



**City of Hamilton**  
**GENERAL ISSUES COMMITTEE**  
**AGENDA**

**Meeting #:** 23-013  
**Date:** April 19, 2023  
**Time:** 9:30 a.m.  
**Location:** Council Chambers  
Hamilton City Hall  
71 Main Street West

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

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**1. CEREMONIAL ACTIVITIES**

1.1 Jacki Levin, Past President of the Hamilton Jewish Federation - Yom Hashoah Commemoration Remarks (Holocaust Remembrance Day)

**2. APPROVAL OF AGENDA**

(Added Items, if applicable, will be noted with \*)

**3. DECLARATIONS OF INTEREST**

**4. APPROVAL OF MINUTES OF PREVIOUS MEETING**

4.1 April 5, 2023

**5. COMMUNICATIONS**

**6. DELEGATION REQUESTS**

6.1 Michelle Diplock, and Mike Collins-Williams, West End Home Builders Association, respecting support for the City's ERASE Grant program, Item 8.2 (In-Person) (For today's meeting)

**7. DELEGATIONS**

- 7.1 Vic Djurdjevic, NikolaTesla Educational Corp, respecting permission to hold Tesla Electric City Festival and the Hamilton Museum of Steam and technology (In-Person) (Approved April 5, 2023)

**8. STAFF PRESENTATIONS**

- 8.1 Housing Sustainability and Investment Roadmap (HSIR) (HSC23028 / FCS23055 / PED23099) (City Wide)
- 8.2 Five-Year Review of the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan and Associated Financial Assistance Programs (PED23076) (City Wide)
- 8.3 Potential Parking Layout Design Improvements and Greenway for the Pier 8 Development (PED23039) (Ward 2)

**9. CONSENT ITEMS**

**10. DISCUSSION ITEMS**

**11. MOTIONS**

**12. NOTICES OF MOTION**

**13. GENERAL INFORMATION / OTHER BUSINESS**

- 13.1 Amendments to the Outstanding Business List:

- a. Items Requiring a New Due Date:

- Strategic Land Acquisition Plan Along the Hamilton Light Rail Transit (LRT) Corridor

- OBL Item: W

- Current Due Date: May 17, 2023

- Proposed New Due Date: June 14, 2023

- Proposal to the Red Hill Valley Joint Stewardship Board for the Expansion of the Red Hill Valley Parkway

- OBL Item: Y

- Current Due Date: June 14, 2023

- Proposed New Due Date: September 20, 2023

**14. PRIVATE AND CONFIDENTIAL**

#### 14.1 Closed Session Minutes - April 5, 2023

Pursuant to Section 9.3, Sub-sections (e), (f), (i) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-sections (e), (f), (i) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matters pertain to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization; and, a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

#### 15. ADJOURNMENT



## GENERAL ISSUES COMMITTEE MINUTES 23-012

9:30 a.m.

April 5, 2023

Council Chambers, City Hall, 2<sup>nd</sup> Floor  
71 Main Street West, Hamilton, Ontario

**Present:** Deputy Mayor B. Clark (Chair)  
Councillors J. Beattie, C. Cassar, J. P. Danko, M. Francis, T. Hwang,  
T. Jackson, C. Kroetsch, T. McMeekin, N. Nann, E. Pauls,  
M. Spadafora, M. Tadeson, A. Wilson, M. Wilson

**Absent:** Mayor A. Horwath - Personal

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

**1. Hamilton's Foreign Direct Investment (FDI) Attraction Strategy (PED23033)  
(City Wide) (Item 8.1)**

**(Spadafora/Tadeson)**

That Report PED23033, respecting Hamilton's Foreign Direct Investment (FDI) Attraction Strategy, be received.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**2. 2023 Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (City Wide) (Added Item 8.2)**

**(Danko/Francis)**

- (a) That, in addition to the various Climate Change related initiatives already contained within the 2023 workplans of multiple Divisions across the Corporation, the Priority Focus Areas for 2023 for the newly-created Office of Climate Change Initiatives, as summarized in Report PED23064 be received;
- (b) That the General Manager of Planning and Economic Development be authorized to approve expenditures up to \$250,000 from the Climate Change Reserve to fund projects and initiatives that implement or advance the Office of Climate Change Initiatives Priority Focus Areas summarized in Report PED23064, or projects and initiatives that implement or advance the City of Hamilton's Climate Change Strategy adopted by Council on August 12, 2022 through GIC Report 22-016 ((CM22016 / PED22058(a) / HSC22030(a), and that the authorities within the Reserve Policy – Climate Change Reserve (Policy No. FPAP-RE-015) be amended accordingly; and,
- (c) That staff report back on progress toward each of the Office of Climate Change Initiatives Priority Focus Areas, including any funding commitments from the Climate Change Reserve as part of the annual Climate Change Strategy report.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Absent	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

**3. Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach (PED23084) (City Wide) (Added Item 8.3)**

**(Jackson/Kroetsch)**

- (a) That the following recommendations be referred to the Development Charges Stakeholders Sub-Committee for consideration:
- (i) That the City's new 2024 Development Charges (DC) By-law be prepared based on the 2031 growth forecast.
  - (ii) That, notwithstanding (i) above, the City's new 2024 Development Charges (DC) By-law may include growth allocations to facilitate DC considerations to 2041 / 2051 based on timing of completed Master Plan updates.
- (b) Pursuant to Procurement Policy #11 - Non-competitive Procurements, that Council approve the extension to Contract C11-05-17, for the provision of professional engineering consultant services required to complete the Water, Wastewater and Stormwater Master Plan, including an additional Development Charges (DC) By-law Update, for the upset limit of \$550,000, to be funded equally from capital project IDs #5141555264 (City Wide Water Master Plan), #5161555264 (City Wide Wastewater Master Plan) and #5181555422 (GRIDS 2 - Stormwater Master Plan), all which were approved to complete the proposed objective and with sufficient budget available to accommodate this purchase order increase, and that the General Manager, Public Works Department be authorized to negotiate, enter into and execute the extension and any ancillary documents required to give effect thereto with GM BluePlan Engineering Limited (GMBP), in a form satisfactory to the City Solicitor.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar

Yes - Ward 13 Councillor Alex Wilson  
 Yes - Ward 14 Councillor Mike Spadafora  
 Yes - Ward 15 Councillor Ted McMeekin

**4. Red Hill Valley Parkway Inquiry Update (LS19036(r) / PW23029) (City Wide)  
(Added Item 8.4)**

**(Kroetsch/Francis)**

That Report LS19036(r) / PW23029, respecting the Red Hill Valley Parkway Inquiry Update, be received.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent - Mayor Andrea Horwath  
 Yes - Ward 1 Councillor Maureen Wilson  
 Yes - Ward 2 Councillor Cameron Kroetsch  
 Yes - Ward 3 Councillor Nrinder Nann  
 Yes - Ward 4 Councillor Tammy Hwang  
 Yes - Ward 5 Councillor Matt Francis  
 Yes - Ward 6 Councillor Tom Jackson  
 Absent - Ward 7 Councillor Esther Pauls  
 Yes - Ward 8 Councillor J. P. Danko  
 Yes - Ward 9 Councillor Brad Clark  
 Yes - Ward 10 Councillor Jeff Beattie  
 Yes - Ward 11 Councillor Mark Tadeson  
 Yes - Ward 12 Councillor Craig Cassar  
 Yes - Ward 13 Councillor Alex Wilson  
 Yes - Ward 14 Councillor Mike Spadafora  
 Yes - Ward 15 Councillor Ted McMeekin

**5. Locke Street Business Improvement Area (BIA) Revised Board of Management (PED23060) (Ward 1) (Item 9.1)**

**(Kroetsch/A. Wilson)**

That the following individuals be appointed to the Locke Street Business Improvement Area (BIA) Board of Management for the 2022-2026 term:

- (a) Bettina Schormann, Earth to Table: Bread Bar;
- (b) Brandon Stanicak, West Town Bar & Grill;
- (c) Steve Knight, Jewellery Judge;
- (d) Robyn Allen, Nest;
- (e) Alex Hobcraft, Footprints Music;
- (f) Rachael Amy Shay, Community Rep;
- (g) Dao Nguyen, Modern Design Studio;
- (h) Andrew Webster, Webster Financial;
- (i) Dwayne Cline, Vintage Charm.

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

Absent	-	Mayor Andrea Horwath
Absent	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Absent	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**6. Media Accreditation Review Terms of Reference (CM23008(a)) (City Wide)  
(Outstanding Business List) (Item 10.1)**

**(Kroetsch/A. Wilson)**

That a third-party review process for the proposed media accreditation policy, attached as Appendix "A" to Report CM23008(a), be approved, with funding up to \$15,000, to be funded from Dept ID 310031.

**Result: MOTION, CARRIED by a vote of 11 to 2, as follows:**

Absent	-	Mayor Andrea Horwath
No	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Absent	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
No	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**7. Locke Street Business Improvement Area (BIA) Proposed Budget and Schedule of Payment (PED23061) (Ward 1) (Item 10.2)**

**(M. Wilson/A. Wilson)**

- (a) That the 2023 Operating Budget for the Locke Street Business Improvement Area, attached as Appendix "A" to Report PED23061, in the amount of \$97,725 be approved;
- (b) That the levy portion of the Operating Budget for the Locke Street Business Improvement Area (BIA) in the amount of \$36,225 be approved;
- (c) That the General Manager of Finance and Corporate Services be hereby authorized and directed to prepare the requisite By-law pursuant to Section 208, The Municipal Act, 2001, to levy the 2023 Budget as referenced in Recommendation of Report PED23061;
- (d) That the following schedule of payments for 2023 Operating Budget for the Locke Street Business Improvement Area (BIA) be approved:
  - (i) February \$18,112.50
  - (ii) June \$18,112.50

Note: Assessment appeals may be deducted from the levy payments.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Absent	-	Ward 2 Councillor Cameron Kroetsch
Absent	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**8. Green and Inclusive Community Buildings Program Intake 2 (FCS21055(a))  
(City Wide) (Item 10.3)****(Spadafora/Hwang)**

- (a) That the General Manager, Finance and Corporate Services, and the General Manager, Public Works, be authorized to delegate the appropriate person to be duly authorized to submit all necessary documentation to support the City of Hamilton's application, attached as Appendix "A" to Report FCS21055(a), for the Green and Inclusive Community Buildings Program Intake 2;
- (b) That the Mayor and City Clerk be authorized to execute all necessary documentation, including Funding Agreements, to receive funding under the Green and inclusive Community Buildings Program Intake 2 with content satisfactory to the General Manager, Finance and Corporate Services, and in a form satisfactory to the City Solicitor;
- (c) That the City Solicitor be authorized and directed to prepare any necessary by laws for Council approval, for the purpose of giving effect to the City's acceptance of funding from the Green and Inclusive Community Buildings Program Intake 2;
- (d) That the City's contribution to the Green and Inclusive Community Buildings Program Intake 2 funded from the City's Unallocated Capital Levy Reserve (108020), Library Reserves (106008) and Development Charge Reserves (110322, 110323), as identified in Appendix "A" to Report FCS21055(a), be approved;
- (e) That, should the project submission for the Green and Inclusive Community Buildings Program Intake 2 be unsuccessful, the remaining funds be requested through the budget process or in year approval process;
- (f) That the General Manager, Public Works, be authorized to negotiate, enter into and execute a contract and any ancillary documents required to begin the detailed design of the Mount Hope Library Renovation / Expansion (7502141101) in a form satisfactory to the City Solicitor;
- (g) That copies of Report FCS21055(a) be forwarded to local Members of Parliament;
- (h) That the City Manager, General Manager of Finance and Corporate Services, General Manager of Public Works, General Manager of Planning and Economic Development and General Manager of Healthy and Safe Communities be authorized to delegate the appropriate person to be duly authorized to submit all necessary documentation to support the City of Hamilton's application in Federal Government and Provincial Government grant funding programs.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**9. City of Hamilton Property Tax Increases due to Ontario Legislative Changes (FCS23039) (City Wide) (Outstanding Business List Item) (Item 10.4)**

**(Danko/McMeekin)**

- (a) That staff be directed to review the costs related to legislative changes such as, but not limited to, Bill 108, More Homes, More Choice Act, 2019, Bill 109, More Homes for Everyone Act, 2022 and Bill 23, the More Homes Built Faster Act, 2022, beginning with the 2023 taxation year and update the following, as required:
- (i) The “Provincially Shared Programs” line item of the property tax bill;
  - (ii) The property tax brochure to include information on the impacts;
- (b) That staff be directed to review the feasibility of identifying the costs related to legislative changes as a separate line item on the property tax bill for the 2024 taxation year.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis

Yes	-	Ward 6	Councillor Tom Jackson
Absent	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

**10. Advisory Committee for Persons with Disabilities (ACPD) Report 23-003  
(Added Item 10.5)**

**(Tadeson/A. Wilson)**

**(a) Reimbursement for the Purchase of Flowers for Condolences on  
behalf of the Advisory Committee for Persons with Disabilities (Item  
12.1)**

That reimbursement to Aznive Mallett for purchasing flowers for  
condolences on behalf of the Advisory Committee for Persons with  
Disabilities, be approved as follows:

- (i) \$101.63, including HST, attached as Appendix "A" to ACPD Report  
23-003, from Crescent Gardens Floral Ltd., Ridgeway, ON; and
- (ii) \$126.50, including HST, attached as Appendix "B" to ACPD Report  
23-003, from Fascination Flowers, Hamilton, ON.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**11. Stairs at Grant Boulevard, Hamilton (Ward 13) (Item 11.1)**

**(A. Wilson/M. Wilson)**

WHEREAS, historically residents living in the University Gardens Neighbourhood accessed the trail system, parking lot and active transportation routes to McMaster University via a set of stairs on Hamilton Conservation Authority Lands at Grant Boulevard;

WHEREAS, the Hamilton Conservation Authority, in their review of the stairs determined that the stairs were in poor condition and unsafe, and therefore removed the stairs and upgraded the trail to provide an alternative route in the area;

WHEREAS, residents of the neighbourhood desire the stairs to be reinstated as the shortest route to the paths connecting to McMaster University;

WHEREAS, the land on which the stairs were constructed is owned by the Hamilton Conservation Authority; and

WHEREAS, the provision of active transportation routes provides benefit to the city by encouraging residents to walk or bike to their destination, reducing greenhouse gas emissions, and increasing health and wellness.

THEREFORE, BE IT RESOLVED:

- (a) That Corporate Real Estate Office staff be authorized and directed to negotiate the requisite agreement(s) between the City and the Hamilton Conservation Authority (HCA) to permit the City to design, construct and maintain a new set of stairs on HCA property located at the end of Grant Boulevard, and report back to General Issues Committee for approval; and,
- (b) That Public Works staff be directed to determine the budget and work required to design, construct (capital) and maintain (operating) a new set of stairs on Hamilton Conservation Authority property located at the end of Grant Boulevard, and report back to General Issues Committee for approval.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis

Yes	-	Ward 6	Councillor Tom Jackson
Absent	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

**12. Securing Canada's \$1 Billion Investment in a Strengthened Freshwater Action Plan (Item 11.2)**

**(A. Wilson/Nann)**

WHEREAS, the City of Hamilton, as a member of the Great Lakes and St. Lawrence Cities Initiative, supports: protecting source water, planning for climate change impacts and shoreline resilience, ensuring safe and affordable water services for all our residents, and building up a sustainable blue economy in the Great Lakes and St. Lawrence River Basin;

WHEREAS, ensuring healthy communities and a strong economy for Canadians depend on securing Canada's source water, which includes addressing water quality issues, contaminants and pollution, supporting biodiversity and reversing wetland and fish and wildlife habitat loss and improving community knowledge to empower citizens to safeguard this essential resource;

WHEREAS, a Freshwater Action Plan and the Great Lakes Protection Initiative it supported were first announced in the 2017 Canadian federal budget with a \$44.84 million investment over five years;

WHEREAS, the Freshwater Action Plan has combined science and action to address priorities in the Great Lakes such as preventing toxic and nuisance algae, enhancing the resilience of coastal wetlands in the Great Lakes, restoring Great Lakes Areas of Concern and supporting Canada's commitments under the Great Lakes Water Quality Agreement, among other priorities;

WHEREAS, a commitment was made by the Liberal Party of Canada in the 2021 federal election to strengthen the Freshwater Action Plan with an historic investment of \$1 billion over ten years to restore and protect large lakes and river systems starting with the Great Lakes and St. Lawrence River Basin;

WHEREAS, to-date the federal government has only committed \$19.6 million in funding in the 2022 Budget and \$650 million over 10 years in the 2023 Budget, for the Freshwater Action Plan, falling short of the aforementioned commitment.

WHEREAS, the United States has invested \$1.8 billion in the Great Lakes Restoration Initiative (GLRI) since 2017 and will see accelerated funding with the *Infrastructure Investment and Jobs Act*;

WHEREAS, a 2018 University of Michigan study shows that for every dollar of federal spending on GLRI projects between 2010 and 2016, yielded \$3.35 in additional economic activity;

WHEREAS, nearly half of Canada's population lives in the Great Lakes and St. Lawrence River Basin, a region that will continue to see accelerated growth, resulting in greater land and resource use pressures that will further contribute to water availability and quality issues;

WHEREAS, the Stockholm Resilience Centre recently identified the importance of wetlands as carbon sinks and fresh water's role in climate mitigation;

WHEREAS, the Great Lakes-St. Lawrence Collaborative outlined 30 recommendations to Environment and Climate Change Canada as part of a ten-year, \$2.2 billion *Action Plan 2020-2030 to protect the Great Lakes and St. Lawrence* (Action Plan 2020-2030), addressing shoreline erosion, outdated infrastructure, invasive species, exposure to toxins and beach contamination, following an 18-month consultation with First Nations, NGOs, academics and other experts;

WHEREAS, the recommendations outlined in Action Plan 2020-2030 should serve as the basis of programming for strengthened federal action in the Great Lakes and St. Lawrence River Basin through its strengthened Freshwater Action Plan;

WHEREAS, the newly established Canada Water Agency should play a role in accelerating the rollout of funding made available through a strengthened Freshwater Action Plan;

WHEREAS, Freshwater Action Plan funding should largely be directed to community groups, local governments and First Nations to ensure that investments made will have the biggest local impact and empower action at the local level, rather than being held back for federal administration and operations;

WHEREAS, it is critical to implement a strengthened Freshwater Action Plan, including accelerating \$1 billion in funding over five years, and to create a Canada Water Agency to consolidate and coordinate federal water efforts and support provinces and territories in addressing systemic issues impacting the viability of the Great Lakes and St. Lawrence River Basin and the communities dependent upon the region's source water;

THEREFORE, BE IT RESOLVED:

- (a) That the City of Hamilton calls on the federal government to commit \$1 billion in funding over five years for a strengthened Freshwater Action Plan;
- (b) That the City of Hamilton calls on the federal government to guide its Freshwater Action Plan funding to implement recommendations in the Action Plan 2020-2030;
- (c) That the City of Hamilton calls on the federal government to direct priority funding under the strengthened Freshwater Action Plan to projects in the Great Lakes and St. Lawrence River Basin;
- (d) That the City of Hamilton calls on the federal government to make municipalities eligible for future funding in programs announced under the strengthened Freshwater Action Plan; and,
- (e) That the City of Hamilton directs its staff to submit this resolution to the federal Deputy Prime-Minister and Minister of Finance; the Minister of Environment and Climate Change; the Parliamentary Secretary to the Minister of Environment and Climate Change (responsible for the Canada Water Agency), local Member of Parliaments, to the Federation of Canadian Municipalities (FCM) and the Association of Municipalities of Ontario (AMO).

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**13. Proposed Settlement of Appeals by 2362302 Ontario Inc. of City of Hamilton Development Charge By-law Nos. 19-141 and 19-142 (LS23004 / FCS23012 / PED23077) (City Wide) (Item 14.2)**

**(Cassar/Danko)**

- (a) That the direction provided to staff in Closed Session, respecting Report LS23004 / FCS23012 / PED23077, Proposed Settlement of Appeals by 2362302 Ontario Inc. of City of Hamilton Development Charge By-law Nos. 19-141 and 19-142 (LS23004 / FCS23012 / PED23077) (City Wide), be approved; and
- (b) That Report LS23004 / FCS23012 / PED23077, Proposed Settlement of Appeals by 2362302 Ontario Inc. of City of Hamilton Development Charge By-law Nos. 19-141 and 19-142 (LS23004 / FCS23012 / PED23077) (City Wide) including the appendices, remain confidential.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Absent	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

**14. National Steel Car Litigation Update (LS23019) (City Wide) (Item 14.3)**

**(Hwang/Tadeson)**

That Report LS23019, respecting the National Steel Car Litigation Update, be received and remain confidential.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch

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Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Absent	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Absent	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Absent	-	Ward 14	Councillor Mike Spadafora
Absent	-	Ward 15	Councillor Ted McMeekin

**15. Red Hill Valley Parkway Inquiry Update (LS19036(s)) (City Wide) (Added Item 14.4)**

**(Tadeson/Beattie)**

That Report LS19036(s), respecting the Red Hill Valley Parkway Inquiry Update, be received and remain confidential.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Absent	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

**FOR INFORMATION:**

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

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

**5. COMMUNICATIONS**

- 5.1 Correspondence from Caroline Hill Smith, Action 13 Member, respecting endorsement of Report PED23064 to establish priorities for the Office of Climate Change Initiatives

Recommendation: Be received and referred to consideration of Item 8.2.

- 5.2 Correspondence from Richard Koroscil, Chair and Zoe Green, Manager, Bay Area Climate Change Council, respecting support for the 2023 Priority Focus Areas of the Office of Climate Change Initiatives (PED23064)

Recommendation: Be received and referred to consideration of Item 8.2.

**6. DELEGATION REQUESTS**

- 6.3 Charlie Mattina, Hamilton Community Land Trust, respecting an introduction to the Hamilton Community Land Trust, a grass roots all volunteer Non-for-profit community organization (In-Person) (For a future meeting)
- 6.4 Don McLean, respecting Item 8.2 - Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (Virtually) (For today's meeting)

**8. STAFF PRESENTATIONS**

- 8.2 2023 Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (City Wide)
- 8.3 Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach (PED23084) (City Wide)
- 8.4 Red Hill Valley Parkway Inquiry Update (LS19036(r) / PW23029) (City Wide)

**10. DISCUSSION ITEMS**

- 10.5 Advisory Committee for Persons with Disabilities (ACPD) Report 23-003

**12. NOTICES OF MOTION**

- 12.1 Investing in Beautiful Alleys (Ward 3)

**13. GENERAL INFORMATION / OTHER BUSINESS**

13.2 Vacant Home Tax Communication Update (No Copy)

**14. PRIVATE AND CONFIDENTIAL**

14.4 Red Hill Valley Parkway Inquiry Update (LS19036(s)) (City Wide)

**(Tadeson/Cassar)**

That the agenda for the April 5, 2023 General Issues Committee meeting, be approved, as amended.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Absent	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

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

There were no declarations of interest.

**(c) APPROVAL OF MINUTES OF PREVIOUS MEETINGS (Item 4)**

**(Hwang/Francis)**

That the following minutes of the General Issues Committee be approved, as presented:

- (i) March 22, 2023 (Item 4.1)
- (ii) March 24, 2023 – Special (Item 4.2)

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Absent	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**(d) COMMUNICATIONS (Item 5)**

**(Beattie/A. Wilson)**

That the Communications items, be approved, as follows:

- (i) Correspondence from Caroline Hill Smith, Action 13 Member, respecting endorsement of Report PED23064 to establish priorities for the Office of Climate Change Initiatives (Added Item 5.1)

Recommendation: Be received and referred to consideration of Item 8.2.

- (ii) Correspondence from Richard Koroscil, Chair and Zoe Green, Manager, Bay Area Climate Change Council, respecting support for the 2023 Priority Focus Areas of the Office of Climate Change Initiatives (PED23064) (Added Item 5.2)

Recommendation: Be received and referred to consideration of Item 8.2.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Absent	-	Ward 6 Councillor Tom Jackson

Yes	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Yes	-	Ward 15	Councillor Ted McMeekin

**(e) DELEGATION REQUESTS (Item 6)**

**(Hwang/Beattie)**

That the Delegation Requests, be approved, as follows:

- (i) Vic Djurdjevic, NikolaTesla Educational Corp, respecting permission to hold Tesla Electric City Festival and the Hamilton Museum of Steam and technology (In-Person) (For a future meeting) (Item 6.1)
- (ii) David Braden, respecting an approach that the City could adopt to respond to and encourage climate sensitive, demonstration projects (In-Person) (For a future meeting) (Item 6.2)
- (iii) Charlie Mattina, Hamilton Community Land Trust, respecting an introduction to the Hamilton Community Land Trust, a grass roots all volunteer Non-for-profit community organization (In-Person) (For a future meeting) (Added Item 6.3)
- (iv) Don McLean, respecting Item 8.2 - Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (Virtually) (For today's meeting) (Added Item 6.4)

**Result: MOTION, CARRIED by a vote of 15 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson

Yes - Ward 12 Councillor Craig Cassar  
 Yes - Ward 13 Councillor Alex Wilson  
 Yes - Ward 14 Councillor Mike Spadafora  
 Yes - Ward 15 Councillor Ted McMeekin

**(f) DELEGATIONS (Item 7)**

**(i) Hafeez Hussain, respecting Equity, Diversity and Inclusion and My Experience with the City of Hamilton (Virtually) (Item 7.1)**

Hafeez Hussain, addressed the Committee respecting Equity, Diversity and Inclusion and his experience with the City of Hamilton.

**(A. Wilson/Nann)**

That the Delegation from Hafeez Hussain, respecting Equity, Diversity and Inclusion and his experience with the City of Hamilton, be received.

**Result: MOTION, CARRIED by a vote of 15 to 0, as follows:**

Absent - Mayor Andrea Horwath  
 Yes - Ward 1 Councillor Maureen Wilson  
 Yes - Ward 2 Councillor Cameron Kroetsch  
 Yes - Ward 3 Councillor Nrinder Nann  
 Yes - Ward 4 Councillor Tammy Hwang  
 Yes - Ward 5 Councillor Matt Francis  
 Yes - Ward 6 Councillor Tom Jackson  
 Yes - Ward 7 Councillor Esther Pauls  
 Yes - Ward 8 Councillor J. P. Danko  
 Yes - Ward 9 Councillor Brad Clark  
 Yes - Ward 10 Councillor Jeff Beattie  
 Yes - Ward 11 Councillor Mark Tadeson  
 Yes - Ward 12 Councillor Craig Cassar  
 Yes - Ward 13 Councillor Alex Wilson  
 Yes - Ward 14 Councillor Mike Spadafora  
 Yes - Ward 15 Councillor Ted McMeekin

**(ii) Don McLean, respecting Item 8.2 - Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (Virtually) (Added Item 7.2)**

Don McLean, addressed the Committee respecting Item 8.2 - Priority Focus Areas for the Office of Climate Change Initiatives (PED23064).

**(Cassar/Tadeson)**

That the Delegation from Don McLean, respecting Item 8.2 - Priority Focus Areas for the Office of Climate Change Initiatives (PED23064), be received.

**Result: MOTION, CARRIED by a vote of 15 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**(g) STAFF PRESENTATIONS (Item 8)**

**(i) Hamilton's Foreign Direct Investment (FDI) Attraction Strategy (PED23033) (City Wide) (Item 8.1)**

Norm Schleeahn, Director of Economic Development introduced Clark Savolaine, KPMG; and Kevin McCaffery, KPMG who provided the presentation respecting Report PED23033, Hamilton's Foreign Direct Investment (FDI) Attraction Strategy.

**(Hwang/Cassar)**

That the presentation respecting Report PED23033, Hamilton's Foreign Direct Investment (FDI) Attraction Strategy, be received.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie

Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Absent	-	Ward 15	Councillor Ted McMeekin

For disposition of this matter, refer to Item 1.

**(Kroetsch/Cassar)**

That the General Issues Committee recess for 30 minutes until 12:40 pm.

**Result: MOTION, CARRIED by a vote of 13 to 1, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
No	-	Ward 6 Councillor Tom Jackson
Yes	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**(ii) 2023 Priority Focus Areas for the Office of Climate Change Initiatives (PED23064) (City Wide) (Added Item 8.2)**

Lynda Lukasik, Director, Office of Climate Change Initiatives provided the presentation respecting Report PED23064, 2023 Priority Focus Areas for the Office of Climate Change Initiatives.

**(Cassar/Francis)**

That the staff presentation respecting Report PED23064, 2023 Priority Focus Areas for the Office of Climate Change Initiatives, be received.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch

Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Yes	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Yes	-	Ward 14	Councillor Mike Spadafora
Absent	-	Ward 15	Councillor Ted McMeekin

For disposition of this matter, refer to Item 2.

**(iii) Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach (PED23084) (City Wide) (Added Item 8.3)**

Heather Travis, Manager, Staging of Development and Legislative Approvals provided the presentation respecting Report PED23084, Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach.

**(McMeekin/Jackson)**

That the staff presentation respecting Report PED23084, Corporate Strategic Growth Initiatives (CSGI) – Master Plan Updates and Development Charge By-law Approach, be received.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath	
Yes	-	Ward 1	Councillor Maureen Wilson
Yes	-	Ward 2	Councillor Cameron Kroetsch
Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Yes	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Absent	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson

Yes - Ward 14 Councillor Mike Spadafora  
Yes - Ward 15 Councillor Ted McMeekin

For disposition of this matter, refer to Item 3.

**(iv) Red Hill Valley Parkway Inquiry Update (LS19036(r) / PW23029) (City Wide) (Added Item 8.4)**

Lisa Shield, City Solicitor introduced Legal Consultants Eli Lederman, Jonathan Chen, and Delna Contractor, from Leczner Slaght LLP; who provided the presentation respecting Report LS19036(r) / PW23029, Red Hill Valley Parkway Inquiry Update.

**(Tadeson/Cassar)**

That the presentation respecting Report LS19036(r) / PW23029, Red Hill Valley Parkway Inquiry Update, be received.

**Result: MOTION, CARRIED by a vote of 14 to 0, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

For disposition of this matter, refer to Item 4.

**(h) CONSENT ITEMS (Item 9)**

**(i) Business Improvement Advisory (BIA) Sub-Committee Minutes – February 14, 2023 (Item 9.2)**

**(A. Wilson/Kroetsch)**

That the Business Improvement Advisory (BIA) Sub-Committee Minutes of February 14, 2023, be received.

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

Absent	-	Mayor Andrea Horwath
Absent	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Yes	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Absent	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Yes	-	Ward 15 Councillor Ted McMeekin

**(i) NOTICES OF MOTION (Item 12)**

**(i) Investing in Beautiful Alleys (Ward 3) (Added Item 12.1)**

Councillor Nann withdrew her Notice of Motion and will present it as a Motion at Council.

**(j) GENERAL INFORMATION / OTHER BUSINESS (Item 13)**

**(i) Amendments to the Outstanding Business List: (Item 13.1)**

**(A. Wilson/Spadafora)**

That the Amendments to the Outstanding Business List, be approved, as follows:

**(a) Items Requiring a New Due Date: (Item 13.1(a))**

Encampment Pilot Evaluation (HSC20038(e) / PED21188(b)) (City Wide)

OBL Item: 2023-E

Current Due Date: April 20, 2023

Proposed New Due Date: May 2023

Hamilton Region Decarbonization Hub

OBL Item: II

Current Due Date: April 19, 2023

Proposed New Due Date: May 2023

**(b) Items Considered Complete and Needing to be Removed: (Item 13.1(b))**

City of Hamilton Property Tax Bill Increases Due to Ontario  
Legislative Changes  
OBL Item: 2023-J  
Added: February 15, 2023 at GIC (Item 11.2)  
Completed: April 5, 2023 at GIC (Item 10.5)

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Yes	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

**(ii) Vacant Home Tax Communication Update (No Copy) (Added Item 13.2)**

Janette Smith, City Manager provided the Committee with information on the Vacant Home Tax Communication Update.

**(Nann/Cassar)**

That the General Issues Committee meeting of April 5, 2023, be extended past the 5:30 pm curfew, up to an additional 90 minutes.

**Result: MOTION, CARRIED by a vote of 10 to 1, as follows:**

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson

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Absent	-	Ward 7	Councillor Esther Pauls
No	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Absent	-	Ward 14	Councillor Mike Spadafora
Absent	-	Ward 15	Councillor Ted McMeekin

**(Nann/Kroetsch)**

That the information provided by staff on the Vacant Home Tax Communication Update, be received.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Absent	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

**(k) PRIVATE & CONFIDENTIAL (Item 14)**

**(i) Closed Session Minutes – March 22, 2023 (Item 14.1)**

**(Tadeson/Cassar)**

That the General Issues Committee Closed Session Minutes of February 15, 2023, be approved and remain confidential.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch

**General Issues Committee  
Minutes 23-012**

**April 5, 2023  
Page 28 of 30**

Yes	-	Ward 3	Councillor Nrinder Nann
Yes	-	Ward 4	Councillor Tammy Hwang
Absent	-	Ward 5	Councillor Matt Francis
Yes	-	Ward 6	Councillor Tom Jackson
Absent	-	Ward 7	Councillor Esther Pauls
Yes	-	Ward 8	Councillor J. P. Danko
Yes	-	Ward 9	Councillor Brad Clark
Yes	-	Ward 10	Councillor Jeff Beattie
Yes	-	Ward 11	Councillor Mark Tadeson
Yes	-	Ward 12	Councillor Craig Cassar
Yes	-	Ward 13	Councillor Alex Wilson
Absent	-	Ward 14	Councillor Mike Spadafora
Absent	-	Ward 15	Councillor Ted McMeekin

**(Tadeson/Cassar)**

That Committee move into Closed Session to discuss Items 14.2, 14.3 and 14.4, pursuant to Section 9.3, Sub-sections (e), (f), (i) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-sections (e), (f), (i) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matters pertain to litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization; and, a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson

Absent - Ward 14 Councillor Mike Spadafora  
Absent - Ward 15 Councillor Ted McMeekin

**(ii) Proposed Settlement of Appeals by 2362302 Ontario Inc. of City of Hamilton Development Charge By-law Nos. 19-141 and 19-142 (LS23004 / FCS23012 / PED23077) (City Wide) (Item 14.2)**

For disposition of this matter, please refer to Item 13.

**(iii) National Steel Car Litigation Update (LS23019) (City Wide) (Item 14.3)**

For disposition of this matter, please refer to Item 14.

**(iv) Red Hill Valley Parkway Inquiry Update (LS19036(s)) (City Wide) (Added Item 14.4)**

For disposition of this matter, please refer to Item 15.

**(I) ADJOURNMENT (Item 15)**

**(Kroetsch/Nann)**

That there being no further business, the General Issues Committee be adjourned at 7:15 p.m.

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

Absent	-	Mayor Andrea Horwath
Yes	-	Ward 1 Councillor Maureen Wilson
Yes	-	Ward 2 Councillor Cameron Kroetsch
Yes	-	Ward 3 Councillor Nrinder Nann
Yes	-	Ward 4 Councillor Tammy Hwang
Absent	-	Ward 5 Councillor Matt Francis
Yes	-	Ward 6 Councillor Tom Jackson
Absent	-	Ward 7 Councillor Esther Pauls
Yes	-	Ward 8 Councillor J. P. Danko
Yes	-	Ward 9 Councillor Brad Clark
Yes	-	Ward 10 Councillor Jeff Beattie
Yes	-	Ward 11 Councillor Mark Tadeson
Yes	-	Ward 12 Councillor Craig Cassar
Yes	-	Ward 13 Councillor Alex Wilson
Absent	-	Ward 14 Councillor Mike Spadafora
Absent	-	Ward 15 Councillor Ted McMeekin

Respectfully submitted,

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Deputy Mayor Brad Clark  
Chair, General Issues Committee

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Angela McRae  
Legislative Coordinator  
Office of the City Clerk

Submitted on Mon, 04/03/2023 - 16:23

Submitted by: Anonymous

Submitted values are:

## Committee Requested

Committee  
General Issues Committee

Will you be delegating in-person or virtually?  
In-person

Will you be delegating via a pre-recorded video?  
No

## Requestor Information

Requestor Information  
Michelle Diplock  
West End Home Builders Association  
1112 Rymal Road East  
Hamilton, ON. L8W 3N7  
[michelle@westendhba.ca](mailto:michelle@westendhba.ca)

Preferred Pronoun  
she/her

Reason(s) for delegation request  
WE HBA would like to delegate to the General Issues Committee in support of the City's ERASE Grant program. Michelle will be joined by WE HBA's CEO Michael Collins-Williams for the presentation and any questions from Council.

Will you be requesting funds from the City?  
No

Will you be submitting a formal presentation?  
Yes



# In support of the ERASE Program

---

April 19, 2023

## **WE HBA contributes**

- 23000+ jobs
  - \$ 1.6 billion in wages
  - \$ 3.2 billion in investment value
- to the local economy.\***

\*From CHBA report Residential Construction in Canada: Economic Performance Review 2021 with 2022 Insights

# WE HBA Timeline of Involvement

November  
22nd, 2022

- WE HBA attended the Virtual Public Workshop that included City of Hamilton staff and industry professionals to discuss the future of the program. There was overwhelming support for the City to continue with and build upon the ERASE Program.

November –  
February 2023

- WE HBA created a working group of industry leaders and planners to review the City consultation materials and provide suggestions based on our collective expertise.

February 6,  
2023

- WE HBA collected this feedback and submitted a response to the consultation. The letter submitted supports Hamilton's continuation as a leader in the Brownfield Remediation space.

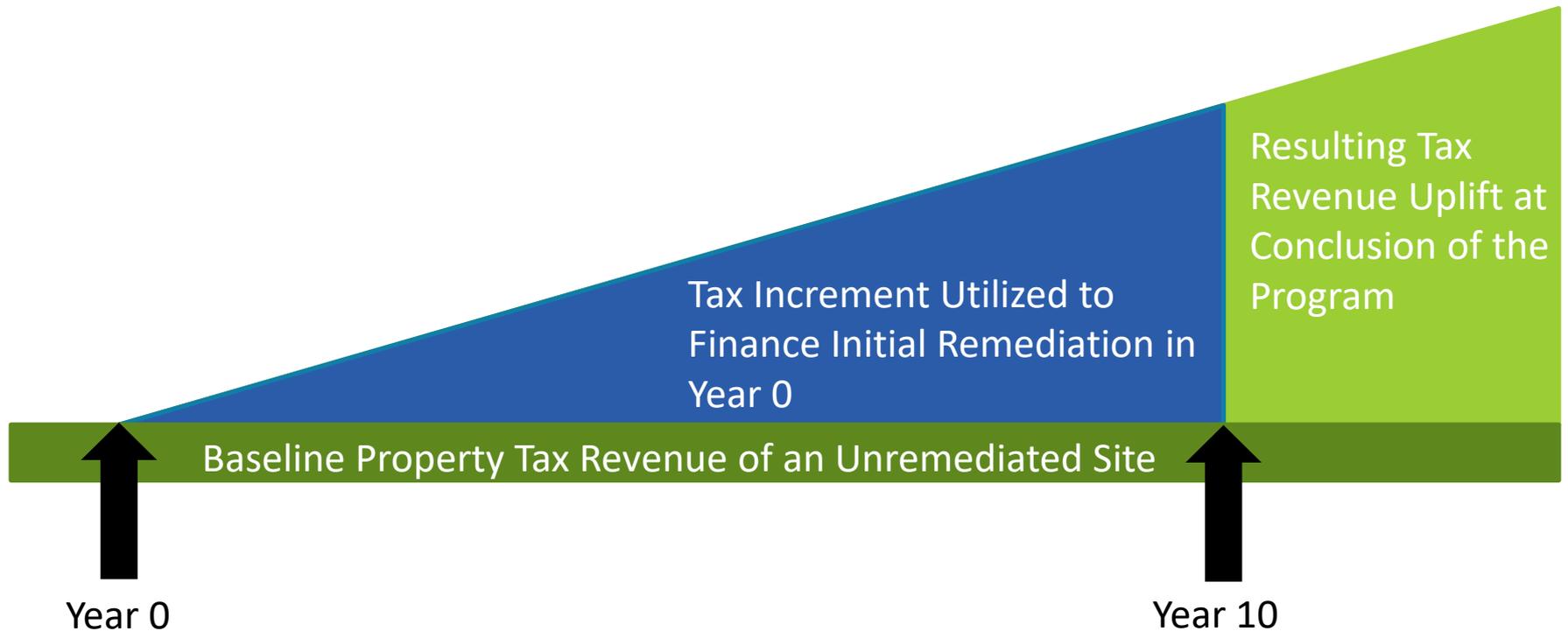
March 2023

- Over the course of March 2023, WE HBA reached out to members of Council to provide an overview of the industry perspective on the program and the benefits it provides our City with.

April 19, 2023

- Today, we are presenting to General Issues Committee in continued support for the program.

# Tax Increment Finance (TIF) 101



Together **WE** Build the Future

# WE HBA Industry Support for ERASE

- Hamilton has a significant industrial heritage, which has led Hamilton to be a leader in the environmental remediation space. We should continue to lead.
- The program provides environmental benefits including removing toxins from soil, which has spinoff benefits outside of each site itself.
- Achieves the City's objective for growth through intensification, and incents investment in Hamilton when costs to safely redevelop would otherwise be prohibitive.
- ERASE is critical to the future of intensification and growth of our City.



# The ERASE program:

- ✓ Helps Hamilton clean up and remediate contaminated land.
- ✓ Achieves the City's objective for more growth through intensification.
- ✓ Helped create 3,300 homes (so far) that would not have been possible otherwise.
- ✓ Has an ROI to the City of \$18 for every \$1 of financial assistance invested in the program.
- ✓ Creates \$11 million annually in new municipal tax revenue – and this number is growing!

Submitted on Wed, 03/22/2023 - 09:07

Submitted by: Anonymous

Submitted values are:

### **Committee Requested**

General Issues Committee

Will you be delegating in-person or virtually?

In-person

Will you be delegating via a pre-recorded video?

No

### **Requestor Information**

Vic Djurdjevic

Nikola Tesla Educational Corp

755 King St E

Hamilton , Ontario. L8M 1A4

vic.ntec@gmail.com

905-541-3469

Preferred Pronoun

he/him

Reason(s) for delegation request

Seek permission to hold Tesla Electric City Festival and the Hamilton Museum of Steam and technology

update on Public Art Project

General introduction to Current city council, provide overview of our work

Will you be requesting funds from the City?

No

Will you be submitting a formal presentation?

Yes



**Presentation to:  
City of Hamilton  
General Issue Committee**

**April 19, 2022  
Presenter: Vic Djurdjevic**



## Brief introduction

- NTEC moto is EI2I – Education will inspire which will lead to Innovation
- NTEC was formed in 2014 to bring Nikola Tesla to Hamilton
- 2015 – Council approved Nikola Tesla Blvd moto was “Put Tesla on the Map” because of the Tesla Connection to Hamilton’s become the “Electric City”
- 2016 – Nikola Tesla Boulevard became a reality though NTEC fundraising campaign that put “Hamilton On the World Map”



- NTEC Tesla Blvd fundraising exceeded goal and costs
- Excess funds went to awards and scholarship for students
- Hundreds of awards to Bay Area Science & Engineering Fair (BASEF)
- Hundreds more to Grade 8 – HWDSB
  - Every school with grade 8 receives the Nikola Tesla award
- 5 x \$10,000 scholarships at McMaster University



**ALL CURRENT FUND RAISING IS DEDICATED TO STUDENT AWARDS**



- **Bill 293 – Nikola Tesla Day Act passed by Ontario Legislature led by MPP Tom Rakocevic. NTEC was major backer of the bill and Hamilton’s History figured very prominently in the Legislature**

## **Coming up**

- **Awards to Schools**
- **Wine and Cheese**
- **July 10<sup>th</sup> – Nikola Tesla Day**
- **2023 Tesla Electric City Festival**
- **Later this year Public Art Project to be installed and dedicated**



# Public Art Project Hamilton the Electric City, Nikola Tesla & the Five Johns

<https://www.hamilton.ca/things-do/arts-music/public-art/hamilton-electric-city-public-art-project>



## Brief hiccup here

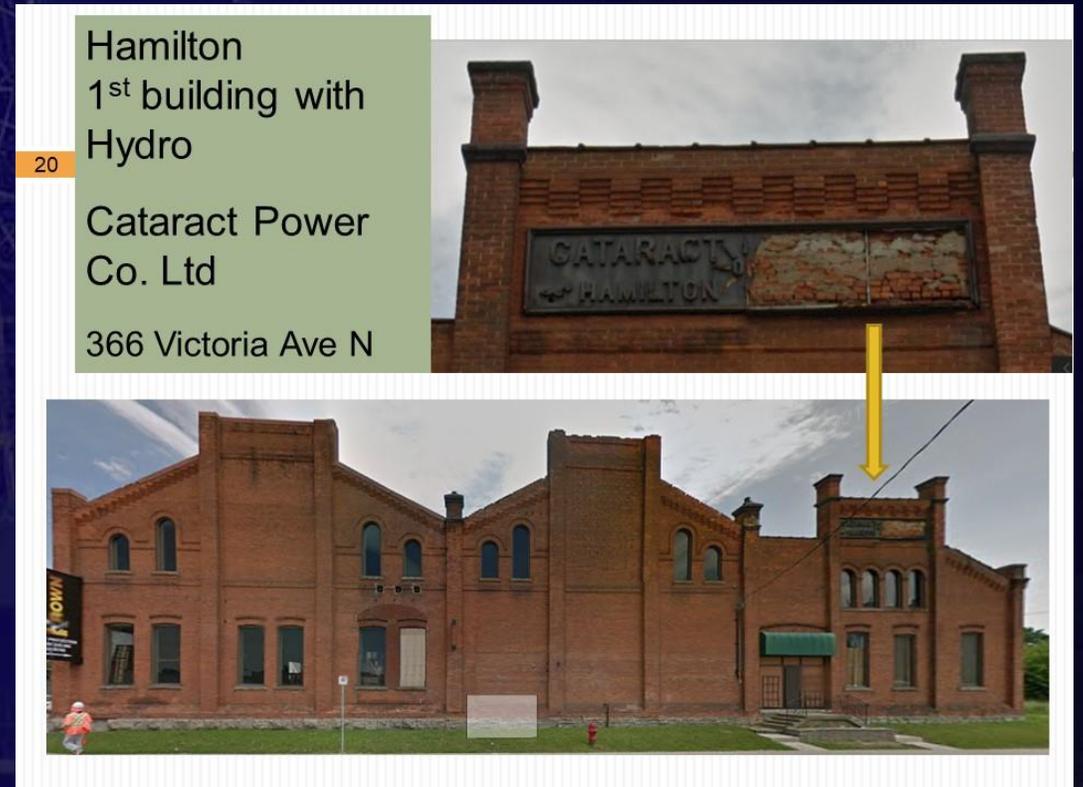
- NTEC felt that the Project would miss the mark on telling the three elements of the story
  - Nikola Tesla
  - Hamilton the Electric City
  - The Five Johns

Issue resolved, agreement reached with staff.



- NTEC is planning a Wine & Cheese to announce the winner of the Public Art project at the Cataract Building (1<sup>st</sup> Building in Hamilton to have AC Electricity.

**(Tentative June TBD, 2023)**





## Planning to hold a Dedication of Public Art on site

- target date **November 12<sup>th</sup>, 2023**, on the 125<sup>th</sup> Anniversary of the opening of Decew I Power Generating station that send power to Hamilton





July 10<sup>th</sup> , 2023

**NIKOLA TESLA DAY**



July 10<sup>th</sup> , 2022

**NIKOLA TESLA DAY**

on Eve of the day, NTEC would like to bring a Tesla Coil in front of City hall to demonstrate the spectacular power and light show

# POWER TURNED ON

Cataract Company's Powerful Machinery  
Set in Motion at Decew's Falls  
Yesterday Afternoon.

The Current Reaches Hamilton and  
Makes Things Lively at the  
Sub-Station.

Volts, Numbering 22,000, Are Converted  
to 2,400 Volts—The Start Was  
Most Successful.

Yesterday was an important day for the directors of the Cataract Power company. It marked the near completion of the company's plans for supplying city business men with power for their works and factories. Out at Decew's falls—33 miles away—were gathered representatives of the company and Manager Leyden, and the big ma-

chinery was set in motion without a hitch. The water from the Welland canal was turned into the penstock, and 200 feet below the big turbines revolved and set the generators in motion to turn out electrical power and send it along the wires to Hamilton.

At the city end—in the sub-station on Victoria avenue north—yesterday afternoon were waiting a small party of interested citizens, among them John Patterson, J. Moodie and J. Moodie, Jr. At 4 o'clock the power flowed into the two transformers and a 30 horse power motor, giving ample indication that the work so far was a success. From 4 to 10 o'clock the power continued, the visible evidence, besides the motor, being an immense star inside and a maple leaf outside the building, both in incandescent lamps, and an arc lamp.

The power being brought from the generating station is 22,000 volts, the highest potential known in Canada. By means of the two transformers this is reduced to 2,400 volts for city use. When all the connections are complete the power will be carried from the transformers along ducts in the floor of the station, through which air is blown by a fan. From there it will be carried to the wires, and into the premises of those who have purchased power. The company's biggest customer is the Hamilton Electric Light and Power company, and the Cataract managers will get their lines into the works as soon as possible. They hope to have everything in working order within a few weeks.

The power at the Victoria avenue station will be turned on again this afternoon.

It is intended to have a formal opening of the works as soon as things have been fixed up in ship-shape order.

Source:

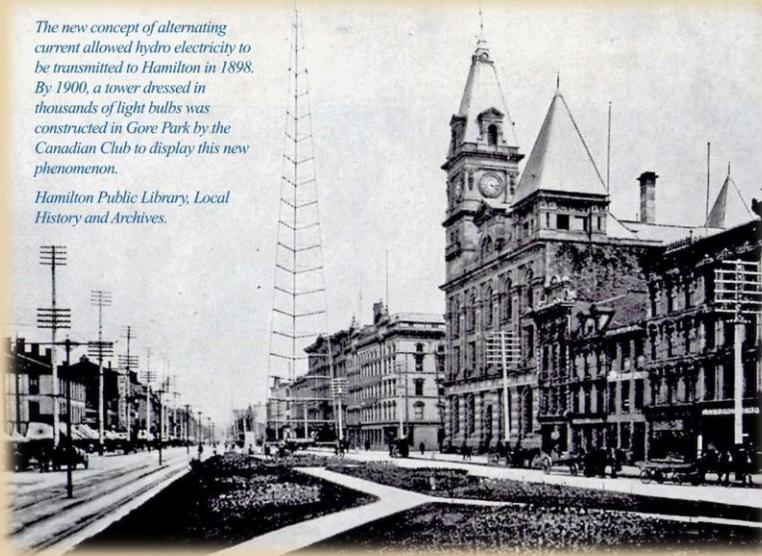
Hamilton Spectator  
August 26, 1898

# HAMILTON: THE ELECTRIC CITY

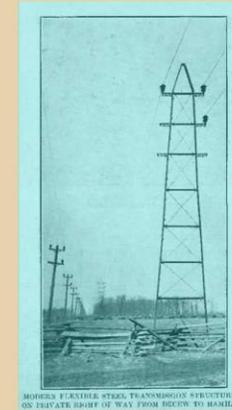


*The new concept of alternating current allowed hydro electricity to be transmitted to Hamilton in 1898. By 1900, a tower dressed in thousands of light bulbs was constructed in Gore Park by the Canadian Club to display this new phenomenon.*

*Hamilton Public Library, Local History and Archives.*



From the beginning of the 19th century, settlers were attracted to this region by the power of water cascading over the Niagara Escarpment. But it was not until 1896 that five Hamilton businessmen known as "The Five Johns" (John Dickenson, John Gibson, John Moodie Sr., John Patterson and John Sutherland), had the foresight and courage to invest in the new concept of hydro-electric generation and transmission. Backed by the economic strength of the Bank of Hamilton and technical advice from the Royal Electric Company, they formed the Cataract Power Company. With water drawn from the Welland Canal, inexpensive hydro-electric power was generated at DeCew Falls and transmitted 27 miles (43 kilometres), an unheard of distance, to a power sub-station on Victoria Avenue. Thus, Hamilton became the foremost electrified city in Canada and achieved world leadership in electrical power development.



[www.archives.org](http://www.archives.org)



*Hamilton Terminal Station, Hamilton, Ontario*

*Postcard ca. 1907 showing artist's conception of proposed Hamilton Terminal Station. The glass-covered bay area to the left of the building was never built. [www.hamiltonpostcards.com](http://www.hamiltonpostcards.com)*

The Cataract Power Company evolved into the Dominion Power and Transmission Company in 1907 with head offices at the Hamilton Terminal Building (seen at left), which became the hub of one of the country's most extensive interurban electric railway systems offering service to Brantford, Dundas, Oakville and Grimsby. The horse-drawn Hamilton Street Railway was one of the first to adopt electricity.

A port city like Hamilton with major railways, combined with abundant electrical power, attracted many new manufacturers such as Westinghouse, Otis Elevator and numerous cotton/clothing companies. Hamilton was dubbed the "Manchester of Canada". True to the vision of its electrical entrepreneurs, the city's population and economy expanded dramatically. As a symbol of that growth and prestige, a 100 foot (30.4 metre) lighted tower was constructed in Gore Park (1900 - 1923), inspired by the Eiffel Tower of the 1889 Paris World Fair.



Hamilton Historical Board  
City of Hamilton  
2013





**August 25, 2023**

**125 Anniversary of the Arrival  
of Power to Hamilton**

**Let Celebrate this occasion**



**The Tesla Electric City Festival**  
**Sunday September 24, 2023**  
**Hamilton Museum of Steam & Technology**

# TESLA ELECTRIC CITY FESTIVAL



FEATURE:  
TESLA SCIENCE FAIR

HAMILTON MUSEUM OF  
STEAM & TECHNOLOGY



900 WOODWARD AVE.

HISTORY • INVENTION • INNOVATION • FUN • FOOD • LIVE ENTERTAINMENT • MARKET PLACE • MAKERS • DEMONSTRATORS



# The Tesla Electric City Festival





**The Tesla Electric City Festival**

**Sunday September 24, 2023**

**Hamilton Museum of Steam & Technology**

**Request :**

**Council approval for the use of the facility**



**None of this would have been  
possible with out the dedication  
of this City Council**

**Thank You for your support**



## Ask of City council

1. Approve the use of Hamilton Museum of Steam and Technology – Sept 24, 2023 for the Tesla Electric City Festival
2. Request Tourism to participate and promote the Celebration of the 125<sup>th</sup> Anniversary of Hamilton as the Electric City
3. Authorization for Tesla Coil Display in front of City Hall July 9<sup>th</sup>, 2023 at dusk



**CITY OF HAMILTON**  
**HEALTHY AND SAFE COMMUNITIES DEPARTMENT**  
**Housing Services Division**  
**and**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Planning Division**  
**and**  
**FINANCE AND CORPORATE SERVICES DEPARTMENT**  
**Financial Planning, Administration and Policy Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	April 19, 2023
<b>SUBJECT/REPORT NO:</b>	Housing Sustainability and Investment Roadmap (HSC23028/FCS23055/PED23099) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	James O'Brien (905) 546-2424 Ext. 3728
<b>SUBMITTED BY:</b>	Angela Burden General Manager Healthy and Safe Communities Department
<b>SIGNATURE:</b>	
<b>SUBMITTED BY:</b>	Jason Thorne General Manager Planning and Economic Development Department
<b>SIGNATURE:</b>	
<b>SUBMITTED BY:</b>	Mike Zegarac General Manager Finance and Corporate Services Department
<b>SIGNATURE:</b>	

### RECOMMENDATIONS

- (a) That the Housing Sustainability and Investment Roadmap attached as Appendix "A" to Report HSC23028/FCS23055/PED23099 be approved in principle and that it be used to guide cross-departmental work related to affordable housing issues and the City's housing crisis; and,

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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: Housing Sustainability and Investment Roadmap (HSC23028/  
FCS23055/PED23099) (City Wide) - Page 2 of 15**

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- (b) That the City Manager be authorized and directed to establish an Affordable Housing Secretariat Division within the Healthy and Safe Communities Department to lead the implementation of the Housing Sustainability and Investment Roadmap and to work across departments and divisions to develop and recommend an annual program of work to be approved by Council each year and to report annually on progress; and,
- (c) That the Senior Leadership Team be directed to review resource requirements of the Roadmap in light of Term of Council Priorities and existing work underway across the corporation, and report back to Council in Q4 of 2023 with any recommended changes that would best resource, align and integrate the work of the Housing Sustainability and Investment Roadmap across the corporation; and,
- (d) That staff be directed to implement the Year 1 priority actions and workplan contained in Appendix “A” to Report HSC23028/FCS23055/PED23099 and/or any other actions that progress the work that do not require a change to policy or additional financial or other staffing resources; and,
- (e) That the Canadian Housing Evidence Collaborative report attached as Appendix “B” to Report HSC23028/ FCS23055/PED23099 be received and that the General Manager of the Healthy and Safe Communities Department be authorized to extend the length of original contract with the Canadian Housing Evidence Collaborative to 2025, not to exceed the original \$150 K committed through report HSC22042, funded from external sources first and any unfunded balance remaining be funded from the Human Service Integration Project ID 6502141100; and,
- (f) That the Affordable Housing Secretariat be directed to report back to Council in Q4 of 2023 on the proposed program of work for 2024, including required resources that would be included in the 2024 Budget, and to report back on the progress of work in the 2023 workplan; and,
- (g) That the Affordable Housing Secretariat report back in Q4 of 2023 on any required delegated authorities recommended to improve the effectiveness and efficiency with respect to executing on the annual program of work and Roadmap initiatives and,
- (h) That Council approve the allocation of up to \$1M from Homelessness Prevention Program to establish of a new Housing Benefit, aligned with Rent Geared to Income program, to be provided as a subsidy for up to 166 households per year at \$500/month/household and that this amount to be increased annually by the allowable rent increase guideline set by the Ministry of Municipal Affairs and Housing; and,

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**SUBJECT: Housing Sustainability and Investment Roadmap (HSC23028/  
FCS23055/PED23099) (City Wide) - Page 3 of 15**

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- (i) That staff be directed to communicate to Council on how the remaining balance of the Homelessness Prevention Program (HPP) funding will be applied in support of the Housing Sustainability Investment Roadmap (HSIR) and Housing and Homelessness Action Plan (HHAP) once final amounts are known and able to be publicly communicated
- (j) That Council approve retaining a consultant to conduct an asset rationalization of the City's social housing stock, up to an amount not to exceed the funding available through the Social Housing Transition Reserve, #112244.
- (k) That the General Manager of the Healthy and Safe Communities Department or their designate be directed and authorized, on behalf of the City of Hamilton, to enter into, execute and administer all agreements and documents necessary to implement the purchases and grants outlined above on terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department or their designate and in a form satisfactory to the City Solicitor.

### **EXECUTIVE SUMMARY**

The Housing Sustainability and Investment Roadmap is a “whole of Hamilton, whole of City government” approach designed to respond to new and growing pressures along the housing continuum to deliver best possible affordable housing outcomes for Hamiltonians. The Roadmap provides a path forward to address affordable housing issues in a comprehensive, holistic way. It recognizes the collective need for prioritized action, integrated efforts and a change in how City government and community partners work together to identify and deliver on shared affordable housing goals.

The scope of the Roadmap includes affordable market, below-market, community, non-market, public and subsidized housing and it focuses on the urgent actions needed to accelerate and coordinate activities related to four pillars: construction, acquisition, and retention of affordable housing units, as well as the increased provision of housing-based supports to ensure successful tenancies. Actions will focus both on opportunities for the City and for community sector organizations whose contributions and commitments are required for successful housing outcomes.

The Roadmap's focus on affordable market housing ensures that the program of work acknowledges the importance of household's ability to move throughout the housing continuum into the housing of best fit for them. Working to increase the supply of housing across the continuum will provide housing affordability options throughout the community.

Through the leadership of a newly created Affordable Housing Secretariat, the Roadmap will be implemented in collaboration across City departments and divisions and with community partners. Each year the Secretariat will develop and recommend

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**SUBJECT: Housing Sustainability and Investment Roadmap (HSC23028/  
FCS23055/PED23099) (City Wide) - Page 4 of 15**

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an annual program of work that will be presented to Council for approval as the annual implementation plan for the Housing Sustainability and Investment Roadmap. The recommended program of work for the Roadmap in 2023 focuses on implementation of early actionable wins to drive change in the housing system.

It is important that the proposed new Affordable Housing Secretariat be structured to meet the needs of the challenges faced in this area. The Secretariat will be responsible for leading a comprehensive, strategic, integrated and coordinated approach, and their dedicated efforts will focus on nimble, integrated implementation of the Roadmap, and maximizing opportunities.

The Secretariat will be supported by:

- City Council who will provide strategic oversight and governance and guide the Roadmap at the strategic and policy level. Council will inform and approve the annual program of work, approve the levels of investment and the municipal tools and policies, and champion progress.
- Executive Steering Committee, comprised of the City Manager and General Managers of Healthy and Safe Communities, Planning and Economic Development, and Finance and Corporate Services.
- Steering Committee, responsible for operational oversight, will be chaired by the Director of the Secretariat and membership will be made up of the Chief Building Official, Chief Planner, Chief Corporate Real Estate Officer, CEO of CityHousing Hamilton and Directors from Housing Services, Corporate Finance and Urban Indigenous Relations, and other City divisions as required, including support from government relations with a focus on provincial and federal partnership

The work of the Roadmap will be organized annually through activities in the Four Pillars:

**New construction of affordable housing:** City staff and academic thought leaders have identified new construction as one of the most challenging pillars to address due to issues such as rising construction costs and increasing interest rates but it is still a key component to addressing the housing challenge.

**Acquisition of affordable housing:** While acquiring existing rental investment properties does not create new supply, it does slow the erosion of modest-rent units, which is happening at a substantial pace. Due diligence is required to examine buildings and land to maximize opportunities to continue to offer affordable rents.

**Preserve and maintain existing affordable housing:** Community housing vacancy rate is currently above the healthy rate of 2-3%, at approximately 6%. One of ways to improve this vacancy rate is to repair offline units. A first step for repair is asset

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**SUBJECT: Housing Sustainability and Investment Roadmap (HSC23028/  
FCS23055/PED23099) (City Wide) - Page 5 of 15**

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rationalization work, which is currently underway for CityHousing Hamilton and proposed to begin in 2023 for other social housing providers for whom the City of Hamilton is Service Manager. This repair work will also allow increased number of individuals to be housed through the Access to Housing (ATH) waitlist.

**Provision of housing-based supports:** Many individuals who need affordable housing also need personalized human service supports to ensure successful tenancies and well-being. Aligned with the Housing and Homelessness Action Plan, the availability and adequacy of income-based and personal supports is one of the most important tools to end chronic homelessness. The Roadmap has a focus on the health of the entire continuum and housing supports comprise a critical pillar of investment. First year program of work:

The Core Team, in consultation with the Executive Committee, community stakeholders and Canadian Housing Evidence Collaborative (CHEC) have worked to identify priority actions that will result in significant progress and early wins. These actions, refrain from imposing additional burden on the tax levy and seek to leverage existing resources and work already underway, while proposing bold new actions that will result in meaningful outcomes. Eleven priority actions have been identified for the first year, and are further detailed in the 2023 Program of Work (Appendix “A” to Report HSC23028/FCS23055/PED23099):

- Establish the Affordable Housing Secretariat to Implement the 2023 Program of Work Continue to partner with the Canadian Housing and Evidence Collaborative CHEC to develop logic model and evaluation framework for Roadmap activities, and leverage opportunities.
- Develop a five-year financing strategy for the Housing Sustainability and Investment Roadmap, inclusive of identifying funding sources and innovative financing models and leveraging risk to deliver on program goals.
- Bring forward recommendations for delegated authorities required by City Staff to maximize and expedite progress on Roadmap deliverables and Council-endorsed goals.
- Develop a government relations strategy, with prioritized focus on key issues, including supportive housing, appropriate levels of investments in housing and the homeless serving sector emerging from COVID-19, and approaching upper levels of government to fund Hamilton’s new affordable housing development in aggregate, rather than on a per project basis.
- Partner with Social Innovation Canada, Canada Mortgage and Housing Corporation, the Federation of Canadian Municipalities and the Hamilton Community Foundation in a new Transit Oriented Affordable Housing Lab focused on Hamilton, with the goal to design and implement new financing models and maximize funding pathways to CMHC (Launch date: May 2023).

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- Review planning policies, incentives and proposed regulatory changes that will enable progress towards the goal of creating 350 moderately affordable units per year.
- Led by the City's Corporate Real Estate Office, initiate a full assessment of City-owned properties to identify the suitability of potential sites for affordable housing development, either through using available land or intensification of existing buildings.
- Support social housing providers to complete the asset rationalization work that will be used to create a multi year capital plan related to intensification and asset renewal for the current social housing stock.
- Develop and resource a City-led Tenant Response Team that would work with community organizations in a city-wide response to addressing tenant concerns and issues (including responses around "renovictions") and design a City-wide campaign to ensure tenants know their rights to remain in their homes.
- Start dialogue with community partners to create an Acquisition Assistance Fund, potentially in partnership with social enterprise capital that would enable the purchase and preservation of existing affordable private rental housing in Hamilton.
- Invest in enhancements to housing and the homelessness serving sector, as presented through Ending Chronic Homelessness report (HSC23021) including considering the establishment of a new municipal housing benefit program to ensure impact further upstream.

**Alternatives for Consideration – See Page 14**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** It is recommended that a new Division titled the "Affordable Housing Secretariat" be created within the Healthy and Safe Communities Department. Within this Division, all costs associated to the implementation of the Housing Sustainability and Investment Roadmap will be managed. To date, costs have been reflected in Dept ID 679714 within Healthy and Safe Communities Department, Administration Division. This Dept ID in entirety including positions and YTD costs will be moved within the new Affordable Housing Secretariat Division. There is no anticipated levy impact for 2023.

It is recommended that additional costs required for the proposed program of work including required resources for this Division will be included in the 2024 budget process.

In addition, the original contract extension with the Canadian Housing Evidence Collaborative to 2025 does not have a levy impact and will continue to be funded as initially approved in HSC22042.

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It is recommended that the Housing Benefit of up to \$1M to serve up to 166 households be funded using the Homelessness Prevention Program (HPP) provincial funding allocation with no impact to the 2023 levy. Homelessness Prevention Program (HPP) funding will be applied in support of the Housing Sustainability Investment Roadmap (HSIR) and Housing and Homelessness Action Plan (HHAP) and these details will be communicated once final amounts are known and able to be publicly communicated.

It is recommended that Housing Services Division reserves will be used to pay for the consultant related to the asset rationalization work of social housing providers and a reserve report is forthcoming that will identify reserve balances that may be available.

**Staffing** N/A.

**Legal:** No legal implications for the recommendations.

## **HISTORICAL BACKGROUND**

The Housing Sustainability and Investment Roadmap started in Q3 of 2022 and was formed through strategic conversations with the City's Senior Leadership team, key stakeholders from Hamilton Anchor Institutions, Hamilton is Home (not-for-profit affordable housing coalition), the Coalition of Hamilton Indigenous Leaders, and internal City stakeholders. In August 2022, City Council gave direction to initiate a whole of community, corporation-wide, community stakeholder approach to develop a Housing Sustainability and Investment Roadmap (HSIR) in response to the current housing crisis (HSC22042).

The Housing Sustainability and Investment Roadmap Update (HSC22053/FCS22087/PED22212) went to Emergency and Community Services committee on Dec 1, 2022. This information report highlighted the approach and scope of the roadmap development, including the project charter.

The Core Team that includes Directors and Managers from the Corporate Finance and Administration, Planning and Economic Development, and Housing Services Division have worked with Senior Leadership Team, and the Secretariat through a consultative process inclusive of community sector leaders and partners to develop the Roadmap over Q4 of 2022 and Q1 of 2023. The General Managers of Finance and Corporate Services, Planning and Economic Development and Healthy and Safe Communities, along with the City Manager, have served as the Executive Sponsors for the work, and the Canadian Housing Evidence Collaborative has continued to provide expert advice and consultation at key points in development.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

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As the provincially recognized service manager, the City is required to have a 10-year Housing and Homelessness Action Plan. The plan was reviewed and updated in 2019 and received council endorsement in August 2020. The Roadmap work is complementary to the Homelessness and Housing Action Plan and looks to provide actionable annual programs of work that further the action plan goals. The Plan is required to be updated in 2024 as legislated through the Ministry of Municipal Affairs and Housing.

The recently announced details of the Housing Accelerator Fund through the Canadian Mortgage and Housing Corporation is currently being reviewed by staff for policy implications. The Federal governments stated goal with the Fund is to provide incentive funding to local governments to encourage local initiatives that remove barriers to the housing supply, accelerate the growth of supply and support the development of equitable, affordable, low-carbon and climate-resilient communities.

**RELEVANT CONSULTATION**

The Roadmap was developed with the support of the Housing Services Division, Planning and Economic Development Division, Corporate Real Estate Office, Financial Planning Administration and Policy Divisions of the City. Input into the roadmap included more than 44 community groups that engaged in dialogue with CityLab students in the fall of 2022. Advice from academic thought leaders through the Canadian Housing Evidence Collaborative (CHEC) and consultant input, shaped the information that was gathered through the CityLab public consultation.

In addition, consultation was completed with the affordable housing development group known as Hamilton is Home who provided input on actionable work items focused on building new affordable housing in Hamilton. Overall, community partners and stakeholders strongly supported an actionable and tactical approach to addressing Hamilton's affordable housing issues.

During the early stages of the Roadmap development, there was dialogue with the Indigenous community focused on the disproportionate number of Indigenous people who experience chronic homelessness in Hamilton, as well as the continued shortage of Indigenous-specific affordable and supportive housing. The City's creation of a specific Indigenous allocation of homelessness funding was identified as a strong enabler of progress. Suggestions for the Roadmap were to involve the Coalition of Hamilton Indigenous Leadership in the governance of the Roadmap; and prioritize the completion of Indigenous-led housing projects that are currently underway. During the 2023 scope of work a further and more robust dialogue with the Indigenous community will occur to validate these inputs and create a process to move forward through this work in the spirit of reconciliation.

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A gap analysis conducted by Steve Pomeroy for the Hamilton Community Foundation (Appendix “E” to Report HSC23028/FCS23055/PED23099) summarized the best available information, housing trends, issues and provided the most current data that was used to inform the development of the Roadmap and the proposed implementation plan.

**ANALYSIS AND RATIONALE FOR RECOMMENDATION**

Hamilton’s housing market between 2011 and 2021 has lost almost 16,000 lower rent units. Between 2011 and 2016 the number of rental units in Hamilton below \$750 declined by 10,400; with a further 5,500 lost between 2016-21. The systemic affordability challenges seen in Hamilton were further impacted by a significant change in the percentage of households who are renting. In 2006 71.6% of households owned their home; by 2021 this had declined to 65.7%. Over the same period the ownership rate for Canada contracted from 69% to 66.5%, so the contraction is more pronounced in Hamilton. The increased gap in the ability for a renter household to purchase a house negatively impacts that broader Hamilton community, not just those unable to move from renting to owning. These challenges informed the Roadmap development process and informed the importance of creating an Affordable Housing Secretariat.

Under the leadership of a Director, the Secretariat will design and deliver each year on an annual Program of Work based on the implementation actions identified in the Roadmap, partner feedback, and as endorsed by Council. The Director of the Secretariat will work closely with Directors across the City to implement the Roadmap, including the Director of the Housing Services Division. (The Housing Services Division Director will continue to fulfill the service manager requirements and will continue to be responsible for direct oversight of the affordable housing system ranging from the homelessness serving sector to community housing providers.) The Secretariat will also work with other City Directors to ensure integration of efforts across City Divisions and the alignment of existing and future workplans. The Secretariat will encourage alignment across community stakeholders with respect to initiatives underway, and new opportunities identified for implementation. The annual Program of Work will be developed based on an evidence-based assessment of best options, available opportunities and the ideal mix of actions to support the creation of affordable market housing, new affordable housing, acquire and retain existing affordable housing, and deliver appropriate supports. Recommendations for new investments will be brought forward as part of the annual budget cycle for Council’s consideration and approval.

With the necessary resources in place, and with the Secretariat’s leadership, the Roadmap will focus on actions designed for impact on the health of Hamilton’s affordable housing system across these pillars: maintain/preserve, acquisition and new development, and provision of housing-based supports.

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Across the four pillars there is a critical need for investments. Maintaining and preserving existing affordable housing is the most efficient way to add units into supply. However, in order to also meet the longer term needs for Hamilton adding new supply is required to meet Hamilton's growing population needs, and the acquisition of existing affordable housing is required to support the balance that is demonstrated in a healthy housing continuum. Layered throughout these three pillars is the need for increased housing supports that help individuals maintain healthy housing options. These major items of work for a healthy housing continuum require support and partnerships in policy and investments from the Federal and Provincial governments.

In the same way that the City of Hamilton requires support from upper levels of government to fully realize a healthy housing sector, City Government also depends on partnership within the community to fully maximize available opportunities in affordable housing. Once the Program of Work has been approved by City Council, the Secretariat will be well-positioned to work with other sectors who can contribute to affordable housing solutions and/or are affected by the housing crisis. A number of anchor institutions have already signaled their willingness to work with the City to find synergies in their operations to advance the cause of affordable housing, and the Secretariat will play an important role in translating this sentiment into new action on affordable housing.

The Secretariat can help facilitate, mobilize initiatives across sectors and partner with organizations and institutions to engage in synergistic actions to advance affordable housing. The Canadian Housing Evidence Collaborative has identified 3 key sectors where there is opportunity for the City to strengthen relationships and pursue partnership:

#### 1. School Boards

The City, through its Affordable Housing Secretariat should seek to strengthen its relationship with the school boards to identify opportunities for action on affordable housing and identify their mutual interests in the issue, and for the Secretariat to make recommendations to Council on how best to advance those interests towards affordable housing.

#### 2. Post-Secondary Education Sector

Hamilton benefits from very strong post-secondary education institutions. For more than a decade, the student population in post-secondary at Hamilton's in post-secondary education institutions has been growing. As enrollment (both domestic and international) expands, this puts pressure on the rental market. There is significant potential for Hamilton's post-secondary education institutions to work with the City and other partners in developing more purpose-built student housing options. When

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purpose-built student housing is developed, pressure is relieved from the modestly priced 'regular' rental market that low- to modest income households depend upon for their housing.

### 3. Health Care Institutions and Hospitals

In many ways, affordable housing, and often accompanying human services supports, serve to divert health care utilization, or at least alter utilization patterns that are beneficial for health care system functioning. From the perspective of health care institutions, patients who cannot be discharged because of inadequate options for accommodation and appropriate supports are a persistent challenge. The rigid silos that exist between sectors are a significant barrier in achieving more synergistic relationships between the housing system and the health care system. If a supportive housing program, for instance, succeeds in diverting health care utilization through the housing and supports it provides, there is no mechanism to realize the economies achieved in the health care system to sustain and grow the supportive housing sector. Significant amount of partnership work will be required to overcome these barriers in policy advocacy and organizational innovation.

### **Housing Sustainability and Investment Roadmap program of work:**

The Roadmap recommends 11 priority actions to be implemented in the first year, which are detailed below and in appendix A.

#### Program of Work:

1. Establish the Affordable Housing Secretariat and Implement the 2023 Program of Work. Partner with CHEC to develop logic model and evaluation framework for Roadmap activities.
  - Create and begin staffing the Affordable Housing Secretariat with a Director, Community Special Advisor, Program Coordinator, and use the first few years to better understand the need for permanent resourcing of the Secretariat, and the need for additional expertise and resources required across City government to fully implement the work.
2. Develop a five-year financing strategy for the Housing Sustainability and Investment Roadmap, inclusive of identifying funding sources and innovative financing models and leveraging risk to deliver on program goals.
3. Develop a Government Relations Strategy, with prioritized focus on key issues, including supportive housing, appropriate levels of investments in housing and the homeless serving sector emerging from COVID-19, and approaching upper levels of government to fund Hamilton's new affordable housing development in aggregate,

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rather than on a per project basis. This action acknowledges that the local tax levy cannot alone address this issue and acknowledges the requirement for partnership and funding from upper levels of government to adequately address local needs.

4. Bring forward recommendations for any delegated authorities that may be required by or helpful to City Staff to maximize and expedite progress on Roadmap deliverables and Council-endorsed goals.

- Recommendations for delegated authorities may enable expedited progress on items related to purchasing affordable properties, re-zoning, or other capital related process pieces and will be brought forward for council consideration.

5. Partner with Social Innovation Canada's Transit Oriented Affordable Housing Lab, Canada Mortgage and Housing Corporation, the Federation of Canadian Municipalities and the Hamilton Community Foundation to design and implement new financing models and maximize funding pathways to the Canada Mortgage and Housing Corporation. (Launch date: May 2023)

6. Review planning policies, incentives and proposed regulatory changes that will enable progress towards the goal of creating 350 moderately affordable units per year for 10 years.

- Develop and implement a promotion strategy to accelerate construction and expansion of Accessory Dwelling Units and Four-plex conversions across the City.
- Develop a package of incentives and programs to support the construction of affordable housing, including, but not limited to, the provision of advisory expertise to aid housing providers at the pre-construction and feasibility stages, prioritization of development approvals, reducing or eliminating parking requirements, and reducing or eliminating fees and charges such as parkland dedication fees, development application fees, and Development Charges for affordable housing projects.
- Ensure the affordable units currently under construction by community stakeholders are completed.
- Work with Indigenous housing providers and organizations to expedite and complete housing projects that are planned or underway.

7. Led by the City's Corporate Real Estate Office, initiate a full assessment of City-owned properties to identify the suitability of potential sites for affordable housing development, either through using available land or intensification of existing buildings. Led by staff in the Housing Services Division, work with affordable housing providers to optimize housing portfolios.

- Undertake a new analysis of City owned lands with a review focused on the options for affordable development of vacant or under-utilized lands,

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intensification of currently utilized properties, and options for land leases and other creative partnerships for affordable housing development.

- Build capacity for the development of business case analysis' for capital projects that have potential to include affordable housing.
- Identify opportunities for integrated development by assessing capital asset renewal projects through anchor institutions, community stakeholders, and the City for possible inclusion of affordable housing.
- In Year 1, be prepared to identify and/or purchase parcels of land that are suitable for the development of affordable housing. Could include existing properties with future intensification potential.
- Identify funding to assess, prioritize, and repair (where possible) approximately 500 RGI units that are off-line and require renewal.

8. Support social housing providers to complete the asset rationalization work that will be used to create a multi-year capital plan related to intensification and asset renewal for the current social housing stock.

- Build on ongoing building condition assessment work to look for ways to optimize social housing resources.
- Asset rationalization work will support social housing renewal and include a multi year capital plan.
- CityHousing Hamilton is already working on asset rationalization and we will expand to include other social housing providers.

9. Develop and resource a City Coordinated Tenant Response Team that would work with community organizations in a City-wide response to addressing tenant concerns and issues (including responses around “renovictions”) and design a City-wide campaign to ensure tenants know their rights to remain in their homes.

- This will build on the Tenant Defence Fund and other initiatives underway within the City and with community organizations. Further work will include an inventory all tenant support resources and development of a plan to ensure coordination and widespread promotion so residents are aware of their rights and available supports. Through this work, creating a single point of contact where possible, and appropriate connection with City departments and community resources so that coordinated action can be taken.

10. Start dialogue with community partners to create an Acquisition Assistance Fund, potentially in partnership with social enterprise capital that would enable the purchase and preservation of existing affordable private rental housing in Hamilton.

- Explore models that allow the leveraging of resources but coupled with a nimble decision-making process that can be responsive to opportunities in the real estate market.

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11. Invest in enhancements to housing and the homelessness serving sector, as presented through Ending Chronic Homelessness report (HSC23021) appendix C including the establishment of a new municipal housing benefit program to ensure impact further upstream.

**ALTERNATIVES FOR CONSIDERATION**

Many potential investments were identified that would assist in further making progress in the Roadmap, but the 2023 workplan was scoped to reflect work that can be accomplished without the need for immediate additional municipal investment. Further opportunities and priorities will be brought forward for consideration in the 2024 budget, rather than be presented as an additional in-year ask for 2023.

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Community Engagement and Participation**

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

**Healthy and Safe Communities**

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

**Built Environment and Infrastructure**

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

**Our People and Performance**

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

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report HSC23028/FCS23055/PED23099: Housing Sustainability and Investment Roadmap

Appendix “B” to Report HSC23028/FCS23055/PED23099: Canadian Housing Evidence Collaborative Report

Appendix “C” to Report HSC23028/FCS23055/PED23099: Report HSC23021 – Ending Chronic Homelessness

Appendix “D” to Report HSC23028/FCS23055/PED23099: Actions and Investments to End Chronic Homelessness in Hamilton

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Appendix "E" to Report HSC23028/FCS23055/PED23099: Hamilton Community  
Foundation Gap Analysis

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Hamilton

# HOUSING SUSTAINABILITY AND INVESTMENT ROADMAP



The Housing Sustainability and Investment Roadmap you are about to read is a “Whole of Hamilton” response to our current housing crisis. At the outset, we identify a sense of urgency.





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# BACKGROUND AND CONTEXT

## Overview: Housing Challenges in Hamilton

The Housing Sustainability and Investment Roadmap you are about to read is a “Whole of Hamilton” response to our current housing crisis. At the outset, we identify a sense of urgency. The motivation for this work is the unprecedented and sobering reality that residents of our neighbourhoods face as they work to find and keep affordable housing for themselves and their families, whether rental or ownership. In light of scarce human and financial resources, the Roadmap provides a path forward to address affordable housing issues in a comprehensive, holistic way. It recognizes our collective need for prioritized action, integrated efforts and a change in how City government and community partners work together to identify and deliver on shared affordable housing goals.

The scope of the Roadmap includes affordable market, below-market, community, non-market, public and subsidized housing and it focuses on the urgent actions needed to accelerate and coordinate activities related to four pillars: construction, acquisition, and retention of affordable housing units, as well as the increased provision of housing-based supports to ensure successful tenancies. Actions will focus both on opportunities for the City and for community sector organizations whose contributions and commitments are required for successful housing outcomes. The Roadmap will help the City of Hamilton identify and maximize the use of the municipal levers at the disposal of City Council, staff and the corporation as a whole. Equally important is the invitation to leaders in other sectors of the community to take synergistic and mutually beneficial actions to create more affordable housing and maintain the current supply in the Hamilton community.

The Roadmap presumes the need for integrated, nimble and aligned efforts across City departments and divisions, connects current efforts and sequences new and innovative ideas into an agreed-upon path of collective action and timelines. Implemented through the efforts of a newly-created Affordable Housing Secretariat, the Roadmap creates a primary, strategic focus and point of collective accountability for affordable housing across City government. With a renewed focus on setting and monitoring targets and defined tactics, the Roadmap also invites participation from community sectors whose actions influence the availability of affordable housing in our city.

The Roadmap builds on the City of Hamilton’s [Housing and Homelessness Action Plan \(HHAP\)](#) first created in 2013 and renewed in 2019, as well as the Official Plan and relevant Secondary Plans and is designed to fulfill the City’s vision to be the best place to raise a family and age successfully. The Roadmap is also supported and informed by other strategies currently being implemented by the City of Hamilton, including the Urban Indigenous Strategy, which calls for an increase in accessible and affordable housing for Indigenous people, as well the Hamilton Climate Action



Strategy, and the Hamilton Community Safety and Well-being Plan, which identified housing and homelessness as one of its seven main priorities, and finally the 2023 City of Hamilton Housing Pledge which outlines multiple initiatives to increase the supply of housing in Hamilton. Further, the Roadmap also benefits from the considerable work undertaken by community organizations, such as the Just Recovery Coalition, a cross-sector effort of community agencies has proposed 152 recommendations in 2021 to Hamilton City Council on ways to improve the lives of Hamiltonians in the wake of the COVID-19 pandemic.

**THE ROADMAP  
PROPOSES  
SIX MAIN  
PRINCIPLES**  
to guide its  
implementation,  
led by municipal  
government  
in cooperation  
with community  
partners:

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**6**

- 1.** We acknowledge and respect that each sector has a different role and unique opportunities to contribute to improved outcomes related to affordable housing.
- 2.** We will be action-oriented and prioritize immediate and near-term actions while at the same time building a future-focused roadmap to guide our long-term efforts.
- 3.** We will use this initiative to better leverage our collective efforts in order to optimize resources, investments and outcomes.
- 4.** We will be courageous about change that is needed, have honest conversations and hold each other accountable to working in new ways.
- 5.** We recognize that each sector is approaching this work voluntarily and may need to make decisions that others do not agree with. While we will strive for shared vision, appropriate contributions and commitments, this is not work by consensus. Leaders and governing bodies hold ultimate decision-making for their own organizations.
- 6.** We will use this process to build capacity in individuals and teams so we have increased expertise in the various components and functions required to create and maintain affordable housing.

BACKGROUND AND CONTEXT

“...CITY STAFF  
WORKED  
WITH VARIOUS  
STAKEHOLDERS,  
INCLUDING  
MORE THAN 44  
COMMUNITY  
GROUPS...”

▲

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## Community Partnership

In the development of the Roadmap and its principles, City staff worked with various stakeholders, including more than 44 community groups that engaged in dialogue with CityLAB students in the fall of 2022. Follow up discussions between City staff, consultants and community participants were further supported by a cross-departmental team of City staff whose work connects with housing related issues. This Core Team collaborated on the development of a cross-departmental work plan, informed by academic thought leaders through the Canadian Housing Evidence Collaborative.

Community partners and stakeholders strongly supported an actionable and tactical approach to addressing Hamilton’s affordable housing issues. Establishing an affordable housing secretariat within city government to work across divisions and with the community was seen as a critical step to coordinating and resourcing the work, implementing solutions and accelerating progress towards shared goals. The City was urged to embrace an action-oriented implementation focus for the Roadmap, involve the community as true partners in the work and to expedite City processes wherever possible. Non-profit affordable housing developers indicated a willingness to partner with the City on solutions to eliminate the delays that often lead to increased costs in order to maximize available resources.

During the early stages of the Roadmap development, dialogue with the Indigenous community focused on the disproportionate number of Indigenous people experiencing chronic homelessness in Hamilton, as well as the continued shortage of Indigenous-specific affordable and supportive housing. The City’s creation of a specific Indigenous allocation of homelessness funding was identified as a strong enabler of progress. Suggestions for the Roadmap included engaging the Coalition of Hamilton Indigenous Leadership as a component of the Roadmap’s external



community governance and prioritizing the completion of Indigenous-led housing projects currently underway. Continued dialogue with the Indigenous community is needed to validate these inputs and create a process to move forward through this work in the spirit of reconciliation.

The Canadian Housing Evidence Collaborative (CHEC) served as an advisory for the development of the roadmap, and working closely with the Core Team and City leadership and engaging with community partners to share best practice, trends and research, and advise on what could work in our local context. A gap analysis conducted by the Canadian Housing Evidence Collaborative for the Hamilton Community Foundation summarized the best available information, housing trends, issues and the most current data and was used to inform the development of the Roadmap and the proposed implementation plan.





# INFRASTRUCTURE FOR THE ROADMAP

FIVE REQUIREMENTS WERE IDENTIFIED AS CRITICAL INFRASTRUCTURE FOR SUCCESSFUL IMPLEMENTATION

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## Implementing the Roadmap

One of the strongest messages from community partners, thought leaders and City staff was that successful implementation of the Roadmap requires dedicated and sustained resources. Five requirements were identified as critical infrastructure for successful implementation:

### 1. URGENCY, COMMITMENT AND A COLLECTIVE WILL.

Elected Officials, City staff and leaders in community sectors are called upon to embrace an urgent shared vision and commit to identifying and using all available levers to achieve results, ensure alignment between initiatives and embark on a new way of working together. Our whole community will need to recruit and incent potential providers and builders, use creativity and flexibility to achieve objectives, and work together to maximize the take-up of available funding programs from senior levels of government to ensure Hamilton receives critical and needed resources.





## **2. AN AFFORDABLE HOUSING SECRETARIAT.**

This new team will work in a holistic and integrated way with community leaders and the City to identify policy solutions, innovate, drive results and lead implementation of the Roadmap. They will work to maximize investment, leverage funding from multiple sources and pursue improvements that may not require funding, but which will lead to better integration and outcomes. With a dual focus on policy and immediate action, the Secretariat will work across City departments and with community stakeholders to ensure alignment, drive a nimble approach, improve processes and reduce barriers.

## **3. EXPANDED AFFORDABLE HOUSING DEVELOPMENT AND ACQUISITION CAPACITY.**

Adequate resources are required to work in the new ways set forth in this Roadmap. New investments must be made in order to deliver on the strategic mandate to leverage all affordable housing opportunities and maximize the City's existing land portfolio as well as future facility investments for the short and long-term.

## **4. AN AFFORDABLE HOUSING RESOURCE FUND.**

A known and predictable funding source and financing strategy for prioritized activities and actions is critical for planning and to maximize investment and enable a nimble response to opportunities. An Affordable Housing Fund could be created through a dedicated stream of funding (e.g. earmarked property tax increase, vacant unit tax, leveraging of reserves, fees and charges). The ability to act nimbly, maximize funding opportunities and provide predictable resources are key benefits to this fund.

## **5. ROBUST AND PRIORITIZED GOVERNMENT RELATIONS STRATEGY.**

Partnerships and resources from upper levels of governments are critical to the success of the Roadmap. Working with the Mayor's Office, City Council and community stakeholders, a whole-of-community set of priorities and aligned advocacy strategy for Hamilton will be foundational to the Roadmap's activities.



## Governance

Taking the lead from community partners and City staff who reinforced the importance of nimble action and rapid implementation, governance for the Roadmap will leverage existing internal structures and external relationships. The Canadian Housing Executive Collaborative will continue to serve as an advisor and thought leader, engaging its roster of national housing experts where needed to guide implementation, and where necessary, challenge status quo.

- **City Council:** Strategic oversight and governance. Will guide the Roadmap at the strategic level through established Term of Council priorities. Council will inform and approve the annual program of work, approve the levels of investment and the municipal tools and policies, and champion progress.
- **Executive Committee:** Program decision makers and problem solvers for the City – Executive committee made up of the City Manager, the General Managers of Healthy & Safe Communities, Planning & Economic Development and Corporate Services Departments.
- **Steering Committee:** Operational oversight, chaired by the Director. Community lead of the Secretariat membership made up of the Chief Building Official, Chief Planner, Chief Corporate Real Estate Officer, CEO of CityHousing Hamilton and Directors from Housing Services, Corporate Finance and Urban Indigenous Relations, and other City divisions as required.
- **The Secretariat** will leverage external governance structures for the Roadmap by working with Indigenous leadership and existing community tables. Existing community tables will be used as **Partnership Action Tables** organized around the four pillars and convened as required in order to implement agreed-upon prioritized actions and realize solutions for obstacles. Comprised of non-profit housing providers, housing experts, Indigenous organizations, City staff, and funders, shared leadership between the City and community where possible will be key.

## Designing and Delivering an Annual Program of Work

The Secretariat will design and deliver each year on an annual Program of Work based on the Implementation Actions identified in the Roadmap, partner engagement, Council priorities and feedback as approved by Council. The Secretariat will ensure integration of efforts across City divisions and encourage alignment across community stakeholders with respect to initiatives underway, and new opportunities identified for implementation. The annual Program of Work will be created based on an evidence-based assessment of best options, available opportunities and the ideal mix of actions to support the creation of affordable market housing, new affordable housing, acquire and retain existing affordable housing, and deliver appropriate supports (see menu of options in appendix). Every October during National Housing Month, the Secretariat will report on progress from the previous year, recommend a program of work for the subsequent year and identify resources required. Recommendations for new municipal investments will be brought forward as part of the annual budget cycle for Council consideration and approval, and will leverage investment from upper levels of government.

With the necessary resources in place, and with Secretariat leadership, the Roadmap will focus on actions designed for impact on the health of Hamilton's affordable housing system across four pillars: new construction, acquisition, preserve and retain, and provision of housing-based supports.



# THE FOUR PILLARS of Hamilton's Housing Sustainability and Investment Roadmap

“...the Roadmap will focus on actions designed for impact on the health of Hamilton's affordable housing system across four pillars:

**NEW CONSTRUCTION, ACQUISITION, MAINTAIN/PRESERVE, AND PROVISION OF HOUSING-BASED SUPPORTS”.**

▲  
**4**

## PILLAR 1 New Construction of Affordable Housing

Federal programs that began in 2017 have placed a significant emphasis on new, affordable housing construction in partnership with municipalities. Although City staff and academic thought leaders have identified new construction as one of the most challenging pillars to address due to issues such as rising construction costs, labour shortages and increasing interest rates, it is still a key component to addressing the housing challenge.

New construction of deeply affordable units has generally only been achieved through building at 80% of Average Market Rents and then layering on housing allowances or rent supplements. The Housing Sustainability and Investment Roadmap will have a community commitment to build more moderately priced housing to reduce pressure on the existing private rental market by making more space available in the system as a whole. While new construction remains desirable, deep affordability of units is contingent on substantial funding from other levels of government. Over time, housing that is under non-profit operation will gradually grow in market share and rents will increase at a lower rate than the market as a whole, effectively increasing the pool of modest-rent housing—this is a slow investment approach.

**Average Market Rents** are calculated by the Canadian Mortgage and Housing Corporation (CMHC) and the rent refers to the actual amount tenants pay for their unit. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking or hot water.



**There are several broad actions that will be undertaken to address Pillar 1, including:**

- Reduce pressure on the housing system by building moderately affordable market rental units (up to 125% Average Market Rent) with a target of 350 new units, including accessory units, per year for the next 10 years.
- Develop a package of incentives and programs to support the construction of affordable housing, including, but not limited to, the provision of advisory expertise to aid housing providers at the pre-construction and feasibility stages, prioritization of development approvals, reducing or eliminating parking requirements, and reducing or eliminating fees and charges such as parkland dedication fees, development application fees, and Development Charges for affordable housing projects.
- Identify and implement innovative financing tools, including targeted partnership with social enterprise capital and opportunities at the local, provincial and national level.
- Make publicly-owned lands available for the building or funding of affordable housing, including the continued development of parcels already identified by the City's affordable housing site selection subcommittee, an updated review of City-owned properties and/or provincial or federal lands for potential affordable housing development, and the selling of City surplus lands that are not suitable for housing with the proceeds allocated to funding affordable housing.
- Find opportunities for integrated developments where affordable housing can be paired with other public or private assets, such as libraries, fire stations and places of worship.
- Work closely with affordable housing providers to develop strong, quality submissions for development approvals that can be expedited through the approval process.
- Engage and support Indigenous affordable housing projects. Ensure sufficient capacity for Indigenous housing providers and accelerate progress on Indigenous-led projects currently underway.



THE FOUR PILLARS

“...ONLY 5% OF HOUSEHOLDS GET THEIR HOUSING FROM THE PUBLIC OR NON-MARKET SECTOR...”

▲  
5%



## PILLAR 2

### Acquisition of Affordable Housing

Only 5% of households get their housing from the public or non-market sector, while in some other countries, like the United Kingdom at 22%, the non-market and public sectors are more important in the delivery of housing. The implication is that in Canada, we depend on the private market to deliver most of the modestly-priced housing we need. But the last several years have seen an acceleration of the loss of modest-rent market rental housing due to the activity of investors and landlords.

It is therefore crucial that the public and non-market sector make strategic investments in existing moderately-priced rental units under these conditions, as part of a gradual transformation of the rental housing sector. Acquisition matches up favourably against new construction, as the purchase price of an existing rental unit could be less than the \$500,000 or more per unit currently seen in new construction costs. Moreover, it is much quicker and faces fewer procedural barriers like zoning, permits, etc. Add to this that much of the investment could come from social purpose capital and operations could be managed by the non-market housing sector. Social purpose capital is an important resource here, as there are many investors in this space who are willing to take a lower rate of return if their money is being used to achieve a meaningful social purpose, like providing affordable rents to modest-income households.

**Social Purpose Capital:** Social purpose investors lend money at below-market rates to organizations that seek to achieve a social purpose with the loans.

## THE FOUR PILLARS

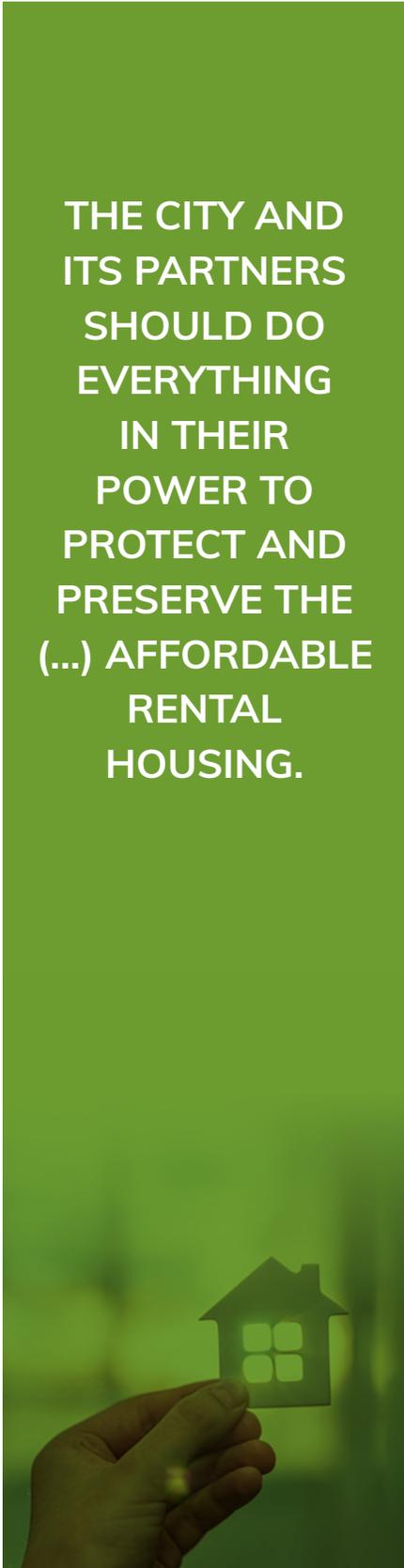
While acquiring existing rental investment properties does not create new supply, it does slow the erosion of modest-rent units, which is happening at a substantial pace. Due diligence is required to examine buildings and land to avoid major capital renovations and/or contamination that can interfere with continuing to offer affordable rents.

**There are several broad actions that will be undertaken to address Pillar 2, including:**

- Engage with community partners, undertaking strategic acquisitions of “at-risk” existing affordable housing units or existing affordable rental units that come up for sale.
- Work with community stakeholders and housing providers to conduct business cases analyses and risk assessments to identify and purchase land and/or vacant or under-utilized properties suitable for affordable housing development and/or intensification.
- Consult with social purpose capital investors to create access to financing and processes to rapidly identify, screen and process acquisition of modestly-priced housing units.
- Create an Acquisition Assistance Fund with social enterprise investors that would enable the City and non-profit housing providers to purchase existing affordable private rental housing.



THE FOUR PILLARS



THE CITY AND ITS PARTNERS SHOULD DO EVERYTHING IN THEIR POWER TO PROTECT AND PRESERVE THE (...) AFFORDABLE RENTAL HOUSING.

## PILLAR 3

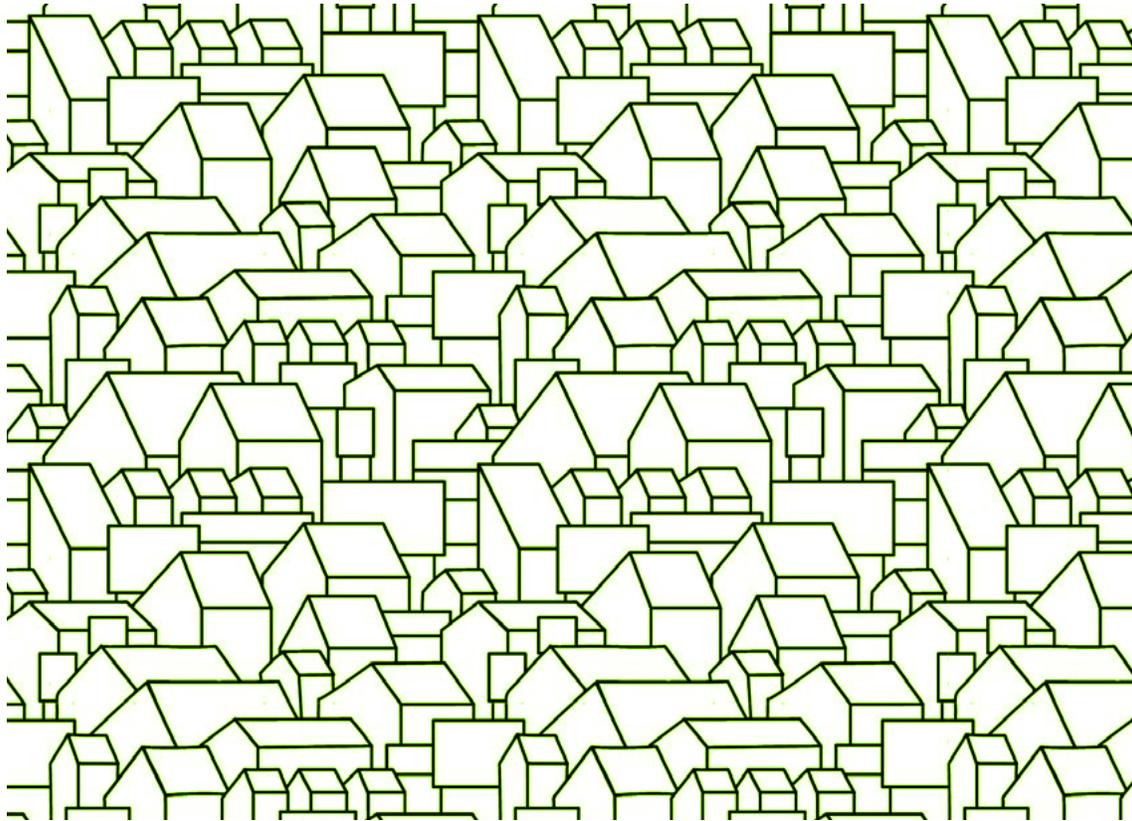
### Preserve and Retain Existing Affordable Housing

The City and its partners will do everything in their power to protect and preserve the two general categories of affordable rental housing, which include legacy community housing units (non-profit) and units in the private rental market. While many community housing units are vulnerable due to end-of-mortgage agreements and quality challenges coupled with the erosion of private rental market units, preservation must be a priority. Moreover, the City will review, rationalize and potentially expand rent supplement programs for tenants to ensure that private market tenants facing unaffordable rent increases are not forced from their homes due to affordability challenges.

As outlined in the Housing and Homelessness Action Plan, there are numerous actions that can be taken to protect community housing stock, including repair and renewal, working with operators at end of mortgage agreements, improving safety, and ensuring property standards strategies are in place. One of the best ways to maintain affordable rental units is to encourage and enable tenants to stay in place.

**End-of-Mortgage Agreements:** Financial agreements with the Province related to specific social housing projects that were designed to incentivize affordable housing. Once the mortgages are paid the units must continue as rent-geared-to-income housing indefinitely. Once their mortgage ends, the operator's finances change significantly and as service manager the City must work with each provider using various incentives to ensure their operations are financially viable.

## THE FOUR PILLARS



### **There are several broad actions that will be undertaken to address Pillar 3, including:**

- Conduct a comprehensive asset rationalization for strategic development for all non-profit housing to identify opportunities for intensification and further development.
- Make the best use of existing rent-geared-to-income social programs. Identify funding to repair and bring units back online and stay online.
- Review and implement financial strategies that strengthen the ability of non-profits to access equity and develop additional units.
- Preserve and protect existing affordable rental housing in the private rental market, which could be achieved through the implementation of a rental replacement by-law, policies to protect tenants from large rent increases and legislative frameworks for regulating condominium conversions.
- Develop and resource a comprehensive city-wide response to resolve landlord-tenant issues pro-actively and stabilize tenancies.
- Reduce pressure on affordable rental housing by ensuring a healthy supply of market rental housing, with a particular focus on rental housing for students.
- Expand availability of Portable Housing Benefits to address affordability problems for households who otherwise have adequate and suitable housing.

THE FOUR PILLARS

“...RESOURCING THIS ACTION IS OF SUCH IMPORTANCE THAT AS A SINGULAR ACT COULD BY ITSELF ALMOST END CHRONIC HOMELESSNESS IN HAMILTON”.



## PILLAR 4

### Provision of housing-based supports

All housing is effectively a pairing of accommodation and support. Even an owner-occupied, single, detached, home comes with supports such as snow removal, sewage, water, etc. But many people who need affordable housing also need personalized human service supports to ensure successful tenancies and well-being. The need for supports is also evident in a number of community housing buildings, where tenants are aging into the need for supports (e.g., home care, daily living supports). Some individuals need specialized supports, including people with mental illness and addictions, victims of intimate partner violence, people with disabilities, etc. In addition, culturally safe supports are needed for Indigenous people, racialized populations, people who are part of LGBTQ+ communities, and others. The current lack of supportive housing in Ontario also has significant implications for other sectors, notably hospitals, shelters, emergency services and policing and criminal justice, as well as other services. Encampments are a symptom of the lack of supportive housing.

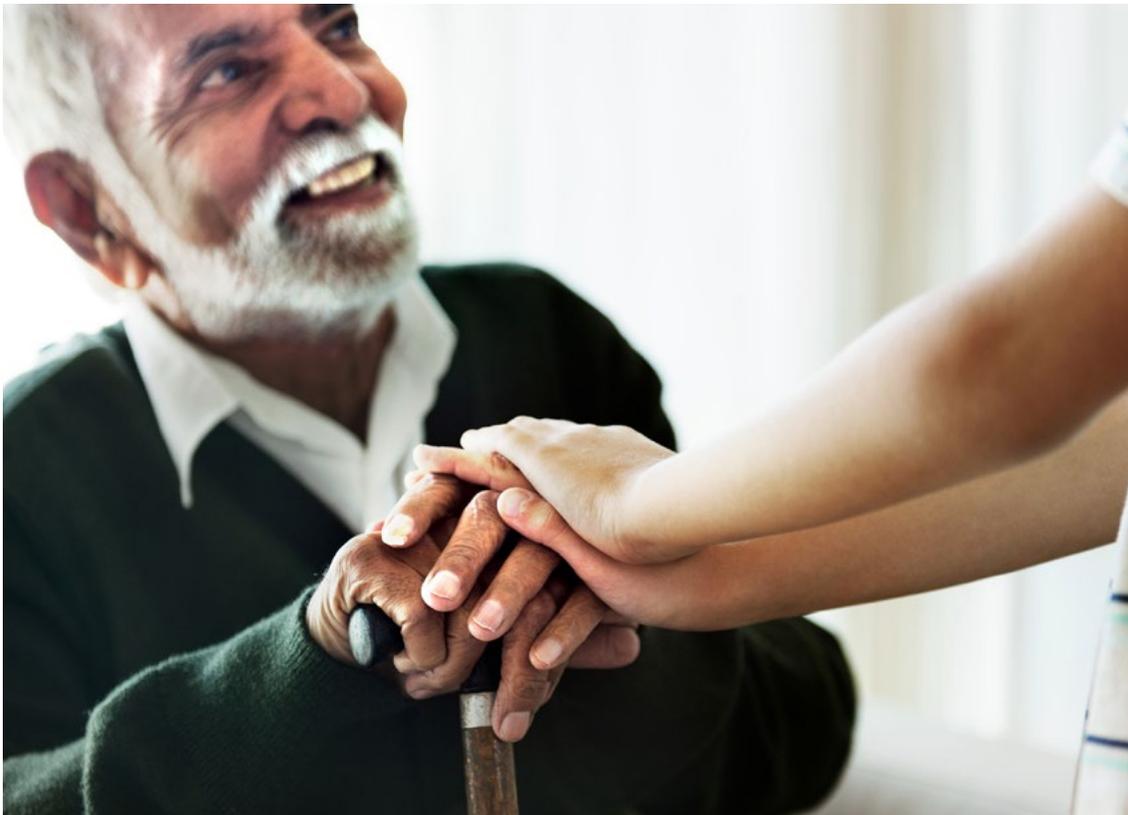
The Housing and Homelessness Action Plan identifies the availability and adequacy of income-based and personal supports as one of the most important tools to end chronic homelessness as the needs of those requiring affordable housing often extend beyond physical space. Supportive housing is a critical missing piece in Hamilton’s system of care. While working with upper levels of government to help fund this need has been and remains a key strategy, resourcing this action is of such importance that as a singular act could by itself almost end chronic homelessness in Hamilton.

Municipalities cannot assume this burden alone - it is not possible for local taxpayers to fund this critical gap in the current system. Ongoing advocacy to upper levels of government and partnership must be part of the solution, for Hamilton and other areas of the province.

## THE FOUR PILLARS

**There are several broad actions that will be undertaken to address Pillar 4, including:**

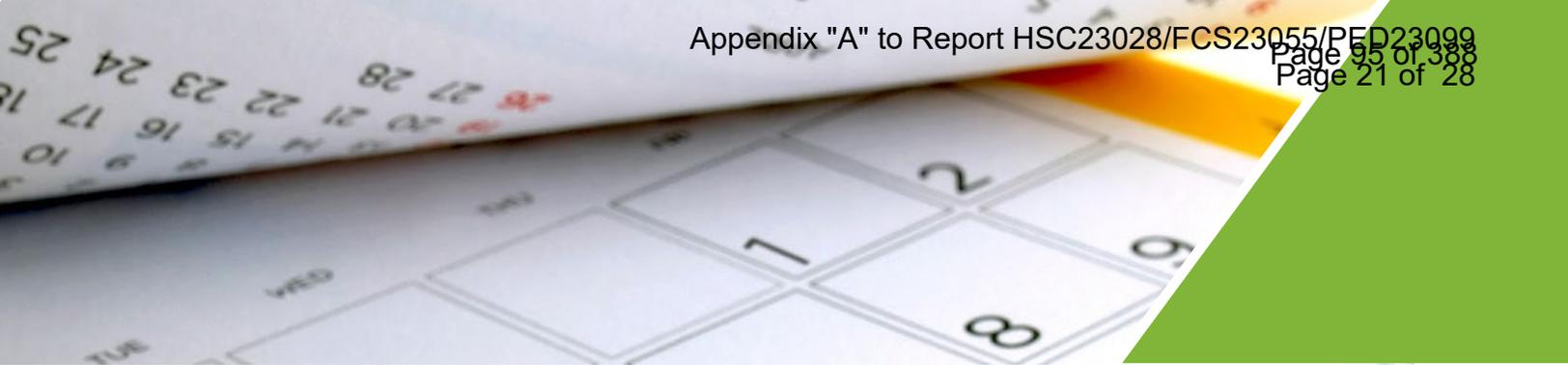
- Working with upper levels of government, and health and human service partners, commit to the creation of 200 new, permanent supportive housing units with purpose-built units for 10-15 people per site with highly complex needs who are experiencing chronic homelessness.
- Support Indigenous organizations, housing providers, Indigenous-led programs and funding decisions and the Indigenous Continuum of Supports program. Stabilize operational funding for Coalition of Hamilton Indigenous Leadership to advance Indigenous shared leadership of Coordinated Access.
- Transform the Residential Care Facilities system to ensure people living in Residential Care Facilities receive adequate supports that are well matched to individual needs.
- Work with Housing Services, the Greater Hamilton Health Network, Ontario Health, local stakeholders and senior levels of government to increase the number of people with high acuity, complex needs who receive residentially-based health supports.
- Intentionally design a local system of homelessness services supports to serve individuals and families who are unsheltered and/or accessing shelters through sustained, annualized funding of initiatives matched to community need and at a level that is sufficient for providers.



# IMPLEMENTATION FOR YEAR 1

## First Year Priority Actions

1	Establish the Affordable Housing Secretariat and Implement the 2023 Program of Work (attached). Partner with Canadian Housing Evidence Collaborative to develop logic model and evaluation framework for Roadmap activities.
2	Develop a five year financing strategy for the Housing Sustainability and Investment Roadmap, inclusive of identifying funding sources and innovative financing models and leveraging risk to deliver on program goals.
3	Develop a government relations strategy, with prioritized focus on key issues, including supportive housing, appropriate levels of investments in housing and homeless serving sector emerging from COVID-19, and approaching upper levels of government to fund Hamilton’s new affordable housing development in aggregate, rather than on a per project basis.
4	Bring forward recommendations for delegated authorities required by City Staff to maximize and expedite progress on Roadmap deliverables and Council-endorsed goals.
5	Partner with Social Innovation Canada, Canada Mortgage and Housing Corporation, the Federation of Canadian Municipalities and the Hamilton Community Foundation on a Transit-Oriented Affordable Housing Lab in Hamilton to design and implement new financing models and maximize funding pathways to Canada Mortgage and Housing Corporation.
6	Review planning policies, incentives and proposed regulatory changes that will enable progress towards the goal of 350 moderately affordable market rental units per year.



<b>7</b>	Led by the City’s Real Estate section initiate a full assessment of City-owned properties to identify potential sites suitability for affordable housing development, either through using available land or intensification of existing buildings. Explore similar opportunities with Federal and Provincially owned lands.
<b>8</b>	Support the social housing providers to complete the asset rationalization work that will be used to create a multi-year capital plan related to intensification and asset renewal for the current social housing stock.
<b>9</b>	Develop a City-led Tenant Response Team that would work with community organizations in a city-wide response to addressing tenant concerns and issues (including responses around “renovictions”), and design a city-wide campaign to ensure tenants know their rights to remain in their homes.
<b>10</b>	Start dialogue with community partners to create an Acquisition Assistance Fund, potentially in partnership with social enterprise capital that would enable the purchase and preservation of existing affordable private rental housing in Hamilton.
<b>11</b>	Invest in enhancements to homelessness serving sector considering new municipal housing benefits to ensure impact further upstream, and bringing out-of-service rent-geared-to-income units back on line. Develop financing strategy for any additional in-year investments and in advance for the 2024 budget process.

**APPENDIX**

Year 1 Program of Work						
	DESCRIPTION	LEAD	STATUS			
			Existing	Enhanced	New	Progress
<b>INFRASTRUCTURE FOR THE ROADMAP</b>						
1	<p>Create and begin staffing the Affordable Housing Secretariat with a Director, Community Special Advisor, Program Coordinator.</p> <p>Use the first few years to better understand the need for permanent resourcing of the Secretariat, and the need for additional expertise and resources required across City government to fully implement the work.</p> <p>Bring forward the proposed permanent structure for the 2024 budget process, a five-year financing strategy, and recommendations for delegated authorities a Secretariat may require to expedite progress (e.g. purchasing limits, rostering process, re-zoning).</p>	Executive Steering Committee	XX			Underway
2	<p>Establish governance and convene governors to ensure alignment across community and City departments. Invite community sector to sign onto partnership commitments.</p>	Secretariat Executive Steering Committee	XX			Underway
3	<p>Establish an Affordable Housing Resource Fund to address immediate and Year 1 actions.</p>	Executive Steering Committee		XX	XX	Proposed to Council
4	<p>Develop a Government Relations Strategy, with prioritized focus on key issues, including supportive housing, appropriate levels of investments in housing and the homeless serving sector emerging from COVID-19, and approaching upper levels of government to fund Hamilton's new affordable housing development in aggregate, rather than on a per project basis.</p>	Roadmap Partnership Table, Mayor's Office	XX			Upon Roadmap approval
<b>PILLAR 1: NEW CONSTRUCTION</b>						
5	<p>Ensure the affordable units currently under construction by community stakeholders are completed.</p>	Housing Division	XX	XX		Underway

**APPENDIX**

## Year 1 Program of Work

	DESCRIPTION	LEAD	STATUS			
			Existing	Enhanced	New	Progress
6	Partner with Social Innovation Canada's Transit Oriented Affordable Housing Lab, Canada Mortgage and Housing Corporation, the Federation of Canadian Municipalities and the Hamilton Community Foundation to design and implement new financing models and maximize funding pathways to Canada Mortgage Housing Corporation. (Launch date: May 2023)	Housing Division, Community Partners, Hamilton Community Foundation, Canadian Housing Evidence Collaborative	XX			Underway
7	Develop and implement a promotion strategy to accelerate construction and expansion of Accessory Dwelling Units and Four-plex conversions across the city.	Planning and Economic Development	XX	XX		Expand existing programs that are underway
8	Develop a package of incentives and programs to support the construction of affordable housing, including, but not limited to, the provision of advisory expertise to aid housing providers at the pre-construction and feasibility stages, prioritization of development approvals, reducing or eliminating parking requirements, and reducing or eliminating fees and charges such as parkland dedication fees, development application fees, and Development Charges for affordable housing projects.	Planning and Economic Development, Community Stakeholders, Housing Division	XX			Upon Roadmap approval
9	Identify opportunities for integrated development by assessing capital asset renewal projects by anchor institutions, community stakeholder, and the City for possible inclusion of affordable housing.	Secretariat			XX	Upon Roadmap approval
10	Work with Indigenous housing providers and organizations to expedite and complete housing projects that are planned or underway.	Secretariat, Housing Division	XX	XX		Upon Roadmap approval
<b>PILLAR 2: ACQUISITION</b>						
11	Start dialogue with community partners to create an Acquisition Assistance Fund, potentially in partnership with social enterprise capital that would enable the purchase and preservation of existing affordable private rental housing in Hamilton.	Secretariat, Executive Steering Committee			XX	Upon Roadmap approval

**APPENDIX**

## Year 1 Program of Work

	DESCRIPTION	LEAD	STATUS			
			Existing	Enhanced	New	Progress
12	<p>Led by the City's Real Estate Section, initiate a full assessment of City-owned properties to identify the suitability of potential sites for affordable housing development, either through using available land or intensification of existing buildings.</p> <p>Led by staff in the Housing Services Division, work with affordable housing providers to optimize housing portfolios.</p>	Secretariat, Real Estate Division, Facilities Division	XX	XX		Upon Roadmap approval
13	In Year 1, be prepared to identify and purchase parcels of land and/or vacant or under-utilized properties that are suitable for the development of affordable housing (this could include existing properties with future intensification potential).	Secretariat, Real Estate Division, Roadmap Partnership Table			XX	Upon Roadmap approval
<b>PILLAR 3: PRESERVE AND MAINTAIN AFFORDABLE HOUSING</b>						
14	Complete an asset rationalization study of community housing portfolio to identify development and intensification opportunities	Secretariat, Housing Services	XX			Upon Roadmap approval
15	Acquire a consultant to support the social housing providers other than CityHousing Hamilton to complete the asset rationalization work that will be used to create a multi year capital plan related to intensification and asset renewal for the current social housing stock.	Housing Division, Real Estate Division			XX	Underway for CityHousing Hamilton, upon Roadmap approval for other providers
16	Identify funding to assess, prioritize and repair (where possible) approximately 500 rent-gear-to-income units that are off-line and require renewal.	CityHousing Hamilton			XX	Before Council for decision
17	To protect existing rental housing, establish a policy package including a rental replacement by-law. Encourage additional policy initiatives that protect purpose-built rental housing supply as required.	Planning and Economic Development	XX			Upon Roadmap approval

APPENDIX

## Year 1 Program of Work

	DESCRIPTION	LEAD	STATUS			
			Existing	Enhanced	New	Progress
18	Develop and resource a City Coordinated Tenant Response Team that would work with community organizations in a City-wide response to addressing tenant concerns and issues (including responses around "renovictions") and design a City-wide campaign to ensure tenants know their rights to remain in their homes.	Housing Division	XX		XX	Upon Roadmap approval
<b>PILLAR 4: PROVISION OF HOUSING-BASED SUPPORTS</b>						
19	Work with upper levels of government and health and human service partners to create 200 new, permanent supportive housing units with purpose-built units for 10-15 people per site with highly complex needs who are experiencing chronic homelessness.	Housing Division, Community Stakeholders			XX	Upon Roadmap approval
20	Continue to advance Indigenous shared leadership of Hamilton's Coordinated Access System in collaboration with the Indigenous Community Entity (Coalition of Hamilton's Indigenous Leadership) to ensure Indigenous-led funding decisions to support Indigenous-led housing support programs and Indigenous housing providers as part of a comprehensive continuum of supports.	Housing Division		XX		Upon Roadmap approval
21	Work with Housing Services, Greater Hamilton Health Network, Ontario Health, local stakeholders and senior levels of government to increase the number of people with high acuity, complex needs who receive residentially-based health supports.	Housing Division, Executive Committee	XX			Underway
22	Improve the system of homelessness services and supports to individuals and families who are unsheltered and/or accessing shelters through the creation of new Portable Housing Allowances to bolster prevention and diversion programs, renew shelter standards and training and expand emergency shelter capacity for women and families, as well as a drop-in and winter response strategy.	Housing Division			XX	Underway

## LAND ACKNOWLEDGMENT

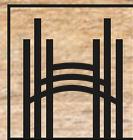
The City of Hamilton is situated upon the traditional territories of the Erie, Neutral, Huron-Wendat, Haudenosaunee and Mississaugas. This land is covered by the Dish With One Spoon Wampum Belt Covenant, which was an agreement between the Haudenosaunee and Anishinaabek to share and care for the resources around the Great Lakes. We further acknowledge that this land is covered by the Between the Lakes Purchase, 1792, between the Crown and the Mississaugas of the Credit First Nation.

Today, the City of Hamilton is home to many Indigenous people from across Turtle Island (North America) and we recognize that we must do more to learn about the rich history of this land so that we can better understand our roles as residents, neighbours, partners and caretakers.

## FOR MORE INFORMATION

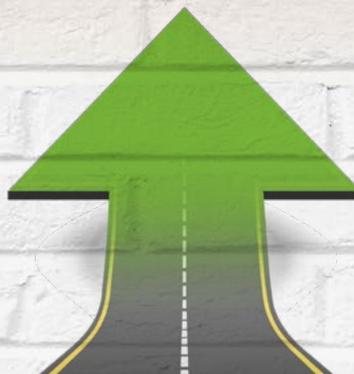
Please contact the City of Hamilton Housing Services Division  
by email at [housing@hamilton.ca](mailto:housing@hamilton.ca)  
or visit [www.hamilton.ca/housing](http://www.hamilton.ca/housing).

# HOUSING SUSTAINABILITY AND INVESTMENT ROADMAP



Hamilton

April 2023





## **A Strategic Implementation Framework for the Hamilton Housing and Sustainability Investment Roadmap**

### **James R. Dunn, Ph.D.**

Professor, Department of Health, Aging & Society, McMaster University  
Director, Canadian Housing Evidence Collaborative (CHEC)  
Senator William McMaster Chair in Urban Health Equity  
Associate Dean Research, Faculty of Social Sciences, McMaster University

### **Steve Pomeroy, MA**

Executive Advisor, Canadian Housing Evidence Collaborative (CHEC)  
Industry Professor, McMaster University  
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## **Introduction**

Similar to many cities in Canada and elsewhere Hamilton faces a crisis of affordable housing. This is a global crisis with many causes, and governments all around the world, at all levels, are being called upon to respond. Municipalities possess many policy and procedural levers, as well as other resources that can be deployed to address the affordable housing crisis, and they must act because they are on the front lines in dealing with the negative consequences of the crisis. Most importantly, Canadian municipalities need to take leadership on the issue and in so doing adopt a long-term comprehensive perspective, that results in focused, strategic action. This is a problem many decades in the making, it won't be 'solved' quickly with short-term, isolated initiatives: a long-term horizon and a new, comprehensive and strategic approach is urgently needed.

There are a number of complex, interrelated causes to the issues of diminishing supply of affordable rental housing, such as financialization, renoeviction, costs of construction, and gentrification. A major watershed occurred in the mid-1990s when the federal government, with provinces following, ended their funding of new, affordable public housing construction. There has been some revival of senior government action, initially in 2001 which started the modestly funded joint federal-provincial-territorial affordable housing initiative and more recently through the larger funding in National Housing Strategy from 2017. As a result, new programs and new money have been committed to the problem.

Although many countries are facing housing affordability crises at the same time as Canada the Canadian context for rental housing presents some significant challenges. Overall, only a small proportion of households in Canada receive their housing from the public or non-market sector – now less than 5% - compared to some other countries, where it is much higher. As a result, the private market sector is a very important provider of modestly priced housing in Canada, along with the much smaller non-market and public housing sectors. Governments have strong levers available to them to create change in the public sector, fewer levers in the non-market sector and even fewer in the market sector.

But this is the challenge that must be confronted. Hamilton (Census Metropolitan Area) lost more than 10,000 units of private rental housing at \$750 or less between 2011 and 2016, and another 5,000+ units renting for \$750 or less between 2016 and 2021. This leakage in the "affordable market" sector is undermining efforts and investments in creating new affordable housing.

The challenge of addressing affordable rental housing must be conceptualized, at least partly, as a 'stock management' problem, where government has limited levers available to it. A tenacious, multi-pronged strategic implementation strategy is needed to mitigate the losses and increase the gains of affordable housing units.

### **Strategic Implementation Framework**

To redress the challenges of affordable market housing, there are three key strategic foci that are needed related to housing units as well as a fourth focus related to human services supports. These comprise four pillars of a strategic implementation framework for affordable housing in Hamilton. They are:

- Affordable housing construction
- Affordable housing acquisition
- Affordable housing retention
- Housing supports

Here we use the term "affordable" to refer to housing that rents at level that lower income households can afford without spending more than 30% of their income. While a relative term, it includes both existing market properties with low rents, as well as existing and new non-market homes being created by non-profit and co-operative organizations and consequently isolated from the market pressures that are causing the noted large scale losses.

#### ***Affordable housing construction***

Most of the resources currently available under the NHS focus on construction (and more on market than affordable rental housing). Unfortunately, it is clear that new construction will be significantly outpaced by the loss of affordable market rental housing, even under the best of circumstances. Deeply affordable housing has been challenging make work with the resources from the NHS, so instead modestly affordable housing has been constructed, some of it with only a temporary commitment to affordability required (e.g., 10 years). In addition, recent months have seen borrowing and construction costs rise rapidly and even projects that are under construction are facing large cost overruns.

Despite these challenges, it is important to continue to maximize this source of affordable housing, but there are a number of barriers to be overcome, which include a lack of non-market development organizational capacity, complex and slow approvals, conflicting conditions across different funding sources, as well as the cost and availability of land.

#### ***Affordable housing acquisition***

As a result of processes like financialization and renoviction, the last several years have seen an acceleration of the loss of affordable market rental housing. Private capital firms, some of which are REITs, and other investors, seek out 'underperforming' buildings where rents are lower than they potentially could be, acquire the buildings and then as tenants leave (either involuntarily or by attrition), they upgrade building amenities and units to obtain higher rents. During the pandemic years, with near-zero interest rates and rapidly rising real estate values, financing for such activities was cheap and after the upgrade the owner can re-finance the building at a higher value and extract a portion of the increased equity to fund subsequent investments. This kind of activity is made possible by provincial policy related to rent control – vacancy de-control – where rent is only regulated so long as the same tenant stays in a unit (units built after November 2018 are exempted) in Ontario. In housing where there

are vacancy decontrols, once a tenant vacates a unit, the landlord can raise rents to whatever rent the market will bear.

A promising potential action to mitigate this loss of modestly priced rental housing is to provide additional assistance to the non-market sector to acquire these existing lower rent buildings from the private sector. But non-profit housing organizations have few options to purchase affordable market rental buildings that are offered for sale, because private sector purchasers can complete the sales faster than non-profits who needed to seek funding. There are some opportunities for innovative purchasing approaches in this area. Overall, this has the potential to be even more impactful than new affordable housing because of the scale, speed and price. There are still many units of modestly priced rental housing that could potentially be acquired, acquisition is much faster than new build, avoids planning opposition, and acquisition is (still) much cheaper than new construction. An added benefit is that tenants can remain in their homes if a building is acquired by a new entity that is committed to continued operation at modest rents. There are many opportunities to mobilize social purpose capital – lenders who are willing to take a lower rate of return on their investments in exchange for achieving some social purpose, like providing affordable housing – the Hamilton Community Foundation is already active in this area.

Another stream of acquisition should focus on affordable home ownership. Healthy operation of the housing system depends on people leaving renting for home ownership, but this has slowed in Canada as owner-occupied housing prices have also grown rapidly. Between 2011 and 2021, the home ownership rate in Canada declined from almost 69% to 66%, which represents roughly 100,000 households who did not leave rented housing for owned housing, placing additional pressure on the rental market. In Hamilton, it declined from 71.6% to 68.6%, affecting almost 9,000 renter households that might have become owners and created this number of rental vacancies. Affordable home ownership has the added benefit of freeing up units in private market rental as people transition from one tenure to the other, and generally require very little subsidy. There are a number of non-profit organizations engaged in development of affordable home ownership and others that provide financing for such activity. It is unlikely to have a large impact, but it is one that is easily scaled from its current levels.

### ***Affordable housing retention***

This issue is closely related to acquisition, but because of rent de-controls, it is important that tenants who are under rent controls have the ability to stay in their units, because once they leave, the unit may be lost to the affordable market housing stock. The key challenges to tenants maintaining their tenancy are above-guideline rent increases, eviction and incomes. There are a number of small programs supporting tenants with these issues, but they should also be increased, as keeping a tenant in their housing provides a double impact: it reduces risk of homelessness for the vacating household and avoids the rent increasing to a less affordable level, so is tantamount to avoiding the loss of an affordable housing unit, though it is rarely seen that way.

Another important activity related to housing retention concerns non-profit housing providers that were subject to legacy funding from the federal and provincial governments and are reaching the end of mortgage or end of operating agreements. Most of these organizations are mission-driven organizations who are likely to want to continue to provide affordable housing, so while there is no major threat of significant loss of units here, there is action that needs to be undertaken. Work is needed to understand the scale and timing of these transitions for local non-market housing providers and the level of renewed funding support required to ensure these low rent often RGI units are not lost. Many of them would benefit from support with strategy, financing and future governance to continue operating as affordable

housing providers. The HSIR should develop resources to provide such support, and this would be a useful function for the Secretariat.

### ***Housing supports***

A fourth emphasis on *supports* is also essential to an affordable housing strategy. Many people who need assistance with rent also need more human service supports to ensure successful tenancies and well-being. Encampments are a symptom of both the inability to afford existing rentals, but principally the lack of supports with affordable housing. It's also evident in a number of social housing buildings, where tenants are aging into the need for supports. The lack of supportive housing also has significant implications for other sectors, notably hospitals, emergency services and policing and criminal justice, as well as other services.

A tactical roadmap for housing should address the need for supportive housing for the following priority groups:

- People with severe mental illness, addictions and other people who are high acuity and at-risk for homelessness, or who are homeless. The At Home / Chez Soi demonstration project showed that supportive housing for high needs clients costs less than the costs avoided in other sectors, notably policing and criminal justice, acute care services, emergency response, social services.
- Older adults, particularly low-income older adults, has a clear connection to the long-term care and acute care sectors. A Canadian Institute for Health Information (CIHI) study estimates that 1 in 9 people going into long term care (LTC) didn't require that level of care (clinically), and it is well-known that LTC is being used as a source of affordable housing for people who could otherwise live in the community with supports, but who cannot get accessible, affordable housing
- People with developmental disabilities require supportive housing and there is a severe shortage. At the start of Ontario's Task Force on Housing and Developmental Services in 2017, there were an estimated 14,000 people in need of supported housing in this population
- Women, LGBTQ+ have a significant need for customized supportive housing, and indeed all sectors of housing should be working from a GBA+ perspective to ensure equitable access and service levels. There are a number of providers well-equipped to deliver such housing and supports
- Another critical group for prioritization is Indigenous people, who face significant barriers in the housing market due to discrimination and a number of other issues. Efforts in this area are an important contribution to Indigenous reconciliation. Housing and supports for Indigenous people need to embody principles of equity and reconciliation, as well as cultural safety in the provision of services. Indigenous organizations in Hamilton have good capacity to deliver culturally safe, affordable, equitable housing, but need additional support to scale to meet needs.
- Groups facing racial discrimination are also significantly disadvantaged in the rental housing market by discrimination and related issues. While some non-market housing providers are beginning to recognize this need and target their activities to redressing the significant inequities, more focused work is needed to identify the need and plan appropriate and effective responses.

### **Affordable Housing Secretariat**

The housing system is highly complex, capital-intensive, cross-sectoral and recently has been characterized by a great deal of change in the system and in the policy environment. Responses to the significant challenges faced often require rapid responses, collaborative partnerships and a degree of opportunism.

It is important that the proposed new Affordable Housing Secretariat be structured to meet the needs of the challenge faced in this area. Specifically, the Secretariat should be responsible for leading a comprehensive, strategic, integrated and coordinated approach. This is needed because of the complexity of the issues it will be dealing with; they need to be able to account and adjust for a number of interdependencies in the system. In addition, there are several internal City stakeholders, many external cross-sectoral stakeholders, policies and programs at multiple levels of government, market forces, private sector stakeholders, stakeholders in the housing and homelessness action plan, and tenants and citizens themselves that would benefit from a broadly mandated Secretariat.

To achieve this comprehensive, strategic, integrated and coordinated approach, it is recommended that the work of the Secretariat be structured similar to the Secretariat's in other cities. Typically in those cities, a 'program of annual activity' is proposed to Council annually (ideally in the Fall, in advance of budget season), and then results for the previous year are reported. In between, the Secretariat would have a fair degree of decision latitude to conduct its work according to principles set out by Council and a budget that is approved by Council. This will permit the Secretariat to demonstrate the leadership necessary to move the affordable housing agenda forward with decisiveness and momentum. In other municipalities, between annual reports, the work of the Secretariat is overseen by the Mayor and often a 'housing champion' on Council. They provide more frequent guidance and engage in consultation with other members of Council as needed during the year. This has worked well elsewhere.

In addition to this structure for the annual work activity, of the Secretariat, there are important capacities that the City of Hamilton should seek to build within the Secretariat. In addition to a Director, who should have a broad expertise in the public and non-profit sector delivering and/or developing affordable housing, dealing with policy and political processes, the Secretariat should also seek to develop – if not at inception, but soon afterwards – the following capacity:

- Analytical capacity – the ability to analyze data, policy and other inputs to develop strategic advice for the Secretariat and Council, and equally importantly, develop systems for monitoring activity by the City and its partners for reporting and evaluation;
- Policy capacity – the ability to research and investigate policy options and make recommendations for their adaptation and adoption in Hamilton;
- Government relations capacity – given the significant multi-jurisdictional nature of the housing system, and particularly the importance of Provincial and Federal policies and programming in affordable housing, the Secretariat needs to be an effective advocate for policy and program change that can benefit Hamilton's efforts in affordable housing;
- Communications capacity – an Affordable Housing Secretariat will enhance the efforts of the City and its partners to address affordable housing, but this is a high-profile nature issue and the Secretariat will quickly become a focal point for questions about the City's progress. Accordingly, it will be important to ensure the Secretariat is well-positioned to communicate with a wide variety of stakeholders and the public.

### **Operating Principles for Affordable Housing Action Under HSIR**

There are a few preliminary operating principles that should guide the operation of an Affordable Housing Secretariat and the implementation of the Housing Sustainability and Investment Roadmap.

These principles should be further developed by the Secretariat's Director once they are hired, based on additional consultation with Council and stakeholders both internal and external to the City.

- The Secretariat, and the Roadmap, will optimize the City's administration of affordable housing programs by maximizing revenue from other levels of government, while maintaining or improving affordability for tenants and citizens;
- The Secretariat will be responsible for leading the development and implementation of an annual program of strategic activity to advance affordable housing, that is comprehensive, seeks integration and coordination both within and outside the City, guided by the HSIR;
- City staff, led by the Secretariat, will act as community leaders in affordable housing action, helping to facilitate, broker, advocate and implement tactics that promote affordable housing;
- The Secretariat should present a proposed program of activity for approval by Council annually, and report on progress in the previous year, and between reporting periods should have autonomy to execute the program of activity and the flexibility and responsiveness to be opportunistic and entrepreneurial, conducting its work in an expeditious and effective manner;
- The Secretariat should seek to find the correct balance between spending through loans and grants to build, acquire or preserve affordable housing and maximize leverage available from other sources. Money loaned can be re-used, but money granted is one-time only;
- Decisions on land, financing, expenditures, etc. should be made on public interest and the priorities set out annually in the Secretariat's program of activity;
- The City, through the Secretariat, should prioritize low-cost and/or efficient, procedural, policy, by-law, etc. initiatives that mitigate the loss of modestly-priced rental housing or increase targeted aspects of supply (for instance, specialized housing for equity-deserving groups);
- The City, through the Secretariat, and with both internal and external partners/stakeholders should take leadership in a gradual transformation of the rental housing sector, growing the non-market sector over the medium- to long-term to mitigate the risks to citizens of affordable housing crises in the future;
- The City, through the Secretariat, should operate with a spirit of innovation and opportunism, alongside important operational values like respectful partnership, openness and transparency, and operational excellence.

As the Secretariat, Council and City staff work to develop the Secretariat's structure and activities, it is anticipated that the need for additional guiding principles will emerge, so the above principles represent a non-comprehensive list that can and should be revised as the need emerges.

### **HSIR Cross-Sectoral Partnerships**

The establishment of the Secretariat is critical to optimizing the City's capacity for implementation of the Roadmap, but once the City has chosen its strategic actions under the HSIR, it is well-positioned to take a leadership role with other sectors who can contribute to affordable housing solutions and/or are affected by the crisis. A number of anchor institutions have already signaled their willingness to work with the City to find synergies in their operations to advance the cause of affordable housing, and the Secretariat will play an important role in translating this sentiment into new action on affordable housing.

In general, the Secretariat should take a leadership position to facilitate, advocate and catalyze cross-sectoral organizations and institutions to engage in synergistic actions to advance affordable housing. There are three sectors of immediate relevance and importance, and there may be other sectors that emerge in the future. A non-exhaustive list of such sectors / organizations follows, along with preliminary notes on potential needs, opportunities and synergies:

#### *School Boards*

School boards are large public-sector land holders and as their buildings age and their needs for land change, there are opportunities to contribute to action on affordable housing. The City, through its Affordable Housing Secretariat should seek to strengthen its relationship with the school boards to identify opportunities for action on affordable housing and identify their mutual interests in the issue, and for the Secretariat to make recommendations to Council on how best to advance those interests towards affordable housing. Specifically, one priority action would be to more effectively and efficiently identify surplus properties that could be sites for affordable housing. While this is governed by provincial legislation and regulations, the City is high on the priority list for purchase of surplus lands and there may be ways for the City to strengthen this potential source of land for affordable housing construction in the future. This relationship with the school boards should be linked to broader efforts to prioritize all suitable public land for housing construction: a "Housing First" priority for all suitable surplus or under-utilized public lands.

#### *Post-Secondary Education Sector*

Hamilton benefits from very strong post-secondary education (PSE) institutions. The sector employs a large number of people and attracts a significant amount of economic activity to the City through research grants, industry partnerships and economic activity of staff and students. For more than decade, the student population in post-secondary at Hamilton's PSE institutions has been growing. Since the imposition of domestic student enrollment caps by the Provincial government in 2018, much of that growth has shifted in focus to international students. And as enrollment (both domestic and international) expands, this puts pressure on the rental market. To date, there has been little coordination between the City and its PSE institutions around student growth and housing needs, a situation that is replicated in a number of other cities in Ontario. There is significant potential for Hamilton's PSE institutions to work with the City and other partners in developing more purpose-built student housing options. These can be built with some efficiencies that are not present in other forms of housing, and most important can be built with no subsidy. When purpose-built student housing is built or acquired, this takes pressure off the modestly-priced 'regular' rental market that low- to modest-income households depend upon for their housing. The Secretariat will be well-placed to provide some leadership and focus to better meeting student housing needs in the future.

#### *Health Care and Hospitals*

In many ways, affordable housing – and often accompanying human services supports – serve to divert health care utilization, or at least alter utilization patterns that are beneficial for health care system functioning. From the perspective of health care institutions, patients who cannot be discharged because of inadequate options for accommodation and appropriate support (known in the sector as 'Alternate Level of Care' or ALC patients) are a persistent challenge for the health care sector. There are, in other words, some strong interdependencies between health care and housing, that currently pose logistical challenges but could operate with more complementarity. There is a strong potential, in other words, for a better functioning system of housing and support for a number of different populations (e.g., older adults with activity limitations and/or complex medical needs, people with severe mental illness and addictions, etc.). The rigid silos that exist between sectors are a significant barrier in achieving more

synergistic relationships between the housing system and the health care system. If a supportive housing program, for instance, succeeds in diverting health care utilization through the housing and supports it provides, there is no mechanism to realize the economies achieved in the health care system to sustain and grow the supportive housing sector. To overcome these barriers will require a significant amount of partnership work, policy advocacy and organizational innovation, but it is an important opportunity that the City is well-positioned to lead on, through the office of an Affordable Housing Secretariat.

### **Conclusion**

Over its history since WWII, Canada's housing system has primarily depended on the private sector to deliver modestly-priced housing. There have always been significant gaps in this approach, but the failure of this approach has reached an untenable state in recent years. This report has provided a framework for action on affordable housing consisting of four pillars for action. The report recommends that the Housing Sustainability and Investment Roadmap be implemented by an Affordable Housing Secretariat. The complexity of the problem, its multi-sectoral, multi-stakeholder, multi-level dimensions, as well as the need for a comprehensive, strategic and coordinated approach, requires coordination, leadership and a comprehensive approach. The Secretariat will provide this, and should do so through an annual program of activity that is approved by Council with the autonomy to execute its program between annual reports. This is necessary to give the Secretariat the flexibility and responsiveness to conduct its work in an expeditious and effective manner. Such a Secretariat will be well-positioned to maximize the City's resources on affordable housing and position the City as a strategic leader in the community's development of a housing system that is better positioned to meet the housing needs of all of its residents.

### **Background on the Canadian Housing Evidence Collaborative (CHEC)**

The Canadian Housing Evidence Collaborative (CHEC) is funded by the Canada Mortgage and Housing Corporation (CMHC) to serve as the 'hub' for the Collaborative Housing Research Network (CHRN). The CHRN is a network of 5 thematic multi-institutional research nodes that are aligned to themes of the National Housing Strategy (NHS). This places CHEC at the centre of a large network of housing expertise across many domains of housing research, policy and action. CHEC also has extensive international connections, including with the UK Collaborative Centre for Housing Evidence (CaCHE) research network and the Australian Housing and Urban Research Institute (AHURI).

CHEC is led by Executive Director Dr. Jim Dunn, a Professor of Health, Aging & Society at McMaster University. Dr. Dunn holds the Senator William McMaster Chair in Urban Health Equity and is also Associate Dean, Research in the Faculty of Social Sciences. His expertise is in housing, neighbourhoods and health inequalities, and he is known as one of Canada's leading researchers in housing and health. Trained in urban health geography and social epidemiology, he has published widely in geography, public health, urban planning and epidemiology and has worked closely with governments at all levels to address issues related to the effects of income security, housing, urban development on health and healthy child development. He has extensive experience in implementing large-scale research intended to inform policy and program implementation. From 2010-2014, he worked closely with the City of Hamilton to conduct a pragmatic evaluation of the Hamilton Neighbourhood Action Strategy. He also co- led the \$5.3M evaluation of the Ontario Basic Income Pilot until its untimely cancellation in 2018.

CHEC's Executive Advisor is Steve Pomeroy. Steve is the Principal of Focus Consulting based in Ottawa and holds an appointment as Industry Professor at McMaster University. Educated at UBC with a MA in Planning and Urban Land Economics he has over 30 years of experience in local government (1980-82) the non-profit sector (83-84), and with CMHC. He has been the Principal of Focus Consulting for over 30 years. He is widely recognized as one of the leading housing policy experts in Canada and has been an advisor to a number of national associations, municipalities, provinces and territories. He has completed over 230 reports and studies and strategies covering issues of socio-economic analysis, homelessness, housing policy and financing. His work also includes a number of comparative studies examining housing systems across a range of countries, compared to Canada. In 2013, Steve was awarded the Queen's Diamond Jubilee Medal in recognition for his contributions to housing policy and research.

CHEC has been a close advisor to the City's team developing the HISR and will continue to provide assistance to the City in the development of the Secretariat and the ongoing implementation and evaluation of the Roadmap. Specifically, CHEC will support the City with thought leadership, implementation research, best practice innovation, rapid evidence reviews, and adapted solutions to affordable housing challenges.



# INFORMATION REPORT

<b>TO:</b>	Chair and Members Emergency and Community Services Committee
<b>COMMITTEE DATE:</b>	March 23, 2023
<b>SUBJECT/REPORT NO:</b>	Ending Chronic Homelessness (HSC23021) (City Wide) REVISED
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Vanessa Parlette (905) 546-2424 Ext. 3863
<b>SUBMITTED BY:</b>	Michelle Baird Director, Housing Services Division Healthy and Safe Communities Department
<b>SIGNATURE:</b>	<i>Michelle Baird</i>

## COUNCIL DIRECTION

Not Applicable

## INFORMATION

This report provides an update on the current state of homelessness in Hamilton, including needs, trends and existing interventions, as well as information on what it would take to end homelessness in Hamilton rather than simply manage it. This report outlines a proactive approach and a comprehensive set of investments for Council to consider in 2023 and future years to address gaps and opportunities for expanding the reach and impact of the homeless-serving sector. The approach outlined here draws from questions raised by Council and community members and builds from the Homelessness and Housing Action Plan and the work on the Housing Sustainability and Investment Roadmap (HSIR).

Given the complexity and volume of work underway in Housing Services Division, the purpose of this information report is to enable a discussion on the homeless serving sector in advance of the Housing Sustainability and Investment Roadmap (HSIR) that is coming forward to Committee and Council in April 2023. The HSIR will bring forward recommendations on priorities from this report that have maximum impact on homelessness, some of which are investments in emergency services and some further upstream which are required to end chronic homelessness. The April recommendations brought forward through the HSIR will align with this report and would be implemented pending Council direction and available in-year resources and/or development of an appropriate financing strategy.

Appendix "A" to Report HSC23021 summarizes existing interventions in our homeless serving sector. Appendix "B" to Report HSC23021 further details the current state of homelessness in Hamilton. Appendix "C" to Report HSC23021 outlines a comprehensive overview of prioritized actions and investments – some which are being piloted in 2023 to evaluate effectiveness, and some which require new resources to be implemented. Appendix "C" to Report HSC23021 will be included in the HSIR staff report as a reference point providing additional detail to accompany the HSIR recommendations. The Housing and Homelessness Action Plan serves as the foundation for the interventions in this report and also the HSIR.

It should be noted that the entire system is under-resourced. During the pandemic, the province provided Social Service Relief Funding, which enabled critical expansion of programs and services in the sector. These resources have ended, leaving the municipality and community providers to manage unprecedented need without expanded support from upper levels of government. Existing providers would benefit from additional investment to stabilize their programs, operations, and staffing. These investments are not reflected in this chart. In addition, many community organizations provide programs and services in complement to city-funded providers, but which do not receive any funding through the Housing Services Division.

## **Background**

Hamilton has worked towards the goal of ending homelessness since the 2010 launch of our Advisory Committee for the Housing and Homelessness Action Plan (HHAP), published in 2013 and updated in 2020. In 2019, the City launched the Coming Together to End Homelessness Systems Planning Framework (CTEH). The CTEH outlines Hamilton's homelessness ending strategy. Hamilton's strategy to end homelessness is also laid out in the Reaching Home Homelessness Plan 2019-2024 (HSC20004, HSC21044) and its implementation will be furthered strengthened through the HSIR.

## **What is Hamilton's Homelessness Ending Strategy?**

The Housing Services Division is funded by all levels of government. In 2019, this investment totalled \$110 M. In 2023, total investment is approximately \$133 M. The increase is due to an increase in provincial and federal funding allocations with the introduction of new programs and some increases to existing programs' annual allocations. Investments specifically targeted towards interventions to prevent and end people's experience of homelessness are budgeted at \$39,877,095 for 2023-24<sup>1</sup>, of

<sup>1</sup> The projected 2023-24 budget of \$39,877,095 for homelessness supports is inclusive of Federal Reaching Home: \$9,924,878; Provincial Homelessness Prevention Program: \$23,559,700; and Municipal Levy: \$6,392,517. These figures are based on start-of-year budgeted funding for costs associated with direct service delivery as well as supporting system coordination and some administration within Housing Services Division.

which \$6.39 M annually represents municipal levy. This investment enables delivery and integration of programs outlined in Appendix "A".

Hamilton's overarching homelessness strategy and HHAP include:

- **Investments in capital to build and maintain supply of affordable housing.** Outcome 1 of the HHAP is focused on increasing affordable rental and ownership housing in Hamilton to meet the need and demand. In 2021-22 Hamilton approved investment in 184 new units of community housing and repaired an additional 1,935 units. When investing in new capital developments, the City negotiates with housing providers to establish commitment to housing people from the social housing waitlist and the By-Name List of people actively experiencing homelessness.
- **Preserving community housing units and managing access to subsidized housing.** Outcome 2 of the HHAP is focused on people having more housing affordability and choice. Strategy 3 is about increasing the number and effectiveness of housing allowances and rent supplements. In 2021-22, 10,698 households were assisted through social housing, rent supplements, and housing allowances.
- **Managing coordinated access to a diverse range of housing solutions.** HHAP Outcome 3 is about making sure people have the supports they need to obtain and maintain housing. HHAP Strategy 1 aims to improve coordination between homelessness programs and housing support services. In 2021-22 supports were provided to help 2933 households remain housed and prevent homelessness. Since January 2020, more than 1380 households have been supported to exit homelessness through City-funded Intensive Case Management and Rapid Rehousing programs.
- **Building capacity to develop Indigenous owned capital resources and Indigenous-led programs.** HHAP Outcome 5 aims to ensure all people experience equitable access and supports through all housing-related services. Strategy 2 focuses on ensuring Indigenous people are engaged with housing and homelessness services and served in a culturally appropriate manner. Strategy 3 outlines Housing Services Division's commitment to build capacity within Indigenous organizations as requested by those organizations. A comprehensive range of supports delivered through Indigenous partners include: an Indigenous drop-in, shelter intervention, street outreach, mobile mental health support, early intervention, and intensive case management with a targeted strategy of provision of services to encampment areas. Indigenous peoples are also prioritized first for both Indigenous and non-Indigenous program streams.

It is essential that supports for individuals experiencing homelessness are set within a broader strategy to increase supply of affordable housing. The City has established transparent processes to prioritize investments through Community Calls for Applications and stakeholder engagement to identify and address community needs with effective, local solutions.

Despite having a comprehensive strategy with many effective interventions in place, the level of need for affordable housing and homelessness supports far exceeds available resources. This challenge has been exacerbated over the course of the pandemic and the homelessness sector continues to experience unprecedented demand. Hamilton's coordinated system enabled community partners to respond quickly to expand emergency programs during the pandemic. This response included expansion of drop-in programs, street outreach services, isolation centres, and shelter spaces from 341 pre-pandemic to more than 500 through the pandemic. Data from the Municipal Benchmarking Network Canada shows that in 2020 and 2021 Hamilton invested more dollars and had more shelter beds per capita than comparable communities.

Emergency services are a critical first-line response to ensure people experiencing homelessness have a safe place to stay and basic needs met while they pursue stable housing. This is true whether an individual is staying in shelter, couch surfing, or living unsheltered. However, an over-investment in emergency response services runs the risk that we regress to a place of managing homelessness rather than ending it. To accelerate progress toward ending homelessness, Hamilton must move beyond the emergency response orientation of the pandemic and enhance investment in permanent solutions to homelessness. This is the only way to avoid cycles of short-term measures that address the symptoms of homelessness or help people cope with it, rather than address the root causes. Actions and investments in ending homelessness must be chosen based on demonstrated evidence of successful outcomes for each type of intervention and designed to address the unique needs of individuals in Hamilton who are at risk of and experiencing homelessness.

### **State of Homelessness in Hamilton**

This section provides a summary of trends in homelessness data for 2022, with further details included in Appendix "B" to Report HSC23021. Appendix "A" to Report HSC23021 provides an overview of homelessness support programs funded by the City of Hamilton and number of people reached in 2022. The [Housing and Homelessness Data Dashboard](#) provides updated information every quarter on shelter occupancy and capacity, number of people experiencing homelessness, and inflow/outflow for the homelessness system.

- **Active Homelessness:** In 2022, 4037 individuals accessed homeless-serving programs funded by the City of Hamilton. As of the end of December 2022, 1536 individuals were considered to be actively homeless in Hamilton. This is defined by having connected with the homeless-serving system in the previous 90 days. The number of people known to be experiencing homelessness on average in 2020 was 1024 and in 2021 it was 1202. This shows an increasing trend; however, some of this increased reporting is likely due to expanded services and improved data collection capabilities during this time.

- **Chronic Homelessness.** Of the 1536 individuals on the By-Name List (BNL) at the end of December 2022, 488 were experiencing chronic homelessness (of six months or more) and 1048 were experiencing a duration of homelessness less than six months. The overall proportion of people experiencing chronic homelessness has been consistent over the past three years.
- **Shelter Trends:** Of those who accessed the homeless-serving system in 2022, 3441 accessed supports offered through a shelter, and 3096 spent at least one night in a shelter. The number of individual shelter stayers per year has been relatively stable with 2810 in 2020 and 3112 in 2021. However, average length of stay increased from 80 days in 2021 to 88 days in 2022. There is variation in the average length of stay by system. A total of 40% of youth, 46% of men, and 59% of women spent more than 30 nights in a shelter in 2022, while 84% of families spent more than 30 nights. High lengths of stay in the emergency shelter system is a result of there being inadequate opportunities for people to move quickly from the shelter system into stable housing. This creates blockages in the emergency system where people are getting stuck in homelessness and in shelters.
- **Unsheltered Homelessness:** In 2022, Hamilton's homeless-serving system connected with 272 individuals experiencing unsheltered homelessness, with an average of 37 individuals living unsheltered per month engaged through outreach activities. In the last three months of 2020, the housing focused street outreach team saw an average of 144 unique individuals per month and an average of 85 per month throughout 2021. While the monthly data has been variable, this indicates a downward trend in people experiencing unsheltered homelessness from 2021 through 2022.
- **Complexity of Need:** In 2022, approximately 28% of people accessing the homeless serving system presented with a high (23%, 940 people) or very high (4%, 179 people) complexity of co-occurring needs. This represents 1119 people, many of whom require additional clinical health supports to access and sustain housing.

### **Gaps Between Level of Need and Available Resources**

The challenges outlined below represent some of the greatest pressures on Hamilton's homeless-serving system.

#### **Affordable Housing**

Hamilton is seeing rapid increases to housing costs and inflation without an increase in provincial social assistance rates. This means that the scarce supply of affordable housing in Hamilton is often still not accessible to people with very low incomes.

Rental subsidies are often required for people exiting homelessness to be housed even in shared or rooming house accommodation.

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The demand for subsidized community housing continues to grow. However, every year Hamilton loses units in the through the end of operating agreements with provincial and federal governments. Between 2001 and 2020, 1,654 units were removed from the community housing stock because of the end of operating agreements., By 2032 all operating agreements will expire. The City of Hamilton is proactively negotiating renewal of operating agreements and using municipal funds to incentivize landlords to maintain units within the City's Social Housing portfolio.

### Barriers to Accessing and Maintaining Housing

The Covid-19 pandemic has also placed enormous pressure on other systems such as health and social services. This has led to more people falling into housing crisis with a complexity of mental health, physical health, and addictions. The homeless-serving system was not designed or funded to address this type and scale of need.

One of the greatest challenges in Hamilton's homeless-serving sector is that there are few community resources available for individuals with the highest complexity of needs. This is often described as having co-occurring conditions: such as mental illness, addictions, and/or physical health challenges. There are no funded programs in Hamilton's homeless-serving system with the resources needed to address the complexity of health and system barriers these individuals face to securing stable housing. Many people with this level of need will require ongoing intensive mental and physical health supports. Most often this would be in the form of supportive housing to meet their daily needs and work towards improved well-being through housing and life stability.

For individuals experiencing chronic homelessness with a high level of complexity or acuity, the most appropriate level of support within the homeless-serving system is Intensive Case Management (ICM). City-funded ICM programs (for men, women, families, youth, and Indigenous peoples of all ages and genders) offer up to 24 months of support to find and stabilize housing. Staff working in these housing-focused case management programs are seeing an increase in intense need for support around mental health and addictions. While case managers are actively working to connect clients to community health providers, waitlists for some supports are over two years long. Support is not readily available to address immediate and long-term health barriers that are getting in the way of securing permanent housing. Housing case management programs require direct access to health providers who are dedicated to those experiencing homelessness to work alongside them in supporting people to get housed and stay housed.

There is an acute need and opportunity to deepen coordination of health, housing, and Indigenous-led interventions to ensure an equitable and seamless continuum of care for individuals experiencing homelessness. Housing Services Division is focused on deepening collaboration with health sector partners, however the distinct funding

mandates between health and housing systems pose barriers to access and referrals. The majority of permanent supportive housing available in the community is funded through the Ministry of Health and not directly available to staff and organizations seeking to support clients through the homeless-serving sector (HSC23013).

#### Sector Capacity – Recruitment and Retention

The homelessness sector continues to see unprecedented stress and turnover among staff at all levels. This has made it extremely challenging for shelters and homelessness support programs to recruit and retain staff. Some programs report turnover rates in the past year as being between 75-125%.

The non-profit sector and homelessness support programs specifically have long faced extremely low wages for highly challenging and stressful work. There are no easy solutions to address this wage disparity. Provincial Bill 124 has enforced a retroactive wage freeze for the public sector and non-profit partners receiving more than \$1 M per year from the provincial government. There has also been no increase to shelter block funding since 2014. This compensation freeze makes it difficult to hire staff at competitive wages at a time when pressures on staff have increased dramatically. This poses a risk to program delivery and sustainability.

The health sector is also experiencing staff retention challenges and long waitlists for services. This makes it difficult to dedicate existing or new health resources to people experiencing homelessness.

Due to historical underfunding, the Indigenous program stream faces unique challenges in recruiting and retaining experienced Indigenous staff. The smaller hiring pool means fewer potential candidates in an already stretched system. Meanwhile organizations, including the Indigenous CE, operate without sustainable funding or adequate staff complements. Indigenous organizations are seeing high staff turnover, meaning that staff who remain carry a higher load and are at risk of burnout.

The loss of dedicated COVID funding, amounting to \$70 M over the course of 2020-22, means that the City and sector no longer have the capacity to offer expanded emergency response services. However, heightened community need for emergency homelessness supports (such as shelters, drop-ins, and outreach) continues.

These systemic challenges highlight the importance of investing staff time and financial resources in the solutions shown to have the greatest impact. There is a very high opportunity cost for every decision and investment made at the expense of another.

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**2023 Enhancements in the Homeless-serving System (Existing Resources)**

In addition to the existing City-funded homelessness services and supports outlined in Appendix "A", the Housing Services Division has also realigned existing work and resources to implement the following enhancements in 2023. These initiatives will be implemented utilizing existing resources, including an increase through the Federal Reaching Home program received in late 2022. Programs will be evaluated and those that achieve intended outcomes will be recommended to continue.

**2023 Prevention and Diversion Programs<sup>2</sup>:**

- An estimated 1200 people supported to boost income and retain housing through a pilot to support tax filing through HSD.
- An enhanced version of the Housing Stability Benefit Program with the flexibility of Rent Ready to support Ontario Disability Support Program, Ontario Works recipients, and people with low income to maintain their housing and prevent homelessness. This revised program will maintain a distinct Indigenous stream with dedicated funding allocation. In 2022, 1,425 households were supported through Rent Ready and 1522 supported through HSB.
- Enhancements to the Youth Diversion program for 2023-24 include a fulltime landlord liaison role and funding for dedicated diversion beds (bachelor apartments) to support youth in preventing shelter stays that increase risk of street involvement and prolonged homelessness. The Youth Diversion program supports an estimated 125 youth per year.
- Mobile case management for families staying in hotel overflow 2023-24. This will ensure that families staying in hotels receive support in setting housing goals, searching for housing, securing units appropriate to their budget and family size, and connecting with broader community and financial resources. Estimated support for 50 families per year.
- Early intervention supports in the men's shelter system 2023-24 to help people quickly resolve experiences of homelessness and prevent prolonged shelter and street involvement. Estimated support for 550-660 men per year.

**Permanent Housing Solutions:**

- Enhancements to case management for Intensive Case Management, Rapid Rehousing, and Transitional Housing programs for 2023-24. This includes creation of senior staff roles, wage increases, and increase in number of case managers to help ensure program sustainability and increase caseload capacity. Collectively these programs supported 1193 caseload spaces in 2022 (this may

<sup>2</sup> Prevention programs are the most effective way to prevent the much higher human and financial costs of homelessness. In 2022, more than 2933 households were supported to prevent homelessness through City-led and City-funded prevention programs.

not be unique individuals as some people may have accessed more than one program). Enhanced program capacity is expected to support an additional 110-200 individuals.

- Embedded health supports within ICM/RRH teams. This builds from a four-month pilot through Good Shepherd from December 2022 through March 2023. HSD will invest in a year-long program extension to expand reach and demonstrate program outcomes while seeking health partnerships to sustain it. This program is expected to support a minimum of 100 and up to 200 individuals (depending on scope of investment) with dedicated supports for mental health, physical, health, and addictions to help people address barriers to accessing and retaining housing.
- Along with investments in specific areas of intervention listed above, CHIL and the City have worked together to design an Indigenous Data Liaison project to establish and embed Indigenous data governance principles and Indigenous knowledge broadly across all Coordinated Access agencies and practices. This work complements plans to develop and implement an Indigenous Cultural Capacity and Accountability Framework.

### **Additional Solutions and Investments Needed to End Homelessness in Hamilton**

As mentioned, our system is currently under-resourced and currently does not have sufficient capacity to end chronic homelessness. Below is a consolidated list of interventions that could be implemented within Hamilton’s housing and homelessness system that have demonstrated effectiveness at preventing and ending homelessness here and in other communities. If these interventions were fully resourced, Hamilton could meet the goal of ending chronic homelessness by 2025.

Within this list of interventions, Housing Services Division has identified priorities that will be coming forward as urgent in-year decisions to shore up critical capacity in the homeless-serving sector, and which would have a significant impact in ending chronic homelessness. This information is provided for discussion in advance of finalizing the 2023 budget process. Recommendations and options for various levels of investment will come forward in April as part of the HSIR report post-budget approval and will be prioritized and implemented according to available in-year resources and Council direction.

Note that Report HSC23019 also recommends 2023 investments of \$3.5 M for temporary shelter capacity and drop-in programs for the women’s sector for April 1, 2023 through March 31, 2024, which is included in Appendix “C” and summarized in the chart below. In addition, further detail related to the \$2.6 M YWCA Transitional Living Program is attached in Appendix “E”.

Green-shaded items in the chart below have been identified as having greatest impact or need and will be brought forward as recommendations for Council consideration in

the April HSIR report. Recommendations will include various options related to implementation timing, and will be implemented according to Council direction, timelines, available resources and/or development of a financing strategy.

Total dollar value of interventions listed in the chart below is \$41,397,000 plus an additional \$2.6 M requested by YWCA going to Council for approval on March 29, brings the total to \$43,997,000. Excluding items previously referred to council through budget 2023 and HSC23019 as well as \$7.1 M best suited for provincial investment, this chart outlines \$19,743,000 in potential annual municipal investment to consider in-year or for budget 2024. If fully resourced, these investments in homelessness supports would mean enhanced prevention for approximately 600 individuals, permanent housing solutions for approximately 1,400 households, and expanded emergency response by 240 beds in the shelter system.

**Additional Investment to End Chronic Homelessness:**

Please note that intervention numbers align with references in Appendix "C". Housing Services has already taken action to initiate a number of the investments outlined in Appendix "C" with existing resources. These are summarized above and therefore not repeated in the chart below, which represents only new investments needed that do not yet have a funding source.

Intervention	Current Outcome	Additional Investment Required
<b>1. Investments in capital to build and maintain supply of affordable housing</b>		
1.a) Capital Investment in repair and maintenance of existing affordable communing housing stock	1935 units repaired in 2021.  \$234 M total need	Budget 2023 Referred: \$5.7 M one time to repair 476 CHH units
1.b)/1.c) Capital investment in development and acquisition of non-profit development of affordable housing	In total Hamilton brought online 184 new units in 2021-22.  175 M annually to develop 350 new units	Budget 2023 Referred: \$4 M annually for Affordable Housing Development Fund to support development of 6-12 units
<b>2. Preserving community housing units and managing access to subsidized housing</b>		
2.a) Preserve community housing stock to house community members on very low income through social housing waitlist	10,698 people supported through community housing or rent subsidy in 2021.  \$1.1 M reserve for mortgage renewals in 2023	Budget 2023 Referred: \$1.1 M  June 2023 report forthcoming with recommended enhancement

2.b) Evaluate Sufficiency of City Housing Hamilton Operating Budget	Evident that CHH does not have sufficient base funding to keep up with repairs.	Potential New In-Year/2024: \$2 M annually
3. Managing coordinated access to a diverse range of housing solutions to ensure people realize their right to housing quickly and equitably		
<b>3.a.4</b> Adult Diversion Enhancement. It is estimated that with appropriate diversion supports in place (assessment and flex funds) approximately 25-30% of people who access the shelter system can be successfully diverted.	Minimal budget and no dedicated staff in singles shelter system limits the ability to successfully divert shelter stays.	Potential New In-Year/2024: \$333,000 annually to support 600 individuals/year
<b>3.b.1</b> Municipal Housing Benefit aligned with Rent Geared to Income (RGI) to directly support people exiting homelessness to secure stable, affordable housing on the private market.	The Canada-Ontario Housing Benefit provides a deep RGI subsidy. In 2022-23, Hamilton received and distributed COHBs to 429 households. The 2023-24 allotment will support people with expiring housing allowances to remain housed. Therefore, there will likely not be any COHBs available this year for people to exit homelessness.	Potential New In-Year/2024: \$3,412,000 annually would provide subsidy for 500 households per year to end homelessness X \$500/month = \$3 M + \$412 K for program design and administration
<b>3.b.3</b> Landlord Retention Pilot: A dedicated fund to cover the cost of unit damages and turnover would help maintain strong relationship and incentives for landlords to continue working with programs supporting people to exit homelessness.	NIL Currently landlord engagement is done on a program-by-program basis with no dedicated fund for repairs or turnover. Program staff report significant reluctance among landlords to work with their clients experiencing homelessness.	Potential New In-Year/2024: \$1.7 M annually to retain 250 units accessible by individuals exiting homelessness
<b>3.c.1</b> Additional Resources for Permanent Supportive Housing: Municipal subsidy for up to 200 units of housing with dedicated onsite health and social supports for those with the highest complexity of need. This is contingent on partnerships with health provider and non-profit agencies to deliver support programs.	The City of Hamilton's \$3.6 annual investment in the Good Shepherd Arkledun operations will bring online 73 units of housing with supports for women and gender diverse individuals with a proportion of units supporting people with higher complexity of co-occurring needs, and people with moderate and low support needs.	Potential New In-Year/2024: \$1,756,000 annually for municipal subsidy and program management for up to 200 units of permanent supportive housing  Total \$8.9 M annually would include an additional \$7.1 M annually for clinical supports and program delivery best

	There remains a gap in available supportive housing for people with the highest complexity of co-occurring needs, requiring investment in up to 200 units.	suited to be funded provincially
3.c.2 Residential Care Facilities (RCFs): Transformation and enhancement of this program to better connect with homeless-serving system, improving access and quality of care.	Currently 660 people are supported through the RCF subsidy program. The per diem of \$57 per day is also widely considered to be inadequate to provide the level of staffing required to fully support the daily needs of tenants.	Potential New In-Year/2024: \$2 M annually will ensure housing stability and improve quality of care for 660 individuals
3.d.1 Temporary Overflow in the Women's Emergency Shelter System and Interim Drop-in Capacity (HSC23019)	\$1,910,000 for women's shelter overflow as outlined in HSC23019  \$1.6 M per year supports approximately 434 women to meet basic needs and get connected with additional housing supports	HSC23019 Recommendation: Total of \$3,510,000 one-time funding requested through HSC23019 (March 2023 decision required)
3.d.2 Emergency Shelter – Women's System Expansion: identify options to create 40 additional beds in the women's system	46 permanent beds (total of 109 available currently through overflow at Cathedral) investment is needed to increase to 86 permanent beds.	Potential New In-Year/2024: \$1,950,000.00 operating + unknown capital costs
3.d.3 Emergency Shelter – Family System Expansion: identify options to create 200 additional shelter beds (50 units) or support equivalent number of families	200 beds (50 units) expansion would expand current 20 unit/80 bed system to 280 beds for families. Rent supports and supplements could also be used to secure and retain housing for families to prevent the need for prolonged shelter stays.	Potential New In-Year/2024: \$3,800,000.00 operating + unknown and significant capital costs
3.d.4 Drop-in Programs Carole Anne's Place (overnight drop-in for women), Living Rock (youth), Wesley Day Centre (all genders), Mission Services Willow's Place (women).	875 people per quarter supported to meet basic needs and get connected to housing supports. Current funding is due to end March 31, 2023.  \$1.6 M – Women's programs	Potential New In-Year/2024: \$2,992,000 annually to maintain service for 875 people per quarter with options for all ages and genders

Extension of funding for drop-ins within the women’s system through March 2024 is recommended through Report HSC23019	\$1.39 M - Living Rock and Wesley Day Centre	
3.d.5 Winter Response Strategy Development of a long-term comprehensive winter response strategy is underway due for report back in August.	\$125 K committed for 2023.	Potential New In-Year/2024: TBD August report

### Measuring Results

HSD will report back on the progress towards ending chronic homelessness in September for the January – June 2023 timeframe, and annually thereafter. Core performance metrics for each intervention area are outlined below:

Intervention	Indicator
Prevention	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number of individuals/households who were connected to a longer-term housing allowance or rent supplement program to maintain their housing</li> <li>• Number of individuals/households who received one-time financial assistance</li> <li>• Total financial (dollars) one-time assistance provided</li> </ul>
Diversion	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number of individuals/households who received one-time financial assistance</li> <li>• Total financial (dollars) one-time assistance provided</li> </ul>
Drop-Ins	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number of interactions where individuals received support with their <b>basic needs</b> (e.g., food, water, clothing, etc.)</li> <li>• Number of interactions where individuals received support with their <b>housing needs</b> (e.g., supportive conversations, referrals to specific programs that may meet their needs, etc.)</li> </ul>
Housing-Focused Street Outreach	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number of interactions where individuals received support with their <b>basic needs</b> (e.g., food, water, clothing, etc.)</li> <li>• Number of interactions where individuals received support with their <b>housing needs</b> (e.g., supportive conversations, referrals to specific programs that may meet their needs, etc.)</li> </ul>
Emergency Shelter –	<ul style="list-style-type: none"> <li>• Number of individuals/households reached (i.e. received targeted housing supports within the first 14 days)</li> </ul>

Intervention	Indicator
Early Intervention Supports	
Emergency Shelter	<ul style="list-style-type: none"> <li>• Number of individuals/households reached (total served)</li> <li>• Number of individuals/households provided with an emergency shelter bed/room when needed (unique shelter stayers)</li> <li>• Number of individuals/households accommodated through overflow spaces made available as demand fluctuates</li> <li>• Number of individuals who received support with their <b>housing needs</b></li> </ul>
Transitional Housing	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number of individuals placed into more stable housing by the end of their stay in the transitional living situation</li> <li>• Number of individuals who returned to homelessness</li> <li>• Number and % of individuals who successfully exited the program (i.e., individual able to live independently without ongoing case supports)</li> </ul>
Rapid Rehousing	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number and % of individuals placed into more stable housing and have exited homelessness</li> <li>• Number and % of individuals who returned to homelessness</li> <li>• Number and % of individuals who successfully exited the program (i.e., individual able to live independently without ongoing case supports)</li> <li>• Caseload ratio</li> </ul>
Intensive Case Management	<ul style="list-style-type: none"> <li>• Number of individuals/households reached</li> <li>• Number and % of individuals placed into more stable housing and have exited homelessness</li> <li>• Number and % of individuals who returned to homelessness</li> <li>• Number and % of individuals who successfully exited the program (i.e., individual able to live independently without ongoing case supports)</li> <li>• Caseload ratio</li> </ul>

**APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report HSC23021: Overview of Funded Homelessness Support Programs

Appendix "B" to Report HSC23021: State of Homelessness Data

Appendix "C" to Report HSC23021: Actions & Investments Required to End Homelessness in Hamilton

Appendix "D" to Report HSC23021: Summary of Investments

Appendix "E" to Report HSC23021: Summary of YWCA's Funding Request for Transitional Living

**Actions and Investments to End Chronic Homelessness in Hamilton**

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
<p><b>1. Investments in capital to build and maintain supply of affordable housing</b>  Housing and Homelessness Action Plan (HHAP) Alignment (CS11017)  Outcome 1: Create more affordable rental and ownership housing in Hamilton to help meet the need and demand  Outcome 2: Increase people's housing affordability, stability, and choice  Outcome 4: Ensure people live in housing that is good quality, safe, and suitable to their needs</p>			
<p>1.a) Capital investments in repair and maintenance of existing affordable community housing stock</p>	<p><b>What's Working</b></p> <ul style="list-style-type: none"> <li>• 1935 units repaired in 2021.</li> <li>• \$1.26 M boost in dedicated annual funding for a total of \$111 M municipal contribution towards the National Housing Strategy Co-Investment Fund Repair and Renewal Streams.</li> <li>• \$145.7 M Co-Investment Program Loan repayment for accessibility and energy efficiency repairs and renewal of 6,290 CityHousing Hamilton units over the course of 8 years from 2021.</li> </ul> <p><b>What's Needed</b>  There are currently 476 CityHousing Hamilton units that are vacant due to need for repair (report forthcoming in April 2023). This presents an opportunity to invest in bringing these units back online at a cost of \$5.7M. The total current unfunded capital repair backlog across all Hamilton housing providers is estimated at \$234 M to maintain state of fair repair to aging housing stock. The estimated cost of repair is expected to increase to \$600 M by 2032. This would include repairs needed to overall infrastructure, such as: heating/cooling systems, elevator repair, roofs, etc.</p> <p>Investment in repair and renewal of existing housing stock as significantly more cost effective than building new housing (repair costs estimated at \$5000-25,000 per unit depending on size versus average of \$500,000/unit for new development)</p>	<p>\$111 M National Housing Strategy Co-Investment Fund Repair and Renewal Streams</p> <p>\$413,000 in 2022 to CHH's Co-Investment Program Loan</p>	<p>\$5.7 M one-time capital funding for repair of 476 units (request to Council in process)</p> <p>\$234 M one-time capital funding for all existing infrastructure repairs, including units</p>
<p>1.b) Capital investment in non-profit development of affordable housing</p>	<p><b>What's Working</b></p> <ul style="list-style-type: none"> <li>• Through the Federal Rapid Housing Initiative Rounds 1 and 2, the City of Hamilton was able to leverage funds to invest in a total of 143 new units from October 2020 through December 2022 (HSC22027).</li> <li>• In total the Hamilton brought online 184 new units in 2021-22.</li> </ul> <p><b>What's Needed</b>  The Housing and Homelessness Action Plan (HHAP) sets a target of completing 350 new units per year to meet demand projected in 2013. Since that time, the City has averaged 55 new units per year.</p>	<p>\$62,566,554.00 to date in federal RHI 1 &amp; 2 development of 143 units.</p>	<p>\$175 M annually would be required to meet goal of 350 new affordable units* developed per year from current average of 55</p>
<p>1.c) Acquisition of affordable housing</p>	<p>With construction cost of new builds at \$500 K / unit, \$175 M in capital development would be required annually to meet the HHAP goal. Hamilton has an estimated shortfall of 8000 units of deeply affordable housing accessible to people on very low income.</p> <p>Report HSC23003(s) Affordable Housing Funding Program proposed \$4-million-a-year fund to boost the development of non-profit housing in Hamilton amid a deepening affordability crisis. However, this fund would be limited to supporting completion of 6-8 units if covering full costs or 12-16 with funding leveraged through federal and provincial governments.</p>		<p>*At least 80% of Average Market Rent (AMR) or less</p>

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	<p style="text-align: center;"><b>Existing Investment (Federal, Provincial, Municipal)</b></p>	<p style="text-align: center;"><b>Investment Needed</b></p>
<p>1.d) Incentivize affordable housing on the private market</p>	<p>What's Working/Promising</p> <ul style="list-style-type: none"> <li>• Secondary Suites Strategy (HSC22007): Up to \$25 K forgivable loan and \$5 K grant for homeowners developing secondary dwellings</li> <li>• Inclusionary Zoning Policy underway through Planning and Economic Development</li> <li>• Restriction of Short-term Rentals</li> <li>• Vacant Home Tax</li> </ul> <p>What's Needed</p> <p>Hamilton has an estimated shortfall of 8000 units of deeply affordable housing accessible to people on very low income. This requires a multi-pronged strategy to increase the supply of housing through public and private providers. Each of the strategies under What's Working contribute to increasing supply of units on the private market while contributing to the missing middle of urban density.</p>	<p>2023: Up to \$700 K through the Ontario Renovates Secondary Suites Forgivable Loan Program (estimated support for 23 units)</p>	<p>TBD through HSIR and finalization of Inclusionary Zoning policy</p>
<p><b>2. Preserving community housing units and managing access to subsidized housing</b></p> <p>Housing and Homelessness Action Plan Alignment</p> <p>Outcome 1: Create more affordable rental and ownership housing in Hamilton to help meet the need and demand</p> <p>Outcome 2: Increase people's housing affordability, stability, and choice</p> <p>Outcome 4: Ensure people live in housing that is good quality, safe, and suitable to their needs</p> <p>Outcome 5: Provide people with respectful, quality service within a "user-friendly" system</p>			
<p>2.a) Preserve community housing stock to house community members on very low income through social housing waitlist</p>	<p>What's Working</p> <ul style="list-style-type: none"> <li>• 10,698 people supported through community housing or rent subsidy in 2021.</li> <li>• As the Service Manager, the City of Hamilton is responsible for capital planning to preserve and seek to increase the supply of community housing. The City also administers the Access to Housing waitlist and is the primary funder of community housing for low-to-moderate income households in Hamilton. Community housing is a critical component of the housing continuum as it provides necessary shelter and stability for many households.</li> <li>• Proactive engagement with federal and provincial partners to renew operating agreements for community housing. Of the 64 projects affecting 4601 units that have expired to-date, the City of Hamilton was able to incentivize 64% of units to stay within the City of Hamilton's Social Housing portfolio through municipal dollars. HSD works actively to preserve this vital stock of community housing through efforts to maintain and renew operating agreements as well as supporting housing providers for operating costs which include increased utility costs and general maintenance to ensure preservation of housing units for those in need.</li> </ul> <p>What's Needed</p> <p>Between 2001 and 2020, 1,654 units were removed from the community housing stock because of the end of operating agreements. Every year, Hamilton is at risk of losing more community housing stock as a result of expiring operating agreements. By 2032, all existing community housing operating agreements within Hamilton will expire.</p> <p><b>Note:</b> While the supply and maintenance of social housing is related to ending homelessness in that it is one source of affordable housing, the social housing waitlist is not interchangeable with the By-Name List of people known to be experiencing homelessness.</p> <p>Investments in supply and maintenance of housing exceed the costs of addressing homelessness alone and more broadly address core housing need in the City of Hamilton.</p>	<p>In 2022 the City contributed \$35.7 M, a \$1.8 M increase over 2021, towards maintenance of social housing</p> <p>HSC22040 has approved use of mortgage savings for EOM as well as an additional \$1.1 M to refer to 2023 budget.</p>	<p>Requires enhancement to be determined through report in June 2023</p>
<p>2.b) Evaluate and ensure sufficiency of</p>	<p>What's Working</p> <p>CityHousing Hamilton is Hamilton's largest social housing provider. More than 13,000 tenants call CHH home, including single adults, families and seniors. Most housing is available on a rent-geared-to-income (RGI) basis, as well as some housing units provided at market rent. CHH works to</p>	<p>\$51 M levy</p>	

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
<p>CityHousing Hamilton operating budget</p>	<p>enhance the quality of life for tenants by providing safe and affordable housing, while ensuring there are additional programs and supports through various partnerships with community agencies.</p> <p>What's Needed With an estimated asset value of approximately \$1,030 M and a net book value of \$151 M, CHH has an annual operating budget of \$51 M. Given the size of the CityHousing portfolio and increasing tenant support needs, the City must evaluate CHH's core operating requirements to ensure sufficient resources to adequately support tenants and maintain housing stock.</p>		<p>\$2 M annually estimated</p>
<p><b>3. Managing coordinated access to a diverse range of housing solutions to ensure people realize their right to housing quickly and equitably</b></p> <p>Outcome 3: Provide people with the individualized supports they need to help them obtain and maintain housing Outcome 5: Provide people with respectful, quality service within a "user-friendly" system HSIR Pillar 4: Supports</p>			
<p><b>3.a) Enhance Investments in Prevention</b></p> <p>Prevention programs are the most effective way to prevent the much higher human and financial costs of homelessness.</p> <p>A shelter stay can be upwards of \$2500 per month and the cost of case management for someone experiencing homelessness is approximately \$5000 per person.</p> <p>"A 2016 cost-benefit study in the United Kingdom indicated that early prevention supports would reduce the public spending on homelessness from the equivalent of \$56,000 CDN to \$14,924 CDN, per person each year</p>	<p><b>Eviction Prevention - Financial Benefits</b></p> <p>What's Working Prevention programs include a range of supports, including: temporary financial benefits, legal and counselling support to prevent evictions, referrals to community resources, financial problem-solving and tax support to access benefits.</p> <ul style="list-style-type: none"> <li>The Rent Ready program was launched in 2021 as a supplement to the Housing Stability Benefit (HSB) program to support individuals, couples, and families with costs associated with their tenancy, including first and last month's rent or support with rent or utility arrears.</li> <li>Distinct Indigenous Rent Ready stream with dedicated funding allocation.</li> <li>In 2022, Rent Ready payments supported 686 individuals, 556 families, 88 couples, and 95 Indigenous households to prevent experiences of homelessness.</li> <li>The added flexibility of Rent Ready and higher payments than the cap of \$750 per individual and \$1500 per family through HSB has helped people clear arrears and prevent housing loss. Average amounts issued in 2022 were \$1,407.89 for individuals and \$2,233.73 for families. This is a program area that continues to grow in need especially among families.</li> </ul> <p>What's Needed Hamilton has 28,000 households living in core housing need, meaning they pay more than 30% of their income on housing.</p> <p>It is estimated that approximately 25% (7000) of those households are vulnerable to homelessness. In 2022, 3096 people spent at least one night in an emergency shelter and 2933 individuals were supported through City-led or City-funded prevention programs.</p> <p><b>3.a.1 Enhance and Sustain Rent Ready through a Revised Housing Stability Benefit Program</b> Report forthcoming in summer 2023 to recommend an enhanced version of the Housing Stability Benefit Program with the flexibility of Rent Ready to support Ontario Disability Support Program, Ontario Works recipients, and people with low income to maintain their housing and prevent homelessness. This revised program will maintain a distinct Indigenous stream with dedicated funding allocation.</p> <p><b>Reach:</b> In 2022, 1,425 households were supported through Rent Ready and 1522 supported through HSB.</p> <p><b>Eviction Prevention – Supports</b></p> <p>What's Working The City of Hamilton funds three dedicated eviction prevention programs:</p> <ul style="list-style-type: none"> <li>Good Shepherd, Housing First Staying Home program for youth, single women, and families. Offers financial assistance (e.g. Rent arrears, utility arrears, moving costs) and brief case management (three months) to stabilize or locate housing</li> </ul>	<p>HSB levy \$2,954,930</p> <p>HSB HPP: \$979,910</p> <p>2023 Rent Ready levy budget: \$ 483,337</p> <p>Total: \$4,418,177 annually</p> <p>\$561,703 referred to 2023 budget for enhancement to Rent Ready</p>	<p>Program Review underway to determine ideal structure and budget going forward</p>
		<p>\$ 1,107,310 annually (Reaching Home Prevention Programs)</p>	

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
<p>(Pleace &amp; Culhane, 2016)".<sup>1</sup></p>	<ul style="list-style-type: none"> <li>Housing Help Centre. Offers support for all populations, including: short-term support to stabilize or locate housing; advocacy and referrals to community resources; administration of Municipal Housing Allowances</li> <li>St. Matthew's House, Housing Outreach Prevention Eviction for Seniors (HOPES). Offers case management supports to maintain or obtain housing, support to obtain financial supports where appropriate, paralegal support. Enhancement provided 2022-24 for paralegal and income supports.</li> </ul> <p>What's Needed  <b>3.a.2 Tax Filing Support through Housing Services Division</b> (one year pilot to be launched and evaluated)</p> <p>Filing taxes is essential for people to be able to access and maintain housing subsidy, without which they are at risk of housing loss.</p> <p>In 2017 a report on the City's Poverty Strategy (BOH16034/CES16043) estimated that there is more than \$42 M annually available through federal and provincial tax benefits not currently accessed by Hamiltonians with low income due to lack of tax filing. At that time, the City and community partners (Hamilton Roundtable for Poverty Reduction, Social Planning and Research Council, and United Way of Halton Hamilton) created a Financial Empowerment and Problem Solving Strategy with three years of funding through Ontario Trillium Foundation to get people connected to tax filing and tax benefits. However, community tax help resources largely closed during the pandemic and lost much of the existing volunteer and employee base. This has left a gap in year-round financial counselling and tax help for people with low incomes.</p> <p>Prosper Canada estimates that people with low income could increase their annual income by up to 50% by ensuring they have access to available tax benefits. Enhanced income plays a pivotal role in supporting housing stability and preventing housing loss.</p> <p><b>Reach:</b> One FTE for a Housing Clerk could support on average 1200 people per year to file taxes to maintain housing subsidy and income tax benefits.</p>	<p>New for 2023: \$75,000 for one FTE for tax filing support for up to 1200 people (to initiate with existing resources)</p>	<p>N/A</p>
<p><b>Diversion and Early Intervention</b></p>	<p><b>Diversion and Early Intervention</b></p> <p>What's Working  Diversion and Early Intervention are a critical component in a prevention system to find alternatives that can prevent need for a shelter stay or prolonged experiences of homelessness.</p> <p>What's Needed - Family Homelessness Supports  The increased number of families experiencing homelessness throughout the pandemic is unprecedented and has exceeded available resources within shelter and case management services. Some of the contributing factors are that many families are ending up homeless after accruing very high levels of rent arrears as well as limited availability of affordable family-sized units. In 2022, 206 family households representing 778 individuals, 84% of families spent more than 30 nights in shelter and 46% experienced chronic homelessness.</p> <p><b>3.a.3 Family Sector Mobile Case Management</b>  Through Reaching Home, the City has invested in a mobile case management program run by Good Shepherd for families staying in hotel overflow. This will ensure that families staying in hotels receive support in setting housing goals, searching for housing, securing units appropriate to their budget and family size, and connecting with broader community and financial resources.</p>	<p>New for 2023: \$188,600 to March 2024 through Reaching Home to support 50 families per year to resolve homelessness</p>	<p>TBD based on pilot to determine needs beyond March 2024</p>

<sup>1</sup> [https://www.homelesshub.ca/sites/default/files/attachments/EPIC\\_Summary\\_Report.pdf](https://www.homelesshub.ca/sites/default/files/attachments/EPIC_Summary_Report.pdf)  
March 23, 2023

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	<p align="center"><b>Existing Investment (Federal, Provincial, Municipal)</b></p>	<p align="center"><b>Investment Needed</b></p>
	<p>Reach: Estimate of 50 families supported per year.</p> <p><b>What's Working – Shelter Diversion</b>  All of Hamilton's Emergency Shelters practice a model of housing-focused sheltering, which includes working with individuals to set and achieve housing goals. This includes diversion assessment at intake to help individuals secure housing options in the community that can prevent the need to stay in shelter. This may include mediation with families, identification of personal or external community supports, and flex funds to help maintain housing. It is estimated that 25-30% of people accessing the shelter system can be successful in preventing the need to stay in shelter if offered timely and effective diversion supports.</p> <p><b>What's Needed</b>  <b>3.a.4 Adult Diversion Enhancement</b>  Currently, the Family and Youth sectors have robust diversion programs that include dedicated staffing and flex funds. Emergency shelters for singles have a limited budget ranging from \$32 K to \$57 K each (depending on size and population served. This limits the ability of staff to do diversion assessments.</p> <p>A budget of up to \$100 K per shelter within the singles system would enable hiring fulltime staff roles and dedicated flex funds to address short-term financial barriers that could protect against housing loss (i.e. transportation, groceries, arrears).</p> <p><b>Reach:</b> Estimate of 600 additional individuals supported per year to avoid shelter stay and experience of homelessness.</p>	<p>GS Family Diversion: \$225,910  GS Women's Diversion: \$32,220  GS Men's Diversion: \$37,830  Mission Men's Diversion: \$40,630  SA Men's Diversion: \$57,440</p> <p>Total Diversion: \$394,030</p>	<p>\$333,000 annually to expand diversion through men's and women's systems supporting approximately 600 individuals per year to prevent homelessness</p>
	<p><b>What's Working – Youth Diversion</b>  The Youth Diversion program is a consortium led by Notre Dame Youth Shelter, Catholic Children's Aid Society, Social Planning and Research Council, and Wesley Youth Housing. This program supports youth 16-24 to prevent shelter and street homelessness. In 2021-22, 126 youth were diverted from shelter with 58% returning to live with family.</p> <p><b>What's Needed</b>  <b>3.a.5 Youth Diversion Enhancement</b>  The Youth Diversion program has identified a need for a fulltime Landlord Liaison role to address the unique barriers youth face in securing permanent housing due to limited income and lack of a rental history. Additionally, 4 bachelor units designated as 'Youth Diversion Beds' require funding to ensure an alternative option for youth to avoid a shelter stay and the risk it poses to becoming entrenched in street culture.</p> <p><b>Reach:</b> Approximately 125 youth per year diverted from accessing shelter and experience of homelessness.</p>	<p>New for 2023: \$332,150 + \$94,536 enhancement = \$426,686 (Reaching Home) to support 125 youth per year in preventing homelessness</p>	<p>N/A</p>
	<p><b>What's Working</b></p> <p><b>3.a.6 Men's System Early Intervention</b>  Mission Services has developed a model of Early Intervention through their men's system to work with people newly experiencing homelessness through intensive short-term case management for the first fourteen days of shelter stay to enable them to quickly resolve homelessness. Since March 2021, more than 225 eligible individuals have been supported through this model where 32% had a successful early intervention and 28% of the 225 remained housed past 3 months from intervention. This model is now expanded to all men's shelters, inclusive of: Good Shepherd Men's, Mission Services, and Salvation Army Booth Centre.</p>	<p>New for 2023/24: \$252,480 (Reaching Home)</p>	<p>N/A</p>

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
	<p><b>Reach:</b> 550-660 additional men per year (estimated based on 25-30% of men's shelter stayers in 2022) to quickly resolve experience of homelessness.</p>		
<p><b>3.b) Housing Solutions</b>  Homelessness support programs to help people experiencing chronic homelessness in realizing their right to housing alongside access to community supports that will help them sustain housing and life stability.</p>	<p><b>What's Working</b></p> <ul style="list-style-type: none"> <li>Portable Housing Subsidies: Provide direct financial assistance to households instead of being tied to a housing unit. Portable benefits help bridge the housing affordability gap by supporting households to keep their housing costs at or below 30% of their income as equivalent to Rent geared to Income (RGI)</li> <li>The Canada-Ontario Housing Benefit (COHBs) provides a deep permanent and portable subsidy where recipients agree to be removed from the social housing waitlist. From June 2022 to February 2023, 429 households in Hamilton were supported to prevent or end homelessness through the COHB.</li> <li>Existing Municipal Housing Allowances provide a shorter-term portable rental subsidy ranging from \$250-550 per month with durations ranging from 3-8 years. Because this is a temporary subsidy, households remain on the social housing waitlist.</li> </ul> <p><b>What's Needed</b>  The COHB allotment for 2022-23 and all Municipal Housing Allowances have been allocated.</p> <p>For any COHB allocated to Hamilton 2023-24, the primary target for these rent subsidies will be households whose IAH-E Housing Allowances end March 31, 2024. This means there will be limited resources to allocate COHBs to additional people in need this year.</p> <p><b>3.b.1 Municipal Housing Benefit</b>  HSD staff are developing a model for a municipal version of a housing subsidy in line with RGI as well as advocacy for enhanced federal and provincial investments. This includes incorporating advice from frontline providers in Hamilton on how to ease access and administrative burden in securing access to subsidized housing and portable subsidies for people exiting homelessness.</p> <p>A municipally funded permanent housing benefit would offer a deep subsidy in line with Rent-Geared-to-Income. Allocating this benefit directly through homelessness support programs would close the affordability gap for people experiencing homelessness to quickly find suitable stable housing on the private market.</p> <p><b>Reach:</b> 500 households supported to secure stable affordable housing towards ending their experience of homelessness</p> <p>From an advocacy perspective, the Canadian Alliance to End Homelessness is currently advocating for the federal government to establish a Homelessness Prevention and Housing Benefit that would immediately support 435,000 households nationally to prevent or end homelessness<sup>2</sup>. Stream 1 would support up to 50,000 people to end homelessness with a monthly subsidy of \$600-\$700 to bridge the housing affordability gap at a budget of \$360-\$420 M. Stream 2 would support people at-risk of homelessness paying more than 50% of their income on rent) to bring subsidize rent to no more than 40% of income. The total cost of both streams is projected at \$1.4 B per year for a shallow subsidy to 40% of income, or \$4.4B per year for aligning rental costs for participants to 30% of income.</p>	<p>384 households supported with Municipal Housing Allowances in 2022, totalling \$2,321,772.91 across three programs.</p> <p>129 households supported through COHBs in 2021-22, approximately 429 supported 2022-23 (based on allocation from province; benefit is administered provincially and total investment is not known)</p>	<p>\$3,412,000 annually to end homelessness for 500 households</p> <p>Would provide Subsidy for 500 households per year X \$500/month = \$3 M</p> <p>+ 4 Housing Clerk FTES to administer: \$300,000 annually + 1 Policy Analyst \$112 K to develop program and coordinate referrals.</p> <p>Total of 5FTE</p>
	<p><b>City-Funded Case Management Supports</b></p> <p><b>What's Working</b></p> <ul style="list-style-type: none"> <li>Rapid Rehousing (RRH) for women, men, and families delivered through Good Shepherd, Mission Services, and Wesley Urban Ministries. RRH programs offer up to 9 months of case management support to help people access and retain housing stability. In 2022, RRH programs collectively supported 676 people.</li> </ul>	<p><b>Total Case Management: 6,666,684 annually</b></p>	<p>N/A</p>

<sup>2</sup> <https://caeh.ca/wp-content/uploads/Homelessness-Prevention-and-Housing-Benefit-Policy-Whitepaper-CAEH.pdf>  
March 23, 2023

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Needed
	<ul style="list-style-type: none"> <li>Intensive Case Management programs for women, men, youth, and families delivered through Good Shepherd, Mission Services, and Wesley Urban Ministries. ICM programs offer up to 24 months of case management support to help people access and retain housing as well as connect with broader community supports. This program is geared towards people experiencing chronic homelessness who have a higher level of acuity requiring longer term support. In 2022, ICM programs collectively supported 347 individuals.</li> <li>Peer Support roles embedded into case management through Intensive Supports pilot with CMHA and SJHH as well as through YWCA onsite programming.</li> </ul> <p>What's Needed  Agencies are struggling to hire and retain experienced staff in the homelessness sector due to very low wages for very demanding work. Programs are also witnessing heightened level of needs in the community for mental health and addiction services that exceed the role, training, and capacity of housing workers.</p> <p><b>3.b.2 Enhancements to staff complements</b>  Creation of senior staff roles, wage increases, and increase in number of case managers through the Reaching Home incremental increase in fall 2022 helps to ensure program sustainability and increase caseload capacity.  Overall sector wage increases across the homeless-serving sector nationally is required. The City of Hamilton continues to advocate to provincial and federal partners around the staffing pressures in the sector.</p> <p><b>Reach:</b> In 2022, ICM, RRH, and Transitional Housing programs collectively provided 1193 caseload spaces. Enhanced program capacity is expected to support an additional 110-200 individuals.</p> <p><u>Breakdown</u>  GS ICM (women, families, youth): \$1,336,410  Mission ICM (men): \$820,000  Wesley ICM (men): \$820,000  Total ICM base: \$2,976,410  + \$697,447 enhancement = Total <b>\$3,673,857</b></p> <p>---  GS RRH (women, families): \$534,210  Mission RRH (men): \$503,760  <b>Total RRH: \$1,037,970</b></p> <p>---  Wesley Youth Transitional: \$108,650  YWCA Transitional Living Program: \$488,720 + \$141,420 enhancement <b>Total Transitional: \$738,790</b></p>	<p><b>(Reaching Home)</b></p> <p>Total Base Case Management: \$5,639,217</p> <p>Total Case Management Enhancements (23/24): \$1,027,467</p>	
	<p><b>Landlord Engagement</b>  What's Working  Existing ICM and RRH homelessness support programs work actively to build and maintain relationships with landlords to secure units for rent to people experiencing homelessness. The majority of housing placements for people exiting homelessness are found on the private market, this proportion was 88% in 2021.</p> <p>Best practices reflected in research evidence suggest that landlord education and financial incentives to cover the costs of damages and vacancy loss can help reduce stigma and increase receptiveness to accept people exiting homelessness as tenants. Locally landlords have also expressed a strong preference for tenants who have supports in place to help them settle and stabilize housing.</p>	Existing Reaching Home investments in case management (above)	\$1.7 M

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	<p>What's Needed                      Currently landlord engagement is dependent on the capacity of individual programs. All programs report challenges recruiting and maintaining relationships with landlords due to stigma in renting to people experiencing homelessness and past experiences of unit damage or disruption. Centralized resources are needed to provide education for landlords as well as incentives to work with homelessness support programs.</p> <p><b>3.b.3 Resource Landlord Retention Pilot</b>                      Create centralized landlord support for City-funded Housing Focused Street Outreach, Transitional Living, Rapid Re-housing, and Intensive Case Management programs. This would a Damage Fund for landlords to recover cost of repairs, estimated at \$1M per year and funding to offset vacancy loss, estimated at \$600,000 per year.</p> <p><b>Reach:</b> Approximately 250 units retained per year.</p>		<p>Would provide \$1.6 M for landlord fund, \$100 K for administration and management</p>
	<p><b>Integrated Health Supports</b>                      What's Working</p> <ul style="list-style-type: none"> <li>• <b>Intensive Supports Pilot:</b> This project is a collaboration between the City of Hamilton, Canadian Mental Health Association, and St Joseph's Healthcare Hamilton launched in January 2021 to house 15 individuals with very high acuity (a population for whom there is otherwise no dedicated programs to support through the homelessness sector). This project combines housing subsidy and City-funded housing case management with clinical health supports, including: peer support, registered nurse, addictions counselling, and occupational therapy. Two years later, 14 people remain housed, 1 person is deceased. Staff participants report high value in the collaboration and express need for similar health resources to be available to all ICM clients.</li> <li>• <b>Integrated Housing-Health Teams:</b> A pilot model was launched in December 2022 with Reaching Home funding and delivered through Good Shepherd to embed health provider roles within their ICM team. Roles include a Registered Nurse, Nurse Practitioner, Mental Health Worker, and Harm Reduction Worker. At just two months in, staff are reporting enhanced ability to offer wraparound team-based care that addresses the complexity of needs presented by their clients. This pilot is currently only funded until March 2023. After March, the federal COVID-19 Directives that allowed the homeless-serving system to fund health roles will expire.</li> <li>• <b>Health Partner Inclusion in Homelessness Sector Data-Sharing Network:</b> HSD updated the homeless-serving sector shared consent and Data-Sharing Protocol (DSP) in 2022 to enable real-time information sharing with health partners who work with individuals experiencing homelessness, starting with Canadian Mental health Association, St Joseph's Hospital, and Shelter Health Network's System Navigator. Once health partners sign-off on the DSP, this will enable shared care planning, referrals, and real-time service coordination through HIFIS.</li> <li>• <b>Partnerships to Address Service Gap for People with Very High Acuity:</b> HSD staff contribute to multiple cross-sector tables that bring together partners looking to collaborate on solutions to better meet the needs of people experiencing complex barriers to stabilizing housing and well-being, such as: the Community Safety and Well-being Plan, Greater Hamilton Health Network, Hamilton's Drug Strategy, Harm Reduction Working Group, Hospital-Shelter Working Group, Rapid Intervention Support Team.</li> </ul> <p>What's Needed                      For individuals experiencing chronic homelessness with a <i>high</i> level of acuity (typically assessed with a score of 8-12 on the VI-SPDAT), the most appropriate level of support within the homeless-serving system is Intensive Case Management (ICM). These City-funded programs (for men, women, families, youth, and Indigenous peoples of all ages and genders) offer up to 24 months of support to find and stabilize housing. Community members, research evidence, and evaluation of the Intensive Supports Pilot all point to the need to embed peer support alongside professional</p>	<p>New for 2023: GS Clinical Supports Pilot (Dec 2022 – Mar 2023): \$55,968</p> <p>GS Clinical Supports - Projected full annual budget based on fully-scaled proposal from GS: \$223,872-\$669,150</p> <p>To be covered by provincial HPP for 2023-24 to reach 100-200 people per year (depending on scale of expansion)</p>	<p>TBD based on pilot results and potential funding or cost-sharing through health sector</p>

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	<p>supports. Indigenous leadership must be included from the outset to ensure Indigenous-specific program design and an orientation to meeting the wholistic well-being needs of Indigenous communities while accounting for staff capacity limitations within Indigenous organizations.</p> <p>Staff working in these housing-focused case management programs are seeing an increase in the types and levels of need, particularly around mental health and addictions. While case managers are actively working to connect clients to community health providers, waitlists for some supports are over two years long and support is not readily available to address immediate and long-term health barriers that are getting in the way of securing permanent housing. Housing case management programs require direct access to health providers dedicated to those experiencing homelessness to work alongside them in supporting clients to get housed and stay housed.</p> <p><b>3.b.4 Scale and sustain embedded health supports within ICM/RRH teams by extending Good Shepherd pilot and expanding to all ICM programs</b></p> <p>ICM/RRH housing support teams have consistently, year over year, advocated for embedded or direct access to health providers to assist in meeting the mental and physical health needs of clients with higher acuity to help them overcome barriers to accessing and sustaining housing.</p> <p>HSD is leveraging provincial Homelessness Prevention Program funding to sustain and scale a model for embedding health services within housing-focused case management teams until March 2024. This will allow time to evaluate the model and pursue opportunities for shared funding through the health sector.</p> <p><b>Reach:</b> Depending on scale of investment, 100-200 households with high complexity of barriers supported per year to access and retain housing.</p>		
<p><b>3.c) Permanent Supportive Housing</b></p> <p>The City of Hamilton has prioritized efforts to secure greater supply and access to Permanent Supportive Housing for people with a very high acuity or complexity of barriers as one of the greatest gaps in Hamilton's homelessness system.</p> <p>Most existing permanent supportive housing in Hamilton is administered by the Ministry of Health and is not available for</p>	<p><b>Municipal Leadership in Creating Permanent Supportive Housing</b></p> <p><b>What's Working</b></p> <p>The City has leveraged federal, provincial, and municipal funding to invest in and develop a model of permanent supportive housing for women and gender diverse individuals experiencing homelessness. This will create 73 units at 35 Arkledun to be referred directly through the homeless-serving sector with occupancy expected in May 2023 (HSC22047). Capital investments to support the purchase and renovation total \$24.1 M including: \$12.95 M through RHI, \$3.35 M through the federal Reaching Home program, \$4.75 M through the provincial Social Services Relief Fund-4, \$56 K from the Poverty Reduction Fund, and \$3.1 M through the municipal levy. This program will be managed through Good Shepherd with \$3.6 M in operational funding through the City and delivered according to best practices for building a strong supportive community while meeting the diverse needs and ensuring housing stability for all tenants. The investment aligns with the National Housing Strategy and demonstrates the City's commitment to advancing the right to housing.</p> <p>Existing supportive housing providers in Hamilton (such as Indwell, Wesley Community HOMES, and Good Shepherd) provide important supports to our community. Currently these providers manage their own waitlists and referrals, some predominantly from the health sector. HSD has been actively collaborating with these partners to establish housing options for people exiting homelessness. This has included using investments in capital development of housing (such as RHI) as an opportunity to commit housing units to be referred to individuals experiencing homelessness. HSD staff are actively working with housing providers and health system partners to facilitate assessment and referrals of potential tenants from the By-Name List of people actively experiencing homelessness.</p> <p><b>What's Needed</b></p> <p>In 2022, there were 179 people who accessed the homeless-serving sector who presented with a <i>very high</i> level of acuity, or high complexity of barriers to accessing and retaining housing. For this population there are no funded homelessness support programs that are equipped to provide</p>	<p>Arkledun (committed) \$24.1 M capital</p> <p>\$3.6 M annual operations</p> <p>\$500 K for annual housing subsidies</p>	<p>\$8.856 M for supportive housing for 200 individuals with the highest complexity of barriers – requires provincial government support</p> <p>Expected \$1,756,000 in municipal investment for housing subsidy, program development</p>

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<p>direct referrals through the homeless-serving sector.</p> <p>In 2022 alone, 179 individuals with very high acuity and at least 20 additional people with high acuity were identified through the homeless-serving system as requiring this kind of ongoing place-based supports. This does not mean that individuals would live in one particular unit, site, or program forever but that they have the security and stability of tenure to stay as long as required to meet their housing and wellbeing needs.</p>	<p>the level of supports needed to address the multitude of health and system barriers they face to securing stable housing. Many people with a very high level of acuity will require ongoing intensive mental and physical health supports, often in the form of permanent supportive housing, in order to meet their daily needs and work towards improved well-being through housing and life stability. The City has also been advocating to the provincial government to demonstrate the need and secure resources for permanent supportive housing (HSC23013).</p> <p><b>3.c.1 Additional Resources for Permanent Supportive Housing (200 clients) \$8.3 M or \$41 K per person for individuals with complex co-occurring needs.</b></p> <p>It is estimated that Hamilton requires 200 spaces of permanent supportive housing to meet immediate need for people with a very high complexity of need, with expected inflow of 25-50 people per year. However, future inflow may be accommodated by space opening up as a result of people moving on to new accommodation.</p> <p>A full costing of 200 units of permanent supportive housing for people with co-occurring needs is estimated at \$8.856 M. <b>Of this, the municipal contribution would be \$1,756,000, which would be contingent on \$7.1 M cost-sharing required through the Ministry of Health and health sector partners:</b></p> <p>Municipal investment would include:</p> <ul style="list-style-type: none"> <li>• Municipal Housing Subsidy tied to Units (\$1.4 M)</li> <li>• 3 HSD FTE to manage capital, subsidy, and program development: \$356K</li> </ul> <p>Health Sector Investment Required:</p> <ul style="list-style-type: none"> <li>• Supportive Housing Workers \$1.3 M</li> <li>• Peer Supports \$1.3 M</li> <li>• Renovations and repairs: \$600 K</li> <li>• Clinical supports: \$3.4 M</li> <li>• Agency Administration, project management and coordination: \$500 K</li> </ul> <p>Ideally these units would be structured in alignment with the model proposed by local researchers through the Community University Policy Alliance (CUPA) at McMaster. This model proposes purpose-built housing for 10-15 persons per site to enable building of community and adequate person-centred supports.</p> <p><b>Reach:</b> If fully resourced and operationalized, 200 individuals with a very high complexity of barriers secure stable supportive housing.</p>		and management
	<p><b>Residential Care Facilities</b></p> <p>What's Working</p> <p>The Residential Care Facilities (RCF) Subsidy Program prevents homelessness by providing a subsidy for safe and affordable supported housing in a communal setting for people who require assistance with the daily activities of life. The City's RCF program subsidizes the cost of accommodation, meals, supervision and assistance with activities of daily living for an average of 750 residents across 57 facilities. RCFs are operated under a per diem funding model at a current rate of \$57 a day per resident, paid to the Owner/Operator of the facility. Residents of RCFs contribute to the cost of the service according to their income and the balance of the cost is funded through the RCF Subsidy Program which is 100% provincially funded.</p>	<p>Total 2023 budgeted investment \$6,583,240</p> <p>HSD RCF Staff 2022/23: \$39,268</p>	

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	<p>What's Needed                      RCFs are owned and managed by independent operators. Currently the City has little oversight over referral processes, staffing ratios, or standards of care. The per diem of \$57 per day is also widely considered to be inadequate to provide the level of staffing required to fully support the daily needs of tenants. The RCF subsidy program is currently not integrated with Hamilton's Coordinated Access System for the homelessness sector.</p> <p><b>3.c.2 Review and restructure RCF program and funding model</b>                      To ensure consistency in standard of care, performance metrics, and adequate funding for appropriate staffing required to provide quality care. Leverage this opportunity of program review and renewal to better integrate RCFs with the homeless-servings system to enable greater access to units for people exiting homelessness.</p> <p><b>Increase the RCF Subsidy per diem by \$8/person/day.</b></p> <p><b>Reach:</b> The RCF subsidy program is currently supporting 660 individuals. This investment will help ensure these individuals retain housing and that further RCF spaces are available for people to exit homelessness.</p>		<p>\$2 M enhancement to bring total to \$8,583,240 to support housing stability and improved quality of care for 660 people</p>

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
<p><b>3.d) Emergency Response</b></p> <p>Emergency services are a critical first-line response to ensure people experiencing homelessness have a safe place to stay and basic needs met while they pursue stable housing.</p> <p>Emergency response services must be aligned with needs in the community. However, an over-investment in emergency response services runs the risk that we regress to a place of managing homelessness rather than ending it. It is vital that emergency services include an emphasis on permanent housing with supports to retain it. This is true whether an individual is staying in shelter, couch surfing, or living unsheltered.</p> <p>The ideal investment ratio between permanent housing solutions and emergency response is 4:1.</p>	<p><b>Emergency Shelters</b></p> <p><b>What's Working</b>  Emergency Shelters are designed to provide short-term emergency shelter and housing supports, ideally for a duration less than 30 days. Best practices reflected in research literature and local practice show that shelters function best through a housing-focused model to support all clients in establishing housing goals and supporting their achievement. Early Intervention programs within shelters are designed to provide supports for up to 14 days to help people quickly end experiences of homelessness.</p> <p>Staff and partners are in the process of updating standards for shelter service delivery, including: training, harm reduction, service restriction policies, health and safety, operations. From October 2022 through January 2023, more than 175 individuals with experience using emergency shelters and drop-in programs were engaged to inform review and revision of Hamilton's Shelter Standards. Individuals spoke to the importance of access to housing supports, affordable housing, health supports, and staff supports within the shelter or drop-in.</p> <p><b>What's Needed</b>  Hamilton's shelter system is consistently at or over-capacity, particularly in the women's and family system.</p> <p>In 2022, 3441 individuals accessed supports offered through a shelter, and 3096 spent at least one night in a shelter. The number of individual shelter stayers per year has been relatively stable with 2911 in 2020 and 3112 in 2021. However, average length of stay increased from 80 days in 2021 to 88 days in 2022. A total of 58% spent more than 30 nights in shelter, meaning that almost 60% of all shelter stayers were in need of shelter and supports beyond the intended design of the Emergency Shelter System. This speaks to the need for increased capacity alongside significant enhancements in permanent housing solutions.</p>	<p>GS Youth, Notre Dame: \$951,192</p> <p>GS Family Centre: \$1,350,200</p> <p>GS Mary's Place: \$877,230  Mission Emma's Place: \$743,059  St. Joe's Womankind: \$100,000</p> <p>GS Men's Centre: \$1,068,488  Mission Men's: \$1,144,809  SA Booth Centre: \$1,602,733</p> <p>Total Shelters: \$7,837,711 (permanent shelter beds, excludes hotel overflow)</p>	<p>\$3,510,000 one time in 2023</p>
	<p><b>3.d.1 Temporary Overflow and Drop-in Capacity in the Women's Emergency Shelter System (HSC23019)</b></p> <p>This is necessary to meet heightened community demand for emergency spaces as additional investments in permanent housing options are actualized.</p> <p>HSC23019 proposes:  Temporary funding of 20 shelter overflow beds for women at 46 West Ave to be operated by Good Shepherd from April 1, 2023 to March 31, 2024 at an approximate total cost of \$1,270,000.</p>		

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
	<p>Temporary extension to May 31, 2023 of GS Cathedral as a temporary shelter for up to 100 single women at a cost of \$320 K monthly for an approximate total of \$640 K.</p> <p>\$1.6 M until March 2024 for continued drop-in supports through YWCA's Carole Anne's Place (\$964,512) and Mission's Willow's Place (\$599,556) for approximately 434 women to meet basic needs and get connected with additional housing supports.</p>		
	<p><b>3.d.2 Emergency Shelter – Women's System Expansion of 40 beds</b> to address persistent over-capacity in the women's system both prior to and during the pandemic. The addition of 40 permanent beds was recommended through a report conducted by Social Planning and Research Council (SPRC) in June 2022 to inform shelter right-sizing to meet community needs.</p> <p>Reach: Expansion of 40 beds would bring permanent spaces in the women's system to 86 beds. It is estimated that 40 beds would support approximately 120 people per year.</p>		<p>\$1,950,000.00 annual operating + capital costs TBD to support 40 new shelter beds in the women's system</p>
	<p><b>3.d.3 Emergency Shelter – Family System Expansion of 50 Units/200 beds</b></p> <p>The Family Hotel Overflow Program currently seeks to address the gap in family emergency shelter &amp; provincially funded Violence Against Women (VAW) beds; however, it is insufficient to meet demand. We have had to limit the number of families supported to 30 and even this service level creates a pressure. there is a need to bridge the gap between current pressures and a potential expansion of the family emergency shelter system. Continued engagement with the Ministry of Children, Community, and Social Services (MCCSS) seeks to obtain supports for the VAW specific families.</p> <p>Reach: 200 beds (50 units) expansion would expand current 20 unit/80 bed system to 280 beds for families. Rent supports and supplements could also be used as an alternative to secure and retain housing for families to prevent the need for prolonged shelter stays with no capital costs.</p>		<p>\$3,800,000.00 annual operating + capital costs TBD to support 200 new beds (50 units) in the family system</p>
	<p><b>Drop-ins</b>  What's Working</p> <ul style="list-style-type: none"> <li>• Prior to the pandemic, a review of drop-ins recommended that they not be funded by the homeless-serving sector as it was difficult to quantify how drop-in programs could be directly tied to housing outcomes. However, pandemic relief funds were mobilized throughout 2020-22 to maintain funding for drop-in centres through the end of March 2023.</li> <li>• Over the course of the pandemic drop-in services have demonstrated critical value as low barrier entry points to the homeless-serving system by providing supports that meet immediate needs, building trust and connection to additional resources, and conducting triage and assessment services that facilitate access to additional housing resources.</li> <li>• More than 875 people per quarter are supported by City-funded drop-in services.</li> <li>• The City of London and City of Kingston have established drop-in models as integrated health hubs supporting individuals experiencing homelessness, staffed with primary care and harm reduction workers with funding through the Ministry of Health.</li> </ul> <p>What's Needed</p> <p>Funding for drop-ins currently ceases at the end of March 2024. Closure of drop-ins at this time would leave significant service gaps in the Hamilton community including:</p> <ul style="list-style-type: none"> <li>• Overall reduced access to services and resources to meet basic needs, especially for those with shelter service restrictions, women, youth, 2SLGBTQI+ individuals, and people experiencing hidden and unsheltered homelessness or who are service restricted.</li> <li>• Limited community capacity to support cold weather responses.</li> </ul>	<p>\$2,991,778 committed April 2022-March 2023</p> <p>Current commitment ends March 31, 2023</p>	<p>\$2,992,000 annually to maintain service level for 875 people reached per quarter with options for all ages and genders</p>

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
	<ul style="list-style-type: none"> <li>Reduced service capacity may lead to an increase in visible homelessness in the downtown core and impact other service providers.</li> </ul> <p><b>3.d.4 Continued funding of drop-in programs</b> would enable providers to continue meeting immediate need and allow time for staff and partners to develop an optimal role and model for funding and delivering housing-focused drop-in services with potential for integration and shared funding through health sector partnerships.</p> <p><b>Reach:</b> 875 people supported per quarter to meet basic needs and connect to additional housing and community resources.</p> <p>Wesley Day Centre (pending closure March 31, 2023): Annual budget of \$1,152,456, per quarter supports approximately 600 people of any gender.</p> <p>Carol Anne's Place: Annual budget of \$964,512, per quarter supports 54 women and gender diverse individuals.</p> <p>Willow's Place: Annual budget of \$599,556, per quarter supports approximately 380 women and gender diverse individuals.</p> <p>Living Rock: Annual budget of \$227,712, per quarter supports 20 youth of any gender.</p>		
	<p><b>Winter Response Strategy</b></p> <p>What's Working</p> <ul style="list-style-type: none"> <li>Jurisdictional scans of other Ontario municipalities demonstrate a strong need for low-barrier overnight spaces to maintain the safety of individuals experiencing homelessness during winter months.</li> <li>While the ideal solution is access to stable housing with appropriate supports for all individuals experiencing homelessness, it is essential to meet the immediate needs of people living unsheltered while they pursue stable housing.</li> </ul> <p>What's Needed</p> <p>Hamilton currently has no permanent Winter Response resourcing. This has led to significant service gaps over the 2022-23 winter season with people unable to secure warm indoor space during extreme cold and winter storms.</p> <p><b>3.d.5 Winter Response Strategy</b></p> <ul style="list-style-type: none"> <li>HSC23012 committed to an immediate temporary Winter Response Strategy through March 2023. This includes commitment to staff City-run warming centres in recreational facilities during statutory holidays and inclement weather and a public callout seeking community partners to operate 50 additional low-barrier overnight warming spaces.</li> <li>Development of a long-term comprehensive winter response strategy is underway due for report back in August. This will help to ensure stable staffing and community infrastructure to respond to extreme cold and heat events.</li> </ul>	\$125 K (levy)	TBD August 2023
	<p><b>Housing Focused Street Outreach</b></p> <p>What's Working</p> <ul style="list-style-type: none"> <li>The Housing Focused Street Outreach (HFSO) Team is engaging with people living unsheltered 7 days per week. Individuals living unsheltered often have barriers that prevent them from accessing emergency shelters. It is important to have programs focused on meeting them where they're at and building trust and connection to supports.</li> <li>Solutions to unsheltered homelessness are similar to solutions for people staying in shelters or couch surfing (with many people moving between all of these options). People experiencing homelessness require access to housing with supports matched to their level of need that will help them secure and retain it.</li> <li>The City's Housing-Focused Street Outreach team (6 outreach workers and one supervisor) works 7 days per week, 12 hours per day to support people living unsheltered with supplies to meet basic needs, referrals to shelters and other community supports, assistance</li> </ul>	\$594,960 (HPP)	N/A

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
	<p>securing social assistance, connecting to additional housing resources, and case management support to locate and secure permanent housing.</p> <ul style="list-style-type: none"> <li>1 in 3 individuals prioritized for housing case management programs (ICM or RRH) are people who have been living unsheltered. This is important to ensure that this population is overrepresented among those who are prioritized for case management support (given the relatively small number of people living unsheltered ~2.5% among the homeless population at any given time) without incentivizing living unsheltered as a fast-track to housing supports.</li> </ul> <p><b>What's Needed</b>  There is an opportunity to enhance the housing case management role of the outreach team to complement the work already done to connect people to shelters, income supports, and Access to Housing applications. In combination with enhanced landlord engagement and health supports available to case management programs, the HFSO team will be empowered to more actively work with unsheltered individuals in helping them access stable housing directly from their current location.</p> <p><b>3.d.6 Enhance and Evaluate Housing Case Management Capacities of the Housing Focused Street Outreach Team</b></p> <ul style="list-style-type: none"> <li>Conduct evaluation of existing outreach services to clarify ideal role and scope of housing-focused street outreach services.</li> <li>Establish training and procedures to strengthen capacity to work with individuals living unsheltered to access permanent housing directly from current situation.</li> </ul> <p><b>Reach:</b> 272 people supported in 2022 to meet basic needs and connect to additional housing and community resources.</p>		
3.e) Sector Capacity-Building	<p><b>Lived Engagement Strategy</b></p> <p><b>What's Working</b>  HSD staff are committed to engaging people with living expertise to inform program and policy decisions. This includes work underway to develop a guiding framework and resources for empowering and compensating people to contribute to system planning. Promising practices to build from include:</p> <ul style="list-style-type: none"> <li>Hamilton's Community Advisory Board for Housing and Homelessness includes people with lived expertise to contribute to policy, program, and investment decisions.</li> <li>The Street Youth Planning Collaborative and Women's Homelessness Planning Committee have established advisory committees made up of people with lived expertise to inform community planning and housing support programs.</li> <li>In conducting a review of shelter standards Oct 2022 through Feb 2023, HSD engaged more than 175 people with living experience accessing the shelter system to inform policies around shelter access, operations, and supports.</li> <li>Grenfell, Keeping Six, Good Shepherd, and YWCA have developed strong models of peer support with paid employment roles for people with lived expertise. These roles provide important support for individuals to feel comfortable contributing to community meetings, planning decisions, and accessing supports.</li> </ul> <p>Currently engagement of people with lived experience of homelessness has been tied to specific committees referenced to the left or been ad-hoc in relation to specific initiatives.</p> <p><b>What's Needed</b>  HSD is currently developing a formal framework for engaging people with lived experience. This framework outlines when, why, and how engagement is to take place ensuring accountability to feedback and adequate compensation and supports to honour the time and knowledge shared.</p> <p><b>3.e.1 Engagement of People with Lived Expertise in Ongoing Policy and Program Decisions</b></p>	\$50 K (Reaching Home 2023-24)	N/A

Intervention	<p align="center"><b>What's Working Well/Known to Work</b></p> <p align="center"><b>Gaps and Enhancements Needed</b></p>	Existing Investment (Federal, Provincial, Municipal)	Investment Needed
	<p>Budget dedicated resources for per diem and peer support roles to assist with engagement of people with lived experience on core policy and program decisions.</p> <p><b>Reach:</b> Approximately 250 people engaged through 2022 with budget of \$10 K. A budget of \$50 K for 2023 will contribute to enhanced compensation, peer support, and level of engagement.</p> <p><b>Coordinated Access</b>                      What's Working</p> <ul style="list-style-type: none"> <li>Hamilton's homeless-serving sector has developed a coordinated access system and through it have established common practices for intake, assessment, referral, and program matching as well as information-sharing to enable coordinated service delivery across 31 programs.</li> <li>This enables the sector to monitor and respond quickly to emerging needs of individuals and the broader population of people experiencing homelessness.</li> <li>Hamilton has been nationally celebrated for City-Indigenous co-leadership in developing coordinated access and for deep collaboration in developing housing first innovations as a community.</li> <li>The City provides all funded homeless-serving partners training on the triage and assessment tool, HIFIS, and has offered Indigenous Cultural Competency Training through the Hamilton Regional Indian Centre.</li> </ul> <p>What's Needed                      Hamilton's homeless-serving sector has a strong foundation in our coordinated access system and a long history of collaboration. However, work remains to strengthen integration with other systems (particularly health) and to ensure consistent knowledge, skills, and best practices across the sector.</p> <p><b>3.e.2 Sector Training and Capacity Building</b></p> <ul style="list-style-type: none"> <li>Housing Services worked with the City's Equity Specialist to develop a concept for a 2SLGBTQA+ Cultural Capacity and Accountability Framework and with Indigenous Leadership to co-develop an Indigenous Cultural Capacity and Accountability Framework geared to all funded homeless-serving agencies, including shelters. While these concepts were initially unsuccessful in receiving federal funding, the Reaching Home incremental increase received in fall 2022 enables us to move forward.</li> <li>HSD is working with partners to determine the focus of a suite of training for the sector that the City would deliver or coordinate. Topics include but are not limited to: Applying Indigenous Cultural Safety in everyday program implementation; Harm Reduction; 2SLGBTQA+ competencies; and, Housing First implementation in all programs.</li> </ul> <p><b>Reach:</b> Whole Sector</p>	<p>\$125,000.00                      (Reaching Home 2023-24)</p>	<p>N/A</p>
<p><b>4. Building capacity in the development of Indigenous owned capital resources and Indigenous-led programs</b>                      Outcome 3: Provide people with the individualized supports they need to help them obtain and maintain housing                      Outcome 5: Provide people with respectful, quality service within a "user-friendly" system</p>			
<p>Indigenous Identified and Led Housing Solutions</p>	<p><b>4.a) Proportionate Indigenous-led Funding Decisions</b>                      What's Working                      Since 2004, the City of Hamilton has allocated 20% of federal homelessness program funding to Indigenous-led interventions selected by the Indigenous Community Advisory Board to respond to the disproportionate rate of homelessness among Indigenous people in our community.</p> <p>A continuum of Indigenous-led Housing Supports is delivered through Hamilton Regional Indian Centre, Native Women's Centre, Sacajawea, including: drop-in supports, shelter intervention, early intervention, case management, permanent housing.</p>	<p>Levy-funded Indigenous-led Poverty Reduction: \$1,000,000*</p>	<p>TBD through further engagement with CHIL to determine sustainable resource needs</p>

Intervention	<p style="text-align: center;"><b>What's Working Well/Known to Work</b></p> <p style="text-align: center;"><b>Gaps and Enhancements Needed</b></p>	<p style="text-align: center;"><b>Existing Investment (Federal, Provincial, Municipal)</b></p>	<p style="text-align: center;"><b>Investment Needed</b></p>
	<p>Reaching Home COVID-19 funding was used to bring online 12 new units of permanent supportive housing for Indigenous households through a partnership between Indwell and Sacajawea Non-Profit Housing. This collaboration in affordable housing between a non-Indigenous and Indigenous agency aims to set a new precedent for Hamilton's housing sector.</p> <p><b>What's Needed</b>  The Indigenous program stream faces unique challenges in recruiting and retaining experienced Indigenous staff. The smaller hiring pool means fewer potential candidates in an already stretched system. Meanwhile organizations, including the Indigenous CE, operate with out sustainable funding or adequate staff complements, meaning that those staff who remain carry a higher load and are at risk of burnout.</p> <p>This puts significant strain in existing staff and jeopardizes timely delivery of programs and strategies due to capacity constraints.</p> <p><b>4.a.1 Stable operational funding for CHIL</b>  To address workload capacity and sustainability of Indigenous leadership in fulfilling Community Entity role.</p> <p><b>Reach:</b> Whole sector. Approximately 500 Indigenous people known to be supported by homeless-serving system per year.</p>	<p>RH Incremental Increase (23/24): \$637,534</p> <p>*CHIL reallocates/sub-contracts 85% to other Indigenous organizations, keeping \$150 K for CHIL administrative operations</p> <p>HRIC: \$1,329,695</p> <p>Sacajawea Non-Profit Housing: \$750 K (one-time RH capital); \$473,250 housing subsidies (2022)</p>	<p>TBD</p>
	<p><b>4.b) Indigenous Shared Leadership of Coordinated Access</b></p> <p><b>What's Working</b></p> <ul style="list-style-type: none"> <li>CHIL's report on Revisioning Coordinated Access has been promoted nationally as a guide for other communities.</li> <li>CHIL and HSD staff presented a CAEH webinar in March 2022 on how to operationalize Indigenous leadership in establishing community prioritization processes for linking people to housing support resources.</li> </ul> <p><b>What's Needed</b>  Indigenous peoples face longstanding barriers to accessing culturally appropriate and wholistic supports within non-Indigenous programs. Barriers include lack of staff knowledge of Indigenous culture, worldviews, and historical trauma; spaces and program structures that are institutional and colonial; data collection, management, and interpretation that is not grounded in Indigenous knowledge or principles on Indigenous data governance. While Hamilton's homeless-serving sector has been committed to actualizing Indigenous Data Stewardship and Cultural Accountability, proposals for funding to support this work were originally unsuccessful.</p> <p><b>4.b.1 Indigenous Data Liaison and Cultural Capacity and Accountability Framework</b>  CHIL and the City have worked together to design an Indigenous Data Liaison project to establish and embed Indigenous data governance principles and Indigenous knowledge broadly across all Coordinated Access agencies and practices. This work complements plans to develop and implement an Indigenous Cultural Capacity and Accountability Framework. The Reaching Home incremental increase received in fall 2022 enables this work to move forward.</p> <p><b>Reach:</b> Whole sector</p>	<p>\$320,000 (Reaching Home 2023-24)</p>	<p>Beyond 2024  TBD</p>

# Designing for Impact: Options to optimize deployment of the Hamilton Community Foundation Affordable Housing Impact Fund (AHIF)

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## ***Introduction***

The Hamilton Community Foundation (HCF) has established a goal to establish a social, impact investment stream in support of affordable housing and has targeted investment contribution of \$50 million in capital over the next 10 years. The purpose of this brief is to examine critical gaps in the existing affordable housing ecosystem and to identify options for optimal investment.

In parallel the City of Hamilton is seeking to reboot and refocus the City's approach and support for affordable housing and homelessness. It is expected that along with other external partners and funding sources, through the proposed Affordable Housing Impact Investment Fund (AHIF) the HCF can be an effective catalyst and contributor for the City.

Hamilton, like many communities across the county faces significant challenges in housing affordability across the continuum from the homeless shelter system through the existing social housing legacy stock as well as affordability concerns in the private rental market and in the homeownership part of the housing system.

High home prices constrain access to asset building for young families. Unable to access ownership these families remain in the rental sector adding demand and placing upward pressure on rents. Population growth including international, inter-, and intra-provincial migration adds demand in both the rental and ownership sector (exacerbated when households bring large amounts of equity from cashing out in higher priced markets). And increased recruitment of international students by universities and colleges adds rental demand – often competing for lower rent properties and squeezing out low-income households. With few, and declining affordable options in the lower end of the market there is nowhere for individuals seeking to exit homelessness to exit to.

These issues and challenges interact within a broad and complex system, which also overlaps with poverty, health, education, and well-being. So, it is critical to take a system wide view and think about system design. By taking a systems perspective it is possible to identify critical gaps and weaknesses in the system. By designing to address these gaps and weakness, interventions and investments can broaden more synergistic impacts. The HCF wishes to position and design its AHIF to have maximum catalytic impact related to these gaps.

- The critical question is where are these gaps? What is the current level of demand/need across the various elements of the housing continuum? What is the current level of supply, and where are the pressure points? How does investment in one part of the continuum create flow across the housing continuum?
- What types of investment can have the greatest impact and leverage the array of other funding sources that already flow into and through this system?
- Is it possible to use strategic investment to attract new sources of capital and investment into this sector (e.g., philanthropic, social impact and institutional ESG related investment)?

- As we answer the question for philanthropic sector, are their applications that are useful for other sectors who may also be preparing to invest in housing? (e.g., municipal government, credit unions, etc.)

### **Organization of this brief**

This brief first examines the characteristics and trends in the housing system and the key factors that are impacting and undermining housing affordability. It then explores options to address some of the identified gaps, especially those not already being addressed through other initiatives within Hamilton's HHAP.

### **Recent market trends and factors causing spiraling prices and rents**

Over the past few years and the pandemic era there has been a dramatic increase in home prices and rents. Between Jan 2020 and Jan 2022, the MLS composite home price in Hamilton/Burlington increased by 77%; while it has corrected down 25% from the peak (Feb 2022) it remains 50% higher than before the pandemic. Rents for new tenancies in Hamilton (two bedrooms) in January 2023 are 17.4 percent higher than one year ago (rentals.ca). These rent and price pressures reverberate down through the market and especially impact lower income households, where there is in addition an ongoing process of erosion reducing the number of lower rent options.

Much of the discussion on the cause of these trends has fixated on a lack of supply, asserted to be caused by onerous and slow municipal processing of development and building applications.

While there may be some friction, and potential to accelerate and streamline approvals in the planning development system at the City to catch up with growing demand, the larger cause of price pressure is the surge in population growth and associated demand. This heightened volume of demand was then exacerbated, until Spring 2022, by historically low mortgage rates (and it is the rise in mortgage rates that has now enabled the price correction, and ironically is suppressing needed supply).

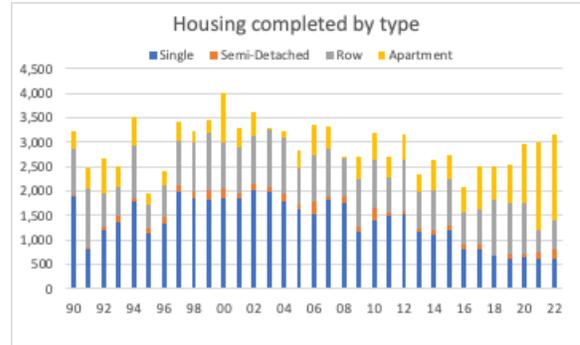
New home construction did not decline as much as it has simply been unable to accelerate in line with population, and household growth and thus housing demand. And, in addition to the *quantity* of demand, the *quality* of demand has been enhanced by low interest rates (cheap money) and accumulated equity among pre-existing owners. Together these factors enable overbidding and excessive prices.

## Examining trends in the housing system

### New home construction

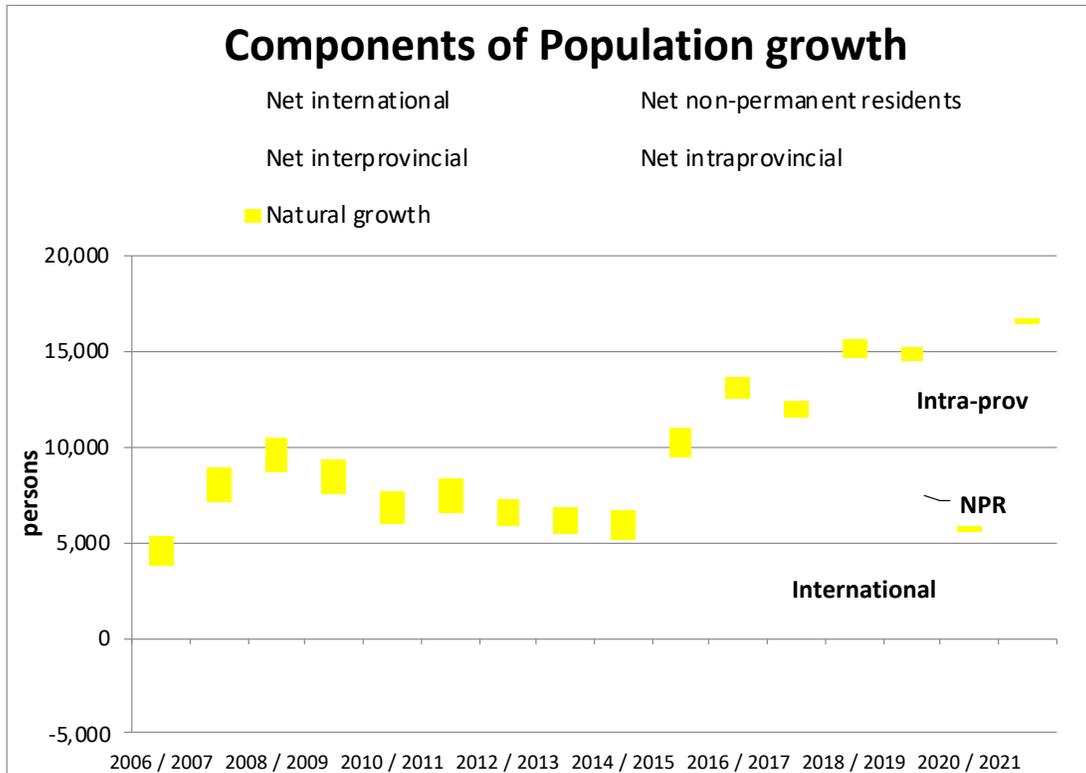
Compared to the first decade of the millennium, new home construction in Hamilton has declined, (by about 20%), but since a low point in 2016 has been on an upward trend.

There has been a shift away from typically owner occupied single detached homes in favour of multi-unit apartment structures.



### Household growth and demand

While the 20% reduction in new homes completed over the second decade of this millennium (shortage of supply) is a contributing factor in price/rent pressures, the larger factor is a very substantial surge in population (increased demand), especially after 2015. Between 2007 and 2015 the population grew on average by just over 6,000 people; and between 2016-2020 this growth more than doubled to, on average, over 14,000 per year. With international boarder closed and few international and NPR, 2020 stalled, but with re-openings the pause (and outflow) in 2021 immediately rebounded to over 15,000.



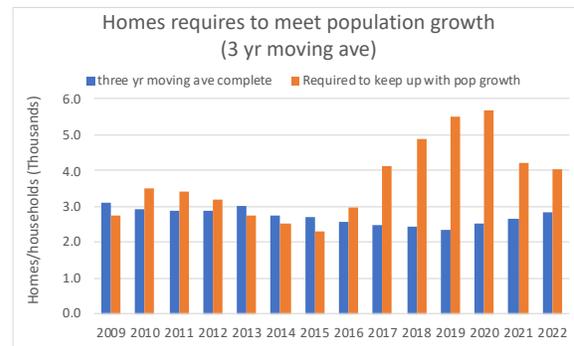
While intra-provincial (e.g., folks from the GTA and rest of province) has been consistent since 2009, the major shift post 2015 is from international migrants and “non-permanent residents” (NPR). The NPRs are predominantly international students, reflecting the need for post-secondary institutions to generate enhanced revenues. This group has a very significant impact on rental demand, so examining ways to meet it, which require little, or no subsidy could be fruitful.<sup>1</sup>

Alongside international students, domestic students from outside of Hamilton also add to local rental demand. Together, McMaster and Mohawk College have both seen increased overall enrollment. Since 2012, international students increasing by 4,300 while domestic enrollment was up by 5,400. While some of this increase would include local residents, but much would come from inter and intra-provincial students and in total has added demand for an additional 2,000 to 4,000 homes.

This suggests that some attention could be directed to exploring ways to expanding purpose-built student housing to reduce the displacement effect these students have on existing lower rent stock. The configuration of student housing with 3-4 students sharing generates solid rent revenues and can be viable with no subsidy – if institutions and private developers can be encouraged to take this on. And further downstream some of the newcomer students may seek to settle in Hamilton creating demand for entry level ownership options.

**Mismatched supply and demand**

When these two data sets (new construction and population growth) are combined and population counts translated into households at the local average household size of 2.5 persons per home, this level of population growth can be compared to the growth in new home construction. The chart here uses a three-year moving average to smooth individual year volatility.



This reveals that even though new home construction had declined from the first decade, the number of new homes build from 2009 through 2015 was initially sufficient to keep pace with household growth – until the 2016 population surge. Reflecting the much higher levels of international and NPR migration after 2015 there was excess home demand. While people can jump on a plane and arrive the same day, it takes 3-4 years to build a new home, so the mismatch has compounded over time – placing upward pressure on both rents and home prices.

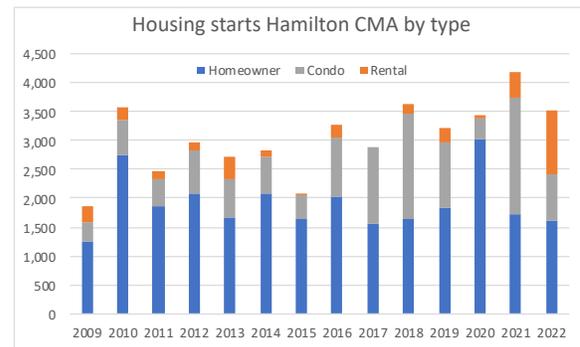
<sup>1</sup> Data on enrollment at McMaster show that the number of fulltime equivalent international students has doubled from 2,700 in 2016/17 to 5,700 in 2021/22 Assuming that students share accommodation this increase of 3,000 students per year will have generated new demand for at least 1,000 additional homes.

On average since 2016, with this high level of population growth there has been a shortfall in new construction (completed homes) of roughly 2,200 homes per year. In response to increase demand new starts have already trended up, averaging 3,400 since 2016. If growth continues at this pace, new construction will need to expand by a further 28% up to 4,800 new homes per year.

**Impacts of the supply: demand mismatch**

The obvious consequence from a mismatch with excess demand is upward pressure on rents and prices. In an efficient market, a supply response would also be expected. And to a degree this has happened, but due to the low elasticity of supply it is a slow and lagged response.

As shown previously, new housing construction has gradually increased, with a steady upward trend since the low point in 2009 (due to the global financial crisis). But it takes time for these new starts to materialize as completed homes that can be occupied. The pandemic clearly slowed new multi-unit starts in 2020 (condo and some rental) but this was offset by much higher level of detached homes, mainly for owner occupants. This expansion stalled due to higher interest rates through 2022, acted to suppress new construction.



Notably after two decades of very minimal activity, new rental construction expanded substantially post 2016 for Canada as a whole (up four-fold), although this increased did not occur in Hamilton until 2022, when over 1,100 apartments were started.<sup>2</sup> To some extent this was influenced by rent trends and the higher rents now achievable (which strengthens viability and investment attention).

<sup>2</sup> The categories of starts may reflect some change in intended use during construction from condo to rentals – fewer than 500 new rent unit starts were reported between 2018-20, but almost 2,000 were completed after 2019, so clearly there was under reporting on rental initiations in 2018-20. And data for 2020 erroneously identified condo as homeowner – CMHC is correcting the data file

**New supply has not translated into affordable homes**

While there has been a steady increase in new home construction, very little of this addresses the demand (or need) from lower income households. The prices for newly completed homes for sale has followed the broader trend in existing home sales. This is especially true for single and semidetached for which prices increased 52% 2016-21; for row and apartment (condo) units, prices peaked in 2019 and then dropped off (prior to the rising mortgage rate effect) – likely a result of the heightened number of condo starts and completions 2016-19.

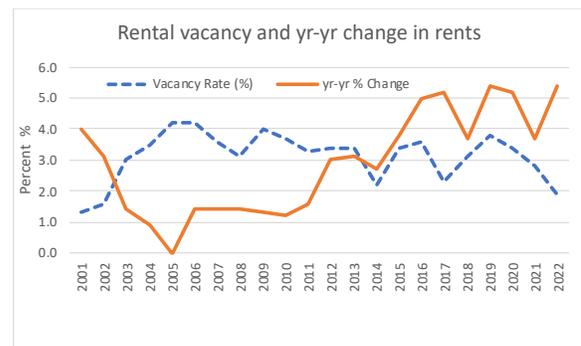


And similarly, the rents being charged on newly completed rentals is also high. For purpose built rental properties, in units completed post 2015 the average rents in 2021 were 44% above the average of those built prior to 2016 (with an increase in new rental starts in 2022 it is likely that 2022 data will reveal a larger variance between the existing average and that for newly constructed rentals).

**Existing rentals becoming less affordable**

With high home prices constraining access to homeownership, more people remain as renters. In 2006 71.6% of households in Hamilton owned their home; by 2021 this had declined to 68.6, (over the same period the ownership rated for Canada contracted from 69% to 66.5%, so the contraction is slightly more pronounced in Hamilton. So most household growth since 2016 has been from renters (note discussion above re student demand). Instead of creating vacancies when they buy, these remaining renter households retain pressure in the existing stock. This results in declining rental vacancies and upward pressure on rents.

The CMHC Oct 2022 rental survey, which covers the purpose-built rental stock (roughly half of all rental properties) recorded the lowest vacancy rate (1.9%) since 2002 (1.6%). Except for 2020, when the province placed a moratorium on rent increases for existing tenants, the overall average rent increased by more by more than 5% in all years since 2016.



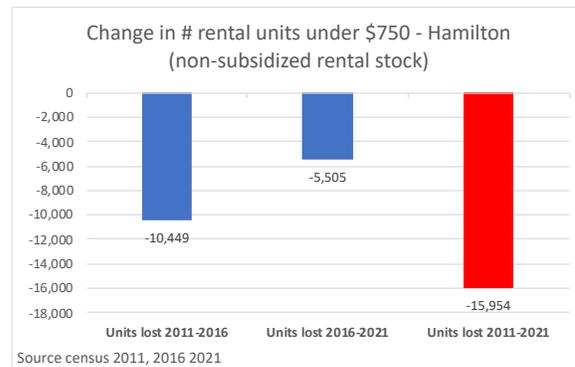
Note that the CMHC survey collects data for all units and more than 85% of tenants do not move in any one year, so this overall increase combines low guideline increases for most rental units with much larger increases for those apartments that turnover (existing tenant vacates). The CMHC Oct 2022 survey reported that in Hamilton 12.3% of purpose-built rentals turned over. The rent change in this subset was much higher than the overall yr-yr increase of 5.3%.

While CMHC does not measure the yr-yr change just for the turn-over subset, a new source of web-based rental listings has created a new data source (rentals.ca) that reports the average rents of new tenancies. The rentals.ca data includes both the CMHC surveyed purpose-built stock of some 47,000 apartments and the so-called secondary market of rented homes, suites in homes and condo rentals, which in 2021 totaled almost 29,000 homes. The data however tracks only rents in new tenancies, and these are compared to the new tenancies one year ago.

For Hamilton this reveals that among the subset of units that had new tenants in January 2023 rents increased by 13.5% for one bed and by 17.4% for two-bed compared to the rents in January 2022. So, tenants that move face substantially higher rents than those that remain in current rental – an issue that is especially acute for lower income households forced to move due to family separation, arrears/eviction, employment change etc.

**Existing affordable stock is eroding**

And compounding renter affordability challenges, the number of lower rent units is rapidly eroding. This occurs with absolute loss via demolition and from relative loss from increasing rents. Annual rent increases, especially on turnover of lower rent properties pull rents up above affordable levels. This is assessed by using the benchmark of \$750, which relates to an income of 30,000 per year if paying 30% of income for rent.<sup>3</sup>



Between 2011 and 2016 the number of rental units in Hamilton below \$750 declined by 10,400; with a further 5,500 lost between 2016-21. Over that decade almost 16,000 lower rent units (under \$750) were lost; meanwhile new affordable housing funded under various federal-provincial programs, most delivered via the City added only 550 units.<sup>4</sup> So, for every new affordable unit funded, 29 existing low rent units were lost.

This pace of erosion in the lower rent stock massively undermined new investment and efforts to address affordable need. So in addition to building new funding programs must also support efforts by non-profits to acquire existing property – which once held under nonprofit ownership can isolate from the market pressures causing rent inflation.

<sup>3</sup> \$750 was chosen as this aligns with the rent ranges reported in the census. Coincidentally at 30% it also approximates a minimum wage income of 30,000. Additional analysis also examined losses between \$750-1,000 in 2016-21 and found that the erosion has moved up to this rent band – an additional 9,200 units renting between \$750-\$1,000 were lost in that later five-year period.

<sup>4</sup> With expanded funding under the national housing strategy additional affordable housing has been initiated in recent years and there are currently some 385 units currently in the construction pipeline.

### **Expiring subsidies in social housing**

Alongside loss of private rental units, there is a risk that some legacy social housing may be lost as federal subsidies expire. Most social housing was built between the mid 1960's and mid 1990's and typically involved a mortgage to cover 100% of the cost and ongoing subsidy payments to ensure projects could repay the mortgage loan, while sustaining low rents (set of a rent-gear-to income basis. Subsidies were typically cost shared between the federal and provincial government and in Ontario, the provincial share was devolved to the local level.

The mortgage and subsidy were initially for a period of 50 years, and post 1978 projects over 35 years, and most begun to expire around 2015 with expiries continuing through to 2030. Projects that have low RGI rents and a high proportion of units as RGI generate insufficient rental income to cover operating costs. Consequently, for these, when the mortgage matures and federal subsidy ends many will be unviable, without renewed subsidy from the City. This imposes a fiscal burden on the city.

However, with no additional mortgage payment, per unit subsidy should be lower than at present. In part this may be offset by the need to finance needed capital renewal, as the properties are aging. The National Housing Strategy includes a funding stream to help address this renewal of subsidy (Canada-Ontario Community Housing Initiative), but this may not be sufficient, without additional City subsidy. In most cases this should be manageable, but there is some risk and an obligation for ongoing City expenditure.

Giving the aging stock, need for renewal and expiring federal subsidy it is important to undertake a comprehensive asset review of the entire Service Manager portfolio (i.e., properties owned by Housing Hamilton as well as those owned by community non-profits) to assess condition and capital needs, as well as identifying properties with intensification potential. Currently some 500 units are out of service due to repair needs – the cost benefit of rehabilitating vs redeveloping should be assessed, as well as whether to bring back as deep RGI (deeper subsidy need) vs. near market affordable (including a review of how the HSA Service Manager standard is implicated in this choice).

### **Potential to restructure subsidy and manage City expenditure**

Recent amendments to the Housing Services Act creates new options for the City, as Service Manager, and for community housing providers when a project reaches the "end of Mortgage (and any federal subsidy ends). Providers can enter into a new subsidy agreement to cover ongoing RGI requirements as well as funding toward capital renewal. Or they can elect to opt out of the Act, so are no longer subject to regulations, most notably restrictive rent setting policies that apply to OW and ODSP recipients living in RGI units. But most providers are unviable and unable to preserve affordable rents without RGI subsidy, so most will seek a new agreement. An alternate approach is to opt out and then negotiate a rent supplement agreement. This can secure sufficient subsidy to preserve RGI levels and contribute to replacement reserves but avoid the administrative oversight that applies when regulated in the HSA.

From a City (Service Manager) perspective opting out and entering a rent supplement agreement can be highly advantageous in circumventing the low "maximum rents" applied to OW/OSDP tenancies in social housing. The current regulations mean that the OW/ODSP shelter benefits paid by the province to recipients and then paid as rent to the City are very low (\$85 for single; \$185 for family). If the same (or similar household) lived in private rental housing (or affordable units outside the HSA) they would be eligible to receive up to the maximum shelter benefit under OW/ODSP (\$390 and \$479 for singles and \$642/\$781 for a lone parent and one child).

This means that the City is effectively cross-subsidizing the province and pays a much higher amount of housing subsidy (on average around \$400 /unit/month) compared to if the tenant was treated the same as a similar private tenancy.

Across the portfolio of over 11,000 social housing units, it is estimated that the City is paying more than \$14 million annually in additional housing subsidy and reducing provincial welfare costs by the same amount. Restructuring (via the new HSA provisions) could correct for this situation and generate up to \$14 million to be reprofiled into the affordable housing budget – and potentially used to substantially expand housing allowances to remove households from the waiting list – potentially the waiting list could be cut in half with 3,000 households assisted from this "new money".

Another option is to more carefully and strategically allocate new assisted housing clients to different portfolios or programs – e.g., allocating OW/ODSP to affordable units outside of the HSA so they can be charged the maximum shelter benefit amount; and allocating working poor and seniors to RGI housing).<sup>5</sup> This can similarly optimize use of limited City subsidy budgets.

### **Insufficient supply of low rent housing**

These price and rent and new construction trends and the impact of erosion combine to create a large mismatch between need, based on income and capacity to pay, and existing availability of housing that is affordable.

Using 2021 census data the distribution of households by income range can be compared to the number of units in an equivalent rent range. So, for example incomes below \$20,000 are compared to units renting for under \$500 (20,000/12 months x 30%); incomes of \$20,000-\$30,000 relate to units rent \$500-\$750, etc.<sup>6</sup> Data here are for non-subsidized renters (i.e., exclude those in social housing and social housing units).

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<sup>5</sup> For example a single or lone parent earning minimum wage would have an income of approximately 30,000 per year and at 30% could afford to pay rent of \$750. If the same unit is rented to an OW/ODSP single the rent paid and revenue received by the provider is only \$85, necessitating a large rent subsidy.

<sup>6</sup> Note that the 2021 census data may reflect temporarily inflated incomes as they capture the temporary pandemic benefit paid during 2020, and thus under count the number of lower income households (i.e., once the impact of CERB etc. are removed more households will be in the under \$20,000 range). For reference in 2016 there

in 2021 there was a shortfall of almost 8,000 units under \$750, a rent range needed for those with incomes under \$30,000 – and as indicated above, this has been influenced by the erosion of these lower rent units.



The lack of lower rent units means that households with incomes below \$30,000 live in units renting above \$750, and many above \$1,000 and thus spend well over the 30% affordability benchmark – and will consequently be in core housing need.

It may not be necessary to build new affordable units – in many cases, when the household is living in suitable and adequate housing but paying over 30% a housing allowance or rent supplement could resolve their affordability problem. The substantial (but temporary) reduction in the number of households with incomes below \$20,000 between 2016 and 2021 confirms the positive impact that a small income supplement/rent allowance can have (i.e., impact of the CERB wage supplement).

The right chart suggests a theoretical shortage in units over \$2,500 but this reflects a substantial number of higher income renters that benefit from units renting under \$2,000. This large number of higher income renters might also attract investment in higher luxury rental development (although many may also rent detached homes).

### Assessing core housing need

The core need methodology helps to identify the nature of need (and confirms that the predominant problem is affordability). It can also help to identify the characteristics of households in need and the affordability gap (difference between actual rent and 30% of income – the level of assistance ideally provided through a rental allowance payment).

The core need measure calculates how many households experience one of three problems – home in inadequate condition, home unsuitable (too few bedrooms) and affordability (paying

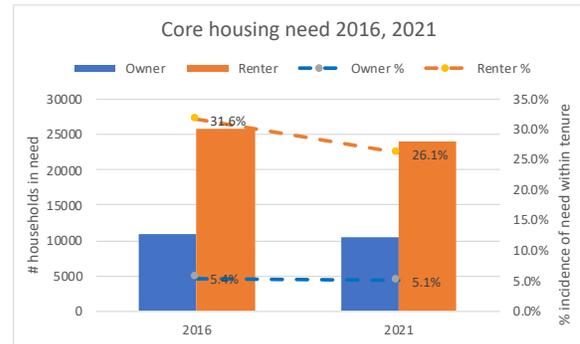
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were 18265 households with incomes below 20,000; in 2021 this had declined to only 9,385 (all renters including those in subsidized housing). So, this assessment presents the minimal shortfall in low rent units.

over 30%). It also applies an income threshold to exclude those deemed to have sufficient income to resolve their problem without assistance.<sup>7</sup>

Due to temporary improvement in 2020 incomes from pandemic benefits, total core need declined from 36,800 to 34,500 households and as a share of all households from 13% to 11.6%.

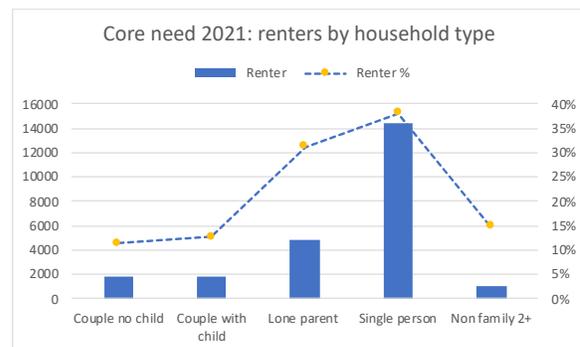
As shown in the chart, the number and incidence of need is much higher for renters – mainly because, on average, renters have much lower incomes (generally less than half that of the median owner household).



Among owners only 5% are in need while for renters more than one in every four (26.1% in 2021) are in core need.

Given the more acute and extensive level of core need among renters it is useful to examine in more detail the nature of renter need, as well as which household types are most effected.

In 2021 just over 24,000 renter households were in core need in Hamilton. The vast majority (74%) live in adequate and suitable housing and experience only an affordability problem. A small proportion experience adequacy and suitability so require a new home or renovation – but many can be assisted with rental assistance (and by not moving also will not trigger vacancy control on existing home).



Just under one-third (31%) of these renters in need are seniors, over 65 years of age.<sup>8</sup>

Not surprisingly, with the most significant problem being affordability, core need is more acute among single income households – singles and lone parent families – in both cases one in three (over 30%) are in need.

And while singles (including senior and non-senior) make up almost half of those in need, problems are also acute for lone parents, who are the next largest household type in need.

<sup>7</sup> Income thresholds are developed by household and bed size and use the median market rent for each size. These are converted to an income equivalent using 30% norm. So, if the median two-bed rent is \$800 the income threshold for 2–3-person household would be \$800 x 12 months divided by 30% = \$32,000. Households experiencing any one of combination of the three problems but with income over \$32,000 would not be considered in core housing need.

<sup>8</sup> Note that the core need measure excludes seniors living in residential care facilities – it counts only self-contained dwellings.

The census data provide a basis to determine the affordability gap – the shortfall between current rent and 30% of income (and thus estimate the magnitude of a housing allowance). Because the 2021 data is distorted by the now expired temporary pandemic benefits 2016 data is used here to estimate the affordability gap. Across all household types the gap is quite similar in the mid \$300 range. With recent inflation in rents and readjusted post pandemic incomes this has likely increased and is likely now in the range of \$400-\$500. This is the average amount of Housing Benefit required to remove households from core need – a shallower benefit would also help but would not fully remove from need.

Non subsidized renters in core need (2016)						
Hamilton CMA						
	Total - Household	Couple with children	Couple without children	Lone-parent family	One-person household	Two-or-more-person non-family
Private households	20455	2445	1915	4920	10045	1005
Ave household income before taxes (\$)	24848	36554	25508	30828	18171	30118
Average shelter cost (\$)	975	1227	1000	1131	819	1073
Afford at 30% income	621	914	638	771	454	753
Afford gap (2016)	354	313	362	360	365	320

**More severe need – homelessness**

While core need provides insight on housing need, it only examines those that are housed and completed the census form – it excludes those living in shelters and those unsheltered.

While there are many contributing factors and many identified as chronic homelessness experience mental health and addictions challenges, a much larger proportion of homelessness is associated with affordability – the “economic homeless” Shelter utilization data confirm that most people (over 80%) and households that present at emergency shelters have experienced an emergency associated with an event like loss of income, family separation and consequently lack the resources and income to secure housing, usually because there are no lower rent units available.

The number of individuals (including persons in families) in the shelters has increased over the last few years from close to 1,000 in 2020 to roughly 1,500 in 2022. Within this count the number of chronic homeless (i.e., experience homelessness for more that 180 days) increased through 2021 but is now back to a similar level at around 500 individuals, largely due to being assisted to secure housing.

Many chronic homeless shelter users access an array of services including basic health care food and lodging in the shelter system and while Hamilton has created a Housing First program to move individuals out of the shelters into housing (339 housed in 2022), efforts to secure housing are thwarted by the previously quantified lack of lower rent homes that these individuals can afford (most rely on OW/ODSP benefits). Augmenting their capacity to pay rent

via a housing allowance/benefit could accelerate housing placement and help to end chronic homelessness.

It is important to note that the population of chronic homeless persons is not static – even as individuals are assisted to find and placed into housing, others, either on the street or already in the shelter system age into the chronic category. In 2022, while 339 were placed into housing, another 247 individuals were newly identified as chronic. So while facilitating exits, it is equally critical to slow the flow into homelessness.

Emergencies will continue to occur, but growth of long-term homelessness can be stalled by early intervention in prevention and diversion programs. This is especially the case for those facing economic hardship and unable to find/afford housing. Connecting with housing help and providing rental assistance, including necessary deposits, assistance with furnishing and ongoing rental allowance can assist in slowing this flow.

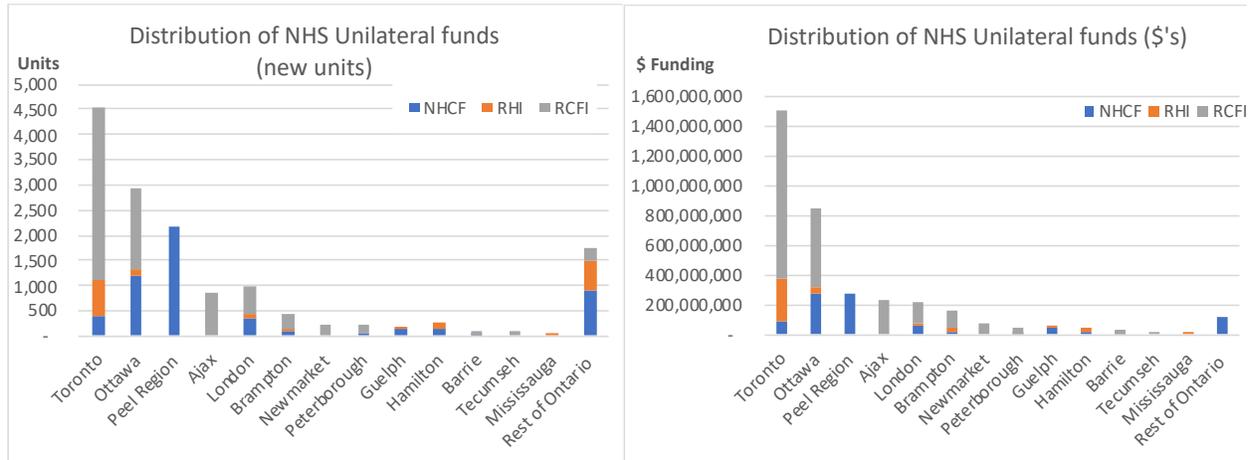
### **Underutilization of new federal NHS funding sources**

A National Housing Strategy (NHS) was announced in late 2017, initially at \$40 billion but now expanded to \$80 billion over 10-years (2018-28). A small portion of funding flows via bilateral agreements and in Ontario is then allocated across municipalities (includes OPPI, COCHI and COHB). This totals only 15% of the funding in the NHS. The majority (85%) of funds are delivered through federal programs with most in three programs:

- National Housing Co-investment Fund (NHCF) – funds both social housing retrofit and new affordable.
- Rental Construction Financing initiative (RCFI) primarily a market supply program with a small affordability component; and
- Rapid Housing Initiative (RHI) provided capital funding to build new or convert non-residential to create permanent supportive housing (but requires provincial funding for supports).

Unlike the bilateral programs, there is no allocation – funds are accessed on a competitive basis, and first come first served basis (except RHI where there was a specific allocation to municipalities (15 in round 1 and 41 in round 3), including Hamilton (which has 6 projects with 142 units)

Various nonprofits in Hamilton have been successful in securing funding under these unallocated programs, however the city and community partners have not been as pro-active or successful as other Ontario cities. These charts reflect new build only; and additional stream funded social housing repair and renewal (including almost \$17 million for City Housing Hamilton)



The single largest pot of funds has flowed to the City of Toronto and TCHC as they were especially pro-active. Hamilton’s share of secured funding was only 1.4% of the total amount in Ontario; and accounts for 5.2% of the funds. This is mainly due to several RHI projects, which receive a much higher per unit contribution than projects in the other streams. six projects with 142 units were funded under RHI; another three are building 145 units under NHCF and as noted above an existing 146-unit project received almost \$17 million for repair and retrofit under NHCF and the Innovation Fund (in combination).

It is noted that in total 80% of this federal “funding” is in the form of repayable low-rate loans; only 20% is in the form of forgivable loan, or grant. Nonetheless this is a significant source of project funding, and a more proactive approach could increase access for providers in Hamilton to draw on this source. For example, by developing detailed asset renewal and expansion plans Toronto (TCHC), Ottawa (OCH) and Peel Region were all able to secure portfolio funding for either retrofit (TCHC)M or new build (Ottawa and Peel).

Having capacity to assemble applications including at a portfolio scale may strengthen the ability of the community housing sector to secure more of this funding.

**New legislation in Ontario to stimulate supply**

The More Homes Built Faster Act (2022) seeks to substantially increase new housing supply and includes several provisions that impact on affordable housing. It requires municipalities to waive Development Charges for non-profits building affordable housing, which can help on overall costs; but also removes the affordable housing item from the listing of eligible cost charges so reduces some municipal revenues that have previously been used by municipality to

provide capital subsidy to new affordable development. It constrains previously enacted provisions for Inclusionary Zoning, limiting this to a maximum 5% of units on a site and to 25 years of affordability; and it places some constraints on introducing new bylaws for rental replacement.

Given the limit to regulate new transit related development to include affordable units it may be better to assist non-profit developers to acquire properties in designated transit zones. Through ownership, a higher proportion of units can be affordable (on a mission related voluntary basis) while market unit sales can help offset the cost to add the affordable units (likely near or below market, vs deep affordable).

In the case of existing lower density rental properties at risk of redevelopment, acquiring such properties as an initial revenue generating rental property can emulate the effect of a replacement bylaw as the purchasing non-profit will commit to redeveloping with moderate rents.

Drawing on patient equity with loans via the HCF could be one way to secure both potential TOD sites and protect/replace older rentals at risk of replacement.

### ***Consolidation and identification of key gaps***

The background review of trends and issues has highlighted a series of challenges across the housing continuum, with some of these reverberating through the system. Issues within the housing market especially high home prices and rents ultimately impact homelessness and efforts to exit homelessness. This means that indirect actions can similarly have reverberating beneficial effects. This includes efforts to increase market rate new supply by accelerating and streamlining the development approval process, which can help to take some pressure off prices and rents (albeit not necessary create affordability); and as well as more targeted initiatives to improve access to ownership for first time buyers, which removes them from renting and takes some pressure from the rental sector.

**Insufficient new home construction** – recent population growth driven in large part by international immigration. Federal immigration targets and especially increased visas for international students has created a mismatch between new housing supply and housing demand. Data reveal an annual shortfall of roughly 2,000 units per year since 2017 in new construction – so need to encourage and facilitate increased construction (this should also update estimates on population growth and refine this requirement accordingly). Federal immigration targets remain high and will increase marginally over the coming years. Assuming Hamilton continues to receive a similar number of net domestic and international migrants it will be critical to double new home construction from recent levels.

To expand production, the city should use planning and development policy to incent more missing middle type development – ground-oriented row and townhouse scale, which can fit well with assisted ownership products, as noted below. For example, recalibrate DCs to incent smaller more modest units vs. expansive single detached.

In part this could also be pursued with partnerships between private sector and the university and colleges to build market-based purpose-built student housing. Minimal subsidy would be required, but such development could be incented (e.g., via access to low-cost federal financing).

And with mortgage rate pressures causing private developers to put some projects on ice, there is an opportunity to encourage and accelerate non-market development – especially that targeting the intermediate rental market and thus requiring minimal subsidy (and/or some patience social capital).

**Enable/facilitate first time buyers.** While partly correcting after the peak in February 2022 high home prices, together with macro-prudential policies (mortgage qualifying rules) create a constraint on first time buyers. Hamilton has seen a very substantially decline in the home-owner rate (down from 71.6% 2006 to 68.6%, 2021. More significant, the rate among younger buyers has been even more severely curtailed. For households aged 30-39 the ownership rate in 2011 was 68.5%; by 2021 it had fallen to 61.1%.

With so many aspiring owners trapped in the rental market this places pressure on rents and impacts affordability (inflationary pressures on vacancies in lower rent stock). A healthy housing system requires tenure mobility and access to ownership to help households build wealth, and to release pressure from the rental sector. This would benefit from specific targeted First Home Buyer (FTB) programs at the federal and provincial level. The city can contribute by designing specific initiatives (accelerated approval, waived or deferred fees and charges and potential access to land) in partnership with non-profit home purchase programs such as those delivered by Options for Homes and Trillium Housing – both offer homes at discounted prices using equity sharing models.

In some cases, tenants in social-affordable housing have been successful in gaining better jobs and increasing their income to the point where some may be close to qualifying for home purchase. It may be useful to explore partnerships to build entry level ownership to facilitate this transition to renting. Such models can be structured with a shared equity soft second mortgage and can both generate immediate capital receipts to the non-profit developer as well as downstream equity repayments. By targeting existing tenants, the existing unit can be freed up for a now low-moderate income household (e.g., current partnership between Kiwanis Homes, City of Hamilton and HCF on shared equity ownership).

**Encourage and enable affordable and intermediate market purpose built rental.** A recent increase in new rentals is promising, but most are at high rents, generally above 150% of the existing CMHC measured average. Deeply affordable rental requires substantial subsidy per unit, which is limited. Encouraging non-profits to build into the intermediate market (e.g., rents at 110-130% of existing average vs. 150% for new private market), drawing on favourable financing under the federal Rental Construction Finance Initiative (RCFI) program can help to expand the scale of the non-market sector. Creating rental housing that operates on a non-profit basis can become relatively affordable over time (e.g., in ten years it can be at 90% of the then average market rent).

**Slow the erosion of moderate rent units** through non-profit acquisition – the review revealed very substantial erosion of the existing private unsubsidized rental stock, with 29 existing low rent units in the private market “lost” for every new affordable unit funded. This completely negates efforts and expenditures in new affordable housing. One way to address this critical issue is to enable non-profit providers to acquire existing assets. Operating at market rents, albeit moderate rents, these properties generate cash flow to leverage debt, but some equity is required alongside mortgage financing. CMHC is already engaged with the foundation sector and HCF have already invested to support a few acquisitions in Hamilton.

**Low volume of new affordable housing** - to date most efforts have relied on funding allocated to the city under the NHS bilateral agreement – Ontario Provincial Priorities Initiative (OPPI – previously IAH); and Canada Ontario Community Housing Initiative (COCHI). Annual allocations are known and are being used to support some new affordable development. The current level of new affordable development can be expanded by maximizing use of federal programs In addition most of the funding under the NHS flows via unallocated federal programs – notably

the Rapid Housing Initiative, the National Housing Co-investment Fund, and the Rental Housing Finance Initiative. The City should aggressively and pro-actively seek access to these additional funds – encouraging and supporting community non-profits as well as the City’s own housing corporation to access this pool of funding. Most federal programs require and reward partnerships, so minimal City contributions should be strategically allocated to maximize leverage of federal funding (e.g., rather than allocate \$5 million to a single new project – allocate across several projects to secure more federal funds). *The recent Rapid Housing Initiative (RHI) can be an effective program in helping to expand the stock of permanent supportive housing, so this program – Hamilton has received funding for 45 units today.*

**Insufficient funding for Housing Benefit/rental assistance** - the review noted that most households in core need simply lack sufficient income and their affordability challenge can be addressed via providing additional income via a rental allowance. Insufficient benefit levels for those of OW/ODSP seeking to exit insecure housing or homelessness also constrain options to secure stable housing. While the Canada-Ontario Housing Benefit is scheduled to ramp up and can help further expansion in such allowances is needed. For many facing affordability challenges, improving labour market skills and consequently income can enable individuals to gradually reduce dependency of the rental assistance, thereby freeing up funds to be reallocated anew recipients.

### **Restructuring existing social housing subsidy**

The issue of very low maximum rents for OW/ODSP beneficiaries living in social housing creates significant consequences, in particular in causing city subsidy to cross subsidize provincial welfare budgets. Reform of the current regulations as well as strategies to avoid and circumvent this impact can help retain City funds to be redeployed to expand housing allowances to assist in removing households with affordability challenges only from the waiting list.



Hamilton

# HOUSING SUSTAINABILITY AND INVESTMENT ROADMAP

April 19, 2023

General Issues Committee



Hamilton

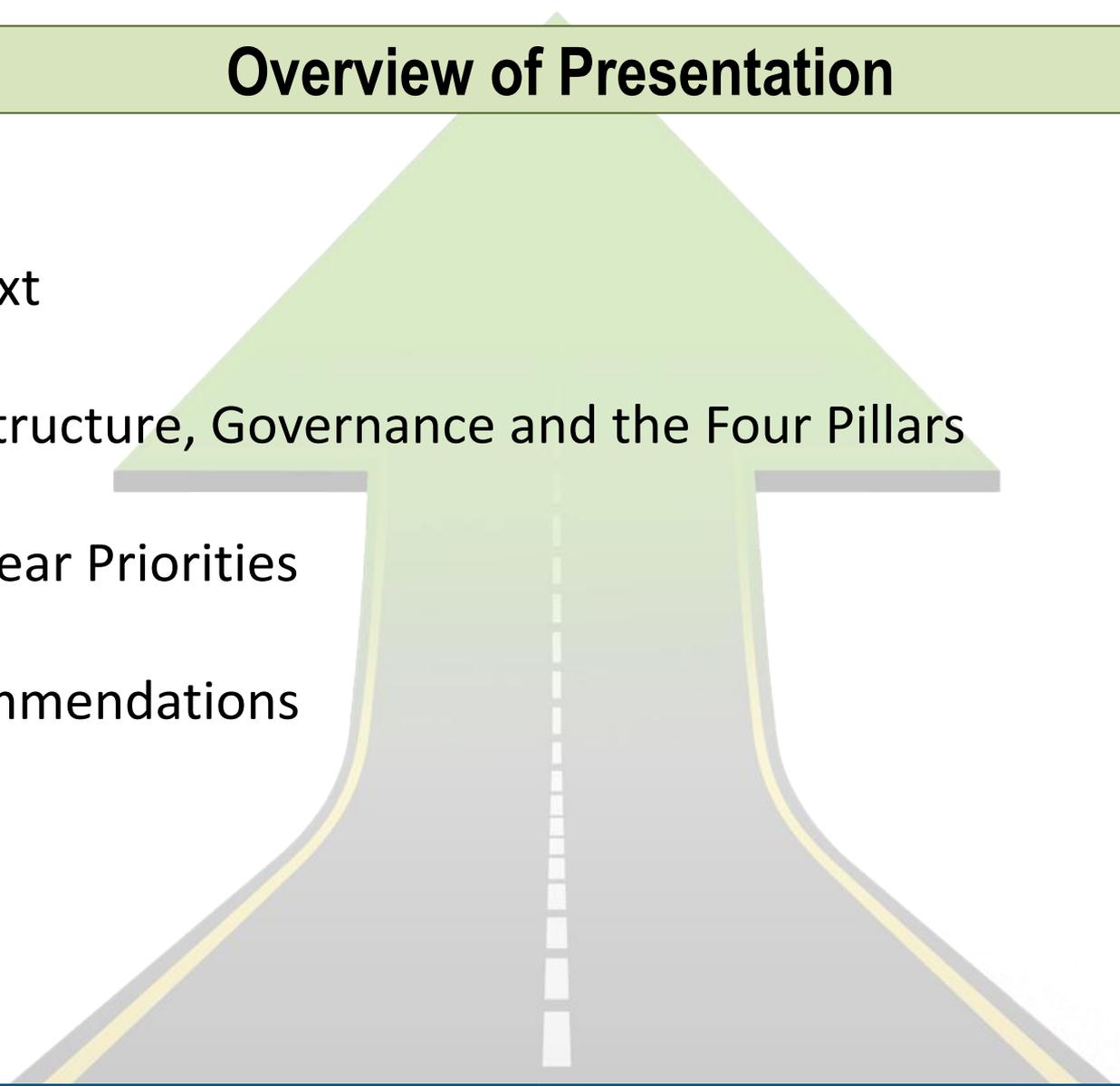
# HOUSING SUSTAINABILITY AND INVESTMENT ROADMAP



The Housing Sustainability and Investment Roadmap you are about to read is a “Whole of Hamilton” response to our current housing crisis. At the outset, we identify a sense of urgency.



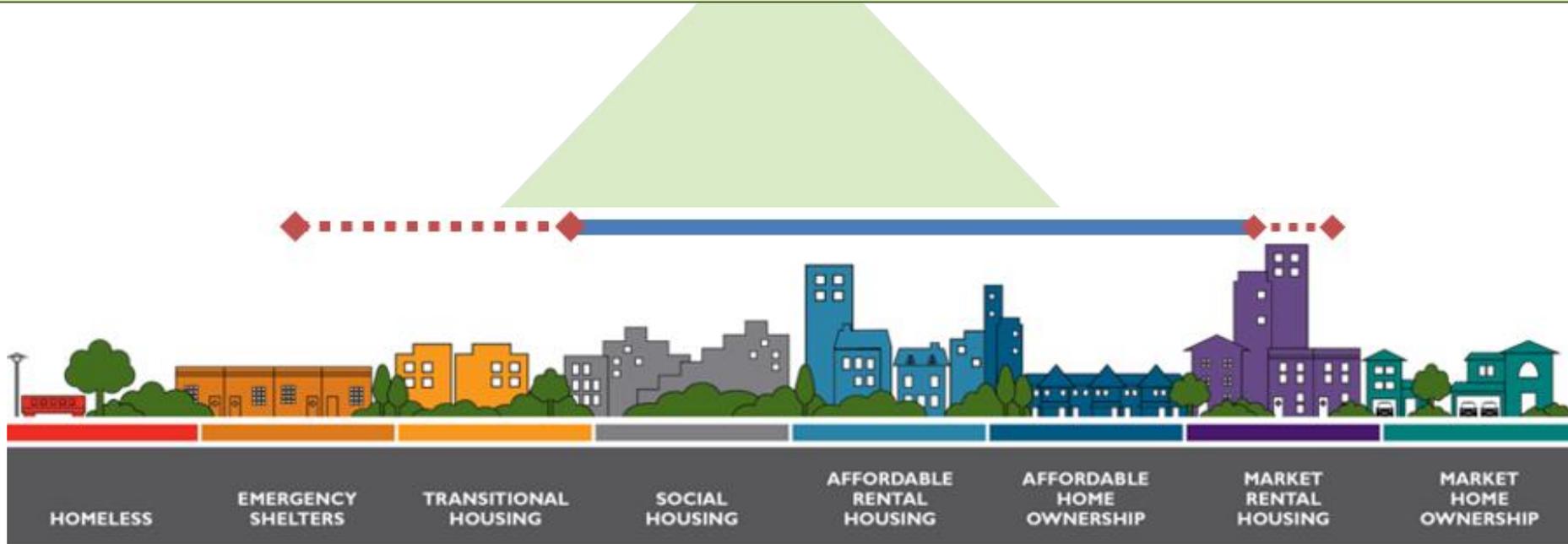
# Overview of Presentation

- 
1. Context
  2. Infrastructure, Governance and the Four Pillars
  3. First Year Priorities
  4. Recommendations

# Timeline of Roadmap: Through April 19, 2023



# Scope of Roadmap Activities



The Roadmap activities will focus primarily from social housing to the low end of market (125% Average Market Rent) and will work to ensure flow throughout the continuum.

# Infrastructure for the Housing Sustainability and Investment Roadmap

## 1. Urgency, Collective Will

- “whole of Hamilton” approach

## 2. Affordable Housing Secretariat

- 2023 – Director, Community Advisor, Coordinator

## 3. Expanded Development and Acquisition Capacity

- Explored and resourced over time

## 4. An Affordable Housing Resource Fund and Financing Strategy

- Planned, known investments

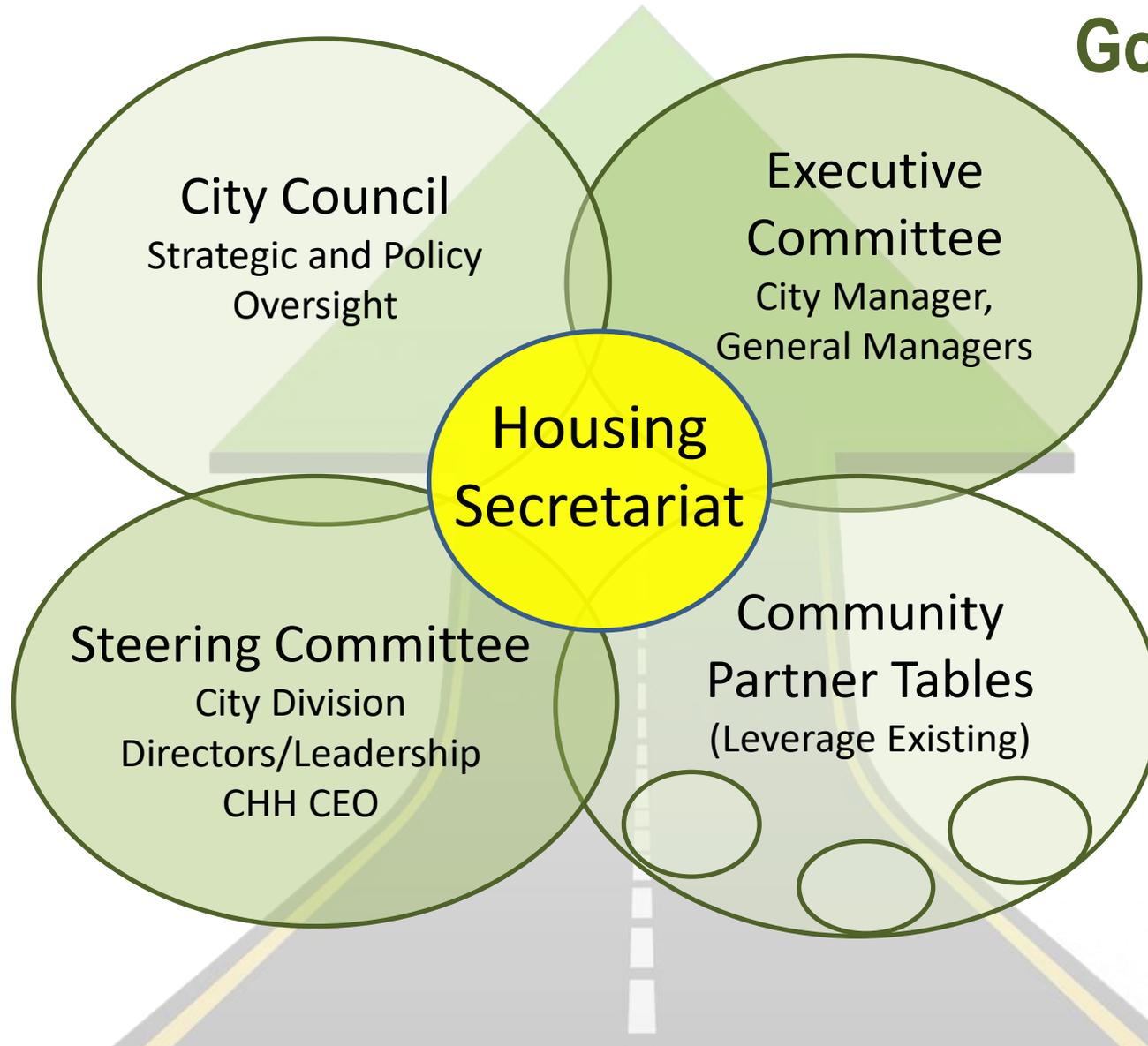
## 5. A Robust Government Relations Strategy

- Partnership and advocacy with upper levels of government

# The Secretariat and Program of Work

1. Affordable Housing Secretariat leads nimble implementation
2. Integrates and aligns activities, strengthens relationships between City government and Community partners
3. Develops Annual Program of Work for Council Approval (fall)  
(2023 priorities are resourced to enable progress without levy impact)
4. Required Resources brought forward through each Budget Process (2024)
5. Flexibility to adjust and prioritize actions within the approved program according to opportunities
6. Annual Progress reported to Council

# Governance



# Pillar 1: New Construction of Affordable Housing

- Build 350 moderately affordable market rental units per year
- Develop incentives and programs to encourage building of affordable housing
- Identify and implement innovative financing tools
- Make publicly-owned lands available to support building of affordable housing
- Find opportunities for integrated developments where affordable housing can be paired with other private assets
- Work closely with and support affordable housing developers to enable strong, quality submissions for City's approvals process
- Engage and support Indigenous affordable housing projects

## Pillar 2: Acquisition of Affordable Housing

- Engage with community partners, undertaking strategic acquisitions of “at-risk” existing affordable housing units
- Work with community stakeholders and housing providers to conduct business cases analyses and risk assessments
- Consult with social purpose capital investors to create access to financing
- Create an Acquisition Assistance Fund with social enterprise and/or philanthropic investors

## Pillar 3: Preserve and Retain Existing Affordable Housing

- Conduct a comprehensive asset rationalization for strategic development for all non-profit housing
- Make the best use of existing rent-geared-to-income social programs
- Review and implement financial strategies that strengthen the ability of non-profits to access equity and develop additional units
- Preserve and protect existing affordable rental housing in the private rental market
- Develop and resource a comprehensive City-wide response to resolve landlord-tenant issues
- Reduce pressure on affordable rental housing by ensuring a healthy supply of market rental housing with a focus on rental housing for students
- Expand availability of Portable Housing Benefits to address affordability problems for households

## Pillar 4: Provision of housing-based supports

- Commit to the creation of 200 new, permanent supportive housing units
- Support Indigenous organizations and stabilize funding for Coalition of Hamilton Indigenous Leadership
- Transform the Residential Care Facilities system to ensure adequate supports
- Work with Housing Services, the Greater Hamilton Health Network, Ontario Health, local stakeholders and senior levels of government to increase residentially-based health supports
- Design a local system of homelessness services supports and annualized funding of initiatives matched to community need

# Partnerships – Examples of Sector Collaboration



## School Boards

Explore surplus properties that could be sites for affordable housing.



## Private Sector

Partner with the City on solutions to expedite moderately affordable housing developments.



## Health Care and Hospitals

Policy, advocacy, innovation, and partnerships to address supportive housing needs.



## Government Sector

Policy advocacy and partnership with upper levels of government to benefit Hamilton's efforts in affordable housing.



## Philanthropic Sector

Strategic investment to attract new sources of capital.



## Housing Providers

Partner with the City on solutions to expedite affordable housing developments.



## Post-Secondary Education Sector

Develop more purpose-built student housing options.

# First Year Priorities

## Establish Affordable Housing Secretariat

- Director, Community Special Advisor, Program Coordinator
- Develop key relationships and support identified initiatives across City divisions and community partners; implement Roadmap governance
- Implement 2023 Program of Work
- Work with Canadian Housing Evidence Collaborative to develop logic model and evaluation framework and engage in ongoing advisory function



# First Year Priorities

## Develop a five-year financing strategy

- Develop a five-year financing strategy for the Housing Sustainability and Investment Roadmap, inclusive of identifying funding sources and innovative financing models and leveraging risk to deliver on program goals.



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# First Year Priorities

## Develop a Government Relations Strategy

- Success requires partnership with upper levels of government
- Prioritize focus on key issues
- Approach upper levels of government for funding
- Develop robust priority list and actions



# First Year Priorities

## Provide recommendations for delegated authorities

- Focus on nimble implementation
- The Secretariat report back on any required delegated authorities to improve effectiveness and efficiency implementing the Roadmap initiatives



# First Year Priorities

## Transit-Oriented Affordable Housing Lab

- Participate in Hamilton's Transit-Oriented Affordable Housing Lab, to develop innovative financing models and maximize funding pathways to CMHC
- Partners:
  - Social Innovation Canada
  - Canada Mortgage and Housing Corporation
  - Federation of Canadian Municipalities
  - Hamilton Community Foundation



# First Year Priorities

**Review policies, incentives, and proposed regulatory changes to support target of 350 units annually.**

- Develop and implement a promotion strategy
- Alignment of incentives for construction of affordable housing
- Ensure successful construction projects
- Collaborate with Indigenous organizations



# First Year Priorities

## Assess City-owned properties for possible intensification

- Initiate a full assessment of City-owned properties
- Expand internal development capacity
- Development of business cases analysis
- Identify opportunities for integrated development
- Prepare to identify and purchase parcels of land
- Identify funding opportunities



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# First Year Priorities

## Asset Rationalization of Social Housing

- Support social housing providers to complete asset rationalization leading to a multi-year capital plan related to intensification and asset renewal for the current social housing stock.



# First Year Priorities

## Develop a City-led Tenant Response Team

- Collaborate with community organizations and City divisions to identify existing tenant resources and supports
- Build a city-wide response to addressing tenant concerns and issues that can pro-actively address landlord tenant issues and stabilize tenancies.



# First Year Priorities

## Create an Acquisition Assistance Fund with community partners

- Partnerships with Social Enterprise Capital and collaboration with the philanthropic sector
- Explore governance models to leverage resources coupled with nimble decision-making



# First Year Priorities

## **Invest in enhancements to the homelessness service sector and housing supports, including work further upstream**

- Maximize 2023 increases to existing provincial and federal funding programs within Housing Services Division Budget
- Invest further upstream by creating a new Municipal Housing Benefit



# First Year Priorities

## Work with upper levels of government to create 200 permanent supportive housing units

- Continue to collaborate with health and human service partners to advocate for supportive housing
  - Purpose-built units for 10-15 people per site with highly complex needs who are experiencing chronic homelessness
  - Develop new strategies to provide intensive case management and daily living supports to people experiencing chronic homelessness.



# Timeline of Roadmap: Post April 19, 2023

## Q2 of 2023

- Roadmap approved by Council
- Establish & Recruit for Secretariat
- Establish Governance and workplan for first year priorities
- Launch of Transit Oriented Affordable Housing project

## Q4 of 2023

- Progress Report back to Council
- Proposed 2024 Program of Work presented, with Resource Requirements.

## Q3 of 2023

- Ongoing Roadmap Implementation:
- E.g City-owned and non-profit housing provider asset rationalization.
- Logic Model Development
- Canadian Housing and Evidence Collaborative – ongoing Advisory Role

## Q1 of 2024

- Implementation of 2024 Program of Work
- Resources for 2024 Program of Work Approved through 2024 Budget process

# Recommendations

## **Implementation:**

- Approve Housing Sustainability and Investment Roadmap in Principle (Appendix “A”)
- Establish Secretariat
- Staff implement Year 1 priorities and workplan

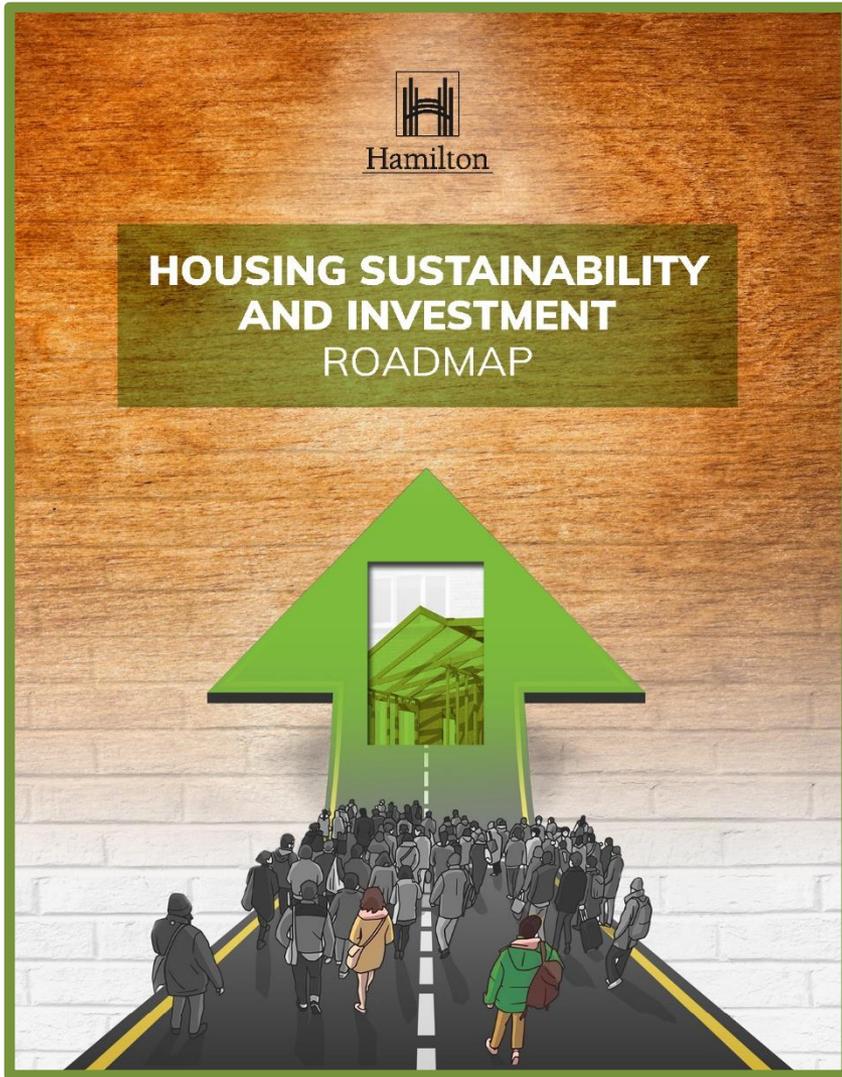
## **Resources:**

- Senior Leadership Team review resource requirements and report back
- Create a Municipal Housing Benefit program (upstream)
- Ongoing engagement with the Canadian Housing Evidence Collaborative
- Consultant to conduct an asset rationalization of social housing stock

# Recommendations

## **Accountability:**

- Secretariat report back in Q4, 2023 on:
  - 2024 proposed Program of Work with resource requirements
  - Proposed delegated authorities to improve effectiveness



THANK  
YOU

# Recommendations

- (a) That the Housing Sustainability and Investment Roadmap attached as Appendix “A” to Report HSC23028/FCS23055/PED23099 be approved and that it be used to guide cross-departmental work related to affordable housing issues and the City’s housing crisis; and,
- (b) That the City Manager be authorized and directed to establish an Affordable Housing Secretariat Division within the Health and Safe Communities Department to lead the implementation of the Housing Sustainability and Investment Roadmap and to work across departments and divisions to develop and recommend an annual program of work to be approved by Council each year and to report annually on progress; and,

# Recommendations

- (c) That the Senior Leadership Team be directed to review resource requirements of the Roadmap in light of Term of Council Priorities and existing work underway across the corporation, and report back to Council in Q4 of 2023 with any recommended changes that would best resource, align and integrate the work of the Housing Sustainability and Investment Roadmap across the corporation; and,
- (d) That staff be directed to implement the Year 1 priority actions and workplan contained in Appendix “A” to Report HSC23028/FCS23055/PED23099 and/or any other actions that progress the work that do not require a change to policy or additional financial or other staffing resources; and,
- (e) That the Canadian Housing Evidence Collaborative report attached as Appendix “B” to Report HSC23028/FCS23055/PED23099 be received and that the General Manager of the Healthy and Safe Communities Department be authorized to extend the length of original contract with the Canadian Housing Evidence Collaborative to 2025, not to exceed the original \$150 K committed through report HSC22042, funded from external sources first and any unfunded balance remaining be funded from the Human Service Integration Project ID 6502141100; and,

# Recommendations

- (f) That the Affordable Housing Secretariat be directed to report back to Council in Q4 of 2023 on the proposed program of work for 2024, including required resources that would be included in the 2024 Budget and to report back on the progress of work in the 2023 workplan; and,
- (g) That the Affordable Housing Secretariat report back in Q4 of 2023 on any required delegated authorities recommended to improve the effectiveness and efficiency with respect to executing on the annual program of work and Roadmap initiatives; and,
- (h) That Council approve the allocation of up to \$1M from Homelessness Prevention Program to establish a new Housing Benefit aligned with the Rent-Geared-to-income program, to be provided as a subsidy for up to 166 households per year at \$500/month/household and that this amount to be increased annually by the allowable rent increase guideline set by the Ministry of Municipal Affairs and Housing; and,

# Recommendations

- (i) That staff be directed to communicate to Council on how the remaining balance of the Homelessness Prevention Program (HPP) funding will be applied in support of the Housing Sustainability and Investment Roadmap (HSIR) and Housing and Homelessness Action Plan (HHAP) once final amounts are known and able to be publicly communicated; and,
- (j) That Council approve retaining a consultant to conduct an asset rationalization of the City's social housing stock, up to an amount not to exceed the funding available through the Social Housing Transition Reserve, #112244; and,
- (k) That the General Manager of the Healthy and Safe Communities Department or their designate be directed and authorized, on behalf of the City of Hamilton, to enter into, execute and administer all agreements and documents necessary to implement the purchases and grants outlined above on terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department or their designate and in a form satisfactory to the City Solicitor.

REVISED



**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
 Economic Development Division

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	April 19, 2023
<b>SUBJECT/REPORT NO:</b>	Five-Year Review of the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan and Associated Financial Assistance Programs (PED23076) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Phil Caldwell (905) 546-2424 Ext. 2359
<b>SUBMITTED BY:</b>	Norm Schleeahn Director, Economic Development, Planning and Economic Development Department
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That staff be directed to bring forward to the Planning Committee for a statutory public meeting, in accordance with Section 17(15)(d) of the *Planning Act*, the following:
- (i) Appendix "A" to Report PED23076, respecting a proposed updated Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan;
  - (ii) Appendix "B" to Report PED23076, respecting a proposed updated ERASE Community Improvement Project Area;
- (b) That staff be directed to bring forward to the Planning Committee the following proposed new/updated implementing Environmental Remediation and Site Enhancement (ERASE) Program descriptions for consideration in conjunction with the proposed ERASE Community Improvement Plan and ERASE Community Improvement Project Area By-laws:

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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.

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- (i) Appendix “C” to Report PED23076, respecting the ERASE Study Grant Program;
  - (ii) Appendix “D” to Report PED23076, respecting the ERASE Redevelopment Grant Program;
  - (iii) Appendix “E” to Report PED23076, respecting the ERASE Tax Assistance Program;
  - (iv) Appendix “F” to Report PED23076, respecting the ERASE Commercial Districts Remediation Loan Program (currently the Downtown / West Harbour Remediation Loan Program);
  - (v) Appendix “G” to Report PED23076, respecting a new ERASE Affordable Housing Grant Program;
- (c) That staff be directed to implement necessary administrative processes required to enable the existing Brownfield Pilot Project ID 3621755102 to be utilized for the provision of grants under the proposed new Environmental Remediation and Site Enhancement (ERASE) Affordable Housing Grant Program;
- (d) That funds, in an amount not to exceed \$1,000,000 be transferred, as required, to the Brownfield Pilot Project ID 3621755102 to fund future grants under the proposed Environmental Remediation and Site Enhancement (ERASE) Affordable Housing Grant Program, from available funds currently allocated to the Annual Commercial Property Improvement Grant Program, Project ID 8201703704, to an upset limit of \$500,000 and the Annual Commercial District Revitalization Program, Project ID 8201703703, to an upset limit of \$500,000.

## **EXECUTIVE SUMMARY**

The ERASE Community Improvement Plan (CIP) and the Brownfield Office of the Economic Development Division are part of a long-standing commitment by the City to prioritize and support the remediation and redevelopment of vacant, derelict or under-utilized environmentally contaminated properties in the City; commonly referred to as brownfields. Brownfields have, and continue to be, a challenge for the City as Hamilton’s long history as an industrial and commercial hub have left a legacy of environmental contamination on many properties in the City’s historically developed areas.

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Financial assistance programs provided under the ERASE CIP, including cost-sharing grants for environmental investigations and tax-increment based grants, tax cancellation and/or low-interest loans to support the remediation and redevelopment of brownfields, are provided by the City, and many other southern Ontario municipalities to mitigate added costs, time and risks associated with brownfield redevelopment. These programs and supports work to level the playing field such that contaminated properties can be considered by property owners and developers for redevelopment on an equal footing, financial and otherwise, as non-contaminated properties. These efforts ensure that brownfields are not overlooked for easier development prospects in undeveloped and agricultural greenfield lands, that brownfields can support City goals and policies particularly with respect to the directing of population and employment growth to vacant and under-utilized properties in the existing urban area, reduce urban sprawl, associated costs and environmental impacts to the City.

As the ERASE CIP and its Programs were last comprehensively reviewed in 2018, and in keeping with City practice to review CIPs and Programs every five years, staff undertook a review that would serve as a check-in that provides an opportunity for staff to evaluate the ERASE CIP and Programs in terms of addressing their intended goals and to propose amendments, as required. Staff's review included extensive stakeholder and community engagement and reporting of program outcomes and successes achieved to-date.

Staff's review confirms the significant positive impact the ERASE CIP and Programs have had to-date on generating new assessment and municipal tax growth from under-utilized and vacant brownfields support the programs have provided to supporting key City goals and policies respecting housing and population growth in existing urban areas. Specifically, since 2001, the ERASE Programs have leveraged approximately \$18.00 in private sector investment for every \$1.00 provided in financial assistance towards site remediation and resulted in the creation of over 3,300 new residential units and over 1,900,000 sq. ft (176,000 sq. m.) of Industrial/Commercial/Institutional floor area on brownfield sites. In addition, new property assessment realized through the ERASE assisted developments is currently generating over \$11,000,000 annually in new municipal property tax revenue and growing.

Notwithstanding the above, staff have identified proposed amendments which are intended to further support remediation and redevelopment opportunities in the City, align with changes in provincial legislation and City policies, respond to public and internal/external stakeholder feedback and ensure programs are responsive to additional community and City Council priorities including:

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- Better incentivizing environmentally sustainable, climate friendly developments and remediation practices;
- Providing greater financial assistance towards not-for-profit housing developments on brownfields; and,
- Promoting the incorporation of affordable housing in private-sector market developments.

Key amendments being proposed by staff include:

- The creation of a new ERASE Affordable Housing Grant (EAHG) Program to provide grants towards site remediation for not-for-profit housing developments on brownfields;
- Increasing the maximum grant amount provided for environmental studies on sites being investigated for potential not-for-profit housing developments;
- Expansion of ERASE Program availability to Rural Settlement Areas;
- Modifying the grant amounts provided under the ERASE Redevelopment Grant (ERG) Program to leverage the achievement of additional community/City Council priorities respecting housing affordability and/or environmental sustainability and climate change goals in brownfield developments;
- A reduction in the eligibility of 'dig and dump' remediation costs towards ERG grants in order to incentivize the use of remediation practices and methods which reduce or eliminate the need for disposal of contaminated soil at landfills;
- Expansion of the existing Remediation Loan Program to support remediation in additional strategic urban commercial districts and corridors; and,
- Various technical refinements and updates to improve clarity, consistency and administration of all programs.

At the outset of this review, staff established a first principle that any proposed program amendments do not require any increase in the current Capital or Operating Budget allocated to the Economic Development Division for the provision and administration of the ERASE financial assistance programs. As such, no additional funding is required to implement any of the recommendations in this Report.

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**Alternatives for Consideration – See Page 26**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: At the outset of this review, staff established a first principle that any proposed program amendments arising from this review should not require any increase in the current Capital or Operating Budget allocated to the Economic Development Division for the provision and administration of the ERASE financial assistance programs. As such, no additional funding is required to implement any of the recommendations in this Report.

With respect to the proposed creation of an EAHG Program further discussed in the Analysis and Rationale for Recommendation(s) section of this Report, no increase to the tax levy for the administration or provision of grants under this new program are required. Grants are proposed to be funded directly from the existing Brownfield Pilot Project ID 3621755102 which receives the 20% increase in annual municipal taxes generated by projects approved under the ERG or ERASE Tax Assistance (ETA) programs that is not otherwise provided to the property owner/developer. This existing Project ID currently funds City Council approved/directed strategic brownfield acquisitions and public-private partnerships involving contaminated properties authorized under the ERASE Municipal Acquisition and Partnership (EMAP) Program of the ERASE CIP.

As the Brownfield Pilot Project account is funded directly through municipal tax increment generated as a result of ERG/ETA approvals, approvals which vary year-over-year in terms of duration and value, the availability of funds from which the EAHG Program could draw upon, will vary overtime. As such, staff are recommending a one-time transfer of, \$1,000,000, as required, to this Project ID to provide a consistent level of base funding to provide grants from over the foreseeable future in order to assist with remediation costs on sites being developed for not-for-profit housing.

These funds are proposed to be reallocated from existing, non-affordable housing focused incentive programs provided under the Revitalizing Hamilton's Commercial Districts Community Improvement Plan (RHCD CIP). The RHCD CIP provides grant and loan incentive programs intended to support the revitalization of strategic urban commercial districts throughout the City by minimizing financial barriers to, and stimulating new private sector investment in, the development of under-utilized properties and/or improve the appearance, functionality, marketability, usability and/or safety of existing

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buildings in these areas. The current availability of funds which staff are proposing to be reallocated is as a result of lower than average applications under these Programs between 2020 and 2022. Staff's assessment is that this reduction in applications is as a result of uncertainty brought by the COVID-19 pandemic and subsequent fluctuations in construction costs and supply chain impacts which have led property owners to cancel or defer planned property improvements and developments supported by the programs authorized under the RHCD CIP.

**Staffing:** The ERASE CIP and associated Programs are administered by staff from the Commercial Districts and Small Business (CDSB) Section of the Economic Development Division and supported by staff from various City departments including Building, Taxation/Finance, Legal Services, Housing Services and Planning Divisions.

There are no new staffing requirements as a result of the recommendations of this Report.

**Legal:** The proposed ERASE CIP and associated program descriptions contained in Appendices, Appendix "A" to PED23076 through to Appendix "G" to PED23076 of this Report have been reviewed by the Legal Services Division.

Subject to City Council's endorsement of this Report, the Legal Services Division will be required to undertake various updates to the applicable legal agreements applicants enter in to with the City to receive grants/loans as a result of staff's proposals. The Legal Services Division will undertake such updates prior to staff bringing forward the implementing By-laws, subject to City Council's approval of this Report's recommendations, tentatively planned for May 2023 so that agreements are ready to be implemented at such time as the updated ERASE CIP and associated program would come into effect.

## **HISTORICAL BACKGROUND**

The ERASE CIP and its financial assistance programs were first established in 2001 as part of a long-standing commitment by the City to prioritize and support the remediation and redevelopment of vacant, derelict or under-utilized environmentally contaminated properties in the City; properties also commonly referred to as brownfields.

Brownfields have, and continue to be, a challenge for the City as Hamilton's long history as an industrial and commercial hub have left a legacy of environmental contamination on many properties in the City's historically developed areas.

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When the ERASE CIP was first introduced, financial assistance programs were initially focused on overcoming financial barriers to remediation and redevelopment within older current and former industrial areas of Hamilton, including the Bayfront Industrial Area, the West Hamilton Innovation District/McMaster Innovation Park and West Harbour Community north of downtown. This focus arose out a need to address legacy environmental contamination in this area from historic industrial uses while also supporting new economic development opportunities in an area which had seen a decline in jobs and assessment growth as a result of broader systemic changes in manufacturing and other industry sectors prevalent in these areas.

In April 2005, the ERASE CIP and its programs were expanded to encompass the full limits of the City's urban area existing at this time. This marked a significant broadening of the Plan's focus which was in response to:

- A growing recognition that historical environmental contamination in the City was not limited to older industrial areas; and,
- The increased importance and priority given to directing future population and employment growth to existing urban areas through intensification and revitalization and the need to minimize financial barriers and other challenges which may exist to the redevelopment of properties in support of these goals, including potential environmental contamination.

Contamination of properties is a real and significant barrier to the redevelopment and intensification of historically developed areas of the City as the presence of contamination requires property owners/developers to remediate the site to meet applicable Provincial site condition standards where a change to a more sensitive land use is proposed (such as commercial to residential/parkland/institutional). A site must also comply with various other environmental regulations contained under Ontario Regulation 153/04 including that the owner successfully file a Record of Site Condition (RSC) with the Province confirming the site's condition post-remediation prior to, or in conjunction with, a site's redevelopment. These requirements are important to ensuring risks associated with contamination are mitigated in the community and do not pose a future health hazard. However, they also add significant costs, time and risk to those attempting to redevelop contaminated sites.

These challenges, left unaddressed and unmitigated, can lead to properties being overlooked for easier development prospects in undeveloped and agricultural greenfield areas which do not face the same challenges. This can exacerbate urban sprawl, reduce investment/tax generation within historically developed areas of the City and,

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over-time, result in the deterioration and exodus of residents and jobs from areas which were once the centre of Hamilton's economic and community prosperity.

The ERASE CIP and the Brownfield Office of the Economic Development Division work to mitigate these challenges by providing one-on-one support/guidance to property owners and developers and administer the City Council approved ERASE financial assistance programs. Together, these supports help to level the playing field such that contaminated properties can be considered by property owners and developers for redevelopment on an equal footing, financial and otherwise, as non-contaminated properties and further the achievement of City goals and policies.

Financial Assistance Programs currently authorized under the ERASE CIP and which were the focus of staff's five-year comprehensive review include the following:

- ERASE Study Grant (ESG) Program - A cost-sharing Program intended to support the undertaking of environmental studies on known or suspected brownfield sites to confirm and describe potential on-site contamination or develop a plan to remove, treat, or otherwise manage the contamination in support of site redevelopment/reuse. Eligible studies under the Program include Phase II Environmental Site Assessments (ESA), Remedial Action Plans and Risk Assessments (among others). Grants provided are equal to 50% of the Cost Study/Plan, to a maximum of \$20,000 and a maximum combined grant of \$35,000 for two studies;
- ERASE Redevelopment Grant (ERG) Program - Provides tax increment-based grants towards costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. By providing grants to mitigate these financial impediments, the program enables brownfield sites to be viable candidates for redevelopment relative to non-contaminated sites, supports the intensification/infill of existing vacant and underutilized sites, reduces the need for greenfield lands to accommodate future population and employment growth, and generates new municipal property tax revenue through increased property assessments. Grants under this program are provided annually after development completion and reassessment in an amount equal to 80% of the increase in municipal taxes generated as a result of remediation and redevelopment and provided annually for a maximum of 10 annual payments or until eligible remediation costs have been recovered, whichever comes first. The remaining 20% of new municipal tax increment generated and not provided to the owner/developer is directed to a City Brownfield Pilot Project fund which supports City Council approved strategic City acquisitions of brownfields and/or private-

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sector partnerships supporting the remediation of contaminated properties under the EMAP program;

- ERASE Tax Assistance (ETA) Program - Reduces the Municipal portion of the tax increase resulting from the remediation and redevelopment of a brownfield site in order to mitigate costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. The ETA Program is intended to be utilized in conjunction with the Province of Ontario's Brownfield Tax Incentive Program (BFTIP) whereby the Province will freeze the education portion of taxes. Currently, both the City and Province's tax cancellation is equal to 80% of the increase in the respective Municipal and education portion of tax increases resulting from the remediation and redevelopment of a brownfield for a period up to three years; and,
- Downtown/West Harbour Remediation Loan Program (RLP) - Provides low-interest loans which are intended to overcome barriers owners/developers may face obtaining traditional financing to fund the remediation of historical environmental contamination on brownfield sites. Under this Program loans are currently provided at 0% interest for up to 80% of eligible remediation costs to a maximum of \$400,000. Eligibility under this Program is contingent on the site and applicant receiving City Council approval under the ERG program or Revitalizing Hamilton Tax Increment Grant (RHTIG) Program (available in strategic commercial corridors and districts and authorized under the RHCD CIP) such that grant payments provided under either Program can be directly applied toward repaying the loan principle.

In addition to the above programs, the City employs an additional initiative respecting Development Charges (DC)s on brownfields. It is recognized that the payment of DCs as a condition of development can be a significant factor in the feasibility of remediating and redeveloping brownfields as DCs are required to be paid early in the development process at the same time as costs will be required to be incurred to remediate site contamination in preparation for site development. To help mitigate the impacts on project feasibility and cash flow, the City may provide ERASE specific deferrals of DCs. ERASE DC deferrals do not change the amount of DCs required to be paid, but rather enables a City Council approved ERG Program applicant to defer the payment of DCs at 0% interest until such time as ERG payments commence. At this time, ERG Program Grant Payments are directed to fulfilling the property owner/developers outstanding DC obligation on their behalf, instead of being provided directly to them.

Since ERASE CIPs creation in 2001, the CIP and the Community Improvement Project Area (CIPA) and its programs have been the subject of comprehensive reviews and

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updates in 2005, 2010, 2014 and 2018. Details of specific updates and amendments undertaken at these times are described in Section 4.1 of the draft ERASE CIP contained in Appendix “A” to Report PED23076.

The findings of staff’s current comprehensive review and associated proposed amendments are discussed in the Analysis and Rationale for Recommendation(s) section of this Report.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Under Section 28 of the *Planning Act*, municipalities with enabling policies in their Official Plans may adopt a CIP for the purposes of providing grants and/or loans to property owners or tenants to support physical improvements within specific geographic areas (CIPAs) that City Council has deemed appropriate.

The adoption of a CIP and CIPA allows a municipality to provide financial incentives/assistance within identified CIPAs that would otherwise be prohibited under Subsection 106(2) of the *Municipal Act*.

Municipal authorization for the establishment of CIPs are contained in Chapter F, Section 1.15 of the Urban Hamilton Official Plan (UHOP) and Rural Hamilton Official Plan (RHOP) and discussed in greater detail within Section 3.2 of the proposed updated ERASE CIP contained in Appendix “A” to Report PED 23076, this Report.

The adoption of a CIP by a municipality must be conducted in accordance with the applicable policies under Sections 17 and 28 of the *Planning Act* as well as the City’s Public Participation and Notification Policies contained in Chapter F, Section 1.17 of the UHOP and RHOP. These Policies include requirements for stakeholder engagement, public notice and a statutory public meeting.

Should City Council support the proposed modifications contained in this Report, staff will prepare and bring forward for City Council consideration the appropriate By-laws required to implement the proposed CIP and CIPA contained in Appendix “A” to Report PED23076 and Appendix “B” to Report PED23076 of this Report respectively. In accordance with the *Planning Act*, these By-laws would be subject to public notice requirements and brought to Planning Committee for a statutory public meeting. At this time, staff would also bring forward the proposed implementing program descriptions for City Council consideration which contain the specific terms, eligibility criteria and administrative processes required to implement the Programs described in the CIP. These draft Program descriptions are contained in Appendices “C” to Report PED23076 through “G” to Report PED23076 of this Report.

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Public notice regarding the statutory meeting for the recommended CIP and CIPA By-laws would be undertaken in accordance with the requirements of the *Planning Act* and Chapter F, Section 1.17 of the UHOP and RHOP.

CIP and CIPA By-laws and associated implementing program descriptions will come in to effect after the expiration of the required appeal period under the *Planning Act*. At this time, any existing program applications which have not yet been approved by City Council or its designate, will become subject to the new CIP and program descriptions.

### **RELEVANT CONSULTATION**

As part of the ERASE CIP review, staff undertook extensive public and stakeholder engagement. Engagement activities occurred between September and December 2022 and included the following:

- A virtual public workshop held on November 22, 2022 which was open to the general public and attended by representatives from local and regional developers, property owners and environmental consultants;
- A presentation and discussion with the City's Brownfield Subcommittee on November 21, 2022 made up of representatives from the development and environmental consulting industries;
- Creation of a project page on Engage Hamilton which included information about the Review, background materials, engagement summaries and also an opportunity to submit a public survey and a forum where questions and ideas could be submitted to staff;
- Inclusion of information about the Review and engagement opportunities in Economic Development Division newsletters;
- Notices on the Invest in Hamilton and City webpages advising of the Review and how to learn more; and,
- Social media posts providing information about the review and upcoming engagement opportunities on both the Invest in Hamilton and City of Hamilton social media channels including Twitter, Instagram and LinkedIn.

In addition, staff engaged with various City Departments and Divisions, including staff from Building, Taxation/Finance, Legal Services and Planning Divisions, to discuss the review and seek feedback.

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Staff also undertook additional engagement with subject matter experts as the review progressed. This included seeking feedback during the development of proposals contained in this Report from Housing Services staff with respect to housing affordability matters and the Office of Climate Change Initiatives with respect to environmental sustainability and climate change matters.

Based on staff's experience with the Programs, and to assist with defining the scope of staff's review and engagement, the following key questions/topics were identified and were the focus of staffs public and internal/external consultation:

1. Should promoting and supporting the remediation and redevelopment of brownfields financially continue to be a priority for the City?;
2. Do you believe that developments receiving financial assistance through ERASE should be required to address additional community priorities?;
3. Staff are considering establishing a per project dollar cap on tax grants. Are there areas of the City or types of developments/uses where a cap should not be applied?;
4. Are there remediation related costs that should be added/removed from eligibility under the programs?;
5. How could the City better support remediation and redevelopment of potentially contaminated commercial properties like current/former gas stations, dry cleaners etc.?; and,
6. The Remediation Loan Program has not been well utilized. Why? What changes could be made to make it more useful?.

Common themes which emerged from comments and feedback received to these questions included:

- That the remediation and redevelopment of brownfield properties should continue to be a priority of the City;
- Reiteration from the Development Community and stakeholders of the importance of the ERASE programs in facilitating developments that would not have otherwise occurred if not for the City's programs;

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- The City should not consider placing new dollar caps on grants provided under the ERG program in response to rising remediation/construction costs as it would have a negative impact on the financial feasibility of redeveloping brownfields;
- Investigate ways to incentivize more environmentally sustainable means of remediation as opposed to traditional dig and dump remediation where contaminated soil is trucked long distances to landfills;
- That eligibility under ERASE programs should not be contingent on planned developments achieving additional community/City priorities such as affordable housing and environmental sustainability given the existing financial impediment these sites face;
- The City should investigate opportunities to provide additional incentives to achieve affordable housing and/or environmental sustainability in new developments through the ERASE programs including increasing the proportion of Municipal tax increment generated that is returned to the property owner/developer and/or increasing the maximum grant period beyond 10 years in such cases; and,
- That limited uptake of the City's Low-Interest Remediation Loan Program may be attributed to a number of factors including, less cumbersome loan processes available from traditional lenders, the maximum loan amount of \$400,000 being too low relative to current costs for remediation and the recent low-interest rate environment making low/no interest City loan programs less impactful.

Formal written comments received during staff's review are attached in Appendix 'H' to PED23076 for reference.

### **ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)**

The City's practice is to comprehensively review CIPs and associated programs on five-year cycles. This strategy is intended to serve as a 'check-in' that provides an opportunity for staff, stakeholders, the community and City Council to evaluate the CIP and its programs in terms of addressing their intended goals and to make adjustments where required.

In addition to community consultation, staff's analysis through these Reviews include a comprehensive reporting of Program outcomes and successes achieved to-date as well as a best practise Review of how Hamilton's programs compare to those provided for brownfields by other Southern Ontario municipalities. A summary of these findings are provided below:

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### **ERASE Outcomes and Successes**

Since 2001 the ERASE programs have had a significant impact on assessment and Municipal tax growth in the City and have proven to be a major contributor to facilitating industrial and commercial economic development opportunities and achieving key City goals respecting housing and population growth in existing urban areas. Specifically, since 2001, the ERASE programs have collectively:

- Leveraged approximately \$18 in private sector investment for every \$1 provided in financial assistance towards site remediation;
- Supported the environmental remediation of over 206 acres (83 hectares) of contaminated land;
- Resulted in the creation of over 3,300 new residential units and over 1,900,000 sq. ft (176,000 sq. m.) of Industrial/Commercial/Institutional floor area on brownfield sites within existing urban areas; and,
- Assisted with facilitating redevelopment that has generated over \$1 Billion in new property assessment and which as of year-end 2022, is currently and collectively generating over \$11,000,000 annually in new municipal property tax revenue and growing.

### **Municipal Comparison of Brownfield Assistance Programs**

Staff undertook a best practice Review of currently active brownfield focused CIPs and assistance programs offered by other comparable municipalities in Southern Ontario. Municipalities reviewed by staff included those in the Greater Toronto Area (GTA), Niagara and Southwestern Ontario which met one or more characteristics relative to the City of Hamilton for comparison purposes including population size, geographic proximity/economic competitiveness and/or development history. Specific Municipalities reviewed included Brantford, Burlington, Guelph, London, Oakville, Oshawa, St. Catharine's, Toronto and the Region of Waterloo (Kitchener/Waterloo/Cambridge).

The following is a summary of staff's findings:

- All municipalities reviewed had brownfield-focused CIPs and associated Financial Assistance Programs;
- Generally, each municipalities' brownfield CIP and Programs were found to be consistent in terms of the nature and scope of financial assistance provided;

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- All 10 municipalities provide tax increment grant/tax cancellation Programs to support remediation and redevelopment of brownfields;
- Four municipalities (Guelph, London, Region of Waterloo (ending July 2024) and Windsor) offer development charge reduction/deferrals for brownfield redevelopment;
- Programs supporting the undertaking of environmental studies were found to be very consistent with all requiring a 50-50 cost sharing with maximum grants ranging between \$10,000 and \$40,000 compared to Hamilton's \$20,000 (\$35,000 for two studies);
- The City of Burlington was the only other Municipality which had the potential to offer a Financial Loan Program for remediation costs; and,
- The majority of tax increment grant Programs provide grants at a value equal to 80% of the Municipal tax increment uplift generated for a maximum period of 10 annual payments, similar to Hamilton's current ERG program. However, four Municipalities were found to have incorporated a scoring/evaluation system which varies the value and length of grant payments based on how the project achieves additional community/City Council priorities. Specifically, Burlington and Oakville had grant periods ranging from between 6 and 12 years while priorities identified across the Municipalities required to achieve increased grants and grant payment periods included: whether the project achieved environmental sustainability certification; the achievement of minimum employment densities; whether the project was located in a priority intensification area; or if affordable housing units were included.

### **Continuation of ERASE Programs and Proposed Changes**

Based on the above, staff find that the City's ERASE CIP and Financial Assistance Programs remain well positioned and competitive when compared to comparable Municipalities and continue to be an important and successful tool in terms of leveraging significant financial benefits to the City and supporting key City policy objectives including:

- Improving environmental conditions within our communities and reducing future health risks;
- Increasing new assessment and Municipal property taxes in support of broader tax reliant services and initiatives;

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- Directing population and employment growth to existing urban areas through the intensification of vacant and under-utilized properties thereby reducing the need for greenfield/agricultural lands to accommodate growth;
- More efficiently utilizing existing infrastructure and reducing related costs;
- Supporting the achievement of Provincial/City residential unit/jobs density targets, where applicable;
- Increasing the supply of new housing in existing urban areas in existing urban areas;
- Further supporting population and employment concentrations that support existing transit and generate new demand supporting future opportunities for higher-order forms of transit;
- Enabling new economic development opportunities; and,
- Improving the aesthetics of derelict and vacant private properties to create an attractive public realm in support of broader revitalization of existing urban areas.

In addition, staff further note that the ERASE Programs directly align with, and supports, the City Council approved Hamilton's Climate Action Strategy (HCAS) with the target to achieve net-zero greenhouse gas (GHG) emissions by 2050. Specifically, the Programs support the achievement of "Low-Carbon Transformation #5: Growing Green", through the remediation and redevelopment/reuse of sites in a manner that reduces urban sprawl.

Notwithstanding the above, staff have identified proposed amendments to the existing ERASE CIP, CIPA and suite of financial assistance Programs which are intended to further support remediation and redevelopment opportunities in the City, align with changes in Provincial legislation and City policies, respond to public and internal/external stakeholder feedback and ensure programs are responsive to additional community and City Council priorities including better supporting environmentally sustainable developments, not-for-profit housing developments on brownfields and the incorporation of affordable housing in private sector market developments.

Key amendments being proposed by staff are summarized below and are reflected within the proposed CIP, CIPA (mapping) and program descriptions contained in Appendices "A" to Report PED23076 through Appendix "G" to Report PED23076.

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**ERASE CIP (Appendix “A” to Report PED23076)**

- Updated references to Provincial and City Plans and Policies that the CIP and its programs/strategies support including those contained in the Provincial Policy Statement, A Place to Grow, the UHOP, RHOP and applicable Secondary Plans, the 2021-2025 Economic Development Action Plan and Bayfront Industrial Strategy, among others;
- Updated language regarding the applicability of programs to legally non-conforming uses. Language adds additional transparency by identifying the tests presently used by staff to determine if a legally non-conforming use may be eligible under a program;
- Modifications respecting ERASE DC Deferrals to identify this as strategy of the City wholly contained and implemented via the DC By-law as opposed to its current representation as an independent Program of the ERASE CIP; and,
- Refined language to clarify that properties not located within a defined CIPA but forming part of a comprehensive development that encompasses properties within a CIPA may be considered as forming part of the same CIPA for the purposes of providing assistance in respect of the proposed Brownfield Redevelopment.

**ERASE CIPA Mapping (Appendix “B” to Report PED23076)**

- Introducing an expansion of the existing CIPA area in which ERASE programs may be provided to include Rural Settlement Areas as geographically defined under the Rural Hamilton Official Plan’s Schedule D – Rural Land Use Designation. This proposed expansion is in response to internal stakeholder feedback which noted the potential for contamination on historic commercial/industrial properties in rural areas of Hamilton which have never previously been eligible under the ERASE programs. Staff’s review identified the Rural Settlement Areas as being focus areas for ERASE program expansion as these areas had the greatest historical concentration of past commercial and industrial activities in the rural area;
- Renumbering of sub-areas which are delineated for the purposes of providing additional programs and/or varying eligible costs required to address area specific development challenges and needs; and,
- Replacing the existing Area 3 - West Harbour, and Area 4 - Downtown Hamilton sub-area, into a new modified and expanded Sub-Area 2: Strategic Commercial Districts and Corridors, for the purposes of facilitating a proposed expanded area

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of eligibility for the existing Downtown and West Harbour Remediations Loan Program discussed later in this section.

In addition to the above noted amendments to the CIPA mapping, staff further note that since 2005, the ERASE CIPA within which ERASE programs may be provided, has aligned with the City's urban boundary as established through the Urban Hamilton Official Plan. In light of recent directions from the Province respecting the inclusion of additional lands into the City's urban boundary, staff have undertaken a preliminary assessment of these additional lands with respect to their appropriateness for inclusion in the ERASE CIPA given the purpose and goals of the ERASE CIP to support the remediation of contamination arising from previous development and uses. Staff's findings are that the subject lands are primarily undeveloped and of an agricultural land use. As such, staff are of the opinion that these lands do not align with the purpose and goals of the ERASE CIP and are therefore not proposed by staff to be included in the ERASE CIPA.

**ERASE Study Grant Program (Appendix "C" to Report PED23076)**

- Increasing the maximum grant amount provided for environmental studies being undertaken for sites being investigated for potential not-for-profit housing developments. For such sites, grants would increase from the current 50% of study cost to 100% with a corresponding increase to the maximum grant amount from \$20,000 to \$40,000 for a single environmental study and from \$35,000 to \$70,000 for two studies;
- Expanding eligibility of grants for Designated Substances and Hazardous Materials (DSHM) Surveys to include any site being investigated for the purposes of a not-for-profit housing development; and,
- Deletion of the existing static provision prohibiting reapplication to the ESG Program for sites which had been provided two grants for environmental studies prior to July 1, 2011 and replaced with a rolling five-year prohibition such that reapplications to the ESG Program are prohibited in the preceding five years since the last ESG application approval was provided. This amendment is intended to reflect the fact that if remediation and redevelopment has not occurred in the preceding five years, the project has likely stalled and the environmental studies which had been previously supported will have become stale-dated and no longer usable to facilitate the sites redevelopment.

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**ERASE Redevelopment Grant Program (Appendix “D” to Report PED23076)**

- A reduction in the eligibility of dig and dump remediation costs; a common remediation method whereby contaminated soil is excavated and transported potentially long-distances to licensed landfills located elsewhere in the Province or United States. This form of remediation, while efficient for property owners/developers, can itself have broader negative environmental impacts as a result of the emissions from long-haul transporting of soil, use of landfill capacity and impacts over-time on Municipal and Provincial infrastructure, such as streets and highways. As such, staff are proposing that the transportation and disposal of contaminated soil which will be disposed of at a licensed landfill be reduced from the current 100% of costs to 80% in order to incentivize the use of remediation practices and methods, such as Risk Assessments and associated risk mitigation measures, and in-situ remediation methods which could reduce or eliminate the need for disposal of contaminated soil at landfills. Where soil is planned to be transported to a facility where soil will undergo treatment enabling its potential future reuse, such costs would continue to be eligible at 100% in recognition of the important environmental benefit of soil reuse;
- The removal of industrial manufacturing and transportation relocation/removal costs as eligible towards a grant due to limited utilization of such eligibility by applicants to-date and feedback from internal stakeholders that eligibility of such costs could run counter to the potential desire to retain industrial attributes for the purposes of placemaking goals promoted through the City Council approved Bayfront Industrial Area Strategy;
- Clarification that the eligibility of on-site infrastructure removal and upgrade costs for water, sanitary and stormwater services undertaken in conjunction with site remediation within the older industrial areas is limited to industrial/commercial developments and not intended to apply to any residential development which may occur within this area; and,
- Introduction of changes to program structure, grant parameters and eligible costs in order to collectively better incentivize and enable environmentally sustainable developments and remediation practices and/or support the inclusion of affordable housing units within otherwise market-based developments occurring on brownfields.

The leveraging of existing City incentive/assistance Programs to achieve additional community priorities, similar to that observed and discussed in the Municipal Comparison of Brownfield Assistance Programs section of this Report, has been an on-

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going focus for Economic Development Division staff through comprehensive CIP reviews commencing with the 2021 review of the RHCD CIP and associated incentive Programs for the City's Strategic Commercial Districts and Corridors. Through that review, City Council approved key staff recommendations which altered the structure and value of grants provided under the RHTIG Program which included introducing an Enhanced Revitalization Project stream whereby projects that achieved environmental sustainability certification, district energy readiness or incorporated affordable housing would receive increased tax grants, while projects that did not achieve any of these priorities would receive reduced grants.

In keeping with this focus, staff's review has identified opportunities for similar amendments to the ERG Program. Specifically, staff are proposing that the ERG Program be modified so as to provide two streams of grants each with differing parameters, in terms of grant value and duration, based on a projects ability to meet specific achievements supporting environmental sustainability and/or affordable housing priorities of the City.

Projects would be identified as either a 'Brownfield Development' or an 'Enhanced Brownfield Development' with Enhanced developments receiving higher potential grant amounts and/or longer grant payment periods relative to non-enhanced developments. For the purposes of the ERG program, an 'Enhanced Brownfield Development' would mean achieving at least one of the following:

- The development has been approved for financial assistance under a Canada Mortgage and Housing Corporation (CMHC), Federal, Provincial or City program for the purposes of creating and incorporating residential rental housing that addresses housing affordability in the City;
- In keeping with a similar requirement in the RHTIG Program, the level of affordability to be achieved would not be established by the ERG program but would rather be set through the requirements and conditions of the prerequisite government funding support required for consideration as an Enhanced Brownfield Project. In this same respect, enforcement of affordability provisions would be undertaken by the provider of the prerequisite Funding Program with ERG grants being cancellable where affordability terms/requirements of the prerequisite funding support are not met;
- The affordable housing achievement as described above was developed in consultation with the Housing Services Division; and,

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- The development achieves one of the following high-performance buildings standards:
  - Achieving certification under any one of the following: Canadian Home Builders Association (CHBA) Net Zero Home Labelling where Net Zero or Net Zero Ready levels of efficiency are achieved; Passive House Canada; Natural Resources Canada (NRCAN) R2000; Built Green to a Gold or higher standard in the Energy and Envelope category; or Leadership in Energy and Environmental Design (LEED) to a Gold or higher standard or Canada Green Building Council (CaGBC) Zero Carbon Building Standards; or,
  - Incorporates building elements required to achieve district energy readiness required to allow for immediate or future connection to a district energy system, where deemed feasible by the City, and consisting of the following: Providing space for the sole purpose of future equipment/thermal piping; securing an easement between the mechanical room and the property line to allow for thermal piping; and including two-way pipes in the building to carry the thermal energy from the district energy network to the section in the building where the future energy transfer station will be located.

The specific enhanced building and district energy readiness requirements to be met as described above have been vetted through the Office of Climate Change Initiatives and support the City Council approved HCAS specifically within the CEEP which comprises the climate mitigation portion of the HCAS, which details Low-Carbon Transformation #2: Transforming Our Buildings, that includes targets to significantly improve energy efficiency in all new buildings across Hamilton. In addition, Low-Carbon Transformation #4: Revolutionizing Renewables provides direction to expand the existing district energy network due to its improved energy efficiency per square foot over traditional space heating and cooling options.

The eligible high-performance building standard certifications and district energy readiness requirements were also previously developed in consultation with the Bay Area Climate Change Council (BACCC) in 2021 as part of the previous RHCD CIP and RHTIG review and update.

Projects which do not achieve an identified priority and thus not considered an Enhanced Brownfield Development would receive a reduced grant relative to the current Program while projects that do could potentially receive a grant greater than that provided under the current Program. Proposed grant amounts as a percentage of the incremental Municipal property taxes generated from the development are provided in Table 1

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**Table 1 – Prescribed Grant Parameters:  
 Brownfield Developments and Enhanced Brownfield Developments**

Grant Parameter		Current Program (all developments)	Proposed Program	
			Brownfield Development	Enhanced Brownfield Development
Maximum Eligible Costs Permitted For:	The transportation and disposal of contaminated soil at a licensed landfill facility.	100%	80%	80%
	In-situ remediation methods or the transportation and treatment of contaminated soil so as to enable reuse.	100%	100%	100%
	All other environmental remediation and DSHM eligible costs unless otherwise specified.	100%	80%	100%
Maximum Potential Annual Grant Payments		10	10*	13*
Maximum Annual Grant as a Percentage of Actual Tax Increment Realized		80%	80%**	100%

\* Or until eligible remediation costs have been recovered, whichever comes first.

\*\* The remaining 20% increase in the annual municipal tax increment not provided to the Applicant under the Brownfield Development stream is directed to a City fund for use in the provision of grants and other initiatives under the existing ERASE Municipal Acquisition and Partnership (EMAP) Program and/or proposed ERASE Affordable Housing Grant (EAHG) Program (discussed later in this section) for the duration of the Applicant's Grant term up to a maximum of 20% of the value of the total Grant to be provided.

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The proposed decrease in the total grant for projects that do not meet the aforementioned priorities is considered by staff to be modest relative to that provided currently and not likely to serve as a deterrent to those applicants seeking to utilize the Program in support of brownfield remediation, which in of itself continues to support key City goals. However, the proposed increase to the maximum grant for projects that do address the identified priorities is considered by staff to be more significant and impactful. The proposed increased Grant amount is intended to both provide an increase meaningful enough for a property owner/developer to explore meeting the identified achievements, help to off-set increased costs to the property owner/developer required to be incurred to achieve an identified priority as well as provide an avenue for a property owner/developer to recoup all eligible remediation costs where not otherwise possible under the Grant parameters being proposed for the non-Enhanced Brownfield Development stream.

Even though staff's proposal could result in some projects receiving a larger grant than that provided currently, this would not require any new budget allocation to the Economic Development Division. Grants under this program are provided directly from the increase in Municipal taxes generated as a result of the property being remediated and redeveloped. This is revenue that would not exist if not for the site being remediated and redeveloped and which the City fully realizes the benefit after the grant period has concluded, and can use towards tax-supported services and initiatives going forward, for the remaining life of the development

**ERASE Tax Assistance (ETA) Program (Appendix "E" to Report PED23076)**

- Updates to the duration of tax cancellation assistance permitted and associated program terms to align with changes introduced by the Province of Ontario to the related BFTIP Program in November 2021 which extended the maximum period of tax cancellation assistance from three years to six years for commercial developments and 10 years for residential developments; and,
- Added clarity that the ETA Program is only available where the site and applicant have been the subject of an approval under the Province's BFTIP Program and that where no such approval under the BFTIP Program will be sought, that the applicant be directed to apply to the ERG Program.

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**ERASE Commercial Districts Remediation Loan (ECDRL) Program (Currently the Downtown/West Harbour Remediation Loan Program (RLP) (Appendix “F” to Report PED23076)**

- Expanding the purpose and availability of the existing Downtown and West Harbour Remediation Loan Program to support remediation and redevelopment of potentially contaminated commercial properties in strategic, historically developed commercial districts and corridors in the existing urban area which have a greater likelihood of having been the location of historic higher-risk commercial uses for contamination including gas/fuel stations, auto mechanic/repair and dry cleaning facilities, among others. This shift in program focus is intended to work in concert with broader efforts to support the revitalization of strategic commercial districts and corridors, including those programs and initiatives established under the RHCD CIP. As a result, the expansion of the ECDRL Program will further support redevelopment and revitalization efforts in additional urban commercial districts and corridors including the Ancaster, Barton Village, Binbrook, Concession Street, Dundas, Locke Street, Ottawa Street, Stoney Creek, Waterdown and Westdale commercial districts, the Mount Hope/Airport Gateway, the Barton Street and Kenilworth Avenue North commercial corridors and other strategic commercial corridors located throughout the City;
- A new program name to is introduced to reflect the updated purpose and expanded eligibility of the Program; and,
- The introduction of delegated authority to approve loan applications of \$200,000 or less to the General Manager of Planning and Economic Development (GM). This proposed delegated authority is consistent with that provided to the GM for other financial loan programs provided by the Economic Development Division and would further expedite approvals in support of environmental remediation.

**ERASE Affordable Housing Grant (EAHG) Program (Appendix “G” to Report PED23076)**

- The ERASE Affordable Housing Grant Program is a new program being proposed by staff that has not previously existed. This Program would address an existing gap in support whereby affordable, not-for-profit housing developments are not currently able to utilize either the ERG or ETA programs to receive financial assistance towards remediation of on-site contamination as the not-for-profit nature of such developments would not result in new municipal taxes being generated; a necessary prerequisite for eligibility under the ERG/ETA Programs as the increase

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in Municipal taxes generated by the redevelopment is in itself the funding source for the grants or tax cancellation to be provided;

- The proposed EAHG Program would provide grants towards 100% of eligible remediation costs for not-for-profit housing developments up to a maximum of \$200,000 per project. Application approval and grant disbursement are proposed to be delegated to the GM to ensure funds can be provided as expeditiously as possible. Grants under this proposed program would be provided upon completion of on-site remediation in accordance with the proposed program terms contained in Appendix “G” to Report PED23076, this Report and upon completion of a staff-led audit of invoices to confirm actual and final eligible remediation costs;
- Funding for the EAHG is discussed in the Financial Implications section of this Report and is further supported by staff’s recommendation (d) respecting the reallocation of existing funds provided to the Economic Development Division. However, staff further note that the recommended maximum grant of \$200,000 is intended to ensure assistance could be provided to multiple projects over the foreseeable future based on available funds and to provide expedited approvals and grant payments at the maximum amount permitted for delegated approval to the GM; and,
- The provision of grants under the proposed EAHG program have been confirmed by staff as being eligible for consideration as a Municipal Contribution when required as a condition of government affordable housing funding supports.

**Proposed Amendments Applicable to Multiple Programs**

- That sites where environmental remediation is being undertaken for the purposes of a self-storage facility shall not be eligible for consideration under the ERG, ETA or ECDRL Programs. This proposal is intended to be a reflection of the limited opportunities for employment growth self-storage facilities represent and under-utilization of industrial/commercial lands in terms of their economic development potential; and,
- Updated refined program terms, eligibility criteria and administrative processes across all program descriptions contained in Appendices “C” to Report PED23076 through Appendix “G” to Report PED23076 to improve consistency of language/terminology and program structure undertaken in collaboration with staff from Legal Services and other City Departments/Divisions, where applicable.

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## **ALTERNATIVES FOR CONSIDERATION**

The ERASE CIP and associated Programs and Strategies are provided at City Council's discretion. Alternative to staff's recommendations, City Council may direct that the ERASE CIP and Programs continue without any change, be suspended, or be modified in a manner as City Council deems appropriate. These alternative directions are not recommended by staff as the ERASE CIP and its Programs have continually proven to be an important and successful tool in terms of leveraging significant financial benefits and supporting key policy objectives of the City. Furthermore, staff's proposed changes further ensure that the ERASE Programs will be modified so as to better incentivize and support developments which will achieve additional community/Council priorities including environmental sustainability and affordable housing on brownfield lands.

Should City Council elect to explore alternatives to staff's proposals, Council may refer this Report and provide to direction to staff to investigate any such alternative direction including any legal, financial, and economic impacts from such direction.

## **ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

### **Community Engagement and Participation**

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

### **Economic Prosperity and Growth**

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

### **Healthy and Safe Communities**

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

### **Our People and Performance**

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

## **APPENDICES AND SCHEDULES ATTACHED**

Appendix "A" to Report PED23076 – Hamilton's ERASE Community Improvement Plan  
 (Draft)

Appendix "B" to Report PED23076 – ERASE CIPA Mapping (Draft)

Appendix "C" to Report PED23076 – ERASE Study Grant Program (Draft)

Appendix "D" to Report PED23076 – ERASE Redevelopment Grant Program (Draft)

**SUBJECT: Five-Year Review of the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan and Associated Financial Assistance Programs (PED23076) (City Wide)**  
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Appendix "E" to Report PED23076 – ERASE Tax Assistance Program (Draft)

Appendix "F" to Report PED23076 – ERASE Commercial District Remediation Loan Program (Draft)

Appendix "G" to Report PED23076 – ERASE Affordable Housing Grant Program (Draft)

Appendix "H" to Report PED23076 – Formal Written Comments Received During Staff's Review

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

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

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

# Hamilton's Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan

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PLANNING & ECONOMIC DEVELOPMENT DEPARTMENT

ECONOMIC DEVELOPMENT DIVISION

APRIL 2023



Hamilton



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## 1.0 INTRODUCTION

Hamilton has a long history as a major commercial and industrial centre which has served as the foundation of much of Hamilton’s growth and prosperity. However, much of this growth came during a time when the potential impacts of past activities and uses on people’s health and the environment were not as well understood as they are today. This has left a legacy of historic environmental impacts in the soil, groundwater and buildings in these historically developed areas of Hamilton and other similar communities across Ontario and Canada.

While redevelopment can provide an opportunity to rectify these environmental impacts, the need to remediate historic environmental impacts as part of a site’s redevelopment can be a significant financial barrier and lead to properties being overlooked for easier development prospects in suburban greenfield areas which do not face the same challenges. Left unaddressed, these environmentally contaminated properties, known as brownfields, become derelict, vacant and under-utilized leading to increased urban sprawl, reduced investment/tax generation and, over-time, result in the exodus of residents and jobs from areas which once were the centre of Hamilton’s economic and community prosperity.

This Plan, and the programs and initiatives it supports, is a continuation of Hamilton’s long-standing commitment to address legacy environmental impacts and support new investment in Hamilton’s historically developed areas.

## 2.0 PURPOSE OF THIS PLAN

The Environmental Remediation and Site Enhancement Community Improvement Plan (the Plan) is intended to provide a framework for the provision of financial assistance programs and other strategies that will help overcome the physical and financial barriers associated with the remediation and redevelopment of brownfields.

For the purposes of this Plan, ‘brownfields’ are considered to be undeveloped or previously developed properties that may be contaminated, and which are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant.

The expected outcome of this Plan is to provide strategic municipal support to address legacy environmental impacts on properties to the benefit of Hamilton’s environment, community health and economy by supporting redevelopment that will contribute to the revitalization of Hamilton’s historically developed areas, by improving environmental conditions, provide new economic development opportunities and increase the City’s assessment and municipal tax base.

As an implementation tool, this Plan builds upon past City community improvement efforts in support of brownfield remediation and redevelopment in Hamilton and is intended to complement and support the vision, goals and policies of related plans and strategies including Provincial planning policies, the City of Hamilton’s 2016-2025 Strategic Plan, the 2021-2025 Economic Development Action Plan and the Urban and Rural Hamilton Official Plans, among others.

Plans and strategies directly supported by this Plan are reviewed in Section 5.0 with the Plan’s goals and objectives described in Section 6.0 and Section 7.0 respectively.

Monitoring of this Plan’s implementation is outlined through reporting as noted in Section 9.0.

This Plan may be amended from time to time in accordance with Section 10.0.

### 3.0 LEGISLATIVE AUTHORITY

The provision of financial assistance or other undertakings by a municipality to facilitate or carry-out community improvement in Ontario are primarily governed by the *Planning Act* and *Municipal Act*. Together these acts identify the tools, and their parameters, which municipalities may authorize and utilize for community improvement.

#### 3.1 Provincial Legislation

Pursuant to Section 28 of the Planning Act, if a municipality has an Official Plan in effect that contains provisions relating to community improvement, it may, by by-law, designate the whole or any part of an area covered by such an Official Plan as a Community Improvement Project Area (CIPA). A CIPA is a geographic area in which a council of a municipality is of the opinion it is desirable to improve because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason. The ERASE CIPA was established by By-law No. 01-110 in April 2001 and in April 2005 expanded to encompass the full limits of the urban area existing at this time via By-law No. 05-086. The 2005 CIPA By-law was subsequently amended by By-law No. 10-049 in March 2010 to identify a new Sub-area 4 for Downtown Hamilton.

When a by-law has been passed identifying a CIPA a municipal council may by by-law adopt a community improvement plan (CIP) for the purposes of facilitating the community improvement through various means including the provision of financial incentives or actions which would otherwise be prohibited under Sub-section 106(2) of the Municipal Act. For the purpose of carrying out the CIP, once it is in effect, a municipality may:

- Acquire, hold, clear, grade or otherwise prepare land for community improvement;
- Construct, repair, rehabilitate or improve buildings on land acquired or held by it in the CIPA in conformity with the CIP, and sell, lease or otherwise dispose of any such buildings and the land appurtenant thereto;
- Sell, lease or otherwise dispose of any land acquired or held by it in the CIPA to any person or governmental authority for use in conformity with the CIP;
- Provide grants and/or loans in conformity with the CIP, to registered owners, assessed owners and tenants of lands and buildings within the CIPA, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole, or any part of the, eligible costs of the CIP; and

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- Provide grants and/or loans for eligible costs identified within the CIP which may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of land and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities.

The total of the grants and loans made in respect of particular lands and the tax assistance that is provided in respect of the lands and buildings cannot exceed the eligible cost of the community improvement plan with respect to those lands and buildings.

### 3.2 Municipal Authorization

Community improvement policies authorizing the use of Community Improvement Plans in the City’s urban and rural areas are contained in Chapter F, Section 1.15 of both the Urban Hamilton Official Plan (UHOP) and Rural Hamilton Official Plan (RHOP) (as amended). Specifically, policies contained in Section 1.15 state:

- Council’s intent, through community improvement, is to promote and maintain a high-quality living and working environment throughout the City accomplished through:
  - the upgrading and ongoing maintenance of communities or areas as characterized by obsolete buildings, and/or conflicting land uses and/or inadequate physical infrastructure and community services; and
  - the establishment of policies and programs to address identified economic, land development and housing supply issues or needs; and
- That community improvement shall be carried out through the designation, by Council, of CIPAs and through the preparation and implementation of CIPs pursuant to the Planning Act, R.S.O., 1990 c. P.13;
- It is the intent of Council that the entire urban/rural areas, or any part of the urban/rural areas as defined by the UHOP or RHOP, as amended, may, by by-law, be designated as a CIPA;
- That one or more of the following characteristics may be present when designating a CIPA:
  - building stock or property in need of rehabilitation;
  - buildings and structures of heritage or architectural significance;
  - encroachment of incompatible land uses or activities;

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- deteriorated or insufficient physical infrastructure such as, but not limited to, sanitary and storm sewers and water mains, public transit, roads/streets, curbs, sidewalks, street lighting and utilities;
  - deteriorated or insufficient community services such as, but not limited to public indoor/outdoor recreational facilities, public open space and public social facilities;
  - inadequate mix of housing types (UHOP only);
  - inadequate affordable housing (UHOP only);
  - known or perceived environmental contamination;
  - deteriorated or insufficient parking facilities;
  - poor overall visual amenity of the area;
  - existing Business Improvement Areas (BIA) or potential for inclusion in a BIA designation;
  - inappropriate road access and traffic circulation;
  - shortage of land to accommodate building expansion and/or parking and loading facilities;
  - other barriers to the improvement or redevelopment of under-utilized land or buildings; or
  - any other environmental, social or community economic development reasons for designation; and
- That a CIP provide direction regarding the application of one or more of the following:
    - allocation of public funds such as grants, loans or other financial instruments for the physical rehabilitation, redevelopment or improvement of land/buildings;
    - municipal acquisition of land or buildings and subsequent clearance, rehabilitation, redevelopment or resale of these properties or other preparation of land or buildings for community improvement;
    - encouragement of infill and rehabilitation where feasible;
    - promotion of historic preservation through the appropriate local, provincial and federal legislation;



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- promotion of the viability of commercial areas through the establishment and support of BIAs; and
- other municipal actions, programs or investments for the purpose of strengthening and enhancing neighbourhood stability, stimulating production of a variety of housing types, facilitating local economic growth, improving social or environmental conditions, or promoting cultural development; and
- That all developments participating in programs and initiatives contained within Community Improvement Plans shall conform to the policies contained in the respective Official Plan and comply with all municipal codes and regulations of the City and Province;
- That Council shall determine the priorities and sequences in which designated Community Improvement Project Areas shall have individual CIPs prepared.
- That any CIP shall endeavour to co-ordinate individual initiatives to improve properties with municipal actions to upgrade physical infrastructure and community services; and
- That Council shall be satisfied that community improvements are within the financial capability of the City.



## 4.0 PREVIOUS PLANS, PROGRAMS AND ON-GOING INITIATIVES

### 4.1 Brownfield Community Improvement Plans and Programs

#### 4.1.1 ERASE Community Improvement Plan (2001) and Project Area

In April 2001, the ERASE CIP, was established through By-law No. 01-111. It was the City’s first important step in the delivery of programs and initiatives that would promote environmental remediation, community rehabilitation and redevelopment of contaminated vacant, derelict or under-utilized sites. Also in April 2001, the ERASE CIPA was adopted by City Council via By-law No. 01-110. The 2001 ERASE CIPA was initially focused on providing remediation and redevelopment assistance programs within older current and former industrial areas of Hamilton including the Bayfront Industrial Area, the West Hamilton Innovation District as well as the West Harbour community located north of Downtown Hamilton.

Under the 2001 Plan five assistance programs were created:

- ERASE Redevelopment Grant Program – providing tax increment-based grants to reimburse for remediation costs directly funded from the increase in municipal property taxes generated as a result of the site’s remediation and redevelopment;
- ERASE Study Grant Program – a cost-sharing program for environmental studies to investigate the environmental condition of properties and/or support the filing of a Record of Site Condition with the Ministry of Environment;
- ERASE Planning and Development Fees Program – to provide rebates for specific planning application and development fees to incentivize redevelopment of brownfield sites;
- ERASE Redevelopment Opportunities Marketing and Database Program – to identify, describe and market high priority redevelopment opportunities to the development and real estate industry; and
- ERASE Municipal Property Acquisition, Investment and Partnership Program – to acquire and redevelop strategic properties by the City or to engage in or support public/private sector remediation and redevelopment initiatives funded through any portion of the increase in municipal taxes not provided to property owner through the ERASE Redevelopment Grant Program.

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In April 2005, new CIPA and CIP By-laws were introduced (No. 05-086 and No. 05-087 respectively) and marked a significant broadening of the Plan’s focus to support remediation and redevelopment of not just current and former industrial properties, but any property potentially contaminated from past development within the urban area existing at this time. In conjunction with the expanded area of eligibility, the previously eligible areas including the Older Industrial Areas and West Harbour community under the 2001 Plan were maintained and identified as distinct sub-areas through which the range of eligible costs and programs were expanded to meet the specific remediation, redevelopment and revitalization needs of these areas.

Subsequent to the establishment of the 2005 ERASE CIP and CIPA, various amendments were made to the Plan and are summarized below:

- In 2010 the following key amendments were introduced:
  - the ERASE CIPA was amended to establish a new sub-area for Downtown Hamilton replicating the existing Downtown Hamilton CIPA boundary already established for the purposes of administering Downtown specific revitalization programs and initiatives under the Downtown Hamilton, Community Downtowns and Business Improvement Areas Community Improvement Plan (now titled the Revitalizing Hamilton’s Commercial Districts Community Improvement Plan);
  - a new low-interest financial loan program was created, the Downtown and West Harbour Remediation Loan Program which would apply specifically in the West Harbour (Area 3) and Downtown Hamilton (Area 4) areas to lend discounted financing to developers and property owners specifically for remediation costs to support redevelopment of properties; and
  - the introduction of additional eligible costs under the ERASE Redevelopment Grant program for environmental certification under Leadership in Energy and Environmental Design (LEED).
- In 2014 administrative amendments were introduced to the ERASE Redevelopment Grant (ERG) Program, Tax Assistance Program (TAP) and Downtown / West Harbour Remediation Loan Program (RLP) programs to add greater flexibility to the programs by permitting

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peer-reviewed risk assessments in place of a Record of Site Condition for program eligibility where an RSC is not otherwise required by the Province for the development.

- In 2018 the following key amendments were introduced:
  - the ERASE Study Grant (ESG) and ERG Programs were amended to include the study, removal and abatement of Designated Substances and Hazardous Material (DSHM) from buildings located within the Older Industrial Area (Area 2), current/closed institutional buildings and heritage buildings designated under Part IV or V of the *Ontario Heritage Act*; and
  - The RLP interest rate was reduced from 1% to 0% and loan repayment period reduced from 10 to 5 years.

#### 4.2 Development Charge Deferrals for Brownfields

Development of a brownfield property that has been approved under the ERG Program may be provided an option to defer the payment of Development Charges (DC) up to the maximum estimated grant or the maximum grant anticipated to be provided under the ERG Program. Once ERG payments commence, these payments go directly towards fulfilling the outstanding DC deferral.

As the ERG Program requires developers/property owners to pay for site remediation works up front and wait until the development is completed and reassessed by the Municipal Property Assessment Corporation (MPAC) to begin recouping costs through ERG grant payments, the ability to offset DCs with future ERG payments aids property owners with the financial costs of site remediation incurred during the early stages of the development and assists with managing cash flow.

#### 4.3 Policy on the Treatment of Potentially Contaminated Properties that Fail Municipal Tax Sale (2003)

As a result of changes to the *Environmental Protection Act* and the *Municipal Tax Sales Act* introduced by the *Brownfields Statute Law Amendment Act*, municipalities in Ontario were provided enhanced powers to respecting municipal tax sales on properties that are in significant tax arrears (over 3 years). These powers allowed municipalities to take ownership of sites within one year and investigate environmental conditions of a property after a failed tax sale. In addition, where a municipality has taken ownership, the municipality is provided a period of five years within which to remediate the property or find a potential buyer to remediate and redevelop the property.

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In response to these legislative changes, the City became one of the first municipalities to proactively adopt a standardized policy on potentially contaminated properties that fail a municipal tax sale to take advantage of these new powers in a consistent and transparent manner.

#### 4.4 Contaminated Site Management Program (2004)

The City adopted the Contaminated Site Management Program with the purpose of providing procedures and training for City staff to identify and manage risks where there is the possibility for contamination in the soil/groundwater on sites subject to capital works projects and property transactions.

#### 4.5 Historic Land Use Inventory (2008)

In late 2007, the City retained MMM Group Limited to complete a Historic Land Use Inventory (HLUI). The identified the need for a comprehensive GIS-based inventory of potential historically environmentally-impaired properties that was to become a resource to the efficient and consistent implementation of the City's brownfield redevelopment programs. The key goals of the HLUI was to:

- Provide key information to the City's property management database concerning historical environmental conditions that had not been previously available at a central location;
- Serve as a fundamental tool for use by City staff in planning and conducting the everyday aspects of managing properties within the City in a thoughtful and conscientious manner; and
- Ensure that management staff have the information necessary for knowledgeable decisions concerning brownfield redevelopment planning.

The actual project consisted of reviewing numerous sources of historical environmental information with the intent to identify properties of interest and potential contaminants associated with them. While some data came from primary sources that confirm impairment or remediation of a property (e.g. Phase II Environmental Site Assessment reports or Record of Site Conditions), much of the required data needed to be interpreted came from secondary sources (e.g. fire insurance plans, land use designations etc.) combined with the user of industry-specific environmental databases to infer the potential contaminants that may be associated with historical on-site activities

Once the required data was documented, it was transposed into a Historical Environmental Database (HED). In total, the study area encompassed approximately 131,000 individual properties comprising the entire urban area. In total, 91 properties

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were identified as vacant brownfield sites consisting of a total of 152 ha. (377 ac.) scattered throughout the urban area of which over 50% were located outside of the designated employment areas and 20 ha. were found to be within the Bayfront Industrial Area. One thousand three hundred and eighty-six (1386) properties were identified as having a potential for some contamination based on the historical use of the property in Downtown Hamilton and the remaining urban area.

Notwithstanding the above findings, as most brownfields are privately owned, there are limitations in obtaining information that would confirm or identify, with certainty, that a site is contaminated either because an owner would not want to provide that information or no formal investigative studies have been undertaken to confirm a site’s status. As such, inventories are often based on a *potential* for contamination based on certain characteristics, such as past land uses that are generally known to have a higher risk for contamination like certain industrial activities, gas/fuel stations, auto mechanics and dry cleaners, among others. As such, inventories do not preclude the discovery or identification of brownfields in the city.

#### 4.6 Potentially Contaminated Commercial Properties Database Report (2022)

In 2022, the City retained ERIS to develop a database report that would identify sites within Hamilton’s existing urban areas that have a higher potential for contamination as a result of current/historic commercial activities. This search was informed by the compilation and filtering of property information identified through multiple historical and proprietary environmental records which would typically be associated with higher risk commercial uses such as current/historic gas station, auto mechanic and dry cleaner uses, among others. Databases searched as part of this report included:

- Automobile Wrecking and Supplies
- Dry Cleaning Facilities
- Commercial Fuel Oil Tanks
- Delisted Fuel Tanks
- Current/Historic Private, Retail Fuel Storage Tanks

The development of this database report was intended to support the City’s 2022 ERASE CIP Review by identifying potential concentrations of environmental contamination in the existing urban areas and, specifically, provide insight as to the potential for additional financial impediments to redevelopment and revitalization in specific commercial districts and corridors that are currently the focus of City revitalization efforts through the Revitalizing Hamilton’s Commercial Districts CIP (RHCD CIP). The database would further support the goals and objectives of the RHCD CIP and this Plan by:



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- Informing the exploration, and potential development of, new/updated financial assistance program(s) under this Plan to overcome financial impediments related to contamination in the RHCD CIP commercial districts and corridors; and
- Support potential outreach/engagement efforts by the Economic Development Division to property owners in support redevelopment/revitalization efforts in these areas.

In total, the database report identified approximately 800 sites with identified records within the existing urban areas, of which, 183 properties were located within the areas commercial districts and corridors subject to revitalization efforts under the RHCD CIP.

The result of this database report has informed the development of updated financial assistance programs authorized through this Program, specifically, the ERASE Commercial District Remediation Loan Program further described in Section 8.4.

Notwithstanding the above findings, as most brownfields are privately owned, there are limitations in obtaining information that would confirm or identify, with certainty, that a site is contaminated either because an owner would not want to provide that information or no formal investigative studies have been undertaken to confirm a site’s status. As such, inventories are often based on a *potential* for contamination based on certain characteristics, such a past land uses that are generally known to have a higher risk for contamination like certain industrial activities, gas/fuel stations, auto mechanics and dry cleaners, among others. As such, inventories do not preclude the discovery or identification of brownfields in the city.

#### 4.7 Brownfields Sub-Committee

In 2008 the Business Development Committee of the Hamilton Chamber of Commerce struck a sub-committee to advise and report on issues pertaining to brownfield redevelopment in the City of Hamilton. Staff sat on this committee and used it as a sounding board when contemplating changes to policy, including revisions to this Plan. This group, disbanded as a sub-committee of the Chamber in 2012, still meets on an ad-hoc basis from time-to-time to discuss brownfield related issues and continue t provide input as part of periodic review of this Plan.

Overall, this Plan maintains the intent of 2001 and 2005 ERASE CIPs and past City actions and initiatives and provides for updated programs and strategies in support of current environmental remediation and redevelopment challenges in the city’s historically developed areas and current Provincial and City policy direction as discussed in Section 5.o.

## 5.0 SUPPORTING POLICY FRAMEWORK

Existing Provincial and City policy frameworks contain policies that support the purpose, goals and objectives of this Plan as outlined in Sections 2.0 and 7.0 respectively as well as the associated assistance program(s) described in Section 8.0. The key supporting policies from applicable policy documents are outlined below.

### 5.1 Provincial Policy Statement (2020)

The Province of Ontario’s Provincial Policy Statement (PPS) provides policy direction for land use planning and development matters which are of Provincial interest including protecting resources, supporting public health and safety and creating high-quality natural and built environments.

This Plan is consistent with the PPS and specifically addresses the following provincial interests identified within the PPS:

- Support land use patterns which efficiently use land and resources, efficiently use infrastructure and public services, minimize negative impacts to air quality and climate change, support active transportation and are transit-supportive (PPS, Subsection 1.1.3.2)
- Planning authorities shall identify appropriate locations and promote opportunities for transit-supportive development, accommodating a significant supply and range of housing options through intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs (PPS, Subsection 1.1.3.3)
- Healthy, integrated and viable rural areas supported by...promoting regeneration, including the redevelopment of brownfield sites (PPS, Subsection 1.1.4.1 b))
- Coordinate economic, environmental and social planning considerations to support efficient and resilient communities (PPS, Subsection 1.2.3); and
- Long-term economic prosperity supported by...promoting the redevelopment of brownfield sites (PPS, Subsection 1.7.1 f)).

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## 5.2 A Place to Grow: Growth Plan for the Greater Golden Horseshoe (2020)

A Place to Grow: Growth Plan for the Greater Golden Horseshoe (“Growth Plan”) provides a policy framework for implementing the Province’s vision for planning and managing growth and development within the Greater Golden Horseshoe (GGH), including Hamilton, in a way that supports complete communities, economic prosperity, protects the environment and helps communities achieve a high quality of life (Growth Plan, Section 1.2).

This Plan conforms with the Growth Plan, its guiding principles, and specifically, the following policies as identified within the Growth Plan:

- Support the achievement of complete communities that...Improve social equity and overall quality of life, including human health, for people of all ages, abilities, and incomes (Growth Plan, Subsection 2.2.1 (4. b));
- Support the achievement of complete communities that...provide for a more compact built form and a vibrant public realm, including public open spaces (Growth Plan, Subsection 2.2.1 (4. e));
- Promote economic development and competitiveness by...Integrating land use planning and economic development goals and strategies to retain and attract investment and employment (Growth Plan, Subsection 2.2.5 (1. d));

## 5.3 City of Hamilton 2016-2025 Strategic Plan (2016)

The City of Hamilton’s 2016-2025 Strategic Plan (Strategic Plan) establishes a 10-year vision for the City that provides the context within which City services are provided in order to achieve the Plan’s stated mission “to provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner”. To achieve this, the Strategic Plan establishes seven priorities which were identified through community engagement and resident conversations including those that occurred through the Our Future Hamilton: Communities in Conversation initiative. These priorities are:

- Community Engagement and Participation
- Economic Prosperity and Growth
- Healthy and Safe Communities
- Clean and Green
- Building Environment and Infrastructure

- Culture and Diversity
- Our People and Performance

This Plan contributes towards the achievement of the Strategic Plan’s vision for Hamilton as further outlined in Section 9.0 Monitoring, whereby performance measures and monitoring of this Plan and its associated programs are established and linked to the achievement of the Strategic Plan’s vision.

#### 5.4 2021-2025 Economic Development Action Plan (2021)

The 2021-2025 Economic Development Action Plan (EDAP) is a Council approved, city-wide, action-oriented document that identifies areas of focus and key industry sectors that the City will concentrate resources and identify actions for in support of the City’s economy. The EDAP identifies six key priority areas that are intended to build a stronger and more equitable economy for Hamilton’s future. Of these, this Plan most directly supports the “Revitalizing Priority Areas and Placemaking” and “Building Transformation Projects” priorities which, among other actions, are supported by incentivizing investment in the remediation of brownfield lands to encourage their transition to a cleaner and more productive uses that act as a catalyst for further economic improvement.

The EDAP further identifies as a specific action (#61) to “review and update the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan” to support the goals and objectives of the EDAP within the plan’s time horizon.

#### 5.5 Urban and Rural Hamilton Official Plans (2013)

The Urban and Rural Hamilton Official Plans (UHOP/RHOP) establish the City’s long-term policy framework outlining the City’s vision for the future in terms of managing growth, land use change and the physical development of the city including related environmental, social and economic factors. The UHOP/RHOP includes land use policy that establishes the land use structure of the respective urban and rural areas of the city accompanied by overlaying land use designations that guide the development and redevelopment of the city. The UHOP/RHOP also contains the necessary policies to enable the creation of this Plan, in accordance with the *Planning Act*, through Chapter F, Section 1.15 of the UHOP and further discussed in Section 3.2 “Municipal Authorization” of this Plan.

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5.5.1 Contaminated (Brownfield) Site Policies

The UHOP/RHOP contains specific policies respecting contaminated (brownfield) sites, contained in Chapter B – Communities, which include the following key policies as they relate to this Plan:

- ...The City, in addition to other economic development objectives, shall pursue the redevelopment of brownfield sites and promote opportunities for employment and residential intensification by:
  - a) continuing to liaise with other levels of government, agencies, and the private sector to endorse and amend existing legislation, regulations and standards, including the addressing of liability issues for land owners;
  - b) undertaking studies to identify priority brownfield sites for redevelopment;
  - c) providing the necessary financial assistance to developers and landowners to make the redevelopment of brownfield sites a viable option; and,
  - d) ensure a wide variety of investment opportunities are available throughout the City and provide potential employment users with a range of alternative sites of various size in a variety of locations throughout the City.  
(UHOP, Chapter B, Subsection 3.1.6)
- Where there is potential for site contamination due to previous uses of a property and a more sensitive land use is proposed, a mandatory filing of a Record of Site Condition is triggered as outlined in provincial guidelines. The Record of Site Condition shall be submitted by the proponent to the City and the Province. The Record of Site Condition shall be to the satisfaction of the City. (UHOP/RHOP, Chapter B, Subsection 3.6.1.1 and 3.6.1.2 respectively).

These policies highlight the health and public safety considerations, community development and economic development objectives of the UHOP/RHOP respecting these sites and provide the direction to support City initiatives and actions to address these objectives. This Plan, and the financial assistance programs authorized herein, are but one of these actions and directly addresses the financial barriers and risk associated with contaminated sites that presents a real and systemic barrier to the achievement of the UHOP/RHOPs objectives.

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## 5.5.2 Legal Non-Conforming/Complying Uses or Properties

The UHOP/RHOP are policies respecting existing, non-complying and non-conforming uses. Specifically, the UHOP/RHOP states the following:

- It is recognized there are some previously existing land uses that do not presently comply with the goals and objectives set out in this Plan. This Plan, while endeavouring to achieve a high degree of land use compatibility for new development, recognizes there is a degree of diversity in land use for existing areas where time and custom have achieved an acceptable level of tolerance. Many of these uses have been established for a considerable number of years. In some cases, it is recognized such situations exist and they can be continued in the interim. In other cases, there are some existing uses that not only do not comply with the Official Plan or conform to the Zoning By-law and are incompatible with surrounding land uses (UHOP/RHOP, Chapter F, Subsection 1.12).
- All developments participating in programs and initiatives contained within Community Improvement Plans shall conform to the policies contained in this Plan and shall comply with all municipal codes and regulations of the City (UHOP/RHOP, Chapter F, Subsection 1.15.4).

As such, all existing and proposed developments participating in programs and initiatives contained within this Plan shall conform with the policies in the Official Plan and comply with all municipal by-laws and regulation, including applicable Zoning By-laws.

Notwithstanding the above, legally non-complying or non-conforming uses and/or properties located within the ERASE CIPA may be eligible for participation in an applicable program under this Plan, at the sole and absolute discretion of the City, where the City is satisfied that the use/building meets the following tests:

1. The proposed development must implement the intent and vision of the Urban Hamilton Official Plan (2013);
2. The Building Division records must validate the last recognized use as per a Zoning Verification stating the proposed use; and
3. Issuance of a Building Permit for the Legal Non-Conforming Use(s) must be qualified by the Building Division.



## 5.6 Secondary Plans

Within specific communities of the city, the UHOP/RHOP may be supplemented by detailed, area specific policies responding to the unique needs and considerations for how a specific area/community will develop over time. The following Secondary Plans and policies have been identified as being within the ERASE CIPA within which the programs of this Plan may apply and containing policies that directly relate and support the purpose and goals of this Plan:

### Ainslie Woods Westdale Secondary Plan

The Ainslie Woods Westdale Secondary Plan (AWWSP) includes the area bounded by the former municipal boundaries between the former City of Hamilton and former Town of Dundas on the west, Cootes Paradise on the northwest, and Highway 403 on the east and the southeast.

The AWWSP contains the following policies:

- The establishment and extension of programs and funding for the rehabilitation and reuse of employment lands shall be encouraged to include lands in the Ainslie Wood Westdale area. An example would include any possible expansion of the brownfields funding program, to facilitate the rehabilitation of these lands (UHOP Volume 2, Chapter B, 6.2.9.1 g))

### West Hamilton Innovation District Secondary Plan

The West Hamilton Innovation District Secondary Plan (WHIDSP) area is generally bounded by Aberdeen Avenue to the south, the railway line and Dundurn Street South to the east, Main Street West to the North and Highway 403 to the west.

The WHIDSP contains the following policies:

- Encourage the redevelopment of brownfield lands to a prestige research district comprised mainly of uses related to research, science and technology which are remediated to a high standard to ensure public health and safety (UHOP Volume 2, Chapter B, 6.4.2.1 a))
- The City shall prepare an enhancement to the ERASE (Environmental Remediation and Site Enhancement) Community Improvement Plan (CIP) and the development of an Implementation Strategy specifically for the West Hamilton Innovation District that shall encourage the redevelopment of this area. Additional financial incentives for initiatives such as LEED (Leadership in Energy and Environmental Design) certification shall complement the existing incentives for brownfield remediation and serve as a catalyst for the transformation of the

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West Hamilton Innovation District to an economic hub of research and development activity (UHOP Volume 2, Chapter B, 6.4.9.3)

West Harbour (Setting Sail) Secondary Plan (Non-Decision No. 113)

The West Harbour Secondary Plan (WHSP) area is bounded by Hamilton Harbour to the north, York Boulevard and Cannon Street West to the west and south and Wellington Street North to the east.

The WHSP contains the following policies:

- West Harbour is designated a CIPA and the ERASE CIP applies, and shall continue to apply, to a large portion of West Harbour. The City may revise the ERASE Plan from time to time and may prepare additional Community Improvement Plans for West Harbour. Such plans should identify, rank and coordinate the public improvements set out in this Secondary Plan and others that may arise. Community Improvement Plans should also identify the programs and measures intended to promote development and the rehabilitation of existing buildings and properties. The City shall consult with the local community in preparing the Community Improvement Plan (UHOP Volume 2, Chapter B, 6.5.12.6)
- Permit additional residential density where the City determines there is a need to increase densities of development in Barton-Tiffany and Ferguson-Wellington corridor, to assist economically with the clean up of brownfield areas and soil contamination. The density increase shall be subject to the City of Hamilton’s ERASE program (UHOP Volume 2, Chapter B, 6.5.14.9)

### 5.7 Bayfront Industrial Area Strategy (2022)

The Bayfront Industrial Area (the Bayfront) is Hamilton’s oldest industrial area comprising over 1,600 hectares of land on the shores of Hamilton Harbour, and the immediate area.

In September 2022, City Council approved The Bayfront Industrial Area Strategy (BIAS) as a comprehensive strategy, identifying short, medium and long-term actions, that together would help address barriers to redevelopment and support continued industrial productivity and investment in the Bayfront.

A significant barrier to redevelopment in the Bayfront continues to be potential contamination of properties; an issue that was central to the creation of the original 2001 ERASE CIP and the availability of its financial assistance programs in the Bayfront. In this respect, the BIAS speaks to the continued importance of this Plan to support its strategies and redevelopment goals in the Bayfront, specifically stating the following:

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- The expectation is that a certain degree of remediation and or risk management will be required as land is redeveloped over time. The City recently updated its Environmental Remediation and Site Enhance (ERASE) Community Improvement Plan incentives which are intended to help offset some of the front-end costs for remediation. There is a need to regularly monitor and track the success of various brownfield programs to ensure that they are well aligned with market needs and reasonably capture the range of redevelopment challenges in The Bayfront (BIAS, 3.14)

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## 6.0 COMMUNITY IMPROVEMENT PROJECT AREA

This Plan is intended to apply to eligible properties within Historically Developed Areas (HDA) which have been geographically delineated within the companion ERASE CIPA By-law based on past and current detailed city-wide analysis of current and historical land uses, potential for environmental contamination, physical site characteristics, potential for redevelopment, UHOP/RHOP/Secondary Plan land use designations and policies, applicable zoning and visual site inspections, where required.

In addition to the HDA, the Plan is intended to provide programs which may also address unique or area specific environmental and associated development challenges. To this end, this Plan and the companion ERASE CIPA By-law define additional sub-areas within the HDA where additional programs and/or program parameters may be permitted within the program descriptions contained in Section 11.0 Appendices to this Plan. These sub-areas include:

- Sub-Area 1: Older Industrial Areas - encompassing the Bayfront Industrial Area and West Hamilton Innovation District which have historically been the location of significant industrial activities that have left a legacy of unique redevelopment and investment challenges including the potential for historic contamination and outdated buildings and structures; and
- Sub-Area 2: Strategic Commercial Districts and Corridors - encompassing properties located within various older strategic commercial districts and corridors which have been a focus of City revitalization efforts to stimulate new private sector investment in the development of under-utilized properties and/or improve the appearance, functionality, marketability, usability and/or safety of existing buildings and where there may exist a potential for historic contamination from past commercial land uses including, but not limited to, fuel/gas stations, auto mechanics, and dry cleaners.

For the purposes of this Plan, Sub-Area 2 is defined as comprising properties located within the Revitalizing Hamilton’s Commercial Districts Community Improvement Project Area By-law (By-law 21-163 as amended over time) and which includes Downtown Hamilton, the Community Downtowns of Ancaster, Binbrook, Dundas, Stoney Creek and Waterdown, Business Improvement Areas, the Mount Hope/Airport Gateway and various other strategic commercial corridors.

Notwithstanding the above descriptions and the geographic boundaries delineated within the companion ERASE CIPA By-law, the following shall also apply with respect to properties eligible to participate in the programs of this Plan:

- Properties containing buildings designated under Part IV or Part V of the *Ontario Heritage Act* and located within the City of Hamilton municipal boundary, may be eligible for one

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or more programs established under this Plan where it is identified that a program may apply to such properties in Section 8.o of this Plan.

- A property which is partially located within the ERASE CIPA boundary, shall be deemed to be either wholly, partially or not at all located within the ERASE CIPA at the sole discretion of the City based on considerations that may include, but may not be limited to, the relative proportion of the property located within the ERASE CIPA boundary versus that located outside the CIPA boundary, the location of environmental contamination on the property and/or the planned use of existing/planned buildings as well as the ability to meet the purpose and goals of this Plan and any potentially applicable programs.

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## 7.0 GOALS AND OBJECTIVES

With consideration to the purpose of this Plan as outlined in Section 2.0, and the cited Provincial and City plans, policies and strategies detailed in Section 5.0, the goals of this Plan are to support the investigation, remediation and redevelopment of brownfields in historically developed areas in order to:

- Improve environmental conditions within our communities and reduce future risk;
- Increase assessment and property tax generation;
- Reduce the need for greenfield or agricultural lands to accommodate future population and employment related growth;
- Efficiently utilize existing infrastructure and reduce related costs;
- Support the achievement of Provincial/City residential unit/jobs density targets, where applicable;
- Maintain and grow resident populations to support existing businesses and services;
- Further support population and employment concentrations that will better utilize existing transit and support new demand and investment in higher-order forms of transit;
- Enable new economic development opportunities;
- Improve the aesthetics of private properties to create an attractive public realm; and
- Make feasible opportunities for new housing, with a focus on affordability and tenure, that will help meet the needs of current and future residents and support a strong and diverse local workforce.

To help realize those goals, the following objectives respecting brownfields have been identified and will be supported by this Plan where appropriate:

- Obtain new information respecting the environmental condition of properties to support potential investment and redevelopment;
- Provide programs that reduce financial barriers and risk to property owners, developers and not-for-profit housing providers as a result of historic contamination;
- Engage and work with other municipalities to share knowledge and best practices to support remediation and redevelopment of brownfields;
- Engage with the Provincial and Federal governments and related agencies to prioritize brownfields as an area of focus and investment;

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- Explore means to further identify sites with the potential for contamination and to develop strategies and programs to address as required; and
- Consistently monitor for new and emerging regulatory or economic barriers respecting brownfield remediation and redevelopment.

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## 8.0 FINANCIAL ASSISTANCE PROGRAMS AND OTHER INITIATIVES

This section identifies the primary purpose and parameters of financial assistance programs and other initiatives the City may employ to achieve this Plan's goals within areas identified in the companion ERASE CIPA By-law. Additional detailed descriptions outlining the terms, eligibility criteria and administrative processes for each program/initiative described in this section, as adopted by City Council resolution, are contained in Section 11.0 Appendices of this Plan for reference.

The applicable program descriptions shall be those that were approved by City Council and in effect on the date an application under any program in this section was approved by City Council or their delegate.

Notwithstanding any program descriptions approved by City Council, applications under any program authorized under this Plan can be rejected by City Council for any reason. Such a decision can take into account matters not set forth in the applicable program descriptions and are within City Council's sole, absolute and unfettered discretion.

Decisions and reasons for the City's accepting or rejecting an application shall not act as a precedent for any other application.

### 8.1 ERASE Study Grant (ESG) Program

The ERASE Study Grant (ESG) Program is intended to support the undertaking of environmental studies on known or suspected brownfield sites to confirm and describe potential on-site contamination or develop a plan to remove, treat, or otherwise manage the contamination in support of site redevelopment/reuse. Additional studies may also be considered under this Program which investigate other forms of potential environmental impacts or which further facilitate the potential redevelopment/reuse of eligible sites.

This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.

Detailed Program terms including, but not limited to, definitions, eligibility criteria, eligible studies/costs, grant criteria, grant maximums and calculations, application criteria and administrative procedures, as adopted by City Council resolution, are contained in Appendix A.

### 8.2 ERASE Redevelopment Grant (ERG) Program

The ERASE Redevelopment Grant (ERG) Program is intended to provide tax increment-based grants towards costs required to remediate historical environmental

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contamination on brownfield sites in support of their redevelopment/reuse. By providing Grants to mitigate these financial impediments, the Program enables brownfield sites to be viable candidates for redevelopment relative to non-contaminated sites, supports the intensification/infill of existing vacant and underutilized sites, reduces the need for greenfield lands to accommodate future population and employment growth, and generates new municipal property tax revenue through increased property assessments.

As a tax increment-based program, the ERG Program provides grants relative to the actual increase in municipal property taxes that are generated as a result of a site being remediated and redeveloped. Grants are provided after development completion over a maximum term as described in Table 1 herein or until eligible Program costs have been recovered, whichever comes first.

Grants under the Program may be provided through one of two streams based on consideration of the project as a Brownfield Development or an Enhanced Brownfield Development. For the purposes of this Program, a Brownfield Development is one that remediates the environmental condition of a site and increases the municipal property taxes generated as a result of remediation and redevelopment. An Enhanced Brownfield Development is the same as a Brownfield Development, but which also achieve one of the following additional priorities:

- Successfully obtains a certification for the achievement of environmental sustainability standards from an eligible organization/program;
- Will connect to (or be designed to allow for future connection to) a district energy system where a current or future connection is deemed feasible by the City;
- Is approved for financial assistance under a Canada Mortgage and Housing Corporation (CMHC), Federal, Provincial or City program for the purposes of incorporating new residential rental housing that supports housing affordability within the city.

The prescribed grant terms under the Brownfield Development and Enhanced Brownfield Development streams are described in Table 1 below:

**Table 1 – Prescribed Grant Parameters:  
Brownfield Developments and Enhanced Brownfield Developments**

		Brownfield Development	Enhanced Brownfield Development
Maximum Eligible Costs Permitted For:	the transportation and disposal of contaminated soil at a licensed landfill facility	80%	80%
	In-situ remediation methods or the transportation and treatment of contaminated soil so as to enable reuse	100%	100%
	all other environmental remediation and DSHM eligible costs unless otherwise specified	80%	100%
Maximum Potential Annual Grant Payments		10*	13*
Maximum Annual Grant as a Percentage of Actual Tax Increment Realized		80%**	100%

*\* Or until eligible remediation costs have been recovered, whichever comes first*

*\*\*The remaining 20% increase in the annual municipal tax increment not provided to the Applicant under the Brownfield Development stream shall be directed to a City fund for use in the provision of grants and other initiatives under the ERASE Municipal Acquisition and Partnership (EMAP) and/or ERASE Affordable Housing Grant (EAHG) Programs for the duration of the Applicant’s Grant term up to a maximum of 20% of the value of the total Grant to be provided.*

This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.

Detailed Program terms including, but not limited to, definitions, eligibility criteria, eligible costs, grant criteria, grant maximums and calculations, application criteria and administrative procedures, as adopted by City Council resolution, are contained in Appendix B.

### 8.3 ERASE Tax Assistance (ETA) Program

The ERASE Tax Assistance (ETA) Program is intended to reduce the tax increase resulting from the remediation and redevelopment of a brownfield site in order to mitigate costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. The tax cancellation provided under this Program enables brownfield sites to be viable candidates for redevelopment relative to non-contaminated sites, supports the intensification/infill of existing vacant and underutilized sites, reduces the need for greenfield lands to accommodate future

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population and employment growth, and generates new property tax revenue through increased property assessments.

An approval under this Program shall not be granted until City Council has approved the Application and has passed a by-law pursuant to s.365.1 of the *Municipal Act, 2001*, as amended and the Minister of Finance of the Province of Ontario has approved the by-law.

An approval granted under this Program shall be conditional on the Applicant receiving approval from the Minister of Finance for an application under the Province of Ontario's Brownfield Financial Tax Incentive Program (BFTIP) respecting the cancellation of the education portion of property taxes. Approval for the cancellation of the education portion of the property tax increment may be provided by the Minister of Finance on a case-by-case basis. Where an application and approval under the Province's BFTIP will not be sought, the applicant shall be directed to make application under the ERASE Redevelopment Grant (ERG) Program.

Under the ETA, 80% of the increase in the municipal portion of property taxes (the tax increment) that results from remediation and redevelopment of a site, or such lesser amount as set out below will be cancelled annually until the expiration of the earlier of the following:

- Six (6) years for a business development (commercial and industrial) or 10 years for a residential development (including mixed use residential); or
- A value that equals accepted eligible Program costs.

The remaining 20% increase in the annual municipal tax increment not subject to cancellation shall be directed to a City fund for use in the provision of grants and other initiatives under the ERASE Municipal Acquisition and Partnership (EMAP) and/or ERASE Affordable Housing Grant (EAHG) Programs for the duration of the Applicant's term for tax cancellation up to a maximum of 20% of the value of the total tax cancellation to be provided. The remaining 20% of the increase in the education portion of property taxes will be remitted to the Province of Ontario.

This Program will apply within the Historically Developed Area as defined through the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) By-law.

Detailed Program terms including, but not limited to, definitions, eligibility criteria, eligible costs, tax cancellation criteria, tax cancellation maximums and calculations,



application criteria and administrative procedures, as adopted by City Council resolution, are contained in Appendix C.

#### 8.4 ERASE Commercial District Remediation Loan (ECDRL) Program

The ERASE Commercial District Remediation Loan (ECDRL) Program provides low-interest Loans which are intended to overcome barriers owners may face obtaining traditional financing for costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. Specifically, this Program is intended to work in concert with broader efforts to support the revitalization of strategic commercial districts and corridors, including those programs and initiatives established under the RHCD CIP.

A Loan under this Program is intended to serve as a 'bridge' until such time as grant payments commence under either the ERASE Redevelopment Grant (ERG) or Revitalizing Hamilton Tax Increment Grant (RHTIG) Programs. As such, eligibility under this Program is contingent on, among other requirements contained herein, that the site has been the subject of an approved application under either the ERG or RHTIG Programs.

This Program will apply within Sub-Area 2 – Strategic Commercial Districts and Corridors of the Historically Developed Area as defined in the ERASE CIPA By-law and which generally consists of the Ancaster, Barton Village, Binbrook, Concession Street, Downtown Hamilton, Dundas, Locke Street, Ottawa Street, Stoney Creek, Waterdown and Westdale commercial districts, the Mount Hope/Airport Gateway, the Barton Street and Kenilworth Avenue North commercial corridors and other strategic commercial corridors located throughout the city.

Detailed Program terms including, but not limited to, definitions, eligibility criteria, eligible costs, loan criteria, loan maximums and calculations, application criteria and administrative procedures, as adopted by City Council resolution, are contained in Appendix D.

#### 8.5 ERASE Affordable Housing Grant (EAHG) Program

The ERASE Affordable Housing Grant (EAHG) Program is intended to provide Grants towards costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse for affordable housing by not-for-profit housing providers not otherwise able to participate in the ERG program. By providing Grants to mitigate these financial impediments, the Program better enables brownfield sites to be viable candidates for the creation of new affordable housing.

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This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.

Detailed Program terms including, but not limited to, definitions, eligibility criteria, eligible costs, grant criteria, grant maximums and calculations, application criteria and administrative procedures, as adopted by City Council resolution, are contained in Appendix E.

## 8.6 ERASE Municipal Acquisition and Partnership (EMAP) Program

The ERASE Municipal Acquisition and Partnership (EMPA) Program is intended to further support the investigation, remediation and redevelopment of brownfields in the city by enabling the City of Hamilton to:

- Acquire, hold, clear, grade or otherwise prepare brownfields for the purposes of achieving community improvement that supports this Plan’s goals and objectives;
- Construct, repair, rehabilitate or improve buildings on brownfields acquired or held by the City in support of this Plan’s goals and objectives;
- Sell, lease, or otherwise dispose of any brownfields acquired or held by it in support of this Plan’s goals and objectives; or
- Participate financially or otherwise with private sector entities to further the goals and objectives of this Plan.

The EMAP is not an application-based program and is to be utilized and funded at the discretion of City Council in conformity with this Plan and the *Planning Act*.

This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.

## 8.7 Other Strategies

The following programs and initiatives are not subject to this Plan but are intended to be acted upon in tandem with the financial incentive programs contained in this Plan in order to meet the City’s goals and objectives for the Plan’s Community Improvement Project Areas.

### 8.7.1 ERASE Development Charge (DC) Deferrals

The payment of Development Charges (DCs) as a condition of development can be a significant factor in determining the feasibility of remediating and redeveloping brownfields as DCs are often required to be paid early in the

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development process at the same time as costs are being incurred to remediate site contamination in preparation for site development.

As a strategy to further support the feasibility and added cash flow pressures required for brownfield redevelopment, approved applicants under the ERG Program may be provided the option to utilize an ERASE specific deferral of DCs at low/no interest in an amount up to the lesser of:

- The maximum estimated Grant approved by City Council; or
- The maximum Grant estimated to be achieved within the parameters of the Program, as determined by the City, based on the estimated eligible costs and estimated post-development assessment and municipal property tax uplift.

Where an approved ERG applicant elects and been approved by the General Manager of Finance and Corporate Services to utilize the ERASE DC Deferral Option, grant payments under ERG program will be directed towards fulfilling the ERASE DC deferral until the deferred DCs have been fully paid.

All Applicants utilizing the ERASE DC Deferral Option will be required to enter into an ERASE DC Deferral Agreement with the City. This Agreement shall contain provisions including, but not limited to, the terms and conditions set out herein and such additional conditions as required by City Council, the City Solicitor or General Manager of Finance and Corporate Services in their sole discretion. Such agreement may also include the provision of securities that include, but may not be limited to, Letters of Credit, mortgages registered on title and/or personal guarantees as deemed required by the City.

ERASE DC Deferral Agreements will be subject to the applicable, in effect DC By-law and any additional requirements, conditions and agreements as deemed appropriate to affect the Agreement at the discretion of City Council or the General Manager of Finance and Corporate Services.

#### 8.7.2 Historic Land Use Inventories

From time-to-time, the City may undertake historic land use inventories to identify properties and/or areas of the City with a potential for environmental contamination. Such inventories will be used to guide the development and refinement of financial assistance programs and authorized under this Plan and inform strategies and actions by the City to better support and enable remediation and redevelopment of these properties/areas.

### 8.7.3 Marketing and Promotion

In accordance with the Economic Development Division’s Marketing Plan, the City of Hamilton may promote and advertise or contribute to the promotion or advertisement of programs, initiatives and events respecting the brownfields for the purpose of achieving the goals and objectives of this Plan.

## 9.0 MONITORING

Monitoring the Plan’s implementation is undertaken through the City’s performance measurement reporting and annual reports prepared by the Economic Development Division.

Performance measures will be based on the objectives and desired outcomes as identified in this Plan, key activities set out in the Department’s business plan and the City’s 2016-2025 Strategic Plan. Performance measures which may be evaluated include, but may not be limited to:

- Total area of land investigated, remediated and redeveloped;
- Increase in assessment and property tax generation on brownfields;
- New affordable housing units created on brownfields;
- New resident population and jobs created on brownfields within the Historically Developed Area in support of Provincial/City residential unit/jobs density and growth targets; and
- Private sector investment leveraged on brownfields relative to City grants/loan or other assistance provided.

## 10.0 AMENDMENTS AND TRANSITIONAL MATTERS

This Plan will be reviewed from time to time to ensure that it is adequately reflecting existing City policies and priorities, Provincial policies and community needs. Community and applicant feedback regarding this Plan and its associated assistance programs may also lead to amendments and / or minor revisions to the detailed incentive program descriptions contained in the Appendices to this Plan.

### 10.1 Formal Amendments

A formal amendment to this Plan is required in the following instances:

- To introduce new financial assistance programs;
- To increase the amount of financial assistance that may be provided to registered owners, assessed owners, tenants and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan except where the maximum amount of assistance is not referenced in Section 8.0 or the conditions under which increased assistance under a program may be provided is already established within this same section; or
- To add, extend, remove or otherwise change the Community Improvement Project Area's which are the subject of this Plan.

Formal amendments will require approval by City Council and shall be undertaken in accordance with Section 28 of the *Planning Act* and the City's Public Participation and Notification Policies contained in Chapter F – Implementation, Section 1.17.2 of the UHOP and RHOP. In addition, the City may undertake other communication methods to provide information and seek input, such as public information open houses, workshops, public meetings, the City's web site and direct or electronic mail outs and surveys.

### 10.2 Other Amendments

Detailed program descriptions providing for the efficient administration of each program authorized through this Plan will be adopted, through resolution, by City Council. The program descriptions shall include, but not be limited to, program terms, eligibility criteria, maximum grant amounts, grant calculations, assignability, maximum loan amounts, repayment requirements and detailed administrative procedures terms and will form appendices to this Plan. Changes to the appendices will be adopted by City Council through resolution. In addition, City Council may discontinue any of the programs contained in this Plan, without amendment to this Plan. Formal amendments, including public meetings under the *Planning Act*, shall not be required for updates or amendments to program descriptions attached to this Plan as appendices. Minor

administrative amendments to this Plan such as format changes, typographical errors, grammatical errors and policy number changes shall not require a formal amendment.

### 10.3 Transitional Matters

Program applications will be processed under the terms of the program in effect at the time the application was submitted. When program terms are revised, applications submitted but not yet approved will be subject to and processed under the revised terms. Application already approved at the time revised program terms are in effect will continue to be subject to the program terms in effect at the time the application was approved.

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## 11.0 APPENDICES

The following appendices are provided under separate cover and adopted by Council resolution:

Appendix A – ERASE Study Grant (ESG) Program Description

Appendix B – ERASE Redevelopment Grant (ERG) Program Description

Appendix C – ERASE Tax Assistance (ETA) Program

Appendix D – ERASE Commercial District Remediation Loan (ECDRL) Program Description

Appendix E – ERASE Affordable Housing Grant (EAHG) Program Description

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# ERASE STUDY GRANT (ESG) PROGRAM



## A. PROGRAM DESCRIPTION

The ERASE Study Grant (ESG) Program (the Program) is intended to support the undertaking of environmental studies on known or suspected brownfield sites to confirm and describe potential on-site contamination or develop a plan to remove, treat, or otherwise manage the contamination in support of site redevelopment/reuse. Additional studies may also be considered under this Program, in accordance with Section B, which investigate other forms of potential environmental impacts or which further facilitate the potential redevelopment/reuse of eligible sites.

This Program will apply within the Historically Developed Area as defined through the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) By-law.

Grants under this Program are subject to approval at the absolute discretion of the Manager of Commercial Districts and Small Business, Economic Development Division and subject to the availability of funding.

Grants under this Program shall be provided to the Applicant who is the registered owner of the site, or those provided with written consent of the registered owner to apply to this Program, and who incur the cost of the subject study, but shall not include the consultant hired to undertake the subject study.

The City retains the right to assess the reasonableness of costs via audit as well as the determination of cost eligibility under the terms of this Program.

For the purposes of this Program:

- A 'site' shall mean all properties forming part of the planned study and development area;
- A 'Qualified Person' shall have the same meaning as defined under Ontario Regulation 153/04, as amended; and
- A 'not-for-profit housing development' shall mean the development of a building or structure intended for use as a residential rental premise or a residential premise for the homeless to be owned and developed by:

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- a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that *Act* and whose primary object is to provide housing;
- a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that *Act* and whose primary object is to provide housing;
- a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, 2022, c. 21, Sched. 3, s. 4; or
- CityHousing Hamilton Corporation.

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

## B. PROGRAM ELIGIBILITY AND GRANT CRITERIA

1. Applications to this Program must meet the goals of the Environmental Remediation and Site Enhancement Community Improvement Plan (ERASE CIP).
2. This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.
3. Notwithstanding paragraph two (2), this Program shall not apply to a site where a designated heritage building has been demolished or on agricultural lands which have been the subject of normal farm practices.
4. A maximum of two (2) Applications may be submitted per site for eligible studies under this Program. Notwithstanding this maximum, sites which have been the subject of applications under this Program for which Grants were provided, may again be eligible to reapply where the subject site has not been remediated or redeveloped in the five (5) years since the last application approval was issued under this Program.
5. The maximum Grant under this Program per site shall be 50% of the cost of an eligible study (excluding HST) to a maximum of:
  - a. \$20,000 for the first study; and
  - b. A combined maximum of \$35,000 for two studies.
6. Notwithstanding paragraph five (5), for sites being investigated for use as a not-for-profit housing development, the maximum Grant provided under this Program per site shall be 100% of the study cost (excluding HST) to a maximum of:
  - a. \$40,000 for the first study; and

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- b. A combined maximum of \$70,000 for two studies.
7. Eligible Program Applicants include the registered owner or those provided with written consent of the registered owner to apply to this Program, but shall not include the consultant hired to undertake the subject study, with grants only payable to the successful Program Applicant and cannot be assigned or directed to any other payee unless otherwise provided for in the Program Administration section herein.
8. To be eligible, Applicants must demonstrate an intent to redevelop the site. Studies undertaken solely for the purposes of purchase/sale due diligence shall not be eligible. Determination of this intent shall be at the sole discretion of the Manager of Commercial Districts and Small Business.
9. Two (2) separate quotes and associated proposed work plans for the subject study shall be required. Grants will be calculated based upon the lowest cost estimate however the Applicant will not be required to use the lowest quoted consultant. A single quote may be accepted in extenuating circumstances at the discretion of the Manager of Commercial Districts and Small Business.
10. Prior to any application approval and/or Grant being provided:
  - a. Any outstanding Building Code, Fire Code or property standards orders or any other order applicable to the site by any judicial, governmental or regulatory authority shall be rectified; and
  - b. Any tax arrears on the subject site shall be paid.
11. Approval and the receiving of financial assistance under this Program shall not preclude eligibility, approval and the receiving of financial assistance under any other available municipal program.
12. A Grant may be reduced or cancelled if the study is not completed, not completed as approved, not completed within two (2) years of the City's application approval or if the consultant conducting the study is not paid in full.

A one (1) year extension may be granted due to extenuating circumstances outlined in a formal request submitted by the Applicant to the City prior to the lapsing of the above time period and considered at the discretion of the Manager of Commercial Districts and Small Business.
13. If the study is an eligible Phase II ESA, Remedial Action Plan or Risk Assessment it shall be completed/reviewed by a Qualified Person and completed in accordance with Ontario Regulation 153/04, as amended

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14. Completed studies will be reviewed and approved by the City’s Manager of Commercial Districts and Small Business for consistency with the quote and work plan submitted in support of the application and for compliance under the Program terms contained herein. If the study is found to be insufficient by the City’s Manager of Commercial Districts and Small Business, in their sole, absolute and unfettered discretion, the Grant may be reduced or cancelled unless it is resubmitted in a form and content satisfactory to the City’s Manager of Commercial Districts and Small Business, in their sole, absolute and unfettered discretion.
15. The Applicant shall be required to submit, to the satisfaction of the City, one digital copy of the completed study, invoices for the subject study and proof that the study consultants have been paid in full.
16. The City reserves the right to audit the cost of the study prior to advancing the Grant.
17. The City reserves the right to notify any subsequent project proponents or owners of the existence of an environmental study or studies for which the City has provided financial assistance towards under this Program.
18. The City reserves the right to share studies received under this Program within the City of Hamilton as required, but said studies and information contained therein shall not be shared publicly.
19. Grants shall only be payable to the approved Program applicant.
20. Grants under this Program are subject to approval at the absolute discretion of the Manager of Commercial Districts and Small Business and subject to the availability of funding.
21. Without limiting the discretion as set out in paragraph 20 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where, in the opinion of City Council, or its delegate, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the Applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: the Applicant identified on the application form and, if a corporation, any person or entity with an interest in the corporation or any officer or director of the corporation as determined by the City in its sole, absolute and unfettered discretion.
22. Without limiting the discretion as set out in paragraph 20 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies municipal property tax arrears owed on the

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subject site, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, Building Code or Fire Code orders in respect of the subject site or any other judicial, regulatory or governmental order in respect of the subject site.

23. Without limiting the discretion as set out in paragraph 20, herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which a Grant under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 23, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph 23 shall apply jointly and severally to each of them.

### C. ELIGIBLE/INELIGIBLE STUDIES

Studies eligible under this Program consist of the following based on geographic locations as defined in the ERASE CIPA:

1. Within the Historically Developed Area (HDA):
  - a. Phase II Environmental Site Assessments (ESA) (including interim and supplemental studies) where a Phase I ESA has been completed and recommended the need for a Phase II ESA;
  - b. Remedial Actions Plans; or
  - c. Risk Assessments; and
2. Within Sub-Area 1 – Older Industrial Areas of the HDA:
  - a. Designated Substances and Hazardous Materials (DSHM) Survey; or
  - b. Industrial/Office Reuse Feasibility Study; and
3. Sites located within the HDA that either contain a current/closed institutional use, contain a building designated under Part IV or V of the *Ontario Heritage Act*; or are being investigated for use as a not-for-profit housing development:
  - a. DSHM Survey

Ineligible studies shall be any study not identified in this Section or any study identified above which has been initiated prior to the date an application was submitted under this Program and accepted by the City. An Applicant shall assume the risk, and bear the sole responsibility, for

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any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

#### D. PROGRAM APPLICATION CRITERIA

A complete Program application shall be submitted to the Economic Development Division prior to commencing the subject study (retroactive applications are not permitted). Required documents and information forming a complete application shall be identified within the Program’s application form. The application date for the purposes of the Program will be the date on which City staff have deemed the application complete in their sole discretion.

An application fee is payable upon submission of application. The fee will be authorized through a user-fee by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council and will be identified on the Program’s application form. Application fees are non-refundable including in the event an application is not approved.

#### E. PROGRAM ADMINISTRATION

Economic Development Division staff will review applications for eligibility and completeness in accordance with the ERASE CIPA, ERASE CIP, the Program terms contained herein and in collaboration with other City departments as required. Acceptance of the application by the Economic Development Division in no way implies Grant approval.

The site and Applicant will be the subject of due diligence undertaken by the City prior to any approval being provided or payment of a Grant under this Program. This will include, but may not be limited to, confirmation of the following: all municipal property taxes are paid and current on the subject site, the site is in compliance with Zoning By-law regulations, that there are no outstanding property standards violations or orders, Building Code violations or orders or Fire Code violation or orders, any violations of law or any orders by any other judicial, governmental or regulatory authority, regarding the subject site or the development on the subject site and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being approved or, if the application is approved, non-payment of a Grant under this Program.

Grants under this Program are subject to approval at the absolute discretion of the Manager of Commercial Districts and Small Business and subject to the availability of funding.

If an application is approved, the Applicant will be provided an approval letter that outlines the terms and conditions of the Grant.

Upon study completion, paid Invoices for the subject study will be supplied to the City along with a digital copy of the completed study. The eligible Grant payment will be based on the City’s review, satisfaction and acceptance of the study and the aforesaid invoices and all supporting

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reports and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the City's discretion.

The City reserves the right require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the ERASE CIP are met.

Once the terms of the Program have been satisfied, a cheque will be requisitioned and issued, in the approved Program Applicant's name, in an amount equal to the lesser of: 50% of the lowest quote submitted for the study; the actual cost of the study or the Program maximum as described in Section B. Grant calculation and payment exclude HST.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or Grant being provided.

Applications to this Program not yet approved shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will still continue to receive the Grant subject to meeting the Program terms contained herein

# ERASE REDEVELOPMENT GRANT (ERG) PROGRAM



## A. PROGRAM DESCRIPTION

The ERASE Redevelopment Grant (ERG) Program (the Program) is intended to provide tax increment-based Grants towards costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. By providing Grants to mitigate these financial impediments, the Program enables brownfield sites to be viable candidates for redevelopment relative to non-contaminated sites, supports the intensification/infill of existing vacant and underutilized sites, reduces the need for greenfield lands to accommodate future population and employment growth, and generates new municipal property tax revenue through increased property assessments.

As a tax increment-based program, the ERG Program provides Grants relative to the actual increase in municipal property taxes that are generated as a result of a site being remediated and redeveloped. Grants are provided after development completion over a maximum term as described in Table 1 herein or until eligible Program costs contained in Section C have been recovered, whichever comes first.

Grants under the Program may be provided through one of two streams based on consideration of the project as a Brownfield Development or an Enhanced Brownfield Development. For the purposes of this Program, a Brownfield Development is one that remediates the environmental condition of a site and increases the municipal property taxes generated as a result of remediation and redevelopment. An Enhanced Brownfield Development is the same as a Brownfield Development, but which also achieve one of the following additional priorities:

- Successfully obtains a certification for the achievement of environmental sustainability standards from an eligible organization/program;
- Will connect to (or be designed to allow for future connection to) a district energy system where a current or future connection is deemed feasible by the City;
- Is approved for financial assistance under a Canada Mortgage and Housing Corporation (CMHC), Federal, Provincial or City program for the purposes of incorporating new residential rental housing that supports housing affordability within the city.

The prescribed Grant terms under the Brownfield Development and Enhanced Brownfield Development streams are described in Table 1 below:

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**Table 1 – Prescribed Grant Parameters:  
Brownfield Developments and Enhanced Brownfield Developments**

		Brownfield Development	Enhanced Brownfield Development
Maximum Eligible Costs Permitted For:	the transportation and disposal of contaminated soil at a licensed landfill facility	80%	80%
	In-situ remediation methods or the transportation and treatment of contaminated soil so as to enable reuse	100%	100%
	all other environmental remediation and DSHM eligible costs unless otherwise specified	80%	100%
Maximum Potential Annual Grant Payments		10*	13*
Maximum Annual Grant as a Percentage of Actual Tax Increment Realized		80%**	100%

*\* Or until eligible remediation costs have been recovered, whichever comes first*

*\*\*The remaining 20% increase in the annual municipal tax increment not provided to the Applicant under the Brownfield Development stream shall be directed to a City fund for use in the provision of grants and other initiatives under the ERASE Municipal Acquisition and Partnership (EMAP) and/or ERASE Affordable Housing Grant (EAHG) Programs for the duration of the Applicant’s Grant term up to a maximum of 20% of the value of the total Grant to be provided.*

This Program will apply within the Historically Developed Area as defined through the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) By-law.

Applications under this Program are subject to approval at the absolute discretion of City Council and subject to the availability of funds.

Grants under this Program shall be provided to the Applicant who is the registered owner and who incurred eligible Program costs except where provided for in Section B, paragraph 29.

The City retains the right to assess the reasonableness of costs via audit as well as the determination of cost eligibility under the terms of this Program.

All costs associated with the development and the requirements of this Program are to be borne by the Applicant including construction, design, community benefit charges, development charges, administration fees, appraisals, inspections, Municipal Property Assessment Corporation (MPAC) post development assessment estimates, legal and registration fees, where applicable.

For the purposes of this Program:

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- A ‘site’ shall mean all properties forming part of the development;
- A ‘Qualified Person’ shall have the same meaning as defined under Ontario Regulation 153/04, as amended; and
- A ‘not-for-profit housing development’ shall mean the development of a building or structure intended for use as a residential premise developed by:
  - a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, 2022, c. 21, Sched. 3, s. 4; or
  - CityHousing Hamilton Corporation.

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

## B. PROGRAM ELIGIBILITY AND GRANT CRITERIA

1. Applications to this Program must meet the goals of the Environmental Remediation and Site Enhancement Community Improvement Plan (ERASE CIP).
2. This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.
3. Notwithstanding paragraph two (2), this Program shall not apply to a site where a designated heritage building has been demolished, on agricultural lands which have been the subject of normal farm practices or where remediation is being undertaken for the purposes of a self-storage facility
4. This Program shall not apply and any grant pursuant to the Program shall not be paid where the development does not generate an increase in municipal property taxes.
5. An Applicant to this Program must be the registered owner of the site with grants only payable to the successful Program Applicant and cannot be assigned or directed to any other payee unless otherwise provided for in the Program Administration section herein.
6. Prior to any application approval and/or Grant payment being provided:

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- a. Any outstanding Building Code, Fire Code or property standards orders or any other order applicable to the site by any judicial, governmental or regulatory authority shall be rectified; and
  - b. Any tax arrears on the subject site shall be paid.
7. Environmental sustainability certifications eligible under this Program for consideration of a development as an Enhanced Brownfield Development are: Canadian Home Builders Association (CHBA) Net Zero Home Labelling where Net Zero or Net Zero Ready levels of efficiency are achieved; Passive House Canada; Natural Resources Canada (NRCAN) R2000; Built Green to a Gold or higher standard in the Energy and Envelope category; or Leadership in Energy and Environmental Design (LEED) to a Gold or higher standard or Canada Green Building Council (CaGBC) Zero Carbon Building Standards.
8. The required building components with respect to achieving District Energy Readiness for consideration as an Enhanced Brownfield Development, where such a connection is deemed feasible by the City, shall consist of the following:
  - a. Provision of space for the sole purpose of future equipment and thermal piping;
  - b. Securement of an easement between the mechanical room and the property line to allow for thermal piping; and
  - c. Inclusion of two-way pipes in the building to carry the thermal energy from the district energy network to the section in the building where the future energy transfer station will be located.

The inclusion of such building components shall be subject to confirmation by a Building Inspector or other means at the discretion, and to the satisfaction of, the General Manager of Planning and Economic Development (GM).

9. With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:
  - a. Successfully file a Record of Site Condition (RSC) to the Ministry of Environment, Conservation and Parks (MECP), prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable Site Condition Standards (SCS) required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
  - b. Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk

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Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant’s expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and supporting environmental reports and documentation be submitted to the City’s satisfaction.

10. The Applicant will be required to enter into a Grant Payment Agreement with the City that sets out the conditions of the Grant. Before any Grant is provided, the Applicant and site shall be in compliance with the Program’s requirements and conditions and all additional requirements as set out in the Grant Payment Agreement as determined by the GM.
11. Subject to compliance with the terms and conditions of the Grant Payment Agreement the first-year payment of the Grant is payable when the development is deemed complete by the City in accordance with paragraph 16, the site has been reassessed by the MPAC, after one full calendar year of taxes reflecting the reassessed value have been paid and in accordance with the following (subject to municipal property taxes being paid in full and no pending appeal or confirmation that the assessment will not be appealed):
  - a. For non-condominium residential, commercial and industrial developments, the first year Grant payment shall be regardless of the number of units/floor area occupied; or
  - b. For condominium and mixed-use condominium developments (including commercial, residential or industrial condominiums):
    - i. the first year Grant payment shall require 100% of the condominium units within the development to have been fully assessed. At the Applicant’s initiation, a request may be submitted to the City requesting that the first year of the Grant be payable during the calendar year in which 75% of the condominium units have been assessed;
    - ii. the post-development municipal property taxes are calculated by taking the sum of the municipal property taxes of each of the assessed condominium units within the development. The Grant is calculated as a whole, and not calculated on a per condominium unit basis. Where the City has accepted a request that the first year of the Grant be payable during the calendar year in which 75% of the condominium units have been assessed, the Grant payments shall be calculated based only on the 75% of units fully assessed and shall continue to be paid only on these units over the duration of the Grant term without future amendment; and

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- iii. If the one-year period following the date of registration of the Plan of Condominium for the development expires after December 31 of the year in which condominium units within the development are fully assessed in accordance with 11.b.i. herein, the Grant will be payable to the Applicant by the end of the first quarter of the year following the year in which the applicable condominium units within the development are fully assessed.
12. Notwithstanding paragraph 11, and subject to written approval by the Director of Economic Development, a percentage of the total Grant payment may be provided for phased/comprehensive/subdivision developments where a portion of the development will meet the aforementioned requirements with such Grant payments being apportioned based on the number of phases completed and the actual accepted eligible costs incurred in each completed phase. Such partial Grant payments shall be limited to those developments where the incremental tax increase for individual phases can be determined to the City’s satisfaction
13. If the Applicant, third party or the municipality has appealed the change in the site’s assessment, the Grant will not be advanced until the appeal has been finally determined through the Assessment Review Board or any other permitted means and revised property taxes have been calculated and adjusted. However, in the case of a condominium development or mixed use condominium developments (including commercial, residential or industrial condominiums), the annual Grant may, as determined by the GM in their sole, absolute and unfettered discretion, continue to be payable to the Applicant but reduced on a pro-rated basis if an appeal has been filed with the MPAC by any of the condominium unit owners, whether such owner is the initial purchaser or a subsequent purchaser. The pro-rated holdback will not be released until the appeals are finally determined through the Assessment Review Board or other permitted means, and the revised property taxes have been calculated.
14. In the event of an appeal of assessment/taxes, the total value of the Grant provided under the Program will be reduced by:
  - a. the amount by which municipal property taxes have been cancelled or reduced for the site pursuant to any other City programs and/or tax appeals under Sections 357 and 358 of the *Municipal Act*;
  - b. the amount by which municipal property taxes have been cancelled or reduced for the site pursuant to a Request for Reconsideration; and
  - c. the amount by which municipal property taxes have been reduced or cancelled for the site pursuant to any relief or reduction permitted under any legislation or order of any court or the Assessment Review Board.

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15. The pre-development municipal property taxes used for determining the actual municipal property tax increment are those from the most recent tax year which represents the pre-development condition of the site, as determined by the City.
16. For the purposes of this Program, a development shall be deemed to be complete where:
  - a. Required environmental remediation site works and/or mitigation measures have been completed;
  - b. A RSC has been successfully filed with MECP or where a Risk Assessment has been successfully peer-reviewed and accepted by the City in accordance with paragraph nine (g.) b. herein; and
  - c. Occupancy of the development has been approved permitted by the City subject to tenant improvements and, in the case of a condominium development, the Plan of Condominium has been registered.
17. The eligible amount of the increase in municipal property taxes shall exclude special charges, including Business Improvement Area levies and any other charge identified within the Grant Payment Agreement, from the calculation.
18. An annual Grant payment shall not exceed the first year’s Grant payment regardless of future increases in the municipal property taxes levied for each year that a Grant payment is to be provided. An annual Grant payment may be less than the first year’s Grant payment where municipal taxes levied in a year in which a Grant payment is to be provided results in a lower Grant being paid than that provided in the first year in which case the lesser amount shall be that year’s Grant amount.
19. For residential condominium developments, the units must be assessed as residential condominiums. If the development is assessed as multi-residential or new-multi-residential, no Grant will be payable without City Council approval.
20. The annual Grant will be calculated by taking the difference between the post-development municipal taxes (for each year the Grant is payable) and the pre-development municipal taxes as determined in accordance with paragraph 15 herein and applying the percentage based on the applicable application stream and year of the Grant as described in Section A, Table 1.
21. If an Applicant is redeveloping a portion of the site, the Grant will be based on that portion of the site only. The Applicant will be required to provide an estimate of the annual property assessment valuation for the portion of the site subject to the Program application from the MPAC for each year in which a Grant payment is to be provided for calculation purposes.

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22. Work on the portion of the development that is at or above grade shall commence no longer than five (5) years and be completed and capable of being fully occupied within 10 years from the date an application under this Program was approved by City Council , and if the development is a condominium development it shall also have a Plan of Condominium registered within 10 years from the date the application under this Program for the condominium development was approved by City Council.

Extensions may be granted for phased/comprehensive developments or due to development specific extenuating circumstances outlined in a formal request submitted by the Applicant to the City prior to the lapsing of the above time periods and considered at the sole discretion of the GM.

23. Approval and the receiving of Grants under this Program shall not preclude eligibility, approval and the receiving of financial assistance for the same site under any other available municipal program with the exception of any other tax increment-based or tax cancellation program which shall not be permitted to be combined with assistance under this Program.
24. A Grant provided with respect to an Enhanced Brownfield Development which achieves the housing affordability priority described in Section A shall:
- a. Be based on the entire development’s tax-increment notwithstanding if the development contains residential units with mixed rent levels and/or is a mixed use development containing non-residential uses; and
  - b. In the event that the terms under which financial assistance being provided under a CMHC, Federal, Provincial or City program have not been complied with by the Applicant or in respect of the development for any reason the following shall apply:
    - i. If Grant payments have already commenced or reached the maximum term under this Program, the difference in the Grant amount provided relative to that which would have been provided a Brownfield Development as prescribed in Section A, Table 1 shall become repayable and any remaining Grant payments, if applicable, shall be provided in the amount prescribed for a Brownfield Development; or
    - ii. If Grant payments under this Program have not yet commenced, the Grant will be provided in the amount prescribed for a Brownfield Development as prescribed in Section A, Table 1.
25. The total Grant provided over the maximum applicable term of this Program shall not exceed the actual eligible costs incurred or the maximum Grant approved by City Council, whichever is less.

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26. The City reserves the right to audit the invoices/costs submitted for consistency with the Remedial Action Plan, contractor quote or other work plan submitted in support of the application and for compliance under the Program terms contained herein.
27. A Grant under this Program will be provided to an approved Applicant if all terms and conditions of this Program have been satisfied including payment of all municipal property taxes. Notwithstanding any other term contained in this Program description, in the case of condominium developments, confirmation of payment of all taxes shall be limited to the period up to development completion and for any portion of the development retained by the Applicant after development completion.
28. If a building(s) erected on a site participating in this Program is demolished before the applicable Grant period expires, the remaining Grant to be provided under this Program shall be forfeited.
29. A Grant under this Program shall not be permitted to be assigned except where the Applicant has been approved for a loan under the ERASE Commercial District Remediation Loan (ECDRL) Program in which case the Applicant shall be required to assign the Grant under this Program to the City of Hamilton as payment towards their loan under the ECDRL. Any Grant amount under this Program in excess of the total loan outstanding under the ECDRL shall be provided to the Applicant in accordance with the criteria of this Program.
30. In the event of a Change of Corporate Control where the Applicant is a corporation, the Applicant covenants and agrees that in the event that:
  - a. the Applicant fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require or;
  - b. without the written consent of the City first had and obtained:
    - i. the Applicant issues or redeems any of its shares or transfers any of its shares;
    - ii. there is a sale or sales of the shares of the Applicant which result in the transfer of the legal or beneficial interest of any of the shares of the Applicant or;
    - iii. the Applicant amalgamates, merges or consolidates with any other corporation; and

The result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Applicant, or the requested information is not provided, then future Grant payments under the Program shall cease at the absolute discretion of the City.

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31. Applications under this Program are subject to approval at the absolute discretion of City Council and subject to the availability of funds.
32. Without limiting the discretion as set out in paragraph 31 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where, in the opinion of City Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the Applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: The Applicant identified on the application form and, if a corporation, any person or entity with an interest in the corporation or any officer or director of the corporation as determined by the City in its sole, absolute and unfettered discretion.
33. Without limiting the discretion as set out in paragraph 31 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies municipal property tax arrears owed on the subject site, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, Building Code or Fire Code orders in respect of the subject site or any other judicial, regulatory or governmental order in respect of the subject site.
34. Without limiting the discretion as set out in paragraph 31, herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which a Grant under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 34, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph 34 shall apply jointly and severally to each of them.
35. Buildings uses and developments shall conform to the City’s Official Plan(s), applicable Secondary Plan(s), Zoning By-Laws(s), Site Plan approval and any other applicable and approved municipal policies, by-laws or guidelines (e.g. urban design guidelines) and any other laws applicable to the development.
36. A Program application may be denied by City Council if the development is not supported by City Council notwithstanding any approval of *Planning Act* applications by any other authority including but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the Program application will not fetter its discretion on *Planning Act* applications.

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37. Approval of a Program application by City Council may provide for a reduced Grant amount such that no Grant is payable in respect of any portion of the development that is the subject of the Grant application which City Council does not support notwithstanding any approval of *Planning Act* applications by any other authority including, but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the Program application will not fetter its discretion on *Planning Act* applications. In such cases, the Applicant shall be required to provide additional supporting documentation, at the Applicant’s own expense, to support the providing of financial assistance in accordance with City Council’s approval/direction, including but not limited to, all the MPAC post-development assessment estimates required by the City.

### C. ELIGIBLE/INELIGIBLE COSTS

Eligible costs under this Program for sites located within the Historically Developed Area consist of the following (excluding HST) but shall exclude in all cases any cost which would have been required for the development regardless of the need to remediate contaminated soil/groundwater and/or abate/remove Designated Substance and Hazardous Materials (DSHM), where applicable:

1. Physical environmental remediation of soil and/or groundwater which includes the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible site required to meet the applicable SCS needed to facilitate the planned development/use and to permit the filing of a RSC by a Qualified Person, including costs of preparing and filing the RSC and Certificate of Property Use (CPU);
2. Clean back fill, grading and compaction to replace contaminated soils, where required;
3. Phase II ESAs, Remedial Action Plans and/or Risk Assessments not reimbursed, or planned to be reimbursed, under the ERASE Study Grant (ESG) Program;
4. Peer-reviews with respect to Risk Assessments where an RSC is not required by the MECP;
5. Installation of environmental and/or engineering controls/works, related to environmental remediation, as specified in the Remedial Action Plan, Risk Assessment and/or CPU;
6. Testing of on-site excess soils for potential reuse but shall not include the excavation, management, transportation or disposal of such soil except where the soil originates from the site and is found to be contaminated;
7. DSHM Survey and/or abatement/removal in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable) on the following sites within the Historically Developed Area:
  - a. Sub-Area 1 - Older Industrial Areas;

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- b. Those containing a current/closed institutional use;
  - c. Those containing a building designated under Part IV or V of the *Ontario Heritage Act*; or
  - d. Those being developed for use as a not-for-profit housing development; and
8. In addition, the following costs may also be considered eligible when incurred on a site requiring remediation of contaminated soil/groundwater and/or abatement/removal of DSHM and located in the applicable geographic area identified:
- a. Within the Historically Developed Area:
    - i. 50% of incremental construction costs required to achieve an environmental sustainability certification listed in Section B, paragraph seven (7) herein as well as the following associated soft costs supporting such certification:
      - 1. consultation fees;
      - 2. energy modeling; and
      - 3. certification fees; and
    - ii. 50% of incremental construction costs required to incorporate District Energy Readiness components listed in Section B, paragraph eight (8) herein for developments where a current or future connection is deemed feasible as determined by the City; and
  - b. Within Sub-Area 1 – Older Industrial Areas of the Historically Developed Area:
    - i. Existing building demolition for planned non-residential developments where such costs are being incurred on a private property(s) subject to an application under this Program and where such demolition will support the rehabilitation and reuse of the site;
    - ii. 25% of the cost for the removal, replacement and/or upgrade of capacity for existing on-site infrastructure services (water, sanitary and storm) for planned non-residential developments where such costs are being incurred on a private property(s) subject to an application under this Program and where such upgrades will support the rehabilitation and reuse of the site; and
    - iii. Industrial/Office Reuse Feasibility Study not reimbursed, or planned to be reimbursed, under the ESG Program.

Ineligible costs shall be any cost not identified in this Section or any cost identified above which has been incurred prior to the date an application was submitted under this Program and accepted by the City with the exception of studies which were the subject of a previously

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approved ESG Program application. An Applicant shall assume the risk, and bear the sole responsibility, for any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

#### D. DEVELOPMENT CHARGE DEFERRAL OPTION

The payment of Development Charges (DCs) as a condition of development can be a significant factor in determining the feasibility of remediating and redeveloping brownfields as DCs are often required to be paid early in the development process at the same time as costs are being incurred to remediate site contamination in preparation for site development.

As a strategy to further support the feasibility and added cash flow pressures required for brownfield redevelopment, approved applicants under the ERG Program may be provided the option to utilize an ERASE specific deferral of DCs at low/no interest in an amount up to the lesser of:

- The maximum estimated Grant approved by City Council; or
- The maximum Grant estimated to be achieved within the parameters of the Program, as determined by the City, based on the estimated eligible costs and estimated post-development assessment and municipal property tax uplift.

Where a City Council approved ERG Applicant has elected and been approved by the General Manager of Finance and Corporate Services to utilize the ERASE DC Deferral Option, Grant payments under this Program will be directed towards fulfilling the ERASE DC deferral until the deferred DCs have been fully paid.

All Applicants utilizing the ERASE DC Deferral Option will be required to enter into an ERASE DC Deferral Agreement with the City. This Agreement shall contain provisions including, but not limited to, the terms and conditions set out herein and such additional conditions as required by City Council, the City Solicitor or General Manager of Finance and Corporate Services in their sole discretion. Such agreement may also include the provision of securities that include, but may not be limited to, Letters of Credit, mortgages registered on title and/or personal guarantees as deemed required by the City.

ERASE DC Deferral Agreements will be subject to the applicable, in effect DC By-law and any additional requirements, conditions and agreements as deemed appropriate to affect the Agreement at the discretion of City Council or the General Manager of Finance and Corporate Services.

#### E. PROGRAM APPLICATION CRITERIA

Potential Applicants shall be required to have a pre-application consultation meeting with City staff in order to determine Program eligibility, proposed scope of work, project timing, etc.

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A complete Program application shall be submitted to the Economic Development Division prior to the commencement of eligible works that are the subject of a Program application. Required documents and information forming a complete application shall be identified within the Program’s application form. The application date for the purposes of the Program will be the date on which City staff have deemed the application complete in their sole discretion.

An application fee is payable upon submission of application. The fee will be authorized through a user-fee by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council and will be identified on the Program’s application form. Application fees are non-refundable including in the event an application is not approved.

Applications shall include all available environmental studies for the site (Phase I and II ESAs, Risk Assessment, DSHM Survey), a Remedial Action Plan completed by a Qualified Person, contractor cost estimates for environmental remediation and any other potentially eligible works and any other details as may be required to satisfy the City as to the cost of the environmental remediation and any other potentially eligible works and the development’s conformity with the objectives of the this Program and the ERASE CIP. The City may also require the submission of a Business Plan for the proposed development.

Applications under this Program will not be accepted if there is an outstanding dispute, proceeding or process including but not limited to: a Request for Reconsideration through the MPAC, an outstanding Assessment Review Board appeal, an outstanding divisional court appeal or an outstanding *Municipal Act* appeal, relating to the assessment of the site or in respect of property taxes related to the site. The Program application will only be accepted once any of the above applicable matters have been finally resolved and the revised (if applicable) property taxes have been calculated.

Applicants may be required to obtain a post-development assessment estimate from the MPAC as part of submitting a Program application. Developments which are the subject of this requirement will be identified in the Program’s application form.

## F. PROGRAM ADMINISTRATION

Economic Development Division staff will review applications for eligibility and completeness in accordance with the ERASE CIPA, ERASE CIP, the Program terms contained herein and in collaboration with other City departments as required. Acceptance of the application by the Economic Development Division in no way implies Grant approval.

The Site and Applicant will be the subject of due diligence undertaken by the City prior to any recommendation on the application being brought to City Council for consideration and prior to each Grant payment being provided. This will include, but may not be limited to, confirmation of the following: all municipal property taxes are paid and current on the subject site, the site is

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in compliance with Zoning By-law regulations, that there are no outstanding property standards violations or orders, Building Code violations or orders or Fire Code violation or orders, any violations of law or any orders by any other judicial, governmental or regulatory authority, regarding the subject site or the development on the subject site and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being approved or, if the application is approved, non-payment of a Grant under this Program.

Where the development requires approval of a Site Plan, a conditional Site Plan approval shall have been obtained from the City prior to City Council consideration of an application under this Program. Where a conditional Site Plan approval contains conditions which, until satisfied, may impact a post-development assessment of the development including but not limited, requirements to obtain Minor Variances through the Committee of Adjustment, the City may require these conditions to be satisfied prior to City Council consideration of the application. Where no Site Plan is required for the development, City Council’s consideration of an application will occur after such time as the Economic Development Division is satisfied that all necessary information has been provided to inform an estimate of the resulting post-development assessment and municipal property taxes.

Where a portion of estimated eligible costs are not yet known, Economic Development Division staff reserves the right to consider bringing forward multiple recommendations respecting the application for City Council consideration as part of a multi-step application process as estimated eligible costs become known.

Where an application has been submitted but not yet approved by City Council and the subject site is sold/transferred to a new owner, the City may permit the transfer or assignment of the application, and any eligible costs incurred from the original date of application, to the new owner at the sole, absolute and unfettered discretion of the GM. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion. The new owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by GM.

Applications under this Program are subject to approval at the absolute discretion of City Council and subject to the availability of funds.

Developments identified as an Enhanced Brownfield Development shall be required to provide documentation to the City in support of this determination prior to a Grant being provided. Supporting documentation may include, but is not limited to, eligible certificates/accreditations issued by a recognized environmental sustainability organization, a signed declaration of a financial commitment issued for the subject development from the CMHC, Federal or Provincial governments or associated agency and/or City of Hamilton. Applicants who do not submit

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required documentation prior to the initial Grant payment being provided, the timing of which is described in Section B, may continue to be provided a Grant in accordance with the Grant term and Grant calculation equal to that afforded a Brownfield Development, in accordance with Section A, Table 1, and subject to all the same applicable requirements associated with that classification. If required, documentation necessary to confirm the status of a development as an Enhanced Brownfield Development for the purposes of this Program is obtained after the Grant payments have commenced, the corresponding increase to Grant payments shall commence with the next annual Grant payment and shall not be retroactive.

Approved Applicants shall be required to enter into a Grant Payment Agreement with the City containing (but not limited to) the terms and conditions set out in this Program description.

The City reserves the right to require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the ERASE CIP are met.

Notwithstanding any other term or condition of this Program, where an application has been approved by City Council, the application and the associated approval, including the assignment of any eligible costs incurred by the approved Applicant since the date of application submission, may be assigned to a future intended owner of the subject site only in such instance where the registered owner of the site at the time of City Council approval was the City of Hamilton, CityHousing Hamilton Corporation or any other entity wholly owned by the City of Hamilton and where the assignment will further facilitate the remediation and redevelopment of a site and/or support the achievement of strategic City priorities/objectives. It is understood that one effect of such an assignment shall be that the future intended owner will assume all requirements and obligations required under this Program and become the recipient of any future Grant payments which may be eligible under the Program at such time as they become the registered owner. In such an instance, a request to assign the application shall be submitted in writing to the City by the existing owner and the City Council approved Applicant with accompanying rationale and be subject to approval by City Council in its sole discretion. The future intended owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by City Council. An assignment or transfer may require that the assignee or transferee submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion.

With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:

- Successfully file a RSC to the MECP, prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable SCS required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or

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- Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant’s expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and environmental reports and supporting documentation be submitted to the City’s satisfaction.

Paid Invoices for all eligible costs incurred will be supplied to the City and the Grant will be based on the City’s review, satisfaction and acceptance of these invoices and all supporting reports and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the City’s discretion. The Grant may be reduced or cancelled if the eligible works are not completed, not completed as approved and/or where documentation/invoicing of said costs is not provided to the City’s satisfaction. In addition, invoices must be billed to the Applicant approved by City Council.

Once the development is complete, has been reassessed by the MPAC, and after one (1) full calendar year of taxes reflecting the reassessment have been paid, the City will undertake updated due diligence, including, but not limited to, ensuring that the site is not in tax arrears and that the site and development are still in conformity with the terms of the Grant Agreement. The City will calculate the actual tax increment and Grant payment. The City will then issue payment of the Grant in the form of a cheque in the amount specified as per the calculation of the actual Grant payment contained in Section A and B herein. If the site is severed into multiple parcels or lots or if there is a conveyance of part of the site (all referred to as severed parcels) prior to the first full year of reassessment resulting from the completion of the development. the municipal property taxes used to calculate the Grant shall be the sum of the amount which is the lesser of the post-development municipal property taxes or the municipal property taxes payable for the year for which a Grant payment is being made, for all the severed parcels but for the initial Grant payment means the amount which equals the sum of the post-development municipal property taxes for the severed parcels.

A Grant will not be made unless a written request for the Grant payment has been made by the Applicant in the year in which the Grant becomes payable. If a written request has not be made for Grant payment in the year in which it is payable, but all other conditions for its payment have

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been satisfied, the Grant payment shall accrue and be payable together with any other Grant payments for which a written request has not been made until such time as a written request has been made and upon such written request the Grant payment shall equal the sum of the accrued and previously unrequested Grant payments. If a request for the initial Grant payment is not made within three (3) years of the year in which the first-years' Grant is payable the agreement shall terminate and without limiting the generality of the foregoing the City shall not be obligated to make any Grant payments.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or Grant being provided.

Applications to this Program not yet approved by City Council shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will still continue to receive the Grant subject to meeting the Program terms contained herein

# ERASE TAX ASSISTANCE (ETA) PROGRAM



## A. PROGRAM DESCRIPTION

The ERASE Tax Assistance (ETA) Program (the Program) is intended to reduce the tax increase resulting from the remediation and redevelopment of a brownfield site in order to mitigate costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. The tax cancellation provided under this Program enables brownfield sites to be viable candidates for redevelopment relative to non-contaminated sites, supports the intensification/infill of existing vacant and underutilized sites, reduces the need for greenfield lands to accommodate future population and employment growth, and generates new property tax revenue through increased property assessments.

An approval under this Program shall not be granted until City Council has approved the Application and has passed a by-law pursuant to s.365.1 of the *Municipal Act, 2001*, as amended and the Minister of Finance of the Province of Ontario has approved the by-law.

An approval granted under this Program shall be conditional on the Applicant receiving approval from the Minister of Finance for an application under the Province of Ontario's Brownfield Financial Tax Incentive Program (BFTIP) respecting the cancellation of the education portion of property taxes. Approval for the cancellation of the education portion of the property tax increment may be provided by the Minister of Finance on a case-by-case basis. **Where an application and approval under the Province's BFTIP will not be sought, the applicant shall be directed to make application under the ERASE Redevelopment Grant (ERG) Program.**

Under the ETA, 80% of the increase in the municipal portion of property taxes (the tax increment) that results from remediation and redevelopment of a site, or such lesser amount as set out below, will be cancelled annually until the expiration of the earlier of the following:

- Six (6) years for a business development (commercial and industrial) or 10 years for a residential development (including mixed use residential); or
- A value that equals accepted eligible Program costs contained in Section C herein.

Tax cancellation assistance shall cease upon the sale or transfer of the development regardless of whether the full value of aforementioned tax assistance has been provided.

This Program shall not apply to developments containing condominiums.

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This Program will apply within the Historically Developed Area as defined through the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) By-law.

Applications under this Program, with respect to the cancellation of the municipal portion of property taxes, are subject to approval at the absolute discretion of City Council and subject to the availability of funds.

The remaining 20% increase in the annual municipal tax increment not subject to cancellation shall be directed to a City fund for use in the provision of grants and other initiatives under the ERASE Municipal Acquisition and Partnership (EMAP) and/or ERASE Affordable Housing Grant (EAHG) Programs for the duration of the Applicant’s term for tax cancellation up to a maximum of 20% of the value of the total tax cancellation to be provided. The remaining 20% of the increase in the education portion of property taxes will be remitted to the Province of Ontario.

The City retains the right to assess the reasonableness of costs via audit as well as the determination of cost eligibility under the terms of this Program.

All costs associated with the development and the requirements of this Program are to be borne by the Applicant including construction, design, community benefit charges, development charges, administration fees, appraisals, inspections, Municipal Property Assessment Corporation (MPAC) post development assessment estimates, legal and registration fees, where applicable.

For the purposes of this Program:

- A ‘site’ shall mean all properties forming part of the development;
- A ‘Qualified Person’ shall have the same meaning as defined under Ontario Regulation 153/04, as amended; and

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

## **B. PROGRAM ELIGIBILITY AND TAX CANCELLATION CRITERIA**

1. Applications to this Program must meet the goals of the Environmental Remediation and Site Enhancement Community Improvement Plan (ERASE CIP).
2. This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.

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3. Notwithstanding paragraph two (2), this Program shall not apply to a site where a designated heritage building has been demolished, on agricultural lands which have been the subject of normal farm practices, where remediation is being undertaken for the purposes of a self-storage facility, or for any development that will be subject to a Plan of Condominium.
4. This Program shall not apply and any tax cancellation pursuant to the Program shall not be provided where the development does not generate an increase in municipal property taxes or where an application under the Province of Ontario’s BFTIP has been denied.
5. An Applicant to this Program must be the registered owner of the site with grants only payable to the successful Program Applicant and cannot be assigned or directed to any other payee unless otherwise provided for in the Program Administration section herein.
6. Prior to any application approval and/or tax cancellation being provided:
  - a. Any outstanding Building Code, Fire Code or property standards orders or any other order applicable to the site by any judicial, governmental or regulatory authority shall be rectified; and
  - b. Any tax arrears on the subject site shall be paid.
7. With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:
  - a. Successfully file a Record of Site Condition (RSC) to the Ministry of Environment, Conservation and Parks (MECP), prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable Site Condition Standards (SCS) required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
  - b. Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant’s expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

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The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and supporting environmental reports and documentation be submitted to the City’s satisfaction.

8. The Applicant will be required to enter into a Tax Cancellation Agreement with the City that sets out required conditions. Before any cancellation is provided, the Applicant/registered owner(s) and site shall be in compliance with the Program’s requirements and conditions and all additional requirements as set out in the Tax Cancellation Agreement as determined by the General Manager of Planning and Economic Development (GM).
9. Subject to compliance with the terms and conditions of the Tax Cancellation Agreement the first-year of tax cancellation is payable when the development is deemed complete by the City in accordance with paragraph 14, the site has been reassessed by the MPAC, shall be regardless of the number of units/floor area occupied and require confirmation that municipal property taxes are paid in full and that there is no pending appeal or confirmation that the assessment will not be appealed.
10. Notwithstanding paragraph 9, and subject to written approval by the Director of Economic Development, a percentage of the total tax cancellation may be provided for phased/comprehensive developments where a portion of the development will meet the aforementioned requirements with such tax cancellation being apportioned based on the number of phases completed and the actual accepted eligible costs incurred in each completed phase. Such partial tax cancellation shall be limited to those developments where the incremental tax increase for individual phases can be determined to the City’s satisfaction
11. If the Applicant, third party or the municipality has appealed the change in the property(s) assessment, tax cancellation will not be provided until the appeal has been finally determined through the Assessment Review Board or any other permitted means and revised property taxes have been calculated and adjusted.
12. In the event of an appeal of assessment/taxes, the total value of tax cancellation provided under the Program will be reduced by:
  - a. the amount by which municipal property taxes have been cancelled or reduced for the site pursuant to any other City programs and/or tax appeals under Sections 357 and 358 of the *Municipal Act*;
  - b. the amount by which municipal property taxes have been cancelled or reduced for the site pursuant to a Request for Reconsideration; and
  - c. the amount by which municipal property taxes have been reduced or cancelled for the site pursuant to any relief or reduction permitted under any legislation or order of any court or the Assessment Review Board.

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13. The pre-development property taxes used for determining the actual municipal property tax increment are those from the most recent tax year which represents the pre-development condition of the site, as determined by the City.
14. For the purposes of this Program, a development shall be deemed to be complete where:
  - a. Required environmental remediation site works and/or mitigation measures have been completed;
  - b. A RSC has been successfully filed with MECP or where a Risk Assessment has been successfully peer-reviewed and accepted by the City in accordance with paragraph seven (7.) b. herein; and
  - c. Occupancy of the development has been approved or permitted by the City subject to tenant improvements.
15. The eligible amount of the increase in municipal property taxes shall exclude special charges, including Business Improvement Area levies and any other charge identified within the Tax Cancellation Agreement, from the calculation.
16. If a development is assessed as a condominium, no tax cancellation will be provided.
17. Annual tax cancellation will be calculated by deducting 80% of the difference between the post-development municipal and education taxes (for each year tax cancellation is to be provided) and the pre-development taxes as determined in accordance with paragraph 13 herein. The value of tax cancellation provided in a given year may be less than 80% where required to ensure total tax cancellation will not exceed the accepted eligible costs and/or maximum tax cancellation approved by City Council.
18. Work on the portion of the development that is at or above grade shall commence no longer than five (5) years and be completed and capable of being fully occupied within 10 years from the date an application under this Program was approved by City Council.

Extensions may be granted for phased/comprehensive developments or due to development specific extenuating circumstances outlined in a formal request submitted by the Applicant to the City prior to the lapsing of the above time periods and considered at the sole discretion of the GM and subject to approval by the Minister of Finance respecting the education portion of property taxes.
19. If an Applicant is redeveloping a portion of the site, the tax cancellation will be based on that portion of the site only. The Applicant will be required to provide an estimate of the annual property assessment valuation for the portion of the site subject to the Program application from the MPAC for each year in which tax cancellation is to be provided for calculation purposes.

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20. Approval and the receiving of tax cancellation under this Program shall not preclude eligibility, approval and the receiving of financial assistance for the same site under any other available municipal program with the exception of any other tax increment-based or tax cancellation program which shall not be permitted to be combined with assistance under this Program.
21. The total value of tax cancellation provided shall not exceed the lesser of the actual accepted eligible costs incurred or 80% of municipal tax increment over the applicable term of six (6) years for a business development (commercial and industrial) or 10 years for a residential development (including mixed use residential).
22. The City reserves the right to audit the invoices/costs submitted for consistency with the Remedial Action Plan, contractor quote or other work plan submitted in support of the application and for compliance under the Program terms contained herein.
23. Tax cancellation under this Program will be provided if all terms and conditions of this Program and are in good standing.
24. If a building(s) erected on a site participating in this Program is demolished before the applicable tax cancellation period expires, the remainder of the tax cancellation under this Program shall be forfeited.
25. Tax cancellation provided under this Program shall only be to the City Council approved Program applicant who shall be the registered property owner. Tax cancellation assistance shall cease upon the sale or transfer of the development regardless of whether the full value of tax assistance has been provided and an assignment/transfer of any and all remaining tax assistance shall not be permitted.
26. In the event of a Change of Corporate Control where the Applicant is a corporation, the Applicant covenants and agrees that in the event that:
  - a. the Applicant fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require or;
  - b. without the written consent of the City first had and obtained:
    - i. the Applicant issues or redeems any of its shares or transfers any of its shares;
    - ii. there is a sale or sales of the shares of the Applicant which result in the transfer of the legal or beneficial interest of any of the shares of the Applicant or;
    - iii. the Applicant amalgamates, merges or consolidates with any other corporation; and

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The result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Applicant, or the requested information is not provided, then future tax cancellation under this Program shall cease at the absolute discretion of the City.

27. Applications under this Program, with respect to the cancellation of the municipal portion of property taxes, are subject to approval at the absolute discretion of City Council and subject to the availability of funds.
28. Without limiting the discretion as set out in paragraph 27 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where, in the opinion of City Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the Applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: The Applicant identified on the application form and, if a corporation, any person or entity with an interest in the corporation or any officer or director of the Corporation as determined by the City in its sole, absolute and unfettered discretion.
29. Without limiting the discretion as set out in paragraph 27 herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies municipal property tax arrears owed on the subject site, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, Building Code or Fire Code orders in respect of the subject site or any other judicial, regulatory or governmental order in respect of the subject site.
30. Without limiting the discretion as set out in paragraph 27, herein, City Council, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which tax cancellation under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 30, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph 30 shall apply jointly and severally to each of them.
31. Buildings uses and developments shall conform to the City’s Official Plan(s), applicable Secondary Plan(s), Zoning By-Laws(s), Site Plan approval and any other applicable and approved municipal policies, by-laws or guidelines (e.g. urban design guidelines) and any other laws applicable to the development.

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32. A Program application may be denied by City Council if the development is not supported by City Council notwithstanding any approval of *Planning Act* applications by any other authority including but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the Program application will not fetter its discretion on *Planning Act* applications.
33. Approval of a Program application by City Council may provide for reduced tax cancellation such that no tax cancellation is to be provided in respect of any portion of the development that is the subject of the tax cancellation application which City Council does not support notwithstanding any approval of *Planning Act* applications by any other authority including, but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the Program application will not fetter its discretion on *Planning Act* applications. In such cases, the Applicant shall be required to provide additional supporting documentation, at the Applicant’s own expense, to support the providing of tax cancellation in accordance with City Council’s approval/direction, including but not limited to, all MPAC post-development assessment estimates required by the City.

### C. ELIGIBLE/INELIGIBLE COSTS

Eligible costs under this Program for sites located within the Historically Developed Area consist of the following (excluding HST) but shall exclude in all cases any cost which would have been required for the development regardless of the need to remediate contaminated soil/groundwater:

1. Physical environmental remediation of soil and/or groundwater which includes the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible site required to meet the applicable SCS needed to facilitate the planned development/use and to permit the filing of a RSC by a Qualified Person, including costs of preparing and filing the RSC and Certificate of Property Use (CPU);
2. Clean back fill, grading and compaction to replace contaminated soils, where required;
3. Phase II ESAs, Remedial Action Plans and/or Risk Assessments not reimbursed, or planned to be reimbursed, under the ERASE Study Grant (ESG) Program;
4. Peer-reviews with respect to Risk Assessments where an RSC is not required by the MECP;
5. Installation of environmental and/or engineering controls/works, related to environmental remediation, as specified in the Remedial Action Plan, Risk Assessment and/or CPU; and

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6. Testing of on-site excess soils for potential reuse but shall not include the excavation, management, transportation or disposal of such soil except where the soil originates from the site and is found to be contaminated.

Ineligible costs shall be any cost not identified in this Section or any cost identified above which has been incurred prior to the date an application was submitted under this Program and accepted by the City with the exception of studies which were the subject of a previously approved ESG Program application. An Applicant shall assume the risk, and bear the sole responsibility, for any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

#### D. PROGRAM APPLICATION CRITERIA

Potential Applicants shall be required to have a pre-application consultation meeting with City staff in order to determine Program eligibility, proposed scope of work, project timing, etc.

A complete Program application shall be submitted to the Economic Development Division prior to the commencement of eligible works that are the subject of a Program application. Required documents and information forming a complete application shall be identified within the Program’s application form. The application date for the purposes of the Program will be the date on which City staff have deemed the application complete in their sole discretion.

An application fee is payable upon submission of application. The fee will be authorized through a user-fee by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council and will be identified on the Program’s application form. Application fees are non-refundable including in the event an application is not approved.

Applications shall include all available environmental studies for the site (Phase I and II ESAs, Risk Assessment, DSHM Survey), a Remedial Action Plan completed by a Qualified Person, contractor cost estimates for environmental remediation and any other potentially eligible works and any other details as may be required to satisfy the City as to the cost of the environmental remediation and any other potentially eligible works and the development’s conformity with the objectives of the this Program and the ERASE CIP. The City may also require the submission of a Business Plan for the proposed development.

Applications under this Program will not be accepted if there is an outstanding dispute, proceeding or process including but not limited to: a Request for Reconsideration through the MPAC, an outstanding Assessment Review Board appeal, an outstanding divisional court appeal or an outstanding *Municipal Act* appeal, relating to the assessment of the site or in respect of property taxes related to the site. The Program application will only be accepted once any of the above applicable matters have been finally resolved and the revised (if applicable) property taxes have been calculated.

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Applicants may be required to obtain a post-development assessment estimate from the MPAC as part of submitting a Program application. Developments which are the subject of this requirement will be identified in the Program’s application form.

## E. PROGRAM ADMINISTRATION

Economic Development Division staff will review applications for eligibility and completeness in accordance with the ERASE CIPA, ERASE CIP, the Program terms contained herein and in collaboration with other City departments as required. Acceptance of the application by the Economic Development Division in no way implies tax cancellation approval.

The Site and Applicant will be the subject of due diligence undertaken by the City prior to any recommendation on the application being brought to City Council for consideration and prior to each year’s tax cancellation being provided. This will include, but may not be limited to, confirmation of the following: all municipal property taxes are paid and current on the subject site, the site is in compliance with Zoning By-law regulations, that there are no outstanding property standards violations or orders, Building Code violations or orders or Fire Code violation or orders, any violations of law or any orders by any other judicial , governmental or regulatory authority, regarding the subject site or the development on the subject site and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being approved or, if the application is approved, tax cancellation not being provided under this Program.

Where the development requires approval of a Site Plan, a conditional Site Plan approval shall have been obtained from the City prior to City Council consideration of an application under this Program. Where a conditional Site Plan approval contains conditions which, until satisfied, may impact a post-development assessment of the development including but not limited, requirements to obtain Minor Variances through the Committee of Adjustment, the City may require these conditions to be satisfied prior to City Council consideration of the application. Where no Site Plan is required for the development, City Council’s consideration of an application will occur after such time as the Economic Development Division is satisfied that all necessary information has been provided to inform an estimate of the resulting post-development assessment and municipal property taxes.

Where a portion of estimated eligible costs are not yet known, Economic Development Division staff reserves the right to consider bringing forward multiple recommendations respecting the application for City Council consideration as part of a multi-step application process as estimated eligible costs become known.

Where an application has been submitted but not yet approved by City Council and the subject site is sold/transferred to a new owner, the City may permit the transfer or assignment of the application, and any eligible costs incurred from the original date of application, to the new

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owner at the sole, absolute and unfettered discretion of the GM. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion. The new owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by GM.

Applications under this Program, with respect to the cancellation of the municipal portion of property taxes, are subject to approval at the absolute discretion of City Council and subject to the availability of funds.

Approved Applicants shall be required to enter into a Tax Cancellation Agreement with the City containing (but not limited to) the terms and conditions set out in this Program description.

The City reserves the right to require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the ERASE CIP are met.

Notwithstanding any other term or condition of this Program, where an application has been approved by City Council, the application and the associated approval, including the assignment of any eligible costs incurred by the City Council approved Applicant since the date of application submission, may be assigned to a future intended owner of the subject site(s) only in such instance where the registered owner of the site(s) at the time of City Council approval was the City of Hamilton, CityHousing Hamilton Corporation or any other entity wholly owned by the City of Hamilton and where the assignment will further facilitate the remediation and redevelopment of a site and/or support the achievement of strategic City priorities/objectives. It is understood that one effect of such an assignment shall be that the future intended site owner will assume all requirements and obligations required under this Program and receive the benefit of any tax cancellation which may be eligible under the Program provided they are the registered owner in each year that the tax cancellation is to be provided. In such an instance, a request to assign the application shall be submitted in writing to the City by the existing site owner and the City Council approved Applicant with accompanying rationale and be subject to approval by City Council in its sole discretion. The future intended site owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by City Council. An assignment or transfer may require that the assignee or transferee submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion.

With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:

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- Successfully file a RSC to the MECP, prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable SCS required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
- Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant’s expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and environmental reports and supporting documentation be submitted to the City’s satisfaction.

Paid Invoices for all eligible costs incurred will be supplied to the City and the tax cancellation will be based on the City’s review, satisfaction and acceptance of these invoices and all supporting reports and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the City’s discretion. Tax cancellation may be reduced or cancelled if the eligible works are not completed, not completed as approved and/or where documentation/invoicing of said costs is not provided to the City’s satisfaction. In addition, invoices must be billed to the Applicant approved by City Council.

Once the development is complete and has been reassessed by the MPAC, the City will undertake updated due diligence, including, but not limited to, ensuring that the site is not in tax arrears and that the site and development are still in conformity with the terms of the Tax Cancellation Agreement. The City will calculate the actual tax increment and resulting tax cancellation to be provided. If the site is severed into multiple parcels or lots or if there is a conveyance of part of the site (all referred to as severed parcels) prior to the first full year of reassessment resulting from the completion of the development. The property taxes used to calculate the tax cancellation shall be the sum of the amount which is the lesser of the post-development property taxes or the property taxes payable for the year for which tax cancellation is to be provided, for all the severed parcels but for the initial year’s tax cancellation means the amount which equals the sum of the post-development municipal property taxes for the severed parcels.

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Tax cancellation will not be provided unless a written request has been made by the Applicant in the year in which tax cancellation is to begin. If a written request has not be made for tax cancellation, but all other conditions for cancellation have been satisfied, the full tax amount required shall be billed and required to be paid in full and the amount of eligible tax cancellation shall accrue and be payable as a grant until such time as a written request has been made and upon such written request the grant payment shall equal the sum of the accrued and previously unrequested tax cancellation. If a request for the initial tax cancellation is not made within three (3) years of the year in which the first-years' tax cancellation was eligible to be provided, the agreement shall terminate and without limiting the generality of the foregoing the City shall not be obligated to make provide any tax cancellation or accrued grant payment.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or tax cancellation being provided.

Applications to this Program not yet approved by City Council shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will still continue to receive tax cancellation subject to meeting the Program terms contained herein.

# ERASE COMMERCIAL DISTRICT REMEDiation LOAN (ECDRL) PROGRAM



## A. PROGRAM DESCRIPTION

The ERASE Commercial District Remediation Loan (ECDRL) Program (the Program) provides low-interest Loans which are intended to overcome barriers owners may face obtaining traditional financing for costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse. Specifically, this Program is intended to work in concert with broader efforts to support the revitalization of strategic commercial districts and corridors, including those programs and initiatives established under the Revitalizing Hamilton's Commercial Districts Community Improvement Plan.

A Loan under this Program is intended to serve as a 'bridge' until such time as grant payments commence under either the ERASE Redevelopment Grant (ERG) or Revitalizing Hamilton Tax Increment Grant (RHTIG) Programs. As such, eligibility under this Program is contingent on, among other requirements contained herein, that the site has been the subject of an approved application under either the ERG or RHTIG Programs.

This Program will apply within Sub-Area 2 – Strategic Commercial Districts and Corridors of the Historically Developed Area as defined in the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) and which generally consists of the Ancaster, Barton Village, Binbrook, Concession Street, Downtown Hamilton, Dundas, Locke Street, Ottawa Street, Stoney Creek, Waterdown and Westdale commercial districts, the Mount Hope/Airport Gateway, the Barton Street and Kenilworth Avenue North commercial corridors and other strategic commercial corridors located throughout the city.

Applications under this Program are subject to approval at the absolute discretion of the General Manager of Planning and Economic Development (GM) for Loans to a maximum of \$200,000 or, City Council for Loans more than \$200,000 up to the Program maximum of \$400,000, subject to the availability of funds.

Loans provided under this Program shall be provided to the Applicant who is the registered owner of the site that is the subject of the Program application.

All costs associated with the development and the requirements of this Program are to be borne by the Applicant including construction, design, community benefit charges, development charges, administration fees, appraisals, inspections, legal, discharge and registration fees (plus applicable taxes), where applicable.

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The City retains the right to assess the reasonableness of costs via audit as well as the determination of cost eligibility under the terms of this Program.

For the purposes of this Program:

- A ‘site’ shall mean all properties forming part of the planned development;
- A ‘Qualified Person’ shall have the same meaning as defined under Ontario Regulation 153/04, as amended; and
- A ‘not-for-profit housing development’ shall mean the development of a building or structure intended for use as a residential rental premise or a residential premise for the homeless to be owned and developed by:
  - a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, 2022, c. 21, Sched. 3, s. 4; or
  - CityHousing Hamilton Corporation.

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

## B. PROGRAM ELIGIBILITY AND LOAN CRITERIA

1. Applications to this Program must meet the goals of the Environmental Remediation and Site Enhancement Community Improvement Plan (ERASE CIP).
2. This Program will apply within Sub-Area 2 – Strategic Commercial Districts and Corridors of the Historically Developed Area as defined through the ERASE CIPA By-law.
3. Notwithstanding paragraph two (2), this Program shall not apply to a site where a designated heritage building has been demolished, on agricultural lands which have been the subject of normal farm practices or where remediation is being undertaken for the purposes of a self-storage facility.
4. The maximum Loan provided under this Program per site shall be 80% of the actual eligible costs contained in Section C herein to a maximum of \$400,000.
5. The Loan interest will be at 0% for the repayment term.

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6. Eligibility under this Program is predicated on the subject site and Applicant receiving approval under either the ERG or RHTIG Programs.
7. The maximum Loan term shall be four (4) years (subject to prior termination on default). Payments will commence on January 1<sup>st</sup> of the first full calendar year of reassessment by MPAC, post completion of the redevelopment.
8. A minimum of 25% of the original loan amount is to be repaid annually as detailed in paragraph 9.
9. Annual grant payments under the ERG or RHTIG Program will be applied against the outstanding loan balance as follows:
  - If the grant payment is equal to the outstanding loan balance, the outstanding loan balance will be paid in full. No payments would flow to the Applicant for that year. The Applicant would receive the applicable grant payments in the remaining years of the grant;
  - If the grant payment exceeds the outstanding loan balance, the outstanding loan balance will be paid in full and the remaining grant payment will flow to the applicant for that year. The Applicant would receive the applicable grant payments in the remaining years of the grant;
  - If the grant payment does not exceed the outstanding loan balance but does exceed the minimum 25% of the original principal payment requirement, the full grant amount will be applied against the outstanding loan balance. No grant payments would flow to the Applicant in that year;
  - If the grant payment does not exceed the outstanding loan balance and is less than or equal to the minimum 25% payment requirement, the full grant amount will be applied against the outstanding loan balance. In addition, monthly payments must be provided by the Applicant such that 25%/12 of the original loan amount is provided each month until the 25% minimum annual payment requirement has been met with adjustments for the final monthly payment where applicable.
10. An Applicant to this Program must be the registered owner of the site with Loans only being available to the successful Program Applicant and cannot be assigned or directed to any other payee unless otherwise provided for in the Program Administration section herein.
11. Prior to any application approval and/or Loan advance being provided:

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- a. Any outstanding Building Code, Fire Code or property standards orders or any other order applicable to the site by any judicial, governmental or regulatory authority shall be rectified; and
  - b. Any tax arrears on the subject site shall be paid.
12. With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:
- a. Successfully file a Record of Site Condition (RSC) to the Ministry of Environment, Conservation and Parks (MECP), prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable Site Condition Standards (SCS) required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
  - b. Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable Site SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant's expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and supporting environmental reports and documentation be submitted to the City's satisfaction.

13. Failure of the Applicant to fulfill the requirements of the Program including without limitation those contained in paragraph 12 to the City's satisfaction will result in any outstanding Loan amount becoming subject to interest at a rate equal to that stipulated in paragraph 17 herein over the required amortization period until fully repaid.
14. All Applicants receiving approval for a Loan under this Program shall be required to enter into a Loan Agreement with the City, prior to the first Loan advance, with provisions including, but not limited to, the terms and conditions set out herein and such additional conditions as determined by the City Solicitor in their sole discretion, and if deemed a requirement by the GM, the provision of security including a General Security Agreement, a Site Specific General Security Agreement or such other security as determined by the

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GM in their sole discretion such as, but not limited to, a mortgage registered on title upon the subject site, personal guarantees and/or corporate guarantees.

In addition, the Applicant shall be required to provide additional security through the assignment of grant payments provided under the ERG or RHTIG Programs. One hundred percent (100%) or such other applicable percentage of the grant amount payable under either the ERG or RHTIG Program will be applied to the repayment of the Loan until fully repaid. In each year of the loan term, the grant payment under the ERG or RHTIG Program for that respective year will be applied against the outstanding loan balance until the loan has been paid in full. If the grant payment exceeds the outstanding loan balance, the outstanding loan balance will be paid in full from the grant and any remaining grant payment will flow to the applicant. If the grant payment is less than the outstanding loan balance and less than or equal to the minimum 25% annual payment requirement, the full grant amount will be applied against the outstanding loan balance and monthly payments must be provided by the Applicant such that 25%/12 of the original loan amount is provided each month until the 25% minimum annual payment requirement has been met – with adjustments for the final monthly payment where applicable.

15. Notwithstanding the security to be provided through grant payments under the ERG or RHTIG Program:
  - a. City Council, at its sole discretion, may cease grants in accordance with terms of the applicable legal agreement; and
  - b. Will not be provided where the development is not completed within the required development start and finish time frames required under the applicable Program terms and/or legal agreement

In such instances, the Applicant will be responsible for any Loan repayment that was expected to be fulfilled by the ERG or RHTIG grant payments.

16. For Applicant's who utilize the ERG Program's ERASE Development Charge (DC) Deferral Option, the value of the ERG grant payments to be assigned towards the Loan will be based on that available after fulfilling required payments towards the outstanding ERASE DC Deferral during the amortization period required under this Program
17. The interest rate that shall be charged per annum will be the then prevailing interest rate established by City Council on tax arrears.
18. The Loan may be prepaid at any time without notice, bonus or penalty. Discharge and registration fees (plus applicable taxes) will be required to be paid at such time as the prepayment occurs.
19. For the purposes of this Program, a development shall be deemed to be complete where:

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- a. Required environmental remediation site works and/or mitigation measures have been completed;
  - b. A RSC has been successfully filed with MECP or where a Risk Assessment has been successfully peer-reviewed and accepted by the City in accordance with paragraph 12.b. herein; and
  - c. Occupancy of the development has been approved or permitted by the City subject to tenant improvements and, in the case of a condominium development, the Plan of Condominium has been registered.
20. Developments shall be subject to the following time limits:
- a. Site remediation and/or abatement/removal of Designated Substances and Hazardous Materials (DSHM) shall commence within one (1) year and be completed no longer than two (2) years from the date City Council, or its delegate, approved the Program application.
  - b. Work on the portion of the development that is at or above grade shall commence no longer than two (2) years and shall be completed and capable of being fully occupied, and in the case of a condominium development also have a Plan of Condominium registered, within five (5) years from the date City Council, or its delegate, approved the Program application.

Extensions may be granted for phased/comprehensive developments or due to development specific extenuating circumstances outlined in a formal request submitted by the Applicant to the City prior to the lapsing of the above time periods and considered at the discretion of the GM.

21. In the event of a default as defined in the Loan Agreement, the Loan will be capped immediately at the advanced amount. The outstanding principal amount together with interest from the date of occurrence of the default at the interest rate prescribed in paragraph 17 as well as any other monies owing will become due and payable immediately.
22. If a request for the initial Loan advance is not made within two (2) years of the approved Loan being eligible for an advance, the Loan Agreement shall be deemed to be terminated and, without limiting the generality of the foregoing, the City shall not be obligated to provide the Loan.
23. Unless waived at the sole, absolute and unfettered discretion of the City, the Applicant must provide supervision of the development by a Project Monitor acceptable to the City. The Project Monitor will be at the cost of the Applicant and shall provide proof, to the satisfaction of the City, that the structural, mechanical and electrical work complies with the approved plans and specifications and all Applicable Law.

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24. An approved Loan under this Program will be provided to the owner in s equal to 80% of the eligible costs incurred as evidenced by paid invoices submitted to the City. Such advances will be provided within 30 days of submission of the Applicants request for a Loan advance.
25. There will be a limit of six advances, spaced no less than 30 days apart.
26. If the total eligible and actual invoiced costs exceed the estimated costs on which the Loan approval was based, the total of all Loan advances shall not exceed the approved amount of the Loan and the final advance shall be reduced in order to conform to this requirement.
27. All municipal property taxes shall be paid current and in good standing through the development period and term of the applicable Loan.
28. The City will require, at its sole discretion, any specific insurance terms required to be met to protect the City's interest.
29. The City reserves the right to audit the invoices/costs submitted in respect of a Loan advance for consistency with the Remedial Action Plan, contractor quote or other work plan submitted in support of the application and for compliance under the Program terms contained herein.
30. Approval and the receiving of financial assistance under this Program shall not preclude eligibility, approval and the receiving of financial assistance under any other available municipal program.
31. In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of all or a portion of the subject site approved under this Program, the City shall require repayment of the outstanding Loan provided under this Program.
32. In the event of a Change of Corporate Control where the Applicant is a corporation, the Applicant covenants and agrees that in the event that:
  - a. The Applicant fails to supply the City, in a form satisfactory to the City such information relating to the ownership of its shares as the City may from time to time require or;
  - b. Without the written consent of the City first had and obtained:
    - i. the Applicant issues or redeems any of its shares or transfers any of its shares;
    - ii. there is a sale or sales of the shares of the Applicant which result in the transfer of the legal or beneficial interest of any of the shares of the Applicant or;

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- iii. the Applicant amalgamates, merges or consolidates with any other corporation; and

The result of any of the foregoing is a change in the effective control of the majority of the voting shares of the Applicant, or the requested information is not provided, the City shall have absolute discretion to cease any future Loan advances and/or seek full repayment of any outstanding Loan under this Program together with any interest accrued to date.

33. Applications under this Program are subject to approval at the absolute discretion of the GM for Loans to a maximum of \$200,000 or, City Council for Loans more than \$200,000 up to the Program maximum of \$400,000, subject to the availability of funds.
34. Without limiting the discretion as set out in paragraph 33 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where, in the opinion of City Council, or its delegate, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the Applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: The Applicant identified on the application form and, if a corporation, any person or entity with an interest in the corporation or any officer or director of the corporation, as determined by the City in its sole, absolute and unfettered discretion.
35. Without limiting the discretion as set out in paragraph 33 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies municipal property tax arrears owed on the subject site, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, Building Code or Fire Code orders in respect of the subject site or any other judicial, regulatory or governmental order in respect of the subject site.
36. Without limiting the discretion as set out in paragraph 33 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application where the City determines in its sole discretion that there is a financial risk to the City in terms of the financial capabilities of the Applicant to complete the development subject to the Program application.
37. Without limiting the discretion as set out in paragraph 33, herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which a Loan under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this

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paragraph 37, will be considered to be the corporation, the officers and directors of the corporation and the shareholders and this paragraph 37 shall apply jointly and severally to each of them.

38. Buildings uses and developments shall conform to the City’s Official Plan(s), applicable Secondary Plan(s), Zoning By-Laws(s), Site Plan approval and any other applicable and approved municipal policies, by-laws or guidelines (e.g. urban design guidelines) and any other laws applicable to the development.
39. A Program application may be denied by City Council, or its delegate, if the development is not supported by City Council notwithstanding any approval of *Planning Act* applications by any other authority including but not limited to the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the Program application will not fetter its discretion on *Planning Act* applications.
40. Approval of a Program application by City Council, or its delegate, may provide for a reduced Loan amount such that no Loan is provided in respect of any portion of the development which City Council does not support notwithstanding any approval of *Planning Act* applications by any other authority including but not limited to the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council’s decision on the application will not fetter its discretion on *Planning Act* applications. In such cases, the Applicant shall be required to provide additional supporting documentation, at the Applicant’s own expense, to support the providing of financial assistance in accordance with City Council’s approval/direction.

### C. ELIGIBLE/INELIGIBLE COSTS

Eligible costs under this Program consist of the following (excluding HST) but shall exclude in all cases any cost which would have been required for the development regardless of the need to remediate contaminated soil/groundwater and/or abate/remove Designated Substance and Hazardous Materials (DSHM), where applicable:

1. Physical environmental remediation of soil and/or groundwater which includes the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible site required to meet the applicable SCS needed to facilitate the planned development/use and to permit the filing of a RSC by a Qualified Person, including costs of preparing and filing the RSC and Certificate of Property Use (CPU);
2. Clean back fill, grading and compaction to replace contaminated soils, where required;
3. Phase II ESAs, Remedial Action Plans and/or Risk Assessments not reimbursed, or planned to be reimbursed, under the ERASE Study Grant (ESG) Program;

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4. Peer-reviews with respect to Risk Assessments where an RSC is not required by the MECP;
5. Installation of environmental and/or engineering controls/works, related to environmental remediation, as specified in the Remedial Action Plan, Risk Assessment and/or CPU;
6. Testing of on-site excess soils for potential reuse but shall not include the excavation, management, transportation or disposal of such soil except where the soil originates from the site and is found to be contaminated; and
7. DSHM Survey and/or abatement/removal in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable) on sites that:
  - a. Contain a current/closed institutional use;
  - b. Contain a building designated under Part IV or V of the *Ontario Heritage Act*; or
  - c. Are being developed for use as a not-for-profit housing development.

Ineligible costs shall be any cost not identified in this Section or any cost identified above which has been incurred prior to the date an application was submitted under this Program and accepted by the City with the exception of studies which were the subject of a previously approved ESG Program application. An Applicant shall assume the risk, and bear the sole responsibility, for any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

#### D. PROGRAM APPLICATION CRITERIA

Potential Applicants shall be required to have a pre-application consultation meeting with City staff in order to determine Program eligibility, proposed scope of work, project timing, etc.

A complete Program application shall be submitted to the Economic Development Division prior to the commencement of eligible works that are the subject of a Program application. Required documents and information forming a complete application shall be identified within the Program's application form. The application date for the purposes of the Program will be the date on which City staff have deemed the application complete in their sole discretion.

An application fee is payable upon submission of application. The fee will be authorized through a user-fee by-law passed by City Council. The rate of the fee may be changed from time to time as approved by City Council and will be identified on the Program's application form. Application fees are non-refundable including in the event an application is not approved.

Applications shall include all available environmental studies for the site (Phase I and II ESAs, Risk Assessment, DSHM Survey), a Remedial Action Plan completed by a Qualified Person (as defined under Ontario Regulation 153/04), contractor cost estimates for environmental remediation and any other potentially eligible works and any other details as may be required to

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satisfy the City as to the cost of the environmental remediation and any other potentially eligible works and the development’s conformity with the objectives of this Program and the ERASE CIP. The City may also require the submission of a Business Plan for the proposed development.

Applications under this Program will not be accepted if there is an outstanding dispute, proceeding or process including but not limited to: a Request for Reconsideration through the MPAC, an outstanding Assessment Review Board appeal, an outstanding divisional court appeal or an outstanding *Municipal Act* appeal, relating to the assessment of the site or in respect of property taxes related to the site. The Program application will only be accepted once any of the above applicable matters have been finally resolved and the revised (if applicable) property taxes have been calculated.

Applicants shall be required to submit information to assist with determining their financial capabilities to complete the remediation and development subject to the Program application and to identify any potential financial risks to the City. Information required to be submitted is at the discretion of the City and may include but may not be limited to, a financial risk assessment, personal/corporate net worth statements and/or business plan.

## E. PROGRAM ADMINISTRATION

Economic Development Division staff will review applications for eligibility in accordance with the ERASE CIPA, ERASE CIP, the Program terms contained herein and in collaboration with other City departments as required. Acceptance of the application by the Economic Development Division in no way implies Loan approval.

The site and Applicant will be the subject of due diligence undertaken by the City prior to any recommendation on the application being brought to City Council, or its delegate, for consideration and prior to each Loan advance being provided. This will include, but may not be limited to, confirmation of the following: all municipal property taxes are paid and current on the subject site, the site is in compliance with Zoning By-law regulations, that there are no outstanding property standards violations or orders, Building Code violations or orders or Fire Code violation or orders, any violations of law or any orders by any other judicial, governmental or regulatory authority, regarding the subject site or the development on the subject site and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being recommended for approval to City Council or its delegate, except where otherwise directed by City Council, or its delegate, or, if the application has been approved, non-payment of a Loan under this Program.

Where the development requires approval of a Site Plan, a conditional Site Plan approval shall have been obtained from the City prior to consideration of an application under this Program by City Council, or its delegate. Where a conditional Site Plan approval contains conditions which, until satisfied, may impact a post-development assessment of the development including, but

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not limited, requirements to obtain Minor Variances through the Committee of Adjustment, the City may require these conditions to be satisfied prior to City Council, or its delegate, consideration of the application. Where no Site Plan is required for the development, consideration of an application by City Council, or its delegate, will occur after such time as the Economic Development Division is satisfied that all necessary information has been provided to inform an estimate of the resulting post-development assessment and municipal property taxes as it relates to the associated ERG or RHTIG program application.

Where an application has been submitted but not yet approved by City Council, or its delegate, and the subject site is sold/transferred to a new owner, the City may permit the transfer or assignment of the application, and any eligible costs incurred from the original date of application, to the new owner at the sole, absolute and unfettered discretion of the GM. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion. The new owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches and financial risk, to the satisfaction of the City prior to the assignment being considered by GM.

Applications under this Program are subject to approval at the absolute discretion of the General GM for Loans to a maximum of \$200,000 or, City Council for Loans more than \$200,000 up to the Program maximum of \$400,000, subject to the availability of funds.

Securities required to be provided by the Applicant will be determined by the City in its sole, absolute and unfettered discretion.

Approved Applicants shall be required to enter into a Loan Agreement with the City containing the terms and conditions set out in this Program description and such additional terms and conditions as required by the GM or City Solicitor in their sole absolute and unfettered discretion. The form of the Loan Agreement shall be to the satisfaction of the City Solicitor. The City may require the Applicant to register the Loan Agreement on title immediately upon execution of the agreement.

The City reserves the right to require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the ERASE CIP are met.

A Loan will not be provided unless a written request for the initial Loan draw has been made by the Applicant which shall be accompanied by paid invoices for eligible costs for which a Loan advance is to be provided in support of.

Paid Invoices for all eligible costs incurred will be supplied to the City and a Loan advance will be based on the City's review, satisfaction and acceptance of these invoices and all supporting reports

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and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the City’s discretion. A Loan advance may be reduced or not provided if the eligible works are not completed, not completed as approved and/or where documentation/invoicing of said costs is not provided to the City’s satisfaction. In addition, invoices must be billed to the Applicant approved by City Council, or its delegate.

With respect to the remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:

- Successfully file a RSC to the MECP, prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable SCS required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
- Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant’s expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and environmental reports and supporting documentation be submitted to the City’s satisfaction.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or Loan being provided.

Applications to this Program not yet approved by City Council, or its delegate, shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will still continue to receive the Loan subject to meeting the Program terms contained herein.

# ERASE AFFORDABLE HOUSING GRANT (EAHG) PROGRAM



## A. PROGRAM DESCRIPTION

The ERASE Affordable Housing Grant (EAHG) Program (the Program) is intended to provide Grants towards costs required to remediate historical environmental contamination on brownfield sites in support of their redevelopment/reuse for affordable housing by not-for-profit housing providers not otherwise able to participate in the ERASE Redevelopment Grant (ERG) program. By providing Grants to mitigate these financial impediments, the Program better enables brownfield sites to be viable candidates for the creation of new affordable housing.

This Program will apply within the Historically Developed Area as defined through the Environmental Remediation and Site Enhancement Community Improvement Project Area (ERASE CIPA) By-law.

Applications under this Program are subject to approval at the sole, absolute and unfettered discretion by the General Manager of Planning and Economic Development (GM) and subject to the availability of funds.

Grants under this Program shall be provided to the Applicant who is the registered owner and who has incurred eligible Program costs for the purposes of a not-for-profit housing development, as defined herein, except where provided for in Section B, paragraph 18.

The City retains the right to assess the reasonableness of costs via audit as well as the determination of cost eligibility under the terms of this Program.

All costs associated with the development and the requirements of this Program are to be borne by the Applicant including construction, design, community benefit charges, development charges, administration fees, appraisals, inspections, legal and registration fees where applicable.

For the purposes of this Program:

- A 'site' shall mean all properties forming part of the development;
- A 'Qualified Person' shall have the same meaning as defined under Ontario Regulation 153/04, as amended; and

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- A ‘not-for-profit housing development’ shall mean the development of a building or structure intended for use as a residential rental premise or a residential premise for the homeless to be owned and developed by:
  - a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that *Act* and whose primary object is to provide housing;
  - a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, 2022, c. 21, Sched. 3, s. 4; or
  - CityHousing Hamilton Corporation.

The Economic Development Division will periodically review the terms and availability of this Program and undertake updates from time to time subject to City Council approval and/or direction.

## B. PROGRAM ELIGIBILITY AND GRANT CRITERIA

1. Applications to this Program must meet the goals of the Environmental Remediation and Site Enhancement Community Improvement Plan (ERASE CIP).
2. This Program will apply within the Historically Developed Area as defined through the ERASE CIPA By-law.
3. Notwithstanding paragraph two (2), this Program shall not apply to a site where a designated heritage building has been demolished or on agricultural lands which have been the subject of normal farm practices.
4. The maximum Grant provided under this Program per site shall be the actual eligible costs incurred as identified in Section C herein to a maximum of \$200,000.
5. A maximum of one (1) Grant may be provided per site under this Program.
6. An Applicant to this Program must be the registered owner of the site with grants only payable to the successful Program Applicant and cannot be assigned or directed to any other payee unless otherwise provided for in the Program Administration section herein.
7. Approvals under this Program shall be provided on a first come first serve basis, subject to the availability of funding, with priority given to not-for-profit housing developments which have the greatest potential to be developed in the short-term and taking into consideration development achievements including, but not limited to, obtaining

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necessary planning approvals or securing funding commitments from the City or other levels of government or agencies.

8. Prior to any application approval and/or Grant payment being provided:
  - a. Any outstanding Building Code, Fire Code or property standards orders or any other order applicable to the site by any judicial, governmental or regulatory authority shall be rectified; and
  - b. Any tax arrears on the subject site shall be paid.
9. With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:
  - a. Successfully file a Record of Site Condition (RSC) to the Ministry of Environment, Conservation and Parks (MECP), prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable Site Condition Standards (SCS) required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
  - b. Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant's expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and supporting environmental reports and documentation be submitted to the City's satisfaction.

10. The Applicant will be required to enter into a Grant Payment Agreement with the City that sets out the conditions of the Grant. Before any Grant is provided, the Applicant and site shall be in compliance with the Program's requirements and conditions and all additional requirements as set out in the Grant Payment Agreement as determined by the GM.
11. For the purposes of this Program, site remediation shall be deemed to be complete where:
  - a. Required environmental remediation site works and/or mitigation measures have been completed; and

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- b. A RSC has been successfully filed with MECP or where a Risk Assessment has been successfully peer-reviewed and accepted by the City in accordance with paragraph nine (9.) b. herein.
12. No Grant shall be paid until site remediation is deemed complete by the City in accordance with paragraph 11 herein.
13. Site remediation and/or abatement/removal of Designated Substances and Hazardous Materials (DSHM) shall commence within one (1) year and be completed no longer than two (2) years from the date of GM approval of the application.
- Extensions may be granted for phased/comprehensive developments or due to development specific extenuating circumstances outlined in a formal request submitted by the Applicant to the City prior to the lapsing of the above time periods and considered at the discretion of the GM.
14. Approval and the receiving of Grants under this Program shall not preclude eligibility, approval and the receiving of financial assistance for the same site under any other available municipal program with the exception of any other tax increment-based tax cancellation program which shall not be permitted to be combined with assistance under this Program.
15. The total Grant provided shall not exceed the actual eligible costs incurred or the maximum Grant which may be provided under this Program in accordance with paragraph four (4) herein, whichever is less.
16. The City reserves the right to audit the invoices/costs submitted for consistency with the Remedial Action Plan, contractor quote or other work plan submitted in support of the application and for compliance under the Program terms contained herein.
17. A Grant under this Program will be provided to an approved Applicant if all terms and conditions of this Program have been satisfied including payment of any applicable municipal property taxes.
18. A Grant under this Program shall not be permitted to be assigned except where an Applicant has been approved for a loan under the ERASE Commercial District Remediation Loan (ECDRL) Program in which case the Applicant shall be required to assign the Grant under this Program to the City of Hamilton as payment towards their loan under the ECDRL. Any Grant amount under this Program in excess of the total loan outstanding under the ECDRL shall be provided to the Applicant in accordance with the criteria of this Program.
19. In the event of a change in the status of an Applicant in respect of the following:

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- a. a corporation to which the *Not-for-Profit Corporations Act*, 2010 applies, that is in good standing under that *Act* and whose primary object is to provide housing;
- b. a corporation without share capital to which the *Canada Not-for-profit Corporations Act* applies, that is in good standing under that *Act* and whose primary object is to provide housing;
- c. a non-profit housing co-operative that is in good standing under the *Co-operative Corporations Act*, 2022, c. 21, Sched. 3, s. 4;

The result being that an approval under this Program may, at the City’s discretion, be cancelled such that no Grant will be provided or, where a Grant has already been provided, seek the return of such funds.

20. Applications under this Program are subject to approval at the sole, absolute and unfettered discretion by the GM and subject to the availability of funds.
21. Without limiting the discretion as set out in paragraph 20 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where, in the opinion of City Council, or its delegate, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the Applicant being involved in litigation with the City. Applicants shall include but not be limited to the following: The Applicant identified on the application form and, if a corporation, any person or entity with an interest in the corporation or any officer or director of the corporation as determined by the City in its sole, absolute and unfettered discretion.
22. Without limiting the discretion as set out in paragraph 20 herein, City Council, or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application without further consideration where due diligence undertaken by the City identifies municipal property tax arrears owed on the subject site, non-compliance with respect to Zoning By-law regulations or there exist outstanding property standards, Building Code or Fire Code orders in respect of the subject site or any other judicial, regulatory or governmental order in respect of the subject site.
23. Without limiting the discretion as set out in paragraph 20, herein, City Council or its delegate, whether or not an Applicant satisfies the requirements of the Program, may in its sole discretion, reject any application received from an Applicant where there is credible information that the Applicant has been involved recently or repeatedly in illegal activity supporting the conclusion that they will not conduct themselves with honesty and integrity in undertaking the activity, operation or business for which a Grant under this Program is being sought. For corporate Applicants, the Applicant, for the purposes of this paragraph 23, will be considered to be the corporation, the officers and directors of the

corporation and the shareholders and this paragraph 23 shall apply jointly and severally to each of them.

24. Buildings, uses and developments shall conform to the City's Official Plan(s), applicable Secondary Plan(s), Zoning By-Laws(s), Site Plan approval and any other applicable and approved municipal policies, by-laws or guidelines (e.g. urban design guidelines) and any other laws applicable to the development.
25. A Program application may be denied by City Council, or its delegate, if the development is not supported by City Council notwithstanding any approval of *Planning Act* applications by any other authority including but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that a decision on the Program application will not fetter City Council's discretion on *Planning Act* applications.
26. Approval of a Program application by City Council, or its delegate, may provide for a reduced Grant amount such that no Grant is payable in respect of any portion of the development that is the subject of the Grant application which City Council does not support notwithstanding any approval of *Planning Act* applications by any other authority including, but not limited to, the Ontario Land Tribunal or the Minister of Municipal Affairs and Housing, and that City Council's decision on the Program application will not fetter its discretion on *Planning Act* applications. In such cases, the Applicant shall be required to provide additional supporting documentation, at the Applicant's own expense, to support the providing of financial assistance in accordance with City Council's approval/direction.

### C. ELIGIBLE/INELIGIBLE COSTS

Eligible costs under this Program for sites located within the Historically Developed Area consist of the following (excluding HST) but shall exclude in all cases any cost which would have been required for the development regardless of the need to remediate contaminated soil/groundwater and/or abate/remove Designated Substance and Hazardous Materials (DSHM), where applicable:

1. Physical environmental remediation of soil and/or groundwater which includes the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible site required to meet the applicable SCS needed to facilitate the planned development/use and to permit the filing of a RSC by a Qualified Person, including costs of preparing and filing the RSC and Certificate of Property Use (CPU);
2. Clean back fill, grading and compaction to replace contaminated soils, where required;
3. Phase II ESAs, Remedial Action Plans and/or Risk Assessments not reimbursed, or planned to be reimbursed, under the ERASE Study Grant (ESG) Program;

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4. Peer-reviews with respect to Risk Assessments where an RSC is not required by the MECP;
5. Installation of environmental and/or engineering controls/works, related to environmental remediation, as specified in the Remedial Action Plan, Risk Assessment and/or CPU;
6. Testing of on-site excess soils for potential reuse but shall not include the excavation, management, transportation or disposal of such soil except where the soil originates from the site and is found to be contaminated;
7. DSHM Survey and/or abatement/removal in accordance with the *Occupational Health and Safety Act* and Ontario Regulation 278/05 (where applicable);
8. In addition, the following costs may also be considered eligible when incurred on a site requiring remediation of contaminated soil/groundwater and/or abatement/removal of DSHM and located in Historically Developed Area:
  - a. 50% of incremental construction costs required to achieve one of the following environmental sustainability certifications: Canadian Home Builders Association (CHBA) Net Zero Home Labelling where Net Zero or Net Zero Ready levels of efficiency are achieved; Passive House Canada; Natural Resources Canada (NRCAN) R2000; Built Green to a Gold or higher standard in the Energy and Envelope category; or Leadership in Energy and Environmental Design (LEED) to a Gold or higher standard.

In addition, 50% of the following associated soft costs supporting such certification may be eligible:

    - i. consultation fees;
    - ii. energy modeling; and
    - iii. certification fees; and
  - b. 50% of incremental construction costs required to incorporate the following District Energy Readiness building components where a current or future connection is deemed feasible, as determined by the City:
    - i. providing space for the sole purpose of future equipment and thermal piping;
    - ii. securing an easement between the mechanical room and the property line to allow for thermal piping; and
    - iii. including two-way pipes in the building to carry the thermal energy from the district energy network to the section in the building where the future energy transfer station will be located.

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The inclusion of such building components shall be subject to confirmation by a Building Inspector or other means at the discretion, and to the satisfaction of, the GM.

Ineligible costs shall be any cost not identified in this Section or any cost identified above which has been incurred prior to the date an application was submitted under this Program and accepted by the City with the exception of studies which were the subject of a previously approved ESG Program application. An Applicant shall assume the risk, and bear the sole responsibility, for any cost incurred after an application has been submitted but prior to approval under this Program being received should the application not be approved for any reason.

#### D. PROGRAM APPLICATION CRITERIA

Potential Applicants shall be required to have a pre-application consultation meeting with City staff in order to determine Program eligibility, proposed scope of work, project timing, etc.

A complete Program application shall be submitted to the Economic Development Division prior to the commencement of eligible works that are the subject of a Program application. Required documents and information forming a complete application shall be identified within the Program’s application form. The application date for the purposes of the Program will be the date on which City staff have deemed the application complete in their sole discretion.

Applications shall include all available environmental studies for the site (Phase I and II ESAs, Risk Assessment, DSHM Survey), a Remedial Action Plan completed by a Qualified Person, contractor cost estimates for environmental remediation and any other potentially eligible works and any other details as may be required to satisfy the City as to the cost of the environmental remediation and any other potentially eligible works and the development’s conformity with the objectives of this Program and the ERASE CIP. The City may also require the submission of a Business Plan for the proposed development.

#### E. PROGRAM ADMINISTRATION

Economic Development Division staff will review applications for eligibility and completeness in accordance with the ERASE CIPA, ERASE CIP, the Program terms contained herein and in collaboration with other City departments as required. Acceptance of the application by the Economic Development Division in no way implies Grant approval.

The site and Applicant will be the subject of due diligence undertaken by the City prior to any recommendation being brought to City Council, or its delegate, for consideration and prior to any Grant being provided. This will include, but may not be limited to, confirmation of the following: all municipal property taxes are paid and current on the subject site, the site is in compliance with Zoning By-law regulations, that there are no outstanding property standards

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violations or orders, Building Code violations or orders or Fire Code violation or orders, any violations of law or any orders by any other judicial, governmental or regulatory authority, regarding the subject site or the development on the subject site and that the Applicant is not in litigation with the City. Failure to comply with any of the above will result in an application not being approved or, if the application is approved, non-payment of a Grant under this Program.

Where the development requires approval of a Site Plan, a conditional Site Plan approval shall have been obtained from the City prior to consideration of an application under this Program by City Council, or its delegate. Where a conditional Site Plan approval contains conditions which, until satisfied, may impact a post-development assessment of the development including but not limited, requirements to obtain Minor Variances through the Committee of Adjustment, the City may require these conditions to be satisfied prior to consideration of the application by City Council, or its delegate. Where no Site Plan is required for the development, consideration of an application by City Council, or its delegate, will occur after such time as the Economic Development Division is satisfied that all necessary information has been provided to inform an estimate of the resulting post-development assessment and municipal property taxes.

Where an application has been submitted but not yet approved by City Council, or its delegate, and the subject site is sold/transferred to a new owner, the City may permit the transfer or assignment of the application, and any eligible costs incurred from the original date of application, to the new owner at the sole, absolute and unfettered discretion of the GM. An assignment or transfer may require the assignee or transferee to submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion. The new owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by the GM and shall continue to meet the definition of a not-for-profit housing development as contained herein.

Applications under this Program are subject to approval at the absolute discretion by the GM and subject to the availability of funds.

Approved Applicants shall be required to enter into a Grant Payment Agreement with the City containing (but not limited to) the terms and conditions set out in this Program description.

The City reserves the right to require the submission of any additional documentation or enter into any additional agreements as deemed necessary by the City to ensure the goals and purpose of this Program and the ERASE CIP are met.

Notwithstanding any other term or condition of this Program, where an application has been approved by City Council, or its delegate, the application and the associated approval, including the assignment of any eligible costs incurred by the approved Applicant since the date of application submission, may be assigned to a future intended owner of the subject site only in

such instance where the registered owner of the site at the time of approval by City Council, or its delegate, was the City of Hamilton, CityHousing Hamilton Corporation or any other entity wholly owned by the City of Hamilton and where the assignment will further facilitate the remediation and redevelopment of a site and/or support the achievement of strategic City priorities/objectives. It is understood that one effect of such an assignment shall be that the future intended owner will assume all requirements and obligations required under this Program and become the recipient of any future Grant payment which may be eligible under the Program at such time as they become the registered owner. In such an instance, a request to assign the application shall be submitted in writing to the City by the existing owner and the City Council, or its delegate, approved Applicant with accompanying rationale and be subject to approval by City Council, or its delegate in its sole discretion. The future intended site owner shall be subject to all applicable due diligence required under this Program, including, but not limited to, applicable corporate title and litigation searches, to the satisfaction of the City prior to the assignment being considered by City Council, or its delegate. An assignment or transfer may require that the assignee or transferee submit an application, assignment or transfer agreement and/or such other documents as determined by the GM in their sole, absolute and unfettered discretion.

With respect to remediation of contaminated soil/groundwater, as a condition of Grant payment, the Applicant shall be required to:

- Successfully file a RSC to the MECP, prepared by a Qualified Person, that conforms to Ontario Regulation 153/04 and applicable SCS required for the development/use and submit to the City an Acknowledgement of receipt of the RSC by the MECP; or
- Where the filing of an RSC is not required under the *Environmental Protection Act* to permit the development/use notwithstanding the confirmed presence of contamination that would not otherwise meet the applicable SCS for the planned development/use, and provided the Applicant undertakes a Risk Assessment and remediates the site to a standard that would have otherwise enabled the Applicant to submit a RSC, the Applicant may instead provide the City with a Risk Assessment prepared by a Qualified Person which shall be subject to a peer-review by a Qualified Person for Risk Assessment, chosen by the City and at the Applicant's expense (permitted as an eligible cost). This peer-review must certify that the site has been remediated to the applicable SCS for the planned development/use in accordance with the Risk Assessment and Ontario Regulation 153/04, to the satisfaction of the City.

The City reserves the right to require that the submission of the RSC, MECP Acknowledgement, Risk Assessment and environmental reports and supporting documentation be submitted to the City's satisfaction.

Paid Invoices for all eligible costs incurred will be supplied to the City and the Grant will be based on the City's review, satisfaction and acceptance of these invoices and all supporting reports and

**Appendix “G” to Report PED23076**  
**Page 11 of 11**

documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the Applicant, at the City’s discretion. The Grant may be reduced or cancelled if the eligible works are not completed, not completed as approved and/or where documentation/invoicing of said costs is not provided to the City’s satisfaction. In addition, invoices must be billed to the Applicant approved by the GM.

A Grant will not be made unless a written request for the Grant payment has been made by the Applicant in the year in which the Grant becomes payable. If a written request has not be made but all other conditions for its payment have been satisfied, the Grant payment shall be held until such time as a written request has been made. If a request for the Grant payment is not made within three (3) years of completion of site remediation in accordance with Section B, paragraph 11, the agreement shall terminate and without limiting the generality of the foregoing the City shall not be obligated to make any Grant payment.

The City is not responsible for any costs incurred by the Applicant in any way relating to the Program, including without limitation, costs incurred in anticipation of an application approval or Grant being provided.

Applications to this Program not yet approved by the City Council, or its delegate, shall be subject to any changes to the terms of this Program which are approved by City Council prior to the application being approved.

City Council may discontinue this Program at any time. However, Applicants with approved applications will still continue to receive the Grant subject to meeting the Program terms contained herein

## Formal Written Comments Received During Staff's Review

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**From:** Luciano Piccioni [REDACTED]  
**Sent:** January 4, 2023 4:33 PM  
**To:** Caldwell, Phil  
**Cc:** Lam, Judy; Schleeahn, Norm; Dan Gabriele; Dani Gabriele; Anthony Di Santo; Brandon Campbell; Anthony Girolami; Stefano Guglietti; 'Fred Serrafiero'  
**Subject:** Brownfield Virtual Workshop on ERASE CIP Review - Comments from RCI Consulting  
**Importance:** High

Hi Phil:

Happy New Year to you, Judy, and the rest of the staff team in Economic Development!

Following up on the virtual workshop in late November, and our brief discussion afterward, I finally found some time to pass along more detailed comments on the ERASE CIP. I mentioned some of these comments during the virtual workshop, but some are new. While I have copied my current ERASE clients on these comments for their information, I want to stress that these comments are just my thoughts for your consideration.

Please feel free to call me if you have any questions about the comments below.

### ERASE Study Grant (ESG) Program

- As you and I have discussed, it is getting more and more difficult to obtain two (2) cost estimates for environmental studies. This is particularly the case when the applicant/ developer is known to work with a particular environmental consultant, or had a particular environmental consultant prepare a Phase One ESA and a Phase Two ESA on the property in question.
- The ability to obtain two quotes is even more of a problem with a Supplementary Phase Two ESA, or specialized studies such as a Risk Assessment or DSHM Survey. Environmental consultants are very busy right now, and in order to provide a cost estimate, the environmental consultant must prepare a work plan. Understandably, they don't want to spend hours preparing a work plan, including a detailed cost proposal, if they do not have a good chance of actually being awarded the study work by the ESG applicant.
- If most of the studies being funded by the ESG exceed the maximum grant per study, and I suspect many nowadays do or are close, the need for two quotes is lessened because: a) the maximum grant paid out by the City is the same (capped) regardless of the quoted amount; and b) the eligible study cost carried over from the ESG to the Erase Redevelopment Grant (ERG )is based on the actual cost of the environmental study, and the amount of this cost is typically negligible compared to the eligible remediation cost in the ERG.
- In summary, I think it is going to become even more difficult in the future to obtain two quotes for the types of studies eligible under the ESG Program. **Therefore, I would suggest that the City of Hamilton remove the mandatory requirement for two quotes from the ESG Program while retaining the right to require a second quote if the first quote appears to be too high based on industry standards.** With the volume of studies approved every year under the ESG, the City should have a pretty good handle on the reasonable cost of these studies based on number of boreholes, testing, etc...If the cost quote for the study seems to high, City staff can then request a second quote. Another alternative would be to requires two quotes only, where it is a Phase Two ESA being performed for the

first time (not a supplementary) by the current owner/applicant. Supplementary Phase Two ESA, RWPs, RAs, and DSHM Surveys would not require a second quote.

### **ERASE Redevelopment Grant (ERG) Program**

- The idea of increasing the 80% TIG to 100% for projects that include a minimum amount of affordable housing is a good idea. I have used variations of this type of “bump up” to promote affordable housing in a number of brownfield and other types of CIPs over the last several years. Because the 20% bump from 80% to 100% is not necessarily significant enough by itself to induce the construction of affordable housing, **the City should also consider increasing the grant term from 10 years to say 13-15 years for affordable housing projects.**
- As we discussed, excess fill is becoming a major problem for developers. Even if this fill meets the industrial/commercial standard, but not the residential standard, the costs of testing, trucking and disposing of this fill, either at a receiving site or at a licensed waste facility in order to obtain an RSC, have sky rocketed in the last year or two. The MECP regulations require that the fill be tested, and I have come to learn that it is not nearly as easy as it sounds to find a site owner willing to legally take the excess fill. I have a client in another municipality who will need to spend over \$500K just on testing of excess fill and \$15M+ moving that fill to a receiving site. In some cases, this excess fill is the result of historical municipal infrastructure projects. At least one municipality in Niagara Region has agreed to accept the cost of excess fill management (testing, excavation, trucking and placement at a receiving site/disposal at a licensed facility) as an eligible cost under their equivalent ERG Program. **Therefore, I would suggest that the City of Hamilton include the costs of excess soil management as an eligible cost under the City’s ERG Program.**
- During the virtual workshop, there was some discussion of the City considering a cap on the amount of an ERG, depending on say the location of the project. Unfortunately, remediation costs do not respect geography. With the City’s policy emphasis on intensification within the current urban area, both downtown and elsewhere, it does not make sense to cap the ERG based on geography. The amount of a grant under the ERG Program is essentially already capped by the length (10 years) and percentage (80%) of the TIG. Therefore, if a project creates enough density, and therefore tax lift, to repay remediation costs, why should the ERG be further capped at some arbitrary amount? The result of doing so may be that certain brownfield redevelopment projects that would have been induced under the current ERG Program will simply not happen. **Therefore, I would suggest that the City not place any sort of dollar cap on the amount of grants awarded under the ERG Program.**

### **ERASE Tax Assistance Program**

- You noted that the Province recently changed its BTIF Program to allow freezing of education taxes for 6 years on industrial/commercial projects and 10 years on residential projects and that the City is looking into this and considering matching the Province’s BTIF Program. **I would suggest that the City match the freeze of taxes permitted under the Province’s updated BTIF Program.**

### **ERASE Downtown Hamilton/West Harbourfront Remediation Loan Program (RLP)**

- While subtle improvements have been made to this program, the \$400K limit is still too low to represent a significant inducement because most remediation projects far exceed \$400K. The security requirements of the program are also onerous. Finally, municipal administrative costs and resources for a loan programs like this can be high. The end result is the low uptake for this program that the City has

experienced. I note that in my experience in this field over the last 20+ years, very few if any other municipalities in Ontario offer or have offered a remediation loan program for the reasons noted above. Therefore, **I would suggest that if the City wants to retain this program, the loan limit be significantly increased. Consideration could also be given to limiting this program to affordable and non-profit housing projects/units.** Alternatively, if the City is not going to significantly increase the loan amount limit from \$400K, the program could be deleted from the ERASE CIP.

### ERASE Development Charge Reduction (DCR) Program

- This Program was more attractive and easier for applicants to understand and access when the verified costs of remediation were applied directly against the DCs payable at building permit issuance, i.e., a true DC Reduction Program. The current DC Reduction Program is a hybrid type deferral program that applies the ERG against DCs payable utilizing the assigned ERG payments.
- I note that the copy of the 2018 ERASE CIP (updated to February 2020) available via web link on the City's Invest Hamilton website still contains a description of the ERASE DC Reduction Program (pages 38-40) that is outdated because it refers to the previous ERASE DCR Program in terms of both costs eligible to be applied against the DC payable, and the application of said costs at building permit issuance. **The description of the ERASE DCR Program within the CIP should be corrected in the update to the ERASE CIP. Even though the ERASE DCR Program is now authorised by the DC Bylaw rather than the CIP, in the interests of full disclosure and providing users of the ERASE CIP with full information about this program, the ERASE CIP should still contain a description of the program, including eligible costs, program requirements, and administration.**
- At 25 pages in length, the standard ERASE DC Deferral Agreement employed by the City is far too lengthy and it is difficult to understand. The standard terms of the Agreement, and particularly the security requirements, are onerous and too heavily weighted in favour of the City. Therefore, I find it very difficult to recommend to my clients that they sign this Agreement. **I would suggest that the City undertake a thorough review of the standard ERASE DC Deferral Agreement to make it shorter, easier to understand, and less onerous in terms of the security requirements and other requirements contained in the Agreement.**

### ERASE Municipal Acquisition and Partnership Program (MAPP)

- You noted that this program has been reinitiated and that is a good thing. When I developed this innovative program and included it in the 2001 and 2004 versions of the ERASE CIP, the intent was for the program to act as a funding tool for the City to participate in the remediation and redevelopment of key brownfield sites by: assisting with the cost of environmental studies on key publicly and privately owned brownfields; remediating and rehabilitating publicly owned properties that could then be offered for redevelopment; acquiring, remediating, and redeveloping privately owned brownfield sites; and funding pilot projects and public-private partnerships to remediate, and redevelopment privately owned brownfield sites. The use of the MAPP funds to promote private affordable housing and non-profit housing on brownfield sites would be a highly appropriate use of MAPP Funds. However, it is imperative that the City actually use the funds in the MAPP Account, and then thoroughly document and publicise the results of these brownfield redevelopment projects.

### Final Thoughts on the future of the ERASE CIP and Programs

- I am concerned that with most of the Council members now being newly elected, the ERASE CIP and Programs may be viewed by some councillors as "corporate welfare", especially for applicants who are

large developers. Therefore, it will be very important for City staff to educate the new Council on the immense economic, environmental, and social benefits that have been generated by the ERASE CIP over the last 20+ years. No municipal Brownfield CIP in Ontario comes anywhere close to having generated the amount of program uptake, development, and economic benefits when compared to the ERASE CIP.

- The brownfield projects coming across my desk today involve remediation costs that are much larger than those coming across my desk even just a few years ago. That is a direct result of stricter MECP environmental testing regulations, and the huge increase in waste disposal tipping fees and trucking costs over the last year to two years. Moreover, the less contaminated and complex brownfield sites (positive and neutral cash value) in Hamilton and other cities in Ontario have largely been redeveloped. Now we are seeing the more complex and higher remediation cost sites (negative cash value) coming forward. Therefore, it is no surprise that eligible remediation costs are much higher for recent ERG applications than earlier ERG applications. This is merely a natural evolution. Keeping these factors in mind, and taking into consideration the City's very public emphasis on promoting intensification within the current urban boundary, now is not the time to cap the amount of individual ERG amounts or restrict the ERG to certain applicants and/or geographic areas of the City. Now is the time to ensure that the ERASE Programs accessible, fair, and competitive. Based on our discussions over the years, I trust that you, Judy, and other key City Economic Development staff will skillfully and articulately deliver this important message to the new Council during the ERASE CIP Review process.

Thank you again for this opportunity to provide input into the ERASE CIP Review process.

Regards,

Luciano

**Luciano P. Piccioni, M.Sc.Pl, RPP, Ec.D.**  
**President**  
**RCI Consulting**

[Redacted contact information]

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**From:** Luciano Piccioni [Redacted]  
**Sent:** November 24, 2022 9:11 AM  
**To:** 'Caldwell, Phil'  
**Cc:** 'Lam, Judy'  
**Subject:** RE: Brownfield Virtual Workshop - Thank you

Thanks Phil.

I am just pulling some notes together and will email my thoughts over to you and Judy, likely early next week. We can then discuss further if you have any questions or want additional feedback.

Regards,

Luc

**Luciano P. Piccioni, M.Sc.PI, RPP, Ec.D.**  
**President**  
**RCI Consulting**

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

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**From:** Caldwell, Phil [REDACTED]  
**Sent:** November 23, 2022 12:27 PM  
**To:** Luciano Piccioni; Lam, Judy  
**Subject:** RE: Brownfield Virtual Workshop - Thank you

Thank you Luc. Appreciate your taking the time to attend the workshop and your feedback. Also happy to connect about the other minor comments. Let me know when would work best for you.

Phil

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**From:** Luciano Piccioni [REDACTED]  
**Sent:** November 22, 2022 7:51 PM  
**To:** Caldwell, Phil [REDACTED] Lam, Judy [REDACTED]  
**Subject:** Brownfield Virtual Workshop - Thank you

Phil and Judy:

I just want to thank you for an informative presentation, and a well-run virtual workshop.

Phil – I have a couple of other minor comments around specific ERG and ESG program details that I will relay to you.

I am heartened to see that the ERASE CIP Programs are still relevant after all these years, and that the ERASE CIP is in good hands.

Thank you again for offering this workshop.

Regards,

Luc

**Luciano P. Piccioni, M.Sc.Pl, RPP, Ec.D.**

**President**

**RCI Consulting**

[REDACTED]  
[REDACTED]  
[REDACTED]  
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## West End Home Builders' Association

  
Serving members in Hamilton and Halton Region

February 6, 2023

To: Phil Caldwell RPP, MCIP  
**Senior Project Manager**  
Economic Development Division  
City of Hamilton

### WE HBA Letter of Support: ERASE Grant Program

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The West End HBA and many of our member companies were pleased to participate in the City of Hamilton's November 22, 2022 virtual meeting to discuss the ERASE Grant Program. Based on discussions with our members, WE HBA would like to provide the City with a formal letter of support for the program. WE HBA believes this program is an important component of building on *sustainable sites* in Hamilton communities. **The most important message we have heard from our membership is that the ERASE Grant Program is *not* a form of "corporate welfare", but instead a critical use of government incentives to allow for development on heavily contaminated sites, that would have otherwise been cost prohibitive—while also permanently increasing tax revenue in the City over the long term.** Without this grant program, contaminated brownfield sites would otherwise remain undeveloped and unremediated. The purpose of the ERASE program is to level the playing field in terms of cost of developing brownfield intensification sites when compared to greenfield sites. As such, the program is critical to the future of intensification and growth in Hamilton.

Tax Increment Financing (the model through which much of the ERASE Grant Program is built) is a widely misunderstood financial model,<sup>1</sup> and as such clarity is of the utmost importance. A large portion of the program is "tax increment-based grants provided annually equal to a portion of the increase in taxes resulting from the remediation and redevelopment of a site as a means of reimbursing for costs required to remediate the environmental condition of the property".<sup>2</sup> In other words, the remediation of the site is contingent on its redevelopment, but the redevelopment and tax assessment uplift from the better utilization of the site is what pays for its remediation. Once the remediation grant has been repaid, the new development provides continual property tax revenue to the City at the newly uplifted property value, in perpetuity. Without having this incentive program in place, these sites would remain contaminated, undeveloped and underutilized. Hamilton has been, and should continue to be a leader in the brownfield remediation space.

It is within this context that WE HBA would like to follow up on the survey and provide feedback on behalf of our collective membership:

#### **Should promoting and supporting the remediation and redevelopment of brownfields financially continue to be a priority for the City?**

WE HBA believes the City of Hamilton should continue the promotion and support of remediation and redevelopment of brownfields. Part of this justification is that costs for both new development and remediation have increased on ERASE eligible sites. This is predominantly due to an increased focus on

<sup>1</sup> Jim Tischler, "C4C Housing Systems Workshop Series: Financial Incentives - TIFs, CIPs & More" Windsor Law Centre for Cities, June 21, 2022. <https://windsorlawcities.ca/housing-systems-workshop-series/>

<sup>2</sup> City of Hamilton, "ERASE Grant Program" February 2021.

residential redevelopment (which requires a higher standard of remediation) and that many of the remaining sites eligible for ERASE funding are contaminated at a higher level than previous sites, needing more intensive attention. Our members have emphasized that without the support from the City of Hamilton, these projects may be put off or potentially abandoned. The level of site contamination is often not fully known until a study has been completed, meaning there can often be hidden costs to a redevelopment project. Without having this program in place, many projects would simply be unfeasible, and the increased cost would likely make the sale price beyond what an average Hamilton home buyer could afford, writing off the development's feasibility. Smaller scale intensification projects will also be challenged to find ways to absorb that additional cost of remediation without the ERASE program funding. Our members have also identified that the program is a benefit to young/new companies that do not have the same resources to shoulder additional or unexpected costs. They noted that the projects built will be a better product for the end consumer, having received this funding. This could be through the provision of nicer features to enrich the development if the profit margins are not so small that they cannot be included.

Given all of the benefits the program provides to the City, WE HBA believes there is tremendous opportunity to be had by increasing awareness for the program. Informing developers of the program can help them make decisions about where and what properties they can purchase to redevelop. Timeliness of their awareness of the programs is especially important, so they may take full advantage of the program.

**Do you believe that developments receiving financial assistance through ERASE should be required to address additional community priorities?**

No, given ongoing challenges with the housing shortage, and multi-partisan provincial direction to build 1.5 million more homes over the next decade it is important to view housing as a community benefit, in and of itself.<sup>3</sup> When a developer chooses to build housing in a space that will remediate historically contaminated lands, this is delivering on two of the City's needed community priorities—that being the cleanup of an environmental hazard and the delivery of new intensification housing units. WE HBA members are already challenged to deliver new housing at attainable prices. The layering on of additional community priorities to access ERASE grant funding would place an additional cost burden on the development. This will either increase the price for the purchaser or, given current market uncertainty, result in projects not moving forward. The Hamilton market will not bear cost increases at this time.

An alternative approach is that additional incentives on top of the ERASE program could be given for helping the City achieve these additional priorities. This could take the form of increasing the grant from 80% to 100%, or increasing the repayment timelines for affordable or non-for-profit housing. Any potential additional goals should be focused and targeted on only the most important and immediate needs—one of which is increasing overall housing supply.

**Staff are considering establishing a per project dollar cap on tax grants. Are there areas of the city or types of developments/uses where a cap should not be applied?**

WE HBA believes that there should not be a cap to the per project tax grants. As previously mentioned, the sites being redeveloped now are some of the more heavily contaminated sites. They have higher costs attached to their redevelopment. This is especially true for residential redevelopments, as they require a higher standard of soil remediation. Projects where the grant does not cover the cost of remediation may be delayed or abandoned, as developers would choose other locations to invest. When looking back to the goal of the ERASE Grant Program—to level the playing field between greenfield costs versus brownfield costs—the financial costs

<sup>3</sup> Bohmee Kim, Rachel Long, Maryam Sheikh, Anastasija Zecevic and Rhea Saini, "Unlocking Municipal Land: Exploring Tools for Affordable Housing," CityLab Hamilton, December 2022.

to redevelop must be kept as close to equal as possible. If costs rise, especially in the housing market, they may be too high for the Hamilton area to support.

**Are there remediation-related costs that should be added/removed from eligibility under the programs?**

WE HBA does not recommend removing any current items from the program eligibility. In terms of items that should be added, our members have noted there are significantly rising costs for moving and testing of excess soil/fill. For residential development, the testing of excess fill is a requirement that should be considered as an addition to the program. A further idea is that an incentive could be given depending on the technology used for soil remediation, WE HBA might recommend the City of Hamilton look to the ClimatSol Plus program run by the Quebec government.

**How could the City better support remediation and redevelopment of potentially contaminated commercial properties like current/former gas stations, dry cleaners etc.?**

WE HBA would recommend the City provide a larger percentage for the grant portion of the loan on these sites or utilize funds from the MAPP program to support these projects. It was suggested that if these areas or types of properties in the City of Hamilton are a priority, they could incentivize those projects for redevelopment.

**The Remediation Loan Program has not been well utilized. Why? What changes could be made to make it more useful?**

Reasons for little success for this program seems to be due to banks having a more attractive loan process than the City of Hamilton, as banks do not require Letters of Credit. That said, low interest rates may have contributed to developers using banks rather than using the City program. There is some speculation that with the rise in interest rates, more use of the program may occur. Members also voiced concerns that the funding caps are too low for the types of projects the City is trying to capture. It was suggested that MAPP funds could be combined with this program to target and incentivize affordable housing and non-for-profit housing projects.

**Conclusion**

The ERASE program is a vital program for the redevelopment and intensification in the City of Hamilton. It helps the revitalization of Hamilton continue, and supports the completion of projects that would not otherwise be feasible when a site has been historically contaminated. As the continued intensification of the City of Hamilton occurs, this program will be come even more integral to the future growth of our City as the "easy" or most cost effective remediation sites have already been redeveloped. The program supports a number of the City of Hamilton's identified priorities including the provision of enough housing for the community, the remediation of contaminated sites, and achieving high levels of intensification. WE HBA therefore submits this letter of support for the program for the City's consideration.

Sincerely,



**Michelle Diplock, RPP, MPI**

Manager of Planning and Government Relations  
West End Home Builders' Association



# **Five-year Review of the Environmental Remediation and Site Enhancement (ERASE) Community Improvement Plan (PED23076 – City Wide)**

General Issues Committee – April 19, 2023

# What is a 'Brownfield'?

*"...means undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant"*

(Provincial Policy Statement, 2020)



# What are CIPs and CIPAs?

- Community Improvement Plans (CIPs) are a tool under the *Planning Act* that allow municipalities to provide incentives not otherwise permitted under the *Municipal Act*
- A CIP establishes financial assistance programs to facilitate physical improvements to building/properties that will support the broader revitalization of a defined geographic area
- Defined geographic areas in which programs can be offered are “Community Improvement Project Areas” or CIPAs
- CIP/CIPAs are implemented as By-laws and updates are required to be undertaken in accordance with requirements of the *Planning Act*
- City practice is to review our CIPs and their programs every five years
- These reviews serve as a ‘check-in’ to evaluate existing programs in terms of addressing their intended goals and introduce program updates



# Brownfields in Hamilton

- Brownfields have, and continue to be, a challenge for the City given our long history as an industrial and commercial hub
- This has left a legacy of environmental contamination on many sites in the city's older, historically developed areas
- The exact number of Brownfields in the city are unknown and difficult to determine with certainty due to private ownership and need for confirmatory testing
- Brownfields are a common issue in many municipalities in Canada
- The Province is responsible for establishing the site condition standards that must be met, based on planned land use, and the process to certify remediation work (Record of Site Condition)
- Residential/Parkland/Institutional uses have the most stringent soil/groundwater standards to meet
- The requirement to remediate contamination adds significant costs, time and risk to impeding ability/willingness for these sites to be considered for redevelopment

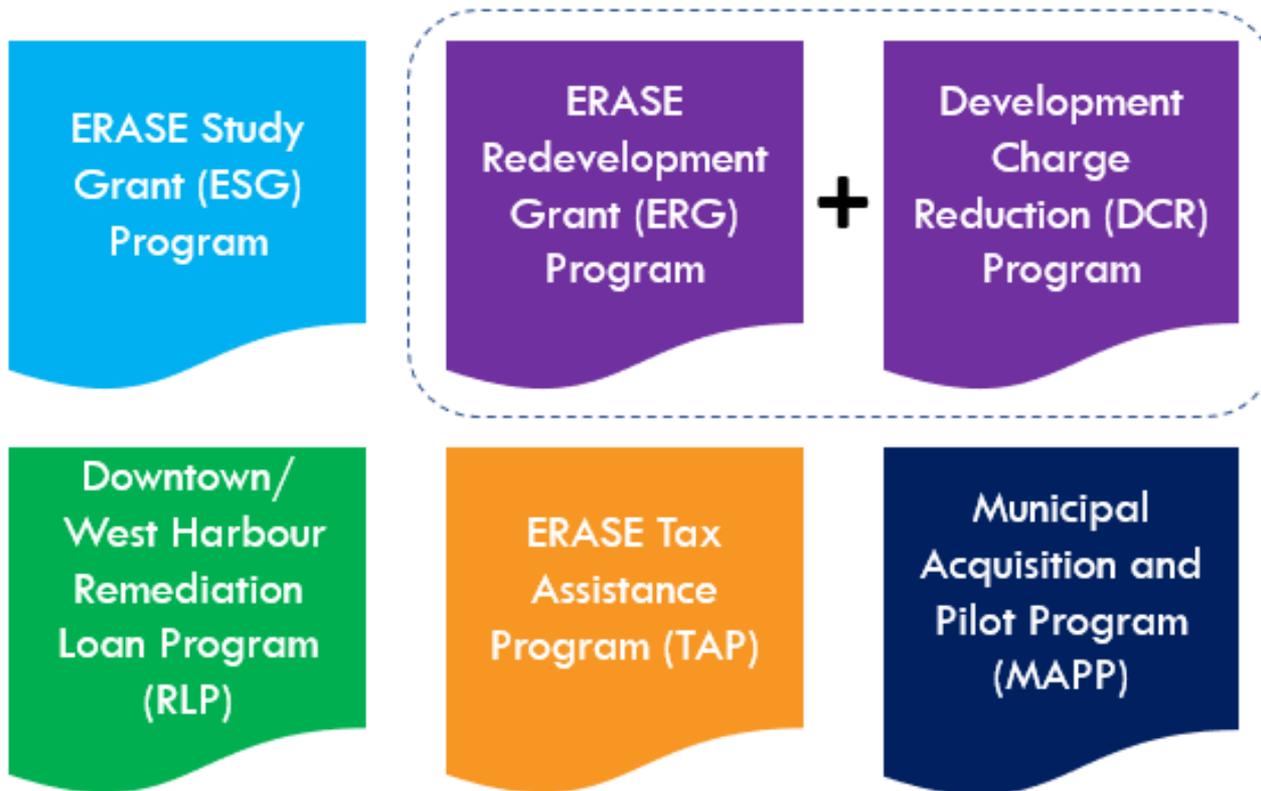


# City Efforts on Brownfields

- Economic Development Divisions' Brownfield Office and ERASE CIP were first introduced in 2001 as a strategic effort to support and incentivize the remediation and reuse of Brownfields
- City efforts 'level the playing field' so contaminated sites can be considered for redevelopment on an equal footing, financial and otherwise, as non-contaminated sites
- Brownfield redevelopment supports strategic City goals including:
  - improving environmental conditions within our communities
  - supporting urban area revitalization through redevelopment of under-utilized/blighted properties with productive land uses
  - supporting new housing and employment opportunities in existing urban areas
  - reducing urban sprawl and related costs
  - growing assessment and municipal taxes in existing urban areas



# Existing ERASE Financial Assistance Programs



# Goals of the ERASE CIP Review

- ERASE CIP and Programs were last reviewed and updated in 2018
- Goal of the review was to ensure ERASE programs continue to...
  - provide effective and meaningful financial support to encourage the investigation, remediation and redevelopment of brownfields
  - meet the intended goals and objectives of the City
  - are financially sustainable for the City
  - align with, and support, new/emerging community and Council priorities
- Proposed program amendments arising from this review do not require any increase in current budgets allocated to the Economic Development Division for the provision or administration of ERASE financial assistance



# ERASE Review Consultation

- Engagement activities occurred between September and December 2022 and included...
  - a public workshop held on November 22, 2022
  - Engage Hamilton project page
  - presentation to the City's Brownfield advisory group
  - periodic posts on City and Economic Development social media channels
  - internal engagement with various City departments and divisions including subject matter experts related to housing affordability and climate change
- Staff also undertook a best practice review and meetings with other Southern Ontario Municipalities with brownfield programs



# Review Outcomes

- Staff's review confirmed the significant positive impact the ERASE CIP and programs continue to have for the City including:
  - supporting the remediation of **206 acres (83 hectares)** of contaminated land
  - leveraging approximately **\$18.00** in private sector investment for every \$1.00 provided in financial assistance towards site remediation
  - achieving the creation of over **3,300 new residential units** and over **176,000 sq. m. (1,900,000 sq. ft.)** of Industrial/Commercial/Institutional floor area on brownfields
  - generating over **\$1,000,000,000\*** in new property assessment on brownfields and over **\$11,000,000 annually** in new municipal property tax revenue

*\* Inclusive of reassessments*



# Review Outcomes

- Confirmed the continued need for the ERASE programs in order to mitigate remediation costs on contaminated lands
- Staff identified opportunities for program improvements which would:
  1. Expand availability of select programs to further support remediation and redevelopment of Brownfields
  2. Introduce new financial supports for planned not-for-profit affordable housing developments on Brownfields
  3. Leverage existing programs to support City priorities for environmental sustainability and housing affordability
  4. Incentivize more environmentally sustainable remediation practices

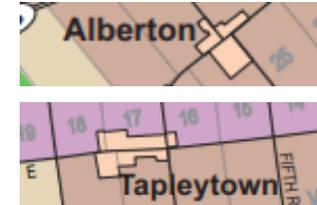
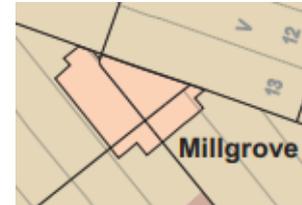
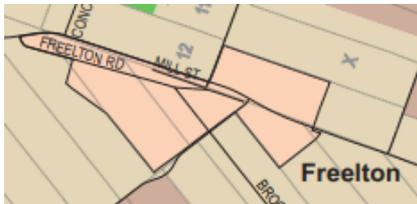


# Key Proposals

## 1. Expand availability of select ERASE Programs to further support remediation and redevelopment of Brownfields

### *ERASE Redevelopment Grant (ERG)/ERASE Study Grant (ESG) Programs*

- Expand programs to Rural Settlement Areas where there is a concentration of historical development



### *Downtown and West Harbour Remediation Loan Program (RLP)*

- Expand loan program to Community Downtowns, Business Improvement Areas (BIA) and other strategic commercial corridors where other commercial revitalization programs/supports are offered
- Areas have a greater potential for current/historic contaminating commercial uses (such as gas stations, auto mechanics, dry cleaners etc.)



# Key Proposals

## 2. Introduce new financial supports for planned not-for-profit affordable housing developments on Brownfields

### *ERASE Affordable Housing Grant (EAHG) Program (NEW)*

- Creation of a new program to provide grants up to \$200,000 per project towards remediation costs (approvals delegated to GM of PED)
- Funded through the Brownfield Pilot Project Fund which receives the 20% tax increment from ERG approvals not provided to the applicant
- Addresses a short coming whereby non-tax generating developments not eligible for ERASE tax increment/cancellation programs

### *ERASE Study Grant (ESG) Program*

- Increase the eligible costs for investigative studies from 50% to 100%
- Permit designated substances and hazardous materials surveys

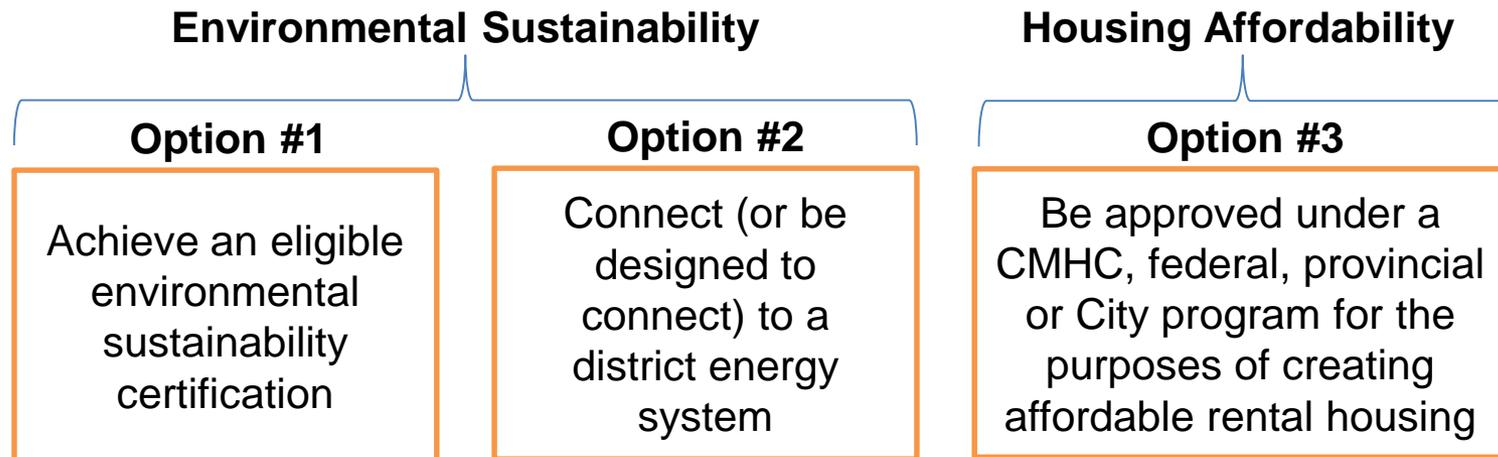


# Key Proposals

## 3. Leverage existing programs to achieve City priorities for environmental sustainability and housing affordability

### *ERASE Redevelopment Grant (ERG) Program*

- Modifying grant amounts and duration based on whether a development incorporates environmental sustainability achievements or affordable housing units
- Proposal would identify projects as either a 'Brownfield Project' or an 'Enhanced Brownfield Development'. An enhanced development would mean achieving one of the following:



# Key Proposals

## Option #1

Achieve an eligible environmental sustainability certification

- Canadian Home Builders Association Net Zero Home Labelling where Net Zero/Net Zero Ready levels of efficiency are achieved
- Passive House Canada
- Natural Resources Canada (NRCAN) R2000
- Built Green to a Gold or higher standard in the Energy and Envelope category
- Leadership in Energy and Environmental Design (LEED) Gold or higher standard

## Option #2

Connect (or be designed to connect) to a district energy system

- Providing space for the sole purpose of future equipment/thermal piping;
- Securing an easement between the mechanical room and the property line to allow for thermal piping; and
- Including two-way pipes in the building to carry the thermal energy from the district energy network to the section in the building where the future energy transfer station will be located

- These options are intended to support the Council approved Hamilton's Climate Action Strategy (HCAS) (Low-Carbon Transformation #2 – Transforming our Buildings)



# Key Proposals

## Option #3

Be approved under a CMHC, federal, provincial or City program for the purposes of creating affordable rental housing

- affordable housing units are to be integrated into an otherwise market-based, tax generating development for eligibility
  - set through the requirements and conditions of the prerequisite government funding support required for consideration as an Enhanced Brownfield Project
  - enforcement of affordability provisions would be undertaken by the provider of the prerequisite funding program with ERG grants being cancellable where affordability terms/ requirements of the prerequisite funding support are not met.
- This option is intended to support the Council approved Housing and Homelessness Action Plan (HHAP) (Outcome Area 1 – Supply)



# Key Proposals

Grant Parameter		Current Program (all development)	Proposed Program	
			Brownfield Development	Enhanced Brownfield Development
Maximum Eligible Costs Permitted For:	the transportation and disposal of contaminated soil at a licensed landfill facility	100%	80%	80%
	In-situ remediation methods or the transportation and treatment of contaminated soil so as to enable reuse	100%	100%	100%
	all other environmental remediation and DSHM eligible costs unless otherwise specified	100%	80%	100%
Maximum Potential Annual Grant Payments		10	10*	13*
Maximum Annual Grant as a Percentage of Actual Tax Increment Realized		80%	80%	100%

\* Or until eligible remediation costs have been recovered, whichever comes first



# Key Proposals

## 4. Incentivize more environmentally sustainable remediation practices

- ‘Dig and dump’ is the most common form of remediation as its efficient and relatively easy in ensuring contamination is removed
- ‘Dig and dump’ requires long-distance trucking to licensed landfills and uses existing landfill capacity leading to unintended negative environmental impacts
- Proposal would reduce the City’s portion of eligible ‘dig and dump’ costs from 100% to 80%; the remaining 20% would be the responsibility of the applicant
- All other forms of remediation which minimize the need for excavation/trucking of soils (in-situ, risk assessments etc.) would continue to be supported at 100% of cost
- Incentivizes consideration of other more environmentally sustainable forms of remediation and reduces potential grant amounts
- Proposal does not impact the level of remediation required to be achieved, only the amount of remediation costs the City would provide grants towards



# Next Steps

Should Committee/Council support staff's proposals:

- Staff will prepare the required implementing CIP and CIPA by-laws reflecting the proposed changes
- These by-laws will be brought forward to Planning Committee for a statutory public meeting and Committee/Council consideration in accordance with the requirements of the *Planning Act*
- Staff are targeting a Planning Committee before the end of Q2 2023





THANK YOU



**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Economic Development Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	April 19, 2023
<b>SUBJECT/REPORT NO:</b>	Potential Parking Layout Design Improvements and Greenway for the Pier 8 Development (PED23039) (Ward 2)
<b>WARD(S) AFFECTED:</b>	Ward 2
<b>PREPARED BY:</b>	Andrea Smith (905) 546-2424 Ext. 6256 Chris Phillips (905) 546-2424 Ext. 5304 Dave McCullagh (905) 546-2424 Ext. 1647 Ray Kessler (905) 546-2424 Ext. 7019
<b>SUBMITTED BY:</b>	Norm Schleeahn Director, Economic Development Planning & Economic Development Department
<b>SIGNATURE:</b>	

### RECOMMENDATION

- (a) That staff of the Municipal Land Development Office be authorized and directed to submit a City-initiated Zoning By-law Amendment application to permit underground parking within the below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13, and 14 as shown on Appendix “A” to Report PED23039;
- (b) That, subject to Council’s future approval of the Zoning By-law Amendment outlined in Recommendation (a) to Report PED23039, the below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039 be deemed surplus for the purposes of disposition, and staff of the Corporate Real Estate Office be authorized and directed to negotiate agreements with Waterfront Shores Corporation (WSC) for the disposition of the subject below-grade strata land, while retaining full public ownership of the above-grade Greenway, on terms and conditions that align and are consistent with the Pier 8 Development Agreement between the City of Hamilton and WSC, and such other terms and conditions deemed appropriate by

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the General Manager of the Planning and Economic Development Department, and report back to General Issues Committee for approval;

- (c) That staff be directed to explore the opportunity to accommodate public parking spaces within the Pier 8 development blocks, including consideration of how it could fit within a transaction structure of the proposed disposition of below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039, and report back to General Issues Committee;
- (d) That funding of all costs associated with the rezoning and potential disposition of below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039, up to \$200K, through the West Harbour Capital Project Account No. 4411806107, be approved.

### **EXECUTIVE SUMMARY**

As Waterfront Shores Corporation (WSC), the City’s development partner for Pier 8, advances the detailed design of the various development blocks, dialogue with City staff has confirmed an opportunity with significant benefit to the overall amenity, design and function of Pier 8. The opportunity to enhance the Pier 8 vision is to be realized by enabling WSC to consolidate underground required parking between the development blocks, within the below-grade portion of lands referred to as the “Greenway”, while retaining the surface portion of the Greenway as an east-west pedestrian corridor in public ownership (refer to Appendix “A” to Report PED23039 and Appendix “B” to Report PED23039). The consolidated underground parking areas will lead to a better functional design of the neighbourhood, and also provides an opportunity to incorporate public parking into the underground structure (refer to Appendix “C” to Report PED23039).

Currently, required parking is permitted underground at each individual development block. A significant efficiency and design improvement could be realized if these underground parking structures could be linked together, thereby reducing the overall number of parking access points at the public street. For this to be possible, however, it would require the underground parking structures to be connected beneath the Greenway. The current zoning does not allow parking underneath the Greenway. Recommendation (a) would initiate the required Zoning By-law Amendment, which would go through the normal Zoning By-law Amendment process, including a statutory Public Meeting at Planning Committee to permit this use beneath the Greenway. The proposed rezoning would not permit parking at-grade within the Greenway. If the Zoning By-law Amendment is ultimately approved, then Recommendation (b) would provide staff with the authority to enter into the necessary agreements with WSC to transact the

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below-grade strata for the purposes of connecting the underground parking, and bring the proposed agreements to GIC for Council's consideration.

The purpose of this Report is to:

- Outline the merits of permitting underground required parking enabling the consolidation of below-grade parking structures;
- Seek authority to undertake the required actions to enable the consolidation of below-grade parking structures as part of WSC's proposed future development including Zoning By-law Amendment application, examination of potential public parking opportunities, creation of below-grade strata, and negotiation of transactional agreements; and,
- Highlight how this beneficial disposition opportunity relates to Pier 8 planning projects underway.

The desired result of these activities is consistent with the established vision and principles for Pier 8. The surface portion of the Greenway will continue as originally planned which is to maintain these lands within public ownership and serve a dual land use function intended to convey stormwater and as a pedestrian corridor. Ultimately, the desired outcomes of these processes will result in improved design, function, and additional community benefit of the Pier 8 development.

### **Alternatives for Consideration – Page 12**

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

**Financial:** The costs relating to the preparation and implementation of any required planning processes, agreements, contracts, including required external consulting services, for the recommendations up to \$200K be authorized and payment funded from West Harbour Capital Project Account No. 4411806107. This approved capital account is funded by the proceeds of sale for the Pier 8 lands.

It is expected that any future agreement for the below-grade strata lands would generate additional financial considerations. Financial implications related to agreements for the contemplated below-grade strata land sale will be identified in future reports for Committee/Council consideration.

**Staffing:** There are no staffing implications associated with this Report. Existing staffing resources will be used to manage planning and real estate

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processes outlined in this Report. External consulting services will be required to support this process, as noted above.

**Legal:** Legal Services will be required to assist in the preparation of the necessary documents required to complete the requisite disposition and interface agreements to facilitate this disposition strategy as well as assessing the legal implications related to these agreements.

## **HISTORICAL BACKGROUND**

As context to the discussion and staff recommendations within this Report, background is provided below related to the established development vision for Pier 8 and a summary of key relevant Council-approved motions and staff reports related to establishing the vision.

### **Established Development Vision For Pier 8**

The comprehensive vision for Pier 8 includes a strong connection between public amenity areas and private mixed-use residential development areas within Pier 8, as well as a strong connection between this new Pier 8 community with the existing North End Neighbourhood.

The western, northern, and eastern portion of Pier 8 are wrapped by public amenity areas accommodating a variety of activities, spaces and amenities. Included within this area is Cops Pier Park, a 30m wide waterfront park, which opened in the summer of 2022. The City is investing approximately \$140M to catalyze the redevelopment of these prime waterfront lands while prioritizing public access to the lands in accordance with high design standards.

As the public amenity areas are nearing completion, the focus is shifting to the internal 5.24ha internal development site portion of Pier 8 which is comprised of nine development blocks.

After an extensive procurement process concluding in June 2018, the City confirmed the selection of WSC as the Preferred Proponent of the Pier 8 Development Opportunity. In Nov 2021, the City entered into a development agreement partnership with WSC to redevelop these blocks into a mixed-use/residential neighbourhood. Applicable Official Plan policy and zoning regulations permit a mixed-use residential development comprised of four to eight-storey buildings with a maximum of 1,645 units across the development blocks.

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Additional public amenity area is planned in the form of an east-west pedestrian corridor located at the centre of the nine development blocks, serving as a connector between public and private lands. This pedestrian connection is located on lands referred to as the “Greenway” and situated on Blocks 12, 13 and 14 of the Plan of Subdivision (refer to Appendix “A” to Report PED23039 and Appendix “B” to Report PED23039). As WSC moves forward with the development, and the lands transact from City ownership to WSC as per the terms of the development agreement, the Greenway will remain in City ownership.

### **Council-Approved Motions and Staff Reports**

The following is a list of Council-approved Motions and staff reports that form a chronological history regarding the City’s West Harbour Re-Development Plans, specifically for the Piers 5 to 8 lands:

- March 30, 2015 – GIC approved Report 15-008 and staff Report PED14002(b) entitled “West Harbour Waterfront Re-Development Plan”;
- November 20, 2015 - Information Update CASP1516 entitled “Status of West Harbour Capital Works”;
- On November 9, 2016, Council approved General Issues Committee (GIC) Report 16-028 (Report PED14002(c)) entitled “West Harbour Real Estate Solicitation Process for Pier 8 Lands”;
- May 24, 2017 – Council approved Planning Committee Report 17-009 and staff Report PED17074 entitled “Applications to Amend City of Hamilton Zoning By-law No. 05-200, Approval of a Draft Plan of Subdivision and Temporary Use By-law for lands located at Pier 8, 65 Guise Street East”; which approved the zoning and Draft Plan of Subdivision, to facilitate the mixed-use residential, commercial, institutional and park uses on the Pier 8 lands;
- June 13, 2018, Council approved GIC Report 18-013 including Report PED14002(h) entitled “Pier 8 Development Opportunity Request for Proposals Evaluation”; approving Waterfront Shores Corporation (WSC) as the Preferred Proponent to develop the Pier 8 land;
- September 11, 2019, Council approved Confidential Report PED14002(i), entitled Pier 8 Development Agreement between the City of Hamilton and Waterfront

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Shores Corporation, identifying the framework to be used within the negotiated Delegated Authority (DA); and,

- On September 2021, Council approved Report PED21018 “Pier 8 Block 16 Urban Design Guidelines and Implementation Strategy”.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

City Council, at its meeting of November 24, 2004, adopted the City’s Portfolio Management Strategy Plan, which established a formalized process to be consistently applied across all areas of the City to guide the management of the City’s real property. In accordance with the City’s Portfolio Management Strategy, By-law 14-202, property no longer required for Municipal programs is declared surplus by Council and is disposed of in accordance with this policy.

The following section provides an overview of the applicable planning framework and policies which establish the Pier 8 vision, as well as references key relevant legislation related to the recommended planning and real estate processes discussed in this Report.

- **Dec 2012, Ontario Municipal Board (OMB) Approval of West Harbour “Setting Sail” Secondary Plan**

Setting Sail is a comprehensive land use plan for the West Harbour, with an emphasis on three areas of major change: the Waterfront; the area south of the Canadian National rail yard (Barton-Tiffany); and, the former industrial lands along Ferguson Avenue (Ferguson-Willington corridor). Setting Sail establishes a framework for public improvements and private development, and identifies land use designations, permitted uses and height limits.

- **May 2016, Council Approval of Pier 7 and 8 Urban Design Study (Brook McIlroy)**

The Pier 7 and 8 Design Study was guided by the planning framework of the Setting Sail and translates its policy text in a visual way to guide the future development of Pier 7 and 8. The urban design guidelines contained in this Study informed the zoning for Pier 8.

Within this Study, the concept of the Greenway was introduced which is described as a new “Green Street” connection from east to west with a dual role of sustainable infrastructure and public amenity space. The open space is framed by

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new residences and has activity anchors at the east and west boundaries of the open space.

- **May 2017, Approval of Pier 8 Plan of Subdivision and Zoning By-Law**

To implement the Setting Sail, Subdivision and Zoning By-law Amendment applications were brought forward. The City issued zoning approval and Plan of Subdivision approval for Pier 7 and 8; however, these planning instruments were subsequently appealed to the Ontario Land Tribunal (formally the Local Planning Appeal Tribunal). The zoning that applies to the Greenway is Conservation / Hazard Lands (P5) which permits Conservation, Flood and Erosion Control Facilities and Passive Recreation uses and does not permit underground parking.

- **Sept 2019, Local Planning Appeal Tribunal (LPAT) Approval of Minutes of Settlement (MOS) of Pier 8**

The City executed MOS to resolve LPAT appeals to the Zoning By-law Amendment No. 17-095 and draft Plan of Subdivision 25T- 20165 which implemented Setting Sail as it applied to the Pier 7 and 8 lands.

The MOS included direction to the City to bring forward, for Planning Committee and Council's consideration, an Official Plan Amendment to the Setting Sail and an implementing Zoning By-law Amendment that would redesignate and rezone the existing institutional Block (Block 16) on Pier 8 to permit either residential or mixed use development in a mid-rise (later defined as 5-12 storeys) or high-rise (later define as over 12 storeys) form. Provisions within the settlement also encourage additional family units (two bedroom or more) within the development and specify a proportionate increase of family units relative to the proposed height.

- **Sept 2021, Council Approval of Pier 8 Urban Design Guidelines, Block 16 (Brook McIlroy)**

In order to fulfil the settlement commitments and OP policies, a review of the existing Pier 7 and 8 Urban Design Study was required. This review assessed the opportunity and design parameters required to accommodate a mid-rise or tall building on Block 16. Related to this review, was the requirement to develop urban design guidelines to evaluate any development applications for mid-rise or tall building proposals on the Subject Lands. The Pier 8 Block 16 Urban Design Guidelines contain recommendations pertaining to matters such as character, landscape requirements, amenity areas, massing, sustainability, circulation and accessibility for a mid-rise and tall building scenario on Block 16, as well as recommendations for successful implementation of the Guidelines.

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In September 2021, Council approved Report PED21018 “Pier 8 Block 16 Urban Design Guidelines and Implementation Strategy”. Neither the approval of the urban design guidelines nor the approval of the implementation process constituted an adoption of a position on a tall building proposal by Council or by Planning staff. The urban design guidelines do not propose a height, rather they establish a framework in which to evaluate development applications.

- **Nov 2021, Submission of City-Initiated Official Plan Amendment and Zoning By-law Amendment Applications for Block 16**

As the next step in the Council-approved implementation process for Block 16, the Municipal Land Development Office (MLDO) within the Economic Development Division has submitted the required Official Plan Amendment and Zoning By-law Amendment applications which propose a tower consisting of approximately 429 units, that is 147 metres in height or 45 storeys.

The Council-approved implementation strategy includes an enhanced public engagement process and design review process, including a special Design Review Panel (DRP). Final materials will be submitted to the Planning Department for review and brought forward to Planning Committee/Council for consideration.

## **RELEVANT CONSULTATION**

- Planning and Economic Development Department
  - Economic Development Division
  - Planning Division
  - Corporate Real Estate Office
- Public Works Department
  - Environmental Services (Parks and Cemeteries, Landscape Architectural Services)
  - Engineering Services (Waterfront Development Office)
- Corporate Services Department
  - Legal and Risk Management Services Division

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

As WSC, the City’s development partner for Pier 8, advances the detailed design of the various development blocks, dialogue with City staff has confirmed an opportunity with significant benefit to the overall amenity, design and function of Pier 8. The opportunity to enhance the Pier 8 vision is to be realized by enabling WSC to consolidate

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underground required parking between the development blocks within the below-grade portion of lands referred to as the “Greenway”, while retaining the surface portion of the Greenway as an east-west pedestrian corridor in public ownership (refer to Appendix “A” to Report PED23039 and Appendix “B” to Report PED23039). The consolidated underground parking areas will lead to a better functional design of the neighbourhood, and also provides an opportunity to incorporate public parking into the underground structure (refer to Appendix “C” to Report PED23039). Appendix “C” to Report PED23039 provides a conceptual illustration of the consolidation of the development blocks under the Greenway as well as depicts the general layout of the below-grade parking structures under Pier 8 Blocks, 3, 6 and 16.

Presently, the barrier to incorporating underground required parking relates to the current zoning within the area referred to as the “Greenway”. Although the Pier 8 zoning permits parking across all development blocks of Pier 8, it is not permitted within the Greenway. Although public parking is a use that would be permitted if proposed beneath the Greenway, required parking in association with private development is not permitted. A zoning by-law amendment application is required to add required parking as a permitted use.

### **Merits of Underground Parking Beneath the Greenway**

Below is a summary of the various benefits of permitting underground parking beneath the Greenway:

- **More efficient use of land**  
Permitting underground parking beneath the Greenway enables the City to retain ownership of the surface portion of Greenway while making efficient use of the below-grade strata land (also referred to as sub-surface portion) of the Greenway;
- **More parking spaces underground**  
Increasing the number of spaces that can be efficiently accommodated underground reduces the need for surface parking and associated surface vehicular circulation, shifting this parking amenity underground from the public realm;
- **Fewer driveway accesses**  
Permitting underground parking enables consolidation and improved coordination of parking infrastructure between the blocks. Fewer driveway accesses at the northern portion of the site diverts traffic away from the public park amenity area (e.g. Copps Pier Park) and opens the opportunity for the City to explore innovative shared road typologies such as a ‘woonerf’. Further, reducing the number of parking structure access points reduces potential for vehicular and pedestrian conflicts;

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- **Opens the opportunity to accommodate additional public parking spaces**  
Permitting underground parking beneath the Greenway allows for exploration of public parking spaces in conjunction with the required parking spaces associated with the WSC's proposed development. This exploration would occur as part of the development of below-grade strata land sale agreement process with WSC; and,
- **Opens the opportunity to achieve financial benefit to the City**  
Subject to rezoning of the lands for underground parking, the below-grade strata lands could be sold to the Waterfront Shores.

### **Update of Related Pier 8 Planning Projects**

The Greenway has a relationship to a number of Pier 8 planning projects. The three key related planning projects are: The Greenway 'Pedestrian-Connection' Design Project; Future Site Plan Application (SPA) for Pier 8 Blocks 3 and 6; and current Official Plan Amendment and Zoning By-law Amendment Applications for Pier 8 Block 16 for a 45-storey residential tower.

### **Greenway Pedestrian-Connection Design Project**

The City has retained landscape architectural services of gh3, a multidisciplinary design practice firm, to develop landscape and urban design components related to the Pier 8 Greenway pedestrian connection. The costs associated with these consulting services have previously been approved for expenditure from West Harbour Capital Account No. 4412306101. The scope of work of this project includes:

- 1) Schematic Design, Design Development and Site Plan Application submission, including the preparation and attendance of up to three community meetings;
- 2) Greenway Contract Drawings and Tender Process; and,
- 3) Greenway Construction Administration and Review.

The Greenway Design project relates to the surface portion of the Greenway and will run concurrent yet distinct from the planning and real estate processes discussed in this Report.

### **Pier 8 Site Plan Applications**

In November 2021, the City and WSC executed the Pier 8 Development Agreement, and WSC is in a position to commence with phased site plan applications. However, the proposed site plan development design is informed by whether or not underground

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parking is permitted beneath the Greenway. For example, site plan considerations such as the location of parking access points and vehicular circulation routes requires clarity as to whether consolidated parking layout between development blocks underneath the Greenway is permitted. A decision is required to clarify the site development context. Subject to determination of underground parking as a permitted use by way of zoning by-law amendment enabling the consolidation of underground parking, WSC will commence with submission of site plan applications for Block 3 and 6.

**Block 16 City-Initiated Official Plan and Zoning By-law Amendment for a Proposed 45-Storey Residential Tower**

As noted above, in November 2021 the City-initiated a development application for an Official Plan Amendment and Zoning By-law Amendment for a proposed 45-storey on Block 16 which is located adjacent to the Greenway.

Based on community and staff feedback received to date, WSC is further revising the design for the proposed 45-storey residential tower. WSC has considered revising the proposed design whereby underground parking is consolidated, including beneath the Greenway. WSC will submit revised development application materials and the application will be brought forward for Planning Committee/Council decision.

**Next Steps**

Subject to Council approval of recommendations contained within Report PED23039, staff will commence required planning and real estate processes as described below.

**Required Planning Process**

In order to contemplate underground parking beneath the Greenway, the principle of permitted land uses must be established. The current applicable zoning of the Greenway does not permit underground required parking associated with private development. Blocks 12, 13 and 14 of Pier 8 are zoned Conservation/Hazard Lands (P5) which permits Conservation, Flood and Erosion Control Facilities and Passive Recreation uses only. It is therefore a Zoning By-law Amendment is required to create a Special Exception to allow “underground parking” as a permitted use for the Greenway. The proposed rezoning would not permit parking at-grade within the Greenway.

Subject to Council approval of Report PED2309 recommendation (a, i), the Municipal Land Development Office will submit a Zoning By-law Amendment application to allow underground parking. The first step in the rezoning process will be to host a community meeting prior to submission of the application. Upon submission of the application, the

**SUBJECT: Pier 8 Development Work Plan: Waterfront Shores Development Agreement, Greenway Design and Parking (Ward 2) (PED23039) (Ward 2) - Page 12 of 13**

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process is subject to the new Bill 109 rezoning process timeframe and will be processed within 90 days.

Subject to Council approval of the Zoning By-law Amendment and the Amendment being in force and effect, the contemplated real estate processes can advance, as discussed further below.

### **Required Real Estate Processes**

On approval of the Recommendations contained in this Report PED23039 and subject to obtaining the required rezoning to accommodate the contemplated underground parking beneath the Greenway, Corporate Real Estate Office staff in consultation with Municipal Land Development staff will work to:

1. Define the property limits and description of the below-grade strata lands for disposition;
2. Protect the City's interests by way of establishing reciprocal rights and obligations to be included in the agreements to be negotiated; and,
3. Negotiate the requisite agreements towards the disposition of the defined below-grade strata lands pursuant to Policy Implications and Legislated Requirements on real estate matters as outlined in this Report PED23039.

The desired result of these processes is consistent with the established vision and principles for Pier 8. The surface portion of the Greenway will continue as originally planned which is to maintain these lands within public ownership and serve a dual land use function intended to convey stormwater and as a pedestrian corridor. Ultimately, the desired outcomes of these processes will result in improved design, function and additional community benefit of the Pier 8 development.

### **ALTERNATIVES FOR CONSIDERATION**

Should Council decide not to direct staff to initiate a rezoning application to permit underground parking, then staff will advise WSC to proceed with Block 16 Official Plan Amendment/Zoning By-law Amendment applications and Site Plan applications such that any proposed underground parking must be contained within the boundaries of each of the separate blocks.

**SUBJECT: Pier 8 Development Work Plan: Waterfront Shores Development Agreement, Greenway Design and Parking (Ward 2) (PED23039) (Ward 2) - Page 13 of 13**

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**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Community Engagement and Participation**

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

**Economic Prosperity and Growth**

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

**Healthy and Safe Communities**

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

**Clean and Green**

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

**Built Environment and Infrastructure**

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

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report PED23039 – Location and Key Map

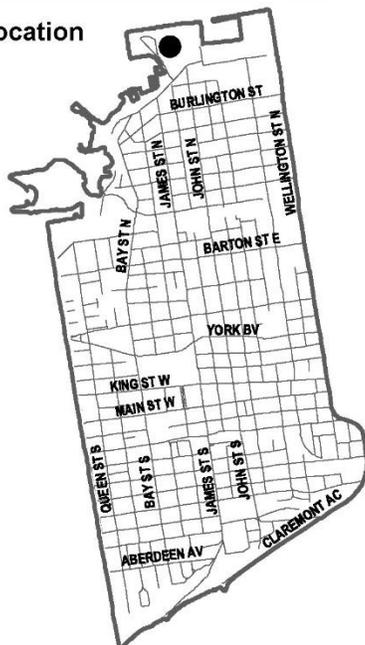
Appendix “B” to Report PED23039 – Greenway Image

Appendix “C” to Report PED23039 – Pier 8 Conceptual Site Plan with Consolidated Parking

AS/jrb



● Site Location



Key Map - Ward 2



# Location Map



Hamilton

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number:

The "Greenway", comprised of Blocks 12, 13 and 14

Date:

February 15, 2023

Appendix "A"

Scale:  
N.T.S

Planner/Technician:  
AS/NB

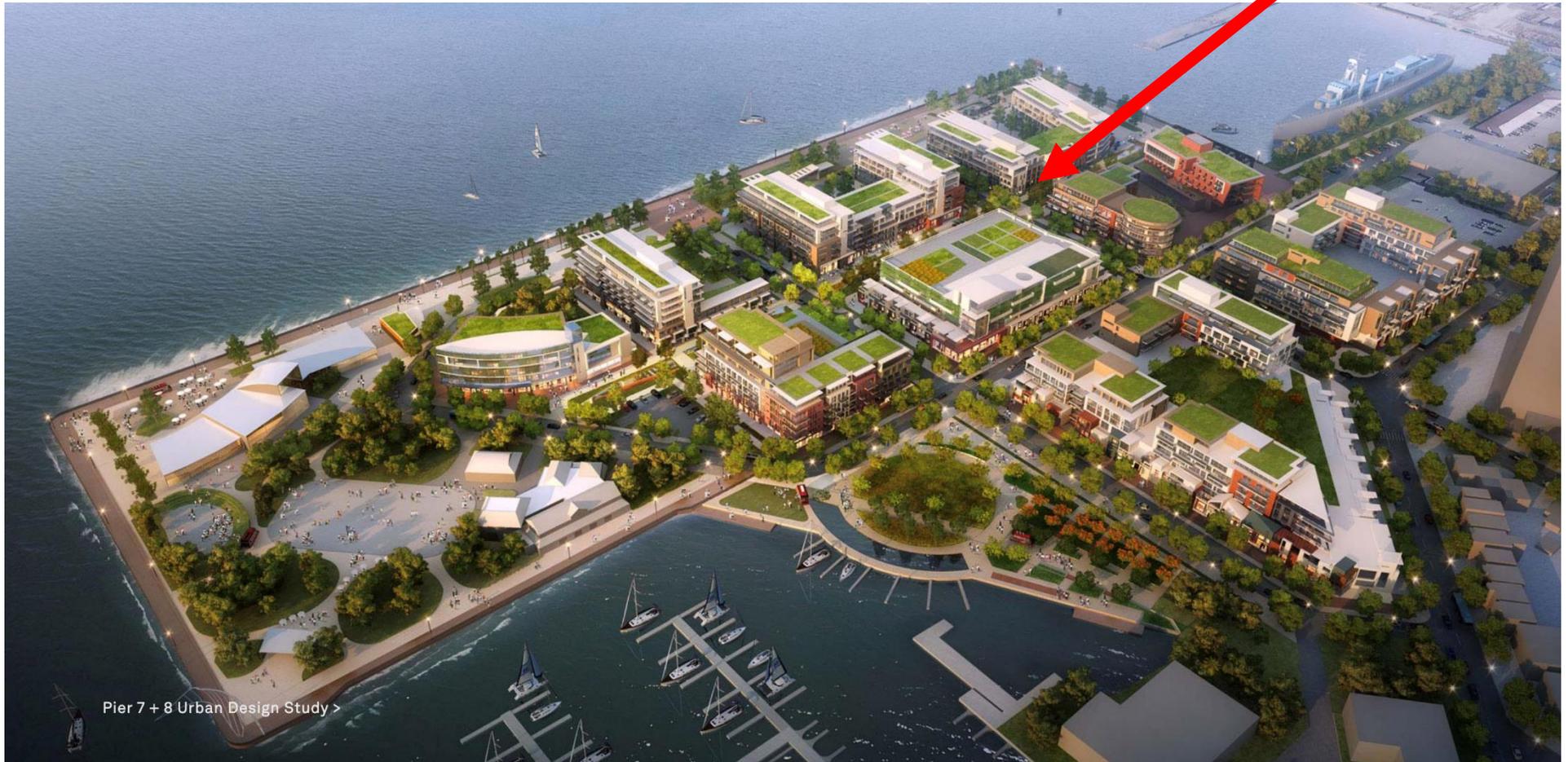
### Subject Property

-  The "Greenway", comprised of Blocks 12, 13 and 14, Hamilton (Ward 2)
-  Lands Subject to City of Hamilton and Waterfront Shores Corporation (WSC) Development Agreement, comprised of Blocks 1, 2, 3, 4, 5, 6, 7, 8 and 16
-  Pier 8 Plan of Subdivision

**Greenway Image:**

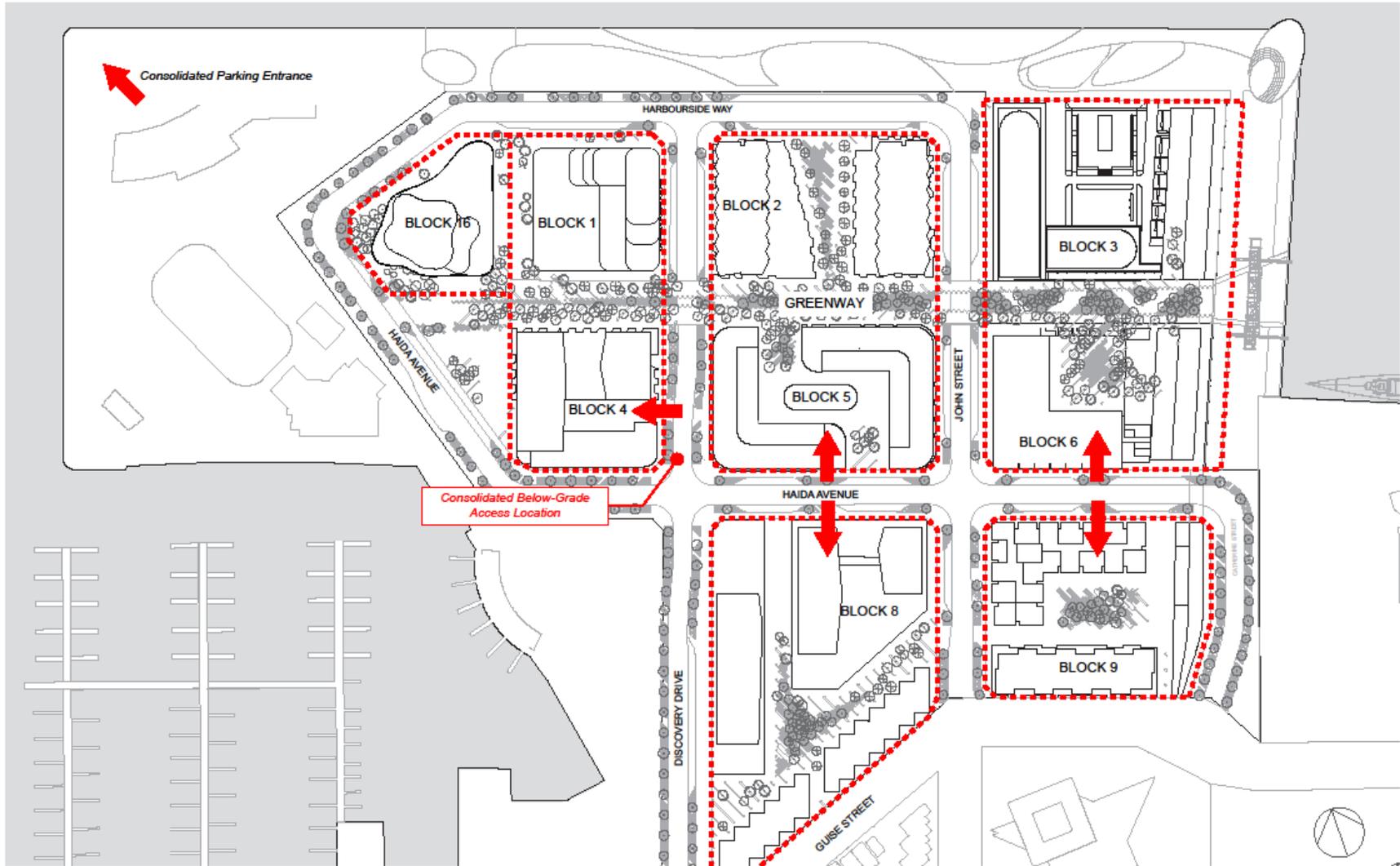
**City of Hamilton Pier 7 & 8 Urban Design Study, 2016 (Brook McIlroy)**

The "Greenway"



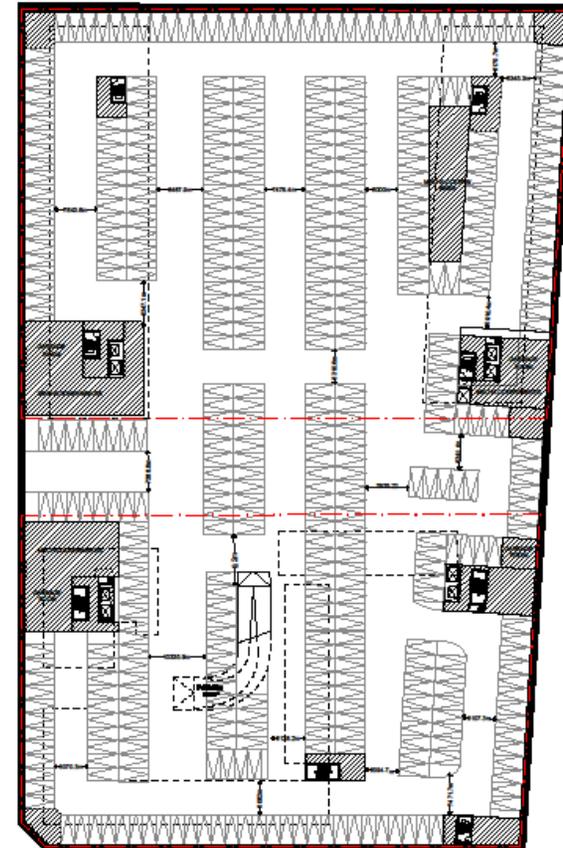
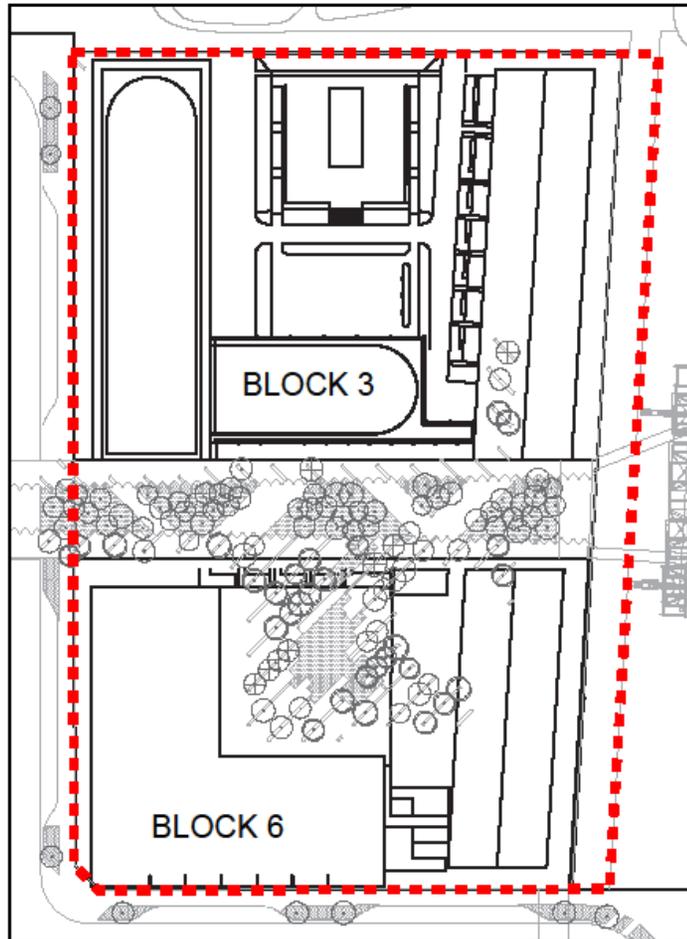
Pier 7 + 8 Urban Design Study >

### Pier 8 Conceptual Site Plan with Consolidated Parking



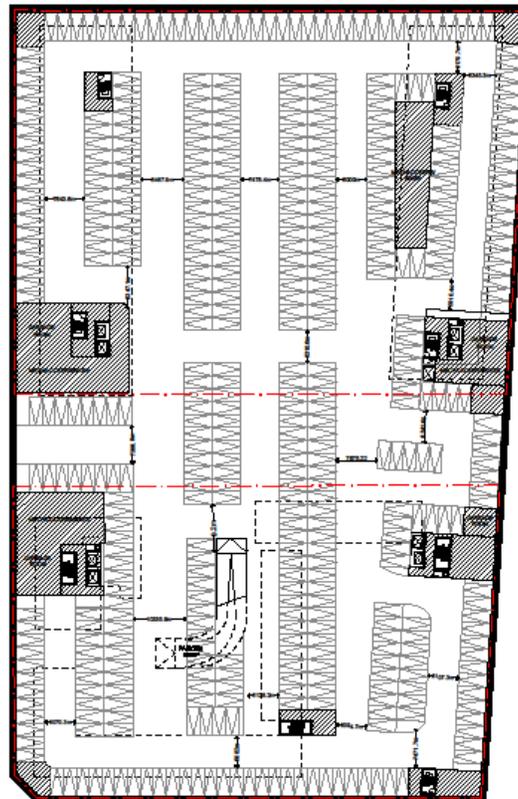
PIER 8 CONCEPTUAL SITE PLAN WITH CONSOLIDATED PARKING ENTRANCES

Pier 8 Blocks 3 & 6 Underground Parking (Surface and Below-Grade)



CONCEPTUAL SITE PLAN & SUB-SURFACE PARKING FOR BLOCKS 3 & 6

**Pier 8 Blocks 3 & 6 Underground Parking (Below-Grade with No. of Parking Spots)**

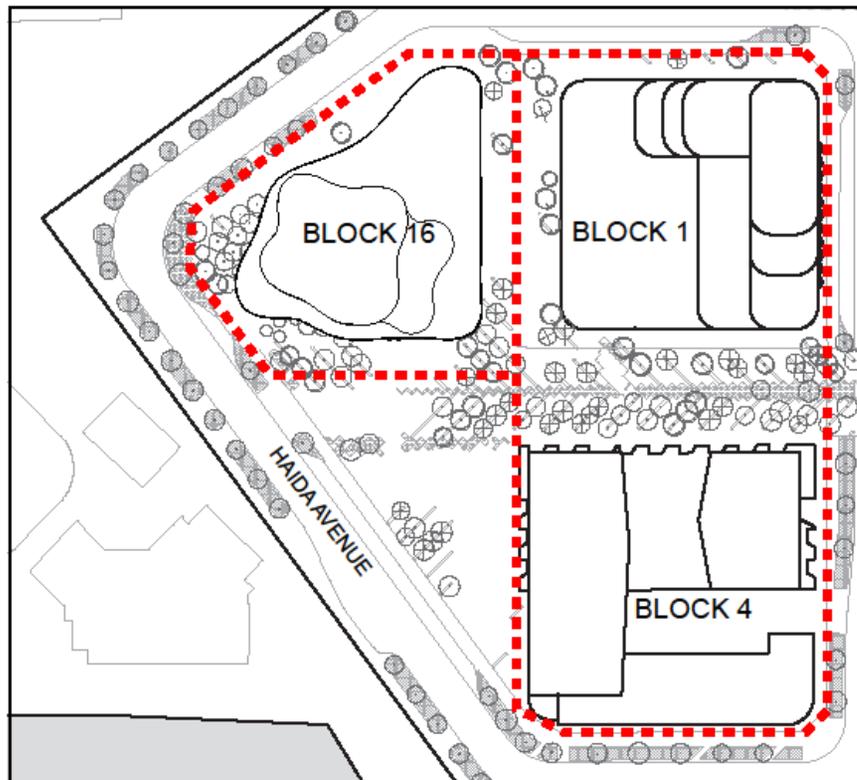


440 PARKING SPOTS

CONCEPTUAL SUB-SURFACE PARKING FOR BLOCKS 3 & 6

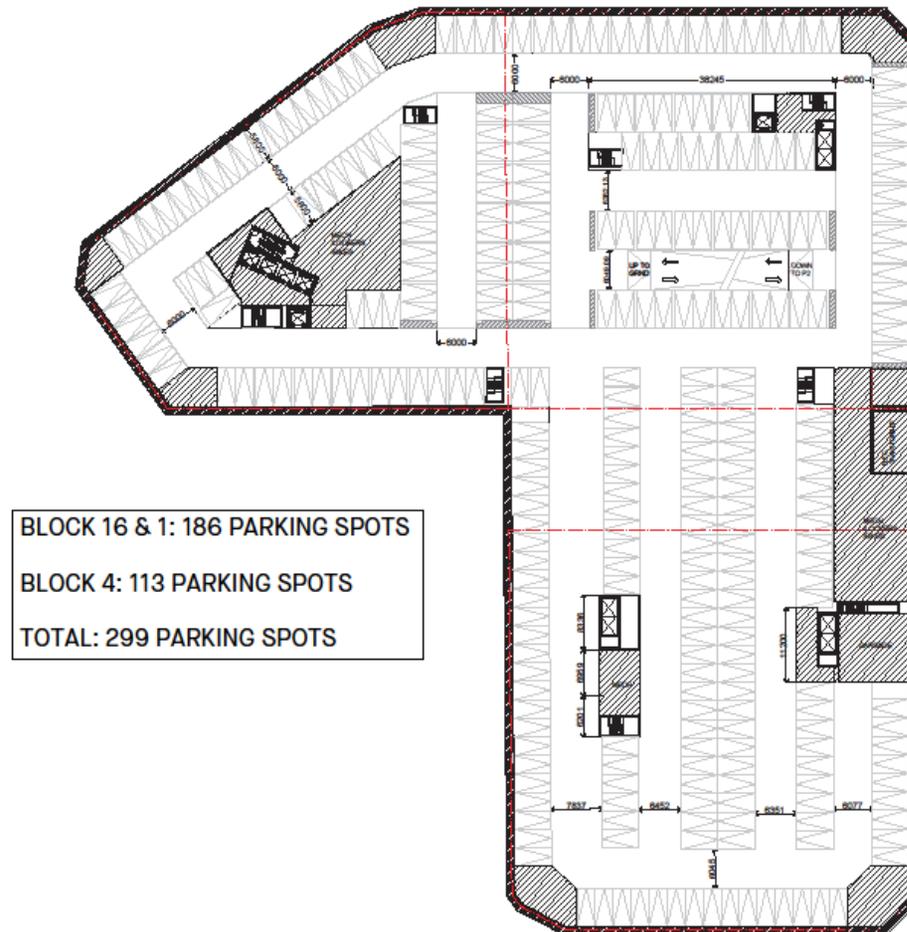
PIER 8

Pier 8 Blocks 1, 4 and 16 Underground Parking (Surface and Below Grade)



CONCEPTUAL SITE PLAN & SUB-SURFACE PARKING FOR BLOCKS 1, 4 & 16

**Pier 8 Blocks 1, 4 and 16 Underground Parking (Below Grade with No. of Parking Spots)**



CONCEPTUAL SUB-SURFACE PARKING FOR BLOCKS 1, 4 & 16



# GENERAL ISSUES COMMITTEE

April 19, 2023

# Presentation Overview - Report PED23039

1. Purpose of Report PED23039
2. Review of the West Harbour Waterfront and Pier 8
3. Pier 8 Development Plan Overview
4. Pier 8 - The “Greenway”
5. Limiting Traffic Movements with the Consolidation of Parking on Pier 8
6. Next Steps
7. Report PED23039 Staff Recommendations

# Purpose of Report PED23039

1. Outline the inherent qualities of permitting the consolidation of underground parking throughout the Pier 8 site
  
2. Examine the link between the Pier 8 “Greenway” project and the Pier 8 Development
  
3. Seek authority to undertake the required actions to enable the consolidation of below-grade parking structures as part of the Pier 8 development including:
  - necessary zoning By-law Amendment application;
  - the negotiation and creation of below-grade strata transactional agreements; and
  - the examination of potential below-grade public parking opportunities on Pier 8.

# West Harbour Waterfront Districts



# City-Owned West Harbour Waterfront Lands

The West Harbour Waterfront is a City-Owned Public Waterfront



 - City-Owned & Controlled Public Lands

# Pier 8 Development Overview



Pier 8 Private-Sector Residential & Commercial Development



Pier 8 – City-owned Lands & Public Spaces

# Pier 8 Development – By the Numbers

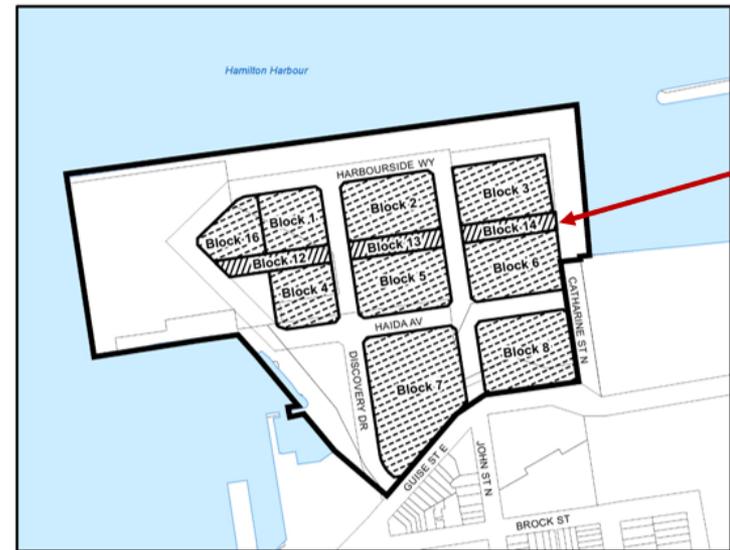


- 12.5 Ha (30.8 acres) Total Gross Area
  - 5.44Ha (13.44 acres) Total Net Area of 9-Development Blocks
  - 129,000 sq. m (1.4 million sq. ft) Total Gross Floor Area
  - 1,645 residential units
  - 120,000 sq. m or 1.3 million sq ft) Residential
  - 6,440 sq. m (70,000 sq. ft) leasable commercial space
  - Approx. 1,422 Proposed Underground Parking Spaces
- % Private Development: 42.6% of Pier 8
  - % Street Network: 18.8% of Pier 8
  - Open Space: 38.6% of Pier 8

# Pier 8 – The “Greenway”



Greenway Image:  
City of Hamilton Pier 7 & 8 Urban Design Study, 2016 (Brook McIlroy)



Greenway is comprised of Blocks 12, 13 and 14

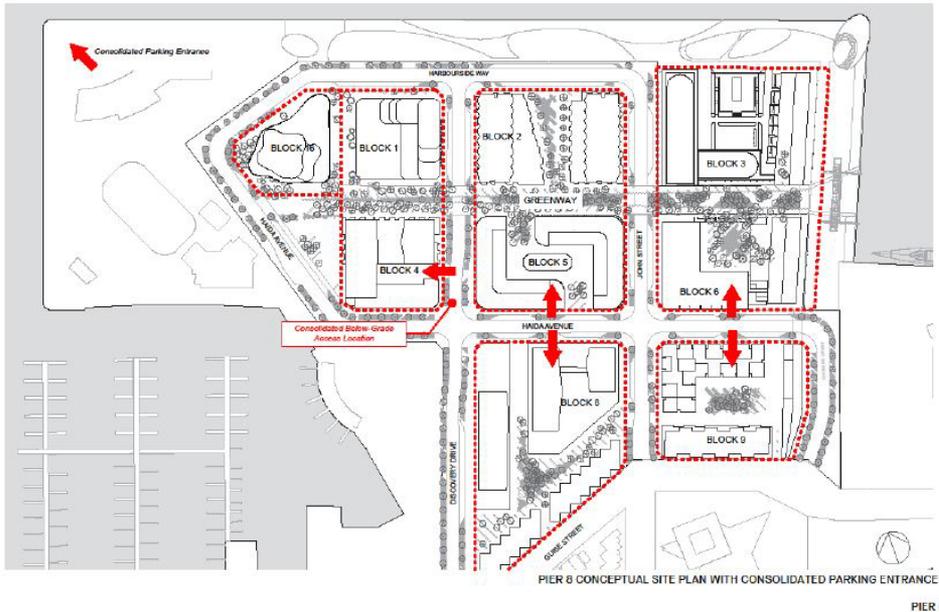
# Pier 8 – The “Greenway”



- Established May 2016, Council Approval of Pier 7 and 8 Urban Design Study (Brook McIlroy)
- The Pier 7 and 8 Design Study was guided by the planning framework of the Setting Sail and translates its policy text in a visual way to guide the future development of Pier 7 and 8
- The urban design guidelines contained in this Study informed the zoning for Pier 8
- Within this Study, the concept of the Greenway was introduced which is described as a new “Green Street” connection from east to west with a dual role of sustainable infrastructure and public amenity space
- The open space is framed by new residences and has activity anchors at the east and west boundaries of the open space

# Traffic Movements & Parking Consolidation

Pier 8 Conceptual Site Plan with Consolidated Parking



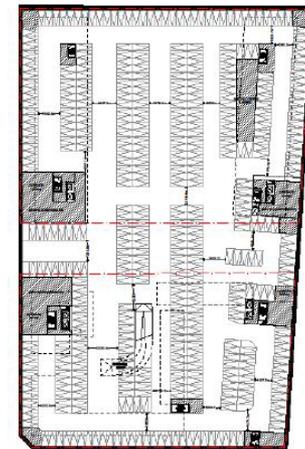
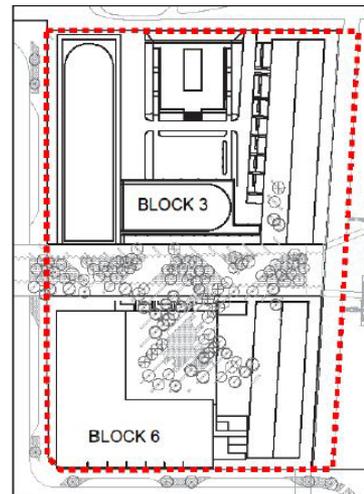
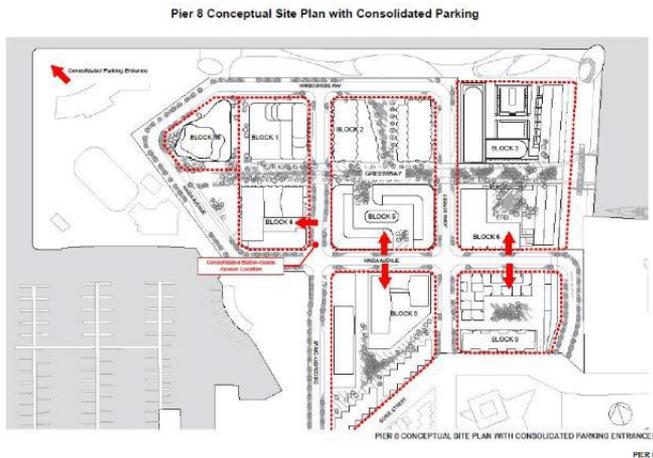
## Permitting Underground Parking Beneath the Greenway

- Efficient use of land
- Consolidates parking and access points
- Keeps vehicular movements to the southern portion of the site
- Limits the vehicular movements to the North of the site near the water's edge
- opportunity to accommodate additional public parking spaces
- financial benefit to the City

# Conceptual Traffic & Parking Plan

## Blocks 3&6

Pier 8 Blocks 3 & 6 Underground Parking (Surface and Below-Grade)



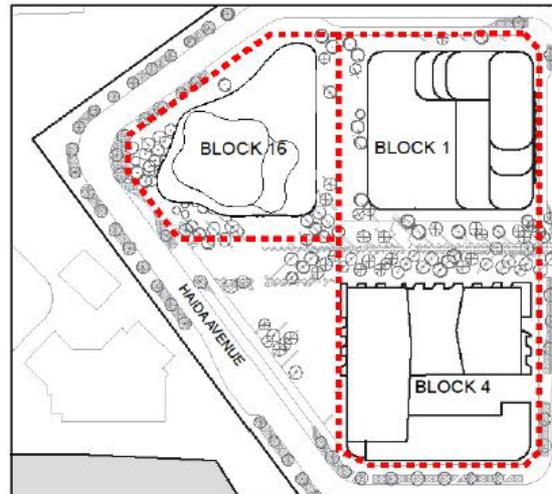
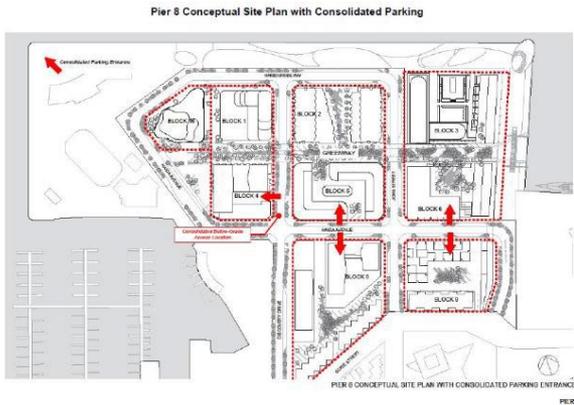
CONCEPTUAL SITE PLAN & SUB-SURFACE PARKING FOR BLOCKS 3 & 6

PIER 8

# Conceptual Traffic & Parking Plan

## Blocks 1, 4 & 16

Pier 8 Blocks 1, 4 and 16 Underground Parking (Surface and Below Grade)



CONCEPTUAL SITE PLAN & SUB-SURFACE PARKING FOR BLOCKS 1, 4 & 16

PIER 8

## 1. Re-Zoning Application for the Greenway to allow the below-grade parking

- current zoning of the Greenway does not permit underground required parking associated with private development
- Blocks 12, 13 and 14 of Pier 8 are zoned Conservation/Hazard Lands (P5)
- a Zoning By-law Amendment is required to create a Special Exception to allow “underground parking” as a permitted use for the Greenway
- MLDO to submit a Zoning By-law Amendment application

## 2. Required Real Estate Processes

- Need to Define the property limits and description of the below-grade strata lands for disposition
- Ensure the surface portion of the Greenway will continue as originally planned which is to maintain these lands within public ownership and serve a dual land use function intended to convey stormwater and as a pedestrian corridor
- Negotiate the requisite agreements towards the disposition of the defined below-grade strata lands
- Protect the City’s interests by way of establishing reciprocal rights and obligations to be included in the agreements to be negotiated

# Report PED23039 Recommendations

## RECOMMENDATIONS

- a) That staff of the Municipal Land Development Office be authorized and directed to submit a City-initiated Zoning By-law Amendment application to permit underground parking within the below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13, and 14 as shown on Appendix “A” to Report PED23039;
- b) That, subject to Council’s future approval of the Zoning By-law Amendment outlined in Recommendation (a) to Report PED23039, the below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039 be deemed surplus for the purposes of disposition, and staff of the Corporate Real Estate Office be authorized and directed to negotiate agreements with Waterfront Shores Corporation (WSC) for the disposition of the subject below-grade strata land, while retaining full public ownership of the above-grade Greenway, on terms and conditions that align and are consistent with the Pier 8 Development Agreement between the City of Hamilton and WSC, and such other terms and conditions deemed appropriate by the General Manager of the Planning and Economic Development Department, and report back to General Issues Committee for approval;

# Report PED23039 Recommendations

## RECOMMENDATIONS

- c) That staff be directed to explore the opportunity to accommodate public parking spaces within the Pier 8 development blocks, including consideration of how it could fit within a transaction structure of the proposed disposition of below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039, and report back to General Issues Committee;
  
- d) That funding of all costs associated with the rezoning and potential disposition of below-grade strata land within the Pier 8 “Greenway” defined by Blocks 12, 13 and 14 as shown on Appendix “A” to Report PED23039, up to \$200K, through the West Harbour Capital Project Account No. 4411806107, be approved.



Hamilton

THANK YOU