



**GENERAL ISSUES COMMITTEE  
(2020 TAX CAPITAL BUDGET)  
MINUTES 19-026(a)**

9:30 a.m.

December 9, 2019  
Council Chambers  
Hamilton City Hall  
71 Main Street West

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**Present:** Mayor F. Eisenberger, Deputy Mayor N. Nann (Chair)  
Councillors M. Wilson, J. Farr, S. Merulla, C. Collins, T. Jackson,  
E. Pauls, J.P. Danko, B. Clark, M. Pearson, B. Johnson,  
A. VanderBeek, J. Partridge

**Absent:** Councillor T. Whitehead – Personal  
Councillor L. Ferguson – Other City Business

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**THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:**

**1. Corporate Security Office Update (PW19111) (City Wide) (Item 6.1)**

**(Pearson/VanderBeek)**

That Report PW19111, respecting the Corporate Security Office Update, be received.

**CARRIED**

**2. 2020 Tax Supported Capital Budget (FCS19091) (City Wide) (Item 8.1)**

**(Eisenberger/Merulla)**

(a) That the 2020 Tax Supported Capital Levy in the amount of **\$123,996,000** be approved, inclusive of;

- (i) a standard Property Tax increase of 0.5% (\$4,300,000);
- (ii) an additional Property Tax increase of \$282,000 (0.03%) in 2020 to fund the debt charges associated with the West Harbour Development;
- (iii) an additional Property Tax increase of \$1,128,000 (0.13%) in 2020 to fund the debt charges associated with the Downtown Office Accommodation Strategy;

- (b) That the 2020 Tax Supported Capital Budget and Financing Plan in the amount of **\$244,027,000**, attached as Appendix “A”, **as amended**, to Report FCS19091, be approved with the following funding sources:
- (i) \$9,550,000 from government grants and subsidies;
  - (ii) \$3,440,000 from other external sources;
  - (iii) **\$43,002,000** from Development Charges Reserves;
  - (iv) **\$33,642,000** from Reserves;
  - (v) \$15,550,000 from Work-in-Progress and other internal transfers;
  - (vi) **\$82,237,000** from the 2020 Tax Supported Capital Levy;
  - (vii) \$5,300,000 from Hamilton Utilities Corporation (HUC) / Alectra Dividends;
  - (viii) \$4,000,000 from Hamilton Future Fund (Reserve 112246);
  - (ix) \$29,576,000 from Federal Gas Tax (Reserve 112213);
  - (x) \$4,800,000 from the 2019 Capital Financing Surplus; and,
  - (xi) \$12,930,000 from Tax Supported Debenture Financing;
- (c) That the Tax Supported Discretionary Net Capital Funding Forecast 2021–2029, attached as Appendix “B”, **as amended**, to Report FCS19091, which assumes the following, be approved, in principle, and re-visited by Council each budget year:
- (i) a 0.5% Residential Property Tax increase in each year from 2021 to 2029;
  - (ii) an additional Property Tax increase of \$430,000 (0.05%) in 2022, \$720,000 (0.08%) in 2023, \$2,039,000 (0.24%) in 2024, \$63,000 (0.01%) in 2025, \$67,000 (0.01%) in 2027 and \$100,000 (0.01%) to fund the debt charges associated with the West Harbour Development; and,
  - (iii) an additional Property Tax increase of \$2,000,000 (0.23%) in 2021 to fund an increase in the recovery of exemptions of tax services provided through the City’s Development Charge exemption programs;

- (d) That the operating impacts of Capital Project IT Strategy – Strategic Theme Mobility (3501957903), in the amount of \$15,000, included in Appendix “C”, **as amended**, attached to Report FCS19091, be incorporated into the 2020 Tax Supported Operating Budget which is subject to further Council approval;
- (e) That the future operating budget and Full Time Equivalent (FTE) impacts of the 2020 Tax Supported Capital Budget, estimated to be \$3,375,350 and 24.66 FTEs, included in Appendix “C”, **as amended**, attached to Report FCS19091, be incorporated into the 2021 or future Tax Supported Operating Budgets, which are subject to future Council approval;
- (f) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate the terms and placement of a debenture issue(s), and / or private placement debenture issue(s), in either a public or private market and / or bank loan agreement and debenture issue(s) and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$36,922,000 Canadian currency, as attached in Appendix “A”, **as amended**, to Report FCS19091, which includes \$12,930,000 in Tax Supported municipal debt and \$23,992,000 in Development Charges Tax Supported municipal debt;
- (g) That the General Manager, Finance and Corporate Services, be authorized and directed to engage the services of all required professionals to secure the terms and issuance of the debenture issue(s) described in subsection (f) including, but not limited to, external legal counsel, fiscal agents and Infrastructure Ontario’s Loan Program;
- (h) That the General Manager, Finance and Corporate Services, Mayor and City Clerk be each authorized and directed to enter into and / or execute, on behalf of the City of Hamilton, all agreements and necessary ancillary documents requiring their respective signatures, to secure the terms and issuance of the debenture issue(s) described in subsections (f) and (g), in a form satisfactory to the City Solicitor;
- (i) 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 not requiring any specific signing authority, to secure the terms and issuance of the debenture issue(s) described in subsections (f) and (g), in a form satisfactory to the City Solicitor and with content acceptable to the General Manager, Finance and Corporate Services;
- (j) That all necessary By-Law(s) be passed to authorize the debenture issue(s) negotiated placed and secured in accordance with subsections (f) and (g), as it relates to the 2020 Tax Capital Budget.

**Result:**        **Main Motion, *As Amended*, CARRIED by a vote of 13 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
NOT PRESENT - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
YES - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**FOR INFORMATION:**

**(a)    APPROVAL OF AGENDA (Item 2)**

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

**1.    STAFF PRESENTATIONS (Item 8)**

8.1    2020 Tax Supported Capital Budget (FCS19091) (City Wide)  
(Deferred from the November 29, 2019 GIC)

A copy of Item 9.2, the Hamilton Police Services Board Budget from the November 29, 2019 budget meeting, was inadvertently included in this agenda behind the appendices to Item 8.1 and should be discarded.

**2.    PRIVATE & CONFIDENTIAL**

12.1   Corporate Security Office Update (PW19111) has been moved to Item 6.1 as a public document.

**(VanderBeek/Pauls)**

That the agenda for the December 9, 2019 General Issues Committee (2020 Tax Capital Budget) meeting, be approved, as amended.

**Result: Motion CARRIED by a vote of 11 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
NOT PRESENT - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
NOT PRESENT - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
YES - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(b) DECLARATIONS OF INTEREST (Item 3)**

Councillor M. Pearson declared an interest to Item 12.1 - Feasibility of the Municipality Imposing a Tax Fee or Charge the Owners of Vacant Properties, as she is a rental property landlord.

Councillor S. Merulla declared an interest to Item 12.1 - Feasibility of the Municipality Imposing a Tax Fee or Charge the Owners of Vacant Properties, as he is a rental property landlord.

Councillor A. VanderBeek declared an interest to Item 12.1 - Feasibility of the Municipality Imposing a Tax Fee or Charge the Owners of Vacant Properties, as she is a rental property landlord.

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

**(i) November 29, 2019 (Item 3.1)**

**(Wilson/Partridge)**

That the Minutes of the November 29, 2019 General Issues Committee (2020 Tax Capital Budget) meeting be approved, as presented.

**Result: Motion CARRIED by a vote of 12 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
NOT PRESENT - Ward 2 Councillor Jason Farr

YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
NOT PRESENT - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
YES - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(d) STAFF PRESENTATIONS (Item 8)**

**(i) 2020 Tax Supported Capital Budget (FCS19091) (City Wide) (Item 8.1)**

Mike Zegarac, General Manager of Finance & Corporate Services, provided an updated presentation respecting the 2020 Tax Supported Capital Budget.

**(Eisenberger/Merulla)**

That the updated presentation respecting the 2020 Tax Supported Capital Budget, be received.

**CARRIED**

A copy of the presentation is available on the City's website at [www.hamilton.ca](http://www.hamilton.ca) or through the Office of the City Clerk.

**(1) 2020 Development Charge Exemption Pressure**

**(Collins/Clark)**

- (a) That the approximately \$2M excess Capital funding allocated to the Hamilton Police Services Board and the Hamilton Library Board be utilized as a funding source for the 2020 Development Charge exemption pressure; and,
- (b) That the recommended additional Property Tax increase of \$2,000,000 (0.23%) to fund an increase in the recovery of exemptions of tax services provided through the City's Development Charge exemption programs, be DEFERRED to the budget 2021 process for consideration.

**Result: Amendment CARRIED by a vote of 12 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
NOT PRESENT - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
NOT PRESENT - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(2) Hamilton Public Library Board – Parkdale Landing Library Mini Branch**

**(Merulla/Collins)**

Whereas, the Hamilton Public Library Board, at its meeting on November 20, 2019, approved a supplementary 2020 Capital Budget Request in the amount of \$250,000 regarding a new mini-branch Library located within the new affordable housing Development called Parkdale Landing in the Melvin – Parkdale – McQuesten area of Ward 4;

THEREFORE, BE IT RESOLVED:

- (a) That the 2020 Capital funding request for the Parkdale Landing Library mini-branch, in the amount of \$250,000 with no net Capital Levy impact, to be funded as follows, be approved:
  - (i) Development Charges - \$225,000; and,
  - (ii) Library Reserves - \$25,000; and,
- (b) That the 2020 operating impact of the Parkdale Landing Library mini-branch of \$145,000 (annualized amount of

\$289,000), be referred to the City of Hamilton 2020 Operating Budget for consideration.

**Result: Amendment CARRIED by a vote of 13 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
NOT PRESENT - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(3) Capital-to-Operating Budget Ratio of 15% to 20%**

**(Wilson/Merulla)**

That staff be directed to report back to the General Issues Committee on the feasibility of achieving a healthy capital-to-operating budget ratio of 15% to 20% and a schedule for achieving such a ratio.

**Result: Motion DEFEATED by a vote of 9 to 4, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
NO - Ward 2 Councillor Jason Farr  
NO - Ward 4 Councillor Sam Merulla  
NO - Ward 5 Councillor Chad Collins  
NO - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
NO - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
NO - Mayor Fred Eisenberger  
NOT PRESENT - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
NO - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson



NO - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
NO - Ward 9 Councillor Brad Clark

**(4) Use of Corporate Pillars during Capital Budget Process**

**(Wilson/Merulla)**

WHEREAS, the 2019-2022 Council gave unanimous passage to the Vision Zero action plan, the creation of an Equity, Diversity and Inclusion framework, and the declaration of a Climate Emergency;

THEREFORE, BE IT RESOLVED:

That the three unanimous Corporate Pillars be part of the lens used in the assessment of capital priorities along with asset management and state of good repair in 2021.

**(Eisenberger/Jackson)**

That the Motion respecting the Use of Corporate Pillars during Capital Budget Process, be DEFERRED to the 2021 Capital Operating budget for consideration.

**Result: Motion CARRIED by a vote of 12 to 1, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
YES - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
NO - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
NOT PRESENT - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

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

**(Eisenberger/Partridge)**

That the question be called respecting Report FCS19091 – 2020 Tax Supported Capital Budget.

**Result: Motion CARRIED by a vote of 12 to 1, as follows:**

NO - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
YES - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
NOT PRESENT - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
YES - Ward 15 Councillor Judi Partridge  
NOT PRESENT - Ward 14 Councillor Terry Whitehead  
YES - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
YES - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(e) MOTION (Item 12)**

**(i) Feasibility of the Municipality Imposing a Tax Fee or Charge the Owners of Vacant Properties (Item 12.1)**

**(Nann/Wilson)**

That staff be directed to review the feasibility of the municipality imposing a tax, fee or charge to the owners of vacant residential properties to encourage occupation of those properties, and report back to the General Issues Committee during the 2021 Capital Budget process.

**Result: Motion CARRIED by a vote of 10 to 0, as follows:**

YES - Ward 1 Councillor Maureen Wilson  
YES - Ward 2 Councillor Jason Farr  
CONFLICT - Ward 4 Councillor Sam Merulla  
YES - Ward 5 Councillor Chad Collins  
YES - Ward 6 Councillor Tom Jackson  
NOT PRESENT - Ward 7 Councillor Esther Pauls  
YES - Ward 8 Councillor John-Paul Danko  
YES - Deputy Mayor - Ward 3 Councillor Nrinder Nann  
YES - Mayor Fred Eisenberger  
YES - Ward 15 Councillor Judi Partridge

NOT PRESENT - Ward 14 Councillor Terry Whitehead  
CONFLICT - Ward 13 Councillor Arlene VanderBeek  
NOT PRESENT - Ward 12 Councillor Lloyd Ferguson  
YES - Ward 11 Councillor Brenda Johnson  
CONFLICT - Ward 10 Councillor Maria Pearson  
YES - Ward 9 Councillor Brad Clark

**(f) ADJOURNMENT (Item 12)**

**(Wilson/Partridge)**

That there being no further business, the General Issues Committee be adjourned at 11:59 a.m.

**CARRIED**

Respectfully submitted,

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Deputy Mayor Nrinder Nann  
Chair, General Issues Committee

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Stephanie Paparella  
Legislative Coordinator,  
Office of the City Clerk