



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE ADDENDUM

Meeting #: 19-006
Date: April 18, 2019
Time: 9:30 a.m.
Location: Council Chambers, Hamilton City Hall
71 Main Street West

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

8. PUBLIC HEARINGS / DELEGATIONS

8.1 2019 Development Charges Background Study and By-law Update (FCS19036) (City Wide)

8.1.a Registered Speakers (9:30 am):

*8.1.a.d Sergio Manchia, UrbanSolutions Planning and Land Development Consultants Inc.

8.1.b Registered Speakers (7:00 pm):

*8.1.b.b Dr. Nafia Al-Mutawaly, Microgrid Solutions

*8.1.b.c Stephanie Bertolo and Scott Robinson, McMaster Students Union

*8.1.b.d Savan Chandaria, Tibro Group

*8.1.b.e Karin Dearness

8.1.c Written Submissions:

*8.1.c.e Mike Cope

*8.1.c.f McMaster Students Union

- *8.1.c.g Joel Farber, Fogler, Rubinoff LLP
- *8.1.c.h Karl Gonnsen, Metropolitan Consulting Inc.
- *8.1.c.i T. Johns Consulting Group Ltd.
- *8.1.c.j Hamilton-Halton Home Builders' Association

Form: Request to Speak to Committee of Council

Submitted on Tuesday, April 16, 2019 - 11:37 am

==Committee Requested==

Committee: Audit, Finance & Administration

==Requestor Information==

Name of Individual: Sergio Manchia

Name of Organization: UrbanSolutions Planning & Land
Development Consultants Inc.

Contact Number: 905-546-1087

Email Address: smanchia@urbansolutions.info

Mailing Address:

105 Main Street East, Suite 501
Hamilton, ON L8N 1G6

Reason(s) for delegation request: Agenda Item 8.1 2019
Development Charges Background Study and By-law Update
(FCS19036 City Wide). Request speaking time for 9:30am.

Will you be requesting funds from the City? No

Will you be submitting a formal presentation? No

Added Item 8.1(b)(b)

Form: [Request to Speak to Committee of Council](#)

Submitted on Wednesday, April 10, 2019 - 3:48 pm

==Committee Requested==

Committee: Audit, Finance & Administration

==Requestor Information==

Name of Individual: Nafia Al-Mutawaly

Name of Organization: Microgrid Solutions

Contact Number: 289-689-3516

Email Address: nalmutawaly@microgridsolutions.ca

Mailing Address:

McMaster Innovation Park
175 Longwood Road South, 416A-6
Hamilton, ON L8P 0A1

Reason(s) for delegation request: Development Charge policy for living lab.

Will you be requesting funds from the City? No

Will you be submitting a formal presentation? Yes



Ressam Gardens

**Memory Care Retirement Home
&
Smart Living Lab**

Nafia Al-Mutawaly, PhD, PEng, IRCC

April 18, 2019

Alzheimer's and Dementia in Canada

- ▶ It is estimated that **747,000** Canadians currently living with Dementia and at least **47.5 Million** world wide
- ▶ In Canada **76,000** new cases of dementia diagnosed every year with the expectation to reach a total of **1 Million** Canadians by 2030 (66% increase)
- ▶ The current cost for Dementia is **\$10.4 Billion** per year and expect to reach **\$16.6 Billion** by 2030 (1% of GDP)
- ▶ Currently, there is NO effective treatment for Dementia or Alzheimer's. However, some European countries are attempting innovative practises, proven to be successful to slow down the disease.

hogeweyk

Holland's Dementia Village



3

World Class

Top
Memory
Care
Facility



A True Family Living Space

Magic Life Furniture

5



Custom
Memory
Care
Solutions

Ressam Gardens State of the Art Memory Care Facility



- ▶ **Innovative Building Concept**
- ▶ **Smart Living R&D Laboratory**
- ▶ **Modern Urban Design**
- ▶ **Advanced Healthcare Training & Practices**

Ressam Gardens: A Smart Living Laboratory

- ▶ A Living Lab is an environment that fosters technologic innovation for joint value co-creation among citizens, research organizations, companies, cities and regions
- ▶ Ressam Gardens Living Lab will benefit all sectors of our society including: Patients, Research Community, Industry, and Government
- ▶ The expected outcomes for Ressam Gardens are: provide economic opportunities, enhance research platform, new product(s) development, technology commercialization, and encourage industry partnerships

Ressam Gardens – Partnerships



Hamilton



Micro Grid Solutions





Lotfi Belkhir, Ph.D.

**Associate Professor & Chair of Eco-Entrepreneurship
W Booth School of Engineering Practice & Technology
McMaster University**

Ressam Gardens Collaboration with SEPT & MIRA

Work in Progress

- ▶ Breathing Patterns Remote Monitoring
- ▶ Fall Prevention and Detection

Future Projects

- ▶ Smart Living Space for Seniors
- ▶ Bio Monitoring Apparatus
- ▶ AI-enhanced projects
- ▶ Indoor and Outdoor Tracking Systems
- ▶ Data Aggregation & Cyber Security
- ▶ Electric Mobility (Wheelchair, Bike, Golf Cart)

Breathing Patterns Monitoring Using Infrared Imaging

Target Market:

- ▶ Smart Living Space for Seniors
- ▶ Chronic Obstructive Pulmonary Disease (USD \$40+ B in the North America)
- ▶ Sleep Apnea affects about 44 Million people in North America

Solution:

- ▶ Use of Infrared Imaging to deliver inconspicuous, safe and early assessment and diagnostics of breathing disorders

Benefits:

- ▶ Early and preventative treatment
- ▶ Improvement in quality of life and aging
- ▶ Reduction in cost of treatment

Fall Prevention & Detection Using Infrared Depth Cameras

Target Market:

- ▶ Falls are the second leading cause of accidental or unintentional injury deaths worldwide
- ▶ 37.3 million falls that are severe enough to require medical attention occur each year
- ▶ Adults older than 65 years of age suffer the greatest number of fatal falls

Solution:

- ▶ Use of Infrared depth camera to assess and analyze gait patterns and provide early warnings of potential falls as well as detection of those falls when/if they occur

Benefits:

- ▶ Leading indicator warning of potential falls and preventative measures to prevent them
- ▶ Immediate alert of the emergency and caregivers in case of falls
- ▶ A record and playback ability of the fall to enable optimal treatment



Brian de Nobriga
President
Claybar Contracting Inc.

424 MacNab St
Dundas, ON L9H 2L3
www.claybar.ca

About Claybar Construction

- ▶ Established in 1965
- ▶ Claybar's corporate carries top expertise in general contracting and petroleum construction sectors
- ▶ Today, Claybar is a multi-disciplinary firm offering a wide range of professional and various technical services to meet continually changing and demanding client requirements
- ▶ Moving forward, it is our plan to invest into the development of Retirement Homes, an industry estimated to reach a **One Trillion Dollars** by 2050

Ressam Gardens

The Future Of Memory Care Facility

Site Location and Building Design

- ▶ Proximity to newly developed town houses, city parks & shopping centres
- ▶ A unique building layout

Long Term Strategy

- ▶ Creating a harmonized urban community
- ▶ A modern concept of retirement home
- ▶ A model which can to be adopted throughout Canada and North America





Dr. Maryam Rostami, MD, CCFP

Family Doctor, Long Term Care Director

Associate Faculty, Department of Family Medicine, McMaster University

Ontario's Dementia Strategy

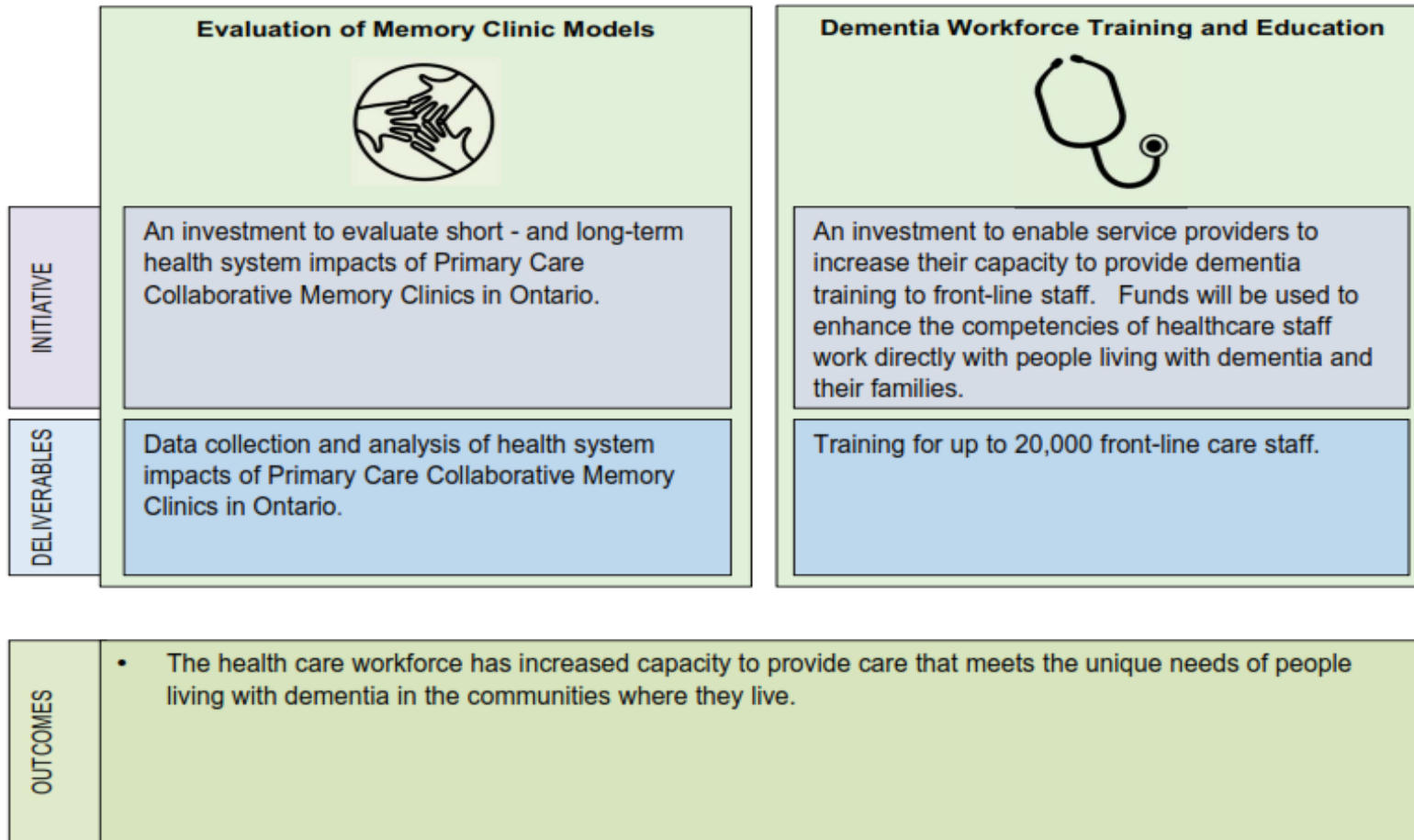


DEMENTIA STRATEGY KEY INVESTMENTS

	①	②	③	④	⑤	⑥	⑦	⑧	⑨	⑩
	Community Dementia Programs	Caregiver Respite	Care Partner Education and Training	Dementia Workforce Training and Education	Behavioural Supports at Home and in Community	Behavioural Supports in Long-Term Care Homes	Evaluation of Memory Clinic Models	Patient Navigation	Continued investments in physician education in geriatric care	Dementia Campaign
INITIATIVE	Expand province-wide access to dementia specific programs.	Enhance flexible respite services for care partners of people with dementia.	Enhance education and training available to care partners.	More dementia-specific training hours and supports for front-line and primary care practitioners.	Expand Behavioural Supports Ontario program in home and community.	Expand Behavioural Supports Ontario program in long-term care (LTC) homes.	Build on innovative models to increase access to specialised care.	Expand access to integrated and coordinated dementia care in the community.	Explore geriatric medicine and geriatric psychiatry training needs in partnership with the medical schools.	Expand dementia awareness campaigns.
OUTCOME	More dementia day, evening, and overnight programs, including transportation to and from programs for patients and care partners.	Improved access to respite supports, including in-home and overnight, to reduce care partner burnout.	In-person and online educational resources for care partners so people have the right skills to provide care for loved ones.	Giving front-line health care providers more tools and supports to better manage dementia.	Enhancing supports in home and community to help care partners manage complex behavioural health needs.	Expand Behavioural Supports across all LTC homes.	Explore expansion of innovative models to improve patient diagnosis and appropriate management.	Additional care coordination support for newly-diagnosed people and their care partners.	Enhanced capacity for specialists to support the entire health workforce to respond to the needs of our aging population.	Targeted campaigns to key populations to educate the public and reduce stigma around dementia.

\$101 million over 3 years for Ontario's new Dementia Strategy

Ontario's Dementia Workforce



Advanced Healthcare Training Ressam Gardens Training Centre

- ▶ Ressam Gardens will house a medical clinic as well as a treatment centre on the main floor
- ▶ This space will be dedicated to McMaster University for research and training purposes
- ▶ The training program will include grad students, PDF, researchers, medical students, residents, nurse practitioners and physician assistants

Advanced Healthcare Practices

Repetitive Transcranial Magnetic Stimulation (rTMS)

- ▶ rTMS is a Promising Dementia Treatment Technique
- ▶ Recent studies showed that rTMS can help Dementia patients to slow the progression of the disease
- ▶ rTMS can also be used as an innovative tool to evaluate the effectiveness of new medications for Alzheimer's treatment
- ▶ rTMS offers patients, doctors, and family members a hope for a cure, and proven to slowing down the progression of the disease

* *It takes a village to care for an elder* *

Thank You

Form: Request to Speak to Committee of Council

Submitted on Monday, April 15, 2019 - 11:31 am

==Committee Requested==

Committee: Audit, Finance & Administration

==Requestor Information==

Name of Individual: Stephanie Bertolo & Scott Robinson

Name of Organization: McMaster Students Union

Contact Number: 905.525.9140 x24017

Email Address: vped@msu.mcmaster.ca

Mailing Address:

1280 Main St W
MUSC Room 201
Hamilton ON , L8S4S4

Reason(s) for delegation request: To speak to student concerns about the city's proposal of development charges on future McMaster projects

Will you be requesting funds from the City? No

Will you be submitting a formal presentation? Yes

Form: Request to Speak to Committee of Council

Submitted on Tuesday, April 16, 2019 - 9:30 pm

==Committee Requested==

Committee: Audit, Finance & Administration

==Requestor Information==

Name of Individual: Savan Chandaria

Name of Organization: Tibro Group

Contact Number:

Email Address: savan@tibro.ca

Mailing Address:

7-25 Scarsdale Road, Toronto ON M3B 2R2

Reason(s) for delegation request: To seek Audit, Finance and Administration Committee's endorsement to include policies and programs that support the development of purpose-built rental housing in the new Development Charge By-Laws going into effect July 6th, 2019

Will you be requesting funds from the City? Yes

Will you be submitting a formal presentation? Yes

Improving Rental Housing Stock

*Using D.C. Exemptions for Non-Luxury Purpose-Built
Rental Developments*

Prepared by Tibro Group

City of Hamilton Audit, Finance and Administration Committee

April 18, 2019



About TIBRO

- Developers of purpose-built rentals in Hamilton
- Focused on markets outside of the downtown core, where rental supply is low
- Currently 2 projects in the works, with more on the horizon
 - 1160 Main St E – 75 one bedrooms apartments
 - 276 Dunsmure Rd – 65 two & three bedroom stacked townhomes





Hamilton Rents Are Soaring!

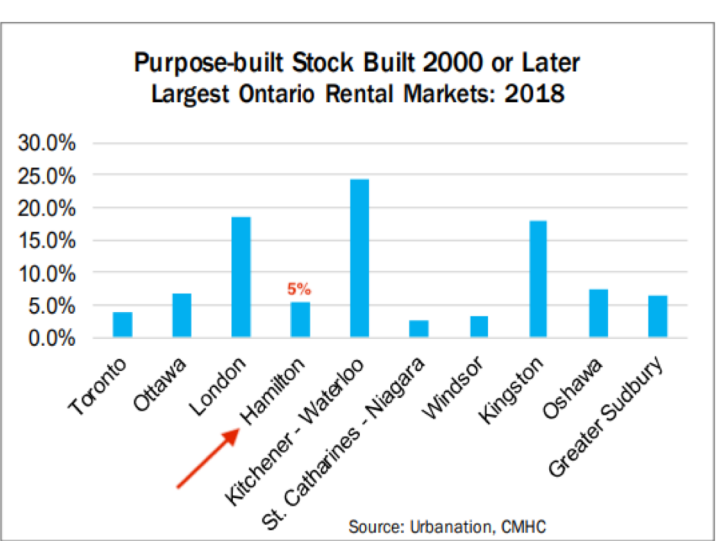
Pos.	+/-	City	1 Bedroom			2 Bedrooms		
			Price	M/M %	Y/Y %	Price	M/M %	Y/Y %
1	0	Toronto	\$2,260	-0.4%	14.7%	\$2,850	0.0%	14.0%
2	0	Vancouver	\$2,100	1.0%	5.0%	\$3,260	-0.6%	3.5%
3	0	Burnaby	\$1,570	0.0%	10.6%	\$2,240	-0.4%	9.8%
4	0	Montreal	\$1,500	0.0%	15.4%	\$1,780	0.0%	12.7%
5	0	Victoria	\$1,390	0.0%	13.0%	\$1,730	3.6%	15.3%
6	1	Barrie	\$1,360	2.3%	7.1%	\$1,450	-1.4%	-5.2%
7	-1	Kelowna	\$1,320	-1.5%	14.8%	\$1,600	0.0%	-2.4%
8	0	Ottawa	\$1,250	0.0%	13.6%	\$1,550	0.0%	14.0%
9	1	Hamilton	\$1,200	3.4%	15.4%	\$1,470	-1.3%	14.0%
9	2	Kitchener	\$1,200	4.3%	14.3%	\$1,480	2.8%	14.7%
9	0	Oshawa	\$1,200	0.0%	11.1%	\$1,390	0.0%	12.1%
12	-1	St Catharines	\$1,150	0.0%	4.5%	\$1,350	0.0%	3.8%
13	0	Calgary	\$1,100	-2.7%	1.9%	\$1,320	-2.9%	0.0%
14	1	Kingston	\$1,060	0.0%	3.9%	\$1,400	0.0%	2.9%
14	0	London	\$1,060	-0.9%	15.2%	\$1,210	0.0%	5.2%
16	0	Halifax	\$990	0.0%	10.0%	\$1,270	0.0%	8.5%
17	0	Winnipeg	\$980	0.0%	8.9%	\$1,260	0.8%	7.7%
18	0	Abbotsford	\$950	0.0%	9.2%	\$1,080	-1.8%	11.3%
19	-1	Edmonton	\$910	-4.2%	1.1%	\$1,200	-3.2%	1.7%

- Hamilton median rent rate increases among highest in Canada

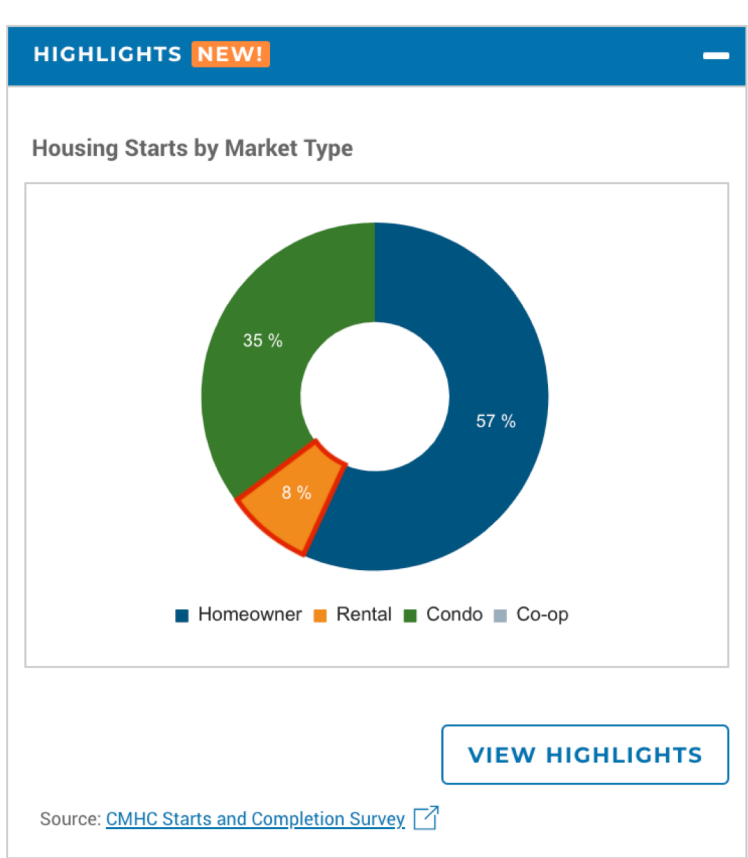
¹Per PadMapper March 2019 Canadian Rent Report



Hamilton Rental Housing Starts Are Struggling...



Hamilton



- No apartment starts outside of Downtown CIPA D.C. exemption areas in the past year, per CMHC²

¹Per Urbanation 2018 Ontario Rental Market Update

²Per CMHC Starts and Completions Surveys 2018/2019



What's Limiting Rental Supply

- Construction costs up 15%+ compared to last year
- DCs typically 10% of total project costs
- Condo developers tend to make much larger returns
- Downtown CIPA D.C. Exemptions only benefiting wealthy renters & buyers

“Projects that are located in slightly weaker market areas are not “near-viable” without the City’s financial tools.” – *City of Hamilton Development Charge Exemptions Review Executive Summary*



How The City Can Increase Rental Supply

- Replace Downtown CIPA D.C. Exemptions with D.C. Exemptions for non-luxury purpose-built rental developments
- Create contractual obligations with developers to keep units as rentals
- Give interest free loans on Development Charges
- Create long-term loan programs to support rental development
- Grant Parkland Dedication exemptions/reductions for rental developments



Benefits to The City of Hamilton

- Encourages much needed rental supply in non-downtown areas
- Creates more rental affordability by increasing rental supply
- Gets units to occupancy quickly – non-downtown zones push for mid/low-rise developments
- Keeps units as rentals long-term
- Creates more income for the City – apartment units pay more in property taxes than condos
- Promotes rental development inside and outside of the core



Thank You



Form: Request to Speak to Committee of Council

Submitted on Wednesday, April 17, 2019 - 10:35 am

==Committee Requested==

Committee: Advisory/Sub-Committee

Name of Sub-Committee: Development Charges Sub-Committee public meeting (evening session - 7pm, Thu 18)

==Requestor Information==

Name of Individual: Karin Dearness

Name of Organization:

Contact Number:

Email Address:

Mailing Address:

Reason(s) for delegation request: In support of DC waiver for laneway housing and charities which support affordable housing builds (e.g. Hamilton Habitat for Humanity, Indwell)

Will you be requesting funds from the City? Yes

Will you be submitting a formal presentation? Yes

Karin Dearness

Resident of Hamilton,
Employee of St Joseph's Healthcare Hamilton,
Current member of Beautiful Alleys initiative,
Former member of Hamilton Habitat for Humanity

I am here speaking as a resident of the City of
Hamilton, in my personal capacity, and
declare that I have no conflicts of interest.

- Support the adoption of the proposed new development charges with respect to laneway housing/secondary dwelling units
- Suggest consideration be given to including exemption from DCs for charities which support affordable housing (e.g. Hamilton Habitat for Humanity, Indwell)
- Request reimbursement of rezoning and development charges paid for 390 ½ Aberdeen, Hamilton



Alley between Fullerton and Birch, Keith Neighbourhood

Action: Council adopt the proposed revised DCs



- **Previous DCs had no provision for a reduction or waiver for charities**
- Charities such as Habitat would request reimbursement of DCs from Council several months after DCs paid (when building permit was issued)
- Hamilton Habitat for Humanity had full DCs reimbursed over 20 times, despite no provision in existing regulations
- Excluding charities that work to develop affordable housing from reduced or waived DCs will reduce their effectiveness

Action: Revise the proposed DCs to reduce or waive DCs for charities which develop affordable housing



Jan 2013 - Began
Page 49 of 74
consultation with city
May 2017 - Paid \$10,950
for rezoning
Oct 2017 - Paid \$51,528
for DCs, for building
permit to be issued

- Converted an existing detached laneway garage to a 700 sf, 1 bed, energy-efficient flat for mother-in-law
- No increase in footprint and built legally and through full consultation with City of Hamilton staff
- No means of recouping rezoning and DCs if all future similar developments are free to build
- Council does have the authority to reimburse fees, and has done so previously for other builds
- It is the fair and reasonable thing to do

Action: Audit, Finance and Administration
Committee recommend reimbursement of rezoning and DC fees (\$62,478) regarding 390 ½ Aberdeen



From: Mike Cope
To: [DC Background Study; McRae, Angela](#)
Cc:
Subject: Aging in Place: Development Charges for Garden Suites
Date: April 12, 2019 1:12:02 PM

Dear Angela,

Our family's question and comments are regarding development charges for Garden Suites (aka. Granny Suites) in the City of Hamilton.

We understand that, by definition, Garden Suites are detached living units intended to be used as temporary structures (ex. for elderly parents) and have already had a Formal Consultation meeting with the City regarding our plans to install a brand new, pre-fabricated mobile home for my mother-in-law. She turns 80 in July, so our proposed garden suite will allow her to continue living out her years at the same address she's lived for over 50-years while receiving care and assistance from our family. This would involve my wife and I selling our current home and moving with our children into my mother-in-law's current home. We would be taking on the maintenance responsibilities of the property and the majority of taxes, so that mom can live out her years comfortably. She's always been an avid gardener, taking pride in her plants, and has frequently expressed how much she'd like to continue keeping her green thumbs (even if she needs to tend fewer plants!).

That said, as we continue to calculate all of the City's fees and requirements outlined in our FC document, mom is now worried that a detached Garden Suite just isn't worth it and is considering selling her home. Please note that the Garden Suite was originally her suggestion because she would love to stay at the same address. My wife and I believe that mom's happiness and comfort IS worth it... but we, too, are concerned about costs.

With the understanding that my mother-in-law would still be living on the same property, in a single bedroom unit Garden Suite, what are the Development Charges the City will require us to pay? (Please note that, as of today, City staff have been unable to provide us with an exact number).

Please keep in mind that our garden suite project is meant to help assist our 80-year-old mom... It is NOT a unit that we would subsequently rent out, but rather, the structure would be removed when she no longer requires use of it. For that reason, we hope that our family is not expected to pay the same rates as someone building a permanent structure. That is, we hope the City supports the "aging in place" of its elderly citizens.

Thanks for your consideration,

- Mike Cope

=====
Mike Cope



April 16, 2019

**Audit, Finance and Administration Committee
City of Hamilton
Hamilton City Hall
71 Main Street West
Hamilton, ON
L8P 4Y5**

To the members of the committee,

On behalf of McMaster University's 24,000 full-time undergraduate students, the McMaster Students Union (MSU) is writing to raise our concern about the City of Hamilton's consideration of adding developmental charges to McMaster's projects, from which it is currently largely exempt. This decision has the potential to dramatically impact students and student spaces and will ultimately prove detrimental to necessary expansion.

As you are likely aware, the provincial government has made dramatic changes to the post-secondary sector, including a significant reduction in student financial aid, a transformation in student fee collection, and a reduction in university funding by virtue of a tuition decrease, with no base funding offset from the province. This creates additional financial pressures on the sector that must be taken into consideration as you debate the addition of developmental charges to McMaster projects.

While the university obtains revenue from industry partnerships, research grants, and donations these are often tied to specific deliverables. Operational capital is generated through tuition dollars, or through monies derived from provincial tax dollars, provided to the university as an operating grant. The University will be forced to pay these additional development charges through existing tuition dollars, or through its operating funding. As a result, even fewer financial resources will be available to students to support student spaces and academic excellence on our campus.

McMaster faces a deferred maintenance budget in the area of tens of millions of dollars. In addition, the University is currently well above its estimated capacity. Space creation is an omnipresent need. The capital for space renovations and improvements are already very



difficult to secure. Adding additional City taxation in the form of developmental charges to these types of projects will further hinder the ability to modify and grow with advancements in pedagogy and technology.

When McMaster does need to develop, the additional costs of a project resulting from new developmental charges would likely divert investments that would have benefited the student body in areas such as academic support or counselling services. It is also likely that international student tuition will skyrocket, given that the provincial government did not regulate tuition exclusively for that demographic. Moreover, McMaster students contribute tens of millions of dollars to the Hamilton economy via housing, food and tertiary services alone. In addition, undergraduate students represent the largest ridership demographic of the HSR, contributing in excess of \$5 million to City operations, representing approximately 13% of total HSR revenue. In short, students are heavy financial contributors to Hamilton and should not suffer the loss of spaces or services as the result of developmental charges.

These development charges could directly impact the student-led Student Activity and Fitness Expansion (SAFE) project. In 2018, students voted to self-fund a new building project, in order to invest in spaces for peer support services, the student-run campus food bank, a lower-cost grocery vendor, multi-faith prayer spaces, a community kitchen, small scale event spaces, and expanded athletic/exercise facilities. Following negotiation with the institution, students approved (via referendum) a fiscally sound plan that could now face serious financial questions, should the City decide to implement developmental charges after the fact.

Development charges are unfair to an institution which pursues building projects that do not have commercial enterprise as their purpose. As the impact of the increased cost will be at the expenses of students and student services, we strongly encourage City Council to not pursue these changes.

Sincerely,

Ikram Farah
MSU President

Stephanie Bertolo
Vice President (Education)

Scott Robinson
Vice President (Finance)

Kristina Epifano
Vice President (Administration)



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

April 17, 2019

Reply To: Joel D. Farber
Direct Dial: 416.365.3707
E-mail: jfarber@foglers.com
Our File No. 064423

VIA EMAIL ONLY TO ANGELA.MCRAE@HAMILTON.CA

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

Dear Ms. McRae:

**Re: Written Submissions Regarding 2019 Development Charges Background Study
Audit, Finance and Administration Committee Meeting #: 19-006,
Date: Thursday, April 18, 2019 Item 8.1**

We are the solicitors for the Upper West Side Landowners Group, owners of lands south of Twenty Road between Upper James and Glancaster. Our clients' lands include lands within the Airport Employment Growth District ("AEGD"), as well as whitebelt lands south of Twenty Road and north of the AEGD. Our clients whitebelt lands are surrounded by Hamilton's urban area and are accordingly being planned for urbanization.

Having now had the opportunity to review the March 13, 2019 Development Charges Background Study ("DCBS"), we would like to submit to Council the following concerns:

- 1) We dispute the inclusion of capital costs related to Elfrida. Elfrida remains outside the urban boundary and has no legally recognized planning status as a growth area in the City. As has been identified in recent Planning Committee discussions, there are other potential growth areas in the City, including the Upper West Side block, that represents infill development and are more logical priorities for growth. Further, the inclusion of the capital costs associated with Elfrida are inappropriate and premature pending the selection of a preferred growth option as an outcome of the City's on-going Municipal Comprehensive Review Process (GRIDS 2). In addition, we believe that there is insufficient technical justification for the inclusion of these charges based on the Background Study and supporting Master Plans approved by the City.
- 2) If any part of Elfrida is ultimately approved for an urban boundary expansion, then such approval can be accommodated subject to an area specific development charge. This would ensure that more economical and efficient growth in the City is not required to shoulder the burden of urban sprawl development in Elfrida.

The DCBS indicates substantial capital items related to the proposed Elfrida growth area district as follows:

Page No. PDF/DBCS	Description of Development	Timing (Year)	Gross Capital Cost Estimate (2019\$)	Potential D.C. Recoverable Cost
77 of 630/5-15	Provision for Elfrida Park Developments (8 neighbourhood parks & 1 community park)	2023-2028	\$7,710,200	\$6,939,180
83 of 630/5-21	Elfrida Community Centre	2027-2036	\$27,500,000	\$4,950,000
88 of 630/5-26	Elfrida – New Library Branch	2030	\$7,000,000	\$0
91 of 630/5-29	Elfrida Urban Boundary Expansion & Secondary Plan – Service Administration Studies	2019-2021	\$1,577,500	\$1,419,750
111 of 630/5-49	Services Related to a Highway – Elfrida Boundary Expansion Projects	2023-2031	\$130,495,000	\$37,876,000
130 of 630/5-68	New Fire Station Elfrida/Upper Stoney Creek Growth Area	2025-2027	\$8,432,000	\$2,866,900
130 to 132 of 630/5-68 to 5-70	Fire Vehicles and Station Equipment for Elfrida Growth Area	2026-2027	\$1,944,000	\$1,159,000
364 of 630	Water – Elfrida Distribution Network		\$27,695,000	\$6,309,000
376 of 630	Wastewater – Elfrida Collection Network		\$27,695,000	\$6,309,000
427 of 630	Open Watercourses – Elfrida Secondary Plan major road crossings		\$4,740,000	\$4,740,000

Page No. PDF/DBCS	Description of Development	Timing (Year)	Gross Capital Cost Estimate (2019\$)	Potential D.C. Recoverable Cost
442 of 630	Culverts and Bridges for Elfrida Boundary Expansion Projects		\$590,100	\$590,100
444 of 630 to 445 of 630	GRIDS-Related Stormwater Management (Quality and or Quantity) Facilities		\$98,626,700	\$98,626,700
	TOTAL		\$343,005,500	\$171,785,630

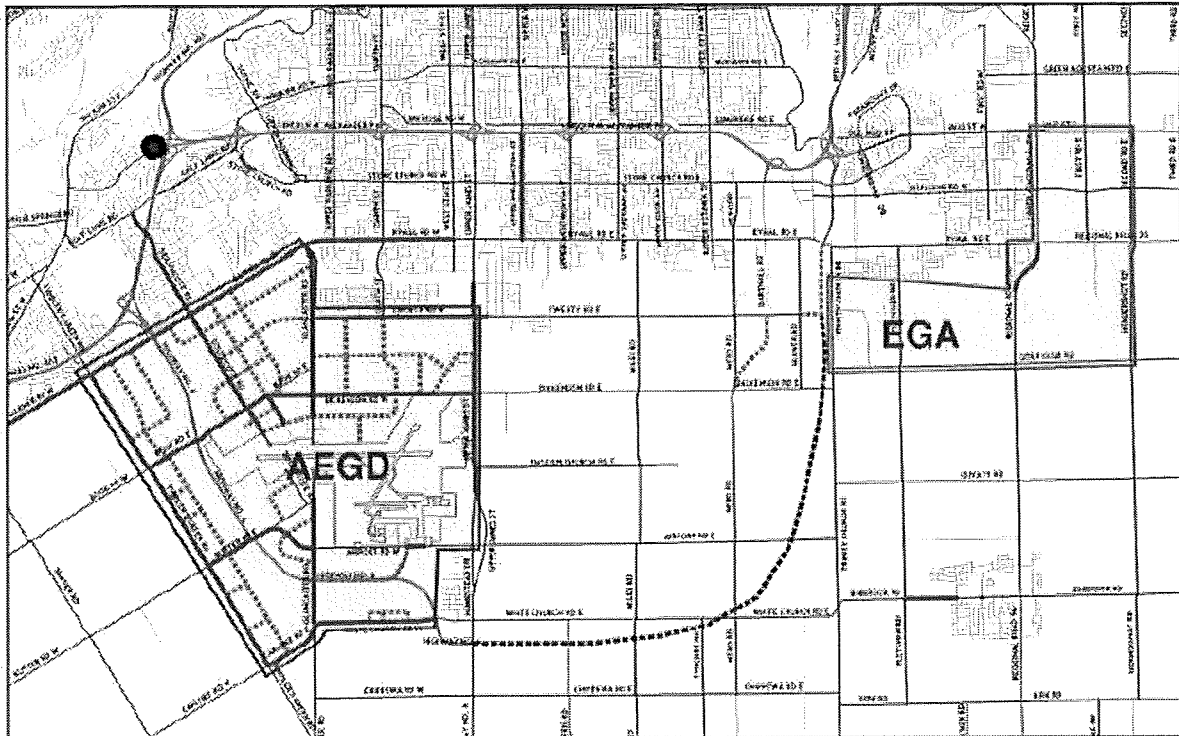
The proposed DC By-law requires that many hundreds of millions of dollars are going to be required to develop this fringe community in one of Hamilton's prime agricultural areas. Based on the DC policies proposed by staff and the City's consultants, the massive Elfrida growth costs would be apportioned to all development in Hamilton including in this DC By-law and subsequent DC By-laws for decades to follow.

From our perspective, it is critical for the City, the public and all the stakeholders, to understand the true impact of making smart growth including intensification and infill development in Hamilton, shoulder the financial burden for the Elfrida fringe development.

Accordingly, we reiterate our request that the implications of an Elfrida area specific development charge be considered and reported on. We note that the *Development Charges Act, 1997* subsection 10(2)(c.1) requires consideration of area specific development charges. Consideration of an Elfrida specific development charge is potentially warranted given the increased capital needs to develop this fringe community that currently lacks any planning status.

3) More specifically, \$130,495,000, with a potential DC recoverable cost of \$37,876,000, is provided as the gross capital cost estimate for services related to a highway for the Elfrida boundary expansion projects. However, the basis for this estimate is unclear and premised on highly uncertain assumptions which to our knowledge, no supporting studies have been completed for Elfrida. The City's *Transportation Master Plan Review and Update* did not identify the number of road improvements that has been assumed in the DCBS for Elfrida and no EA or planning approvals are in place to establish a preferred road network in Elfrida. The DCBS estimates these costs without any supporting infrastructure or planning approvals in place. It appears that the transportation network in Elfrida is being costed without any approved transportation plan and further, that collector roads in Elfrida are included as DC capital cost items whereas the same consideration has not been given to other areas such as the AEGD. There are also inconsistencies between Elfrida and other growth areas.

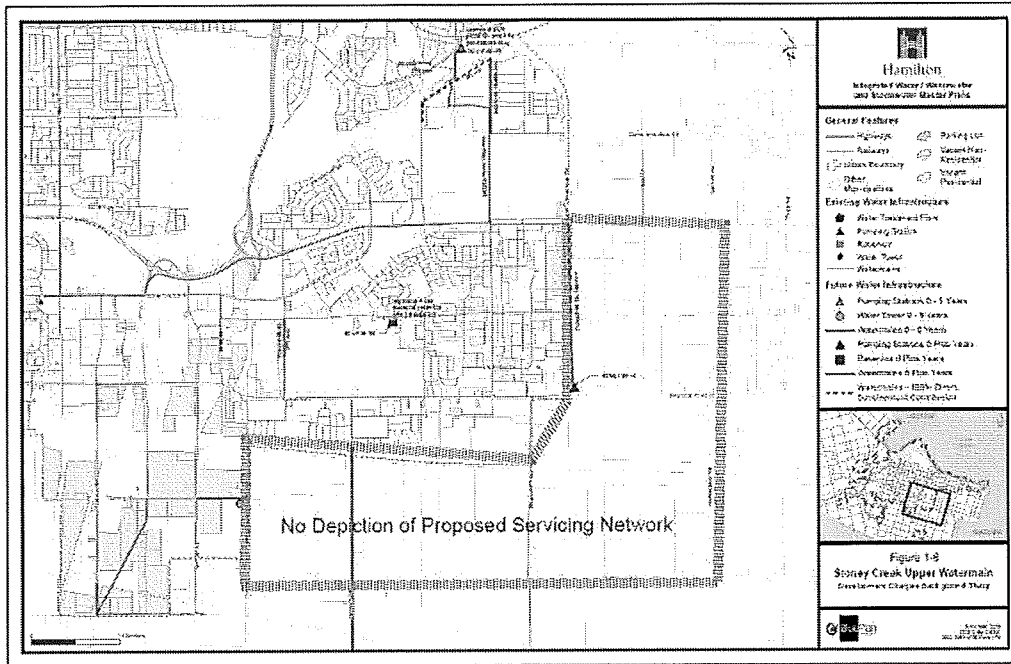
Below is a map prepared by our clients' transportation consultant that indicates and contrasts the road network improvements identified for AEGD and Elfrida in the City of Hamilton's Transportation Master Plan – Final Report. As evidenced by review of this map, Elfrida roads that have been included in infrastructure costs covered in the DC Calculation have never been approved by Council, nor appropriately planned for or justified.



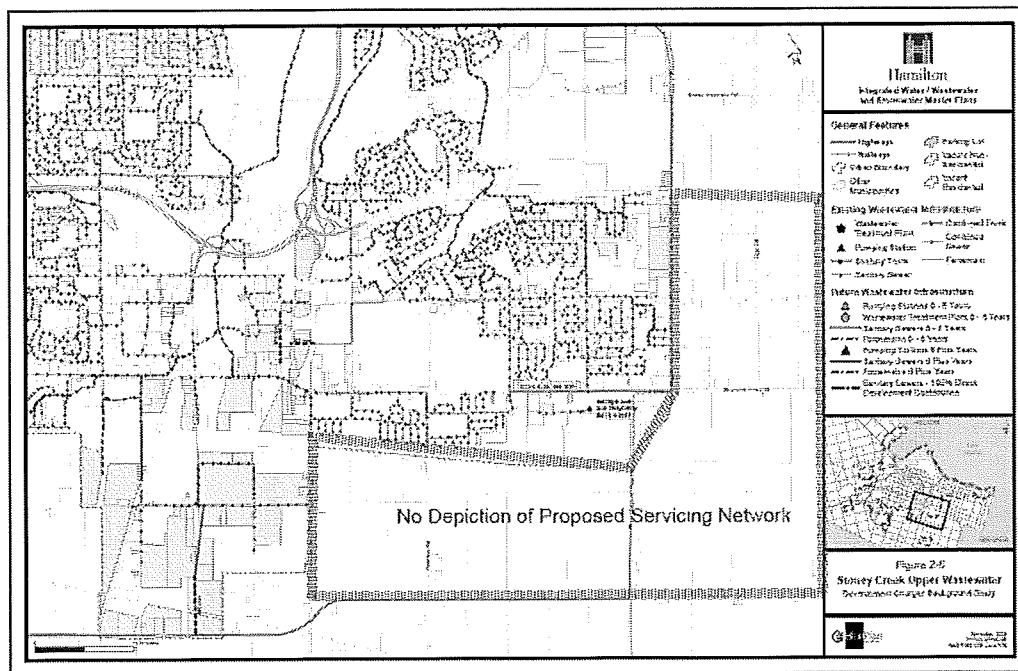
4) Storm water infrastructure for Elfrida, in the amount of \$98,626,697, has been identified as DC infrastructure, however, in the AEGD such infrastructure is identified as 100% direct developer responsibility. The City has identified the AEGD as a priority employment area and it would be counterproductive to burden development with the costs of storm water management. Our clients have submitted a draft plan of industrial subdivision and implementing zoning by-law to implement the employment objectives of the AEGD secondary planning area and the extension of Garth Street. We encourage Council to formulate a Development Charges regime that actually implements and supports City wide economic development goals rather than a premature greenfield residential community such as Elfrida.

5) Costed infrastructure for the Elfrida water and wastewater networks is not detailed in the DCBS and is therefore not justified. The DCBS includes capital costs related to water and wastewater distribution networks for Elfrida which have not been identified on the BluePlan Figures 1-6 and 2-6 yet the costs have been included in BluePlan Tables F-1 and F-3 as well as in DCBS Table 5-A.

Below is Figure 1-6 from the BluePlan report that is included as Appendix F in the DCBS. Note that there is no proposed water service network depicted for Elfrida.



Below is Figure 2-6 from the BluePlan report that is included as Appendix F in the DCBS. Note that there is no proposed wastewater service network depicted for Elfrida.





Our Clients have invested significant resources to implement a community plan for the Upper West Side district that implements the employment and infrastructure objectives of the AEGD Secondary Plan. Our Clients are seeking to facilitate minor infill residential development on their whitebelt lands which does not depend on major extensions of engineering and community services such as Elfrida appears to require. In fact, the Upper West Side development proposal is estimated to deliver the following financial benefits to the City.

- Building permit revenue of \$25.8 million
- Development Charge Revenue of \$257 million
- Annual Tax Revenue: \$35.9 million; and
- Delivery of Garth Street Extension \$8.7 million

We respectfully request that City Council not adopt the proposed Development Charges By-law as currently structured, until all of these infrastructure and financial impact issues have been fully addressed.

Yours truly,

FOGLER, RUBINOFF LLP

"Joel D. Farber"

Joel D. Farber*

*Services provided through a professional corporation

JDF/sz

cc: Clients, Mayor of the City of Hamilton and Members of City Council via email



April 17, 2019

Via: Email

Angela McRae,
Chairman and Members of the Audit, Finance and Administration Committee
City of Hamilton
71 Main Street West
Hamilton, ON L8P 4Y5

RE: Proposed Development Charge for the City of Hamilton, 2019

My name is Karl Gonnsen. I represent Penta Properties Inc and 2362302 Ontario Inc. The purpose of this submission is to provide you with comments with respect to the proposed development charge by-law for the City of Hamilton which is to be effective in 2019.

You should be aware that my client 2362302 Ontario Inc. has an appealed the City of Hamilton 2014 Development Charge By-law and is in the process of settling this appeal. The issues that resulted in the appeal of the 2014 development charge by-law are matters that are still outstanding and may be continued in the proposed 2019 development charge by-law.

I have commenced a review of the development charge background study, unfortunately I have not completed my review, and therefore my comments at this time are preliminary in nature.

It would seem that some sort of a process which will involve other interested parties, should be set up. This process would allow all parties to go through their respective concerns and give the City an opportunity to explain their position and how the quantum of the components of the development charges was reached at. I am aware that the Hamilton Halton Homebuilders Association may also be making a submission and has concerns which may or may not be similar to my client's concerns. I believe it would be advantageous to set up a process where all parties can meet to go through these concerns.

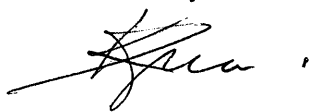
CORPORATE HEAD OFFICE
P.O. Box 128
2 MAIN STREET EAST
GRIMSBY, ON L3M 4G3
CELL. 289-983-1629
FAX. 905.637.3268
Email: cgonnsen@metrocon.ca

At the moment my client's concern is that the quantum of the development charge has significantly increased and there does not appear to be justification for this increase. My client would like to engage with City staff and their consultants to review the reasoning for these increases.

The areas my client is concerned about include transit services, recreation services, airport lands, parking services, provincial offences administration, separated sewer systems, conservation authority projects, transportation projects including round-a-bouts, traffic signals, and construction projects including underpasses.

It is hoped that the committee will instruct staff to meet with my client and other appellants to go over their concerns with the view of resolving these concerns. My client is also hopeful of settling in the near future, the appeal of the 2014 development charge by-law.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl Gonnsen', with a small mark to the right.

Karl Gonnsen, P. Eng, RPP, MCIP

cc: Angelo Paletta, President, Penta Properties Inc

Tony Sergi, Sr. Director Growth Management, City of Hamilton



April 17, 2019

VIA EMAIL ONLY

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

ATTENTION: Audit, Finance & Administration Committee
C/O: Ms. Lisa Chamberlain, Dipl.M.A., Legislative Coordinator

Dear Ms. Chamberlain:

Re: Development Charges - Proposed Laneway House Exemption

On behalf of our client, Ms. Patricia Santucci, T. Johns Consulting Group supports the City's direction of introducing a financial tool, such as Development Charge Exemptions, to implement the opportunity for an increased rental housing stock in keeping with the Province's intensification and affordable housing mandate by exempting Laneway Houses from Development Charges.

Respectfully Submitted,
T. JOHNS CONSULTING GROUP LTD.

A handwritten signature in black ink, appearing to read "Terri Johns", written in a cursive style.

Terri Johns, BA, MCIP, RPP
President

A handwritten signature in black ink, appearing to read "Katelyn Gillis", written in a cursive style.

Katelyn Gillis, BA
Planner

Cc: Ms. Patricia Santucci



Community Builders...Building Communities

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

April 17th, 2019

Re: 2019 Development Charges Background Study and By-law Update

Attn: Audit, Finance, and Administration Committee

Thank you for the opportunity to make a written submission regarding the Development Charges Background Study. This is a policy that directly impacts our membership, the industry, and homebuyers in the City of Hamilton, so we appreciate being afforded the opportunity to both sit on the sub-committee and to provide feedback throughout the process.

Please find attached a memo prepared by our consultant, the Altus Group, with various questions and requested clarifications pertaining to the background study for the 2019 DC update. This has previously been forwarded to Mr. Tony Sergi, and Mr. Jason Farr, Chair of the DC Subcommittee for their consideration and response.

In addition to the comments provided within that memo, which are of a technical nature, we would like to emphasize the importance and need for a transition policy for homebuyers in the City of Hamilton. It is often standard practise within the industry to sell homes well in advance of their construction starting, or permits being pulled, and it is also standard practise that changes in fees such as this are passed along to the homeowner, as their magnitude cannot be anticipated by the builder/developer at the time of selling the home. We believe that many homebuyers are unaware of the consequences of a potential increase such as is being considered now, and how it affects their closing costs, overall purchase price, and potentially overall ability to afford their new home.

I have often also spoken of the fact that items like development charges and user fees do impact the City's ability to be marketable relative to its competitors. For the homebuyers, these competitors are not GTA municipalities, but rather those further south and west of us, or further along the 401 corridor. It remains essential, when government imposed fees and charges make up almost 25% of the overall price of a new home, that this be a consideration by all levels of government when considering such charges.



Once again, the HHHBA would like to thank the City of Hamilton for allowing us to comment on the Development Charges Background study, and we look forward to continuing an open and positive dialogue with the City on all future issues.

Sincerely,



Suzanne Mammel, MBA CET
CEO, Hamilton-Halton Home Builders' Association



April 16, 2019

Memorandum to: Suzanne Mammel
HHHBA

From: Daryl Keleher, Senior Director
Altus Group Economic Consulting

Subject: Hamilton DC Review
Our File: P-6088

Altus Group Economic Consulting was retained by the Hamilton-Halton Home Builders' Association (HHHBA) to review the City of Hamilton's 2019 Development Charges Background Study and proposed DC By-law. This memorandum presents our questions and comments.

Population, Household and Employment Forecasts

- 1) As the proposed DC by-law would remove the exemption for student residences (and the current DC by-law already charges for off-campus student housing), should the existing and projected student population growth and growth in student housing units be incorporated into the population and household forecast used throughout the DC calculation? Other municipalities with significant student populations (i.e., Waterloo Region) include student population and housing in the calculation of DCs. According to the 2014 Waterloo Region DC study:

Full-time students are included in all population figures in this study because the need for municipal services is in part driven by development triggered by student growth.

General Questions

Accounting for Debt Financed Facilities in LOS Inventory

- 2) There are a number of items for which debt principal and interest costs are included in the capital project lists for recovery through the DC, that are also listed in the Level of Service inventory used for the purposes of setting the maximum allowable funding envelope. Some examples include the Division 30 Headquarters, the Shared Training Facility (Police and Fire), etc. Deductions to the GFA in the LOS inventory should be made that are proportionate to the debt principal being recovered through the DC for these items.

Inclusion of Funding of Exemptions / Discounts

- 3) The figure on page 4-10 of the 2019 DC Study shows the addition of \$40.8 million in "funding of exemptions/discounts". Is this amount meant to show all exemptions granted over the life of the current in-force DC by-law, or does this represent the cost of only the exemptions/discounts granted over 2018 so as to adjust the 2018 year-end balance as needed (with all discounts/exemptions in prior years already incorporated into the pre-adjusted 2018 year-end balance)?

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Questions Regarding Level of Service Analysis

Parking

- 4) The header for the parking LOS inventory shows the 2019 value as being expressed in “\$/space including land”, but this appears to actually be expressed in terms of the value of the lots. Can you please confirm what value is being shown, and advise what the underlying per space and per hectare land values were used to reach the per parking lot values?

Parkland Development

- 5) What are the “Non-City-Owned Lands” being referred to on page B-45 as being parklands that the City maintains?
- 6) For the “School Lands” included in the City LOS inventory, which are assigned a value of \$34,000 per acre – does the City contribute any costs towards the development of amenities on these lands, or are these amenities provided by the area’s school boards?
- 7) What is the difference between “Parks on Utility Lands” and “Other Utility Lands”, and why are these each assigned the same value per acre of \$10,600 – what City amenities are provided on these lands? Does the public have access to these lands?
- 8) Why is the value of Ivor Wynne Stadium \$1,585 per sf when the new Tim Horton’s Field is valued at \$443 per sf?
- 9) The LOS inventory includes numerous items related to Confederation Park and Wild Water Works, which is owned and operated by Conservation Hamilton. As these facilities are not owned by the City or a City board, these items and other items owned by Conservation Halton should be removed from the LOS inventory.

Questions Regarding Capital Projects

Services Related to a Highway

- 10) What is the nature of the “Street Lighting Enhancement Program” and why is the BTE allocation only 5%? Are these works to be done to enhance existing street lights?
- 11) What is the nature of the “Intersection Pedestrian Signal” program and why is the BTE allocation only 5%? Are these works being done to improve pedestrian signals at existing or new intersections?
- 12) Does the City know the location of the works to be done under the “New Sidewalk Program”? Are these to be sidewalks built in existing rights-of-way that do not have sidewalks? Are sidewalks associated with identified road projects included into those project costs?
- 13) There are several projects in the City’s 2019 capital budget forecast for which there are “Pre-2019” amounts shown. One such example is the East-West Road Corridor (Waterdown Bypass) project. The capital budget shows \$42.36 million in total costs for the project, of which \$23.66 million are identified as “Pre-2019” costs, with the remaining \$18.7 million in 2019. However, the 2019 DC Study shows what appears to be the full capital cost (\$52.2 million) with no accounting for what appears to have been spent in years prior to 2019. It is understood that the DC reserve funds were adjusted for “funding for projects that have already partial received DC funding”, we would like to understand what

comprises the adjustment made to the reserve fund balances. In the case of the East-West Road Corridor project alone, there is \$23.6 million in previous funding, but the total adjustment made for the Services Related to a Highway is shown on page 4-10 of the DC Study as being only \$14.9 million. The figure below shows all of the projects with “pre-2019” funding in the 2019 capital budget.

Figure 1 Examples of Projects with "Pre-2019" Costs in 2019 Capital Budget Included in Costs within 2019 DC Study

	2019 DC Study	Capital Budget (2019 Onwards)	Capital Budget (Incl. Pre-2019)	% Change	Timing (From DC Study)
		<i>Dollars</i>		<i>Percent</i>	
E-W Road Corridor (Waterdown By-Pass) - Dundas Street to Highway 6	52,207,000	18,700,000	42,360,000	23%	2019-2031
Cordon Count Program	330,000	160,000	270,000	22%	2019-2031
Nebo Road - Rymal Road to Twenty Road	5,870,000	4,800,000	5,020,000	17%	2020
Rymal Road - Fletcher Road to Upper Centennial	15,717,000	12,100,000	12,870,000	22%	2019
Highway 8 (Dundas) - Hillcrest to Park Ave	2,566,000	1,610,000	1,840,000	39%	2019-2031

Source: Altus Group based on Watson & Associates, City of Hamilton 2019 DC Background Study & 2019-2028 Capital Budget, City of Hamilton

14) A 15% BTE is applied to Active Transportation projects - page 9 of the Dillon report appended to the DC Study states that this is based on the notion that bicycle lands and active transportation works reduces the capital infrastructure needs for things such as road widenings, and that the “principle reason for implementing this approach is to help accommodate growth.” Conversely, the City’s 2014 DC Study, in Appendix E applied a 50% BTE to Commuter Trails and Bicycle Facilities with a rationale that “a 50/50 split has been allocated to acknowledge that new and existing growth will equally benefit from active transportation improvements.” We would suggest that the approach taken in the 2014 DC Study was more reflective of the benefit and ultimate usage of these additions to the City’s active transportation network.

15) There are numerous projects with significant cost increases over and above what is shown in the City of Hamilton capital budget forecast. We would like to understand the reasons for the differences in costs between the two documents. The figure below lists the projects for which we are seeing significant cost increases over the City’s 2019 capital budget.

Figure 2 Change in Capital Costs of Services Related to a Highway Projects, 2019 DC Study and 2019-2028 Capital Budget, City of Hamilton

	2019 DC Study	Capital Budget (2019 Onwards)	Capital Budget (Incl. Pre-2019)	% Change	Timing (From DC Study)
		<i>Dollars</i>		<i>Percent</i>	
White Church Road - Glancaster Road to Highway 6	19,651,000	1,240,000	1,240,000	1485%	2023-2031
Mapping Update Program	6,500,000	890,000	890,000	630%	2019-2031
Airport Road* - Butter Road to Glancaster Road	7,470,000	1,280,000	1,280,000	484%	2023-2031
Southcote Road* - Garner to Twenty Road extension	9,306,000	3,400,000	3,400,000	174%	2023-2031
Highway 8 (Stoney Creek) - Fruitland Road to East City Limit	20,674,000	7,660,000	7,660,000	170%	2023-2031
Fletcher Road - Binbrook Road to Golf Club Road	17,568,000	6,610,000	6,610,000	166%	2026
Southcote Road - Twenty Road extension to Book Road	8,541,000	3,400,000	3,400,000	151%	2023-2031
Twenty Road extension - Southcote Road to Glancaster Road	14,296,000	6,100,000	6,100,000	134%	2023-2031
Arvin Avenue - McNeilly to Existing west end	2,201,000	1,000,000	1,000,000	120%	2023-2031
Butter Rd/Airport Rd - Glancaster to Fiddlers Green (AEGD)	16,097,000	7,500,000	7,500,000	115%	2023-2031
Fifty Road - Q.E.W (South Service Road) to Highway 8	5,277,000	2,800,000	2,800,000	88%	2019-2031
Cartuke Road East - Fiddler's Green Road to Glancaster Road	6,291,000	3,410,000	3,410,000	84%	2023-2031
Millen Road - Barton Street to South Service Road	6,118,000	3,410,000	3,410,000	79%	2023-2031
Multi-modal Level of Service Guidelines	8,761,000	5,280,000	5,280,000	66%	2019-2022
Development Road Urbanization	250,000	160,000	160,000	56%	2019-2031
Binbrook Road - Royal Winter Dr/Binhaven Rd to Fletcher Road	6,840,000	4,500,000	4,500,000	52%	2019
Highway 8 (Stoney Creek)* - Dewitt Road to Fruitland Road	6,534,000	4,200,000	4,200,000	56%	2030
Golf Links Road - McNiven Road to Kitty Murray Lane	4,646,000	3,070,000	3,070,000	51%	2025

Source: Altus Group based on Watson & Associates, City of Hamilton 2019 DC Background Study & 2019-2028 Capital Budget, City of Hamilton

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16) There are several projects that are within the City's 2019 DC study project list, with timing prior to 2031 that are shown in the City's 2019 capital budget forecast as having timing beyond 2031. Any such projects deemed by Council to be post-2031 projects can be identified in the DC Study but should have a full Post Period Benefit allocation made. The figure below lists the projects where this is an issue.

Figure 3 2019 DC Study Projects with Post-2031 Timing in City 2019 Capital Budget

	2019-2028 Capital Budget		2019 DC Study			
	Start Date	Gross Cost <i>Dollars</i>	Timing	2019 DC Study	Post Period Benefit <i>Dollars</i>	Net Capital Cost
Jones Road - Barton Street to South Service Road	2032	2,930,000	2023-2031	3,739,000	-	3,739,000
Miles Road - Rymal Road to Hydro Corridor	2032	7,970,000	2023-2031	10,769,000	-	10,769,000
Southcote Road - Twenty Road extension to Book Road	2032	3,400,000	2023-2031	8,541,000	-	8,541,000
Glover Road - Twenty Road to Rymal Road	2033	8,480,000	2023-2031	9,400,000	-	9,400,000
Lewis Road - Barton Street to South Service Road	2034	2,600,000	2023-2031	3,402,000	-	3,402,000
Butter Rd/Airport Rd - Glancaster to Fiddlers Green (AEGD)	2034	7,500,000	2023-2041	16,097,000	12,136,000	3,961,000
Millen Road - Barton Street to South Service Road	2034	3,410,000	2023-2031	6,118,000	-	6,118,000
Trinity Church Road - Binbrook Road to Golf Club Road	2034	8,120,000	2023-2031	9,032,000	-	9,032,000
Twenty Road - Aldercrest Avenue to 600m west of Nebo Road	2034	14,500,000	2023-2031	16,290,000	-	16,290,000
Centre Road - Northlawn to Parkside Drive	2034	4,620,000	2019-2022	2,434,000	-	2,434,000
Garth Street extension (oversizing) - Dickenson Road to Collector 2E	2034	4,080,000	2023-2031	1,359,000	-	1,359,000
Dickenson Road Extension - Smith Road to Glancaster Road	2034	4,150,000	2023-2031	6,149,000	-	6,149,000
Airport Rd - U. James to Glancaster (AEGD)	2034	10,550,000	2019-2031	14,185,000	-	14,185,000
Twenty Road extension - Southcote Road to Glancaster Road	2034	6,100,000	2023-2031	14,296,000	-	14,296,000

Source: Altus Group based on Watson & Associates, City of Hamilton 2019 DC Background Study & 2019-2028 Capital Budget, City of Hamilton

17) The unit costs used in the 2014 and 2019 DC studies have increased only slightly, most in the range of 7-15% (see Figure 4 below). However, when we look at how the project costs by improvement type have changed, the costs per kilometre for road improvements have increased in the range of 36% to 58% (see Figure 5), which is far above the percentage increase seen in almost any single unit cost (of all unit costs where comparisons were available, only installation of maintenance manholes increased by more than 36%). Can you please explain how the project costs (\$/km) increased so much more significantly than the unit costs that supposedly comprise the bulk of project costs?

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Figure 4 Comparison of Unit Costs, City of Hamilton 2014 and 2019 DC Studies

Item	Unit	2014 DC	2019 DC	% Change
		Study	Study	Percent
Clearing and Grubbing (Area)	m2	3.50	3.93	12%
Excavation	m3	18.11	14.84	-18%
Remove Concrete Sidewalk/Driveway	m2	15.00	16.86	12%
Remove Culverts (Including headwalls/sewers)	m	28.53	32.07	12%
Remove Catchbasin (single)	each	706.88	427.71	-39%
Remove Concrete Curb and Gutter	m	9.28	10.43	12%
Remove Manholes (full depth)	each	494.40	555.71	12%
Remove Manholes (partial depth)	each	494.40	668.58	35%
Remove Concrete Curb Outlets	each	9.28	10.43	12%
Remove Catchbasin (double)	each	692.76	778.66	12%
Cold plane exist. Asphalt	m2	13.66	9.41	-31%
Full Depth Asphalt Removal	m2	3.42	3.93	15%
Granular A - Roadway	m3	51.10	54.73	7%
Granular B - Roadway	m3	40.76	48.59	19%
Tack Coat	m2	0.50	0.61	22%
Hot Mix HL3 (40mm)	tonne	124.68	133.79	7%
150mm DIA non perforated sub drain	m	23.60	27.27	16%
Concrete Sidewalk (not including granular or excavation)	m2	56.44	60.70	8%
Concrete Sidewalk (including granular base)	m2	65.99	85.68	30%
Install Concrete Curb & Gutter (OPSD600.040)	m	98.74	105.56	7%
Topsoil and Sod (300mm)	m2	17.14	20.41	19%
Supply and Install Storm, Sewer Pipes (300mm min.)	m	331.47	350.26	6%
Supply and Install Catchbasin Leads including appropriate fittings, Class 'B' bedding and Granular Backfill (single, 250mm DIA)	m	332.03	373.20	12%
Supply and Install Catchbasin (single, OPSD 705.010)	each	2,446.86	3,180.28	30%
Supply and Install Catchbasin (double, OPSD 705.020)	each	3,540.87	3,979.94	12%
Supply and Install Manhole, Maintenance Holes (OPSD701.01)	each	3,762.41	6,426.00	71%
Pavement Markings	m	2.59	3.21	24%
Fire Hydrant	each	5,579.65	6,588.73	18%

Source: City of Hamilton 2014 and 2019 DC Studies - 2014 Appendix H, HDR, 2019 Appendix H, Dillon

Figure 5 Comparison of Project Costs by Improvement Type, City of Hamilton 2014 and 2019 DC Studies

Improvement Type	Code	2014 DC	2019 DC	% Change
		Study	Study	Percent
Collector Rural Residential	2r	1,418,600	2,241,620	58%
Rural 3 Lanes	3r	1,529,900	2,344,853	53%
Rural 4 Lanes	4r	2,512,800	3,681,788	47%
Collector Urban Residential	2u	2,417,600	3,615,428	50%
Urban 3 Lanes Arterial/Collector	3u	2,686,600	3,929,403	46%
Urban 4 Lanes Arterial	4u	3,548,500	5,177,191	46%
Urban 5 Lanes Arterial	5u	4,281,200	6,040,438	41%
Collector Rural Residential to Industrial Collector 2 Lanes	2r-2i	2,458,800	3,556,562	45%
Collector Rural Residential to Collector Urban Residential	2r-2u	2,644,000	3,825,719	45%
Collector Rural Residential to 4 Lanes Urban Arterial	2r-4u	3,439,800	4,702,224	37%
Collector Rural Residential to 5 Lanes Urban Arterial	2r-5u	4,120,900	5,591,273	36%
Collector Urban Residential to 4 Lanes Urban Arterial	2u-4u	3,475,300	4,984,283	43%
3 Lanes Rural to 3 Lanes Urban	3r-3u	2,774,700	4,080,044	47%
4 Lanes Rural to 5 Lanes Urban	4r-5u	3,988,500	5,895,207	48%
4 Lanes Urban to 5 Lanes Urban	4u-5u	4,275,400	6,276,960	47%

Source: City of Hamilton 2014 and 2019 DC Studies - 2014 Appendix H, HDR, 2019 Appendix H, Dillon

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 April 16, 2019
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Water and Wastewater

- 18) Do the water and wastewater line items for “New Growth-Related Financing” relate to anticipated debt financing? If so:
- a. What assumptions were made regarding borrowing terms?
 - b. Why is the City assuming the need to borrow \$32.1 million for water if there is an existing surplus in the reserve fund of \$26.2 million?
- 19) The costs for both sections of the Dickenson Road Trunk Sewer are shown as \$44.2 million, despite significantly different lengths (Upper James to Miles Road is 2,900 metres, while Miles Road to RR56 is 6,800 metres). Is one of these cost estimates shown in error, or are they meant to be the same amounts? In the 2014 DC study, a similar sewer to the Upper James to Miles Road sewer had a cost of \$11.48 million.
- 20) Why has the cost of the “HC011-Calvin St SPS Upgrades” increased from \$230,000 in the 2014 DC Study to \$3,500,000 in the 2019 DC Study?
- 21) The cost of “Intensification Infrastructure Upgrades – Wastewater” for the initial five-year period after the by-law comes into force has increased from \$5.0 million in the 2014 DC Study to \$15.0 million in the 2019 DC Study. Does the City have any data to share about recent expenditures that can justify the new annual amount being incorporated into the DC calculation?
- 22) The 2019 DC Study has a cost of \$15.0 million for a “West Harbour Sanitary Pumping Station and Forcemain”, with 10% of the costs attributable to the City/BTE. The 2014 DC Study had a cost of \$2.7 million for the SPS and \$590,000 for West Harbour Servicing (for a total of \$3.3 million), with the costs for each allocated 50% to the City/BTE. What are the reasons for the cost increase and the reduced allocation to the City/BTE?
- 23) The costs for the Woodward WTP include \$8,008,501 for “Internal Staffing Cost Allocation”. What is the nature of these costs, and are they better classified as operating costs?

Storm Drainage

- 24) The land costs for stormwater management facilities is a significant cost in the City’s DC calculation. There are roughly \$97 million in gross costs associated with residential stormwater management facilities. The lands for these facilities are valued at roughly \$1.6 million to \$1.8 million per hectare. We would like to understand what the City’s typical acquisition price would be for stormwater management facility lands, based on recent experience.
- 25) The table in Appendix G-1 shows the estimated footprints of various SWM ponds under two scenarios - 1) based on either 4% or 6% of the drainage area (as per the conditions in the local service guidelines) or 2) based on the study or draft plan the need for the SWM facility was based on. In cases where both calculations are made, the amount from the draft plan is used, and in almost all of these cases, the draft plan estimate is significantly larger than the 4%/6% method. Some of the draft plans these SWMF areas are based on are somewhat dated. The figure below shows the size of the SWMF land areas. Are the footprints identified in older studies still deemed to be reasonable and in keeping with current practices of stormwater management?

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Figure 6

Stormwater Management Facilities - Footprints Used in City of Hamilton 2019 DC Study

Project Title	Year of Plan	Drainage Area	Estimated Footprint (4%/6%)	Study/Draft Plan Footprint	Footprint Used in DC Study	Footprint Used as % of Drainage Area
			Hectares			Percent
Meadowlands Phase IV		6.00	0.36	0.60	0.60	10%
Binbrook Settlement Area	Jul-05	22.72	1.36	1.80	1.80	8%
Mewburn and Sheldon Neighbourhoods Master Servicing Plan	Jul-05	15.90	0.95	1.25	1.25	8%
Upper Wellington and Stonechurch		14.00	0.84	1.40	1.40	10%
SCUBE Subwatershed Study (Phase 3)	May-13	26.40	1.58	2.64	2.64	10%
SCUBE Subwatershed Study (Phase 3 - Block2)	Sep-18	16.40	0.98	1.64	1.64	10%
SCUBE Subwatershed Study (Phase 3 - Block 2)	Sep-18	27.60	1.66	2.76	2.76	10%
SCUBE Subwatershed Study (Phase 3)	May-13	54.00	3.24	5.40	5.40	10%
SCUBE Subwatershed Study (Phase 3)	May-13	23.10	1.39	2.31	2.31	10%
SCUBE Subwatershed Study (Phase 3)	May-13	39.80	2.39	3.98	3.98	10%
SCUBE Subwatershed Study (Phase 3)	May-13	24.50	1.47	2.45	2.45	10%
Montgomery Creek Nash Orchards		22.49	0.90	1.35	1.35	6%
Fieldgate Estates - FelkerCommunity Functional SWM	Nov-08	30.00	1.80	1.87	1.87	6%
Mtview Heights	Jul-13	41.06	2.46	2.98	2.60	6%
Mtview Heights	Jul-13	12.71	0.76	1.56	1.56	12%
Waterdown North Master Drainage Plan	Feb-07	9.70	0.00	1.75	1.75	18%

Source: Watson & Associates, City of Hamilton 2019 DC Background Study

- 26) In addition to the approach taken regarding land footprints outlined above, there is also a contingency line item included in the capital program, for “Land Footprint Contingency” on the assumption that “10 facilities will exceed the estimated land footprint by 20%”, resulting in \$3.5 million in additional costs being included in the charge. Is this contingency item necessary given the specificity for which land areas are identified elsewhere in the study and given how the footprints in the draft plans appear to be relatively liberal estimates of necessary land areas?
- 27) There are also \$6.84 million in costs for “Frontage Costs” to capture ‘road frontage costs for 38 residential SWM facilities’, calculated on the basis of 120 metres per facility, at a cost of \$1,500 per metre. Wouldn’t the land area already estimated for each SWM pond already be assuming that the lands that front onto the road allowances?
- 28) There are also two separate line items for unspecified works – one for “Unidentified SWM works” with a cost of \$5.0 million, and a second for “Unidentified – Within Combined Sewershed” with a cost of \$6.0 million. Can you explain the need for having two unspecified works line items?
- 29) There are also separate line items for “Unidentified Volume Contingency”, one on the assumption that “1 out of 10 facilities will exceed the estimated volume by 10%”, and the other on the assumption that “1 out of 10 facilities will encourage unanticipated 9000 m3 rock”. In particular, for the first item, if the facility is exceeding the estimated volume, would the associated expenditure to fix that deficiency be an ongoing maintenance/repair expenditure or a capital expenditure?

Public Works

- 30) What is the nature of the “Water & Wastewater Office / Storage Expansion” project, with a cost of \$17.25 million?

Transit

- 31) According to Appendix I, the Transit Maintenance and Storage Facility will include administrative, corporate and operational departments, as well as a 205,230 square foot bus storage garage.

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Excluding land costs, this facility has a gross cost of \$272 million. Our questions related to this project are as follows:

- a. How much square footage will non-garage elements combine for?
- b. Even assuming the non-garage elements amount to 100,000 square feet, a 305,000 sf facility, at the current capital cost would equate to nearly \$900 per sf. According to the 2019 Altus Group Cost Guide, the cost per sf for a Bus Terminal/Garage ranges from \$260 to \$340 per sf. Please explain how the \$272 million cost was arrived at.

Parkland Development

- 32) The capital program includes several items for Confederation Park (items 41 through 65 of the capital program), which amounts to a development charge for capital works identified by Hamilton Conservation Authority. This is contrary to the OMB decision that found that a charge for a conservation authority is not within the purview of the *Development Charges Act* because capital charges are approved by the province, and that therefore the Conservation authority is an independent entity separate from the City of Hamilton.
- 33) There is an \$11.2 million item for the implementation of items identified in a “Skateboard Study”, with 0% allocation to benefit to existing development. The City’s Skateboard Study identified numerous geographic gaps in the existing provision of skate parks and found that the current City-wide provision of 1 facility per 13,357 persons aged 10-19 was worse than the recommended provision target of 1 community-level facility per 7,500 residents aged 10-19 and 1 neighbourhood-level facility per 15,000 residents aged 10-19. Can you please explain the rationale for a 0% BTE allocation?

Indoor Recreation

- 34) Does the \$1.0 million (before the 10% statutory deduction) included in the DC for the Ancaster Tennis Bubble accurately represent the City’s share of costs for the project? Based on news articles from mid-2018, the City is providing a \$290,000 loan to the Ancaster Tennis Club and a \$60,000 grant. The Tennis Club has raised \$200,000 of its own money and is seeking additional grants from upper levels of government for the remainder of the costs.¹
- 35) What terms were assumed for future debt associated with the Riverdale Community Hub and Sir Wilfrid Laurier Gymnasium?
- 36) Should the William Connell Ice Loop, which is an outdoor recreation amenity, be included in the Parkland Development DC capital program instead?
- 37) The Indoor Recreation capital program also includes several items related to Confederation Park (items 20-22). Similar to the analysis presented regarding the Confederation Park items in the Parkland Development DC, these items should be removed from the City’s DC calculation.

¹ <https://www.hamiltonnews.com/news-story/8657427-ancaster-tennis-club-and-hamilton-team-up-for-winning-dome-project/>