

Utility Rate Increases for Multi-Unit Residential in West Elgin

(Water / Sewer)

November 12, 2020 Council Meeting Notes

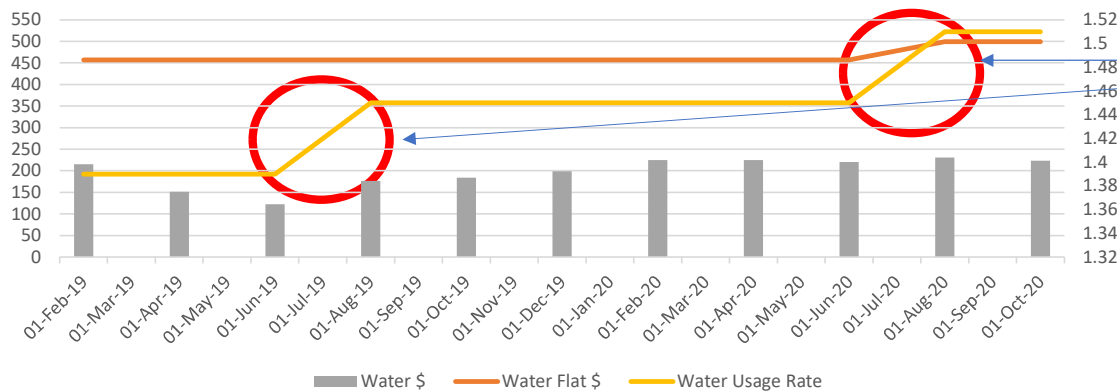
Who are We?

- small business owners and residents of West Elgin
- own 1 multi unit residential property in Rodney (221 Jane Street)
- own 2 commercial / residential properties in West Lorne (237/239 Graham Road)
- provide economical housing options for seniors, small families, as well as those on subsidized living programs
- over the past 2 years invested considerable \$ in upgrades
 - 221 Jane Street – new roof, new patio doors, complete interior renovations on some units, installation of high efficiency appliances ongoing
 - 237/239 Graham Road – complete renovation of two commercial units which are now occupied and have begun the transformation / beautification for other commercial businesses / storefronts in town centre
 - 237/239 Graham Road – completion of 5 residential upper units prior to year end
 - Utilize local businesses and trades to complete work
 - Planning for future projects within West Elgin

Why Are We Here?

- Substantial increases in water / sewer charges over the past 2 years

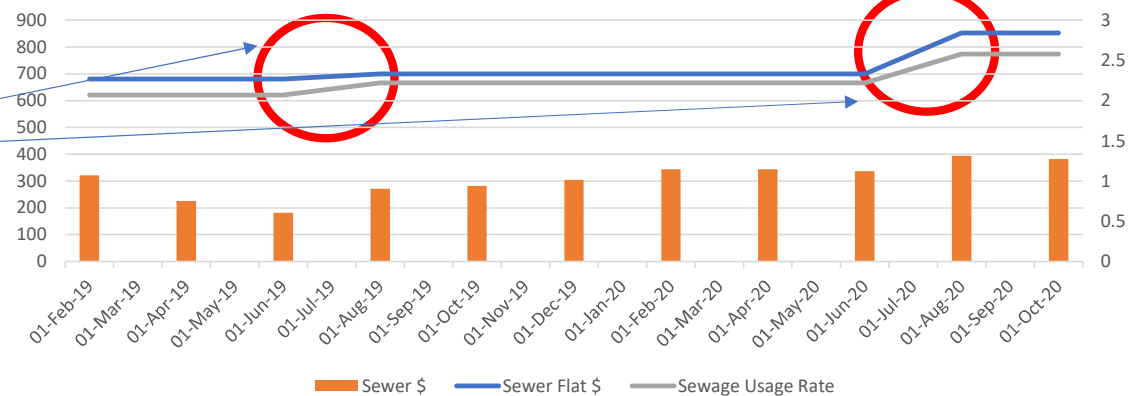
Utility Charges - Water 2019/2020



- 2 increases in water usage rates over 2 years (2019= $\sim 4.5\%$ /2020= $\sim 4.4\%$)
- 1 increase in water flat rate = $\sim 9\%$

- 2 increases in sewer usage rates over 2 years (2019= $\sim 7.5\%$ /2020= $\sim 22\%$)
- 2 increase in sewer flat rate (2019= $\sim 2.6\%$ /2020= $\sim 16\%$)

Utility Charges - Sewer 2019/2020



Why Are We Here?

- Increases are being solely absorbed by building owners
 - (~4%-22% over 2 years)
- Rental rate increases are capped per year
 - (2.2% for 2019/2.2% for 2020)
- Legislation passed for rent freeze for 2021
- Substantial property tax increase already absorbed by owners
 - (~3.29% for Rodney)
- Our tenants rent ranges from \$613/month - \$850/month)
- We have the support of other owners in West Lorne / Rodney

Our Request

- Notification of potential increases for future years for budgeting purposes
- Request for rebate equal to increases for both flat rate and usage rate for 2019 and 2020/2021 due to:
 - difficulty for owners to absorb increases / limited ability to recover increases
 - impact of coronavirus on tenant's ability to pay rent / absorb increases
 - inability for owners to pass increases on to tenants (even partially)
- Request for reconsideration of increases – can it be delayed or more gradual for future years (post 2021)

Next Steps...?

- Council decision
- Further discussions
- Participation in planning