



TO: GENERAL COMMITTEE

SUBJECT: HURRICANE STRAPS AND FINANCIAL ASSISTANCE TO HOMEOWNERS AFFECTED BY THE 2021 BARRIE TORNADO

WARD: ALL

PREPARED BY AND KEY CONTACT: G. MARSH, MANAGER REVENUE AND TAXATION (ACTING), EXT. 5587
C. SMITH, SENIOR MANAGER, ACCOUNTING AND REVENUE, EXT. 5128

SUBMITTED BY: C. MILLAR, DIRECTOR OF FINANCE AND TREASURER, EXT. 5130
I. PETERS, DIRECTOR OF LEGAL SERVICES, EXT. 4561

GENERAL MANAGER APPROVAL: D. MCALPINE, GENERAL MANAGER OF COMMUNITY AND CORPORATE SERVICES

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That financial assistance be provided to affected homeowners of the July 15, 2021 tornado area by:
 - a) Continuing to waive fixed water and wastewater billing charges until such time as water is being used; and
 - b) Waiving late charges on unpaid 2021 final property tax amounts until January 1, 2022.

PURPOSE & BACKGROUND

2. The purpose of this report is to provide background information, details, and analysis with respect to hurricane clip rebate programs and other financial incentives for property owners in the City who have been affected by the July 15, 2021 tornado.
3. On August 9, 2021, City Council adopted paragraph 2 of motion 21-G-201 regarding the Requirement for Hurricane Strips on New Builds as follows:

“That in order to encourage installation of approved severe wind resilience features, staff in the Finance and Legal Services Departments investigate the feasibility of introducing a Rebate Program for homeowners that did not experience damage resulting from tornado damage on July 15, 2021, and financial incentives for those whose homes were damaged, and report back to General Committee.”

4. This staff report is also seeking formal authorization to approve staff's decision to temporarily waive the fixed water and wastewater billing charges for properties in the affected area until such time as the water is being used, and to waive late penalty charges until January 1, 2022 to property owners who may have their property value reassessed by the Municipal Property Assessment Corporation (MPAC), which will affect the amount of 2021 property taxes owing since the date of the tornado.

ANALYSIS

Investigate the Feasibility of Introducing a Rebate Program to Encourage Installation of approved Severe Wind Resilience Features (Hurricane Straps):

5. Research on Hurricane Straps Rebates indicated that only Dufferin County has partnered with the Institute for Catastrophic Loss Reduction (ICLR) and offer a \$4.50 rebate for every hurricane clip that homeowners or building owners choose to install on new construction builds. Dufferin County will pay \$3.00 with the ICLR paying the remaining \$1.50. During the framing inspection, the Building Inspector will record the number of hurricane clips installed in accordance with the clip manufacturer's specifications, which will then be used to calculate the total rebate. At the time of drafting this report staff did not have details of how many straps had been subsidized in Dufferin County, or at what cost.
6. In a memo to Council dated August 9, 2021, the City's Building Department stated "Building with hurricane clips (or something similar) will make buildings stronger, but not necessarily strong enough to resist tornado induced loads. Hurricane clips deal with one weak link in the framing system, but do not create a continuous load path to resist the applied loads. Discussion on this topic needs to be comprehensive to ensure modifications made achieve the expected results. While hurricane clips (used in addition to the regular connection techniques) will make buildings stronger, to suggest their use alone will eliminate the damage seen during the recent tornado may set an unrealistic expectation of how these buildings will perform in the future".
7. As the installation of hurricane straps is not mandated by the Building Code, it is difficult to estimate the cost of such a program as it is dependent upon the uptake and number of clips required for differing building sizes and styles. A preliminary estimate using assumptions for anticipated growth and housing styles, projects a possible cost using a City rebate of \$3.00 per strap, of approximately \$300,000 per year on average. Additional resourcing would also be required as currently, Building Inspectors do not have the capacity to inspect compliance with a voluntary program. Funding for such a program would have to be funded by existing taxpayers for new construction builds.
8. Given the limitations of hurricane straps to prevent catastrophic loss and the potential cost of a hurricane strap rebate program to existing taxpayers, it is recommended that continued focus be placed on working with building officials, the building industry and the Provincial Government to make changes to the Ontario Building Code.

Financial Incentives for Homes Damaged in the Tornado:

9. Property owners impacted by tornadoes and other catastrophic weather events, are able to utilize other sources of financial relief such as homeowner's insurance, and the Province's Disaster Recovery Assistance for Ontarians (DRAO) program. The DRAO was established to help homeowners, small owner-operated businesses, farms, and not-for-profit organizations affected by natural disasters, by covering emergency expenses, repairs, or replacement of essential property. The program is application-based for those who are located in the defined

geographical area for which the program has been activated, for a specific period of time following a natural disaster. The City along with local area Members of Provincial Parliament worked with the Province to have this program activated on July 15, 2021. Application forms, as well as information on eligible costs, are available on the Province's website www.ontario.ca/page/apply-disaster-recovery-assistance

10. To assist homeowners that were impacted by the July 15, 2021 tornado, the City has provided financial relief through the waiving of \$1,000 to date in water and wastewater fixed charges, to those households who have recorded zero activity on their water meters since the date of the tornado. The building department continues to waive all building permit fees for tornado related construction.
11. City staff have also been working with homeowners and the Municipal Property Assessment Corporation (MPAC) to inspect the extent of property damage and reassess property values where warranted. MPAC will be inspecting approximately 70 properties in total. To date, 6 have been identified to reflect a reduction in property taxes due to a lowered property assessment, and were approved by Council on October 25th through the Section 357/358 Application for Reduction of Taxes listing. MPAC hopes to complete remaining inspections by the end of November.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

12. There are no environmental and/or climate change impact matters directly related to the recommendation.

ALTERNATIVES

13. The following alternatives are available for consideration by General Committee:

Alternative #1

General Committee could direct staff to implement a Hurricane Strap Rebate program.

This alternative is not recommended as the use of hurricane straps may provide owners with a false sense of security in their ability to prevent significant damage in the event of a natural disaster and could be costly to implement. Also, the existing taxpayers will be subsidizing the rebate for new home construction.

Should Council decide to proceed with a rebate program, staff will need to consult with the Building department to determine resourcing requirements, and a funding source for the program will need to be identified.

Alternative #2

General Committee could choose not to waive fixed water and wastewater billing costs and/or apply late penalty charges to residents in the affected area who are not using water or who may have their property value reassessed by MPAC which will affect the amount of 2021 property taxes owing since the date of the tornado.

This alternative is not recommended as it would result in fees charged for services not utilized and could place an undue financial burden on affected residents.

FINANCIAL

14. The financial implications of the recommendations in this report relate to waived fixed water and wastewater billing charges and waived charges on late property tax payments, both of which are expected to be less than \$5,000 in total. At the time of writing the Memo regarding the Financial Impact of the Tornado, the estimated loss to the end of the year for lost property tax and water/wastewater revenue was \$21,000. Excluding building permit fees, the total amount of loss for these revenue streams is estimated to be approximately \$45,000 as the homes that were destroyed are anticipated to be rebuilt by Q3 2022.

LINKAGE TO 2018-2022 STRATEGIC PLAN

15. The recommendations included in this Staff Report support the following goals identified in the 2018-2022 Strategic Plan:
 - a) Offering Innovative and Citizen Driven Services
 - Achieve customer service excellence through the offering of financial and other assistance to those impacted by the July 15, 2021 tornado.