



## Town of Niagara-on-the-Lake

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**REPORT #:** CS-25-033 **COMMITTEE DATE:** N/A  
**REPORT TO:** Council **DUE IN COUNCIL:** 2025-12-09  
**SUBJECT:** Province of Ontario Blue Box Transition

### 1. RECOMMENDATION

It is respectfully recommended that:

- 1.1 Report CS-25-033, Province of Ontario Blue Box Transition, be **RECEIVED**;
- 1.2 Council **DIRECTS** Staff to enter into a contract for one year to provide Enhanced Levels of Service, as outlined in Section 5 of this report, for (2) days per week curbside recycling collection service (for cardboard only) for the 67 properties in the Niagara-on-the-Lake Downtown Designated Business Area, at a cost of \$63,002;
- 1.3 Council **AUTHORIZES** Staff to fully fund the incremental cost of \$51,916 for this service for one year from the Municipal Accommodation Tax (MAT) reserve;
- 1.4 This service **BE PROVIDED** as a one-year temporary solution (ending December 31, 2026) to support recycling continuity for businesses until they can source individual recycling contracts; and,
- 1.5 Council **DIRECTS** Staff to explore options to assist all impacted properties, including potential collection and/or depot options and report back within Q1 2026.

### 2. EXECUTIVE SUMMARY

- Ontario's Blue Box system is transitioning fully to producer responsibility under O. Reg. 391/21, ending December 31, 2025. After this date, co-collection of residential and non-eligible source (NES) recycling is no longer permitted. As a result, all Regional recycling services for NES properties will end January 1, 2026.
- Approximately 463 properties in Niagara-on-the-Lake will be affected and must secure private recycling contracts beginning January 1, 2026.
- Within the Downtown Designated Business Area (DBA), 67 NES properties currently receive two additional recycling collection days (Saturday and Monday), under an Enhanced Level of Service (ELOS) agreement with the Region. These enhanced days apply to cardboard only. The Region will no longer collect all blue bin materials (plastics, metals, glass) for any NES properties as of January 1, 2026.
- The Region has advised that the base weekly recycling collection for NES properties, for cardboard only, in the DBA will end January 1, 2026, and that continuing the two enhanced pickup days will cost \$63,002, an increase of 468% from the 2025 cost of

\$11,086. To avoid a sudden cost spike and maintain service stability during the year, Staff recommend that the Town fund the incremental cost of \$51,916 from the MAT reserve.

- This temporary funding solution maintains cardboard collection for the DBA while blue services transition entirely to private-sector contracts.
- Approval of this temporary measure enables staff to consult with business owners on their long-term recycling needs and gather input for potential 2027-onward service models.
- Staff will also explore alternate recycling service delivery options – such as collection models, partnerships, or depot-based solutions – for all affected businesses and report back in Q1 2026.

### **3. PURPOSE**

The purpose of this report is to seek Council's approval for a temporarily funded recycling program that maintains cardboard collection within the DBA for one year, while all blue bin recycling services end January 1, 2026, due to provincial regulatory changes. This report also outlines the Town's commitment to exploring alternative service delivery models or depot options for all impacted properties.

### **4. BACKGROUND**

Under Ontario Blue Box Regulation 391/21, producers of blue box materials are now responsible for funding and operating recycling collection. Through an ongoing contract with Niagara Region and in partnership with Circular Materials, recyclables from eligible sources (residential, schools, specified retirement & long-term care homes, and public spaces) and non-eligible sources (NES) are currently collected on the same truck and route during the Provincial transition period, which ends on December 31, 2025. After the transition period ends, co-collection of eligible (residential) and non-eligible (places of worship, small businesses, etc.) recycling will no longer be permitted under the new regulatory framework.

Non-eligible properties include:

- Commercial (e.g., offices, retail stores)
- Institutional (e.g. hospitals, schools)
- Places of Worship
- Non-profit organizations
- Community facilities (e.g., arenas, libraries)
- Industrial Properties

Niagara Regional Council upheld a Regional Staff recommendation to fully remove the Region from providing recycling services to NES properties, effective November 20, 2025, due to increased collection costs associated with NES properties. Residential curbside recycling will remain unchanged, but will proceed under a Circular Material agreement. See Appendix I for more background and the Region's report. This change will affect approximately 463 properties in Niagara-on-the-Lake, and businesses will need to arrange private collection contracts.

Presently, the Town has an agreement with Niagara Region to provide an Enhanced Level of Services (ELOS) to 67 non-eligible source properties within the Niagara-on-the-Lake Downtown Designated Business Area. Under the agreement, two additional collection days are provided at

an additional cost. Additional enhanced days are on Saturday and Monday. The Town charges this on a per-unit basis and allocates the cost to eligible properties. The cost of the additional recycling services for cardboard in 2025 was \$11,086.43, with total enhanced services delivered at \$110,014.45. The Town operates as an intermediary between the businesses and Regional Services.

Following the Regional decision, the Town received a letter that the base level of service, weekly Thursday curbside recycling collection (for blue bin and grey bin services), for NES properties within the Niagara-on-the-Lake Downtown DBA will end as of January 1, 2026. Residential properties within the DBA will continue to receive weekly full recycling collection on Fridays under the producer-operated system. Enhanced Levels of service, for cardboard only, can remain available for two days a week (Saturday and Monday), but at an increased cost of \$63,002, up from \$11,086.43. This represents a 468% increase in cost. All blue bin services for the DBA (containers, metal, plastics) will be discontinued for NES properties.

**5. DISCUSSION / ANALYSIS**

The Province’s regulatory changes and subsequent Regional decisions affect all non-eligible source properties. This includes 463 properties across Niagara-on-the-Lake that currently receive Regional recycling collection services and, as of January 1, 2026, must secure private collection arrangements. The 67 NES properties in the NOTL DBA will lose the existing base day of collection, and the two additional days under the enhanced level of service agreement, unless the Town coordinates or funds an alternative. Staff are recommending funding the incremental cost of one further year for the NOTL DBA to provide additional time for businesses to transition to new recycling contracts. For businesses in the NOTL DBA, this means the cost for enhanced garbage services will remain largely similar to last year, with only inflationary adjustments:

Enhanced Service	2025 Annual Cost (incl. net HST)	2026 Proposed Cost	\$ Change	% Change
Additional curbside garbage collection (2 extra days/week; 20-bag limit) – ICI & Mixed Use	\$ 31,868.05	\$ 32,087.97	\$ 219.92	1%
Additional OCC (cardboard) collection (2 extra days/week) – ICI & Mixed Use	\$ 11,086.43	\$ 63,002.00	\$ 51,915.57	468%
Every-other-week bulky goods collection – multi-residential & mixed-use	\$ 23,835.97	\$ 23,835.97	\$ -	
Waste disposal costs associated with enhanced collection	\$ 43,224.00	\$ 47,208.68	\$ 3,984.68	9%
<b>Total</b>	<b>\$ 110,014.45</b>	<b>\$ 166,134.62</b>	<b>\$ 56,120.17</b>	<b>51%</b>

**Unit Cost \$ 1,571.64 \$ 2,373.35 \$ 801.72 51%**

Should the recommendations be approved, Staff will be able to survey business owners regarding their potential interest in continuing enhanced levels of service in 2027, particularly regarding the future of enhanced recycling services.

Staff will also begin work immediately to explore alternative solutions for all affected NES properties, including:

- Potential Town-facilitated collection partnerships
- Shared or cooperative service models
- Centralized or satellite recycling depots

Staff will report back in Q1 2026 with viable options, cost estimates, and governance considerations.

## 6. STRATEGIC PLAN

The content of this report supports the following Strategic Plan initiatives:

### Pillar

1. Vibrant & Complete Community

### Priority

1.2 Economic Development & Community Partnerships

### Action

1.2 b) Community Partnership

## 7. OPTIONS

- 7.1 **Option 1:** That Council approve the recommendations in this report and fund the incremental cost of providing two enhanced collection days for \$51,916, funded by the MAT reserve. **(Recommended)**
- 7.2 **Option 2:** Do not renew the enhanced level of service for recycling. Business operators will need to secure a recycling contractor by January 1, 2026. *(Not Recommended)*

## 8. FINANCIAL IMPLICATIONS

Funding the incremental cost of providing two enhanced collection days for recycling will ensure service continuity for an additional transition year. Funding \$51,916 from the MAT reserve will keep adjustments to the 2026 enhanced unit rate at inflation levels for garbage collection, bulky goods collection, and waste disposal costs, avoiding a 468% increase in recycling costs for one year.

## 9. ENVIRONMENTAL IMPLICATIONS

While there are no Environmental Impacts related to this report, there are concerns that this change to the recycling program may result in increased materials being disposed of in our landfills and no longer being redirected away from them.

## 10. COMMUNICATIONS

Staff have begun preliminary communications with businesses and are sharing Regional communications regarding transitioning to a private contractor for recycling pickup. A decision is pending regarding existing enhanced pickup days within the DBA for recycling.

## 11. CONCLUSION

Provincial changes to the Blue Box program will leave non-eligible properties without Regional recycling service as of January 1, 2026. Funding the incremental cost of enhanced collection for one additional year provides business continuity at least within the DBA, avoids a significant cost increase, and gives operators time to secure private contracts.

## 12. APPENDICES

- **Appendix I** – Regional Report PW 40-2025 – Recycling Collection to Non-Eligible Sources Following End of Provincial Transition Period December 31, 2025
- **Appendix II** – November 4, 2025, Regional Presentation to Public Works Committee – Recycling Collection from Non-Eligible Sources
- **Appendix III** – Letter from Region – Recycling Collection Enhanced Level of Service Inside the DBA
- **Appendix IV** – Regional Transition FAQ
- **Appendix V** – Finding a New Recycling Collector
- **Appendix VI** – NES Collection Changes – Business Notice

Respectfully submitted:

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