# Staff Report



To Committee of the Whole

Service Area Infrastructure, Development and Environment

Date Tuesday, June 4, 2024

Subject Single-Use Items Strategy Phase 2

#### Recommendation

1. That the phase 2 recommendations for the Single-Use Items Reduction Strategy, as included in report 2024-245, dated June 4, 2024, be approved.

2. That the Single-Use Items By-law (2024) – 20938, as amended, be approved.

## **Executive Summary**

## **Purpose of Report**

The purpose of this report is to respond to Council's resolutions on the Single Use Items Strategy and seek approval of the resulting proposed amendments to the Single-Use Items By-law.

#### **Key Findings**

Council directed staff to explore viable options to reduce and/or eliminate single-use plastics in Guelph as part of the scope of the Solid Waste Management Master Plan (SWMMP) review. The SWMMP recommended a phased approach to reduce single-use items. In Phase 1, Council approved the Single-Use Items By-law on September 14, 2022, banning plastic shopping bags and polystyrene foam cups and takeout containers as of January 1, 2023.

For Phase 2, <u>Council directed staff on April 25, 2022</u> to engage further with the Accessibility Advisory Committee (AAC) and collect feedback from the community about paying fees for single-use beverage cups and reusable bags.

Staff attended the Accessibility Advisory Committee (AAC) meeting on October 17, 2023 and presented staff's response to all of the recommendations, which included that through the federal government's Single-use Plastics Prohibition Regulations, a municipality cannot offer free or subsidized single-use plastic (SUP) straws. City staff also prepared and sent an advocacy letter to the federal government based on the feedback received from the AAC.

City staff released a survey from November 7, 2022, until January 5, 2023, to engage the community on the possibility of adding fees to some single-use items to encourage behaviour change, including disposable beverage cups and reusable shopping bags. We appreciated the community providing their feedback and heard that some community members supported paying fees. However, the City will not be mandating fees on disposable beverage cups and reusable bags due to the current economic climate, and recent municipal actions including the repeal of the

fee on single-use beverage cups by the City of Vancouver's Council in February 2023, and the City of Toronto's Council did not pass the recommended set fee for reusable bags in December 2023. Businesses are welcome to continue or consider this voluntary practice based on their business' interests.

Phase 2 of the Single-Use Items Reduction Strategy is now focusing on measures that encourage sustainable behaviour changes by residents and procedural changes by businesses that will reduce the amount of single-use item waste they generate.

An additional survey was released in February 2024, asking food-service businesses about their practices and support for single-use items waste reduction. Based on support from the survey results and leading industry momentum and municipal best practices, City staff are recommending that Council approve the following recommendations for phase 2 of the Single-Use Items Reduction Strategy, which is proposed to come into effect on March 1, 2025:

- 1. Businesses must accept a customer's clean reusable drink cup for beverage orders made in-store (exemptions apply to a charitable or non-profit organization, a hospital and community care facility, alcoholic beverages, and special events),
- 2. Businesses must only offer single-use accessory food-ware items (e.g., utensils, stir sticks, condiments, beverage cup sleeves and trays; except for straws) by request and/ or at self-serve stations, and
- 3. Paper shopping bags must contain 40 per cent post-consumer recycled content.

Upon Council approval, Solid Waste Resources will continue to engage with Wellington-Dufferin-Guelph Public Health to develop resources to support businesses in complying with the Single-Use Items By-law and the <u>Food Premises Regulation</u> and provide those resources to businesses. Staff will also develop comprehensive promotional and educational materials for businesses to communicate these changes to their staff and customers.

The federal government's <u>Single-Use Plastics Prohibition Regulations</u> remain in force. The Federal Court of Appeal granted a stay motion that prevents the court ruling (that overturned the federal government's Ministerial Order designating all plastic manufactured items to be toxic substances under the Canadian Environmental Protection Act), from taking effect, while the federal government's appeal of the ruling is ongoing.

Guelph's Single-Use Items By-law remains in effect. It is not affected by the Federal Court's decision as the City's authority falls under different legal premises. Under the Municipal Act, a city may pass by-laws respecting the environmental well-being of the municipality and public nuisances.

# **Strategic Plan Alignment**

People and Economy - Grow Guelph's Economy: Grow the circular economy by creating and implementing the Circular Economy Framework.

 The single-use items reduction strategy helps conserve natural resources, supports waste reduction and encourages the expansion of circular businesses that support reuse initiatives in our community by limiting single-use items and promoting reusable items. Environment - Empower the community to help create a sustainable city: Encourage community participation in Race to Zero

 The single-use items reduction strategy encourages community participation in Race to Zero by reducing waste generated in the community as it contributes to climate change through greenhouse gas emissions from manufacturing, collection and disposal.

#### **Financial Implications**

The costs associated with the implementation of the single-use items reduction strategy can be accommodated within the adopted 2024-2027 Solid Waste Resources multi-year budget.

# **Report**

#### **Phase 2 of the Single-Use Items Reduction Strategy**

Council directed staff to explore viable options to reduce and/or eliminate single-use plastics in Guelph as part of the scope of the <u>Solid Waste Management Master Plan</u> (SWMMP) review. The SWMMP recommended a phased approach. In <u>Phase 1</u>, Council approved the Single-Use Items By-law on September 14, 2022, banning plastic shopping bags and polystyrene foam cups and takeout containers as of January 1, 2023.

Phase 2, <u>recommended through the SWMMP</u> included a fee of at least \$1 for reusable bags in Year 1 and increase the fee after and work with the community to ensure no impediments to the access of reusable bags (e.g., bag banks), require a minimum 40 per cent recycled content for paper bags, apply a fee of at least \$0.25 for disposable beverage cups which is shown on receipts and menus, and offer single-use utensils by request only.

As part of Phase 2, <u>Council directed staff on April 25, 2022</u> to engage further with the Accessibility Advisory Committee (AAC) and collect feedback from the community about paying fees for single-use beverage cups and reusable bags. Solid Waste Resources released a survey from November 7, 2022, until January 5, 2023, to engage the community on the possibility of adding fees for some single-use items to encourage behaviour change, including single-use beverage cups and reusable shopping bags.

We appreciated the community providing their feedback and heard that almost twothirds of respondents support a fee for disposable beverage cups and just over half of respondents support a fee for reusable bags. However, the City will not be mandating fees on disposable beverage cups and reusable bags due to the current economic climate, and recent municipal actions including the repeal of the fee on single-use beverage cups by the City of Vancouver's Council in February 2023, and the City of Toronto's Council decision to not pass the recommended set fee for reusable bags in December 2023. Businesses are welcome to continue or consider this voluntary practice based on their business' interests.

Phase 2 of the single-use items reduction strategy is no longer recommending fees and is now focusing on measures that encourage sustainable behaviour changes by residents and procedural changes by businesses that will reduce the amount of single-use item waste they generate. These recommendations support single-use

item waste reduction initiatives and momentum by industry and municipal best practices.

The City will develop comprehensive promotion and education materials for businesses to communicate these changes to their staff and customers.

City staff are recommending that Council approve the following recommendations for phase 2 of the single-use items reduction strategy, which would come into effect on March 1, 2025:

- Businesses must accept a customer's clean reusable drink cup for beverage orders made in-store (exemptions apply to a charitable or non-profit organization, a hospital and community care facility, alcoholic beverages, and special events),
- 2. Businesses must only offer single-use accessory foodware items (e.g., utensils, stir sticks, condiments, beverage cup sleeves and trays; except for straws) by request and/ or at self-serve stations, and
- 3. Paper shopping bags must contain 40 per cent post-consumer recycled content.

The City conducts waste audits of material collected from various sources, including residential households and the downtown area, to identify sorting issues and waste composition, including some single-use items. This data will assist with tracking program successes and informs outreach and education needs.

The City will continue to conduct best practices research and explore additional phases of the single-use items reduction strategy, as necessary. Staff will monitor feedback received from equity-deserving groups to address any issues or concerns that may arise.

# Recommendation 1: Businesses must accept a customer's clean reusable drink cup for beverage orders made in-store

Phase 2 of the SUI reduction strategy will focus on implementing measures that reduce single-use items and includes the requirement for businesses to accept a customer's clean reusable drink cup for beverage orders made in-store. Businesses will be required to post signage to inform customers that they accept a customer's clean reusable drink cup. The City will develop promotion and education material for businesses to promote this practice.

Additionally, businesses will not be permitted to make beverages in a single-use item and then transfer the beverage into the customer's reusable drink cup. This would defeat the waste reduction practice of a customer bringing their own clean reusable drink cup. The business must use a reusable item and have a written policy for accepting a customer's clean reusable drink cup that is in accordance with the Single-Use Items By-law and the <u>Food Premises Regulation</u>. Businesses must refuse a customer's reusable drink cup if it is not clean or fit to hold a beverage.

#### **Municipal Actions and Businesses Accepting Reusable Cups and Containers**

Effective July 1, 2023, the <u>City of Edmonton</u> requires that restaurants must serve dine-in drink orders in reusable drink cups and have a written policy for accepting a customer's reusable cup. Businesses may refuse a reusable cup if it is not clean or fit to hold a beverage.

Effective July 1, 2023, the <u>Town of Banff</u> requires that businesses serving food and beverages must have a written policy for accepting customers clean reusable cups and containers. Businesses are allowed to refuse a reusable cup or container for sanitary reasons. Effective January 1, 2024, businesses are required to provide dine-in food and beverage orders in reusable foodware, such as plates, bowls, cups, cutlery and other accessory items.

To support these municipal requirements, Alberta Health Services released Practices that Support the Safe Use of Reusable Food Containers and the Government of British Columbia released a Provincial Policy on the Use of Reusable Food Containers in Food Premises in British Columbia. These policies provide clarity for customers and businesses, and considerations for a business' written policy for accepting a customer's clean reusable cup and container. Additionally, the City of Vancouver developed a contactless cup procedure and poster for businesses to accept a customer's clean reusable cup.

On December 15, 2023, the City of Toronto's City Council passed phase 2 of their <u>Single-Use and Takeaway Items Reduction Strategy</u> and a <u>Single-Use and Takeaway Items By-law</u>, which came into effect on March 1, 2024. Their by-law includes requiring businesses to accept a customer's clean reusable drink cup and an ask-first or by-request approach for single-use accessory food items and paper shopping bags.

Since the Covid-19 pandemic ended, many businesses have reinstated the acceptance of reusable cups, including <u>Starbucks</u>, with procedures that reduce contact between a customer's cup and the employee and equipment. Across Canada, Starbucks accepts a customer's reusable cup when ordering in-store, in the drive-thru and when ordering ahead with the Starbucks app.

<u>Bulk Barn</u> allows customers to use their own clean reusable containers. Customers are required to show the container to a cashier to verify it meets Bulk Barn standards for use, the cashier will weigh the clean container, and the customer uses the Bulk Barn supplied scoops to fill the container.

#### **Community Engagement Results**

The City solicited feedback on SUIs and options to reduce or eliminate them through two public surveys during the SWMMP update. The SWMMP survey in 2021 received 310 responses and asked respondents what approach the City should consider to reduce or eliminate disposable beverage cups:

- 37 per cent of respondents said a fee-based approach;
- 28 per cent said by request only;
- 26 per cent said banning disposable beverage cups; and
- 19 per cent said no measures.

The City investigated the possibility of adding a 25 cent fee to disposable beverage cups. This was presented to Council on April 4, 2022, and staff were instructed to create further engagement opportunities for citizens and businesses. Solid Waste Resources released a single-use plastics survey to the community from November 7, 2022, to January 5, 2023. This survey received 582 responses, of which 16 respondents identified as businesses. We appreciated the community providing their feedback through this survey and heard that almost two-thirds of respondents support a fee for disposable beverage cups and just over half of respondents support a fee for reusable bags.

The survey also asked respondents if all businesses that serve beverages should be required to accept a customer's reusable cup and 73 per cent of respondents were in favour. Additionally, respondents were asked how often they bring a reusable drink cup when purchasing a beverage-to-go, and 43 per cent of respondents said they always, usually, or sometimes do.

The City released a survey asking food-service businesses from February 5 to March 8, 2024, which received 87 respondents. Businesses were asked if they accept a customer's clean reusable drink cup and 65 per cent of respondents confirmed that they do. Of the 35 per cent of respondents that said no, a further half stated that it would be easy to begin accepting reusable drink cups at their business

Based on the survey results, the community supports the implementation of measures to reduce disposable beverage cups and many Guelph businesses already accept a customer's clean reusable drink cup. Requiring businesses to accept a customer's clean reusable drink cup will further reduce waste and provides customers with the choice to participate in this waste reduction measure by knowing that their clean reusable drink cup will be accepted at businesses in Guelph. Additionally, businesses are willing to begin accepting clean reusable drink cups and with support from the City and clarification on the safety of reusables, businesses can develop policies that support this practice.

# Response from Wellington-Dufferin-Guelph Public Health on the safety of reusables

Solid Waste Resources met with staff from Wellington-Dufferin-Guelph Public Health (WDGPH) to discuss the safety of reusables and determine if requiring a business to accept a reusable drink cup is permissible within public health requirements. WDGPH has confirmed that there is no legislation that prohibits requiring businesses to accept reusable cups and containers.

With care, consistent management oversight and with the implementation of processes that reduce cross contamination, this practice can be carried out in a manner that complies with the pertinent regulations and with the Ontario Health Protection and Promotion Act.

Solid Waste Resources will continue to engage with WDGPH to develop and provide resources to support businesses in complying with the Single-Use Items By-law and the Food Premises Regulation.

# Recommendation 2: Businesses must only offer single-use accessory foodware items (e.g., utensils, stir sticks, condiments, beverage cup sleeves and trays; except for straws) by request and/or at self-serve stations

Businesses must only provide single-use accessory foodware items by request and/or at self-serve stations, including utensils, condiment cups and packets, stir sticks and plugs, toothpicks, non-edible garnish, and drink cup sleeves and trays. Straws are exempt from this requirement based on the feedback received from the Accessibility Advisory Committee and the City's Single-Use Items By-law remains silent on straws. SUP straws are banned under the federal government's Regulations (see additional details on the status of the federal Regulations further below).

Businesses cannot automatically provide accessory foodware items to customers. The customer can request the accessory foodware item or the business may ask the customer if they require the accessory foodware item. This requirement applies to orders made in-store and drive-thru and signage must be provided at the point of order. For orders made by ordering platform, including by phone and online, businesses cannot provide customers with accessory foodware items unless requested by the customer through the ordering platform.

Businesses can also make the accessory foodware items available at a self-serve station for the customer to take themselves.

#### **Municipal and Federal Actions on Accessory Foodware Items**

As presented in the <u>report</u> to Council on April 4, 2022, phase 2 included offering single-use utensils by request only. The City has expanded this recommendation to single-use accessory foodware items and includes utensils, condiment cups and packets, stir sticks and plugs, toothpicks, non-edible garnish, and drink cup sleeves and trays.

Single-use plastic (SUP) utensils and stir sticks are included in the Federal Government's Regulations. However, the inclusion of this requirement in the City's Single-Use Items By-law is to reduce single-use accessory foodware items, regardless of material type.

Many municipalities across Canada have successfully implemented an ask first/by request policy for single-use utensils and/or accessory foodware items in-restaurant, in the drive-thru and via ordering platforms, including Vancouver, Banff, Edmonton and Toronto.

#### **Community Engagement Results**

The SWMMP survey in 2021 received 310 responses and asked what approach the City should consider to reduce or eliminate disposable utensils:

- 38 per cent said offering items upon request only,
- 37 per cent said a fee-based approach to discourage use,
- 32 per cent said banning them, and
- only 7 per cent said no measures.

Respondents could select multiple options so there was significant support to implement measures to reduce single-use utensils and it was included in the phase 2 options presented to Council on <u>April 4, 2022</u>.

The 2024 survey asking food service businesses received 87 responses. These businesses were asked how easy or difficult it would be for them to offer accessory foodware items by request and/or at self-serve stations only. Of the businesses that the single-use accessory foodware item was applicable to, the results were as follows:

- 93 per cent said somewhat or very easy for single-use utensils;
- 88 per cent said somewhat or very easy for stir sicks;
- 82 per cent said somewhat or very easy for condiment packets;
- 72 per cent said somewhat or very easy for single-use beverage cup sleeves;
- 71 per cent said somewhat or very easy for single-use beverage cup lids; and
- 62 per cent said somewhat or very easy for non-edible garnish or decorations.

There is significant support from residents to reduce accessory foodware items and based on the business survey results, it's also operationally feasible. This requirement will encourage customers to consider if they need the accessory foodware item and decline the item if they don't. Additionally, it will encourage customers to bring their own reusable items, where possible. The accessory foodware items are still available for customers but all customers, whether ordering in-restaurant, in the drive-thru, or via ordering platform, must request the accessory foodware item or take one from the self-serve station in-restaurant, if available.

# Recommendation 3: Paper shopping bags must contain 40 per cent post-consumer recycled content

As presented in the <u>report</u> to Council on April 4, 2022, the phase 2 options included the requirement for a minimum 40 per cent post-consumer recycled content in paper bags. The City is not limiting the use of paper bags and does not require businesses to provide them. This requirement does not apply to bags measured less than  $20 \text{ cm} \times 20 \text{ cm}$  when flat.

Through the waste reduction survey for businesses, food-service businesses were asked if they provide paper bags to customers and 84 per cent of respondents confirmed that they provide paper bags to customers. Of those that responded to the question if their paper bag contains post-consumer recycled content, over half confirmed that they do.

The single-use items reduction strategy aims to reduce single-use items regardless of material type, and not to supplement one type of single-use item for another type.

Many municipalities across Canada have successfully implemented the requirement for post-consumer recycled content in paper bags including Edmonton, Vancouver, Calgary and Victoria.

#### Update on the Government of Canada's <u>Single-Use Plastics Prohibition</u> <u>Regulations</u> and the recent Federal Court ruling

The Government of Canada released Single-Use Plastics Prohibition Regulations (the Regulations) on June 22, 2022, which bans six categories of harmful single-use plastics including checkout bags, cutlery, foodservice ware made from or containing problematic plastics, ring carriers, stir sticks and straws. The Regulations added all plastic manufactured items (PMI) to a list of toxic substances and prohibits/restricts their use/sale in Canada.

On May 18, 2021, a not-for-profit corporation, largely comprised of companies in the plastics industry, brought the Responsible Plastic Use Coalition (RPUC) v. Canada (Environment and Climate Change) Application to the Federal Court seeking to have the decisions leading to the PMI being added to Schedule 1 of Canadian Environmental Protection Act (CEPA) overturned.

On November 16, 2023, the Federal Court issued a ruling overturning the federal government's Ministerial Order designating all plastic manufactured items (PMI) to be *toxic substances* under CEPA. The Federal Court further found that the Order was unconstitutional. This means that any proposed federal regulation that is dependent on PMI being listed toxic has no legal basis and cannot proceed.

On December 8, 2023, the Government of Canada filed an appeal of the Federal Court's ruling. On January 25, 2024, the Federal Court of Appeal granted a stay motion. The stay motion prevents the court ruling of November 16, 2023, from taking effect while the federal government's appeal of the ruling is ongoing. The Single-use Plastics Prohibition Regulations remain in force.

The Regulations have spurred businesses across Canada to elevate their efforts and successfully transition to sustainable alternatives, including the adoption of reusable items. It could take several months or years before a decision is made, however the Regulations remain in force.

Guelph's Single-Use Items By-law remains in effect. It is not affected by the Federal Court's decision as the City's authority falls under different legal premises. Under the Municipal Act, a City may pass by-laws regarding public nuisances and respecting the environmental well-being of the municipality. Provincial single-use item regulations, including <u>P.E.I.</u> and <u>B.C.</u>, and other municipal single-use item bans and strategies, including the <u>City of Edmonton</u>, <u>Town of Banff</u> and <u>City of Toronto</u>, remain in effect.

#### **Financial Implications**

The costs associated with the implementation of the single-use items reduction strategy can be accommodated within the adopted 2024-2027 Solid Waste Resources multi-year budget.

#### **Consultations**

## **Accessibility Advisory Committee**

Staff attended the Accessibility Advisory Committee (AAC) meeting on October 17, 2023 and presented **staff's response** to all of the recommendations, which included that through the Federal Government's Regulations, a municipality cannot offer free or subsidized single-use plastic (SUP) straws. The City cannot supersede federal legislation and as such, did not move forward with a recommendation related to SUP straws as part of the City's Single-Use Items Reduction Strategy. The federal government's Regulations remain in effect and City staff do not recommend any measures that contravene the Regulations.

City staff also prepared and presented an <u>advocacy letter</u> to the federal government based on the feedback received from the AAC. The AAC passed the motion on December 19, 2023, to submit the letter to the federal government, and the letter was sent on December 22, 2023.

## **Community and Business Surveys**

Through the SWMMP update, two online community surveys and one targeted business survey were released in 2020 and 2021 to further engage residents and businesses and included questions on single-use items and waste reduction practices. The public surveys received 894 responses and the targeted business survey received 19 responses. Respondents were very supportive of phase 1 (already enacted) and phase 2 to reduce the amount of single-use items in Guelph.

At the Council meeting on April 25, 2022, Council directed staff to create further community engagement opportunities. The City released a survey from November 7, 2022 until January 5, 2023 to engage the community on the possibility of adding fees for some single-use items to encourage behaviour change, including disposable

beverage cups and reusable shopping bags. This survey received 582 responses, of which 16 respondents identified as businesses. We appreciated the community providing their feedback and heard that some community members supported paying fees, however, the City is not moving forward with fees on disposable beverage cups and reusable shopping bags.

As a result of this change in direction for the phase 2 options, the City released a waste reduction survey for businesses from February 5 until March 8, 2024, to gather feedback from food-service business owners and operators on their business' practices as they relate to single-use items and waste reduction. The survey was promoted through various communication tactics including a public notice, social media, Economic Development and Tourism's monthly electronic newsletter with 3,400 registrants and a special bulletin notice emailed specifically to 143 recipients of food-service businesses known in the City. City staff also conducted in-person visits to over 200 food-service businesses to talk about the survey and collect feedback in-person or leave a postcard to invite them to participate. The City received 87 responses to the survey.

#### **Wellington-Dufferin-Guelph Public Health**

City staff engaged with Wellington-Dufferin-Guelph Public Health (WDGPH) to discuss the safety of reusables and determine if requiring a business to accept a clean reusable drink cup is permissible within public health requirements.

#### **Communications Campaign**

Upon Council approval, staff will continue to engage with WDGPH to develop resources to support businesses in complying with the Single-Use Items By-law and the <u>Food Premises Regulation</u> and provide those resources to businesses. Staff will also develop comprehensive promotion and education materials for businesses to communicate these changes to their staff and customers.

#### **Attachments**

Attachment-1 Final Draft Single-Use Items By-law (By-law Number (2024) – 20938)

#### **Departmental Approval**

Cameron Walsh, Division Manager, Solid Waste Resources

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