

Fiscal Impact Analysis
Universal Recycling Ordinance: Amendments to City Code 15-6 and Administrative Rules
Projected Fiscal Impact based on 2019 Implementation Date

Background

In April 2013, the City Council approved amendments to City Code Chapter 15-6 regarding the Universal Recycling Ordinance (URO), expanding recycling requirements of all properties in Austin and requiring food permit holders to divert organics by 2017. Austin Resource Recovery's current financial forecast includes implementation of the April 2013 amended URO.

Action Item

This item seeks Council approval of the Administrative Rules to implement the April 2013 amended URO and also proposes additional amendments to the URO. While most of the proposed ordinance amendments serve to clarify roles and responsibilities, one key proposed amendment changes the compliance timeframe to provide organics diversion.

The current ordinance requires organics diversion of food permit holders, phased in over two years based on square footage. With approximately 6,544 food permit holders in Austin, 741 properties would be required to comply by October 1, 2016 and the remaining 5,803 properties would be required to comply by October 1, 2017. The proposed amendments spread out the compliance time frame over four years instead of two, resulting in a 2019 compliance time frame for all food permit holders. (See Table 1)

Fiscal Impact Analysis

ARR costs associated with URO implementation include: FTEs, code enforcement, promotional materials, advertising, and other contractual costs. If Council approves changing full implementation of organics diversion among food permit holders from 2017 to 2019, several costs can be delayed. Please note:

- Table 1 assumes no additional growth in the number of affected businesses
- Staffing and outreach must begin and be included in the Department budget one year prior to implementation to allow time for staff training and education/outreach
- Staffing identified includes temporary and permanent FTEs

Table 2 provides anticipated additional costs to implement based on a 2019 full implementation schedule. Generally, costs increase as the number of affected properties increase.

**Table 1. Proposed Four Year Phase-in of Organics Diversion Requirements
Full Implementation by October 1, 2019**

	2016			2017	2018	2019	
Permit Type	>50k sq.ft.	>25k sq.ft.	>15k sq.ft.	>5k sq.ft.	>1k sq.ft.	<1k sq.ft.	Subtotal
Food Product	9	8	6	39	97	63	222
Food Service	39	35	38	376	2387	983	3858
Retail Food	52	11	23	105	485	205	881
Mobile Food Vending	0	0	0	0	0	1583	1583
Total	221			520	2969	2834	6544

Table 2. Projected Fiscal Impact based on Proposed 2019 Implementation

	Additional ARR Staff	URO Code Enforcement	Outreach Materials & Contracts	Total for FY
FY15	\$37,440 1 - Waste Diversion Planners (temp)	--	\$6,160	\$43,600
FY16	\$106,956 1- Waste Diversion Planner, 1- Waste Diversion Planner (temp)	--	\$17,610	\$124,566
FY17	\$99,457 1- Program Coordinator, 1- Waste Diversion Planner (temp)	\$40,303	\$125,760	\$265,520
FY18	\$98,991 1- Waste Diversion Planner Senior	\$80,606	\$250,760	\$405,357
FY19	\$98,991 1- Waste Diversion Planner Senior	\$80,606	\$125,760	\$305,357
FY20	--	\$161,212	\$75,380	\$236,592
FY21	--	\$161,212	\$6,240	\$167,452