region to introduce a new painted crosswalk on a Regional road at the intersection of Black River Rd. and Dalton Rd. in Sutton to honour and raise awareness for the Every Child Matters initiative.

Financial Impacts

- Initial funding of approximately \$45,000 to remove current crosswalk and install new crosswalk, with potential future ongoing costs for maintenance; 2022 tax levy impact of 0.004%.

Key considerations

- Any crosswalk should ensure the existing outside white crosswalk lines are clear and unobstructed.
- Enhanced crosswalk graphics perform best on new, fresh asphalt. Older asphalt surfaces do not adhere as well and could deteriorate quicker.
- There is currently no policy to govern how this initiative would be approached across the Region at this time.
- There may be an opportunity to fund future opportunities through existing partnerships with local municipalities such as streetscaping.

Appendix 2: Year-Round 24/7 Operations of Inn from the Cold and Year-Round Overnight Only Out of the Cold Seasonal Shelters

Initiative

- Providing funding to extend the operations of seasonal shelters from a five-month to year-round model

Description/Background

- York Region funds Inn from the Cold's seasonal shelter and drop-in program (Newmarket) and Mosaic Interfaith Out of the Cold's seasonal shelter program (rotating faith-based locations)
- Between November and April, seasonal shelters provide people experiencing homelessness with overnight accommodation, meals and access to case management and other supports
 - Before the COVID-19 pandemic, Inn from the Cold served up to 36 individuals per night and Out of the Cold served up to 50 individuals per night. Both services and capacity have been modified to align with infection prevention and control measures with 25 being the maximum number of people that can be accommodated per night at the Inn from the Cold and 20 at the Out of the Cold
- The seasonal shelter programs are an important service provider in the emergency housing system, especially as capacities in the system have been decreased to meet Public Health physical distancing requirements due to COVID-19
- Seasonal shelters have commenced operations for the 2021-2022 season

Financial Impacts

- The 2022 proposed operating budget includes \$500,000 for the two seasonal shelter programs
- Staff estimate the post-pandemic base budget to be \$630,954 for a **five month overnight** only service (November to April), a shortfall of \$130,954
 - This shortfall will be addressed through the 2023 budget submission, with 2022 overspends covered through the provincial Social Services Relief Fund (SSRF) Phase 4 in Q1 and if needed, department underspends. SSRF Phase 4 operating funding will end on March 31, 2022
- The proposed expansion of seasonal shelter operations would result in a total annual budget of \$2,147,347, an increase to the base budget of \$1,516,393. The details are as follows:
 - \$983,093 for Inn from the Cold's seasonal shelter to **operate year-round, 24/7**. Total annual operating cost will be \$1,224,547
 - \$533,300 for Out of the Cold's seasonal shelter to **operate year-round, overnight only**. Total annual operating cost will be \$922,800
- Currently, all funding from the provincial government is fully allocated. Any additional costs would come from tax levy.
- It is not possible to manage this additional cost within the existing budget

Emergency and Transitional Housing Capacity

- The Region is making significant investments to increase emergency and transitional housing system capacity. This includes:

- Twenty-six new transitional housing units in East Gwillimbury (18) and Sutton (8), which will be substantially completed in March 2022, with occupancy to follow in early spring 2022
- A new men's emergency and transitional housing facility is scheduled to open in 2024/25 in Aurora, which will require additional operating funding
- Staff will continue to analyze both existing usage data and trends to determine what further capacity will be needed in the emergency housing system to meet ongoing needs across the Region, especially for the individuals that frequent seasonal shelter programs.

Key Considerations

- Staff have not received any requests from seasonal shelter providers for funding to extend operations from a five-month to a year-round model.
- Opening the new men's emergency and transitional housing facility proposed for 2024/25, which will add new transitional housing units to the existing service system.
- This initiative would require staff to engage with seasonal shelter providers to discuss service system needs, capacity, and willingness to extend operations to a year-round model, and further confirm operating costs.
- Staff will complete a thorough analysis of the emergency housing system to identify the impact of the additional capacity being created in 2022 as a result of the 26 new transitional housing units, and the proposed new men's emergency and transitional housing facility, to determine future service system needs.

Appendix 3: Financial Support for York Region Arts Council

Initiative

- Providing operational funding to the York Region Arts Council (YRAC) for 2022

Description/Background

- These funds are intended to cover operational expenses for the organization.
- Economic Strategy staff has advised YRAC that providing operational funding to program delivery partners is not within our mandate

Financial Impacts

- \$250,000 for 2022 only based on information included in a request for 2021 funding received December 14, 2021.
- This cost cannot be managed from within the Economic Strategy budget.
- Currently, Economic Strategy has a budget allocation of \$74,500 for tourism-related program delivery support

Key considerations

- Between 2012 and 2020, the Region paid \$647,300 to YRAC to deliver tourism promotion and industry support services
- During this same period, the Region also provided periodic contributions to support the development and launch of the [Antrepreneur program](#) (which was offered in partnership with the York Small Business Enterprise Centre) totalling approximately \$20,000, and in 2019 an additional \$20,000 for a study on “The Creative State” of York Region, which was used as input to the Economic Development Action plan that was being renewed
- The Economic Development Action Plan 2020-2023 calls for a review of tourism service delivery model as there are now multiple organizations supporting tourism, arts and culture across the Region including:
 - Central Counties Tourism – set up by the Province to serve York Region, Durham Region and the Headwaters (parts of Dufferin County, The Town of Caledon and the Town of Erin)
 - Tourism Vaughan
 - Destination Markham
- In 2021 York Region provided \$77,500 to YRAC for the delivery of tourism promotion services
- Also in 2021, one-time funding of \$125,000 was provided to YRAC to help manage operational costs given the significant impact of COVID-19 on the tourism sector in 2020 and 2021
- There are other multiple funding opportunities that exist including:
 - [Tourism and Hospitality Recovery Program](#) – until May 2022
 - [Tourism Relief Fund in Southern Ontario](#) – until March 31, 2023
 - [Hardest Hit Business Recovery Program](#) – until May 2022
 - As recently as December 14 in its Fall statement, the federal government reiterated the support for workers in Canada’s live performance industry with \$60 million in 2022-23 to establish the new Canada Performing Arts Workers Resilience Fund