



THE REGIONAL MUNICIPALITY OF NIAGARA  
BUDGET REVIEW COMMITTEE OF THE WHOLE  
AGENDA

BRCOTW 3-2025

Thursday, July 3, 2025

4:30 p.m.

Council Chamber - In Person and Electronic Meeting

Niagara Region Headquarters, Campbell West

1815 Sir Isaac Brock Way, Thorold, ON

To view live stream meeting proceedings visit: [niagararegion.ca/government/council](http://niagararegion.ca/government/council)

	Pages
1. <u>CALL TO ORDER</u>	
2. <u>LAND ACKNOWLEDGEMENT STATEMENT</u>	
3. <u>DISCLOSURES OF PECUNIARY INTEREST</u>	
4. <u>PRESENTATIONS</u>	
4.1 <u>Budget Review Committee of the Whole Infrastructure Presentation</u> Nicole Wolfe, Director, Construction, Energy & Facilities Management, Pious Maposa, Director, Asset Management, Frank Tassone, Director, Transportation Services, and Jim Dimanis, Manager, Housing Operations	3 - 57
5. <u>ITEMS FOR CONSIDERATION</u> None.	
6. <u>CONSENT ITEMS FOR INFORMATION</u>	
6.1 <u>BRC-C 2-2025</u> 2026 Budget Update - Niagara Transit	58
7. <u>OTHER BUSINESS</u>	
8. <u>NEXT MEETING</u> The next meeting will be held on Thursday, August 14, 2025, at 6:30 p.m. in the Council Chamber, Regional Headquarters.	

## 9. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or [accessibility@niagararegion.ca](mailto:accessibility@niagararegion.ca) (email).

# Infrastructure Presentation

Budget Review Committee of the Whole  
July 3, 2025

Nicole Wolfe, Director, Construction, Energy & Facilities Management

Pious Maposa, Director, Asset Management

Frank Tassone, Director, Transportation Services

Jim Dimanis, Manager of Housing Operations

# BRCOTW Infrastructure Presentation

Thursday, July 3, 2025

# Meeting Agenda

- Introduction
- **Departmental** Infrastructure
  - Construction, Energy and Facilities Management
  - Niagara Regional Housing
  - Transportation Services
- **Total** Infrastructure Overview
  - Asset Management
- Summary and Key Takeaways
- Questions

# Meeting Objectives

**To develop an understanding of the following:**

1. Available capital funding versus capital funding required for key infrastructure
2. What capital funding needs are required for infrastructure and how that impacts the estimated 2026 budget
3. Key department budget known pressures
4. Key department efficiencies and continuous improvement plans
5. Additional capital budget considerations

# Construction, Energy and Facilities Management

Nicole Wolfe, Director, Construction Energy & Facilities Management



# Mandate

Supporting programs and services offered across the Region, **Construction Energy and Facilities Management** builds, operates, maintains and secures the Region’s building portfolio in a sustainable and cost-effective manner.





# Service Overview

**Operate and Manage 84 Facilities  
(Owned + Leased)**

Construction and Energy Management  
support over 2.1 M sq ft

- Headquarters
- Courts
- Environmental Centre
- VIA / Metrolinx Stations
- Transportation Yards
- Public Health Clinics
- EMS
- Childrens Services
- SAEO
- NTC
- NRPS
- Seniors (Limited)



**Over 1.4 M sq ft**



**48% (sf) operate 24/7**

# Service Delivery Model



# Service Levels and Trends



Key trends that we have seen throughout 2025 in Construction, Energy and Facilities Management.



**Cost of State of Good Repair / New Construction**

Construction Cost Index increased by 55.9% over the past 10 years (22% more than CPI)\*

\*Per Normac 2025 Canadian Construction Cost Trends



**Rise in Cost of Energy + Lowering of Money Spent**

Moneys spent on utilities is trending down due to Energy Management projects



**Cost of Operating the Building Portfolio**

CBRE Facilities Management Cost Index is up by 52.3% over the past 10 years \*\*

\*\*Per CBRE Canada – FM Cost Outlook



**Need for Security**

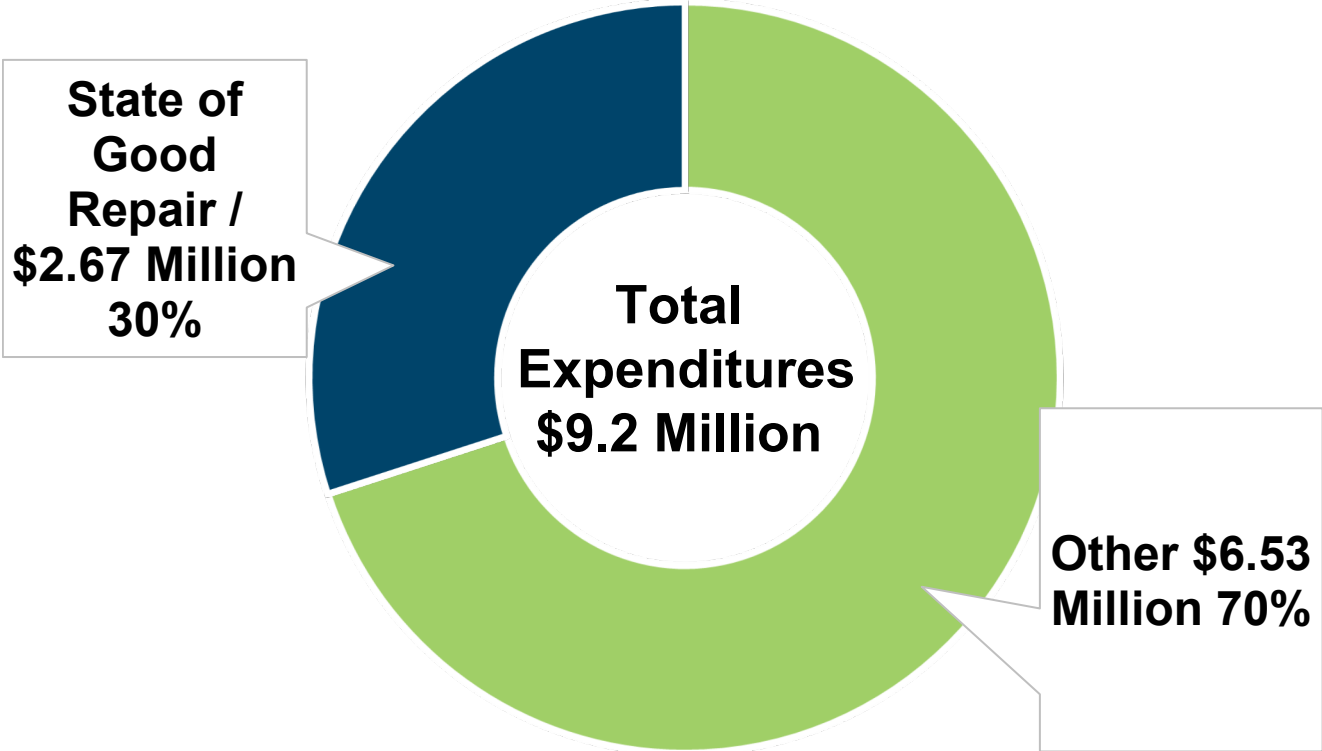
Increased number of security incidents across public sector and risk of cyber-attacks



# 2025 Approved Capital Budget

## Key Highlights:

- EMS Virgil Station - Land and Building Design: \$4.53M
- Adult Day Grimsby – Leasehold: \$0.5 M
- Building Utilization: \$1.5M
- State of Good Repair: \$2.67M
  - Accessibility and Legislative Compliance
  - Mechanical systems
  - Elevator Replacement



Capital Reserves	DC's	External Funding
\$9.52M	\$0M	\$0M

# 2026 Key Focuses

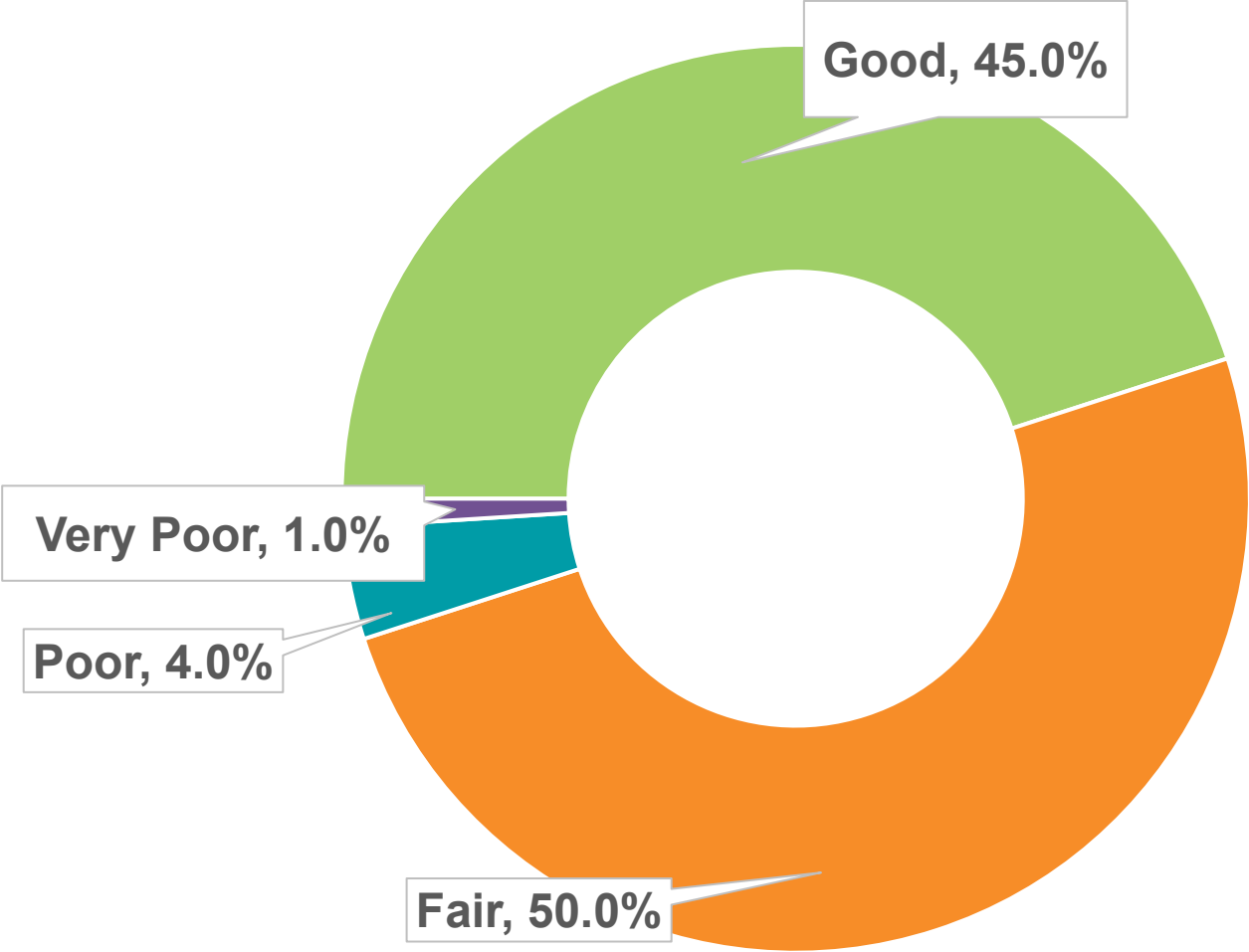
These are the key focuses for Construction, Energy and Facilities Management throughout 2026 that work together with Niagara Region's four key priorities and focus on services.

Key Priority: Housing	Key Priority: Homelessness	Key Priority: Infrastructure	Key Priority: Advocacy for Funding	Services and Service Levels
<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Sale of property through Building Utilization Plan and demolition of 68 Church Street - funding for new housing</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• NA</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Accessible and resilient facilities</li><li>• Building Utilization Plan</li><li>• Preventative Maintenance and State of Good Repair programs</li><li>• Exploring alternate service delivery methods</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Shovel ready projects</li><li>• Grants for Energy / Climate Change projects</li><li>• Funding for Accessibility projects (+20 M)</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Shared / Combined contracts</li><li>• Security program</li><li>• Accessible Facilities</li><li>• Continuing to explore colocation / land swap with LAMS</li></ul>

# Building Portfolio: Asset Condition

**Construction, Energy and Facilities Management building portfolio is in Good to Fair Condition because of the following initiatives:**

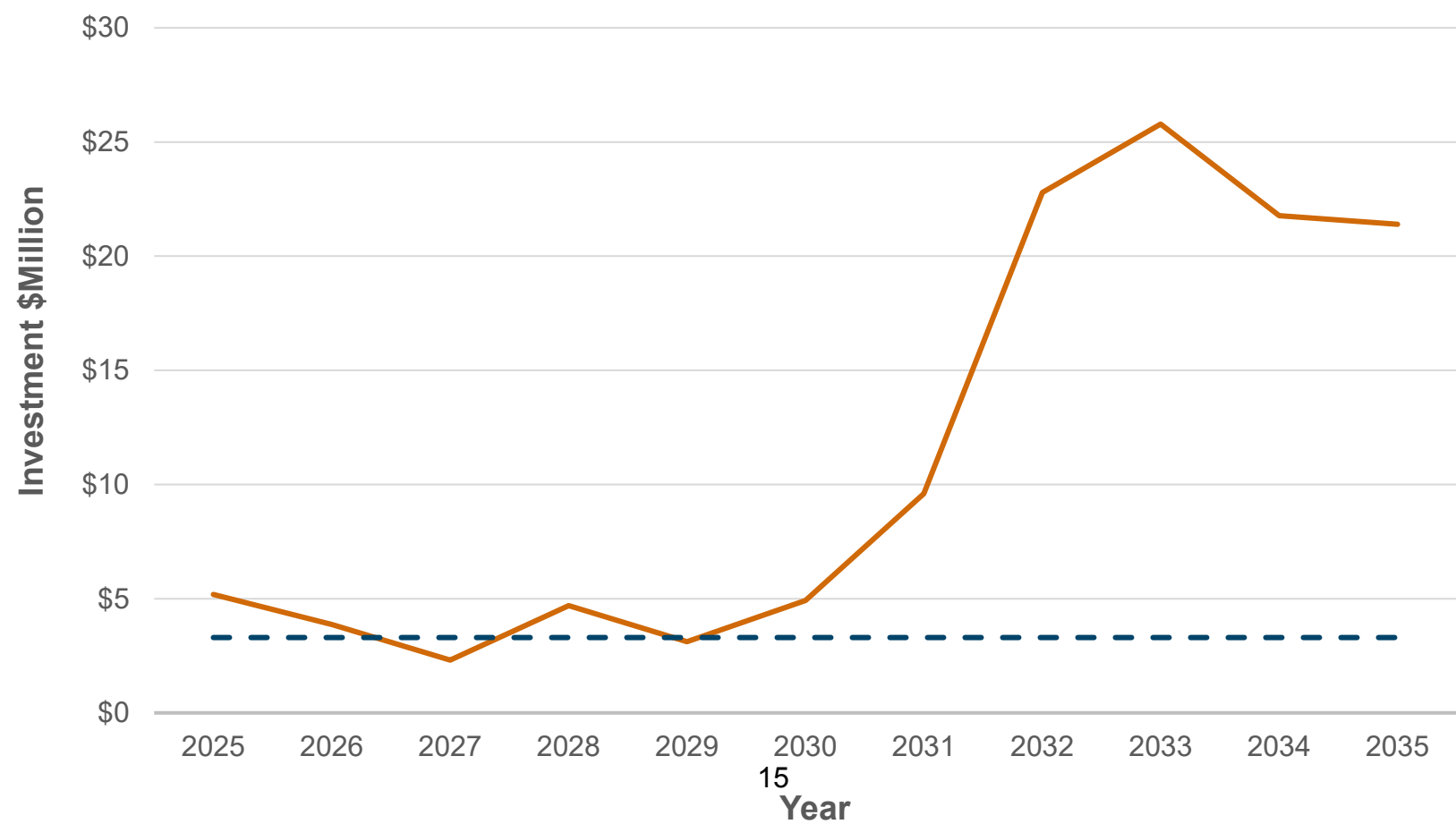
- Effective preventative maintenance program
- Capital Planning process
- Strategic intervention with repairs rather than full replacement (extending life of assets)





# Asset Condition Forecast

Within the next five years, there will be a sharp rise in the number of assets reaching end of life.

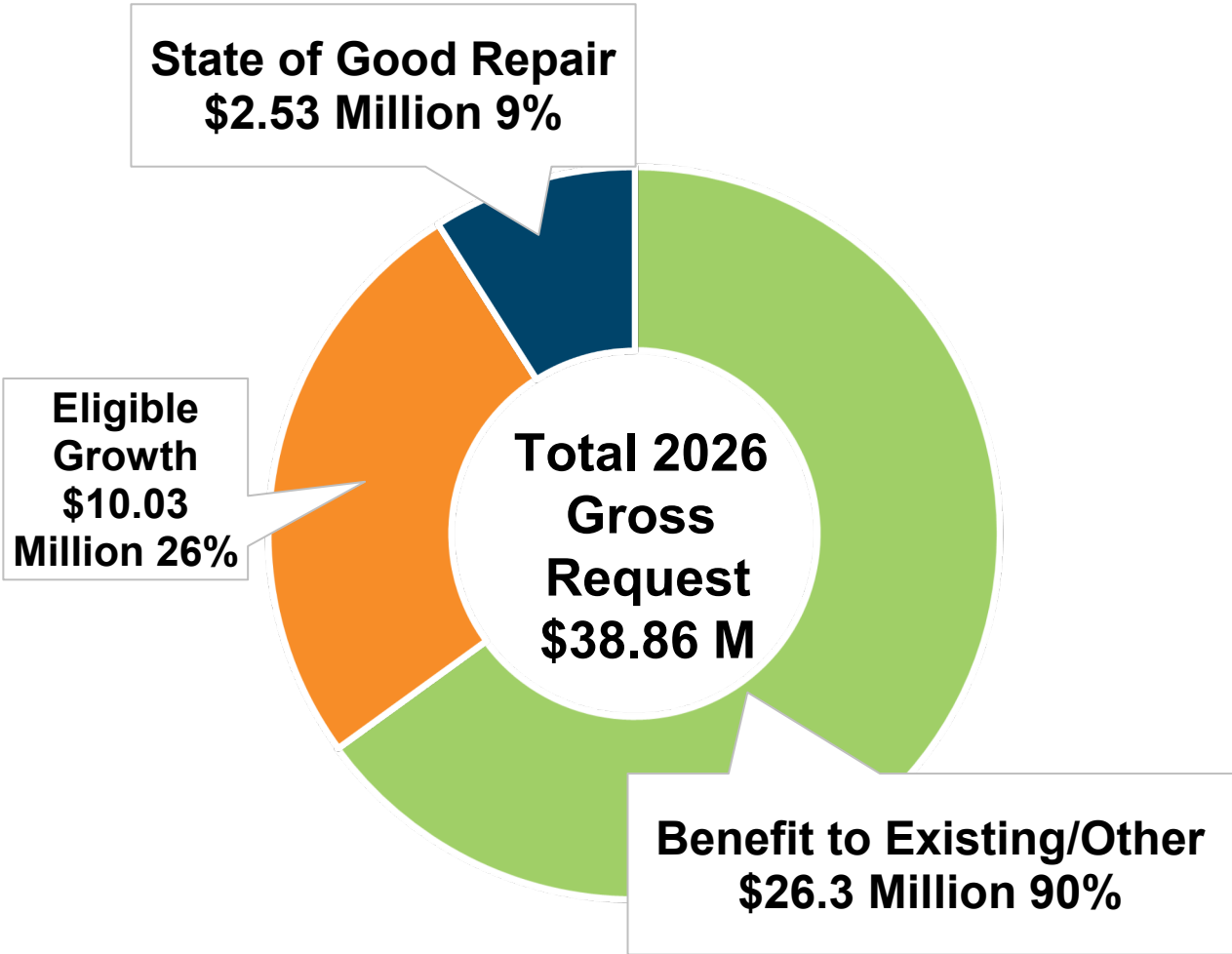




# 2026 Capital Budget Considerations

## Key Priorities / Highlights

- EMS Posts – Maintain service levels
- Building Utilization Plan
- State of Good Repair
  - Roof replacement
  - Structural repair
  - Electrical repair
  - Health and Safety
  - Accessibility
  - Building Code Compliance



# Overview of Known Pressures

Below are a few examples of the **external factors** impacting Construction, Energy and Facilities Management.

Over the past 10 years - Construction up 55.9% / Operations up 52.3%

Market Uncertainty / Volatility / Tariffs	Sector Wide Labour Shortage	Climate Change / Natural Disasters	Legislative Requirements
--	-----------------------------------	---	-----------------------------

Increased pressure on Construction, Energy and Facilities Management Service Levels

Vendor Service Levels	Aging Labour Pool	Population Increase / Aging Population	Link between Facility Security and Cyber Security
--------------------------	----------------------	---	--

## Mitigation:

- Consolidate building portfolio
- Embed resiliency and accessibility into our buildings
- Strategic Repairs vs asset replacement
- Shared services / contracts
- Succession Planning
- Harden our building portfolio against security threats



# Department Efficiencies

Below are examples of efficiencies for Construction, Energy and Facilities Management to reduce costs and reallocate funding.



## Building Utilization Plan:

- Co-locate services
- Promote Shared Use
- Savings on Lease and Operating Costs
- Sell / divest properties



## Modernization / Efficiency

- Improved CMMS
- Harmonized security technology
- Retro commissioning + advanced building controls
- Exploring opportunities with AI
- Leveraging Power BI



## Shared Services / Partnerships

- Shared services / contracts
- Corporate Security Office
- Leveraging memberships with municipal / industry groups
- Co-location / land swap opportunities

# Recap

## Construction, Energy and Facilities Management supports programs and services across the Region

- Operating costs recovered through indirect allocations
  - 79% of our operating budget supports mandatory programs and services
  - Asset condition will start declining sharply in 2030
  - Costs continue to rise while need for Regional services are increasing
- Right size the Region's building portfolio
  - Extend life cycle of assets
  - Reduce energy costs
  - Pursue shared services / contracts
  - Explore alternate service delivery



# Jim Dimanis

Niagara Regional Housing



# Mandate

Niagara Regional Housing is mandated to provide and advocate for quality, affordable housing across the Niagara Region



# Service Overview

Niagara Regional Housing (NRH) and its Board of Directors provide **governance, oversight and financial management** for **owned units** and **support future development** in Niagara

**NRH owns and operates 3,051 units**

- High Rise - 9
- Detached - 90
- Semi-Detached - 237
- Low-Rise - 22
- Rowhouse - 650
- Townhouse - 27
- Shelter/Bridge/
- Supportive Housing - 5

**94% of tenants pay Rent-Geared-to-Income (RGI; 30% of their income)**



**senior units**  
**1,617**

**family units**  
**968**

**buildings**  
**1,039**

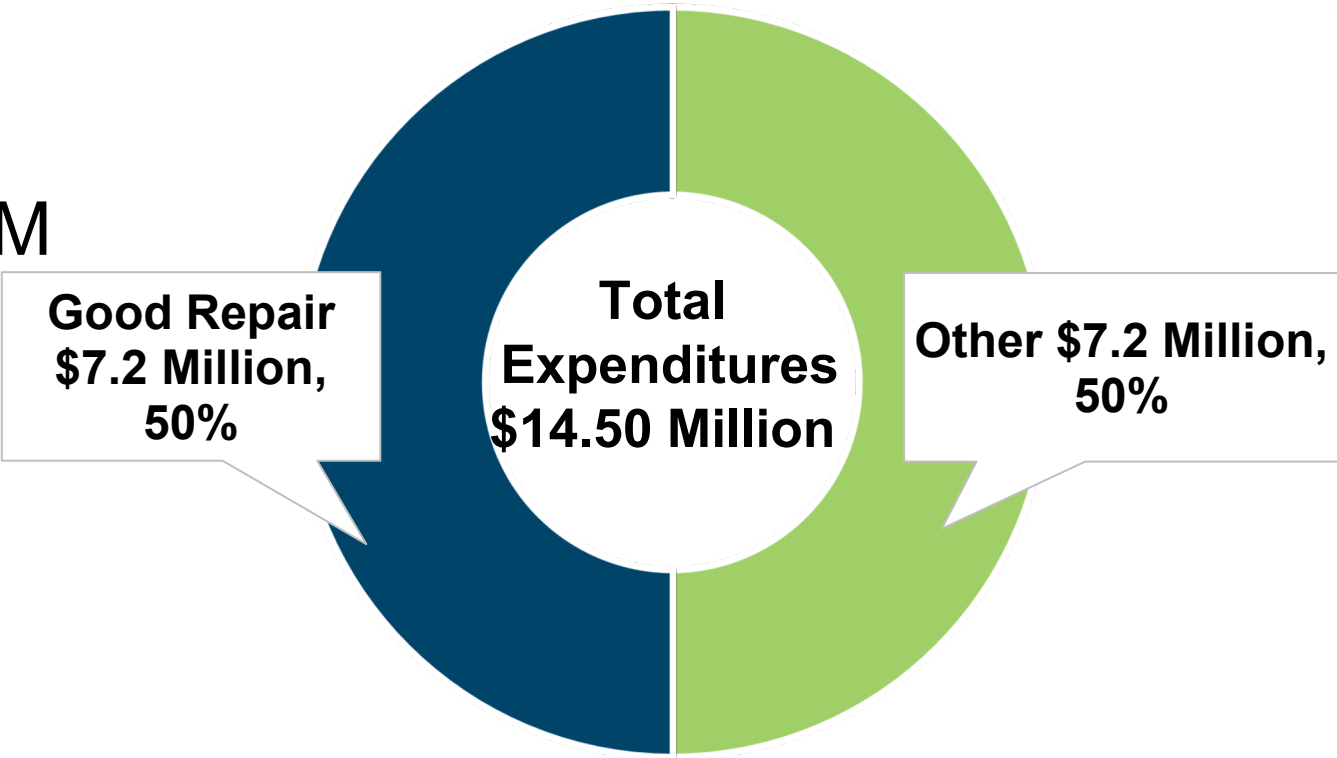




# 2025 Approved Capital Budget

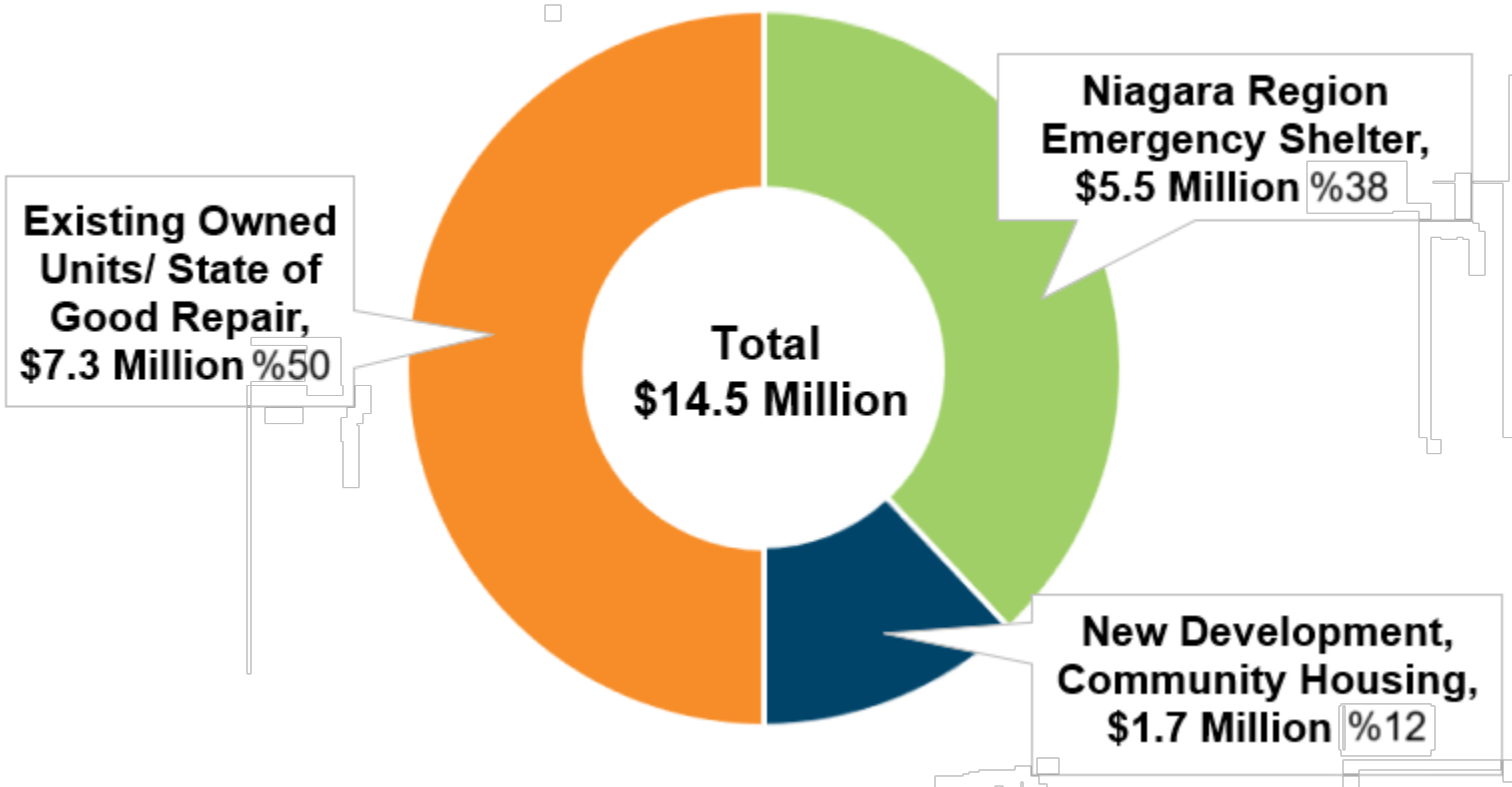
## Key Highlights:

- Annual Building Capital: \$2.54M
- Annual Unit Capital: \$1.98M
- Geneva Street Phase 2 Site Planning: \$1.5M
- St. Catharines Permanent Shelter: \$5.5M



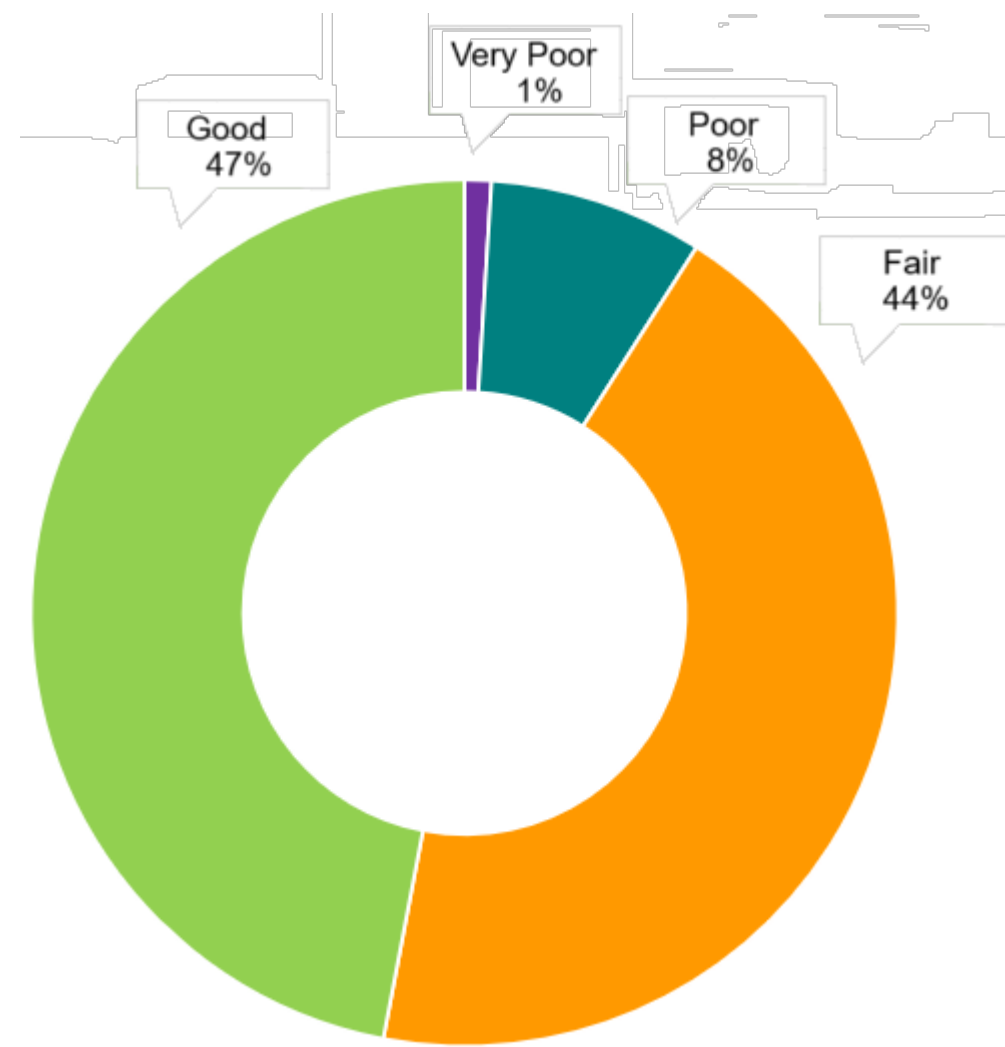
Capital Reserves	DC's	External Funding
\$12.31M	\$0M	\$2.19M

# 2025 Approved Capital Budget



# Asset Condition – NRH Owned Units

- Building Condition Assessments on owned units in 2023
- Leveraged \$16.4 million CMHC funding for capital repair work that reduced backlog by 80%
- On-going funding limitations, backlog continues to grow due to aging infrastructure



# 2026 Key Focuses

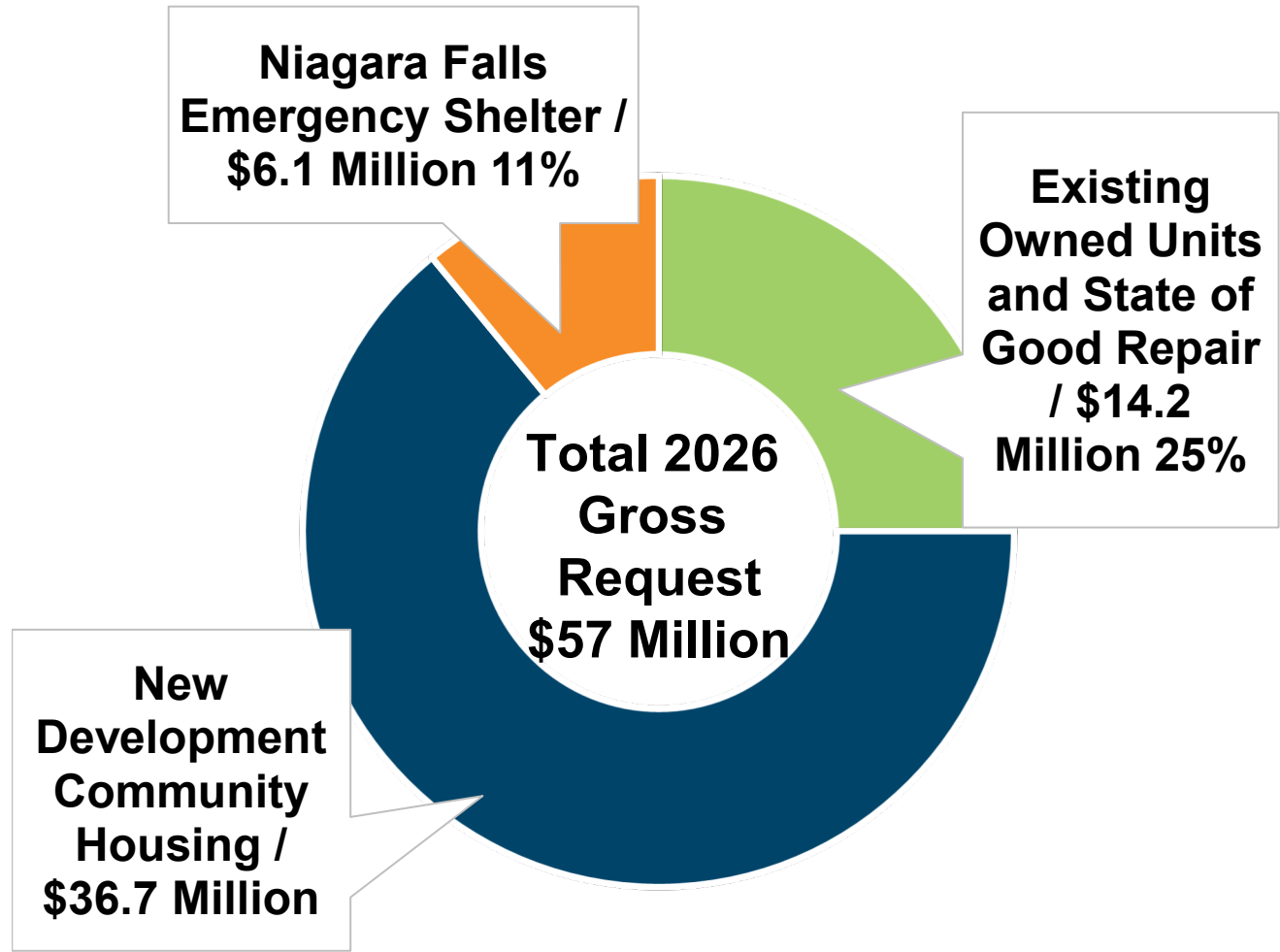
These are the key focuses for Niagara Regional Housing throughout 2026 that work together with Niagara Region's four key priorities and focus on services.

Key Priority: Housing	Key Priority: Homelessness	Key Priority: Infrastructure	Key Priority: Advocacy for Funding	Services and Service Levels
<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Maintain owned units in state of good repair</li><li>• Move forward with Consolidated Housing Master Plan</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Use NRH in-house expertise to work with Homelessness for the creation of new shelters and supportive housing</li><li>• Use internal resources to maintain shelter and supportive housing assets</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• On-going capital plan and preventative maintenance to ensure that units remain viable, making health and safety a priority</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Advocate for capital repairs and new development funding to upper levels of government</li></ul>	<b>Department Key Focus</b> <ul style="list-style-type: none"><li>• Maximizing efficiencies using Building Condition Assessments, vendor master specifications</li><li>• TRVA (Threat Risk Vulnerability Assessments)</li></ul>

# 2026 Capital Budget Considerations

## Key Priorities

- Maintaining Owned Units in a state of good repair - \$14.2M
- New development – Geneva Street Phase 2 - \$36.5M
  - + \$200K new development planning
- Niagara Falls Permanent Shelter - \$6.1M



# Overview of Known Pressures

Here are examples of the known pressures in Niagara Regional Housing.



## Growing Need for Affordable Housing

- Lack of affordable housing
- Increasing waitlist
- Increase in need for new development



## Maintaining Housing Stock

- Operating and capital budgets related to occupancy and infrastructure, maintaining aging housing stock



## Complexities for Staff

- Site security concerns
- Vulnerable individuals
- Landlord and Tenant Board



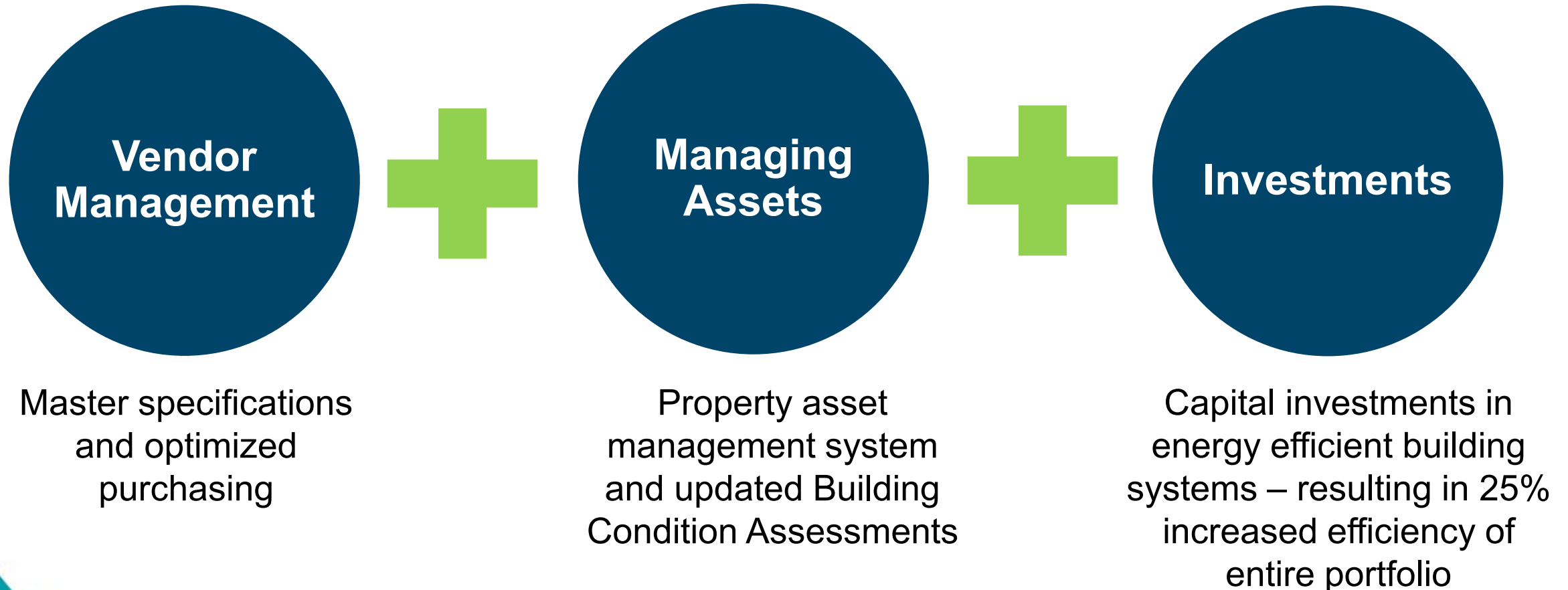
## Cost Increases

- Inflationary pressures
- Increasing energy costs

**Number of households on the waiting list:**  
31 December 2024 - 12,153  
31 May 2025 - 13,042

# Department Efficiencies

Here are examples of efficiencies for Niagara Regional Housing to reduce costs and reallocate funding.





# Recap

## NRH provides affordable community housing across Niagara

- NRH operates 3,051 community housing units across the Region
  - Aging infrastructure with increasing capital needs to maintain in a good state of repair and mitigate operating costs
  - Focus on energy efficiency, safety and accessibility for tenants
- Increasing waitlist for affordable housing – currently over 13,000 households
  - Focus on new development of community housing units and intensification of current properties
  - In alignment with Consolidated Housing Master Plan Implementation



# Transportation Services

Frank Tassone, Director, Transportation Services



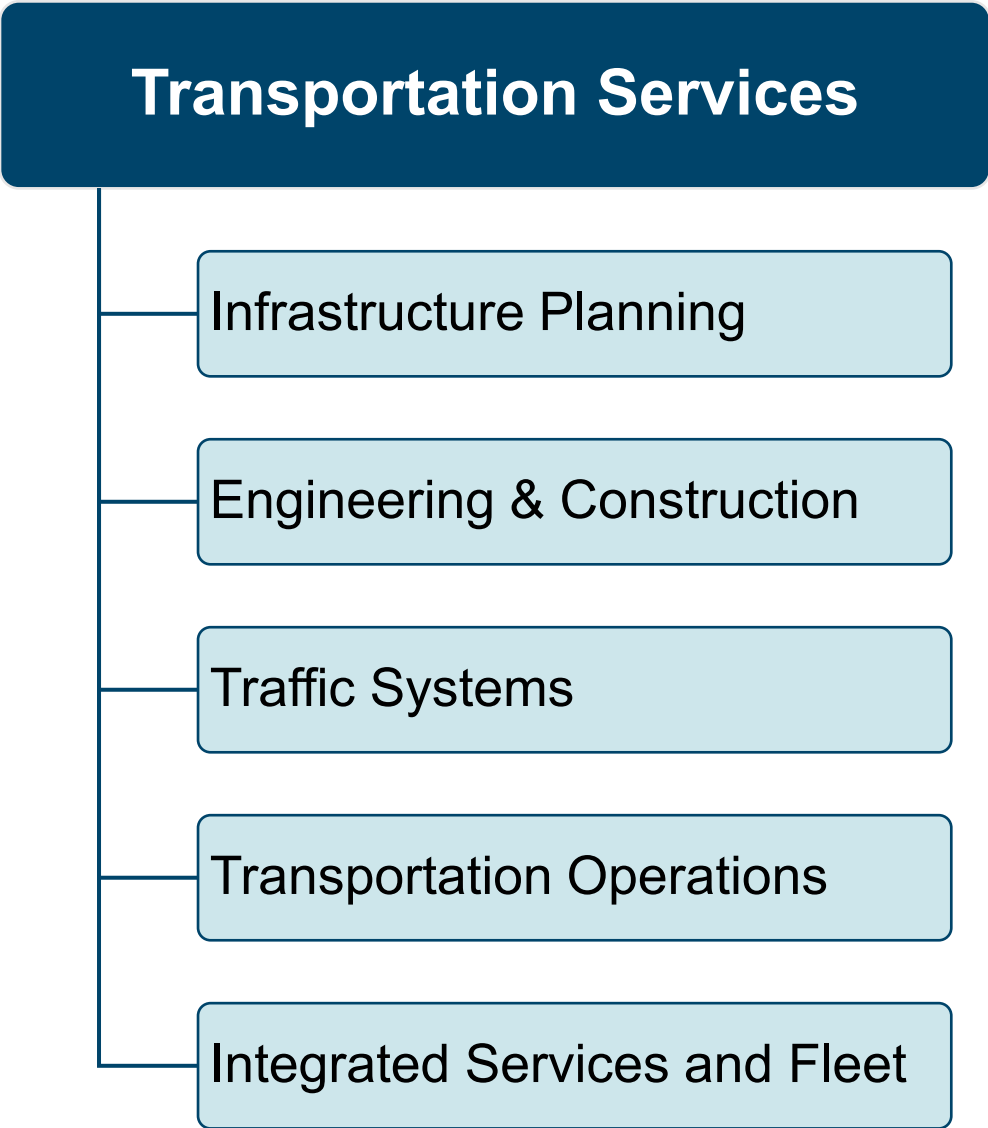
# Mandate

- The mandate of Transportation Services is to construct, operate, and maintain a multi-modal transportation system that ensures safe, reliable, and efficient transportation and goods movement for the residents and visitors of Niagara Region. Additionally, Transportation oversees Niagara’s corporate fleet.



# Services Overview

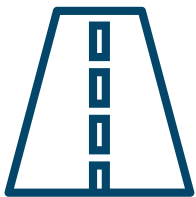
We achieve our levels of service through these key areas:





# Key Services Overview

Metrics that showcase core Transportation Services



**1,750**  
Lane km's



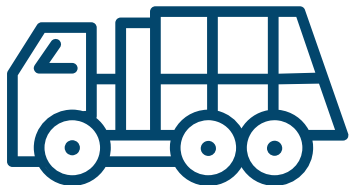
**219**  
Structures  
and Major  
Culverts



**483**  
Signals  
Maintained



**257**  
Storm Sewer  
km's



**364**  
Fleet Vehicles

**Annual Capital: \$30 million**  
**Annual Operating: \$30 million**

# Current Trends

Here are trends that we have seen throughout 2025 in Transportation Services.

1

**Declining Asset  
Condition**

2

**Increasing Cost  
of Construction  
(Inflation)**

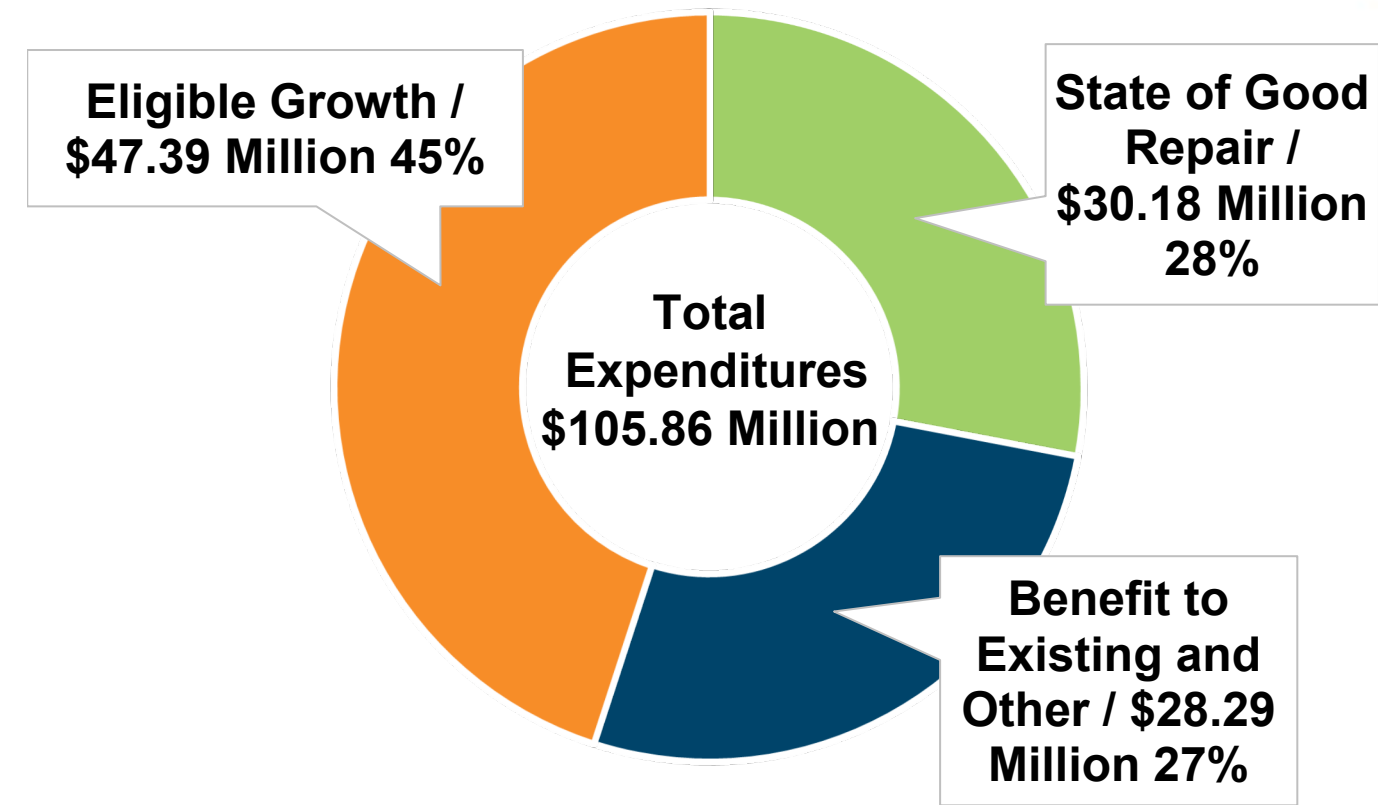
3

**Environmental  
Compliance  
(Soils and Storm  
Compliance)**

# 2025 Approved Capital Budget

## Key Highlights:

- Capacity Improvement- RR98 Montrose Rd from Lyon's Creek to Chippawa Creek Rd Etc.: \$29.1M
- Roads Resurfacing: \$13.0M
- Structural Rehab - JR Stork Bridge - Bridge Rehab Str. 038205: \$10.5M

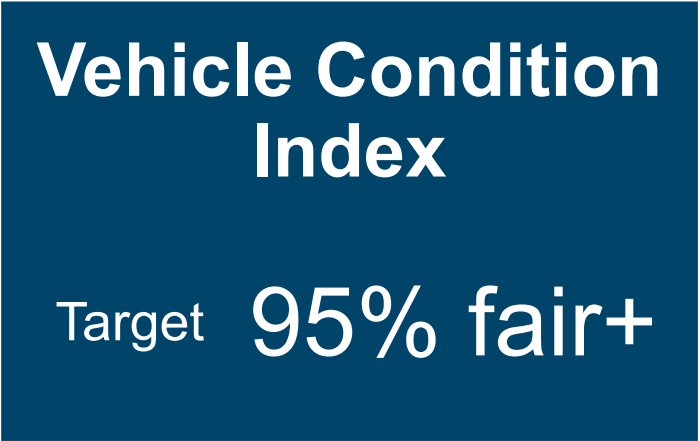


Capital Reserves	DC's	External Funding
\$37.31M	\$47.39M	\$21.16M





# Service Levels



# 2026 Key Focuses

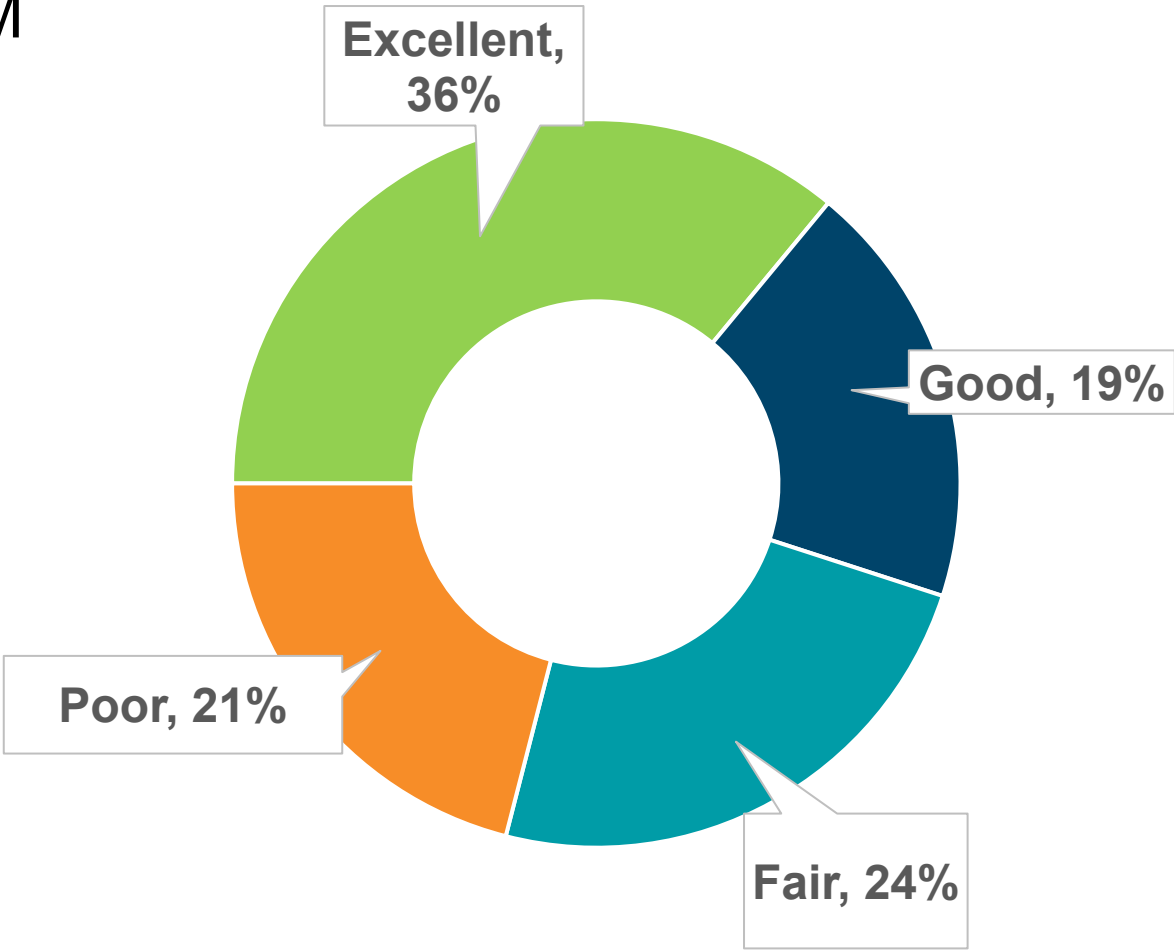
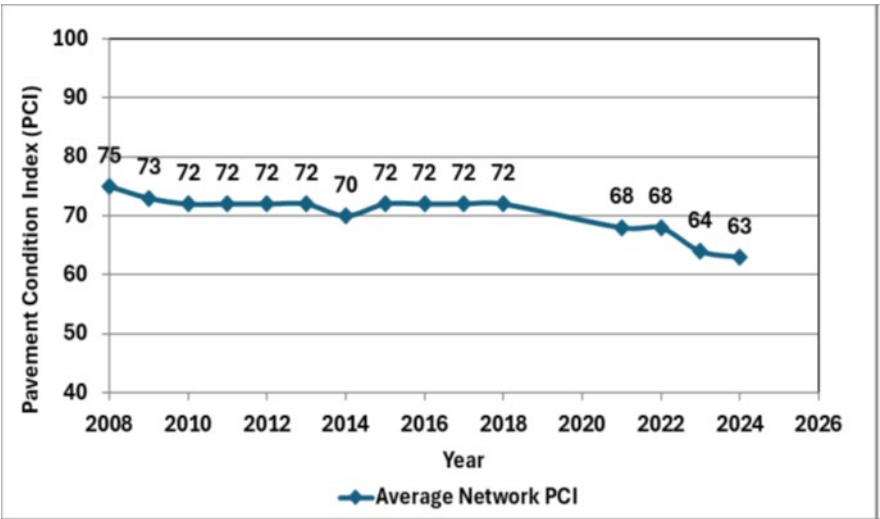
These are the key focuses for Transportation Services throughout 2026 that work together with Niagara Region's four key priorities and focus on services.

Key Priority: Housing	Key Priority: Homelessness	Key Priority: Infrastructure	Key Priority: Advocacy for Funding	Services and Service Levels
<b>Department Focus</b> <ul style="list-style-type: none"><li>N/A</li></ul>	<b>Department Focus</b> <ul style="list-style-type: none"><li>Encampment response and cleanup within road allowance.</li></ul>	<b>Department Focus</b> <ul style="list-style-type: none"><li>Renewal of existing infrastructure</li><li>Improved condition assessment</li><li>Capital growth requirements</li></ul>	<b>Department Focus</b> <ul style="list-style-type: none"><li>Capital Renewal Projects</li><li>Strategic Projects (i.e. Niagara Escarpment Crossing)</li><li>Innovative Technology</li><li>Fostering Growth</li></ul>	<b>Department Focus</b> <ul style="list-style-type: none"><li>Legislated Minimum Maintenance Standards</li><li>Bridge Condition Target Rating</li><li>Pavement Condition Target Rating</li></ul>

# Asset Condition - Pavement

- Current Pavement Backlog of \$257M

PCI Range	Condition
85 – 100	Excellent
70 – 85	Good
50 – 70	Fair
0 – 50	Poor



# Asset Condition - Pavement



Poor Condition



Excellent Condition

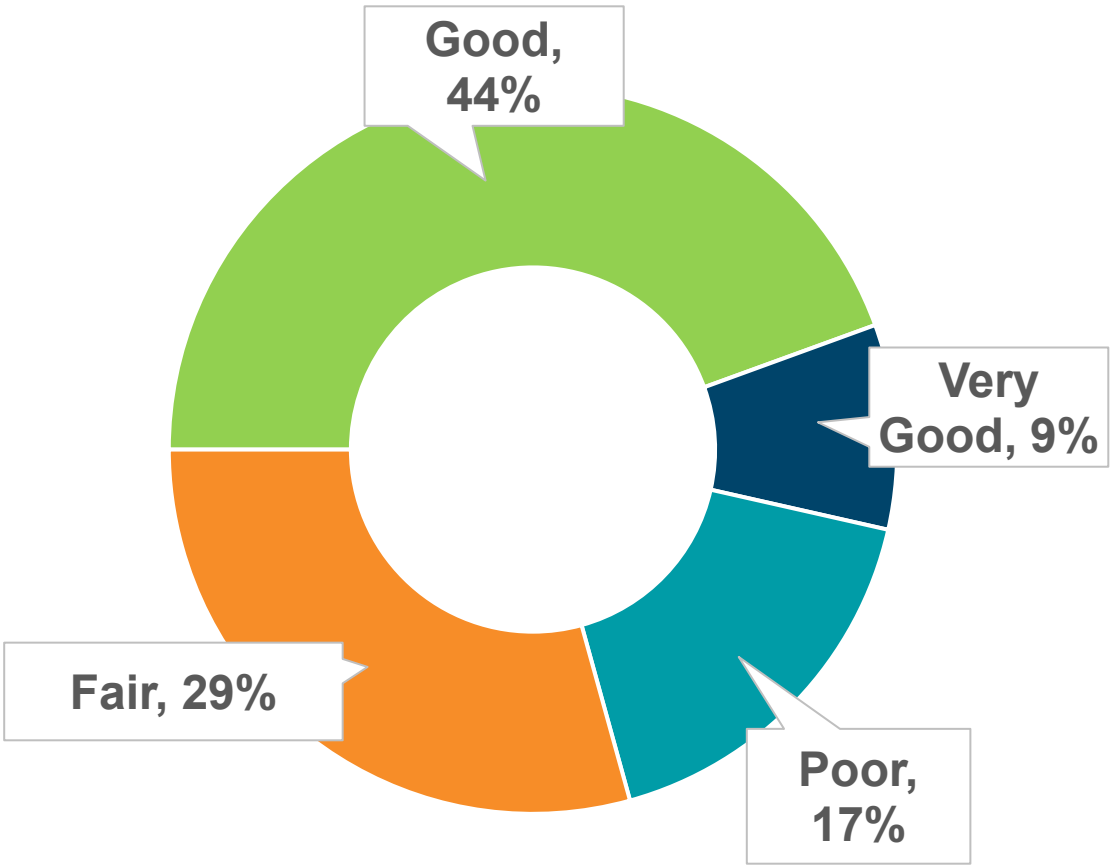
# Asset Condition - Structures

Current Structures Backlog of \$117M

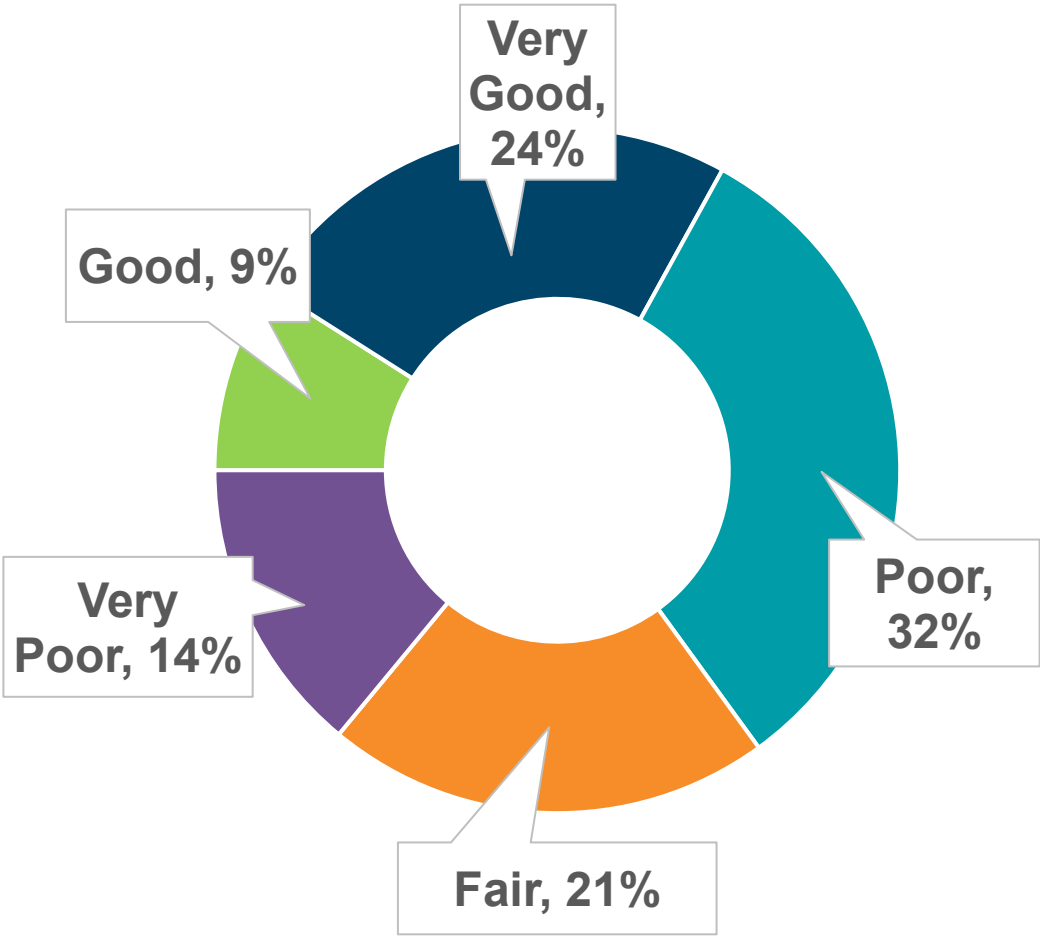
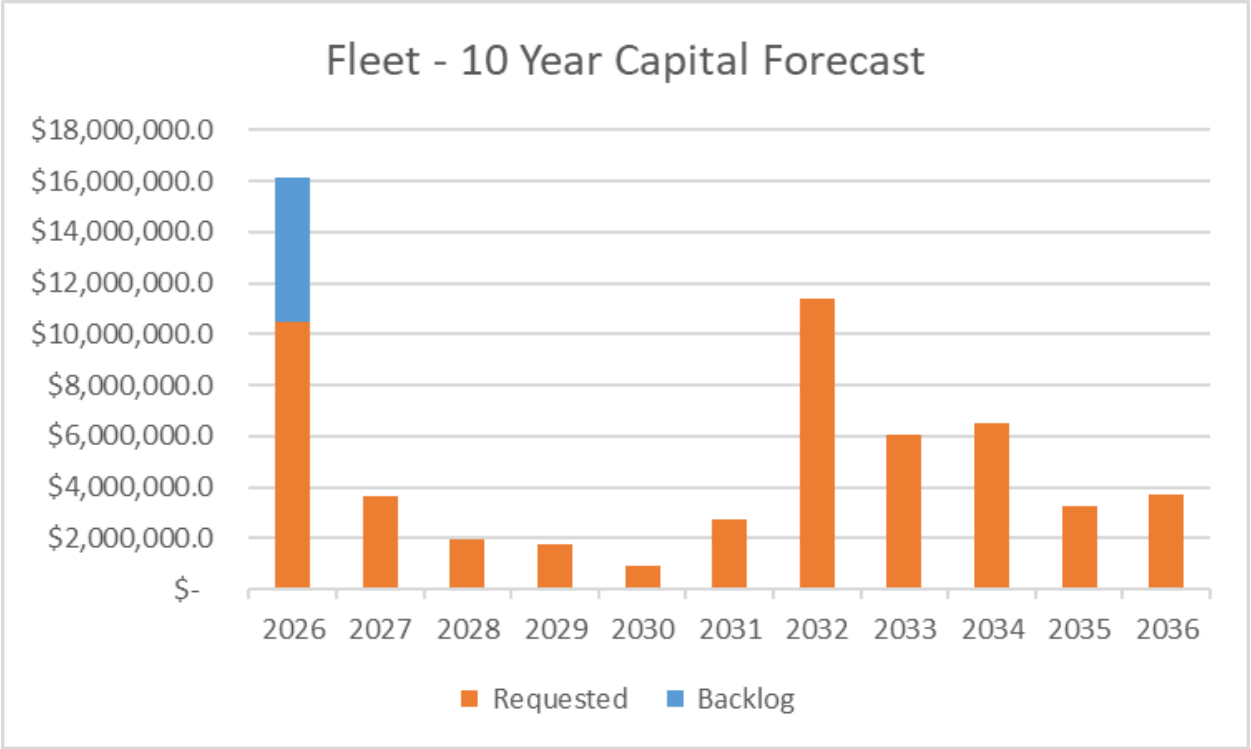
\$88M to address assets in poor condition

## Structures in Poor Condition needing Replacement:

- Caistorville Rd.
- Ellis Bridge
- Warner Bridge
- Creek Rd. Bridge
- Netherby Rd. Bridge
- Niagara St. Culvert
- Glenridge Ave. Bridge
- Line 4 Bridge
- Lakeshore Rd. Culvert



# Asset Condition - Fleet



# 2026 Capital Budget Considerations

## Top Projects

- Road Resurfacing Program
- McLeod Road Capacity Improvement
- Glendale Avenue Road and Bridge Reconstruction
- Fleet and Vehicle Replacement

## Key Priorities

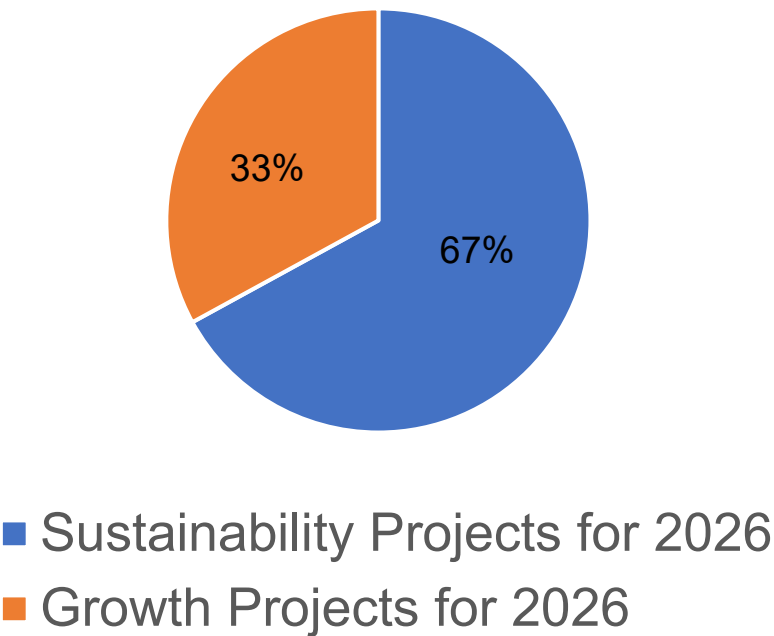
- Compliance
- Maintain Assets (meet target service levels)
- Responsible Growth
- Road User Safety



# 2026 Capital Budget Considerations

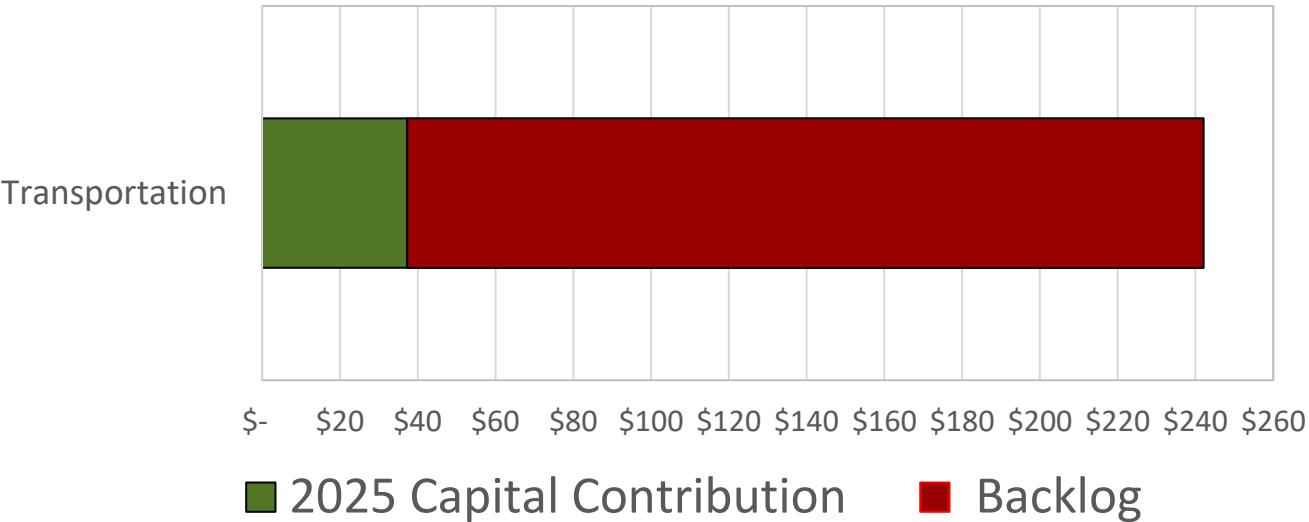
Balance Sustainability of Existing Assets and Growth

Sustainability vs. Growth



Increased Capital Projects Costs

Annual Funding vs. Need (2025) in Millions



# Current Pressures

- Budget pressures beyond Regional control

**Declining Asset Condition**



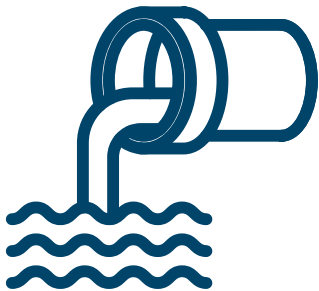
**Cost of Construction**



**Environmental Compliance**



Excess Soils Management



Stormwater Env Compliance Approval

# Department Efficiencies

Examples of efficiencies Transportation Services used to reduce costs and reallocate funding



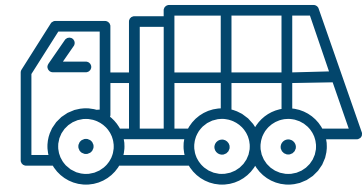
**Shared  
Services**  
(Pelham Patrol Yard)



**Alternate Service  
Delivery Model**  
(CM@R)



**Asset Condition  
Assessment**



**Dynamic Salt  
Application**

# Recap

**Historically, roads were easily deprioritized due to the low consequence of failure, leading to declining asset condition.**

- Transportation Services is 98% Mandatory
- Find new, innovative ways to renew our assets, to ensure that we enable the greatest return on our investments
- Asset condition is declining, while the cost of renewal is rising

- Environmental compliance needs are adding additional budget pressure
- Work together with our strategic partners to ensure that we meet compliance and collaborate on efficiencies
- Continue to execute mitigation strategies and innovative practices to mitigate budget pressures

# Asset Management

Pious Maposa, Director Asset Management Office

# Service Overview

**Asset Management is the coordinated activity of an organization to maximize value from assets.**

**Our team supports the management of all infrastructure within each department.**



# Corporate Asset Management Plan

## 2026 Key Areas of Focus

Below are the key areas we are focusing on in 2026. To keep the Region’s assets in a state of good repair, we must balance the following to address the gap and ensure long-term sustainability.

Initiating Levels of Service	Reviewing Current Budget	Advocacy for Government Funding	Continued Evaluation
Currently defining scope of work to undertake level of service review	Currently assessing budget process in preparation for Phase Two of the budget cycle	Aimed at increasing funding for critical infrastructure	Continued evaluation of costs, performance, risks and future state strategies





# Corporate Asset Management Plan

## Recap: 2025 Plan Approval

- **Approved on June 5th, 2025**
- **Next Steps:**
  - Review and analyze Niagara Region's Level of Service (LOS) framework to better balance risk, cost and service levels
  - Develop centralised asset and risk registries to improve reliability of our data and information
  - Improve CAMRA to a 10-year view to effectively utilize our financial resources

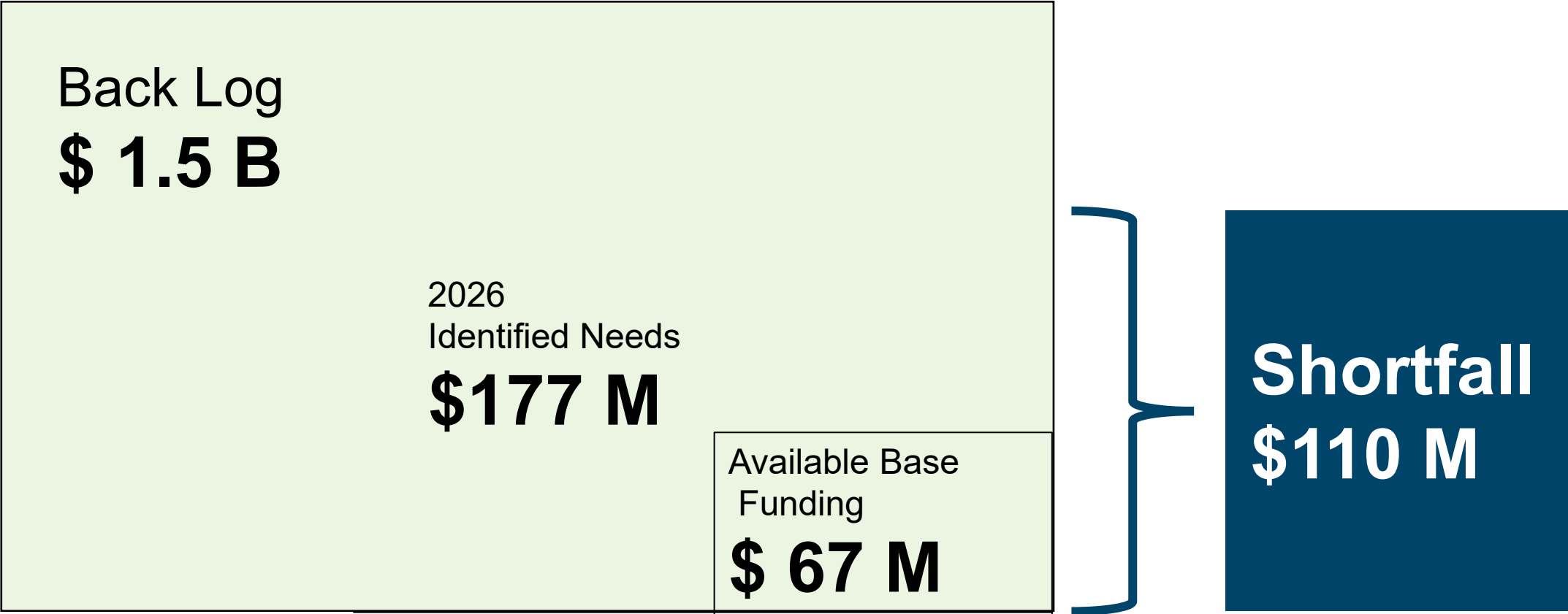
Key Takeaways		
Levy Only Backlog <b>\$1.5 Billion</b>	Requested Levy Funding (AARI) <b>\$329 Million</b>	Available Levy Base Funding <b>\$108 Million</b>
Levy Shortfall <b>\$221 Million</b>	10 Year Levy Funding Gap <b>\$221 Million</b>	Almost <b>~28%</b> of the Region's total assets are in poor or very poor condition.

# Reinvestment Required by Service Area

Program		Service	Replacement Value (\$M)	Backlog	10-year AARI
General Levy		Transportation	\$3,259.2	\$1,339.77	\$242.09
		Fleet	\$53.1	\$15.59	\$6.54
		Seniors Services	\$465.7	\$68.62	\$19.30
		Community Housing	\$921.8	\$0.00	\$30.13
		Children's Services	\$11.7	\$0.00	\$0.40
		SAEO	\$38.6	\$1.67	\$1.11
		Public Health	\$28.8	\$0.20	\$1.05
		EMS	\$58.2	\$4.54	\$4.89
		Information Technology	\$63.9	\$0.00	\$6.78
		Facilities	\$83.9	\$4.85	\$2.28
		Court Services	\$12.0	\$0.00	\$0.05
		Police Services	\$269.6	\$29.68	\$15.03
Total			\$5,266.5	\$1,464.92	\$329.65

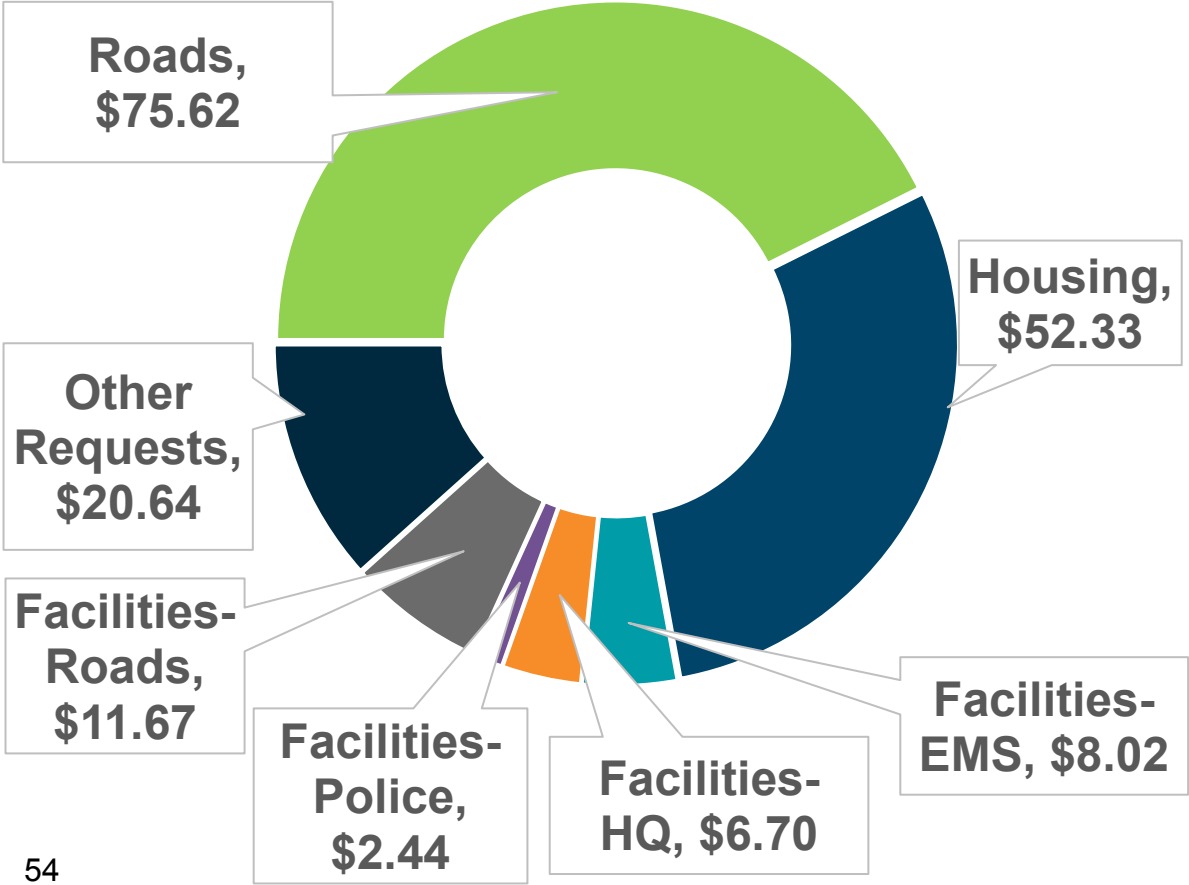
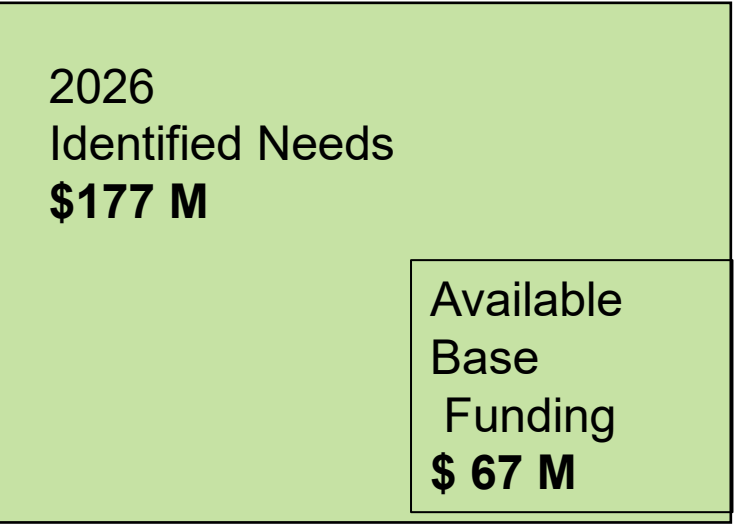
# 2026 Asset Management: Total Shortfall

In 2026, we will need an additional \$110 million to maintain Levels of Service (LOS).



# 2026 Identified Needs (Total: \$177 Million)

This is a chart of the total 2026 *net* requests by department. **This chart represents the total amount of money each department has requested for 2026 from the general capital levy reserve.** The total identified needs is \$177 million versus the \$67 million in funding that we have received. We are still left with a shortfall of \$110 million.



# Summary and Key Takeaways

**We have a large shortfall of funding. We do not have enough base levy funding to repair existing infrastructure or sustain infrastructure growth.**

# Key Takeaways

- **2025 Council Commitment to Capital Budget** - Previous approval of 2.5% increase on general tax levy to support capital needs helped departments address key infrastructure needs
- **Additional Funding Needed to Maintain Assets** - There is a clear gap between capital funding required to maintain assets and capital funding available to maintain assets
- **Large Backlogs for All Levy Infrastructure - Focused Departments** - Each infrastructure-focused department has a backlog
- **Recommended AARI Review** - Council will review the recommended AARI percentage increases as part of the 2026 Operating Budget process in the fall
- **Level of Service Review** - Teams and Council will continue to review levels of service



---

**Memorandum****BRC-C 2-2025****Subject:** 2026 Budget Update – Niagara Transit**Date:** July 3, 2025**To:** Budget Review Committee of the Whole**From:** Melissa Raquion, Director/Deputy Treasurer, Financial Management & Planning

---

Following up on the May 22, 2025 Budget Review Committee of the Whole meeting, staff have communicated to Niagara Transit Commission (NTC) that they are included in the 3.50% guidance from Council.

Below is the 2026 budget increase based on applying the 3.50% guidance to NTC's approved 2025 budget.

<b>Budget Categories</b>	<b>2025 Approved Budget</b>	<b>2026 Increase Allocation</b>	<b>% Change</b>
Niagara Transit Special Tax Levy Budget	\$62,655,596	\$3,189,170	5.09%
Assessment Growth	--	--	-1.59%
Niagara Transit Special Tax Levy Budget Less Assessment Growth	<b>\$62,655,596</b>	<b>\$3,189,170</b>	<b>3.50%</b>

Respectfully submitted and signed by

---

Melissa Raquion  
Director/Deputy Treasurer, Financial Management & Planning