



Hamilton
City of Hamilton

**DEVELOPMENT CHARGES STAKEHOLDERS SUB-COMMITTEE
REVISED**

Meeting #: 19-003
Date: March 25, 2019
Time: 9:30 a.m.
Location: Council Chambers, Hamilton City Hall
71 Main Street West

Lisa Chamberlain, Legislative Coordinator (905) 546-2424 ext. 4605

	Pages
1. CEREMONIAL ACTIVITIES	
2. APPROVAL OF AGENDA (Added Items, if applicable, will be noted with *)	
3. DECLARATIONS OF INTEREST	
4. APPROVAL OF MINUTES OF PREVIOUS MEETING	
4.1 February 19, 2019	3
5. COMMUNICATIONS	
*5.1 David Zietsma, Redeemer University College, respecting Development Charges Exemption for Academic Institutions Recommendation: Be received	16
*5.2 Thomas H. Ferns, General Counsel and Corporate Secretary, Mohawk College, respecting Development Charges Exemptions for Academic Institutions	17
*5.3 Patrick Deane, President and Vice Chancellor, McMaster University, respecting Development Charges Exemptions for Academic Institutions	18
6. DELEGATION REQUESTS	

7. CONSENT ITEMS

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| 7.2 | 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) | 23 |

8. PUBLIC HEARINGS / DELEGATIONS**9. STAFF PRESENTATIONS****10. DISCUSSION ITEMS**

- 10.1 2019 Development Charges - Background Study
 Due to the size of the document it has not been included in the agenda.
 The Study can be accessed online at:

<https://d3fplf1m7bbt3.cloudfront.net/sites/default/files/media/browser/2019-03-13/2019-development-charges-backgroundstudy.pdf>

- | | | |
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| *10.1.a | Presentation | 59 |
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11. MOTIONS**12. NOTICES OF MOTION****13. GENERAL INFORMATION / OTHER BUSINESS****14. PRIVATE AND CONFIDENTIAL****15. ADJOURNMENT**



**DEVELOPMENT CHARGES STAKEHOLDERS
SUB-COMMITTEE**

MINUTES 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 FOLLOWING ITEMS WERE REFERRED TO THE AUDIT, FINANCE AND ADMINISTRATION COMMITTEE FOR CONSIDERATION:

1. Development Charges By-law Policy – 2019 Development Charges Agriculture / Farm Land Comparators (FCS18062(b)) (City Wide) (Item 7.1)

(Johnson/Farr)

- (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.

CARRIED

2. 2019 Development Charges By-law Policy (FCS18062(a)) (City Wide) (Item 10.1)

(Pearson/Whitehead)

- (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);

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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.

Main Motion, As Amended, CARRIED

FOR INFORMATION:

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

(Johnson/Pearson)

That the Development Charges Stakeholders Sub-Committee meeting recess in order to allow the Planning Committee meeting to finish.

CARRIED

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

(Pearson/Rozenszjan)

That the agenda of the February 19, 2019 meeting be approved as amended.

CARRIED

(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)

(Farr/Danko)

That the Minutes of the January 28, 2019 meeting, be approved.

CARRIED

(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.

(Pearson/Johnson)

That the presentation from Joe Spiler, Manager of Capital Budgets & Development, Gary Scandlan of Watson & Associates Economists Limited, be received.

CARRIED

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

(i) Parking Structures

(Whitehead/Johnson)

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

CARRIED

(ii) Covered Sports Field

(Whitehead/Collins)

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

CARRIED

(iii) Small Industrial Rate

(Rozenszajn/Carmento)

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.

DEFEATED

(Pearson/Whitehead)

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

CARRIED

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

(Whitehead/Wilson)

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

DEFEATED

(Collins/Johnson)

(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.

CARRIED

(v) Affordable Housing

(Collins/Farr)

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

CARRIED

(vi) Places of Worship

(Whitehead/Pearson)

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

CARRIED

(vii) Public Hospitals

(Danko/Wilson)

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

CARRIED

(viii) Downtown Public Art Reserve Voluntary Contributions

(Farr/Johnson)

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.

CARRIED

(ix) Heritage Buildings

(Rozenszajn/Whitehead)

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

DEFEATED

(Farr/Collins)

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.

CARRIED

(x) Redevelopment for Residential Facility

(Pearson/Johnson)

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

CARRIED

(xi) Industrial Rate

(Whitehead/Pearson)

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%.

CARRIED

(xii) Expansion of an Existing Industrial Development

(Pearson/Summers)

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

CARRIED

(xiii) Transition Policy

(Collins/Whitehead)

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

CARRIED

(xiv) Student Residences

(Farr/Collins)

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

CARRIED

(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.

(Collins/Pearson)

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

CARRIED

(Pearson/Johnson)

(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.

CARRIED

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

(Whitehead/Johnson)

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.

CARRIED

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

(Johnson/Summers)

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.

CARRIED

(xviii) Downtown Hamilton CIPA

(Farr/Collins)

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

DEFEATED

(Pearson/Whitehead)

(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
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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.

CARRIED

(xix) Laneway Housing

(Pearson/Whitehead)

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

CARRIED

(xx) Non-industrial Uses Charged Industrial Rate

(Pearson/Summers)

- (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.

CARRIED

(xxi) Other Development Charges Policies

(Pearson/Whitehead)

- (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

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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).

CARRIED

(Collins/Farr)

That recommendation (c) of Report FCS18062(a) respecting 2019 Development Charge By-law Policy, be 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.~~

Amendment CARRIED

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

(e) ADJOURNMENT (Item 15)

(Pearson/Summers)

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

CARRIED

Respectfully submitted,

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

Lisa Chamberlain
Legislative Coordinator
Office of the City Clerk

March 21, 2019

Dear Councillor Wilson,

We are writing to you today about some changes that have been suggested in the Development Charges Stakeholder subcommittee that have recently come to our attention. Currently academic institutions enjoy 100% exemptions for academic spaces (except for the transit component) and 50% exemptions for student residences, but unfortunately, city staff have recommended academic exemptions, as well as student housing exemptions be removed. This would be challenging for Redeemer as a not-for profit, publicly chartered but privately funded institution, and severely hinder our ability to grow our campus in the near future.

Taking away the exemption in development charges will put Hamilton post-secondary institutions at a competitive disadvantage. Other universities across the provinces have remained exempt from all municipal development charges, including the University of Guelph, York University, University of Windsor, Ryerson University, Brock University, University of Toronto, and University of Ottawa. Without this exemption, our funding will not stretch as far, and our facilities will not be able to compete with other Ontario universities, leaving Hamilton to fall behind in this important sector of post-secondary education and research.

Earlier this year, officials from the University of Guelph made the case to Council that they should continue to be fully exempt in the interest of providing equal treatment with Conestoga College which has a small campus in Guelph, and would continue to be exempt from DCs as a Crown agent. As a result, the University of Guelph continues to be exempt from all development charges. Hamilton is in a similar situation, as both Mohawk and Brock would be exempt, while Redeemer and McMaster would have to pay full development charges. This then becomes an equity issue for our local post-secondary institutions.

With a recent 42% cut to Redeemer's tuition, we anticipate doubling enrolment in the next 5 years, which would require new student residences and academic space in the near future. This would be a large burden to an institution that relies heavily on donations for any new development as a not-for-profit university.

For all of the reasons listed above, we ask that you keep the exemption in place for post-secondary institutions. Both McMaster and Redeemer significantly add to Hamilton's economic growth in a variety of ways, including bringing students to Hamilton from all across the globe, research endeavors, and job creation. We are confident that with this exemption in place, all post-secondary institutions in Hamilton will be able to thrive and positively impact the city of Hamilton.

Thank you for your consideration,



David Zietsma
Vice President, External Relations and Enrolment



Thomas H. Ferns
GENERAL COUNSEL and CORPORATE SECRETARY
Direct: 905 575-2189 | Email: tom.ferns@mohawkcollege.ca

February 15, 2019

City of Hamilton
71 Main Street West
Hamilton, ON L8P 4Y5

Attention: Jason Thorne
General Manager of Planning and Economic Development

Dear Mr. Thorne:

Re: Development Charges

We recently became aware that the Development Charges Stakeholders Sub-Committee will be meeting on February 19, 2019. In that regard, we would like to make the Sub-Committee and staff aware of our views on the proposed Development Charge By-law. In particular, we understand that staff has recommended to remove an exemption for colleges in the proposed Development Charge By-law, instead requiring Mohawk to produce documentation that supports our status as a Crown Agent.

Colleges that are crown agents, including Mohawk, are established as Crown Agents through legislation. Subsection 2(4) of the Ontario Colleges of Applied Arts and Technology Act, 2002 states that "a college established under subsection (1) is an agency of the Crown". In the applicable regulation, O.Reg 34/03, subsection 2(1) paragraph 17, sets out that Mohawk is "established", meaning that it is a Crown Agent.

We are happy to discuss the recommendation to remove the exemption for colleges. We believe that the removal will only result in increased legal fees and transaction costs for Mohawk, but does not provide the City with any real benefit since Mohawk College is clearly entitled to an exemption. In the spirit of a cooperative and collaborative relationship between Mohawk and the City, we would request that we have a meeting to discuss the issue so we can understand the goal that the City is trying to accomplish through removing this exemption.

Yours truly,

THE MOHAWK COLLEGE OF APPLIED ARTS AND TECHNOLOGY

A handwritten signature in blue ink, appearing to read "T. Ferns", written over a white background.

Thomas H. Ferns
General Counsel and Corporate Secretary



President and
Vice-Chancellor

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March 25, 2019

To: DEVELOPMENT CHARGES STAKEHOLDERS SUB-COMMITTEE
C/O: Lisa Chamberlain, Legislative Coordinator
SUBJECT: Development Charges (DC) – Academic Exemptions

McMaster has been a partner with the City and the people of Hamilton since it moved to the city in 1929. Since then, the University has built its teaching and research strengths. Hamilton is now one of only four Canadian cities with a university ranked in the top 100 in the world. As it has built its international prestige, McMaster has also developed its commitment to community engagement and to strengthening its role in Hamilton's development and success.

We were disappointed to discover recently that the City of Hamilton was considering a change to the status quo as it relates to development charge (DC) exemptions for academic institutions. We have now met with City staff on two occasions to describe the very real and serious potential impacts on McMaster's, and therefore Hamilton's, development and growth. We continue to work with City staff in an effort to find solutions and have appreciated their willingness to listen to our concerns, as we have to theirs.

As indicated in the Development Charges Background Study, postsecondary institutions are not a statutory exemption set out by the Development Charges Act, nor are we a designated crown agent. Hamilton has a long history of treating its higher education institutions in an equitable manner.

We are asking that this Committee ensure that all post-secondary institutions in Hamilton be treated equally.

The proposed changes will disproportionately and materially impact McMaster. Under the proposed changes Mohawk College will continue to be fully exempt, as will Brock University. This disparate treatment contradicts precedents established by other Ontario municipalities that consistently enforce equal exemption from, or application of, development charges among universities and colleges. Recognizing that universities and colleges have similar funding frameworks and core missions, we ask that McMaster University be treated similarly to Mohawk College, and that both maintain their current exemptions.

If the development charge plan moves forward as the DC Background Study recommends, we have significant concerns about our ability to remain competitive in provincial and federal capital competitions. Of the U6 research-intensive Ontario universities, all but one currently receives at least some form of exemption from DCs and many of our regional competitor universities also receive these exemptions. The City of Guelph recently underwent a similar discussion and it was the will of their Council to maintain the academic exemption in order to ensure that all postsecondary institutions received equitable treatment, and that their University was not disadvantaged. If McMaster is not able to compete on an equal basis, Hamilton will lose funding opportunities to other municipalities.

McMaster has a number of building projects planned. Any change in development charge exemptions would require each project to be reassessed. This in turn will impact academic decisions and overall costs and may put several of our funded projects in jeopardy. In our view, several of these projects will contribute directly to the economic future of the City.

Hamilton's development and the University's success are intertwined. When many organizations were moving away from the downtown area, we were the first, and until recently the only, major public institution that responded to the City's call to help revitalize the downtown core. The University has made community engagement with our city a core component of its vision. McMaster is also a magnet that attracts business to our region, incubates new companies and creates jobs. These benefits accrue to Hamilton and we are proud to be able to drive such significant investment to our city. A 2018 KPMG report showed that McMaster's annual GDP impact to the City of Hamilton was almost \$3.9 billion.

We urge the Committee to consider the consequences that will result from the proposed changes and instead ensure a level playing field, both within our city limits and beyond, with our competitors in other jurisdictions.

Sincerely,



Patrick Deane
President and Vice-Chancellor



Hamilton

INFORMATION REPORT

TO:	Chair and Members Development Charges Stakeholders Sub-Committee
COMMITTEE DATE:	March 25, 2019
SUBJECT/REPORT NO:	Development Charges By-law Policy - 2019 Development Charges Academic Comparators (FCS18062(d)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Lindsay Gillies (905) 546-2424 Ext. 2790
SUBMITTED BY:	Cindy Mercanti Director, Customer Service and POA Acting Director, Financial Planning and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

N/A

INFORMATION

The draft 2019 Development Charges (DC) By-law does not provide a DC exemption for Academic Space. As additional information, staff has prepared the following summary of how Academic Space is treated in the DC By-laws of some comparator municipalities as well as a summary of how the Payment-in-lieu (PIL) of Taxes on Colleges, Universities, Correctional Facilities and Hospitals (“Heads and Beds”) revenue has decreased in value since the Province implemented the current per unit rate in 1987.

Table 1 summarizes the exemptions related to academic space for the identified Ontario municipalities. The practices below do not apply to Crown agents which, through case law, are eligible to receive a mandatory DC exemption for academic space.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

**Table 1
Academic DC Exemption in Comparator Municipalities**

Municipality	Treatment of Academic Space in DC By-Law
City of Toronto	DCs exempt for buildings used for teaching
City of Kingston	No Exemption
Region of Waterloo	No Exemption
City of Waterloo	DCs exemption for academic space within the “academic” zones in the official plan – industrial, research, commercial uses not exempt
City of Windsor	DCs exempt for academic space
City of Ottawa	No Exemption
City of London	Only until replaced by a CIPA program - 50% exemption of “City Services” (excludes W/WW/Storm) where established pursuant to the <i>Ministry of Colleges and Universities Act</i> .
Niagara Region	No Exemption
City of Mississauga	DCs exempted for “purpose of university established by an Act of the Legislative Assembly of Ontario”
City of Guelph	DCs exempt for university related purposes within university defined area

Several municipalities in Ontario have long requested that the Province correct the inequity of the “heads and beds” levy paid in lieu of property taxes by colleges, universities, correctional facilities and hospitals. The current \$75 per “head” for colleges / universities and “bed” for hospitals / correctional facilities, has not only been frozen since 1987 but it grossly understates the escalating costs of providing municipal services.

The PIL received by municipalities based on the prescribed \$75 per head / bed is significantly less than if the legislated per head / bed amount had been indexed for inflation. Table 2 shows how the prescribed \$75 per head / bed has changed in value due to the amount remaining static for the past 31 years and what the per head / bed rate would be in 2018 if it had been indexed for inflation.

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SUBJECT: Development Charges By-law Policy – 2019 Development Charges Academic Comparators (FCS18062(d)) (City Wide) – Page 3 of 3

**Table 2
Heads and Beds Per Unit Rate Information**

Heads and Beds per unit rate in 1987	\$75.00
Value of \$75 in 1987 stated in 2018	\$39.13
Calculated Heads and Beds per unit rate if the 1987 rate had been indexed with CPI to 2018	\$143.75

Appendices and Schedules Attached

None

LG/dt

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CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Planning, Administration and Policy Division

TO:	Chair and Members Development Charges Stakeholder Sub-Committee
COMMITTEE DATE:	March 25, 2019
SUBJECT/REPORT NO:	2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Lindsay Gillies (905) 546-2424 Ext. 2790
SUBMITTED BY:	Cindy Mercanti Director, Customer Service and POA Acting Director, Financial Planning and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATIONS

- (a) That Report FCS19020 be recognized as a Development Charge Background Study under Section 10 of the *Development Charges Act, 1997*, as amended, for the purpose of providing background for amending policy of the existing GO Transit Development Charge By-law 11-174, as amended;
- (b) That the Development Charges Stakeholder Sub-Committee approval of Report FCS19020 be considered the Public Release of the DC Background Study as required by Section 10 (4) of the *Development Charges Act, 1997*, as amended;
- (c) That the item respecting amendments to the GO Transit Development Charges By-law be identified as complete and removed from the Outstanding Business List.

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SUBJECT: 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) - Page 2 of 7

EXECUTIVE SUMMARY

The City of Hamilton currently has two active By-laws related to the collection of Development Charges (DCs) under the *Development Charges Act, 1997*, as amended (DC Act). The first By-law is the City of Hamilton Development Charges By-law, 2014, which expires and will be replaced with a new by-law on July 6, 2019. The second by-law is the City of Hamilton GO Transit Development Charges By-law, 2011 (GO Transit DC By-law) which is to remain in effect until December 31, 2019 as per Ontario Regulation 468/16 and Ontario Regulation 489/16.

Through the 2019 DC By-law process, several DC policy changes are recommended. The purpose of Report FCS19020 is to serve as a background study for the purpose of aligning the DC exemption policy in the City's GO Transit DC By-law with the same DC exemption policy proposed for the 2019 DC By-law.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The City remits all GO Transit DC collections to Metrolinx on an annual basis.

Staffing: None.

Legal: Report FCS19020 functions as the background study required by the DC Act to be released at a minimum of 60 days prior to the passing of any new or amended DC By-law. In order to amend a DC By-law, there are other legal responsibilities such as holding a public meeting and providing notice of said public meeting. A public meeting for both the 2019 DC By-law and background study and the proposed amendments to the GO Transit DC By-law is scheduled for April 18, 2019 and the public notice of the meeting has been published in the Hamilton Spectator and the Hamilton Community News.

HISTORICAL BACKGROUND

At its meeting of July 4, 2011, Council approved GO Transit DC By-law. The By-law was amended via By-law 12-053 in March 2012 to adjust the Downtown Hamilton Community Improvement Project Area borders and DC exemption rate, as well as add an exemption for adaptive reuse of heritage buildings. The By-law was further amended through By-law 18-228 in August 2018 to place height limitations on the Downtown Hamilton Community Improvement Project Area DC exemption. In order to have the 2019 DC By-law and the GO Transit DC By-law contain the same DC exemption policy, a further amendment is required concurrent with the 2019 DC By-law process.

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SUBJECT: 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) - Page 3 of 7

Council, at its meeting of February 27, 2019, established the draft 2019 DC exemption Policy through its approval of Report 19-002 of the Development Charges Stakeholders Sub-Committee. Through the same Report, staff was directed to amend the GO Transit DC By-law to be consistent with the proposed 2019 DC By-law policy.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Report FCS19020 functions as a background study for the purpose of amending the existing policy contained within the GO Transit DC By-law. The background study is required to be public for a minimum of 60 days before Council may pass the amendments.

There must be at least one public meeting prior to passing the amendments. A public meeting related to the 2019 DC By-law is scheduled for April 18, 2019. The same meeting will serve as the public meeting for amending the GO Transit DC By-law.

Any changes directed out of the public consultation process will need to be directed to apply to both the 2019 DC By-law and the proposed amendments to the GO Transit DC By-law in order to maintain consistent policy between the two.

Section 19 of the DC Act requires that Sections 10 through 18 of the DC Act be applied to an amendment of an existing DC By-law. Section 10 requires a background study with some prescribed detail. The By-law amendments being considered, namely changes to the DC exemption policy, impact only the By-law and do not necessitate a change to the growth forecast, capital costs or calculation of the quantum through the detailed work in the “City of Hamilton 2011 Development Charge Background Study for Water, Wastewater, Storm Water and GO Transit Services” (2011 Development Charges Background Study) dated May 20, 2011 as prepared by Watson & Associates Economists Ltd. The full document can be accessed on the Current Development Charge Rates and Information webpage on www.hamilton.ca.

Watson & Associates Economists Ltd. has reviewed the proposed amendments and has confirmed that Report FCS19020 meets the requirements of a background study. The confirmation from Watson & Associated Ltd. is included as Appendix “C” to this Report FCS19020.

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**SUBJECT: 2019 Background Study for GO Transit Development Charges By-law
Amendment (FCS19020) (City Wide) - Page 4 of 7**

Table 1: DC Act Requirements of What is to be Included in a Background Study

Section	Applicability to amendment
10 (1)	Before passing a development charge by-law, the council shall complete a development charge background study
10 (2)	Report FCS19020 is the background study.
	The development charge background study shall include,
	(a) the estimates under paragraph 1 of subsection 5 (1) of the anticipated amount, type and location of development;
	The estimate of the anticipated amount, type and location of development considered in the original 2011 Development Charges Background Study which was used in the calculation of GO Transit DC rates for the current DC By-law has not materially changed as a result of the amendment proposed.
	(b) the calculations under paragraphs 2 to 8 of subsection 5 (1) for each service to which the development charge by-law would relate;
	The calculations under paragraphs 2 to 8 of subsection 5 (1) for each service to which the development charge by-law relates in the original 2011 Development Charges Background Study which was used in the calculation of GO Transit DC rates for the current DC By-law has not materially changed as a result of the amendment proposed.
	(c) an examination, for each service to which the development charge by-law would relate, of the long-term capital and operating costs for capital infrastructure required for the service;
	The long-term capital infrastructure and operating costs for capital infrastructure required for each service work performed in the original 2011 Development Charges Background Study which was used in the calculation of GO Transit DC rates for the current GO Transit DC By-law has not materially changed as a result of the amendment proposed.
	(c.1) unless subsection 2 (9) or (11) applies, consideration of the use of more than one development charge by-law to reflect different needs for services in different areas;
	While not a requirement when the original 2011 Development Charges Background Study was published, any work related to area specific charges would not be materially changed as a result of the amendment proposed.

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SUBJECT: 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) - Page 5 of 7

	(c.2) an asset management plan prepared in accordance with subsection (3); and	<p>While not a requirement when the original 2011 Development Charges Background Study was published, the impact any work related to asset management plans would not be materially changed as a result of the amendment proposed.</p> <p>This amendment does not involve the addition of any capital projects or changes to the cost of any capital projects included in the 2011 Development Charges Background Study. Further, it will not increase any operating costs for any new infrastructure to be funded, in part, from development charges.</p>
	(d) such other information as may be prescribed	No other information has been prescribed to date

Table 2: Schedule of Dates for the DC By-law Amendment Process

Background Study and proposed by-law amendment available to public	March 25, 2019
Public Meeting ad placed in newspaper(s)	<p>Hamilton Community News – March 21 & 28, 2019</p> <p>Hamilton Spectator – March 22 & 29, 2019</p> <p><i>At least 20 days prior to the public meeting</i></p>
Public Meeting	April 18, 2019
Council considers passage of by-law	<p>AF&A – June 6, 2019 Council – June 12, 2019</p> <p><i>No less than 60 days after the background study is made available to the public</i></p>
Newspaper and written notice given of by-law passage	By 20 days after passage
Last day for by-law appeal	40 days after passage
City makes available pamphlet (where by-law not appealed)	By 60 days after passage

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SUBJECT: 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) - Page 6 of 7

RELEVANT CONSULTATION

The following groups were consulted when recommending polices to be included in the 2019 DC By-law which are the same amendments proposed to the GO Transit DC By-law:

Internal

- Planning and Economic Development Department
- Public Works Department
- Healthy and Safe Communities Department
- City Manager's Office
- Corporate Services Department - Legal and Risk Management Services
- CityHousing Hamilton

External

- Watson and Associates Economists Ltd.
- N. Barry Lyon Consultants Limited

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The City DC By-law has historically contained a number of discretionary DC policies with full or partial exemptions. The City has successfully used DC policies (sometimes in conjunction with other policies such as low-cost loan programs and remediation incentives) so that certain types of development can cross the economic threshold and become viable. Report FCS18062(a) was presented to the DC Stakeholders Sub-Committee and resulted in draft DC Policy being recommended to the Audit, Finance and Administration Committee through DC Stakeholders Sub-Committee Report 19-002. Council supported this Policy through the approval of meeting minutes at its meeting of February 27, 2019. Through the same reports and meetings, staff was directed to amend the GO Transit By-law concurrently with the 2019 City DC By-law process.

The GO Transit DC By-law has historically contained the same policy as the City's DC By-law in order to provide for consistency in the calculations and to support the same priorities as the City DC By-law. In order to use the same policy for GO Transit DCs as City DCs once the 2019 City DC By-law is in effect, the GO Transit DC By-law must be amended.

ALTERNATIVES FOR CONSIDERATION

None

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SUBJECT: 2019 Background Study for GO Transit Development Charges By-law Amendment (FCS19020) (City Wide) - Page 7 of 7

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS19020 – Draft Amendment for GO Transit DC By-law 11-174

Appendix “B” to Report FCS19020 – GO Transit DC By-law 11-174, as amended (Consolidated)

Appendix “C” to FCS19020 – Memo from Watson & Associates Economists Ltd.

LG/dt

Appendix "A" to Report FCS19020
Page 1 of 10

Authority:
City Wide
Bill No.

CITY OF HAMILTON**BY-LAW NO. 19-XXX**

Being a By-law to amend By-law 11-174
"City of Hamilton GO Transit Development Charges By-law, 2011"

WHEREAS section 19 of the *Development Charges Act, 1997*, S.O. 1997, c.27 (hereinafter referred to as the "Act") provides for amendments to be made to development charges by-laws;

WHEREAS the Council of the City of Hamilton has determined that certain amendments should be made to the City of Hamilton GO Transit Development Charges By-law, 2011 (By-law 11-174);

WHEREAS, in accordance with section 10 of the Act, at its meeting of _____, 2019, the Council of the City of Hamilton approved a background study through Report FCS19020 dated March 25, 2019 entitled "2019 Background Study for GO Transit Development Charges By-law Amendment";

WHEREAS, as required by section 10 of the Act, the said development charges background study has been completed and made public a minimum of 60 days prior to passing this development charges By-law amendment;

WHEREAS, as required by section 11 of the Act, this By-law amendment is being enacted within one year of the completion of the said development charges background study, titled "2019 Background Study for GO Transit Development Charges By-law Amendment" prepared by staff, dated March 25, 2019;

WHEREAS the Council of the City of Hamilton has given notice and held a public meeting on _____, 2019 in accordance with section 12 the Act regarding its proposals for this development charges By-law amendment;

WHEREAS the Council of the City of Hamilton, through its Audit, Finance and Administration Committee, has received written submissions and heard all persons who applied to be heard no matter whether in objection to, or in support of, the said By-law amendment;

Appendix “A” to Report FCS19020
Page 2 of 10

WHEREAS the Council of the City of Hamilton, at its meeting of _____, 2019, has adopted and approved the said background study and the development charges policies recommended by the General Manager of the Finance and Corporate Services Department to be included in this By-law amendment and determined that no further public meetings are required under section 12 of the Act; and

WHEREAS the Council of the City of Hamilton, at its meeting of _____, 2019, approved a Report FCS19020 dated March 25, 2019 entitled “2019 Background Study for GO Transit Development Charges By-law Amendment”.

NOW THEREFORE the Council of the City of Hamilton enacts as follows:

1. Section 1 of By-law 11-174 is hereby amended by deleting Section 1 and replacing with the following:

Definitions

1. In this By-law,

- (a) **“Act”** means the *Development Charges Act, 1997*, S.O. 1997, c.27.
- (b) **“adaptive reuse”** means the alteration of an existing building on a Protected Heritage Property for compliance of its continuing or resumed use(s) with current Building Code requirements; or, for compliance of its proposed new use(s) with current building code requirements; or, for ensuring its structural integrity; or for optimizing its continued, resumed or new use(s); while maintaining the cultural heritage value or interests of the subject building; and in compliance with the conditions of any Heritage Permit required for the subject alterations.
- (c) **“apartment dwelling”** means a building containing more than two dwelling units where the dwelling units are connected by an interior corridor, but does not include a residential facility. For the purposes of this By-law, apartment dwelling includes a stacked townhouse and a mobile home.
- (d) **“apartment dwelling unit”** means a dwelling unit within an apartment dwelling.
- (e) **“back-to-back townhouse dwelling”** means a building containing four or more dwelling units vertically by a common wall, including a rear common wall, that do not have rear yards.
- (f) **“back-to-back townhouse dwelling unit”** means a dwelling unit within a back-to-back townhouse dwelling.

Appendix “A” to Report FCS19020
Page 3 of 10

- (g) **“bedroom”** means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen.
- (h) **“Board of Education”** means a board as defined in Subsection 1(1) of the *Education Act 1997*, S.O. 1997, c.E.2.
- (i) **“building”** means any structure or building as defined in the Building Code but does not include a vehicle.
- (j) **“Building Code”** means Ontario Regulation 332/12 as amended or any successor thereto made under the *Building Code Act, 1992*, S.O. 1992, c.23, as amended.
- (k) **“Council”** means the Council of the City of Hamilton.
- (l) **“development”** means the construction, erection, or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof or any development requiring any of the actions described in section 12, and includes redevelopment.
- (m) **“development charge”** or **“development charges”** means the charges imposed by this By-law against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which this By-law applies.
- (n) **“Downtown Hamilton Community Improvement Project Area”** or **“CIPA”** means the area shown on Schedule “B”.
- (o) **“Downtown Public Art Reserve”** means a public art reserve established and administered by the City of Hamilton that may fund public art in the CIPA.
- (p) **“duplex”** means a Building containing two dwelling units, but shall not include a semi-detached dwelling.
- (q) **“dwelling unit”** means a room or suite of rooms used, or designed or intended for use by one or more persons living together as a single housekeeping unit in which culinary and sanitary facilities are provided for the exclusive use of such person or persons.
- (r) **“full kitchen”** means a kitchen which contains a fridge, stove and sink.
- (s) **“garden suite”** has the same meaning as it has in subsection 39.1(2) of the *Planning Act*.

Appendix “A” to Report FCS19020
Page 4 of 10

- (t) **“GO Transit Service”** includes stations, sites, parking facilities, rolling stock, storage yards, layover facilities, maintenance facilities, tunnels, grade separations, crossings, track, corridor rail expansions, bus terminals, control centres, capital works studies, background studies, and financing costs.
- (u) **“grade”** means the average level of proposed or finished ground adjoining a building at all exterior walls.
- (v) **“laneway”** means a public highway or road allowance having a width of less than 12.0 metres.
- (w) **“laneway house”** means a dwelling unit abutting a laneway on the same lot or parcel of land as another single detached dwelling or semi-detached dwelling, physically detached from and secondary to the single detached dwelling or semi-detached dwelling.
- (x) **“live/work unit”** means a building, or part of thereof, which contains, or is intended to contain, both a dwelling unit and non-residential areas and which is intended for both residential use and non-residential use concurrently, and shares a common wall or floor with or without direct access between the residential and non-residential areas.
- (y) **“local board”** means any municipal service board, municipal business corporation, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power under any act with respect to the affairs or purposes of the City, excluding a school board, a conservation authority, any municipal business corporation not deemed to be a local board under O. Reg 168/03 under the *Municipal Act*, 2001, S.O. 2001, c.25.
- (z) **“lodging house”** means a building that is used or designed to provide four or more lodging units, which may share common areas of the building other than the lodging unit and do not appear to function as a single housekeeping unit and does not include a residential facility.
- (aa) **“lodging unit”** means a room or set of rooms located in a lodging house designed or intended to be used for sleeping and living accommodation, which:
 - (i) is designed for the exclusive use of the resident or residents of the unit;
 - (ii) is not normally accessible to persons other than the resident or residents of the unit; and,

Appendix “A” to Report FCS19020
Page 5 of 10

- (iii) may contain either a bathroom or full kitchen but does not contain both for the exclusive use of the resident or residents of the unit.
- (bb) **“lot”** means a lot, block or parcel of land which can be legally and separately conveyed pursuant to section 50 of the *Planning Act* and includes a development having two or more lots consolidated under a single ownership.
- (cc) **“mixed use development”** means a building used, designed or intended for use for both residential and non-residential uses.
- (dd) **“mobile home”** means a building recognized in the Building Code as a “Mobile Home” in accordance with the standard for mobile homes in CSA Z240.2.1 “Structural requirements for Manufactured Homes” or CSA A277 “Procedures for Factory Certification of Buildings”.
- (ee) **“multiple unit dwelling”** means a building consisting of two or more dwelling units attached by a vertical or horizontal wall or walls other than a single detached dwelling, semi-detached dwelling, apartment dwelling, or residential facility. Multiple unit dwelling includes, but is not limited to, townhouse dwelling, back-to-back townhouse dwelling, duplex, and the portion of a live/work unit intended to be used exclusively for living accommodations for one or more individuals.
- (ff) **“non-residential development”** or **“non-residential use”** is any development other than a residential development or residential use.
- (gg) **“Planning Act”** means the *Planning Act*, R.S.O. 1990, c. P. 13.
- (hh) **“Protected Heritage Property”** means a property that is designated under Part IV of the *Ontario Heritage Act*, subject to a Heritage Easement under Part II of the *Ontario Heritage Act*, subject to a Heritage Easement under Part IV of the *Ontario Heritage Act*, or subject to a covenant or agreement on title held between the property owner and a conservation authority or level of government in the interest of conserving built heritage.
- (ii) **“Redevelopment”** means the construction, erection or placing of one or more Buildings on land where all or part of a building has previously been demolished on such land, or changing the use of a building from a residential Development to a non-residential development or from a non-residential development to a residential development, or changing a building from one form of residential development to another form of residential development or from one form of non-residential use to another form of non-residential use and including any development or redevelopment requiring any of the actions described in Section 12.
- (jj) **“Regulation”** means Ontario Regulation 82/98 under the Act.

Appendix "A" to Report FCS19020
Page 6 of 10

(kk) **"Residential Development"** or **"Residential Use"** means:

- (i) a single detached dwelling;
- (ii) a semi-detached dwelling;
- (iii) a residential facility;
- (iv) a laneway house;
- (v) a multiple unit dwelling;
- (vi) an apartment dwelling; or
- (vii) the portion of a mixed-use development comprised of any dwelling units and any areas intended to be used exclusively by the occupants of the dwelling units,

but does not include any buildings used or designed to be used for use as short term accommodation.

(ll) **"residential facility"** means a building or part thereof containing four or more rooms or suites of rooms designed or intended to be used for sleeping and living accommodation that have a common entrance from street level and:

- (i) where the occupants have the right to use, in common, halls, stairs, yards, common rooms and accessory buildings;
- (ii) which may or may not have exclusive sanitary facilities for each occupant;
- (iii) which does not have exclusive full kitchen facilities for each occupant;
- (iv) where support services such as meal preparation, grocery shopping, laundry; and
- (v) housekeeping, nursing, respite care and attendant services may be provided at various levels.

For the purposes of this By-law, residential facility includes a lodging house and a garden suite.

(mm) **"semi-detached dwelling"** means a building consisting of two dwelling units attached by a vertical wall or walls, each of which has a separate entrance or access to grade.

Appendix “A” to Report FCS19020
Page 7 of 10

- (nn) **“service”** means service defined in the by-law or designated in an agreement under section 44 of the Act.
 - (oo) **“short term accommodation”** means a building designed or used or designed or intended for use as a temporary rental sleeping accommodation for travellers and shall include but not be limited to a motel, motor hotel, hotel or an apartment hotel.
 - (pp) **“single detached dwelling”** means a building containing one dwelling unit and not attached to another building, whether or not the single detached dwelling is situated on a single lot.
 - (qq) **“stacked townhouse dwelling”** means a building containing four or more dwelling units which are horizontally and vertically separated in a split level or stacked manner, where each dwelling unit egresses directly outside to grade (no egress to a common corridor).
 - (rr) **“stacked townhouse dwelling unit”** means a dwelling unit within a stacked townhouse dwelling.
 - (ss) **“student residence”** means a residential development that is solely owned by a university, college of applied arts and technology or other accredited post-secondary institution, designed or intended to be used for sleeping and living accommodations by students of the university, college of applied arts and technology or other accredited post-secondary institution that owns the residential development.
 - (tt) **“temporary building or structure”** means a building without a foundation which is constructed, erected or placed on land for a continuous period of time not exceeding one year, or a like addition or alteration to an existing building or an existing structure that has the effect of increasing the usability thereof for a continuous period not exceeding one year.
 - (uu) **“townhouse dwelling”** means a building divided vertically into three or more dwelling units, by common walls which prevent internal access between units where each dwelling unit egresses directly outside to grade.
 - (vv) **“townhouse dwelling unit”** means a dwelling unit within a townhouse dwelling.
2. Section 17 of By-law 11-174 is hereby amended by deleting Section 17 and replacing with the following:

Appendix “A” to Report FCS19020
Page 8 of 10

Other Exemptions from Development Charges

Notwithstanding any other provision of this By-law, the following types of development are exempted from development charges under this By-law in the manner and to the extent set out below. Unless otherwise specified herein, the said exemption is equivalent to one hundred percent (100%) of the development charges otherwise payable:

- (a) a laneway house.

3. Section 18 of By-law 11-174 is hereby amended by deleting Section 18 and replacing with the following:

Downtown Hamilton Community Project Area (CIPA) Exemption

18. Development within the boundaries of the Downtown Hamilton Community Improvement Project Area (CIPA) as shown on Schedule “B” attached to this By-law shall:

- (a) be exempted from the following percentages of the development charges otherwise payable, after all other credits and exemptions are considered, under the By-law for only the portion of the building that is within the height restrictions as shown in Schedule “C” attached to this By-law based on the later of the date on which development charges are payable or the date all applicable development charges were actually paid:

Date	Percentage of exemption (%)	Percentage of development charge payable (%)
July 6, 2011 to July 5, 2015	90	10
July 6, 2015 to July 5, 2016	85	15
July 6, 2016 to July 5, 2017	80	20
July 6, 2017 to July 5, 2018	75	25
July 6, 2018 to July 6, 2019	70	30
July 6, 2019 to July 5, 2020	60	40
July 6, 2020 to July 5, 2021	50	50
July 6, 2021 to July 5, 2022	40	60
July 6, 2022 to July 5, 2023	40	60
July 6, 2023 to July 6, 2024	40	60

Schedule “C” attached to this By-law shall not be amended by any decision by the Local Planning Appeal Tribunal relating to the City’s Zoning By-law Amendment 18-114; or by any amendments, including site specific or area specific, to the City’s Zoning By-law 05-200 either through Local Planning Appeal Tribunal decisions or by Council.

Appendix "A" to Report FCS19020
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For clarity, any development in excess of the height restrictions as shown in Schedule "C" attached to this By-law shall be subject to the full calculated development charge and only be reduced if there are any credits or exemptions remaining after applying any and all other credits or exemptions to the portion of the building that is within the height restrictions as shown in Schedule "C" attached to this By-law.

- (b) for each year this By-law is in effect an additional exemption will apply as follows:
 - (i) a dollar for dollar exemption on any remaining development charges payable equal to any amount of contribution by the payer of the development charges to the Downtown Public Art Reserve in an amount not to exceed ten percent of the development charges otherwise payable on the height that is within the height restrictions as shown as Schedule "C"; and
 - (ii) the amount of all exemption provided in Subsection 27(b) shall be limited to \$250,000 annually and any single exemption shall be reduced by the amount it would exceed the \$250,000 limit.

The exemptions in Section 18 shall not apply in addition to the exemptions in Sections 15, 17 and 19. The exemptions provided in Section 18 shall only apply if the amount of exemption is greater than that provided under Sections 15, 17 and 19, individually or cumulatively. If the exemptions under Section 15, 17 and 19 are greater, individually or cumulatively, than that which could be provided under Section 18, no exemption pursuant to Section 18 shall apply.

- 4. Section 19 of By-law 11-174 is hereby amended by replacing Section 19 (b) with the following:
 - (b) Until June 30, 2020 development of a student residence is exempt from 50% of the development charge otherwise payable pursuant to this By-law according to the type of residential development. After June 30, 2020 no exemption shall be provided for development of a student residence and the development of a student residence will be subject to the payment of development charges payable pursuant to this By-law.
- 5. Section 19 of By-law 11-174 is hereby amended by replacing Section 19 (e) with the following:
 - (a) the adaptive reuse of the part of a building on a Protected Heritage Property that contains:

Appendix "A" to Report FCS19020
Page 10 of 10

- (iii) heritage attributes that are the subject of designation under Part IV of the *Ontario Heritage Act*;
- (iv) features subject to a Heritage Easement under Part II of the *Ontario Heritage Act*;
- (v) features subject to a Heritage Easement under Part IV of the *Ontario Heritage Act*; or
- (vi) features subject to a covenant or agreement on title held between the property owner and a conservation authority or level of government in the interest of conserving,

is exempted from development charges.

6. Section 35 of By-law 11-174 is hereby amended by replacing Section 35 with the following:

This By-law expires December 31, 2019 as authorized by Ontario Regulation 468/16 and Ontario Regulation 489/16 or a revised date as authorized through Provincial Regulations.

7. The City Clerk is hereby authorized and directed to consolidate this and any other duly enacted amendments to By-law 11-174 into the main body of the said By-law, and to make any necessary and incidental changes to numbering and nomenclature thereof arising from the said consolidation

8. This By-law shall come into force and take effect at 12.01 a.m. on July 6, 2019.

PASSED this _____.

Fred Eisenberger
Mayor

Janet Pilon
Acting City Clerk

Memorandum

To	Cindy Mercanti
From	Gary Scandlan
Date	March 14, 2019
Re:	City Report on the Proposed GO Transit Development Charges By-law Amendment (Report FCS19020)

Fax **Courier** **Mail** **Email**

In follow up to your request, we would confirm that we have reviewed the above noted report and are satisfied that it includes all the necessary items to meet the requirements of Background Study under the Development Charges Act (D.C.A.). As noted in section 19 of the D.C.A., to amend an existing D.C. by-law, you are required to address items set out in sections 10 through 18 of the D.C.A. Section 10 provides for different items to be specifically addressed in the report whereas the remaining sections deal with process. A table has been provided within the report setting out the section 10 items and how they are being addressed.

We trust this is satisfactory for your needs.

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**CONSOLIDATION FOR INFORMATION PURPOSES ONLY
FOR ORIGINAL BY-LAWS CONTACT CITY CLERK**

Authority: Item 6, General Issues Committee
Report 11-021 (FCS11053(a))
CM: June 29, 2011

Bill No. 174

Item 5, General Issues Committee
Report 12-004 (FCS 12015)
CM: February 15, 2012

Bill No. 053

Item 5, Audit, Finance &
Administration Committee
Report 18-011 (FCS18054(a))
CM: August 17, 2018
Ward: City Wide

Bill No. 228

**THE CITY OF HAMILTON
BY-LAW NO. 11-174 (Consolidated with 12-053 and 18-228)**

Being a By-law to impose development charges against lands to pay for increased capital costs required because of increased needs for GO Transit Service arising from development within the City of Hamilton

WHEREAS the *Development Charges Act*, 1997, S.O.1997, Chapter 27 (hereinafter referred to as the "Act") authorizes municipalities to pass a By-law for the imposition of development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the said By-law applies.

AND WHEREAS the City of Hamilton, as required by Section 10 of the Act, has undertaken and completed a development charge background study regarding the anticipated amount, type and location of development, the increase in need for service, the deductions required under the Act, estimated capital costs to provide for such increased needs, including the long term capital and operating costs for capital infrastructure required for the service, as well as the attribution related to new residential development.

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AND WHEREAS, as required by Section 11 of the Act, this By-law is being enacted within one year of the May 2011 completion of the said development charge background study, titled “*City of Hamilton 2011 Development Charge Background Study for Water, Wastewater, Storm Water and GO Transit Services*,” prepared by Watson and Associates dated May 20, 2011;

AND WHEREAS in advance of passing this By-law the Council of the City of Hamilton has made the background study available to the public at least two weeks prior to the public meeting and given notice of and held a public meeting on June 9, 2011 in accordance with Section 12 of the Act regarding its proposals for this development charges By-law;

AND WHEREAS the Council of the City of Hamilton, through its General Issues Committee, has received written submissions and heard all persons who applied to be heard no matter whether in objection to, or in support of, the said By-law;

AND WHEREAS, Council intends that development-related post 2031 capacity will be paid for by future development charges;

AND WHEREAS the Council of the City of Hamilton, at its meeting of June 15, 2011, has adopted and approved the said background study and the development charges and policies recommended by the General Manager of the Finance and Corporate Services Department to be included in this By-law and determined that no further public meetings are required under Section 12 of the Act;

AND WHEREAS, Council approved Report FCS11 respecting “*2011 City of Hamilton Water, Wastewater and Stormwater Development Charge By-law; Amendment to Development Charge By-law 09-143, and Development Charge By-law for Go Transit Services*”, thereby updating its capital budget and forecast where appropriate;

AND WHEREAS the Council of the City of Hamilton, at its meeting of February 22, 2012, has approved the enactment of a Bylaw to expand the Downtown Hamilton Community Improvement Project Area as set out therein; and approved policies to be included in the said Development Charges By-laws 09-143, 11-174 and 11-175 by way of amendments thereto;

AND WHEREAS, in advance of passing this amending Bylaw, the Council of the City of Hamilton has given notice of and held a public meeting on February 15, 2012 in accordance with Section 12 of the Act regarding its proposals for this Development Charges Bylaw;

AND WHEREAS the Council of the City of Hamilton, through its General Issues Committee, has received written submissions and heard all persons who applied to be heard no matter whether in objection to, or in support of, this bylaw, and has determined that no further public meetings are required under Section 12 of the Act;

Appendix “B” to Report FCS19020
Page 3 of 18

NOW THEREFORE, the Council of the City of Hamilton hereby enacts as follows:

Definitions

1. In this By-law,
 - (c) “Act” means the Development Charges Act, 1997, S.O. 1997, Chapter 27, as amended.
 - (b) “Adaptive Reuse” means the alteration of an existing heritage building for compliance of its continuing or resumed use(s) with current building code requirements; or, for compliance of its proposed new use(s) with current building code requirements; or, for ensuring its structural integrity; or for optimizing its continued, resumed or new use(s); while maintaining the cultural heritage value or interests of the subject building; and in compliance with the conditions of any Heritage Permit required for the subject alterations.”
 - (c) “affordable housing project” means housing accommodations and incidental facilities primarily for persons of low and moderate income.
 - (d) “agricultural land” means land which is zoned for an agricultural use in the zoning By-law of the predecessor municipality in which the land is located, and any subsequent amendment or replacement thereof, and used for a bona fide agricultural use.
 - (e) “agricultural use” means the bona fide use of lands and buildings for apiaries, fish farming, dairy farming, fur farming, the raising or exhibiting of livestock, or the cultivation of trees, shrubs, flowers, grains, sod, fruits, vegetables and any other crops or ornamental plants and includes the operation of a farming business and the erection of a farm help house on agricultural land but excludes a commercial greenhouse. Agricultural use does not include the development of a single detached dwelling on agricultural land.
 - (f) “apartment” means a building consisting of more than one dwelling unit with a private bathroom and kitchen facilities in each dwelling unit and which is not a single detached dwelling, a semi-detached dwelling, a farm help house or a multiple unit dwelling. For the purposes of this By-law, apartment includes a mobile home.
 - (g) “bedroom” means a habitable room larger than seven square metres, including a den, study, or other similar area, but does not include a living room, dining room or kitchen.
 - (h) “Board of Education” means a board as defined in sub-section 1(1) of the *Education Act 1997*, S.O. 1997, c. 27, as amended.

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- (i) “Council” means the Council of the City of Hamilton.
- (j) “development” has the meaning set out in sub-section 41(1) of the *Planning Act*; and includes redevelopment.
- (k) “development charge or development charges” means the charges imposed by this By-law against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which this By-law applies.
- (l) “dwelling unit” means a room or suite of rooms used, or designed or intended for use by one or more persons living together as a single housekeeping unit in which culinary and sanitary facilities are provided for the exclusive use of such person or persons.
- (m) “farm help house”, means a dwelling unit constructed on agricultural land used for agricultural uses and not attached to any other building or structure, with sleeping, cooking, living and sanitary facilities, and used for seasonal, interim or occasional residential uses by farm labourers.
- (n) “GO Transit Service” includes stations, sites, parking facilities, rolling stock, storage yards, layover facilities, maintenance facilities, tunnels, grade separations, crossings, track, corridor rail expansions, bus terminals, control centres, capital works studies, background studies, and financing costs.
- (o) “grade” means the average level of proposed or finished ground adjoining a building at all exterior walls.
- (p) “local board” means any a municipal service board, municipal business corporation, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power under any act with respect to the affairs or purposes of the City, excluding a school board, a conservation authority, any municipal business corporation not deemed to be a local board under O. Reg 599/06 under the *Municipal Act, 2001*, S.O. 2001, c.15, or successor legislation.
- (q) “lot” means a lot, block or parcel of land which can be legally and separately conveyed pursuant to Section 50 of the *Planning Act*, and includes a development having two (2) or more lots consolidated under a single ownership.
- (r) “mixed use development” means a building or structure used, designed or intended for use for both residential and non-residential uses.
- (s) “mobile home”, means a building recognized in the Building Code as a “Mobile Home” in accordance with the standard for mobile homes in CONICS-Z240.2.1 “Structural requirements for Mobile Homes”.

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- (t) “multiple unit dwelling” means a residential building consisting of two or more dwelling units attached by a vertical or horizontal wall or walls. Multiple unit dwelling refers to all dwelling units other than single detached, semi-detached, apartment unit dwellings, and residential facility dwellings. Multiple unit dwelling includes, but is not limited to, townhouses, street townhouses, row dwellings, stacked townhouses and duplexes.
- (u) “non-residential development” is any development other than a residential development.
- (v) “Planning Act” means the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, and any successor legislation.
- (w) “Protected Heritage Properties” means properties that are designated under Part IV of the *Ontario Heritage Act*; or designated under Part V of the *Ontario Heritage Act*; or subject to a Heritage Easement under Part II of the *Ontario Heritage Act*; or Subject to a Heritage Easement under Part IV of the *Ontario Heritage Act*; or subject to a covenant or agreement on title held between the property owner and a conservation authority or level of government in the interest of conserving built heritage.”
- (x) “Regulation” means Ontario Regulation 82/98 under the *Development Charges Act, 1997*, as amended.
- (y) “residential development” means:
 - (i) a single detached dwelling; or
 - (ii) a semi-detached dwelling; or
 - (iii) a residential facility; or
 - (iv) a mobile home; or
 - (v) a multiple unit dwelling; or
 - (vi) an apartment; or
 - (vii) a semi-detached dwelling, multiple unit dwelling and/or apartment in a mixed use development.

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- (z) “residential facility” means a building containing two or more bedrooms which bedrooms do not have self-contained kitchens. Residential facility includes a garden suite within the meaning of Section 39.1 of the *Planning Act*. Residential facility does not include a single detached dwelling, a semi-detached dwelling, a farm help house, a multiple unit dwelling or an apartment as defined herein, but shall include such facilities as student dormitories, rooming and boarding houses, lodging houses, long-term care facilities, nursing homes, retirement homes, and group homes.
- (aa) “semi-detached dwelling” means a residential building consisting of two dwelling units attached by a vertical wall or walls, each of which has a separate entrance or access to grade.
- (bb) “service” means service defined in the by-law or designated in an agreement under Section 44 of the Act.
- (cc) “single detached dwelling” means a residential building containing one dwelling unit and not attached to another building or structure, whether or not the single detached dwelling is situated on a single lot.

Schedules

- 2. The following schedules to this By-law form an integral part of this By-law:

Schedule “A”: GO Transit Development Charges

Schedule “B”: Downtown Community Improvement Plan (CIP) Area

Schedule “C”: Height Restrictions for Downtown Hamilton CIPA Exemption

Lands Affected

- 3. This By-law applies to all land within the City of Hamilton, with respect to the GO Transit Service provided within and outside of the City.
- 4. The development of land in the City is also subject to By-law 09-143, as amended and any successor by-law, and any additional development charge by-laws that may be enacted from time to time by the City.

Designation of Services

- 5. All residential development of land within the area to which this By-law applies will increase the need for GO Transit service.
- 6. The development charges applicable to a development as determined pursuant to this By-law shall apply without regard to the service required or used by an individual development.

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7. The service for which development charges are imposed under this by-law is the GO Transit service.

Approvals for Development

8. The development of land is subject to a development charge where the development requires the following:
- (a) the passing of a zoning By-law or an amendment thereto under Section 34 of the *Planning Act*.
 - (b) the approval of a minor variance under Section 45 of the *Planning Act*.
 - (c) a conveyance of land to which a By-law passed under subsection 50(7) of the *Planning Act* applies.
 - (d) the approval of a plan of subdivision under Section 51 of the *Planning Act*.
 - (e) a consent under Section 53 of the *Planning Act*.
 - (f) the approval of a description in accordance with Section 50 of the *Condominium Act*, R.S.O. 1990, c. C.26, or Section 9 of the *Condominium Act 1998*, S.O. 1998, c.19; or
 - (g) the issuance of a permit under the *Building Code Act, 1992*, S.O. 1992, c.23, as amended, or successor legislation, in relation to a building or structure.
9. Where two or more of the actions described in section 8 of this By-law occur at different times, or a second or subsequent building permit is issued resulting in increased, additional or different development, then additional development charges shall be imposed in respect of such increased, additional, or different development permitted by that action.
10. Where a development requires an approval described in section 8 of this By-law after the issuance of a building permit and no development charges have been paid, then the development charges shall be paid prior to the granting of the approval required under section 8 of this By-law.
11. If a development does not require a building permit but does require one or more of the approvals described in section 8 of this By-law, then, notwithstanding section 8 of this By-law, development charges shall nonetheless be payable.

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12. Nothing in this By-law prevents Council from requiring, in an agreement under Section 51 or as a condition of consent or an agreement respecting same under section 51 or as a condition or an agreement respecting same under Section 53 of the *Planning Act*, that the owner, at his or her own expense, shall install such local services related to or within a lot or lots, or a plan of subdivision, as Council may require, in accordance with the City’s applicable local services policies in effect at the time.

Calculation of Development Charges

13. A development charge imposed pursuant to this By-law is applicable only to residential development and shall, subject to any other applicable provision hereof, be calculated as follows:
- (a) subject to (b), (c) and (d) below, in the case of residential development or the residential portion of mixed use development, based on the number and type of dwelling units;
 - (b) in the case of a residential facility, based upon the number of bedrooms;
 - (c) in the case of a dwelling unit containing six (6) or more bedrooms, the sixth and any additional bedroom shall be charged at the applicable residential facility rate; or
 - (d) in the case of an apartment with dwelling units containing six (6) or more bedrooms, the applicable “apartment 2 bedroom +” rate shall apply to the dwelling unit and five (5) bedrooms and the applicable residential facility rate to the sixth and each additional bedroom.
14. Subject to the provisions of this By-law, development charges against land are to be calculated and collected in accordance with the rates set out in Schedule “A” of this By-law.

Exemptions for Intensification of Existing Housing

15. (1) No development charge shall be imposed where the only effect of an action referred to in Section 8 of this By-law is to:
- (a) permit an enlargement to an existing dwelling unit;
 - (b) permit one or two additional dwelling units in an existing single detached dwelling; or
 - (c) permit one additional dwelling unit in any other existing residential building.
- (2) Notwithstanding sub-section (1), development charges shall be imposed if the total gross floor area of the additional one or two units exceeds the gross floor area of the existing dwelling unit.

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- (3) Notwithstanding sub-section (1), development charges shall be imposed if the additional unit has a gross floor area greater than:
- (a) in the case of a semi-detached or row dwelling, the gross floor area of the existing dwelling unit; and
 - (b) in the case of any other residential building, the gross floor area of the smallest dwelling unit contained in the residential building.

Exemptions for Certain Buildings

16. No development charge shall be imposed on any building owned by and used for the purposes of:
- (a) the City of Hamilton;
 - (b) a Board of Education; or,
 - (c) a local board.

Other Exemptions from Development Charges

17. Notwithstanding any other provision of this By-law, the following types of development are exempted from development charges under this By-law in the manner and to the extent set out below. Unless otherwise specified herein, the said exemption is equivalent to one hundred percent (100%) of the development charges otherwise payable:
- (a) an agricultural use; and
 - (b) an affordable housing project that receives funding from the City’s Community Rental Housing program through a municipal housing project facilities agreement and by-law, or any such similar City housing program delivered by the City, provided the development charge liabilities of the affordable housing project are not eligible for funding by senior levels of government.

Downtown Hamilton Community Improvement Project Area (CIPA) Exemption

18. All development within the boundaries of the Downtown Hamilton Community Improvement Project Area (CIPA) as shown on Schedule “B” attached to this By-law shall:

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- (a) be exempted from the following percentages of the development charges otherwise payable, after all other credits and exemptions are considered, under the By-law for only the portion of the building that is within the height restrictions as shown in Schedule “C” attached to this By-law based on the later of the date on which development charges are payable or the date all applicable development charges were actually paid:

Date	Percentage of exemption (%)	Percentage of development charge payable (%)
July 6, 2014 to July 5, 2015	90	10
July 6, 2015 to July 5, 2016	85	15
July 6, 2016 to July 5, 2017	80	20
July 6, 2017 to July 5, 2018	75	25
July 6, 2018 to July 6, 2019	70	30

Schedule “C” attached to this By-law shall not be amended by any decision by the Local Planning Appeal Tribunal relating to the City’s Zoning By-law Amendment 18-114; or by any amendments, including site specific or area specific, to the City’s Zoning By-law 05-200 either through Local Planning Appeal Tribunal decisions or by Council.

For clarity, any development in excess of the height restrictions as shown in Schedule “C” shall be subject to the full calculated development charge and only be reduced if there are any credits or exemptions remaining after applying any and all other credits or exemptions to the portion of the building that is within the height restrictions as shown in Schedule “H” attached to this By-law.

- (b) receive an additional dollar for dollar exemption on any remaining development charges payable based on the amount of voluntary contributions to a Downtown Public Art Reserve, except and provided that no exemption under this Section 22(b) may exceed ten percent (10%) of the development charges otherwise payable.

Partial Exemptions

19. The following types of residential development will be partially exempt from development charges under this By-law in the manner and to the extent set out below:
- (a) development of a Brownfield property that has been approved by the City for an ERASE Redevelopment Grant, or any successor thereof. The amount of the exemption hereunder is equivalent to the cost of environmental remediation on, in or under the property as approved by the City under the ERASE Redevelopment Grant program and required to be paid by the owner, up to but not exceeding the amount of the development charges otherwise payable under this By-law;

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- (b) development of student residences by a university, college of applied arts and technology or other accredited post-secondary institution is exempt from 50% of the development charge otherwise payable pursuant to this By-law. Notwithstanding anything else contained in this By-law, save and except paragraph 20(d) and Section 24, the credit applicable to any redevelopment involving an increase in the number of student residences contained within an existing building envelope shall be based on 100% of the residential facility rate in effect at the time of receipt by the Chief Building Official of a complete building permit application for the said redevelopment within the meaning of Section 33 of this By-law.
- (c) redevelopment of an existing residential development for the purpose of creating residential facilities within the existing building envelope is exempt from 50% of the development charge otherwise payable pursuant to this By-law;
- (d) redevelopment of an existing residential facility for the purpose of creating more residential facility units within the existing building envelope shall be exempt from 50% of the development charge otherwise payable pursuant to this By-law. Notwithstanding anything else contained in this By-law, save and except paragraph 20(d) and Section 24, the credit applicable to any such redevelopment shall be based on 100% of the residential facility rate in effect at the time of receipt by the Chief Building Official of a complete building permit application for the said redevelopment within the meaning of Section 33 of this By-law;
- (e) the Adaptive Reuse of Protected Heritage Properties is exempted from Development Charges within the existing building envelope.

Rules with Respect to Redevelopment - Demolitions

20. In the case of the demolition of all or part of a building:
- (a) in the case of a demolition permit issued after the effective date of this By-law, a credit shall be allowed against the development charges otherwise payable pursuant to this By-law, provided that a building permit has been issued for the redevelopment within five (5) years from the date the demolition permit has been issued;
 - (b) the credit shall be calculated based on the portion of a building used for a residential purpose that has been demolished by multiplying the number and type of dwelling units demolished by the relevant development charges in effect on the date when the development charges are payable pursuant to this By-law;

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- (c) for greater certainty, and without limiting the generality of the foregoing, no credit shall be allowed where the demolished building or part thereof would have been exempt pursuant to this By-law; and
- (d) the amount of any credit pursuant to this section shall not exceed, in total, the amount of the development charges otherwise payable pursuant to this By-law with respect to the redevelopment.

Rules with Respect to Redevelopment - Conversions

- 21. Where an existing non-residential building or structure is converted to a residential use, the residential development charge payable for the residential units created shall not be reduced.
- 22. Where an existing residential building is converted to non-residential uses, there is no development charge payable under this By-law.
- 23. Development charges payable for the conversion of uses in a mixed use building or structure shall be determined in accordance with sections 21 and 22.
- 24. The amount of any credit shall not exceed in total the amount of the development charges otherwise payable under the By-law.

Temporary Buildings or Structures

- 25. Where an application is made for the issuance of a permit under the *Building Code Act* in relation to a temporary building or structure, the Chief Building Official, or his or her delegate, may, as a condition of the issuance of the said permit, require that the owner of the land enter into an agreement with the City pursuant to Section 27 of the Act and Section 27 of this By-law and/or submit security satisfactory to the General Manager of Finance and Corporate Services and the City Solicitor, to be realized upon in the event that the temporary building or structure remains on the land for more than one (1) year, or any other time as may be set out in the said agreement or security, from the date of the construction or erection thereof. A temporary building or structure that has not been removed or demolished by the first anniversary of its construction or erection on the land, or by the date specified in an agreement, shall be deemed not to be, nor ever to have been, a temporary building or structure and development charges under this By-law shall become due and payable forthwith and the City may draw upon any letter of credit and/or transfer any cash security into the appropriate development charge reserve fund.

Collection of Development Charges

- 26. Subject to the provisions of Sections 25 and 27 of this By-law, development charges are payable at the time a building permit is issued with respect to a development.

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Credit for Services-in-lieu Agreement

27. In accordance with Sections 38, 39, 40 and 41 of the Act, a person may perform work that relates to the service to which this By-law applies, in return for a credit towards the development charges payable by the said person, by way of an agreement. No such credit shall exceed the total development charges payable by the person.

Front-Ending Agreements

28. Council may authorize a front-ending agreement in accordance with the provisions of Part III of the Act, upon such terms as Council may require, in respect of the development of land.

Administration of By-law

29. This By-law shall be administered by the Corporate Services Department of the City of Hamilton.

Indexing

30. The development charges set out in Schedule “A” of this By-law shall be adjusted annually without amendment to this By-law by the percentage change during the preceding year, as recorded in the Statistics Canada Quarterly Construction Price Statistics, Catalogue number 62-007. This adjustment shall take place as follows:
- (a) the initial adjustment shall be one year from the effective date of this By-law, and
 - (b) thereafter, adjustment shall be made each year on the anniversary of the effective date of this By-law.

Reserve Fund Report

31. The General Manager of Finance and Corporate Services shall, in each year prior to June 30 thereof, commencing June 30, 2012 for the 2011 year, furnish to Council a statement in respect of the reserve fund required by the Act for the service to which this By-law relates, for the prior year, containing the information set out in Section 43 of the Act and Section 12 of the Regulation.

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Transition

32. The development charge rates payable are the rates in effect on the date a completed building permit application is received and accepted by the City, provided that the permit is issued within 6 months of the effective date of a rate increase. Where the said building permit is revoked by the Chief Building Official on or after the date of the rate increase, any subsequent application for a building permit on the lands or site will be subject to the rates in effect on the date of permit issuance. For the purposes of this section, a “complete application” shall mean an application with all required information and plans provided, all application fees paid and all prior charges and taxes relating to the subject land paid and discharged.

General

33. This By-law may be referred to as the “*City of Hamilton GO Transit Development Charges By-law, 2011*”.

Date By-law Effective

34. This By-law shall come into force and take effect at 12:01 a.m. on July 06, 2011.

Date By-law Expires

35. This By-law expires five (5) years after the date on which it comes into force.

By-law Registration

36. A certified copy of this By-law may be registered in the Land Titles Office as against title to any land to which this By-law applies.

Headings for Reference Only

37. The headings inserted in this By-law are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

Severability

38. If, for any reasons, any provision, section, subsection, paragraph or clause of this By-law is held invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

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PASSED AND ENACTED THIS 4th DAY OF JULY 2011.

"B. Morelli"
ACTING MAYOR

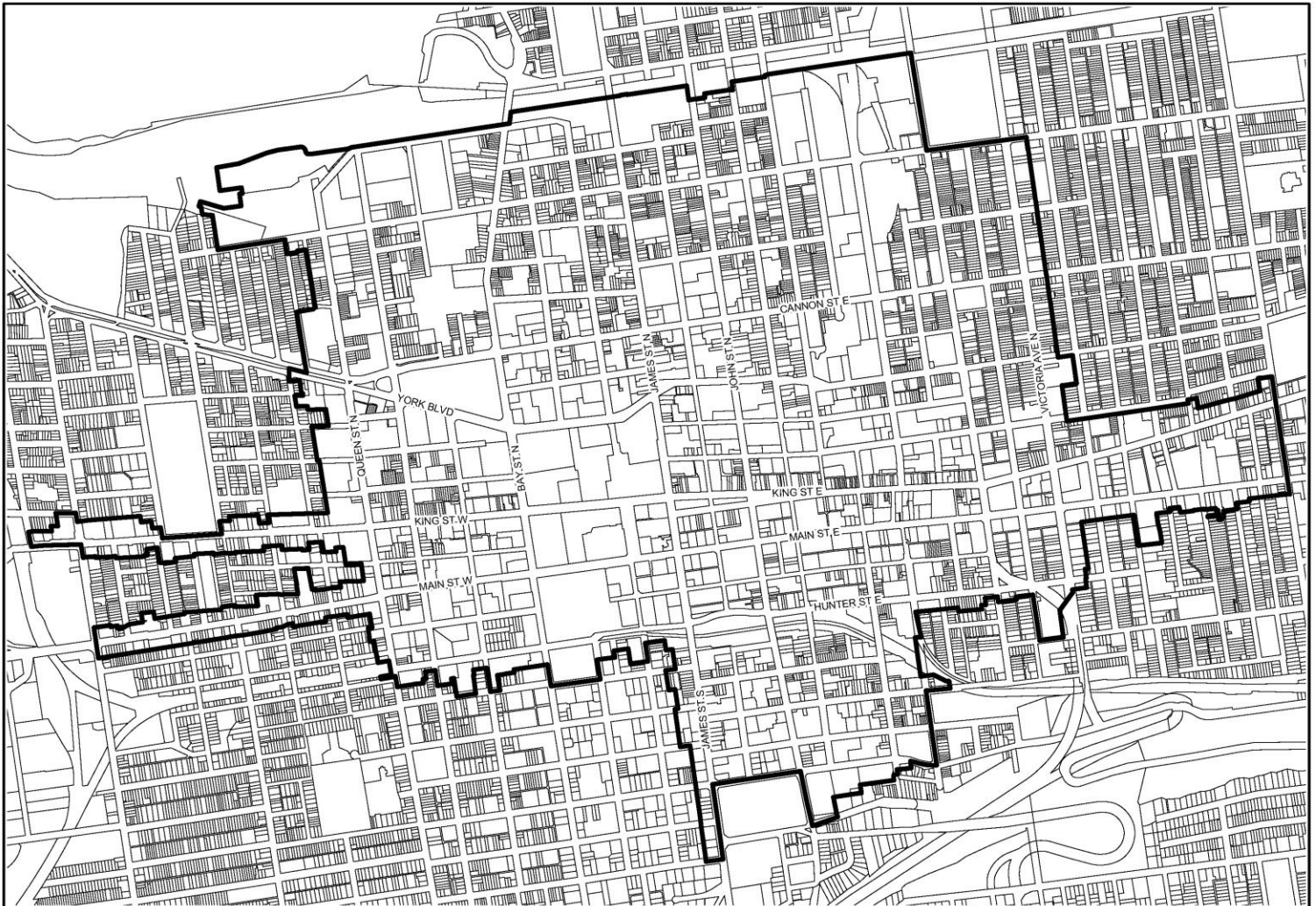
"M. Gallagher"
ACTING CITY CLERK

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SCHEDULE “A”
GO TRANSIT DEVELOPMENT CHARGES

Residential Development Type	Charge
Single and Semi-Detached	\$215 per unit
Apartments	
- 2 Bedrooms+	\$133 per unit
- Bachelor and 1 Bedroom	\$89 per unit
Residential Facility	\$70 per bedroom
Other Multiples	\$154 per unit

SCHEDULE "B"
DOWNTOWN COMMUNITY IMPROVEMENT PROJECT AREA (CIPA)



Schedule "A"
Map Forming Part of By-Law No. 12-_____

Date: January 23, 2012	Map of Downtown Hamilton Community Improvement Project Area	 Hamilton PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Not To Scale	Legend  Downtown Hamilton Community Improvement Project Area	

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SCHEDULE "C"

Height Restrictions for Downtown Hamilton CIPA Exemption





2019 DEVELOPMENT CHARGES – BACKGROUND STUDY SUMMARY

Development Charges Stakeholders Sub-Committee
March 25, 2019

- Process Summary
- Schedule
- DC Background Study Components
- DC Background Study Summary
- DC Comparison
- DC Exemption Summary
- Public Consultation
- Next Steps

Process Summary

- Presentations and Direction to/from DC Stakeholders Sub-Committee
 - March 1, 2018, June 14, 2018, September 13, 2018, January 28, 2019, February 19, 2019
- DC Background Study Released
 - March 13th, 2019
- Consultation Meetings
 - Downtown Hamilton CIPA developers - November 5, 2018
 - McMaster University - March 7, 2019
 - Agriculture & Rural Affairs Advisory Committee - March 18, 2019

2019 DC Background Study including draft 2019 DC by-law available to public	<u>Released March 13, 2019</u>
Public Meeting ad placed in newspaper(s)	Hamilton Community News - March 21 & 28, 2019 Hamilton Spectator - March 22 & 29, 2019 <i>At least 20 days prior to the public meeting</i>
Public Meeting	April 18, 2019 to be held at Audit, Finance and Administration Committee, 9:30 am and 7:00 pm <i>at least two weeks after proposed background study and by-law are available to the public</i>
Council considers passage of by-law	AF&A – May 16, 2019 or June 6, 2019 Council – May 22, 2019 or June 12, 2019 (Date dependent on outcome of the Public Meeting) <i>No less than 60 days after the background study is made available to the public</i>
Newspaper and written notice given of by-law passage	<i>By 20 days after passage</i>
Last day for by-law appeal	<i>40 days after passage</i>
City makes available pamphlet (where by-law not appealed)	<i>By 60 days after passage</i>

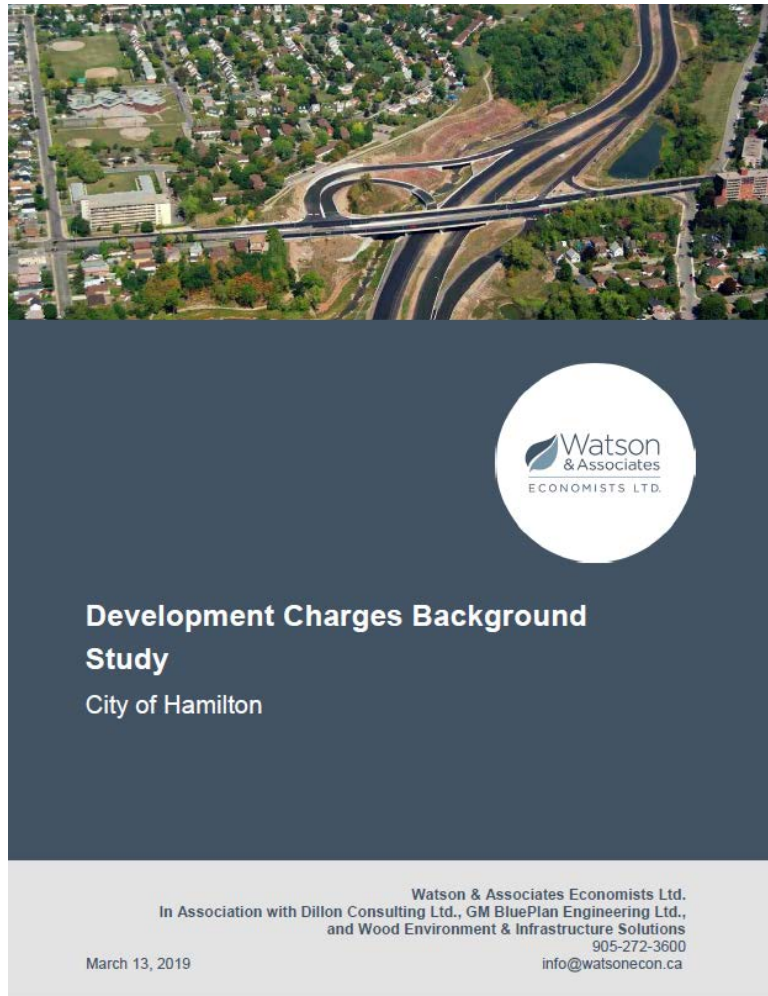
DC Background Study Components

**Development
Charges Background
Study (Quantum
piece)**

**DC Exemption
Review**

**D.C. Background
Study and D.C.
By-law (Policy)**

DC Background Study Components



- Current City of Hamilton Policy
- Anticipated development in the City of Hamilton
- Development Charge calculation and eligible cost analysis by service
- DC Policy recommendations and proposed DC By-law
- Local Service Policy (direct developer cost)
- Project Maps for Water, Wastewater, Stormwater and Services related to a Highway

Summary – Capital Spend

Total gross expenditures planned over the next five years	\$ 2,847,062,175
Less:	
Benefit to existing development	\$ 945,088,387
Post planning period benefit	\$ 134,995,099
Ineligible	\$ 31,192,195
Mandatory 10% deduction for certain services	\$ 21,666,486
Grants, subsidies and other contributions	\$ 450,827,196
Net Costs to be recovered from development charges	\$ 1,263,292,812

Summary – Development Charges

	2019\$ D.C.-Eligible Cost		2019\$ D.C.-Eligible Cost	
	Residential	Non-Residential	SDU	per ft ²
	\$	\$	\$	\$
Urban-wide Services 13 Year (Within Combined Sewer System)	470,252,587	265,193,808	18,178	6.84
Urban-wide Services 13 Year (Within Separated Sewer System)	802,101,927	335,143,330	27,216	9.13
City-Wide Services 13 Year	403,086,503	349,590,851	12,539	8.95
City-wide Services 10 Year	320,939,505	64,005,834	12,806	2.22
TOTAL COMBINED SEWER SYSTEM	\$1,194,278,596	\$678,790,492	\$43,523	\$18.01
TOTAL SEPARATED SEWER SYSTEM	\$1,526,127,935	\$748,740,015	\$52,561	\$20.29

Summary – Residential DCs

	RESIDENTIAL				
	Single-Detached Dwelling & Semi-Detached Dwelling (per dwelling unit)	Townhouses & Other Multiple Unit Dwellings (per dwelling unit)	Apartments 2-Bedrooms+ (per dwelling unit)	Apartments Bachelor & 1-Bedroom (per dwelling unit)	Residential Facility (per bedroom)
2019 Calculated Rate - Combined Sewer System	43,523	31,152	25,487	17,436	14,057
2019 Calculated Rate - Separated Sewer System	52,561	37,620	30,780	21,056	16,977
Existing Rate	38,318	27,695	23,396	16,277	12,431
Increase - Combined Sewer System	5,205	3,457	2,091	1,159	1,626
Increase - Separated Sewer System	14,243	9,925	7,384	4,779	4,546

Summary – Non-Residential DCs

	NON-RESIDENTIAL	INDUSTRIAL
	(per sq.ft. of Gross Floor Area)	39% reduction from calculated rate
2019 Calculated Rate - Combined Sewer System	18.02	10.99
2019 Calculated Rate - Separated Sewer System	20.30	12.39
Existing Rate	20.54	12.53
Decrease - Combined Sewer System	(2.52)	(1.54)
Decrease - Separated Sewer System	(0.24)	(0.14)

Service	Hamilton (Draft Calculated) - Separated Sewer Sytem	Oakville (Including Region of Halton)	Milton (Including Region of Halton)	Burlington (Including Region of Halton)*	Halton Hills (Including Region of Halton)	Lincoln (Including Region of Niagara)	Grimsby (Including Region of Niagara)	Niagara-on-the-Lake (Including Region of Niagara)	City of Waterloo (Including Region of Waterloo)	Kitchener (Including Region of Waterloo)*	Cambridge (Including Region of Waterloo)*	Brantford*	City of Guelph
Services Related to a Highway (includes Fleet & Facilities)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Police	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Fire	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Transit	✓	✓	✓	✓	✓				✓	✓	✓	✓	✓
Parks & Recreation	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Cemeteries									✓	✓			
Library	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Administrative Studies	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Paramedics	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Long Term Care	✓					✓	✓	✓					
Health Services	✓					✓	✓	✓					✓
Social & Child Services	✓												
Social Housing	✓	✓	✓	✓	✓	✓	✓	✓					
Airport	✓								✓	✓	✓		
Parking	✓	✓	✓		✓	✓	✓		✓	✓		✓	✓
P.O.A.	✓					✓	✓	✓					✓
Waste Diversion	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓		✓
Wastewater	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Water	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Stormwater	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Total (Services Hamilton does not collect for removed)	52,561	71,030	55,998	45,486	52,393	39,444	39,444	27,051	38,511	34,215	34,029	22,239	35,098
Total (Services Hamilton does not collect for removed) - Less Stormwater	39,575	71,030	55,998	44,927	52,211	37,866	37,866	25,833	37,235	34,058	33,136	21,877	34,873
Hamilton's D.C. Charge if Collecting Like Services to Each Municipality		38,975	38,975	38,485	38,975	37,224	37,224	36,734	38,746	38,746	38,257	37,670	37,711

*By-law to expire in 2019

Note: Region of Waterloo's By-law is currently under review

DC Exemptions – Statutory

- industrial building additions of up to and including 50% of the existing gross floor area (defined in O.Reg. 82/98, s.1) of the building; for industrial building additions which exceed 50% of the existing gross floor area, only the portion of the addition in excess of 50% is subject to D.C.s (s.4(3)) of the D.C.A.;
- buildings or structures owned by and used for the purposes of any municipality, local board or Board of Education (s.3); and
- residential development that results only in the enlargement of an existing dwelling unit, or that results only in the creation of up to two additional dwelling units (based on prescribed limits set out in s.2 of O.Reg. 82/98).

DC Exemptions – Non-Statutory

Full Exemptions

- A building, or part thereof, used for parking but excluding a building or part thereof used for commercial parking
- An agricultural use
- A place of worship
- A laneway house
- A temporary building or structure

DC Exemptions – Non-Statutory Partial Exemptions

- Class A Office development within the Downtown C.I.P.A. shall be 70% exempted from D.C.s otherwise payable
- All development other than Class A office development within Downtown Hamilton C.I.P.A. will be subject to reductions based on the following amounts dependent on the date applicable D.C.s are payable

Date	Percentage of exemption (%)	Percentage of development charge payable (%)
July 6, 2019 to July 5, 2020	60	40
July 6, 2020 to July 5, 2021	50	50
July 6, 2021 to July 5, 2022	40	60
July 6, 2022 to July 5, 2023	40	60
July 6, 2023 to July 6, 2024	40	60

DC Exemptions – Non-Statutory Partial Exemptions

- Non-industrial development within a C.I.P.A. or B.I.A. will be partially exempt from D.C.s as follows:
 - Fifty percent (50%) reduction on the first 5,000 sq.ft.
 - Seventy-five percent (75%) on development between 5,001 – 10,000 sq.ft.
 - One hundred percent (100%) on the amount of development exceeding 10,000 sq.ft.;
- A student residence developed by a university, college of applied arts and technology or other accredited post-secondary institution is exempt from 50% of the applicable D.C. This partial reduction will only be applicable until June 30, 2020;

DC Exemptions – Non-Statutory

Partial Exemptions

- Redevelopment of an existing residential development for the purpose of creating more residential facilities within the existing building envelope is exempt from 50% of the D.C. otherwise payable; and
- Adaptive Reuse of buildings on Protected Heritage Properties is exempted from D.C.s for sections of the building that contain protected heritage attributes or features.

Public Consultation

Public Meeting - April 18, 2019 commencing at 9:30 am and 7 pm.

Interested persons may express their comments at the Public Meeting or in writing, addressed to:

**Angela McRae, Legislative Coordinator, Audit, Finance &
Administration Committee
City Clerk's Office
71 Main Street West, 1st Floor
Hamilton, Ontario, L8P 4Y5**

Public Consultation

Enquiries with respect to the information contained within the 2019 Development Charges (DC) Background Study can be forwarded to

DCBackgroundStudy@hamilton.ca



Hamilton

THANK YOU