



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 19-011

9:30 a.m.

August 15, 2019

Council Chambers

Hamilton City Hall

Present: Councillors C. Collins (Chair), M. Wilson, B. Clark, M. Pearson B. Johnson, L. Ferguson and A. VanderBeek

Absent: Councillor J. Partridge – Bereavement

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Development Charges Reserves Status Report as of December 31, 2018 (FCS19064) (City Wide) (Item 7.1)

(Pearson/VanderBeek)

- (a) That Report FCS19064 “Development Charges Reserves Status Report as of December 31, 2018” be received and made available to the public; and,
- (b) That Report FCS19064 “Development Charges Reserves Status Report as of December 31, 2018” be forwarded, if requested, to the Ministry of Municipal Affairs and Housing.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

2. Whistleblower, Fraud & Waste Information Update for Q2 2019 (AUD19012) (City Wide) (Item 7.2)

(Pearson/VanderBeek)

That Report AUD19012, respecting the Whistleblower, Fraud & Waste Information Update for Q2 2019, be received.

CARRIED

3. 2018 Reserve Report (FCS19062) (City Wide) (Item 10.1)

(Clark/Wilson)

- (a) That the 2018 Reserve Report and the 2018 Reserves Detail Report, with 2017 Comparative figures and 2019-2021 Projections, attached as Appendix "A" to Report FCS19062, be approved;
- (b) That the reserves listed in Appendix "B" to Report FCS19062 be closed; and,
- (c) That a Climate Change Reserve #108062 be established with a sustainable funding source identified through the 2020 Budget process.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

4. Federation of Canadian Municipalities Voluntary Advocacy Fund Contribution (FCS19065) (City Wide) (Item 10.2)

(Clark/Ferguson)

- (a) That \$45,200 be paid to the Federation of Canadian Municipalities Voluntary Advocacy Fund Contribution, with \$15,000 funded from the Legislative Budget, and \$30,200 funded from the Tax Stabilization Reserve (Account #110046); and,
- (b) That staff be directed to request from the Federation of Canadian Municipalities which other Municipalities are contributing to the Voluntary Advocacy Fund.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(Johnson/Clark)

That Report FCS19065, respecting the Federation of Canadian Municipalities Voluntary Advocacy Fund Contribution, be received.

CARRIED

5. Bill 108 “More Homes, More Choice Act, 2019” – Proposed Regulations Comment Submission Related to the Development Charges Act and Community Benefits Authority under the Planning Act (FCS19057(a) / LS19023(a)) (City Wide) (Item 10.3)

(Pearson/Clark)

- (a) That Council endorse the comments, recommendations and requests contained within Appendix “A” attached to Report FCS19057(a) / LS19023(a) related to the Province’s proposed changes to O. Reg. 82/98 under the *Development Charges Act* related to Schedule 3 of the *More Homes, More Choice Act, 2019*;
- (b) That the General Manager of Finance and Corporate Services be authorized and directed to submit to the Province, **a letter substantially in accordance with** the letter attached as Appendix “A” to Report FCS19057(a) / LS19023(a), as the City’s official comments related to the Province’s proposed changes to O. Reg. 82/98 under the *Development Charges Act* related to Schedule 3 of the *More Homes, More Choice Act, 2019*;
- (c) That Council endorse the comments, recommendations and requests contained within Appendix “B” attached to Report FCS19057(a) / LS19023(a) related to the Province’s proposed new regulation pertaining to the community benefits authority under the *Planning Act*;
- (d) That the General Manager of Finance and Corporate Services be authorized and directed to submit to the Province, **a letter substantially in accordance with** the letter attached as Appendix “B” to Report FCS19057(a) / LS19023(a), as the City’s official comments related to the Province’s proposed new regulation pertaining to the community benefits authority under the *Planning Act*;
- (e) That the General Manager of Finance and Corporate Services, in consultation with the City Solicitor, be authorized to make submissions on *Bill 108, More Homes, More Choice Act, 2019* and any associated regulations consistent with the concerns raised in Report FCS19057(a) / LS19023(a) and Appendix “A” and Appendix “B” to Report FCS19057(a) / LS19023(a); and,
- (f) That the City Clerk forward this report to the Ministry of Municipal Affairs and Housing, the Ministry of Environment, Conservation and Parks, Hamilton’s Members of Provincial Parliament (Donna Skelly - Flamborough—Glanbrook, Andrea Horwath - Hamilton Centre, Paul Miller - Hamilton East—Stoney Creek, Monique Taylor - Hamilton Mountain and Sandy Shaw - Hamilton West—Ancaster—Dundas) and the Association of Municipalities Ontario.

Result: Main Motion, *AS AMENDED*, CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

6. Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068) (CityWide) (Item 10.5)

(Clark/Wilson)

- (a) That the General Manager, Finance and Corporate Services, be authorized to enter into and execute any necessary agreements, including any agreements with Infrastructure Ontario's Loan Program, to secure the capital funding required for CityHousing Hamilton Corporation (CHH) projects as attached in Appendix "A" to Report FCS19068;
- (b) That the General Manager, Finance and Corporate Services, be authorized and directed to enter into and execute any necessary agreements to engage the services of all required persons, agencies and companies to negotiate and confirm the terms and issuance of all necessary debenture issue(s) including, but not limited to, external legal counsel, fiscal agents and financial professionals, to secure the capital funding required for CityHousing Hamilton Corporation (CHH) projects as attached in Appendix "A" to Report FCS19068;
- (c) That the General Manager, Finance and Corporate Services, be authorized to negotiate and confirm the terms and placement of all debenture issue(s), and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreements and debenture issue(s) and / or variable interest rate bank loan agreements and debenture issue(s), in an amount not to exceed \$24,741,020 Canadian currency of CityHousing Hamilton for projects as attached in Appendix "A" to Report FCS19068;
- (d) That the Mayor and City Clerk be authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents required for CityHousing Hamilton Corporation (CHH) projects as attached in Appendix "A" to Report FCS19068 including those required to secure and confirm the terms and issuance of any required debenture issue(s), with content acceptable to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor;

- (e) That staff be directed to prepare all necessary By-Law(s) to authorize and implement CityHousing Hamilton Corporation (CHH) projects as attached in Appendix "A" to Report FCS19068 including those By-laws necessary to negotiate, place and secure all required capital funding; and,
- (f) That confidential Appendix "A" to Report FCS19068, respecting Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects, remain confidential and not be released as a public document until the completion of the negotiation of the construction contracts and the completion of the purchase and sale agreement for projects as attached in Appendix "A" to Report FCS19068.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

**7. Audit and Accountability Fund Transfer Payment Agreement (FCS19059(a))
(City Wide) (Added Item 10.6)**

(Clark/Ferguson)

- (a) That the Mayor and City Clerk be authorized and directed to sign a Transfer Payment Agreement substantially in the form and content attached as Appendix "A" to Report FCS19059(a) between the City of Hamilton and Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing for the transfer of funds from the Audit and Accountability Fund, together with all necessary associated documents, in a form satisfactory to the City Solicitor and with content acceptable to the General Manager of Finance and Corporate Services;
- (b) That the By-law to Authorize the Signing of the Transfer Payment Agreement for the transfer of funds from the Audit and Accountability Fund between the Her Majesty the Queen in right of Ontario as represented by the Minister of Municipal Affairs and Housing and the City of Hamilton, attached as Appendix "B" to Report FCS19059(a), be approved; and,
- (c) That a certified copy of the approved by-law authorizing the signing of the Transfer Payment Agreement be forwarded to the Ministry of Municipal Affairs and Housing upon Council approval.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins

NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

8. St. Joseph's Villa, Hospice Project SPA-17-205, Building Permit Application #18-137811-00R3 – Deferral Agreement (Item 11.2)

(VanderBeek/Collins)

WHEREAS, St. Joseph's Villa Dundas in their letter dated July 24, 2019 (attached hereto as Appendix 'A') are asking for the City's assistance with regards to their Municipal Development Charge Liability of \$237,350.20 for their 10-bed hospice development;

WHEREAS, City staff have received from the VP and CFO of St. Joseph's Villa Dundas a letter dated July 26, 2019 (attached hereto as Appendix 'B') confirming that the Hospice will be located on St. Joseph's Villa land at 56 Governor's Rd., Dundas; and that St. Joseph's Villa will be the sole owner and operator of the Hospice with no commercial enterprise involved;

WHEREAS, City staff also received a Registered Charity Information Return confirming Non-Profit Status for St. Joseph's Villa Dundas for 2018; and,

WHEREAS, St. Joseph's Villa Dundas is a registered Non-Profit Charity; and, therefore, excluded from the City's policy regarding Development Charge Deferral Agreement Total Dollar Value Capacity Limits and *Municipal Act* Provisions regarding bonusing of For-Profit Commercial entities and, as such, is eligible for the Deferral Program;

THEREFORE, BE IT RESOLVED:

That the General Manager of Finance and Corporate Services be authorized and directed to enter into a 5-year Development Charge Deferral Agreement at Zero (0%) percent interest with St. Joseph's Villa Dundas for the Hospice Development, in the amount of \$237,350.20, in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

1. DELEGATION REQUESTS (Item 6)

- 6.1 Jaideo Debie, ArcelorMittal Long Product Canada, respecting the Raw Water Station Pump Upgrade at Woodward Avenue (For today's meeting)

2. DISCUSSION ITEMS (Item 10)

- 10.4 Management Update on Performance Audit Report 2015-02 - Claims Adjusters and Operations Efficiencies (Value for Money Audit) (FCS17016(a)) (City Wide) - WITHDRAWN
- 10.6 Audit and Accountability Fund Transfer Payment Agreement (FCS19059(a)) (City Wide)

3. MOTIONS (Item 11)

- 11.1 Restorative Practices Council and Senior Leadership Team Workshop - WITHDRAWN

4. NOTICES OF MOTION (Item 12)

- 12.1 Transit Program Initiative

5. PRIVATE & CONFIDENTIAL (Item 14)

- 14.2 Authority to Negotiate and Place a Debenture Issue(s) for CityHousing Hamilton Corporation (CHH) Projects (FCS19068) (CityWide)

Item 14.2 has been moved to Discussion Item 10.5 and only Appendix 'A' remains Confidential.

(Pearson/Clark)

That the agenda for the August 15, 2019 Audit, Finance and Administration Committee meeting be approved, as amended.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson

YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(b) DECLARATIONS OF INTEREST (Item 3)

Councillor Clark declared an interest in Item 8.1 a Delegation Request from Sean Ferris, Habitat for Humanity Hamilton, respecting reimbursement of specific fees paid to the City related to building permits for the construction of affordable housing, as he has an indirect, apparent conflict under common law due to a former professional relationship with Habitat for Humanity Hamilton.

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

(i) July 11, 2019 (Item 4.1)

(Wilson/VanderBeek)

That the Minutes of the July 11, 2019 meeting of the Audit, Finance and Administration Committee be approved, as presented.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(d) DELEGATION REQUESTS (Item 6)

(i) Jaideo Debie, ArcelorMittal Long Product Canada, respecting the Raw Water Station Pump Upgrade at Woodward Avenue (For today's meeting) (Added Item 6.1)

(Pearson/Johnson)

That the delegation request from Jaideo Debie, ArcelorMittal Long Product Canada, respecting the Raw Water Station Pump Upgrade at Woodward Avenue, be approved for today's meeting.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson

YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(e) PUBLIC HEARINGS / DELEGATIONS (Item 8)

- (i) Sean Ferris, Habitat for Humanity Hamilton, respecting reimbursement of specific fees paid to the City related to building permits for the construction of affordable housing (Approved July 11, 2019) (Item 8.1)**

Sean Ferris, Habitat for Humanity Hamilton, addressed the Committee respecting reimbursement of specific fees paid to the City related to building permits for the construction of affordable housing, with the aid of a presentation.

A copy of the presentation is available on the City's website at www.hamilton.ca or through the office of the City Clerk.

(Pearson/VanderBeek)

That the delegation from Sean Ferris, Habitat for Humanity Hamilton, respecting reimbursement of specific fees paid to the City related to building permits for the construction of affordable housing, be received.

CARRIED

(Pearson/Johnson)

That staff be directed to report back to the September 19, 2019 Audit, Finance & Administration Committee meeting with recommendations and options for reduction of fees billed to Habitat for Humanity Hamilton, on construction of affordable housing.

Result: Motion CARRIED by a vote of 5 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
NOT PRESENT - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
NOT PRESENT - Councillor Brad Clark

- (ii) **Jaideo Debie, ArcelorMittal Long Product Canada, respecting the Raw Water Station Pump Upgrade at Woodward Avenue (Added Item 8.2)**

Charles Fréchette, on behalf of Jaideo Debie, ArcelorMittal Long Product Canada, addressed the Committee respecting the Raw Water Station Pump Upgrade at Woodward Avenue, with the aid of a presentation.

A copy of the presentation is available on the City's website at www.hamilton.ca or through the office of the City Clerk.

(Pearson/Clark)

That the delegation from Charles Fréchette, ArcelorMittal Long Product Canada, respecting the Raw Water Station Pump Upgrade at Woodward Avenue, be received.

CARRIED

(f) DISCUSSION ITEMS (Item 10)

- (i) **2018 Reserve Report (FCS19062) (City Wide) (Item 10.1)**

(Wilson/VanderBeek)

That staff be directed to provide a summary of capital projects funded in whole, or in part, through the Federal Gas Tax proceeds as part of the 2020 tax supported budget process.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

For disposition of this matter, refer to Item 3.

- (ii) **Bill 108 “More Homes, More Choice Act, 2019” – Proposed Regulations Comment Submission Related to the Development Charges Act and Community Benefits Authority under the Planning Act (FCS19057(a) / LS19023(a)) (City Wide) (Item 10.3)**

(Pearson/VanderBeek)

That recommendations (b) and (d) to Report FCS19057(a)/LS19023(a), respecting Bill 108 “*More Homes, More Choice Act, 2019*” – Proposed

Regulations Comment Submission Related to the *Development Charges Act* and Community Benefits Authority under the *Planning Act*, be amended to include the wording '**a letter substantially in accordance with**', to read as follows:

- (b) That the General Manager of Finance and Corporate Services be authorized and directed to submit to the Province, **a letter substantially in accordance with** the letter attached as Appendix "A" to Report FCS19057(a) / LS19023(a), as the City's official comments related to the Province's proposed changes to O. Reg. 82/98 under the *Development Charges Act* related to Schedule 3 of the *More Homes, More Choice Act, 2019*;
- (d) That the General Manager of Finance and Corporate Services be authorized and directed to submit to the Province, **a letter substantially in accordance with** the letter attached as Appendix "B" to Report FCS19057(a) / LS19023(a), as the City's official comments related to the Province's proposed new regulation pertaining to the community benefits authority under the *Planning Act*;

Result: Amendment CARRIED by a vote of 7 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
YES - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

For disposition of this matter, refer to Item 5.

(g) MOTIONS (Item 11)

(i) Transit Program Initiative (Added Item 11.3)

(Clark/Pearson)

WHEREAS, the City of Hamilton has experienced extraordinary price increases for new buses while participating through the Transit Program Initiative, a program of Metrolinx; and,

WHEREAS, the City's transit strategy calls for an expansion of the transit fleet in support of the BLAST network;

THEREFORE, BE IT RESOLVED:

That staff be directed to report back to the Audit, Finance & Administration Committee on the quantitative and qualitative benefits, as well as deficiencies/short-comings of participating in the Transit Program Initiative.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(h) NOTICES OF MOTION (Item 12)

(i) Transit Program Initiative (Added Item 12.1)

Councillor Clark introduced his Notice of Motion respecting the Transit Program Initiative.

(Clark/Pearson)

That the rules of order be waived to allow for the introduction of a Motion respecting the Transit Program Initiative.

Result: Motion CARRIED by a 2/3 majority vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

For disposition of this Item, refer to Item (g)(i).

(i) GENERAL INFORMATION / OTHER BUSINESS (Item 13)

(i) Amendments to the Outstanding Business List:

(Pearson/Wilson)

That the following amendments to the Audit, Finance & Administration Committee's Outstanding Business List, be approved:

(a) Items to be Removed:

Item: 19-A

Correspondence from the Federation of Canadian Municipalities (FCM) respecting the 2019-2020 Membership Invoice - Advocacy Fund Contribution along with Appendix A
Item 10.2 on today's agenda

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(j) PRIVATE AND CONFIDENTIAL (Item 14)

(i) July 11, 2019 – Closed Minutes (Item 14.1)

(Clark/VanderBeek)

- (a) That the Closed Session Minutes of the July 11, 2019 Audit, Finance and Administration meeting, be approved as presented; and,
- (b) That the Closed Session Minutes of the July 11, 2019 Audit, Finance and Administration meeting, remain confidential.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Councillor Maureen Wilson
YES - Chair Chad Collins
NOT PRESENT - Councillor Judi Partridge
YES - Councillor Arlene VanderBeek
YES - Councillor Lloyd Ferguson
NOT PRESENT - Councillor Brenda Johnson
YES - Councillor Maria Pearson
YES - Councillor Brad Clark

(k) ADJOURNMENT (Item 15)

(Pearson/Wilson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 10:53 a.m.

CARRIED

Respectfully submitted,

Councillor Collins, Chair
Audit, Finance and Administration
Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk