



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE ADDENDUM

Meeting #: 19-003
Date: February 21, 2019
Time: 9:30 a.m.
Location: Council Chambers, Hamilton City Hall
71 Main Street West

Angela McRae, Legislative Coordinator (905) 546-2424 ext. 5987

	Pages
8. PUBLIC HEARINGS / DELEGATIONS	
8.1 Voislav Bjelajac, respecting a Vacancy Rebate for 2016 (Approved February 7, 2019)	
*8.1.a Voislav Bjelajac, respecting a Vacancy Rebate for 2016 - Speaking Notes	3
10. DISCUSSION ITEMS	
10.1 Development Charges Stakeholders Sub-Committee Report 19-002 (To be distributed)	
*10.1.a For Distribution - Development Charges Stakeholders Sub-Committee Report 19-002	5
10.2 Governance Review Sub-Committee Report 19-001 (To be distributed)	
*10.2.a Governance Review Sub-Committee Report 19-001 - WITHDRAWN	
*10.3 Grants Sub-Committee Report 19-001	17

We sent in two applications for appeals. One for the property tax re-assessment and one for the vacancy rebate. As we were going through the process we had always assumed that they were combined because only one person had contacted us. It wasn't until we finally got to meet with someone and after talking about it that they informed us that they were separate issues. We called the city of Hamilton and asked if they had any update for us on the vacancy rebate. They told us they never received our application and there was nothing they could do about it. After going back and forth a few times they finally let us know that we could come for this meeting and request that they re-examine the vacancy rebate. The building was vacant from purchase December/2015 thru August.01,2016. Building permit was issued on July,22,2016. The building was an exterior shell only upon purchase and under construction until July,2016 for interior completion.

Regards James Hartl & Voislav Bjelajac



**DEVELOPMENT CHARGES STAKEHOLDERS
SUB-COMMITTEE**

REPORT 19-002

Tuesday, February 19, 2019

4:00 p.m.

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Councillors B. Clark (Chair), J.P. Danko (Vice-Chair), M. Wilson, J. Farr, C. Collins, M. Pearson, B. Johnson, T. Whitehead and J. Summers, B. Caramento, Y. Rozenszajn, and W. Stewart

Absent: S. Mammel

**THE DEVELOPMENT CHARGES STAKEHOLDERS SUB-COMMITTEE PRESENTS
REPORT 19-002 AND RESPECTFULLY RECOMMENDS:**

- 1. Development Charges By-law Policy – 2019 Development Charges Agriculture / Farm Land Comparators (FCS18062(b)) (City Wide) (Item 7.1)**
 - (a) That Report FCS18062(b) respecting Development Charges By-law Policy – 2019 Development Charges Agriculture / Farm Land Comparators, be received; and,
 - (b) That the Agricultural / Farm Land Development Charge remain at 100% exempt.

- 2. 2019 Development Charges By-law Policy (FCS18062(a)) (City Wide) (Item 10.1)**
 - (a) That staff be directed to include the policy, as outlined below, in the draft DC By-law to be included in the 2019 Development Charges (DC) Background Study:

(i) Parking Structures

That the 2019 Development Charges By-law not provide an exemption for commercial parking.

(ii) Covered Sports Field

That the 2019 Development Charges By-law not provide an exemption for covered sports fields.

(iii) Small Industrial Rate

That the 2019 Development Charges By-law not provide a lower rate for small industrial developments.

(iv) Academic – Post Secondary / Not-for-Profit Elementary/Secondary

(i) That the 2019 Development Charges By-law not provide an Academic Space exemption; and,

(ii) That the 2019 Development Charges By-law require documentation from developers to support the mandatory exemption as a Crown agent.

(v) Affordable Housing

That the 2019 Development Charges By-law not provide an exemption for affordable housing.

(vi) Places of Worship

That the 2019 Development Charges By-law provide an exemption for Places of Worship, with clarification that revenue generating space is not exempt.

(vii) Public Hospitals

That the 2019 Development Charges By-law not provide exemptions for public hospitals.

(viii) Downtown Public Art Reserve Voluntary Contributions

That the 2019 Development Charges By-law maintain the current exemption for Downtown Public Art Reserve Voluntary Contributions, with an annual limit of \$250,000 on the contributions that will be accepted by the City under this program.

(ix) Heritage Buildings

That the 2019 Development Charges By-law maintain the current exemption within the existing building envelope except for sections that are not covered by the Heritage designation.

(x) Redevelopment for Residential Facility

That the 2019 Development Charges By-law maintain the exemption for Redevelopment for Residential Facility.

(xi) Industrial Rate

That the 2019 Development Charges By-law maintain the current exemption, and continue with a 39% reduction, by charging 100% of the water and wastewater charges, and adjusting the percentage charged for services related to a highway component to achieve a combined reduction of 39%.

(xii) Expansion of an Existing Industrial Development

That the 2019 Development Charges By-law maintain the 50% Industrial expansion exemption as written in the 2014 Development Charges By-law, as amended.

(xiii) Transition Policy

That the 2019 Development Charges By-law maintain the Transition Policy tied to building permit applications.

(xiv) Student Residences

That the exemption for Student Residences be maintained in the 2019 Development Charges By-law until June 30, 2020.

(xv) Agriculture

During discussion of Item 7.1, the Committee passed a Motion "That the Agricultural / Farm Land Development Charge remain at 100% exempt", which relates to paragraph 3 of the staff recommendation.

That the 2019 Development Charges By-law redefine the agriculture definition to exclude cannabis growing and processing, and charge the industrial Development Charge rate.

- (i) That the 2019 Development Charges By-law not provide an exemption for farm help houses; and,
- (ii) That the 2019 Development Charges By-law require proof of a farm business registration number to receive the agriculture Development Charge exemption.

(xvi) New Non-Industrial (Commercial/Institutional) Stepped Rates

That the 2019 Development Charges By-law continue stepped rates for office, excluding medical office; continue stepped rates within the City's CIPA (Community Improvement Plan Areas) and BIA's (Business Improvement Areas); and, remove stepped rates for all other development.

(xvii) Expansion of Existing Non-Industrial (Commercial/Institutional)

That the 2019 Development Charges By-law only provide a 5,000 square feet exemption for office, excluding medical office; and, remove the exemption for all other non-industrial development.

(xviii) Downtown Hamilton CIPA

- (i) That the 2019 Development Charges By-law continue to provide a 70% CIPA exemption for major office developments (Class A – greater than 20,000 square feet gross floor area), whether or not the development is a standalone office;

- (ii) That for other development within the Downtown Hamilton CIPA:

July 6, 2019 – July 5, 2020	60% exemption
July 6, 2020 – July 5, 2021	50% exemption
July 6, 2021 – July 5, 2022	40% exemption
July 6, 2022 – July 5, 2023	40% exemption
July 6, 2023 – July 5, 2024	40% exemption

- (iii) That the 2019 Development Charges By-law maintain the same height limits on exemption use; and,
- (iv) That the 2019 Development Charges By-law add clarity that the Downtown Hamilton CIPA exemption cannot be combined/stacked with other Development Charge exemptions and that the Downtown Hamilton CIPA exemption will not be applied if other exemptions result in a lower amount payable.

(xix) Laneway Housing

That the 2019 Development Charges By-law exempt laneway housing.

(xx) Non-industrial Uses Charged Industrial Rate

(i) That the 2019 Development Charges By-law not provide the industrial rate for self storage facilities or hotels; and,

(ii) That the 2019 Development Charges By-law provide the industrial rate for film, production and artists' studios.

(xxi) Other Development Charges Policies

(i) That the 2019 Development Charges By-law maintain the ability to offset Development Charges with an ERASE (Environmental Remediation and Site Enhancement Redevelopment Program) grant, and require security through a Development Charge Deferral Agreement; and,

(ii) That the 2019 Development Charges By-law, respecting Deferral Agreements, maintain the existing policy and add:

(a) That staff be authorized to negotiate extensions of Development Charges Deferral Agreements of up to two years;

(b) That staff be authorized to enter into Development Charges Deferral Agreements related to Podium Developments to delay timing and applicable rate of Development Charge payment to the issuance of each structure permit (no time limit); and,

(c) That staff be authorized to enter into zero interest Development Charge Deferral Agreements where a developer is applying their ERASE grant to offset the Development Charges (no time limit).

(b) That the anticipated cost of providing the exemption policy be supported through the Rate and Tax Capital Budgets as well as through allocations from the City's annual operating budget surplus;

(c) That staff be directed to prepare the necessary reports and draft by-laws to amend the City's GO Transit By-law 11-174 to be consistent with the policy as outlined in sub-section (a);

**Development Charges
Stakeholders Sub-Committee
Report 19-002**

**February 19, 2019
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- (d) That the “Meeting with downtown developers regarding the proposed Downtown Community Improvement Project Area Development Charge Exemption” be considered complete and removed from the Outstanding Business List;
- (e) That “Laneway Housing DC Policy” be considered complete and removed from the Outstanding Business List;
- (f) That “Review of Downtown and Community Renewal Improvement Program” be considered complete and removed from the Outstanding Business List;
- (g) That “Including Affordable Housing in the Development Charges Policy Review” be considered complete and removed from the Development Charges Stakeholders Subcommittee Outstanding Business List; and,
- (h) That “Revise Agriculture Definition in the City’s DC By-law” be considered complete and removed from the Outstanding Business List.

FOR INFORMATION:

The Chair called the meeting to order at 4:00pm.

The Development Charges Stakeholders Sub-Committee meeting recessed in order to allow the Planning Committee meeting to finish.

The Development Charges Stakeholders Sub-Committee meeting reconvened at 5:48 p.m.

(a) APPROVAL OF THE AGENDA (Item 2)

The Committee Clerk advised of the following change to the agenda:

1. ADDED CORRESPONDENCE

5.1 Correspondence from Joel Fogler, Fogler Rubinoff

The agenda of the February 19, 2019 meeting was approved as amended.

(b) DECLARATIONS OF INTEREST (Item 3)

Councillor Wilson declared an interest with Item 10.1’s Affordable Housing section as she has a relative who works in that sector.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)

(i) January 28, 2019 (Item 4.1)

The Minutes of the January 28, 2019 meeting, were approved.

(d) DISCUSSION ITEMS (Item 10)

**(i) 2019 Development Charges By-law Policy (FCS18062(a)) (City Wide)
(Item 10.1)**

Joe Spiler, Manager of Capital Budgets & Development, and Gary Scandlan of Watson & Associates Economists Limited, addressed Committee with the aid of a PowerPoint presentation. A copy of the presentation is available for viewing on the City's website.

The presentation from Joe Spiler, Manager of Capital Budgets & Development, Gary Scandlan of Watson & Associates Economists Limited, was received.

The Committee considered the staff recommendations and alternative recommendations for the following Development Charges exemption policies:

(i) Parking Structures

That the 2019 Development Charges By-law not provide an exemption for commercial parking.

(ii) Covered Sports Field

That the 2019 Development Charges By-law not provide an exemption for covered sports fields.

(iii) Small Industrial Rate

The following Motion was DEFEATED:

That the 2019 Development Charges By-law continue to discount new industrial developments under 10,000 square feet by levying only 75% of the industrial rate.

That the 2019 Development Charges By-law not provide a lower rate for small industrial developments.

**(iv) Academic – Post Secondary / Not-for-Profit
Elementary/Secondary**

The following Motion was DEFEATED:

That the 2019 Development Charge By-law continue to charge only the Transit component of the Development Charges for post-secondary academic space.

- (i) That the 2019 Development Charges By-law not provide an Academic Space exemption; and,
- (ii) That the 2019 Development Charges By-law require documentation from developers to support the mandatory exemption as a Crown agent.

(v) Affordable Housing

That the 2019 Development Charges By-law not provide an exemption for affordable housing.

(vi) Places of Worship

That the 2019 Development Charges By-law provide an exemption for Places of Worship, with clarification that revenue generating space is not exempt.

(vii) Public Hospitals

That the 2019 Development Charges By-law not provide exemptions for public hospitals.

(viii) Downtown Public Art Reserve Voluntary Contributions

That the 2019 Development Charges By-law maintain the current exemption for Downtown Public Art Reserve Voluntary Contributions, with an annual limit of \$250,000 on the contributions that will be accepted by the City under this program.

(ix) Heritage Buildings

The following Motion was DEFEATED:

That the 2019 Development Charges By-law maintain the current exemption.

That the 2019 Development Charges By-law maintain the current exemption within the existing building envelope except for sections that are not covered by the Heritage designation.

(x) Redevelopment for Residential Facility

That the 2019 Development Charges By-law maintain the exemption for Redevelopment for Residential Facility.

(xi) Industrial Rate

That the 2019 Development Charges By-law maintain the current exemption, and continue with a 39% reduction, by charging 100% of the water and wastewater charges, and adjusting the percentage charged for services related to a highway component to achieve a combined reduction of 39%.

(xii) Expansion of an Existing Industrial Development

That the 2019 Development Charges By-law maintain the 50% Industrial expansion exemption as written in the 2014 Development Charges By-law, as amended.

(xiii) Transition Policy

That the 2019 Development Charges By-law maintain the Transition Policy tied to building permit applications.

(xiv) Student Residences

That the exemption for Student Residences be maintained in the 2019 Development Charges By-law until June 30, 2020.

(xv) Agriculture

During discussion of Item 7.1, the Committee passed a Motion "That the Agricultural / Farm Land Development Charge remain at 100% exempt", which relates to paragraph 3 of the staff recommendation.

For disposition of this matter, refer to Item 1.

That the 2019 Development Charges By-law redefine the agriculture definition to exclude cannabis growing and processing, and charge the industrial Development Charge rate.

- (i) That the 2019 Development Charges By-law not provide an exemption for farm help houses; and
- (ii) That the 2019 Development Charges By-law require proof of a farm business registration number to receive the agriculture Development Charge exemption.

(xvi) New Non-Industrial (Commercial/Institutional) Stepped Rates

That the 2019 Development Charges By-law continue stepped rates for office, excluding medical office; continue stepped rates within the City's CIPA (Community Improvement Plan Areas) and BIA's (Business Improvement Areas); and, remove stepped rates for all other development.

(xvii) Expansion of Existing Non-Industrial (Commercial/Institutional)

That the 2019 Development Charges By-law only provide a 5,000 square feet exemption for office, excluding medical office; and, remove the exemption for all other non-industrial development.

(xviii) Downtown Hamilton CIPA

The following Motion was DEFEATED:

That the staff recommendation for "Other development within the Downtown Hamilton CIPA" be amended as follows:

July 6, 2019 – July 5, 2020	60% exemption
July 6, 2020 – July 5, 2021	50% exemption
July 6, 2021 – July 5, 2022	40% 50% exemption
July 6, 2022 – July 5, 2023	40% 50% exemption
July 6, 2023 – July 5, 2024	40% 50% exemption

- (i) That the 2019 Development Charges By-law continue to provide a 70% CIPA exemption for major office developments (Class A – greater than 20,000 square feet gross floor area), whether or not the development is a standalone office;
- (ii) That for other development within the Downtown Hamilton CIPA:

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- (iii) That the 2019 Development Charges By-law maintain the same height limits on exemption use; and,
- (iv) That the 2019 Development Charges By-law add clarity that the Downtown Hamilton CIPA exemption cannot be combined/stacked with other Development Charge exemptions and that the Downtown Hamilton CIPA exemption will not be applied if other exemptions result in a lower amount payable.

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- (i) That the 2019 Development Charges By-law maintain the ability to offset Development Charges with an ERASE (Environmental Remediation and Site Enhancement Redevelopment Program) grant, and require security through a Development Charge Deferral Agreement; and,
- (ii) That the 2019 Development Charges By-law, respecting Deferral Agreements, maintain the existing policy and add:
 - (a) That staff be authorized to negotiate extensions of Development Charges Deferral Agreements of up to two years;
 - (b) That staff be authorized to enter into Development Charges Deferral Agreements related to Podium Developments to delay timing and applicable rate of Development Charge payment to the issuance of each structure permit (no time limit); and,

- (c) That staff be authorized to enter into zero interest Development Charge Deferral Agreements where a developer is applying their ERASE grant to offset the Development Charges (no time limit).

Recommendation (c) of Report FCS18062(a) respecting 2019 Development Charge By-law Policy, was deleted in its entirety and the balance be renumbered accordingly:

- ~~(c) That the 2019 Development Charges (DC) Background Study, as prepared by Watson and Associates Economists Ltd., be released to the public through the next Development Charges Stakeholder Sub-Committee meeting.~~

For further disposition of this matter, refer to Item 2.

(e) ADJOURNMENT (Item 15)

There being no further business, the Development Charges Stakeholders Sub-Committee, was adjourned at 9:38 p.m.

Respectfully submitted,

Councillor B. Clark, Chair
Development Charges
Stakeholders Sub-Committee

Lisa Chamberlain
Legislative Coordinator
Office of the City Clerk



Hamilton

**GRANTS SUB-COMMITTEE
REPORT 19-001**

12:48 p.m.

February 15, 2019

Council Chambers, Hamilton City Hall

Present: Councillors B. Johnson (Chair), N. Nann (Vice Chair)
L. Ferguson, S. Merulla, T. Jackson, A. VanderBeek

**THE GRANTS SUB-COMMITTEE PRESENTS REPORT 19-001 AND
RESPECTFULLY RECOMMENDS:**

1. APPOINTMENT OF CHAIR AND VICE CHAIR (Item A)

- (a) That Councillor B. Johnson, be appointed as Chair of the Grants Sub-Committee for the 2018-2022 term of Council; and,
- (b) That Councillor N. Nann, be appointed as Vice Chair of the Grants Sub-Committee for the 2018-2022 term of Council.

2. 2018 City Enrichment Fund Update (GRA19001) (City Wide) (Item 6.1)

That the overall 2018 City Enrichment Fund surplus (attached as Appendix "A" to Report 19-001), in the amount of \$82,778 be transferred to the City Enrichment Fund Reserve # 112230.

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised that there were no changes to the agenda.

The February 15, 2019 agenda for the Grants Sub-Committee was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) June 12, 2018 (Item 3.1)

The Minutes of the June 12, 2018 Grants Sub-Committee meeting were approved, as presented.

(d) ADJOURNMENT (Item 8)

There being no further business, the Grants Sub-Committee adjourned at 12:54 p.m.

Respectfully submitted,

Councillor B. Johnson
Chair, Grants Sub-Committee

Stephanie Paparella
Legislative Coordinator
Office of the City Clerk

2018 City Enrichment Fund SUMMARY

Category	No. of Apps	2018 Total Funds Available	2018 Total Payments	Variance
Community Services Total	96	\$ 2,158,510	\$ 2,334,938	-\$ 176,428
Agriculture Total	20	\$ 139,820	\$ 144,361	-\$ 4,541
Environment Total	10	\$ 146,390	\$ 130,813	\$ 15,577
Sport and Active Lifestyles Total	40	\$ 274,120	\$ 290,607	-\$ 16,487
Arts Total	85	\$ 2,725,060	\$ 2,774,757	-\$ 49,697
CCH Total	62	\$ 528,790	\$ 595,484	-\$ 66,694
Total Traditional Grant Requests	313	\$ 5,972,690	\$ 6,270,960	-\$ 298,270
CEF - One time Reserve Funding		298,270		\$ 298,270
Unallocated Balances ¹				
CEF Administration		\$ 50,000	\$ 8,017	\$ 41,983
2018 Uncollected Grants		\$ -	-\$ 36,593	-\$ 36,593
2017 Returned Grants		\$ -	-\$ 4,202	-\$ 4,202
Total City Enrichment Fund		\$ 6,320,960	\$ 6,238,182	\$ 82,778

¹ Refer to Appendix "B" to GRA19001 for line item details.