



City of Hamilton
GENERAL ISSUES COMMITTEE
ADDENDUM

Meeting #: 20-019
Date: October 6, 2021
Time: 9:30 a.m.
Location: Due to the COVID-19 and the Closure of City Hall (CC)

All electronic meetings can be viewed at:

City's Website:
<https://www.hamilton.ca/council-committee/council-committee-meetings/meetings-and-agendas>

City's YouTube Channel:
<https://www.youtube.com/user/InsideCityofHamilton> or Cable 14

Stephanie Paparella, Legislative Coordinator (905) 546-2424 ext. 3993

5. COMMUNICATIONS

- *5.1. Correspondence from Darlene Wesley, ACORN, respecting the Tax Increment Grants reports

Recommendation: To be received, and referred to Items 10.7 to 10.11, for consideration.

- *5.2. Correspondence from ACORN Hamilton, respecting the Tax Increment Grants reports

Recommendation: To be received, and referred to Items 10.7 to 10.11, for consideration.

6. DELEGATION REQUESTS

- *6.1. Delegation Request, Elizabeth Ellis, ACORN, respecting the Tax Increment Grants reports (for today's meeting)

- *6.2. Delegation Request, Karl Andrus, Hamilton Community Benefits Network, respecting the 2022 Budget Guidelines, Outlook and Process (for today's meeting)
- *6.3. Delegation Request, K.W. Campol, respecting the Tax Increment Grants reports (for today's meeting)
- *6.4. Delegation Request, Veronica Gonzalez, ACORN, respecting the Tax Increment Grants reports (for today's meeting) (

Video Submission

8. STAFF PRESENTATIONS

- *8.3. 2022 Budget Guidelines, Outlook and Process (FCS210957(a)) (City Wide)

10. DISCUSSION ITEMS

- *10.12. 2022 Municipal Election Voting Technology Procurement (FCS21094) (City Wide)

14. PRIVATE AND CONFIDENTIAL

- *14.3. Closed Session Minutes - September 22, 2021



October 5 2021

**Written correspondence from Darlene Wesley for October 6th
General Issues Committee regarding items 10.7 - 10.11**

My name is Darlene Wesley and I am a member of ACORN's East Hamilton chapter and tenant in Ward 4.

I am joining other ACORN members again to ask the city to deny all grant applications submitted by Malleum. We do not think the new policy amendments go far enough - we need Council to stop giving money to companies who are displacing low income residents through predatory tactics such as buyouts.

City Hall has to have more backbone and stand up for us, it's not fair and not right for Malleum to receive public money after what they have done to tenants. I am disappointed with the decision made at Council to reverse the decision on 540 King St E.

At my building we are going through renoviction. It would be extremely upsetting to find out if my landlord got city money after we were all out so I know how Elizabeth Ellis and other tenants must feel.

We need Hamilton to put all effort into implementing local legislation to protect tenants! We need healthy homes and protection from renoviction.

Thank you.

5.2



October 6th - General Issues Committee

ACORN Submission regarding items 10.7 - 10.11

ACORN is submitting this communication in support of delegations asking for Council to reject all grant applications to Malleum. Public money should not be going to renovating “boutique” residential units where tenants were displaced.

ACORN worked closely with tenants at 675-681 Barton St E between 2018-2019 when Malleum bought the building. We also have spoken to tenants that lived at 575 ½ King Street East, 6 Steven Street, 4 Victoria Avenue South, and a family member of a tenant at 293 Kenilworth Avenue North.

As stated on their website, “MALLEUM was established in 2016, out of a vision to transform abandoned, run down and neglected yet beautiful buildings in the heart of Hamilton...Since inception, MALLEUM has now worked on transforming dozens of multi unit residential and commercial properties across Hamilton.”

None of the five grants up for approval were abandoned buildings. While we are not aware of any tenants that lived at 152-154 James Street North / 4-6 Cannon Street East, this is a successful commercial space on James St N that included previous commercial tenants Dresden Vision & Mixed Media and is currently occupied by Bichette, a women’s clothing store. We question the need for public funds to assist in renovations at this property.

The transformation that has or will take place at 675-681 Barton St E, 575 King Street East, 6 Steven Street, 4 Victoria Avenue South, and 293 Kenilworth Avenue North is turning affordable housing into high end rentals (or as Malleum calls it on their website “boutique living”).

There is no public and community benefit for the city to fund these renovations. The City of Hamilton must focus on:

- Implementing a city wide landlord licensing program for all rentals to:
 - 1) Ensure landlords are keeping their properties in good repair

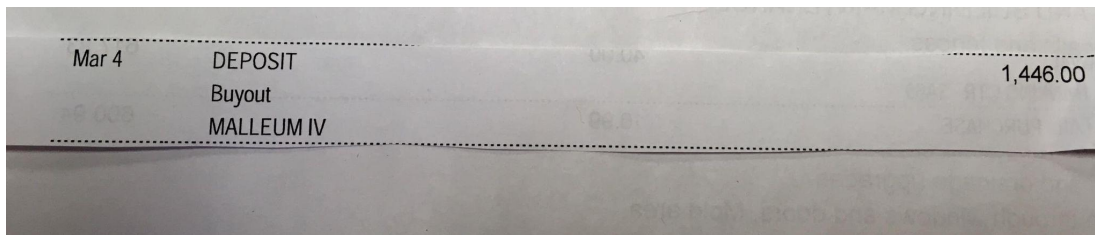
- 2) Based on municipal policy from New Westminster, BC restrictions on renoviction
- Improvements and increased funding to the Tenant Defense Fund
 - Implementing a proactive tenant education program
 - 1) Track when buildings change ownership and immediately conduct outreach to the building to inform tenants of their rights
 - 2) Tenant education should include sharing contact info for the Tenant Defense Fund, property standards by-law, their City Councillor, Hamilton Community Legal Clinic, Housing Help, ACORN Tenant Union and general tenant rights regarding displacement

The City of Hamilton has the power to protect the city's market affordable housing stock from substandard housing conditions and renoviction. Without this policy in place, we urge the city to not allow Malleum to justify the displacement of tenants because buildings were "run down and neglected".

Please see the rest of our submission for comments and evidence at each of the 5 grant addresses.

1) 10.7 Barton Kenilworth Tax Increment Grant - 675-681 Barton Street East, Hamilton (PED21182) (Ward 3)

Malleum bought the building in July 2018. The rental portion of this property was previously known as 160 Sherman Ave N. A tenant at the building contacted ACORN concerned that new ownership had intentions to push out existing tenants. ACORN worked with tenants in the building in September 2018 to demand Malleum do repairs and pest treatment. Although the company agreed to pest control, shortly after tenants informed ACORN that they were being offered money to move out. ACORN informed tenants of their rights but by spring 2019 unfortunately all tenants were gone. ACORN leader Elizabeth Ellis moved out in February 2019.



Mar 4	DEPOSIT	
	Buyout	1,446.00
	MALLEUM IV	

Photo 1, copy of Elizabeth Ellis bank statement with part of buyout from Malleum.



Photo 2, Tenants Elizabeth Ellis and Bruce Mills outside 160 Sherman Ave N in September 2018 at an organized ACORN event calling for Malleum to take care of the building and stop all effort to force out tenants from their homes.

Elizabeth Ellis has spoken publicly about her experience to raise awareness about renoviction in Hamilton.

Press:

<https://www.thespec.com/news/hamilton-region/2019/05/13/fight-renovictions-with-policy-hamilton-tenant-advocates-urge-city.html>

<https://www.cbc.ca/news/canada/hamilton/160-sherman-problems-1.4833633>

2) 10.8 Hamilton Tax Increment Grant - 571-575 King Street East and 6-8 Steven Street, Hamilton(PED21183) (Ward 3)

ACORN spoke to tenants at 6 Steven Street and 575 ½ King Street in 2019. Malleum in their September 8th submission said there were “no ongoing residential leases in place”. A former tenant of 575 ½ King St shared with ACORN that the landlord before Malleum announced he had sold the building and everyone had to move. The tenant said they did not get compensation or an eviction notice.

MALLEUM Real Estate Management
232 Cannon Street East P.O. Box 37086
Hamilton, ON, Canada L8L 0A0

Copy of Key Required – 6 Steven

January 8, 2019

Attn: Tenants of 6 Steven

Property Management requires a key to your unit. It is the landlord's right to have a key for all areas and the ability to access to all units.

If management does not have a key in hand by **245pm on Wednesday January 9,** **your lock will be drilled and a new deadbolt will be installed.** Instructions on how to obtain your new keys will be posted at that time should that be the case.

Please contact Andrew immediately at (905) 630-9902 to make arrangements for providing management with a copy of your current key.

Thank you.

905-630-9902

Photo 3. Letter provided to ACORN from tenant at 6 Steven Street.

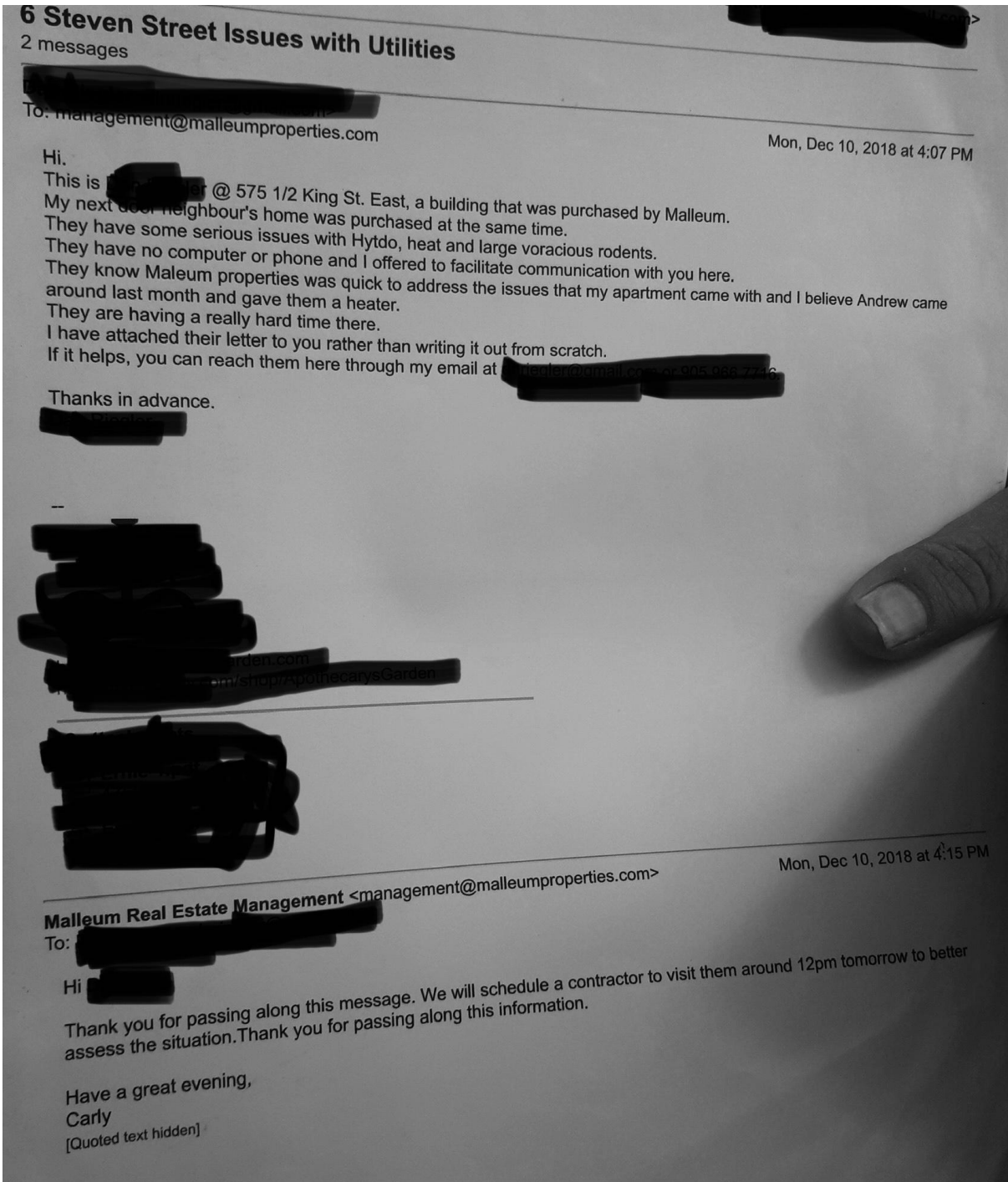


Photo 4, an email provided to ACORN from a tenant at 6 Steven St when their neighbour at 575 1/2 King St was helping to ask Malleum to do repairs and pest control.

UNIT TYPES

Unit Type	Baths	From	SqFt	Photos	Floorplans	Availability
+ 2 Bedroom	1	\$1875/mo	N/A	View Photos	No Floorplans	AVAILABLE ON 2021-09-01

Photo 5, price of an apartment at the building as posted on Malleum's website. <https://www.malleumproperties.com/residential/mosaic-lofts> Rents are starting at \$1875/mo. Previous tenant said they paid around \$1,200 for the 2 bedroom.

3) 10.9 Hamilton Tax Increment Grant - 408-414 King Street East and 4 Victoria Avenue South, Hamilton (PED21184) (Ward 3)

ACORN conducted door to door outreach to the building in April 2019 and the building was occupied with tenants. ACORN reached out to one of the tenants spoken with in 2019 to ask what happened at the building after seeing the property was up for a city grant. They are not comfortable to speak publicly about it but shared that a new company (Malleum) took over and told tenants they had to move and gave them \$2,000.

ACORN Mountain secretary / treasurer Rebecca Guzzo lived at this building in 2018 and paid around \$800 for one bedroom but ACORN has also heard rents as affordable as \$500 at the building.



Photo 6, exterior shot of the building (October 2021)

4) 10.10 Hamilton Tax Increment Grant - 152-154 James Street North and 4-6 Cannon Street East, Hamilton (PED21185) (Ward 2)



Photo 5, exterior of apartments (October 2021).

UNIT TYPES

Unit Type	Baths	From	SqFt	Photos	Floorplans	Availability
+ Studio and 1 Bedroom Units Coming Soon	1	\$1495/mo	N/A	View Photos	No Floorplans	INQUIRE NOW

Photo 5, price of apartment at the building as posted on Malleum’s website. <https://www.malleumproperties.com/residential/mosaic-lofts> Rents are starting at \$1495/mo.

5) 10.11 Barton Kenilworth Tax Increment Grant - 289-293 Kenilworth Avenue North, Hamilton (PED21193) (Ward 4)

In October 2019, a son of a tenant living at 293 Kenilworth Ave N called the ACORN office to complain about his father being displaced by Malleum. He provided ACORN with the following documents.

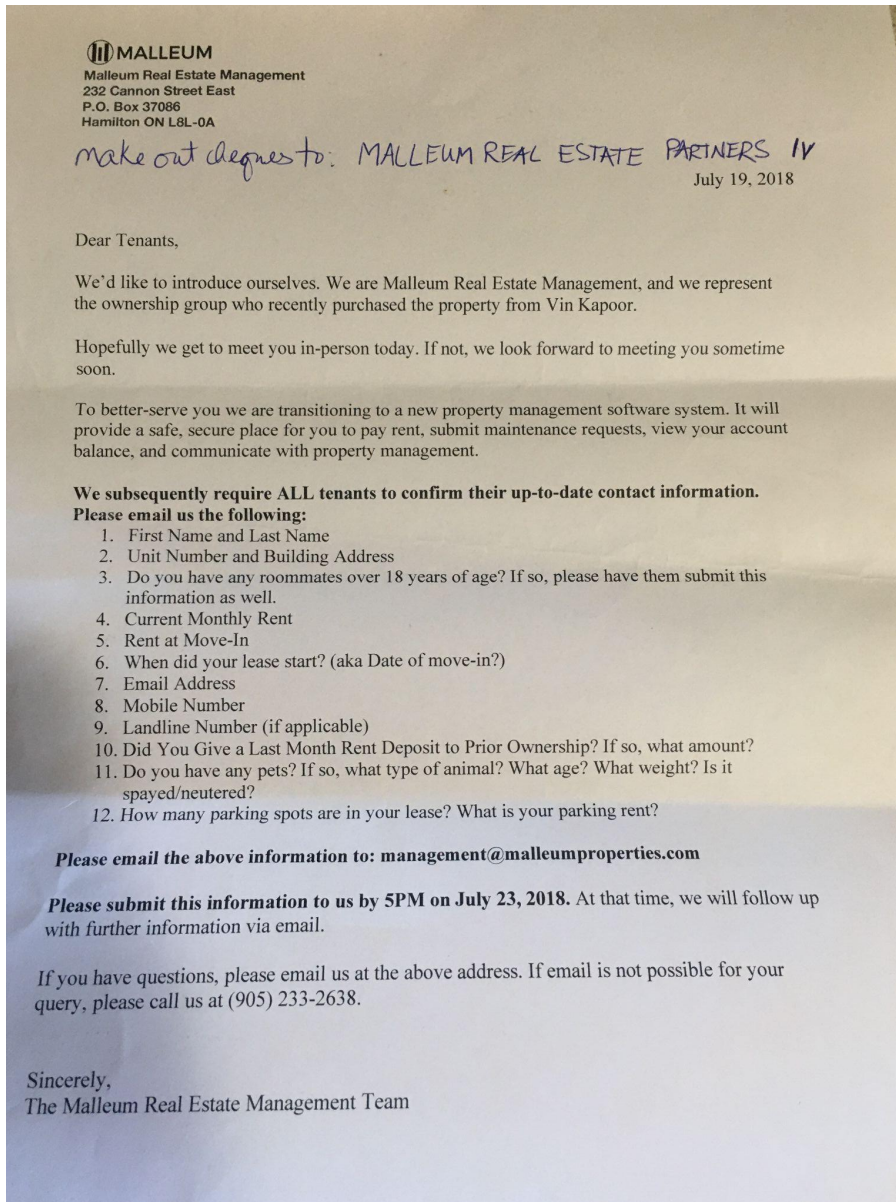


Photo 6, Malleum introducing themselves as the new landlord in a July 2018 notice to tenants.

721

Notice to End your Tenancy
Because the Landlord Wants to Demolish the Rental Unit, Repair it or Convert it to Another Use
N13

To: (Tenant's name) Include all tenant names	From: (Landlord's name)
	MALLEUM REAL ESTATE MANAGEMENT

Address of the Rental Unit:
 293 Kenilworth Ave. N. Unit 4, Hamilton, ON L8H 4S8

This is a legal notice that could lead to you being evicted from your home.

The following information is from your landlord

I am giving you this notice because I want to end your tenancy. I want you to move out of your rental unit by the following termination date: 3 / 0 / 04 / 2019.

dd/mm/yyyy

My Reason for Ending your Tenancy
 I have shaded the circle next to my reason for ending your tenancy.

- Reason 1:** I intend to demolish the rental unit or the residential complex.
- Reason 2:** I require the rental unit to be vacant in order to do repairs or renovations so extensive that I am required to get a building permit and the rental unit must be vacant to do the work.
Note: You have the right to move back into the rental unit once I have completed the repairs or renovations. If you want to move back in once the work is done, you must give me written notice telling me you want to move back in. Also, you must keep me informed in writing any time your address changes.
- Reason 3:** I intend to convert the rental unit or the residential complex to a non-residential use.

Details About the Work I Plan to do
 I have described below the work I plan to do for the reason shown above, including specific details about how I will carry out the work.

Work planned	Details of the Work

09/2017 Page 1 of 3

Photo 7, N13 given to the tenant.

**Agreement to End the Tenancy
N11**

Name of Tenant: include all tenant names	Name of Landlord:
	MALLEUM REAL ESTATE MANAGEMENT
Address of the Rental Unit:	

The landlord and the tenant agree that the tenancy will end on / / dd/mm/yyyy.

This is the termination date. The tenant will move out of the rental unit on or before the termination date.

Important Information from the Landlord and Tenant Board

The landlord can apply to evict the tenant

After the landlord and tenant sign this agreement, the landlord can apply to the Board for an order evicting the tenant. The earliest eviction date the Board can include in its order is the termination date set out above.

The tenant must move out

The tenant must move out and remove all their personal possessions from the rental unit by the termination date set out above. If the tenant moves out by the termination date set out above, but leaves behind personal possessions, the tenant will no longer have any rights to those possessions and the landlord will be allowed to dispose of them.

The tenant can't be required to sign this agreement

A landlord cannot require the tenant to sign an *N11 Agreement to End the Tenancy* as a condition of agreeing to rent a unit. A tenant does not have to move out based on this agreement if the landlord required the tenant to sign it when the tenant agreed to rent the unit.

Exceptions: A landlord can require a tenant to sign an *N11 Agreement to End the Tenancy* as a condition of agreeing to rent a rental unit in the following two situations:

- The tenant is a student living in accommodation provided by a post-secondary institution or by a landlord who has an agreement with the post-secondary school to provide the accommodation.
- The tenant is occupying a rental unit in a care home for the purposes of receiving rehabilitative or therapeutic services, and
 - the tenant agreed to occupy the rental unit for not more than 4 years,
 - the tenancy agreement set out that the tenant can be evicted when the objectives of providing the care services have been met or will not be met, and
- the rental unit is provided to the tenant under an agreement between the landlord and a service manager under the *Housing Services Act, 2011*.

Keep a copy of this agreement

Both the landlord and the tenant should keep a copy of this agreement for their records.

How to get more information

For more information about this notice or your rights, you can contact the Landlord and Tenant Board. You can reach the Board by phone at **416-645-8080** or **1-888-332-3234**. You can visit the Board's website at sjto.ca/LTB.

Photo 8, N11 also given to the tenant.

From: clerk@hamilton.ca
To: [Kolar, Loren](#)
Cc: [Paparella, Stephanie](#); [Vernem, Christine](#)
Subject: FW: Form submission from: Request to Speak to Committee of Council Form
Date: Monday, October 4, 2021 8:31:26 AM

6.1

-----Original Message-----

From: no-reply@hamilton.ca <no-reply@hamilton.ca>
Sent: Friday, October 1, 2021 6:09 PM
To: clerk@hamilton.ca
Subject: Form submission from: Request to Speak to Committee of Council Form

Submitted on Friday, October 1, 2021 - 6:09pm Submitted by anonymous user: 172.70.38.131 Submitted values are:

==Committee Requested==
Committee: General Issues Committee

==Requestor Information==
Name of Individual: Elizabeth Ellis
Name of Organization: ACORN Hamilton
Contact Number: [REDACTED]
Email Address: [REDACTED]
Mailing Address: [REDACTED]
Reason(s) for delegation request: To speak on item 10.7 - 10.11
at October 6th GIC meeting.
Will you be requesting funds from the City? No
Will you be submitting a formal presentation? No

The results of this submission may be viewed at:
<https://www.hamilton.ca/node/286/submission/545396>

From: clerk@hamilton.ca
To: [Kolar, Loren](#); [Paparella, Stephanie](#)
Cc: [Vernem, Christine](#)
Subject: FW: Form submission from: Request to Speak to Committee of Council Form
Date: Monday, October 4, 2021 9:51:37 AM

6.2

-----Original Message-----

From: no-reply@hamilton.ca <no-reply@hamilton.ca>
Sent: Monday, October 4, 2021 9:41 AM
To: clerk@hamilton.ca
Subject: Form submission from: Request to Speak to Committee of Council Form

Submitted on Monday, October 4, 2021 - 9:41am Submitted by anonymous user: 172.70.34.145 Submitted values are:

==Committee Requested==
Committee: General Issues Committee

==Requestor Information==
Name of Individual: Karl Andrus
Name of Organization: Hamilton Community Benefits Network
Contact Number: [REDACTED]
Email Address: [REDACTED]
Mailing Address:

[REDACTED]

Reason(s) for delegation request:
To speak to Item - 8.3 -
08.3 FCS21057(a) - 2022 Budget Guidelines, Outlook and Process
Report -
ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

1. 2022 BUDGET PROCESS TIMELINE
Will you be requesting funds from the City? No
Will you be submitting a formal presentation? No

The results of this submission may be viewed at:
<https://www.hamilton.ca/node/286/submission/545866>

From: clerk@hamilton.ca
To: [Kolar, Loren](#); [Paparella, Stephanie](#)
Cc: [Vernem, Christine](#)
Subject: FW: Form submission from: Request to Speak to Committee of Council Form
Date: Monday, October 4, 2021 2:07:51 PM

-----Original Message-----

From: no-reply@hamilton.ca <no-reply@hamilton.ca>
Sent: Monday, October 4, 2021 12:34 PM
To: clerk@hamilton.ca
Subject: Form submission from: Request to Speak to Committee of Council Form

Submitted on Monday, October 4, 2021 - 12:34pm Submitted by anonymous user: 172.70.130.92 Submitted values are:

==Committee Requested==
Committee: General Issues Committee

==Requestor Information==
Name of Individual: KW CAMPOL
Name of Organization: COVEN MARKET
Contact Number: 2893890666 x3
Email Address: COVENMARKET@GMAIL.COM
Mailing Address: 949 MAIN ST. EAST HAMILTON, ON L8M 1M9
Reason(s) for delegation request: To speak to item Barton
Kenilworth Tax Increment Grant - 675-681 Barton Street East,
Hamilton (PED21182) (Ward 3)
Will you be requesting funds from the City? No
Will you be submitting a formal presentation? No

The results of this submission may be viewed at:
<https://www.hamilton.ca/node/286/submission/545951>

From: clerk@hamilton.ca
To: [Kolar, Loren](#); [Paparella, Stephanie](#)
Cc: [Vernem, Christine](#)
Subject: FW: Form submission from: Request to Speak to Committee of Council Form
Date: Monday, October 4, 2021 11:53:52 AM

-----Original Message-----

From: no-reply@hamilton.ca <no-reply@hamilton.ca>
Sent: Monday, October 4, 2021 11:51 AM
To: clerk@hamilton.ca
Subject: Form submission from: Request to Speak to Committee of Council Form

Submitted on Monday, October 4, 2021 - 11:51am Submitted by anonymous user: 172.70.38.202 Submitted values are:

==Committee Requested==
Committee: General Issues Committee


==Requestor Information==
Name of Individual: Veronica Gonzalez
Name of Organization: ACORN Hamilton
Contact Number: [REDACTED]
Email Address: [REDACTED]
Mailing Address: [REDACTED]
Reason(s) for delegation request: Submit pre recorded delegation for October 6 GIC meeting on grants to Malleum.
Will you be requesting funds from the City? No
Will you be submitting a formal presentation? No

The results of this submission may be viewed at:
<https://www.hamilton.ca/node/286/submission/545906>



Hamilton

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

TO:	Chair and Members General Issues Committee
COMMITTEE DATE:	October 6, 2021
SUBJECT/REPORT NO:	2022 Budget Guidelines, Outlook and Process (FCS21057(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Duncan Robertson (905) 546-2424 Ext. 4744
SUBMITTED BY:	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That City Departments be directed to prepare the 2022 Tax Operating Budget at an increase required to maintain current service levels and report back through the 2022 budget process;
- (b) That staff be directed to increase user fees at the rate of inflation and that any user fee increases below the guideline be forwarded for consideration with appropriate explanation;
- (c) That Boards and Agencies be directed to prepare their 2022 Tax Operating Budget submissions at an increase required to maintain current service levels and that any increase beyond the guideline be forwarded for consideration with appropriate explanation;
- (d) That staff be directed to prepare the 2022 Tax Capital Budget with a 0.6% municipal tax levy increase for capital financing of discretionary block funded projects and debt servicing requirements for the Investing in Canada Infrastructure Program – Transit Stream and West Harbour Redevelopment strategic initiatives;

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

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

**SUBJECT: 2022 Budget Guidelines, Outlook and Process (FCS21057(a))
(City Wide) – Page 2 of 27**

- (e) That staff be directed to prepare the 2022 Rate Supported Budget at a rate increase required to maintain current service levels and priority infrastructure;
- (f) That the Mayor provide correspondence to the local MPs and MPPs thanking senior levels of government for past and continued support in navigating through the COVID-19 pandemic.

EXECUTIVE SUMMARY

The General Issues Committee (GIC) was provided with an update on the 2022 to 2024 multi-year outlook and capital financing plan through Report FCS21057 on June 16, 2021, which outlined the pressures and opportunities faced by the City of Hamilton in the development of the 2022 budget and multi-year outlook, as well as, the budget principles and timeline to be deployed by staff.

The 2022 budget outlook, that was presented on June 16, 2021, has been updated with the most current information available. Staff is forecasting a municipal levy increase of \$48.7 M, which amounts to an estimated 4.1% total average residential tax increase in order to maintain existing service levels and incorporate priorities that have been previously approved by Council or referred to the budget process for consideration.

Due to rising inflation on municipal goods and services throughout 2021, staff is requesting that user fees be increased at the rate of inflation in order to maintain the rate of subsidy for municipally provided services that had been approved in the 2021 budget. User fee increases below inflation would result in increased reliance on property taxes and an increase to the subsidy provided.

Staff recommends continuing with the 2022 tax capital financing plan that was approved, in principle, through Report FCS20101. This included a supplemental net municipal levy increase of 0.6%, or \$6.0 M, for debt repayments for the municipal share of the Investing in Canada Infrastructure Program – Transit Stream (ICIP) and debt repayments for capital financing of the West Harbour Redevelopment strategic initiatives.

In order to incorporate priority investments required to maintain water, wastewater and storm infrastructure in a state-of-good-repair, as well as, to outfit new capital assets in the Clean Harbour initiative, it is anticipated that the 2022 Rate Supported Budget would exceed the 4.05% average rate increase approved, in principle, in the long-term financing plan. Staff will be revising and reporting on rate supported reserve forecasts for initiatives including, but not limited to, the Chedoke Creek – Cootes Paradise workplan.

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**SUBJECT: 2022 Budget Guidelines, Outlook and Process (FCS21057(a))
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It is currently estimated that the emergency funding provided by senior levels of government will offset the City's anticipated pressures for the COVID-19 pandemic response in 2021. However, it is expected that the City will continue to face many challenges in 2022 and beyond as the economy begins to recover. At this point, there is limited capacity to carryover Federal and Provincial pandemic funds to next year and no committed funding from senior levels of government beyond 2022. It will be important to continue the conversation of recovery between the municipality and senior levels of government, moving forward, to ensure the continuity of essential municipal services.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The Preliminary Tax Operating Budget pressures and risks identified within Report FCS21057(a) would result in a levy increase of approximately \$48.7 M (inclusive of City Departments, Boards and Agencies and Capital Financing) which represents an estimated total average residential tax increase of 4.1%.

The Preliminary Rate Operating Budget within Report FCS21057 reflects the amount approved, in principle, as part of the 2021 Rate Operating Budget and Outlook which would result in a projected operating and capital budget expenditure increase of approximately \$11.1 M or a combined rate increase of 4.05%. It is anticipated that this preliminary number will increase once all required infrastructure investment, as well as, operational outfitting of new infrastructure has been fully incorporated in the long-term financing plan.

Through the approval of Report FCS21057(a), there are no financial implications. The General Issues Committee (GIC) and Council will deliberate on the 2022 budget and multi-year outlook in accordance with the schedule provided in Appendix "A" to Report FCS21057(a).

Staffing: There are no staffing implications as a result of Report FCS21057(a). During the budget process, staffing changes are highlighted for Council approval.

Legal: N/A

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**SUBJECT: 2022 Budget Guidelines, Outlook and Process (FCS21057(a))
(City Wide) – Page 4 of 27**

HISTORICAL BACKGROUND

Council, at its meeting on July 14, 2017, approved GIC Report 17-015 and Multi-Year Budget Planning Sub-Committee Report 17-001 (Report FCS17066) adopting the Multi-Year Business Planning and Budget Policy (“Policy”) for City Departments and forwarding the Policy to Hamilton Police Service, Hamilton Public Library and Hamilton Farmers’ Market Boards for consideration.

The 2021 Tax Operating Budget approved by Council in March 2021 included a 2022-2024 Multi-Year Budget Outlook with a preliminary budget increase of \$37.7 M or a residential municipal tax increase of 3.7% for 2022. This projection has been updated to reflect opportunities and pressures that have materialized since the preparation of the initial outlook during the 2021 budget process, such as, negotiated contractual agreements, legislated changes or pre-approved impacts.

The 2021 Rate Supported Budget approved by Council in November 2020, resulted in a combined rate increase of 4.28%. The budget also included a projection for 2022 of 4.05%. The Rate Supported Budget reflects Council's ongoing commitment and dedication to implement a sustainable financing plan while bridging the divide between the funding shortfalls for necessary infrastructure with affordable rates.

Staff provided GIC with an update on the 2022 to 2024 multi-year outlook and capital financing plan on June 16, 2021 through Report FCS21057 which outlined changes in assumptions to the multi-year outlook presented during 2021 budget deliberations and provided background information on key inputs to the development of the 2022 budget, including:

- COVID-19 economic recovery;
- Debt capacity;
- Leveraging of reserves;
- Forecasted increase in inflation for municipal goods and services;
- Forecasted growth; and
- Advancing the term of Council priorities.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

There are no policy implications related to the recommendations within Report FCS21057(a).

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**SUBJECT: 2022 Budget Guidelines, Outlook and Process (FCS21057(a))
(City Wide) – Page 5 of 27**

RELEVANT CONSULTATION

Staff has consulted with operating departments and senior leadership in determining the projected tax and rate budget pressures for 2022. Staff has also consulted with Council, the City Clerk's Office and the operating departments in developing the timeline for the 2022 budget process outlined in Appendix "A" to Report FCS21057(a).

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**1. 2022 BUDGET PROCESS TIMELINE**

Appendix "A" to Report FCS21057(a) provides a high-level summary of the budget calendar for the 2022 Rate and Tax Budgets (Operating and Capital). The Rate Operating and Capital Budgets and Tax Capital Budget are scheduled to be deliberated on November 21, 2021 and November 26, 2021, respectively. If required, additional dates of November 30, 2021 and December 2, 2021 are also scheduled. The Tax Supported Operating Budget deliberations (which sets the property tax levy) will commence in January 2022 with an expected approval in March 2022. All budgets will be deliberated at meetings of the General Issues Committee (GIC).

For the 2022 budget process, there has been a change in the timing of Public Delegations from their usual date in February. Public delegations have been held in February, in past years, as part of the Tax Supported Operating Budget deliberations in order to coincide with the timing of when the preliminary budget books and reports would be available for public consumption. In an effort to provide the public the opportunity for input at the beginning of the process, the Public Delegations meeting at GIC has been moved up to November 8, 2021.

2. 2022 PRELIMINARY TAX SUPPORTED BUDGET

Based on updated information since Report FCS21057 was presented in June, the current projection for 2022 has been revised to a levy increase of \$48.7 M, which is estimated at a 4.1% total average residential tax increase.

Table 1 shows the 2022 outlook by department, as well as, outlines the estimated total average residential tax impact based on assumptions for assessment growth, reassessment, levy restrictions, tax policy changes and education tax adjustments.

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**TABLE 1
City of Hamilton
2022 Preliminary Tax Budget Outlook by Department**

Department	2021	2022	2022	2022
	Approved Budget	Outlook	Change	Change
	\$	\$	\$	%
Planning and Economic Development	\$30,357,480	\$31,514,130	\$1,156,650	3.8%
Healthy and Safe Communities	\$255,023,200	\$270,529,060	\$15,505,860	6.1%
Public Works	\$266,803,330	\$282,387,720	\$15,584,390	5.8%
Legislative	\$5,164,412	\$5,249,752	\$85,340	1.7%
City Manager	\$13,016,920	\$13,610,140	\$593,220	4.6%
Corporate Services	\$37,210,120	\$37,967,210	\$757,090	2.0%
Corporate Financials / Non Program Revenues	(\$27,940,780)	(\$25,632,980)	\$2,307,800	-8.3%
Hamilton Entertainment Facilities	\$4,037,180	\$4,095,980	\$58,800	1.5%
Total City Expenditures	\$583,671,862	\$619,721,012	\$36,049,150	6.2%
Hamilton Police Services	\$176,587,027	\$181,884,638	\$5,297,611	3.0%
Other Boards and Agencies	\$48,529,804	\$49,927,364	\$1,397,560	2.9%
City Enrichment Fund	\$6,088,340	\$6,088,340	\$0	0.0%
Total Boards and Agencies	\$231,205,171	\$237,900,342	\$6,695,171	2.9%
Capital Financing	\$139,541,860	\$145,538,860	\$5,997,000	4.3%
Total Levy Requirement	\$ 954,418,893	\$ 1,003,160,210	\$ 48,741,320	5.1%
Assessment Growth				(1.0%)
Reassessment				0.0%
Levy Restrictions				0.1%
Tax Policy				0.2%
Education Impact				(0.3%)
Total Average Residential Tax Impact				4.1%

Assumptions:

Assessment Growth - based on initial projections and continued construction activity in the City.

Reassessment - 0% for 2022 as announced by the Province

Levy Restrictions - based on historical results

Tax Policy - assumes adoption of small business subclass

Education Impact - Based on historical results

A. City Expenditures

The preliminary outlook for the 2022 Tax Supported Budget is detailed in Table 2, which provides a breakdown of the anticipated pressures the City will face next year. The projected costs to maintain current service levels are \$18.6 M for City departments or approximately 38% of the total projected net levy increase. This equates to an average residential property tax increase of approximately 0.9%. The majority of the budget pressures are comprised of enhancements and service level adjustments with significant planned and pre-approved investments in capital infrastructure, transit and housing.

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**TABLE 2
City of Hamilton
2022 – Summary of Budget Pressures**

Budget Pressure	2022 Increase
Current Service Level	
Employee related and misc. other current service-level pressures	\$ 18,609,759
Boards & Agencies	\$ 6,695,171
Total Maintenance Budget	\$ 25,304,930
Enhancements/Service Level Adjustments	
Capital Levy for Discretionary Blocks	\$ 4,800,000
10-Year Transit Strategy	\$ 4,144,000
Insurance	\$ 2,745,000
Sidewalk Snow Clearing	\$ 1,776,000
DARTS	\$ 1,720,000
Area Rating for Fire Services	\$ 1,400,000
National Housing Strategy	\$ 1,264,300
Capital Levy for New Debt Related to ICIP – Transit and West Harbour	\$ 1,197,000
Affordable Housing - Roxborough	\$ 1,047,000
Child Care Provincial Funding Ageement	\$ 1,001,800
Macassa Lodge Redevelopment	\$ 896,300
Social Housing – provincial benchmarks	\$ 753,790
Area Rating for Parkland Purchases	\$ 381,200
Equity, Diversity and Inclusion Roadmap and Implementation	\$ 310,000
Total Enhancements/Service Level Adjustments	\$ 23,436,390
Total	\$ 48,741,320

- **Employee Related and Miscellaneous Other** – for general maintenance and inflation including salaries and benefits increases. This includes previously approved contract adjustments, performance increments, job evaluation changes, as well as, employer provided benefits, Canada Pension Plan, Employment Insurance and Workers' Safety and Insurance Board changes.
- **Capital Levy for Discretionary Blocks** – the \$4.8 M pressure represents a net levy increase of 0.5% for the purpose of state-of-good-repair infrastructure. Combined with the debt servicing costs for new debt related to ICIP-Transit and West Harbour Redevelopment, the net levy increase for the Capital Levy is estimated at 0.6%.
- **Ten-Year Local Transit Strategy** – Financial Impact of Year 6 of implementation of the Transit Strategy. The 2022 pressure includes \$990 K pressure due to one-time contribution from reserve in 2021.

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- **Insurance** – as detailed in Report LS21027, there is a \$2.1 M pressure related to the change in the City’s insurance premiums as a result of economic conditions in the insurance market. In addition to the increased premiums, the City’s change in coverage to a higher deductible will result in a higher volume of claims, which will need additional staff to meet litigation needs and requirements and is estimated at \$645K annually.
- **Sidewalk Snow Clearing** – the level of service for winter sidewalk snow removal will be enhanced as approved by Council on April 28, 2021, defined as Scenario 2 in Report PW19022(c). This scenario includes the clearing of an additional 783 km of sidewalk along transit routes. The total cost of the enhancement is estimated at \$4.4 M annually with a \$1.8 M impact in 2022 and a \$2.7 M impact in 2023.
- **DARTS** – contractual increases are expected in DARTS as ridership is projected to increase in 2022 after the fall of ridership in 2021 due to COVID-19.
- **Area Rating for Fire Services** – at its meeting on May 12, 2021, Council approved a two-year phase-in for the impact of rural fire area rating, which amended the 2021 Tax Operating Budget with a \$1.4 M contribution from the Tax Stabilization Reserve and a corresponding reduction in the 2021 net levy. This \$1.4 M impact for the provision of Fire Services will hit the 2022 net levy.
- **Roxborough Housing Incentive Program (RHIPP)** – as approved in Report HSC19034, the RHIPP allows developers of affordable rental or ownership housing units to receive grants to offset the cost of the City’s development charges and parkland dedication fees for 10 years after the issuance of a building permit. Total cost of the program is estimated at \$10.47 M over five years. The pressure in 2022 represents the annualization of year one of the 10-year program that began in 2021.
- **Child Care Provincial Funding Agreement** – due to the unique circumstances resulting from the COVID-19 outbreak, the ministry provided a one-time Transitional Grant in 2021 to offset and assist with the new required 50/50 cost share for provincial child care administration, including Wage Enhancement / Home Child Care Enhancement Grant administration funding. This one-time Transitional Grant could also be used to assist with the provision of child care programs and services, as well as, other increased operating costs related to COVID-19. The pressure identified in 2022 is the elimination of this one-time grant.
- **Macassa Lodge Redevelopment** – through Report HSC20050(b), Council approved the financing plan for the redevelopment of Macassa Lodge. The total project cost of \$27.8 M was funded through a \$19.3 M loan from the Unallocated Capital Levy Reserve, \$7.3 M from development charges and \$1.3 M from grants

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from the Ministry of Long-Term Care. The \$896 K pressure in 2022 represents the first annual loan repayment to the Unallocated Capital Levy Reserve.

- **Capital Levy for New Debt (ICIP – Transit and West Harbour)** – to support the annual debt servicing requirements for new debt issuance in ICIP, Transit and the West Harbour Waterfront Development planned capital investments, a net levy increase of \$1.2 M is required in 2022.
- **Social Housing – Provincial Benchmarks** – Forecasted 2022 – 2024 provincial benchmarks are based on a moving five-year historical average. Based on these estimates of the minimum operating costs of the City’s social housing units covered by the Province, the pressures identified in the next few years are based on the remaining amounts the City is responsible to cover over and above what is covered by our Housing Service Providers.
- **Area Rating for Parkland Purchases** – a net levy pressure of \$381 K for the repayment of the Investment Stabilization Reserve related to parkland purchases.
- **Equity, Diversity and Inclusion Roadmap and Implementation** – as approved through Report HUR19019(b), there is an estimated \$310 K pressure for three staff positions necessary to support the EDI Roadmap and Implementation Plan.
- **Public Health Funding** – A \$2.2 M pressure was noted in Report FCS21057. The Ministry of Health confirmed that the one-time transitional funding of the Mitigation Subsidy for the Public Health Annual Service Plan will continue in 2022. The budget pressure of \$2.2 M will move to 2023 in the multi-year outlook.

B. COVID-19 Economic Recovery and Financial Pressures

The COVID-19 pandemic has resulted in many changes affecting human behavior and impacting the world’s economic condition. Municipalities were hit particularly hard as they managed service continuity for essential services and infrastructure during the lockdown period. While financial pressures for municipalities in 2020 and 2021 are expected to be fully mitigated through the historic Safe Restart Agreement, Social Services Relief Fund and many other funding announcements, it is anticipated that health risks will continue to remain on an ongoing basis and economic activity is not expected to return to pre-COVID-19 levels beyond 2022.

As the economy reopens, municipalities will play a crucial role in implementing public health safeguards and community support for the most vulnerable. It is essential that municipalities continue to provide service continuity for front-line workers and to play a key role in local economic recovery through rebuilding growth and providing stimulus.

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It is anticipated that the City will continue to face many financial pressures in 2022 including the loss of revenue from transit operations and recreation user fees, as well as, increased costs for Public Health and housing for the most vulnerable.

Since the onset of the COVID-19 pandemic, there have been numerous announcements from the Federal and Provincial governments regarding funding opportunities to address financial pressures for individuals and organizations including the Safe Restart Agreement, the Social Services Relief Fund and the COVID-19 Recovery Funding for Municipalities Program.

i. Safe Restart Agreement – Transit

On August 12, 2020, the City received confirmation of \$17.2 M of immediate funding through the “Safe Restart Agreement: Municipal Transit Funding – Phase 1” to support COVID-19 pressures incurred from April 1, 2020 to September 30, 2020. These financial pressures include reduced revenues from farebox, advertising, parking and contracts, as well as, added expenses related to cleaning, new contracts, labour, driver protection, passenger protection and other capital costs.

Total Phase 1 funds utilized under the eligible periods from April 1, 2020 to September 30, 2020 and October 1, 2020 to March 31, 2021 was \$13.8 M. The \$3.4 M of unused Phase 1 funding is expected to be returned to the Province. To date, no request has been made by the Ministry of Transportation (MTO) to return the remaining unused funds. The City of Hamilton received an allocation of \$21.5 M in Phase 2 funding, which covers the period from October 1, 2020 and March 31, 2021. The funding was not claimed by the Transit Division since there were no further eligible expenditures incurred within that timeframe to be offset by additional funding.

Phase 3 funding was confirmed in a letter from the Ministry of Transportation on March 3, 2021 for the period between April 1, 2021 and December 31, 2021 for a total allocation to the City of \$16.8 M. The City will be required to return any unused funding, including interest, at the end of the eligibility period. The Province may also, at its sole discretion and on a case-by-case basis, grant extensions to the Phase 3 eligibility period for costs incurred after December 31, 2021 to January 1, 2023.

As of June 30, 2021, it is projected that \$13.2 M will be required from the Safe Restart – Transit Phase 3 funding to cover projected COVID-19 related costs to be incurred during the year, leaving \$3.6 M in funding remaining at the end of 2021. If the Transit Division does not incur enough eligible expenditures to utilize all of the Phase 3 funding before December 31, 2021, the City will request that the MTO allow the remaining funding to be used to cover eligible expenditures in 2022.

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ii. Safe Restart Agreement – Municipal

In a letter dated August 12, 2020, the Province advised the City of Hamilton of its Phase 1 funding allocation of \$27.6 M under the Safe Restart Agreement to support the operating costs and pressures related to COVID-19. Based on eligible expenses and lost revenues, the City recognized \$17.4 M in 2020 and carried the remaining \$10.2 M in Safe Restart Funding forward to 2021 to address ongoing pressures as a result of the pandemic.

An additional \$11.7 M was provided to the City under the Phase 2 allocation for the purpose of assisting with COVID-19 operating costs and pressures in 2021 on December 16, 2020. Combined with the unused portion from Phase 1, \$21.9 M of Safe Restart Agreement – Municipal funding is available to December 31, 2021.

As of June 30, 2021, it is projected that the Safe Restart Funding will be fully utilized. There have been no further announcements pertaining to funding that might be available to offset pressures in 2022 and beyond.

iii. COVID-19 Recovery Funding for Municipalities Program

Additional to the Safe Restart Agreement, the Province of Ontario announced a \$500 M funding commitment to municipalities under the COVID-19 Recovery Funding for the Municipalities Program. The City of Hamilton's share under this program is \$18.7 M, which can be used to address general municipal COVID-19 costs and pressures in 2021. Remaining funds at the end of 2021 will be put into a reserve to support potential COVID-19 costs and pressures in 2022.

As of June 30, 2021, it is projected that \$3.9 M will be drawn from the COVID-19 Recovery Funding Program, leaving an eligible amount of \$14.9 M to be carried over to 2022.

iv. Social Services Relief Fund

In late March 2020, the Province announced the \$200 M Social Services Relief Fund (SSRF) in response to the ongoing COVID-19 crisis to allow communities to expand a wide range of services and supports for vulnerable populations, based on local need, to better respond to the emergency. The City of Hamilton received an initial \$6.9 M under this program.

On August 12, 2020, the SSRF was expanded by an additional \$362 M as part of the federal-provincial Safe Restart Agreement. Under Phase 2 of the program, the City of Hamilton has received an allocation of \$11.3 M, as well as, an application for an additional \$6.4 M. The SSRF Phase 2 includes an operating component and

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two new capital components with the objectives of mitigating ongoing risk for vulnerable people, encouraging long-term housing-based solutions to homelessness post COVID-19 and enhancing rent assistance provided to households in rent arrears due to COVID-19. In accordance with program guidelines and eligibility requirements, \$13.0 M in revenue from the SSRF was recognized in 2020.

On March 10, 2021, the City received a letter from the Ministry of Municipal Affairs and Housing announcing Phase 3 of the SSRF and the City's allocation of \$12.3 M for the period of March 1, 2021 up to December 31, 2021.

Another letter was received by the City on August 16, 2021 from the Ministry of Municipal Affairs and Housing detailing the fourth and final Phase of the Province's SSRF and through Canada-Ontario Community Housing Initiative (COCHI). Under Phase 4 of the SSRF program, the City of Hamilton has received an allocation of \$13.8 M for the 2021 – 2022 fiscal year. Under the COCHI program, the government has also approved the release of up to an additional \$21 M. This funding will support community housing providers across Ontario, including the state of repair of the legacy social housing stock. Under COCHI, the City of Hamilton has received an additional funding allocation in the amount of \$1.0 M for the 2021 - 2022 fiscal year.

Combining Phase 3 and 4 allocations with the carryover amounts from Phases 1 and 2, a total of \$37.7 M for SSRF is available for use in 2021. As of June 30, 2021, it is forecasted that \$12.6 M will be leveraged in 2021. Remaining funds at the end of 2021 will be put into a reserve to support potential COVID-19 costs and pressures in 2022.

v. Ministry of Health and Other Funding

There have been various other funding announcements, outside of the Social Services Relief Fund and Safe Restart Agreement, to assist municipalities in the delivery of critical programs and services throughout the pandemic as detailed in Appendix "B" to FCS21057(a). This includes funding from the Ministry of Health for the COVID-19 response and vaccination programs, mental health and addictions funding, enhancements to the Reaching Home Initiative, as well as, funding for other emergency response and essential services such as paramedics, long-term care and children services.

vi. Forecasted Pressures in 2022 due to the COVID-19 Pandemic Response

Based on current information, staff is projecting additional financial pressures related to COVID-19 in 2022 of \$59.0 M. Details of potential impacts and corresponding funding assumptions are itemized in Appendix "B" to

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Report FCS21057(a). Staff will continue to monitor these assumptions and how they are impacted by changes in various COVID-19 prevention measures through the balance of the year. In the 2022 outlook, it is assumed that these pressures will be funded from the available funding carried forward from 2021 under the Safe Restart Agreement, the COVID-19 Recovery Funding for Municipalities Program, the Social Services Relief Fund and the funds set aside in the COVID-19 Emergency Reserve from the 2020 tax operating budget surplus.

Based on the funding announcements received to date and the funds set aside from the 2020 operating surplus for COVID-19 recovery, it is anticipated that the financial pressures related to COVID-19 will be mitigated to the end of 2022 as outlined in Appendix “B” to Report FCS21057(a). However, it is expected that the City will continue to face many challenges in the medium term (2023-2025) as the economy begins to recover. At this point, there is no committed funding from senior levels of government beyond 2022 and it is yet to be determined what impact is to be seen on municipal services moving forward. The pandemic may have several lasting effects as it relates to transit, recreation, parking and tourism revenues depending on many socio-economic factors during the recovery period that the City must prepare to mitigate in order to limit the impact on taxpayers.

C. Boards and Agencies

Based on historical trends and updated information, a preliminary projected budget increase of approximately \$6.7 M is presented for Boards and Agencies for 2022 (refer to Table 3). The Hamilton Police Service budget pressures are based on a five-year average operating budget increase, while the Hamilton Public Library is based on their forecasted 2022 outlook presented in the 2021 budget process. The other Boards and Agencies are based on a projected 2% per year increase.

**TABLE 3
Boards and Agencies
Projected Net Levy Impact**

Board / Agency	2021 Approved Budget	2022 Outlook \$	2022 Change \$	2022 Change %
Police	\$ 176,587,027	\$ 181,884,638	\$ 5,297,611	3.0%
Conservation Authorities	\$ 8,459,770	\$ 8,628,965	\$ 167,100	2.0%
Library	\$ 32,196,330	\$ 33,162,220	\$ 1,073,910	3.3%
Other Boards and Agencies	\$ 7,873,710	\$ 8,031,184	\$ 156,550	2.0%
Total Impact	\$ 225,116,837	\$ 231,707,007	\$ 6,695,171	3.0%

Table 4 displays the historical budget increases for Boards and Agencies over the past three years.

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**TABLE 4
Boards and Agencies
Historical Budget Trends 2019-2021**

Historical Budget Board or Agency	Annual % Increase		
	2019	2020	2021
Conservation Authorities			
Niagara Peninsula Conservation	1.50%	161.15%	2.00%
Binbrook Special Levy	N/A	N/A	6.20%
Grand River Conservation	1.50%	433.90%	3.30%
Halton Region Conservation	1.50%	243.98%	2.70%
Hamilton Conservation	1.50%	1.64%	1.70%
Other Agencies			
Hamilton Beach Rescue	1.50%	0.00%	(2.10%)
Royal Botanical Gardens	1.50%	0.00%	2.00%
MPAC	1.94%	1.90%	2.00%
City Boards			
Hamilton Farmer's Market	1.53%	0.00%	2.00%
Hamilton Public Library	2.40%	2.86%	1.50%
Hamilton Police Service	2.38%	3.97%	2.70%

Notes:

- 1) 2020 increases for Conservation Authorities are the result of a levy formula change after loss of appeal
- 2) Binbrook Special Levy approved in 2021 represents a 6.2% year over year increase to the Niagara Peninsula Conservation Authority approved levy in 2020

D. Capital Financing

The multi-year outlook for Capital Financing includes an annual tax levy increase of 0.5% for discretionary block funding related to state-of-good-repair asset replacement, as well as, additional increases for debt servicing requirements for the municipal share of the Investing in Canada Infrastructure – Public Transit Stream (ICIP) and West Harbour Waterfront Development strategic initiatives, resulting in a total tax levy impact of 0.6%. Table 5 provides the forecasted net levy pressures related to the financing of the Tax Capital Budget for 2022.

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**TABLE 5
City of Hamilton
Tax Capital Financing Net Levy Impact**

Capital Financing	2022	
	(\$)	(%)
Discretionary Block Funding	\$ 4,800,000	0.5%
West Harbour Development	\$ 374,000	0.0%
ICIP - Transit	\$ 823,000	0.1%
Total Impact	\$ 5,997,000	0.6%

Note - Anomalies due to rounding

During the 2021 budget process, the Capital Financing Plan was updated with new assumptions around the cost to borrow given recent changes in the investment market, cash flow assumptions required for debt servicing upcoming transit and affordable housing projects and leveraging of existing capacity from reserves. This provided additional capacity to fund capital investments over the 10-year period in comparison to the previous Financing Plan.

Preparation of the Capital Financing Plan prioritizes that the City maintain its AA+ credit rating. This is an important aspect of the overall budget as it reduces the City's cost to borrow and limits the tax impact on residents and businesses. The Capital Financing Plan balances the financial obligations required for the effective management of infrastructure in a state-of-good-repair, support growth and development and advance strategic priorities while limiting the overall impact on taxpayers and staying within Council's approved debt limits.

i. Debt

Preliminary debt assumptions have been updated through consultation with staff and approved capital requirements over the summer. Based on the capital investment pressures for the Tax Capital and Rate Capital Supported Budgets over the next 10 years, tax and rate supported debt is projected to exceed Council's approved debt limit in 2025 and development charge supported debt is projected to exceed Council's approved debt limit in 2027 as illustrated in Figures 1 and 2. While total debt would still be within legislated requirements in accordance with the provincial Annual Repayment Limit, exceeding the debt limits approved by Council could adversely affect the City's AA+ credit rating. Figure 3 shows the City's projected debt levels in comparison to the provincial Annual Repayment Limit.

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Figure 1

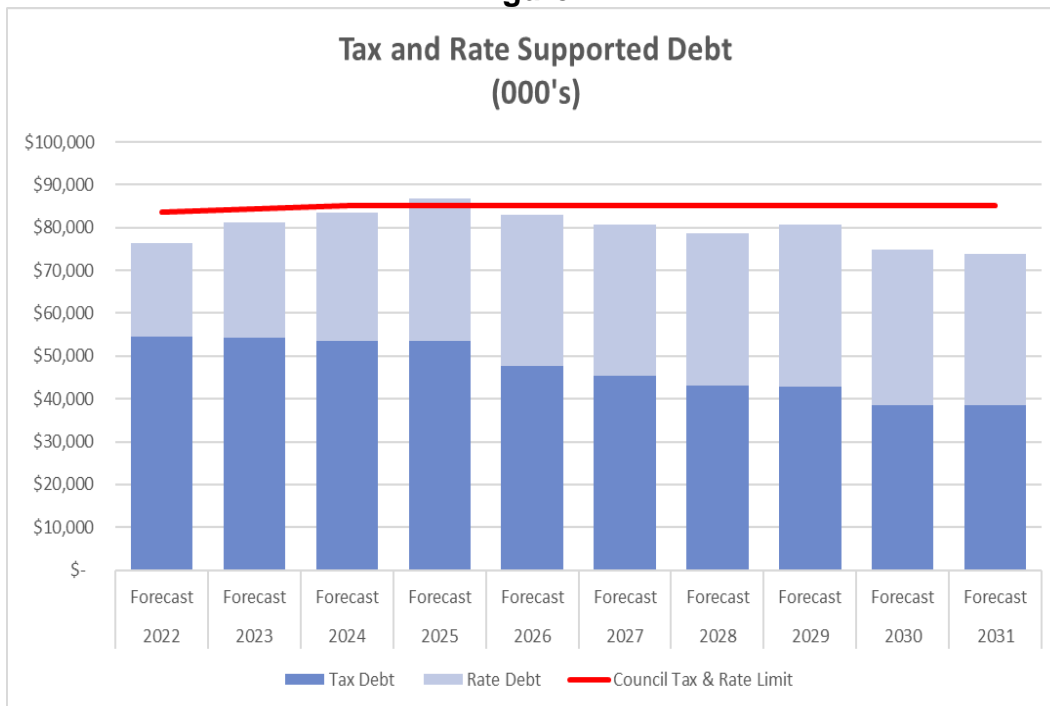
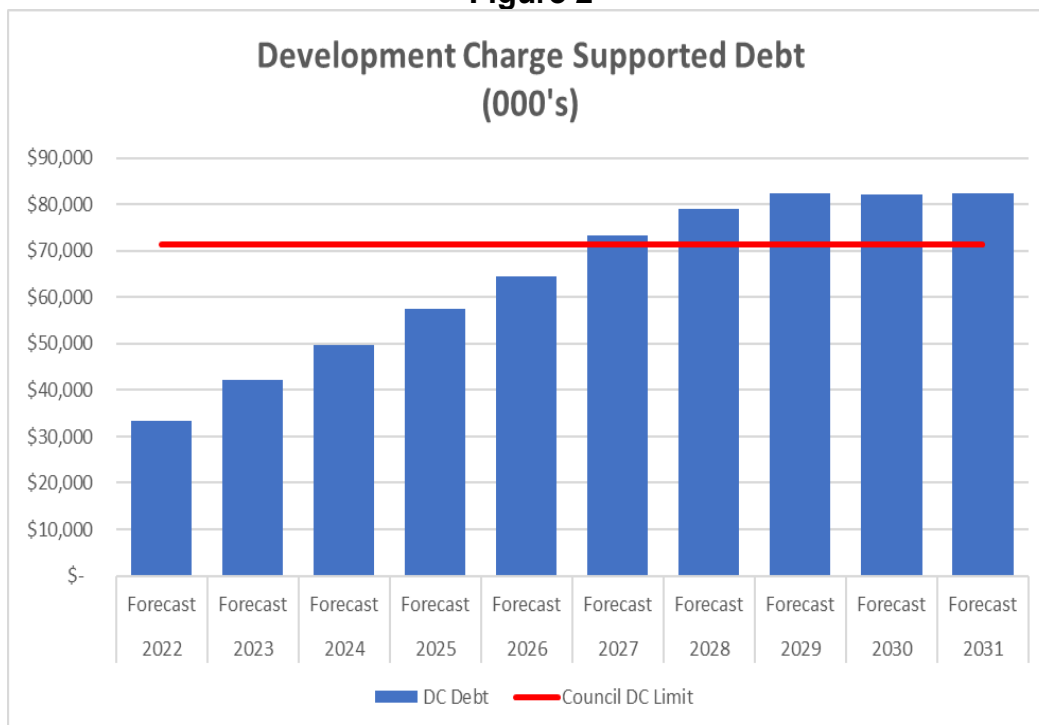


Figure 2

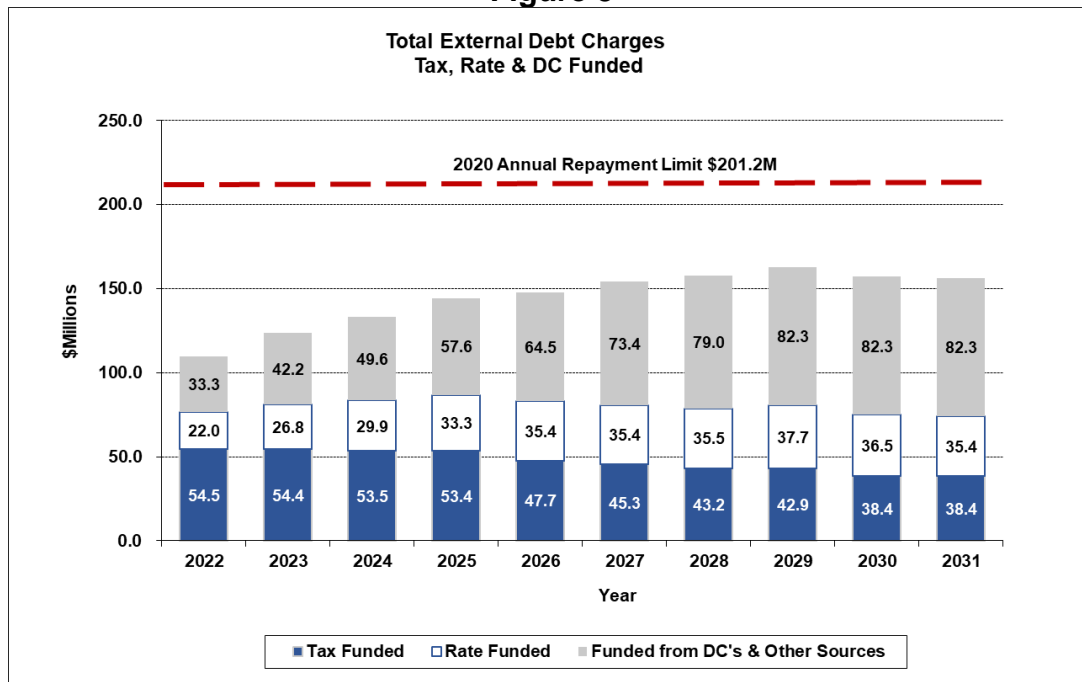


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During the 2022 budget process, staff will continue to update assumptions as it pertains to interest rates, timing of issuance and the financing strategies for various initiatives. This may mean revisiting capital funding strategies that previously leveraged debt financing, introducing alternative funding sources to the Capital Financing Plan, such as, reserves or Federal Gas Tax or the deferral of previously planned capital works in order to best position the City for financial stability to support economic recovery over the next few years.

Figure 3



ii. Reserves

The detailed 2020 Reserve Report was provided to Council through Report FCS21063 earlier this summer. Based on updated projections, capital reserve balances are expected to decrease from \$685 M at the end of 2020 to \$592 M in 2022 as shown in Table 6. The decrease is the result of draws on the Parkland Acquisition and Dedication Reserves, Rate Supported Reserves and Transit Vehicle Replacement Reserves in order to meet planned requirements in the capital program over the next three years. These decreases are partially offset by an increase in anticipated Development Charge (DC) collections over capital financing requirements in the next two years. Initial indication is that the COVID-19 pandemic has not drastically affected growth in the short-term. Staff will continue to monitor for any declines in development over the next year and adjust growth related infrastructure forecasts accordingly. The decline in non-tax capital reserves from \$410 M at the end of 2020 to \$357 M projected at the end of 2022 is driven by the distribution of the 2020 operating surplus, approved through Report FCS20069(b),

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and the use of the Safe Restart Agreement and COVID-19 Emergency Reserves to offset financial pressures in 2021 and 2022 in response to the pandemic.

**TABLE 6
City of Hamilton
Projected Reserve Balances (\$000's)**

CITY OF HAMILTON RESERVES	Projected Balances December 31			
	2020	2021	2022	2023
CAPITAL RESERVES				
DEVELOPMENT CHARGES	285,421	322,678	349,023	377,910
PARKLAND RESERVES	70,638	38,035	48,641	59,491
VEHICLE & EQUIPMENT RESERVES	50,112	43,955	21,589	28,529
UNALLOCATED CAPITAL LEVY	37,209	16,639	20,857	25,175
RATE RESERVES	164,977	89,286	64,837	45,613
FEDERAL GAS TAX RESERVE	59,102	56,415	58,626	58,626
OTHER	17,463	22,275	28,165	42,165
TOTAL CAPITAL RESERVES	684,922	589,283	591,738	637,509
NON- TAX CAPITAL RESERVES				
TAX STABILIZATION	65,917	14,609	14,920	15,256
SAFE RESTART AGREEMENT	15,276	18,500	-	-
COVID-19 EMERGENCY RESERVE	1,144	20,581	231	-
EMPLOYEE RELATED RESERVES	108,111	117,058	124,567	132,469
PROGRAM SPECIFIC RESERVES	104,469	93,164	92,917	92,426
OTHER	114,721	118,428	124,645	132,429
TOTAL NON- TAX CAPITAL RESERVES	409,638	382,340	357,280	372,580
FUTURE FUND RESERVES				
HAMILTON FUTURE FUND A	56,420	60,498	66,040	71,694
HAMILTON FUTURE FUND B	2,047	1,879	1,669	1,459
TOTAL FUTURE FUND RESERVES	58,467	62,377	67,709	73,153
TOTAL ALL RESERVES	1,153,027	1,034,000	1,016,727	1,083,242

Reserve Funds have been established either through legislation or by Council to be used for specific future liabilities. The reserve amounts available to fund tax supported capital in future years will vary depending upon operating transfers, senior level government funding and the financing implications of large, multi-year capital projects. Staff will continually review existing reserve and reserve fund balances and make appropriate recommendations to Council during the annual capital budget process.

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iii. Development Charges

An amending By-law to the 2019 Development Charges Background Study was prepared and reported to the Audit, Finance and Administration Committee on June 3, 2021 in response to the changes in legislation affecting DCs. While some of the legislated changes were adopted at the time of the change, others required an update to the DC By-law for the City to adopt the changes.

The main impacts from the Amending By-law and accompanying 2019 DC Background Study Update is the removal of the 10% statutory deduction. The removal of the 10% statutory deduction means that 100% of growth-related capital costs are now eligible for inclusion in the DC calculations allowing the City to collect more for DC eligible services. The annualized effect of implementing the changes in the Development Charges Update Study is an estimated increase in forecasted 2021 DC collections of \$3.1 M (to \$114.1 M from \$111.0 M).

Concurrent with the changes to DC legislation, the Province introduced a new tool through the *Planning Act*, namely a Community Benefits Charges (CBC) regime. In effect, the CBC replaces the former Density Bonus Provisions (Section 37) of the *Planning Act* and moves some services from the DC legislation over to the newly created CBC regime with a two-year transition period. Accordingly, the City will no longer be able collect DCs for those services as of the CBC By-law adoption or September 18, 2022. City staff will be undertaking the work necessary to have CBC By-law in place by September 2022. The effect of removing the ineligible services (Airport Lands and Parking Services) has an estimated annual decrease in forecasted collections of \$1.1 M.

Therefore, the estimated net effects on annual DC collections, after considering the future reduction due to the loss of Airport Lands and Parking Services becoming ineligible, is an estimated increase of \$2.0 M.

The Eight-Year Development Charges Exemption Summary is attached as Appendix “C” to Report FCS21057(a). This summary outlines that after the \$15.0 M of funding contributed to DC exemptions funding through the disposition of the 2020 tax operating budget surplus, there is still an outstanding amount of \$84.3 M unfunded exemptions (\$54.3 M in discretionary unfunded exemptions). Staff will be coming forward with a financing strategy for unfunded DC exemptions in 2022.

iv. 2021 In-Year Budget Approvals

Table 7 provides the average gross capital investment made by the City over the past three budget cycles, as well as, the projected 2022 Tax Capital Budget.

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**TABLE 7
City of Hamilton
Gross Tax Capital Budget Expenditures**

(\$000s)	2019		2020		2021		2022	
	Gross Restated	%	Gross Restated	%	Gross Restated	%	Gross Projected	%
State of Good Repair	176,308	78%	313,006	79%	363,724	75%	262,825	70%
New Assets (DCs + exemption funding)	50,812	22%	84,668	21%	120,673	25%	111,921	30%
TOTAL CAPITAL PROJECTS	227,120	100%	397,674	100%	484,397	100%	374,746	100%

In addition to the approved 2021 Tax Supported Capital Budget, City Council has approved several in-year capital projects through the use of reserves and leveraging of grant funding made available from senior levels of government.

a. Federal Gas Tax / Canada Community Building Fund

In recognition of the extraordinary pressures faced by municipalities during the ongoing pandemic, the federal government introduced legislation that would provide an additional \$7.2 B in support for urgent health care needs introduced through Bill C-25 on March 25, 2021.

Included in the proposed funding was \$2.2 B to address short-term infrastructure priorities in municipalities and First Nations communities. The funds would flow through the Federal Gas Tax Fund. The federal government also proposed to rename the fund as the Canada Community-Building Fund.

The City of Hamilton's allocation as a one-time transfer payment in 2021 was \$32.7 M. In July, Council approved the use of \$30.0 M of this funding towards investment in sidewalk and road repairs in an equal allocation of \$2.0 M per Ward across the municipality.

b. Canada Mortgage and Housing Corporation Rapid Housing Initiative

On October 27, 2020, the Federal Government publicly announced an immediate total investment of \$1 B through the Rapid Housing Initiative (RHI) to fund rapid production of affordable housing across Canada. The City of Hamilton received notification on October 23, 2020 of an allocation of \$10.8 M under the RHI Major Cities Stream to support projects selected by the City. The City received notification on June 30, 2021 of a further allocation of \$12.9 M to create a minimum of 49 units of new permanent affordable housing. Details on the use of the funds can be found in reports HSC20056 and HSC20056(a).

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c. Investing in Canada Infrastructure Program (ICIP)

On March 14, 2018, the Federal Government of Canada and Government of Ontario announced the signing of a bilateral agreement that will provide more than \$11.8 B in federal funding to Ontario dedicated to infrastructure projects over the next decade through the ICIP.

One key element of the plan is over \$33 B in infrastructure funding to be delivered through bilateral agreements between the Federal government and each of the provinces and territories. Provinces will have to cost-share on municipal projects at a minimum of 33.33% of eligible costs. Municipalities will be required to contribute at least 26.67% of total project costs. The funding is broken down into the following streams:

- \$20.1 B for public transit (ICIP – Transit) – Ontario’s allocation is \$8.3 B
- \$9.2 B for green infrastructure – Ontario to receive \$2.8 B
- \$1.3 B for community, culture and recreation infrastructure – Ontario to get \$407 M
- \$2.4 B for rural and northern communities – Ontario to receive \$250 M
- \$3.0 B for COVID-19 resilience

The City was eligible to apply for funding under the ICIP – Transit, ICIP CCR, and ICIP Resilience streams. The City’s submissions under eligible streams are provided in Tables 8, 9, 10 and 11 below.

**TABLE 8
City of Hamilton
ICIP – Transit Approved Projects**

Project Description	Total Gross	Total Eligible	Cost Sharing Breakdown		
			Federal 40%	Provincial 33.33%	City 26.67%
			(000's)	(000's)	(000's)
HAM-01 Birch Bridge & Associated Road Works/Salt Management Facility	\$ 39,965	\$ 39,965	\$ 15,986.0	\$ 13,320.3	\$ 10,658.7
HAM-03 CAD/AVL	\$ 9,000	\$ 9,000	\$ 3,600.0	\$ 2,999.7	\$ 2,400.3
HAM-04 Expansion Fleet	\$ 73,334	\$ 73,334	\$ 29,333.6	\$ 24,442.2	\$ 19,558.2
HAM-05 Active Transportation Connections	\$ 9,800	\$ 9,800	\$ 3,920.0	\$ 3,266.4	\$ 2,613.7
HAM-06 A-Line Priority Bus Measures	\$ 8,500	\$ 8,500	\$ 3,400.0	\$ 2,833.1	\$ 2,267.0
HAM-07 Replacement Fleet	\$ 114,077	\$ 114,077	\$ 45,630.8	\$ 38,021.9	\$ 30,424.3
HAM-08 Maintenance & Storage Facility	\$ 250,000	\$ 250,000	\$ 100,000.0	\$ 83,325.0	\$ 66,675.0
Total	\$ 504,676	\$ 504,676	\$ 201,870	\$ 168,208	\$ 134,597

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**TABLE 9
City of Hamilton
ICIP – CCR Approved Projects**

Project Description	Cost Sharing Breakdown						
	Total Gross	Total Eligible	Federal 40%	Provincial 33.33%	City 26.67%	City Ineligible	City Total
	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)	(000's)
Children's Museum Expansion	\$ 3,520	\$ 3,520	\$ 1,408.0	\$ 1,173.2	\$ 938.8	\$ -	\$ 938.8
Griffin House Museum Stabilization	\$ 1,000	\$ 1,000	\$ 400.0	\$ 333.3	\$ 266.7	\$ -	\$ 266.7
HAAA Redevelopment	\$ 4,119	\$ 3,582	\$ 1,432.8	\$ 1,193.9	\$ 955.3	\$ 537.0	\$ 1,492.3
Central Memorial Rec Centre Elevator	\$ 432	\$ 400	\$ 160.0	\$ 133.3	\$ 106.7	\$ 32.0	\$ 138.7
Rec Roof Replacements (Phase B)	\$ 4,620	\$ 4,400	\$ 1,760.0	\$ 1,466.5	\$ 1,173.5	\$ 220.0	\$ 1,393.5
Mohawk Quad Pad (partial), Bennetto (partial), Dundas Rec (partial), Chedoke Golf Roof							
Total	\$ 13,691	\$ 12,902	\$ 5,160.8	\$ 4,300.2	\$ 3,441.0	\$ 789.0	\$ 4,230.0

**TABLE 10
City of Hamilton
ICIP – Resilience Approved Projects**

Project Description	Cost Sharing Breakdown				
	Total Gross	Total Eligible	Federal 80%	Provincial 20.00%	City Share
	(000's)	(000's)	(000's)	(000's)	(000's)
HVAC Upgrades Program	\$ 3,689	\$ 3,354	\$ 2,683.2	\$ 670.8	\$ 335.4
Public Service Counter Enhancements	\$ 1,100	\$ 1,000	\$ 800.0	\$ 200.0	\$ 100.0
Andrew Warburton Memorial Park and Pipeline Trail	\$ 2,400	\$ 960	\$ 768.0	\$ 192.0	\$ 1,440.0
Gage Park Walkways Redevelopment	\$ 1,705	\$ 1,550	\$ 1,240.0	\$ 310.0	\$ 155.0
Cycling Network Enhancements	\$ 570	\$ 570	\$ 456.0	\$ 114.0	\$ -
Total	\$ 9,464	\$ 7,434	\$ 5,947	\$ 1,487	\$ 2,030

The final intake for ICIP – Green Infrastructure funding is only open to municipalities with less than 100 K population and so the City of Hamilton is ineligible to receive additional money under that stream.

d. Green and Inclusive Community Buildings Program

On April 14, 2021, the Government of Canada announced the launch of a program across Canada to support green and inclusive community buildings through retrofits, repairs, upgrades and new builds. The Green and Inclusive Community Buildings program (GICB) will deliver \$1.5 B in funding over the next

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five years to projects that retrofit or build new publicly-accessible buildings while saving energy and cutting pollution. GICB will invest in projects that meet a minimum threshold for energy efficiency improvements and that increase social inclusion in under-served and high-needs communities across Canada. Table 11 provides the City's submission as approved through Report FCS21055.

**TABLE 11
City of Hamilton
GICB – Project Submissions**

Project Description	Total Gross (000's)	Cost Sharing Breakdown		
		Total Eligible (000's)	Federal Share (000's)	City Share (000's)
Division Name				
Harry Howell Arena - Solar PV System	\$ 650,000	\$ 650,000	\$ 520,000	\$ 130,000
Morgan Firestone Arena - Solar PV and HVAC	\$ 900,000	\$ 720,000	\$ 720,000	\$ 180,000
Victoria Park Outdoor Pool Redevelopment	\$ 6,450,000	\$ 6,450,000	\$ 3,870,000	\$ 2,580,000
Total	\$ 8,000,000	\$ 7,820,000	\$ 5,110,000	\$ 2,890,000

e. Canada Healthy Communities Initiative

On February 9, 2021, the Government of Canada, in conjunction with the Community Foundations of Canada (CFC) and the Canadian Urban Institute (CUI), announced the launch of the first application intake for projects under the Canada Healthy Communities Initiative (CHCI).

The CHCI supports communities as they create and adapt public spaces and programming and services for public spaces to respond to ongoing needs arising from COVID-19 over the next two years. This \$31 M investment from the Government of Canada will fund small-scale infrastructure projects to create safer, more vibrant and inclusive Communities.

There were two intakes for project applications with the first ending on March 9, 2021 and the second on June 25, 2021. Applicants could apply for funding ranging from \$5 K to \$250 K for eligible projects within an overall envelope of \$31 M in federal government funding. Eligible applicants could submit one application per intake.

In the first project intake, the City submitted the Hamilton Street Art Festival 2021 for \$250 K, which was unsuccessful. In the second intake, the City submitted the Public Space and Park Wi-Fi Connectivity project for \$250 K. Details of the submissions can be found in Reports FCS21020 and FCS21020(a).

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f. Canada Community Revitalization Fund

On June 23, 2021, the Federal government announced the launch of the Canada Community Revitalization Fund (CCRF) which aims to help non-profit organizations, municipalities, Indigenous communities and other community groups across Canada to build and improve community infrastructure projects so they can rebound from the effects of the COVID-19 pandemic, assist with community vitality, support social and economic cohesion and help reanimate communities. Through Report FCS21077, staff identified the projects in Table 12 as the City's application under the program.

**TABLE 12
City of Hamilton
CCRF – Project Submissions**

Project Title	Cost Sharing Breakdown						
	Total Gross (000's)	Total Eligible (000's)	Federal CCRF Share (000's)	Other Grants (000's)	City Share (000's)	City Ineligible (000's)	City Total (000's)
St. Mark's Cultural Space Enhancements	\$ 4,750	\$ 4,750	\$ 500	\$ -	\$ 4,250	\$ -	\$ 4,250
Beasley Park Rehabilitation Phase 2	\$ 1,213	\$ 1,106	\$ 750	\$ -	\$ 356	\$ 107	\$ 463
Victoria Park Spray Pad Replacement	\$ 1,020	\$ 925	\$ 694	\$ -	\$ 231	\$ 95	\$ 326
Children's Museum Accessibility	\$ 6,551	\$ 6,551	\$ 450	\$ 2,581	\$ 3,520	\$ -	\$ 3,520
Washroom Touchless Accessories	\$ 750	\$ 750	\$ 563	\$ -	\$ 188	\$ -	\$ 188
	\$ 14,284	\$ 14,082	\$ 2,957	\$ 2,581	\$ 8,545	\$ 202	\$ 8,747

g. Disaster Mitigation and Adaptation Fund

In 2018, the Government of Canada launched the Disaster Mitigation and Adaptation Fund (DMAF) committing \$2 B over 10 years to invest in structural and natural infrastructure projects to increase the resilience of communities that are impacted by natural disasters triggered by climate change.

Through Report FCS21090, staff has proposed projects for the City's application for the second intake under that program for approval by Council. The potential funding contribution from the DMAF would enhance the City's ability to address built infrastructure, such as, escarpment biodiversity and stability, trail asset condition and wastewater and stormwater asset additions and enhancements. Total estimated project spending equates to \$105.957 M of which \$64.619 M is the City's share, cash flowed over a 10-year period.

The majority of the proposed projects in the City's application are currently in the 10-year Tax and Rate Capital forecasts, however, eight projects are not included in the 10-year forecast and an additional six projects are partially funded. Should

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this application be successful, staff will report back with a recommended financing strategy to accommodate the City's portion of these projects.

h. In-year Initiatives Funded from Reserves

Table 13 provides a list of initiatives approved during 2021 through various motions and staff reports with funding from either the Tax Stabilization or the Unallocated Capital Levy Reserves. These amounts are all reflected in the reserve balance forecasts in Table 6.

**TABLE 13
City of Hamilton
2021 In-Year Initiatives Funded from Corporate Reserves**

Description	Gross Amount	Funding Source			
		Tax Stabilization Reserve	Unallocated Capital Levy Reserve	Development Charges	Grants
Hamilton Anti-Racism Resource Centre	\$ 50,000	\$ 50,000			
Social Housing Rapid Repair	\$ 500,000	\$ 500,000			
Water Well Testing at Waterdown Gardens	\$ 100,000	\$ 100,000			
Next Generation 9-1-1 Requirements	\$ 40,000	\$ 40,000			
Increased Enforcement at Waterfall Viewing Areas	\$ 354,000	\$ 354,000			
Neighbour 2 Neighbour Community Food Centre	\$ 200,000	\$ 200,000			
Green Fleet Strategy & Action Plan	\$ 2,500,000		\$ 2,500,000		
Property and Liability Insurance Renewal	\$ 1,033,690	\$ 1,033,690			
Westoby Arena Ice Plant Replacement	\$ 700,000		\$ 700,000		
Macassa Lodge Redevelopment	\$ 27,800,000		\$ 19,253,034	\$ 7,269,446	\$ 1,277,520
Municipal Election: Enhanced Communication Plan	\$ 96,000	\$ 96,000			
Municipal Election: Vote by Mail	\$ 125,000	\$ 125,000			
Council Chamber Technology Equipment	\$ 60,000	\$ 60,000			
Total	\$ 33,558,690	\$ 2,558,690	\$ 22,453,034	\$ 7,269,446	\$ 1,277,520

2022-2025 Preliminary Rate Budget Pressures (Outlook)

The 2021 Rate Supported Budget approved by Council in November 2020, resulted in a combined rate increase of 4.28%. The budget also included a projection for 2022 to 2025. The Rate Supported Budget reflects Council's ongoing commitment and dedication to implement a sustainable financing plan while bridging the divide between the funding shortfalls for necessary infrastructure with affordable rates.

A number of pressures / risks have been identified for 2022 to 2025 (refer to Table 14).

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**TABLE 14
2022-2025 Preliminary Rate Supported
Budget Outlook**

	2022	2023	2024	2025
Rate Budget Pressures	\$ M	\$ M	\$ M	\$ M
City Division (Hamilton Water)				
Energy and Other Operating Costs	\$1.8	\$1.8	\$1.9	\$1.9
Capital Financing	\$9.1	\$10.2	\$10.7	\$10.8
Preliminary Pressures / Risks	\$10.9	\$12.0	\$12.6	\$12.7
Combined Rate Impact	4.05%	4.29%	4.35%	4.16%

The preliminary outlook for the 2022 Rate Operating Budget projected an operating expenditure increase for Hamilton Water Division of approximately \$1.8 M or 2.0% over the 2021 Budget. Staff is currently reviewing the impact of significant inflationary pressures on key materials, as well as, pressures related to new infrastructure assets coming on stream which may result in changes to this initial estimate.

The estimated rate increase of 4.05% was largely comprised of capital financing requirements. Net capital costs are estimated at \$172.7 M in 2022 versus \$173.4 M in 2021.

During 2021 budget deliberations, City Council directed staff to perform a comprehensive evaluation of all City stormwater programs to identify existing gaps, immediate needs, risks to the City, including risks from climate change and extreme weather, outline the levels of service that the City should strive to achieve, quantify funding requirements along with options for long-term maintenance, second cycle replacements and financing alternatives.

The City continues to face upward pressure on water rates to maintain infrastructure in a state-of-good-repair and sustain service delivery. In response, Hamilton Water has undertaken a review of the Water, Wastewater and Stormwater budget process to better understand long-term sustainability and provide greater transparency to customers and Council. The scope of work included a review of the prioritization process and risk portfolio for decision making, impacts of corporate strategic priorities and sustainable infrastructure investment needs to maintain the desired level of service.

The current Rate Financing Plan has leveraged debt to its full extent in accordance with Council's debt limits, as well as, forecasts drawing reserves down to minimum required balances in the medium term as illustrated in Figure 4. There is little capacity within the existing financial constraints to absorb unexpected events or leverage federal and provincial subsidy programs that may come available.

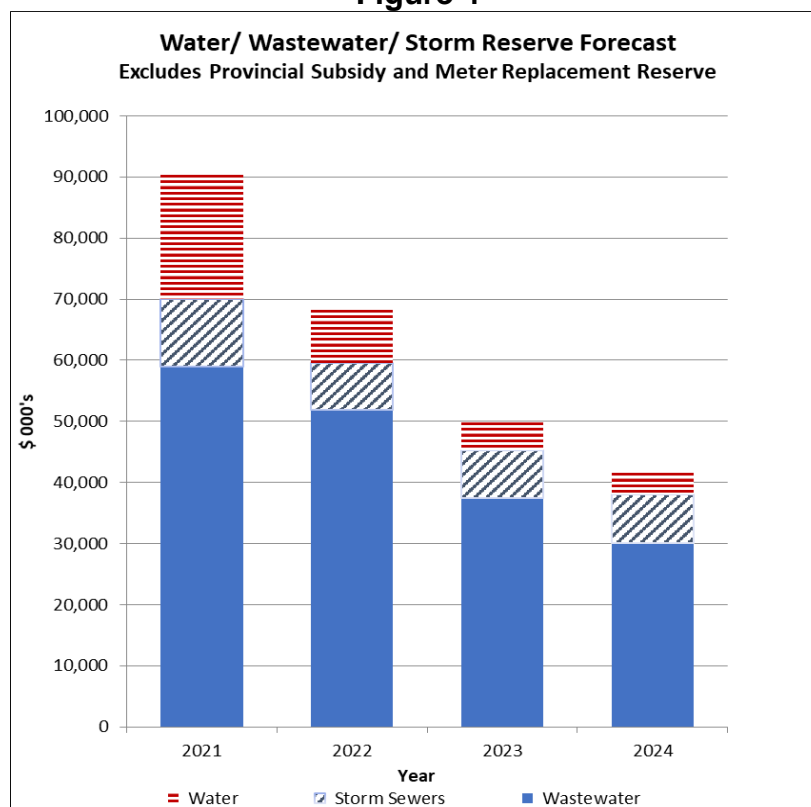
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Figure 4



In the early stages of development of the 2022 budget and 2023-2031 financing plan, it is anticipated that in order to incorporate priority investment required to maintain water, wastewater and storm infrastructure in a state-of-good-repair that the 2022 Rate Supported Budget would exceed the 4.05% average rate increase approved in principle.

It is recommended that the 2022 Preliminary Rate Budget and 2023-2031 Financing Plan be prepared and presented to Council at the rate and debt levels required to maintain service level standards and priority infrastructure.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS21057(a) – 2022 City of Hamilton Budget Schedule

Appendix “B” to Report FCS21057(a) – 2021-2022 COVID-19 Financial Forecast

Appendix “C” to Report FCS21057(a) – Eight-Year Development Charges Exemption Summary

DR/dt

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2022 City of Hamilton Budget Schedule

ITEM	DATE
2022 Budget Guidelines, Outlook and Process Update Report	September 2021
Public Delegations	November 8, 2021
Rate Supported Budget	November 22, 2021 (November 30, 2021 if required)
Tax Supported Capital Budget	November 26, 2021 (December 2, 2021 if required)
User Fee Report	December 8, 2021
Tax Supported Operating Budget Overview	January 14, 2022
Boards and Agencies Presentations	January 18, 2022 January 20, 2022
Transit Day	January 21, 2022
Departmental Budget Presentations	January 25, 2022 January 26, 2022 January 27, 2022 February 4, 2022
GIC Budget Deliberations	February 10, 2022 February 22, 2022 February 25, 2022 March 1, 2022 March 3, 2022
Tax Assessment and Growth Reports	February and March 2021
Council Budget Approval	March 30, 2022

City of Hamilton
2022 COVID-19 Financial Forecast (\$000's)
As at June 30, 2021

Department - Division - Pressure	Net Financial Pressures from COVID-19	2022 Funding from Senior Levels of Government					2022 Funding from City of Hamilton		Net Total Impact
		Social Services Relief Fund	Ministry of Health*	Safe Restart Agreement - Transit	COVID-19 Recovery Funding for Municipalities Program	Subtotal Funding from Senior Levels of Government	COVID-19 Emergency Reserve	Total Funding	
Available Balance		3,350	16,800	3,600	14,900	38,650	20,581	59,231	
Planning & Economic Development									
Parking Revenues	3,000				(3,000)	(3,000)		(3,000)	-
Planning & Economic Development Subtotal	3,000	-	-	-	(3,000)	-	-	-	-
Healthy and Safe Communities									
Children's Services and Neighbourhood Development	4,500				(4,500)	(4,500)		(4,500)	-
Housing Services	13,400	(3,350)			(1,300)	(4,650)	(8,750)	(13,400)	-
Long Term Care	3,500				(3,500)	(3,500)		(3,500)	-
Hamilton Paramedic Service	1,800		(1,800)			(1,800)		(1,800)	-
Public Health Services	15,000		(15,000)			(15,000)		(15,000)	-
Healthy and Safe Communities Subtotal	38,200	(3,350)	(16,800)	-	(9,300)	-	(8,750)	-	-
Public Works									
Transit	13,400			(3,600)		(3,600)	(9,800)	(13,400)	-
Public Works Subtotal	13,400	-	-	(3,600)	-	-	(9,800)	-	-
Corporate Services									
POA Revenues	1,800						(1,800)	(1,800)	-
Corporate Services Subtotal	1,800	-	-	-	-	-	(1,800)	-	-
Corporate Financials & Non-Program Revenue									
Slot Revenues	2,600				(2,600)	(2,600)		(2,600)	-
Corporate Financials & Non-Program Revenue Subtotal	2,600	-	-	-	(2,600)	-	-	-	-
Total	59,000	(3,350)	(16,800)	(3,600)	(14,900)	-	(20,350)	-	-
Ending Balance		-	-	-	-	-	231	231	

* Note: Assumes Public Health and Paramedic Services COVID-19 response and vaccine program will be 100% funded by Province in 2022 based on publicly made comments of continued support.

CITY OF HAMILTON
Eight Year Development Charges Exemption Summary

Eight Year History

	2013	2014	2015	2016	2017	2018	2019	2020	8 Year Total
DC Exemptions By Area									
Hamilton	\$ 9,237,467	\$ 16,179,960	\$ 4,955,063	\$ 11,629,859	\$ 19,009,777	\$ 7,910,391	\$ 29,929,989	\$ 17,596,731	\$ 116,449,237
Stoney Creek	2,920,238	2,681,818	2,480,781	1,933,947	2,039,113	571,919	582,847	1,011,190	\$ 14,221,853
Flamborough	217,578	8,217,783	801,666	2,858,491	2,085,378	6,753,806	3,608,418	5,271,469	\$ 29,814,589
Ancaster	1,369,355	537,364	655,867	1,021,527	2,253,048	2,530,883	1,464,329	4,671,298	\$ 14,503,670
Glanbrook	60,617	1,811,077	4,533,314	431,516	378,343	483,534	5,458,725	12,682,093	\$ 25,839,219
Dundas	59,300	679,060	298,946	96,791	169,840	132,483	297,593	74,586	\$ 1,808,599
Total Exemptions By Area	\$ 13,864,555	\$ 30,107,062	\$ 13,725,637	\$ 17,972,132	\$ 25,935,498	\$ 18,383,016	\$ 41,341,901	\$ 41,307,367	\$ 202,637,168

DC Act Statutory Exemptions									
Residential Intensification	\$ 11,576	\$ 528,665	\$ 685,923	\$ 1,189,027	\$ 2,251,960	\$ 2,634,333	\$ 3,086,550	\$ 3,972,243	\$ 14,360,277
50% Industrial expansion	2,341,814	1,220,113	485,441	2,718,715	3,537,639	1,512,450	303,275	3,564,391	\$ 15,683,838
Subtotal DC Act Statutory Exemptions	\$ 2,353,390	\$ 1,748,778	\$ 1,171,363	\$ 3,907,742	\$ 5,789,599	\$ 4,146,783	\$ 3,389,825	\$ 7,536,634	\$ 30,044,114
Council Authorized									
Residential Exemptions									
Affordable Housing	\$ 56,190	\$ 414,023	\$ 283,720	\$ 36,113		\$ 525,460	\$ 1,341,836	\$ -	\$ 2,657,342
Farm Help Houses					53,730	-	-	-	\$ 53,730
Student Residence			115,070	103,570	2,050,125	-	-	489,308	\$ 2,758,073
Redevelopment for residential facility					17,089	-	-	20,045	\$ 37,133
Laneway House / Garden Suite								43,489	\$ 43,489
Non-Residential Exemptions									
Industrial rate reduced from max	670,131	1,053,241	1,844,481	666,318	2,652,471	1,955,378	6,144,739	19,057,768	\$ 34,044,528
Stepped non-industrial rates	2,034,575	1,190,944	463,987	761,142	813,419	1,641,659	1,329,341	52,844	\$ 8,287,910
Non-industrial expansion	525,025	1,081,948	256,693	449,210	713,225	748,338	851,001	4,843	\$ 4,630,283
Academic ^[4]	4,289,403	325,912	-	3,176,896	2,114,952	1,407,708	2,463,843	-	\$ 13,778,714
Public Hospital	10,870								\$ 10,870
Agricultural Use		7,652,982	1,257,589	2,579,039	491,027	6,905,765	4,367,557	3,161,098	\$ 26,415,057
Place of Worship		614,436	161,318	84,509	24,407	115,043	24,670	750,922	\$ 1,775,304
Parking Structure					3,841,662	-	-	-	\$ 3,841,662
Covered Sports Field									\$ -
Residential & Non-residential Exemptions									
Downtown Hamilton CIPA	2,814,787	11,095,535	1,118,464	4,891,965	5,820,647	493,249	20,157,605	8,694,113	\$ 55,086,365
Downtown Public Art	231,191	44,333			641,050	-	-	-	\$ 916,574
Heritage Building					337,372	-	-	-	\$ 337,372
Transition Policy	56,584	4,802,094	6,761,281	228,632	532,585	443,634	1,271,486	1,496,304	\$ 15,592,599
Council Granted	822,409	82,836	4,406	1,086,996	42,138	-	-	-	\$ 2,038,785
ERASE ^[1]			287,265						\$ 287,265
Subtotal Council Authorized Exemptions	\$ 11,511,165	\$ 28,358,283	\$ 12,554,273	\$ 14,064,390	\$ 20,145,899	\$ 14,236,233	\$ 37,952,076	\$ 33,770,733	\$ 172,593,053
Total Exemptions By Development Type	\$ 13,864,555	\$ 30,107,062	\$ 13,725,637	\$ 17,972,132	\$ 25,935,498	\$ 18,383,016	\$ 41,341,901	\$ 41,307,367	\$ 202,637,168

DC Exemption Funding									
Exemptions funded from Rates Budget ^[2]	\$ 7,280,599	\$ 8,000,000	\$ 7,750,000	\$ 7,640,000	\$ 7,400,000	\$ 4,979,919	\$ 9,000,000	\$ 8,000,000	\$ 60,050,518
Exemptions funded from Tax Budget ^[3]				3,000,000	3,000,000	5,525,460	7,841,836	8,500,000	\$ 27,867,296
Exemptions funded from Council (Rate portion)					18,895				\$ 18,895
Exemptions funded from Council (Tax portion)					23,243				\$ 23,243
Exemptions funded from 2020 Surplus								15,100,000	\$ 15,100,000
Total DC Exemption Funding	\$ 7,280,599	\$ 8,000,000	\$ 7,750,000	\$ 10,640,000	\$ 10,442,138	\$ 10,505,379	\$ 16,841,836	\$ 31,600,000	\$ 103,059,952
Net total unfunded Exemptions	\$ 6,583,956	\$ 22,107,062	\$ 5,975,637	\$ 7,332,132	\$ 15,493,360	\$ 7,877,637	\$ 24,500,066	\$ 9,707,367	\$ 99,577,216

Prior Year DC Exemption Funding									
2017 YE Surplus allocated to NR Roads Exemptions									\$ 8,000,000
2018 Rates Exemption Funding Surplus									4,020,081
2018 YE Surplus allocated to NR Roads Exemptions									\$ 538,630
2018 YE Surplus allocated to Rates Exemption									2,700,000
Total Prior Year DC Exemption Funding									\$ 15,258,711
Net total unfunded Exemptions (Prior Years)									\$ 84,318,505
Net total Discretionary unfunded Exemptions (Prior Years)									\$ 54,274,391

Notes:

[1] ERASE used to be grouped with other exemptions, now funding recovered through the future ERASE grant/future taxes.

[2] 2020 Rates Budget funded \$8M

[3] In the prior year, Exemptions funded from the Housing Reserve were included as funded under the "Tax Budget." However, in 2020, there were no Housing exemptions to be funded.



2022 BUDGET GUIDELINES, OUTLOOK AND PROCESS

FCS21057(a)

1. Tax 2022 Tax Supported Operating Budget Preliminary Outlook
2. 2022 Rate Supported Operating Budget Preliminary Outlook
3. 2022 Budget Schedule
4. 2022 Budget Guidelines & Recommendations



**2022 TAX SUPPORTED
OPERATING BUDGET
PRELIMINARY OUTLOOK**

2022 Operating Budget Outlook by Department

Department	2021 Approved Budget	2022 Outlook	2022 Change	2022 Change
	\$	\$	\$	%
Planning and Economic Development	\$30,357,480	\$31,514,130	\$1,156,650	3.8%
Healthy and Safe Communities	\$255,023,200	\$270,529,060	\$15,505,860	6.1%
Public Works	\$266,803,330	\$282,387,720	\$15,584,390	5.8%
Legislative	\$5,164,412	\$5,249,752	\$85,340	1.7%
City Manager	\$13,016,920	\$13,610,140	\$593,220	4.6%
Corporate Services	\$37,210,120	\$37,967,210	\$757,090	2.0%
Corporate Financials / Non Program Revenues	(\$27,940,780)	(\$25,632,980)	\$2,307,800	-8.3%
Hamilton Entertainment Facilities	\$4,037,180	\$4,095,980	\$58,800	1.5%
Total City Expenditures	\$583,671,862	\$619,721,012	\$36,049,150	6.2%
Hamilton Police Services	\$176,587,027	\$181,884,638	\$5,297,611	3.0%
Other Boards and Agencies	\$48,529,804	\$49,927,364	\$1,397,560	2.9%
City Enrichment Fund	\$6,088,340	\$6,088,340	\$0	0.0%
Total Boards and Agencies	\$231,205,171	\$237,900,342	\$6,695,171	2.9%
Capital Financing	\$139,541,860	\$145,538,860	\$5,997,000	4.3%
Total Levy Requirement	\$ 954,418,893	\$ 1,003,160,210	\$ 48,741,320	5.1%
Assessment Growth				(1.0%)
Reassessment				0.0%
Levy Restrictions				0.1%
Tax Policy				0.2%
Education Impact				(0.3%)
Total Average Residential Tax Impact				4.1%

BUDGET PRESSURES SUMMARY

Budget Pressure	2022 Increase
Current Service Level	
Employee related and misc. other current service-level pressures	\$ 18,609,759
Boards & Agencies	\$ 6,695,171
Total Maintenance Budget	\$ 25,304,930
Enhancements/Service Level Adjustments	
10-Year Transit Strategy	\$ 4,144,000
Insurance	\$ 2,745,000
Sidewalk Snow Clearing	\$ 1,776,000
DARTS	\$ 1,720,000
Area Rating for Fire Services	\$ 1,400,000
Child Care Provincial Funding Ageement	\$ 1,001,800
Social Housing – provincial benchmarks	\$ 753,790
Equity, Diversity and Inclusion Roadmap and Implementation	\$ 310,000
Subtotal	\$ 13,850,590
Additional Capital Investment	
Capital Levy for Discretionary Blocks	\$ 4,800,000
National Housing Strategy	\$ 1,264,300
Capital Levy for New Debt Related to ICIP – Transit and West Harbour	\$ 1,197,000
Affordable Housing - Roxborough	\$ 1,047,000
Macassa Lodge Redevelopment	\$ 896,300
Area Rating for Parkland Purchases	\$ 381,200
Subtotal	\$ 9,585,800
Total Enhancements/Service Level Adjustments/Capital Investment	\$ 23,436,390
Total	\$ 48,741,320

INFLATIONARY AND OTHER PRESSURES

- The expenditure profiles of municipal governments are much different than the expenditure profiles of an average Canadian consumer
- The CPI is a useful indicator of inflation because it is consistent, well known and readily available, but it does not reflect the purchasing patterns of municipal governments
- Municipal services are most heavily weighted in salaries & wages, benefits, professional services, hydro, natural gas, fuel and capital / construction costs, such as land purchases, equipment, materials and contracted services
- On a year-over-year basis in August 2021 Consumer Price Index is 4.1%

FORECASTED COVID-19 IMPACT ON 2022

- Additional financial pressures related to COVID-19 in 2022 of \$59 M
- 65% is forecasted to be funding from senior levels of government with no commitment beyond 2022
- It is anticipated that the pressures will be funded either through funding from senior levels of government or through the COVID-19 Emergency Reserve with no additional impact on the levy
- The nature of recovery is unknown - the City continues to forecast service impacts in the short-term

BOARDS AND AGENCIES LEVY IMPACT

Board / Agency	2021 Approved Budget	2022 Outlook \$	2022 Change \$	2022 Change %
Police	\$ 176,587,027	\$ 181,884,638	\$ 5,297,611	3.0%
Conservation Authorities	\$ 8,459,770	\$ 8,628,965	\$ 167,100	2.0%
Library	\$ 32,196,330	\$ 33,162,220	\$ 1,073,910	3.3%
Other Boards and Agencies	\$ 7,873,710	\$ 8,031,184	\$ 156,550	2.0%
Total Impact	\$ 225,116,837	\$ 231,707,007	\$ 6,695,171	3.0%

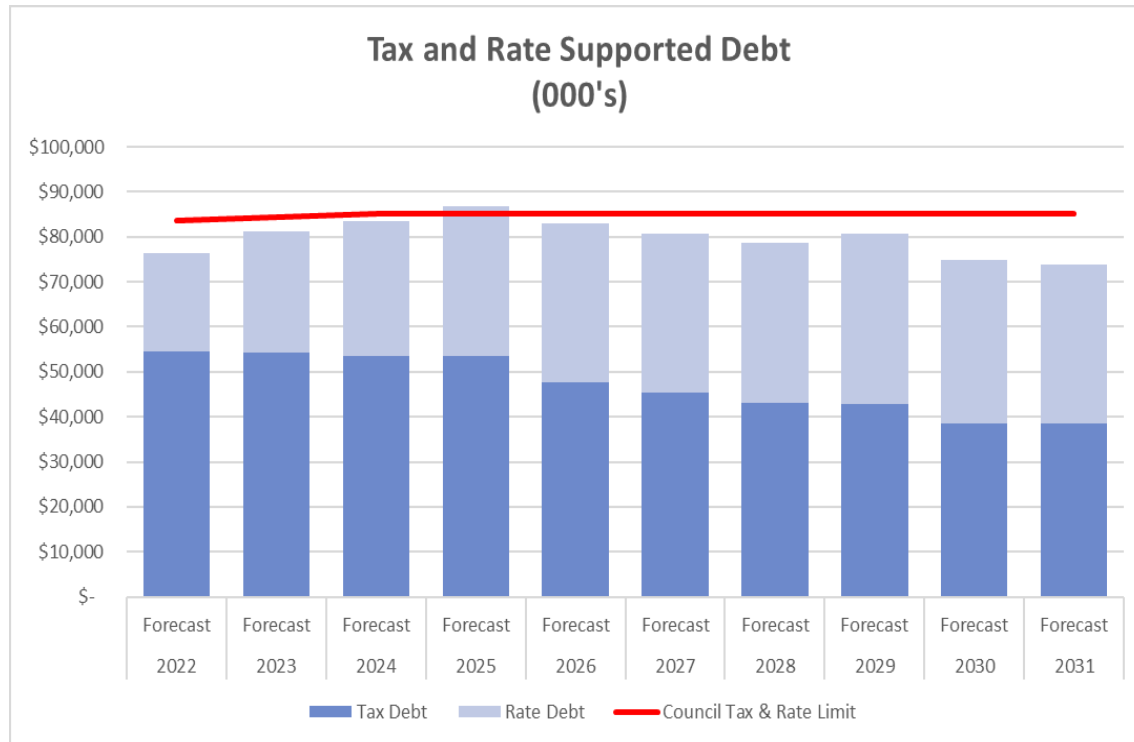
CAPITAL FINANCING OUTLOOK

Capital Financing	2022	
	(\$)	(%)
Discretionary Block Funding	\$ 4,800,000	0.5%
West Harbour Development	\$ 374,000	0.0%
ICIP - Transit	\$ 823,000	0.1%
Total Impact	\$ 5,997,000	0.6%

Note - Anomalies due to rounding

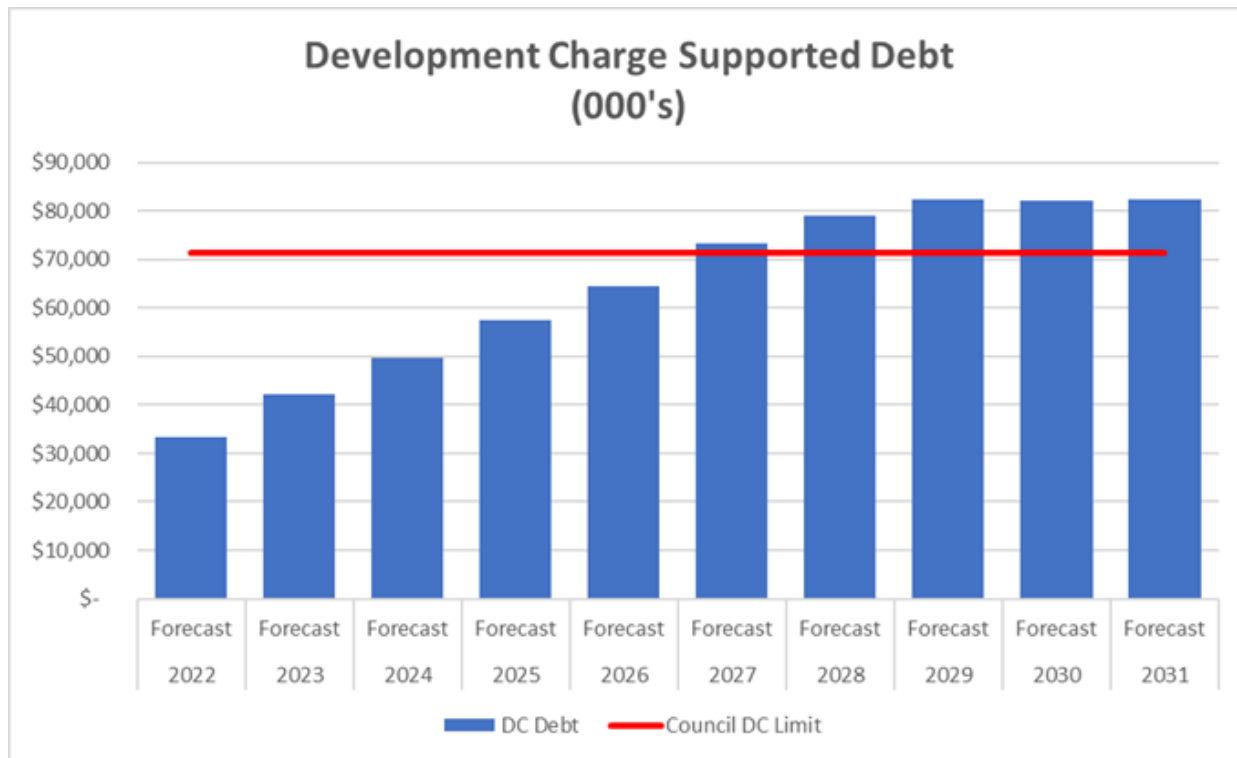
CAPITAL FINANCING – TAX & RATE DEBT

- Total tax and rate supported debt as a percentage of City own-source revenues does not exceed 60% unless approved by Council



CAPITAL FINANCING - DC DEBT

- Total development charge supported debt as a percentage of the total development charge eligible costs for the forecast period of the latest Development Charge Background Study does not exceed 25% unless approved by Council



2021 In-Year Budget Approvals

PREVIOUSLY APPROVED

- Federal Gas Tax / Canada Community Building Fund **\$32.7M**
- CMHC Rapid Housing Initiative **\$23.7M**
- ICIP **\$527.0M**
- Macassa Lodge Redevelopment **\$27.8M**
- Green Fleet Strategy & Action Plan **\$2.5M**

PENDING

- Green and Inclusive Community Buildings Program **\$8.0M**
- Canada Healthy Communities Initiative **\$0.3M**
- Canada Community Revitalization Fund **\$14.3M**
- DMAF **\$106.0M**



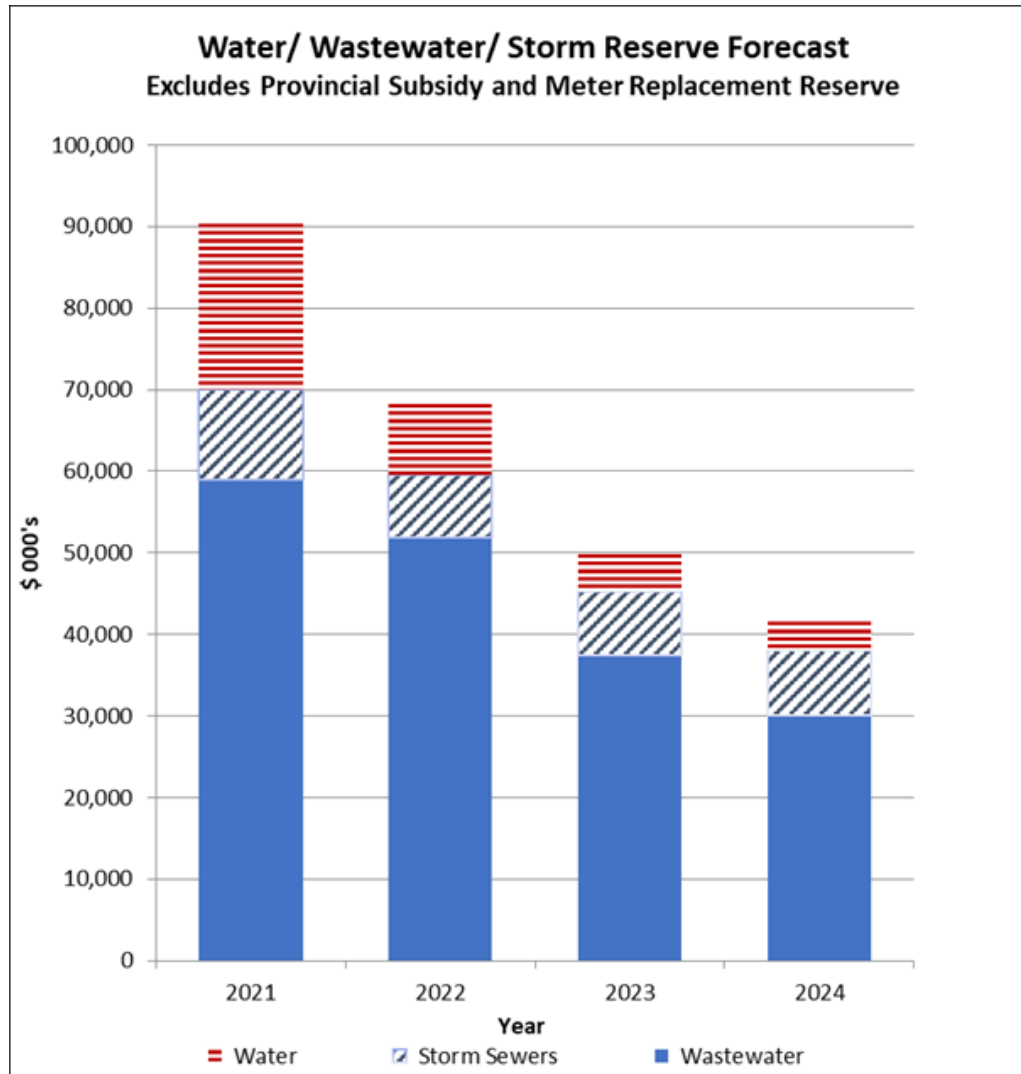
**2022 RATE SUPPORTED
OPERATING BUDGET
PRELIMINARY OUTLOOK**

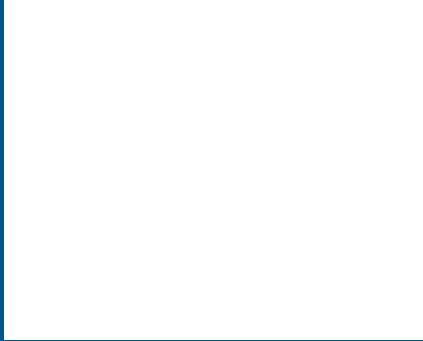
RATE BUDGET OUTLOOK

APPROVED IN PRINCIPLE

	2022	2023	2024	2025
Rate Budget Pressures	\$ M	\$ M	\$ M	\$ M
City Division (Hamilton Water)				
Energy and Other Operating Costs	\$1.8	\$1.8	\$1.9	\$1.9
Capital Financing	\$9.1	\$10.2	\$10.7	\$10.8
Preliminary Pressures / Risks	\$10.9	\$12.0	\$12.6	\$12.7
Combined Rate Impact	4.05%	4.29%	4.35%	4.16%

RATE BUDGET OUTLOOK – RESERVE FORECAST





BUDGET SCHEDULE

2022 BUDGET KEY DATES

ITEM	DATE
GIC – Public Delegations	November 8 th
GIC – 2022 Rate Supported Budget	November 22 nd and November 30 th (if required)
GIC – 2022 Tax Capital Budget	November 26 th and December 2 nd (if required)
GIC – User Fee Report	December 8 th
GIC – Tax Operating Overview	January 14 th
GIC – Boards and Agencies	January 18 th & 20 th
GIC – Transit Day	January 21 st
GIC – Departmental Presentations	January 25 th , 26 th , 27 th , February 4 th
GIC – Budget Deliberations	Feb. 10 th , 22 nd , 25 th and March 1 st & 3 rd
Council – Budget Approval	March 30 th



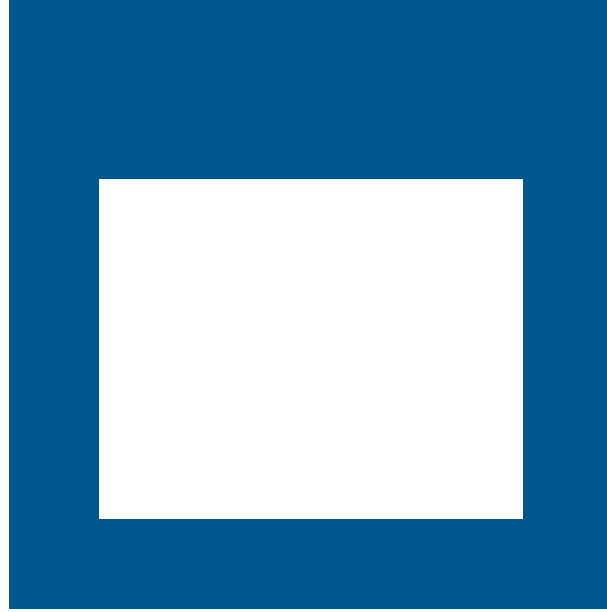
2022 BUDGET GUIDELINES & RECOMMENDATIONS

Guidelines & Recommendations

- a) That City Departments be directed to prepare the 2022 Tax Operating Budget at an increase required to maintain current service levels and report back through the 2022 budget process;
- b) That staff be directed to increase user fees at the rate of inflation and that any user fee increases below the guideline be forwarded for consideration with appropriate explanation;
- c) That Boards and Agencies be directed to prepare their 2022 Tax Operating Budget submissions at an increase required to maintain current service levels and that any increase beyond the guideline be forwarded for consideration with appropriate explanation;

Guidelines & Recommendations

- d) That staff be directed to prepare the 2022 Tax Capital Budget with a 0.6% municipal tax levy increase for capital financing of discretionary block funded projects and debt servicing requirements for the Investing in Canada Infrastructure Program – Transit Stream and West Harbour Redevelopment strategic initiatives;
- e) That staff be directed to prepare the 2022 Rate Supported Budget at a rate increase required to maintain current service levels and priority infrastructure;
- f) That the Mayor provide correspondence to the local MPs and MPPs thanking senior levels of government for past and continued support in navigating through the COVID-19 pandemic.



THANK YOU

10.12



CITY OF HAMILTON
CORPORATE SERVICES
Office of the City Clerk

TO:	Mayor and Members of General Issues Committee
COMMITTEE DATE:	October 6, 2021
SUBJECT/REPORT NO:	2022 Municipal Election Voting Technology Procurement (FCS21094) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Aine Leadbetter (905) 546-2424 Ext. 2753
SUBMITTED BY:	Andrea Holland City Clerk
SIGNATURE:	

RECOMMENDATION

- (a) That, pursuant to Procurement Policy #12 – Cooperative Procurements, staff be directed to enter into an agreement with Her Majesty the Queen in Right of Ontario as represented by The Chief Electoral Officer of Ontario (the “Province”) to secure voting technology for the 2022 Municipal Election; and;
- (b) That Council approve the single source procurement, pursuant to Procurement Policy #11 – Non-competitive Procurements, for the purchase of technology support, assistive devices and election materials for the 2022 Municipal Election and that the General Manager, Corporate Services Department be authorized to negotiate, enter into and execute a Contract and any ancillary documents required to give effect thereto with Dominion Voting Systems Corporation (“Dominion”), in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

To support the 2022 Municipal Election the City will be leasing voting technology including vote tabulators and e-poll books. Staff is recommending that the City leverage the Elections Ontario Voting Technology Sharing Program, which provides the opportunity to leverage technology at cost. Staff propose to engage with the Province for voting technology equipment pursuant to Policy 12 of the City’s Procurement Policy By-law with the consent of the Manager of Procurement, and pursuant to Policy 11 of the City’s Procurement Policy By-law, with Council’s approval to engage with the vendor of the equipment, Dominion, for support, assistive devices, and materials.

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

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

**SUBJECT: 2022 Municipal Election Voting Technology Procurement (FCS21094)
(City Wide) - Page 2 of 5**

HISTORICAL BACKGROUND

At the December 9, 2020 GIC 20-023 General Issues Committee Meeting, Staff brought forward report [FCS 20081: 2022 Municipal Elections: Alternative Voting Options](#).

At this meeting, Council approved the following recommendation:

- a) That the City Clerk be directed to prepare and issue a competitive procurement process in accordance with the City's Procurement Policy for the lease of a vote tabulation system for the 2022 municipal election, with options to extend the contract to include any by-elections leading up to 2026, and the 2026 municipal election.

The City of Hamilton participated in the pilot for the Provincial Voting Technology Sharing Program through the Province during the 2018 municipal election, and additionally entered into an agreement with Dominion to secure support, materials and assistive devices. The event ran smoothly, and there were no indications of issues with the program, equipment and support during the 2018 election.

INFORMATION

While preparing for the Request for Proposal (RFP) process to secure a vote tabulation system for the 2022 municipal election, staff conducted research into technical requirements, consulted with municipal counterparts, and engaged with internal stakeholders. Through this process, staff evaluated the program offered by the Province to lease voting technology, including vote tabulation equipment, to administer municipal elections. Staff determined that the City's participation in the pilot of this program in the 2018 municipal election concluded with no issue or concern.

The provincial Voting Technology Sharing Program (VTSP) provides municipalities with an opportunity to lease vote tabulators and e-poll books directly from the Province at cost. This program was created following the 2018 provincial election, where the Province enacted an initiative to modernize the provincial voting process by introducing technology in the polls. The Province issued a competitive RFP to secure technology. Through the RFP and the subsequent contract with the successful vendor, Dominion, the Province included provisions to allow for municipalities to leverage the equipment procured by the Province to support municipal elections. By leveraging these provisions, the City would lease equipment from the Province at cost and would engage with Dominion for equipment support and materials during the 2020 election period.

As the Province uses strict procurement policies and procedures, municipalities are further assured that voting technology and services was obtained through a robust and

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**SUBJECT: 2022 Municipal Election Voting Technology Procurement (FCS21094)
(City Wide) - Page 3 of 5**

fair process. Additionally, the City would be obtaining equipment that has been tested and used in other elections and is familiar to the City as it is the equipment used in 2018. Leveraging the Province's purchasing power will save time and resources, as training materials are already developed specifically for this equipment and staff would not have to engage in an RFP process that would take time away from other election preparations. As such, staff is looking to leverage the cooperative agreement with the Province to secure technology and will procure the equipment through a Policy 12 – Cooperative Procurements. The Manager of Procurement has provided written consent to pursue a Policy 12 procurement as required by the Procurement Policy By-law.

If the City engages with the Province for equipment rental, the City would additionally be required to negotiate an agreement with the Province's equipment vendor, Dominion, in order to secure technological support for the Province's equipment, to lease assistive devices, and for materials required for the devices during voting days. As this is a single source procurement, staff proposed to pursue a Policy 11 to engage with Dominion. The cost associated with the Dominion contract is yet to be determined as it will require negotiation. Staff is seeking Council approval for a Policy 11 procurement at \$250,000 to allow for engagement with the vendor.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The cost to procure tabulators and e-poll books for the 2022 Municipal Election by leveraging the Provincial Voting Technology Sharing Program is estimated to be approximately \$175,000, including shipping costs.

The cost associated with support, assistive devices and materials to be procured through Dominion for the 2022 Municipal Election will be negotiated with the vendor, however in 2018, this cost was approximately \$165,000. Due to inflation and rise in prices, staff expect that this cost will be higher for 2022. As such, staff is requesting Council approval for a Policy 11 in the event that the costs associated with this support and service for the 2022 municipal election equates to an amount over \$250,000.

Staffing: Any staffing required to manage the procurement of technology for the 2022 municipal election would be managed using existing resources.

Legal: Formal Agreements with both the Province and Dominion will be provided to the City for its execution.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Under the Municipal Elections Act, 1996, Municipalities may use technology in support of elections provided a By-Law is enacted. The City of Hamilton passed [By-law 21-147:](#)

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**SUBJECT: 2022 Municipal Election Voting Technology Procurement (FCS21094)
(City Wide) - Page 4 of 5**

[A By-law to Authorize the Use of Optical Scanning Vote Tabulators and to Authorize Use of a Special Vote by Mail as an Alternative Voting Method and to repeal By-law 17-059 and By-law 03-200](#) on August 13, 2021, and no further action is required.

The City's Procurement Policy By-law 20-205 permits single source procurements pursuant to the provisions of Policy 11. Single Source Procurements of \$250,000 or greater must be approved by City Council.

Policy 12 of the City's Procurement Policy By-law permits Cooperative Procurements with the prior written approval of the Manager of Procurement, which has been obtained.

RELEVANT CONSULTATION**Internal consultation**

Consultation for this report was received from:

- Information Technology
- Legal Services
- Procurement

Municipal Benchmarking

Staff have engaged with Municipalities across Ontario to discuss voting technology procurement as a part of the Municipal Elections Working Group.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The Voting Technology Sharing Program allows municipalities to leverage Provincial buying power to secure preferential pricing and services by creating economies of scale, as vendors bid on the Provincial Request for Proposal with the knowledge that this contract would be extended to municipalities. Through consultations with municipal counterparts and through independent research, staff is confident that leveraging the provincial program would provide the City with the opportunity for cost savings as it widely agreed that the program offers the best pricing available for voting equipment and support as the equipment is available at cost and the Province has established agreements and preferred pricing with the vendor that can be leveraged for service.

ALTERNATIVES FOR CONSIDERATION

Should the City not engage in the Voting Technology Sharing Program, staff would prepare an RFP with guidance from Procurement, and would go out to market to secure voting technology for the 2022 municipal election.

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**SUBJECT: 2022 Municipal Election Voting Technology Procurement (FCS21094)
(City Wide) - Page 5 of 5**

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement & Participation

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

Our People and Performance

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

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