CITY OF HAMILTON
MOTION

General Issues Committee (Budget): February 6, 2026

MOVED BY COUNCILLOR C. KROETSCH……..

SECONDED BY COUNCILLOR N. NANN…….

Extension of Non-Residential Blue Box Collection

WHEREAS, the Province of Ontario's new Blue Box Regulation (O. Reg. 391/21) establishes updated eligibility criteria for properties receiving blue box collection services;

WHEREAS, under the transition to the new producer responsibility Blue Box Program, certain property types such as industrial, commercial, institutional, are considered non-eligible and do not qualify for coordinated blue box collection under Blue Box Regulation (O. Reg. 391/21);

WHEREAS, the Province's decision to deem certain property types as non-eligible has meant the costs of collecting commercial recycling are being downloaded directly to business owners at a time when many are struggling financially and cannot take on additional costs, especially not without adequate notice and a robust transition program;

WHEREAS, through Report PW25046, City Council approved the continued collection of blue box materials from noneligible properties as defined under Blue Box Regulation (O. Reg. 391/21) for the period of January 1, 2026, to March 31, 2026, with the program funded through Waste Management Reserve #112270 at an estimated cost of $706,000;

WHEREAS, through Report PW25046 City Council approved that the annual funding requirement for 2026 for the continued collection of blue box materials from non-eligible properties as defined under Blue Box Regulation (O. Reg. 391/21), in the amount of $2,824,000, be considered as part of the 2026 Tax Budget and aligned with the City's current waste collection contract, which remains in effect until March 31, 2029;

WHEREAS, the continuation of blue box collection services for noneligible properties for the time period of April 1 to December 31, 2026, was identified and submitted by staff as a budget mitigation item for Council's consideration totalling $2,118,000;

WHEREAS, adding this cost to the tax levy would see an increase of 0.17%, which would raise the current average residential tax impact from 4.25% to 4.42%;

WHEREAS, using the Tax Stabilization Reserve to allow for a transition through 2026 would not directly impact the tax levy;

WHEREAS, By-law No. 20-221, Provide for and Regulate a Waste Management System for the City of Hamilton establishes the procedures, responsibilities, and standards for residents, businesses, and institutions to participate in approved waste management programs;

WHEREAS, when the Province made the decision to deem certain property types ineligible it forbid the mingling of commercial and residential recycling;

WHEREAS, the impact of not being able to collect both commercial and residential recycling together in the same collection vehicle drove the cost to collect commercial recycling up by nearly six times, from approximately $473k to $2.824m;

WHEREAS, City staff continue to work with other municipalities and industry associations to advocate for changes to the regulation as it relates to non-eligible sources;

WHEREAS, the approximately 2,500 commercial properties that depend on this service will not have adequate time to procure private collection or work together in groups to secure more favourable pricing as this will be an additional unanticipated cost into the future; and

WHEREAS, providing these commercial properties additional time through the remainder of this year to work with City staff, others in the business community, and private recycling providers is a fiscally responsible way to address the impacts of the Province's decision to increase the costs of this service.

THEREFORE, BE IT RESOLVED:

(a) That the Proposed 2026 Tax Supported Budget **BE AMENDED** as follows:

(i) That blue box collection services provided by the City of Hamilton for non-eligible properties currently receiving this service **BE CONTINUED** starting April 1, 2026, until December 31, 2026, at an estimated cost of $2,118,000;

(ii) That funding to continue blue box collections services as outlined in (a) come from the Tax Stabilization Reserve (110046) and that the 2026-2027 Reserve Financing Strategy, Appendix E to Report FSC26001, **BE AMENDED** to reflect this change; and

(iii) That staff **BE DIRECTED** to develop a robust plan, including appropriate tools and supports, to assist non-eligible properties to successfully transition to private blue box collection services beginning January 1, 2027.