



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE ADDENDUM

Meeting #: 23-018
Date: November 16, 2023
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Tamara Bates, Legislative Coordinator (905) 546-2424 ext. 4102

10. DISCUSSION ITEMS

10.3 Downtown Hamilton Business Improvement Area Amendment to Schedule of Payments (PED23202) (Ward 2)

*a. Downtown Hamilton Business Improvement Area Amendment to Schedule of Payments (PED23202) (Ward 2) - REVISED

Revisions have been made to the Report only. The appendices remain the same.

10.4 Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3)

*a. Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3) - REVISED

Revisions have been made to the Report only. The appendices remain the same.

*10.5 Development Charges Stakeholders Sub-Committee Report 23-003 (November 9, 2023)

12. NOTICES OF MOTION

*12.1 Disaster Relief Assistance – Watermain Break (Hyde Park Avenue and Glenside Avenue) on November 12, 2023



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Economic Development Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	November 16, 2023
SUBJECT/REPORT NO:	Downtown Hamilton Business Improvement Area Amendment to Schedule of Payments (PED23202) (Ward 2) - REVISED
WARD(S) AFFECTED:	Ward 2
PREPARED BY:	Cristina Geissler (905) 546-2424 Ext. 2632
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the Business Improvement Area levy reduction, provided to Royal Connaught (110, 114, 116, 118, 120 and 122 King Street East) and the former Holiday Inn (130-150 King Street East) be eliminated in 2024;
- (b) That By-Law 97-091 The Levy of a Special Charge In Respect of: The Downtown Hamilton Business Improvement Area attached as Appendix "A" to Report PED23202 be amended in accordance with recommendation (a).

EXECUTIVE SUMMARY

On November 30, 2022 (GIC Report 22-022) Council approved the 2023 Operating Budget for the Downtown Hamilton Business Improvement Area, attached as Appendix "B" to Report PED22204, in the amount of \$490K of which \$425K correspond to the levy portion of the budget.

On February 15, 2023, the Downtown Hamilton Business Improvement Area Board of Management voted to increase the levy of the Royal Connaught (110, 114, 116, 118, 120 and 122 King Street East) and the former Holiday Inn (130-150 King Street East) from 1/3 to 100% of the properties assessed value now that each property is eligible for full occupancy.

**SUBJECT: Downtown Hamilton Business Improvement Area Amendment to
Schedule of Payments (PED23202) (Ward 2) - Page 2 of 3**

Following the decision of the Downtown Hamilton Business Improvement Area Board of Management, Report PED23202 is recommending that the levy reduction be eliminated in 2024.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Overall there is no change in the 2023 approved Budget/Levy. By eliminating the 2/3 reduction, the weighted assessment of the Downtown Business Improvement Area is increased which results in a lower Business Improvement Area tax rate than what would have been calculated had the 2/3 reduction remained. This adjustment in the tax rate would be applicable for 2024.

Staffing: Not applicable.

Legal: Staff is recommending that By-law 97-091 be revoked.

HISTORICAL BACKGROUND

By-Law 97-091 passed on April 27, 1997, authorized that only 1/3 of the assessment value of the properties located in The Royal Connaught be used to calculate the Downtown Business Improvement Area rate and that this rate be applied to the 1/3 of the assessment of the mentioned properties. This reduction was approved due to the property being at reduced capacity due to construction.

On February 15, 2023, the Downtown Hamilton Business Improvement Area Board of Management voted to increase the rateable assessment of 110, 114, 116, 118, 120, 122 and 130-150 King Street East from 1/3 to 100% of the properties assessed value now that these properties are eligible for full occupancy.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Not Applicable.

RELEVANT CONSULTATION

- Corporate Taxation.

**SUBJECT: Downtown Hamilton Business Improvement Area Amendment to
Schedule of Payments (PED23202) (Ward 2) - Page 3 of 3**

ANALYSIS AND RATIONALE FOR RECOMMENDATION

In arriving at the Business Improvement Area tax rate for each respective Business Improvement Area, Finance staff use the weighted commercial/industrial assessment within each respective Business Improvement Area. The higher the weighted assessment (leaving the Business Improvement Area levy unchanged) the lower the Business Improvement Area tax rate.

For the Downtown Hamilton Business Improvement Area only 1/3 of the assessment of the properties located in the Royal Connaught are used to determine the weighted assessment, which results in a Business Improvement Area tax rate higher than it would have been if the reduction was not in place, for all properties within the Downtown Business Improvement Area. This tax rate is applied to the 1/3 of the assessment of the properties in question, which results in a benefit to these properties that is passed on to the other properties within the Downtown Business Improvement Area.

If the 2/3 reduction is removed, the current property receiving the reduction would be subject to Business Improvement Area levy based on the full assessment value. Also, by eliminating the 2/3 reduction, the weighted assessment of the Downtown Business Improvement Area increases which results in a lower Business Improvement Area tax rate than what would have been calculated had the 2/3 reduction remained. This adjustment in the tax rate would be applicable for 2024.

Staff is recommending that the reduction be eliminated as the property is at full occupancy.

Overall, there is no change in the 2023 approved Budget/Levy.

ALTERNATIVES FOR CONSIDERATION

Not Applicable.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED23202 - By-Law 97-091 The Levy of a Special Charge In
Respect of: The Downtown Hamilton Business
Improvement Area

Appendix "B" to Report PED23202 - 2023 Downtown Hamilton Business Improvement
Area Budget

Appendix "C" to Report PED23202 - Finance Explanation of Special Levy Charge

Bill No. **D-31**

The Corporation of the City of Hamilton

BY-LAW NO. 97-091

The Levy of a Special Charge

In Respect of:

THE DOWNTOWN HAMILTON BUSINESS IMPROVEMENT AREA

**GENERALLY COVERING THE AREA BETWEEN KING WILLIAM STREET,
MARY STREET, MAIN STREET EAST AND JAMES STREET**

WHEREAS, Section 220(17) of the Municipal Act, R.S.O. 1990, Chapter M-45, provides that council may levy a special charge for the purposes of the Board of Management of an Improvement Area.

(17) Subject to such maximum and minimum charges as the Council may specify by by-law, the Council shall in each year levy a special charge upon persons in the area assessed for business assessment sufficient to provide a sum equal to the sum of money provided for the purposes of the Board of Management for that area, together with interest thereon at such rate as is required to repay any interest payable by the municipality on the whole or any part of such sum, which shall be borne and paid by such persons in the proportion that the assessed value of the real property that is used as the basis for computing the business assessment of each of such persons bears to the assessed value of all the real property in the area used as the basis for computing business assessment.

AND WHEREAS the Council of the City of Hamilton in adopting Section 5 of the Nineteenth Report of the Planning and Development Committee on November 26, 1996 approved the amount of \$84,000.00 for 1997, for the purpose of the Board of Management of the Business Improvement Area designated by By-law No. 82-151.

AND WHEREAS it is intended that a special charge be levied in accordance with subsection 220(17) of the Municipal Act.

NOW THEREFORE the Council of The Corporation of the City of Hamilton enacts as follows:

1. The Estimates of the Board of Management for the Improvement Area in the area between King William Street, Mary Street, Main Street East and James Street for 1997 in the amount of \$84,000.00 are hereby approved.
2. In order to raise the said \$84,000.00 there is hereby levied a mill rate of 10.7567 as a Special Charge on the persons in the area assessed for business assessment, in accordance with By-law 82-152, as follows:
 - (1) The assessed value of all the real property in the Areas used as the basis for computing business assessment (known herein as "the Total Assessed Value") is \$8,518,812.00
 - (2) The assessed value of the real property that is used as the basis for computing the business assessment for Kelloryn Hotels (Hamilton) Inc with respect to the hotel business known as "The Royal Connaught" at 82 King Street East is 592,212
This is reduced by two-thirds 394,808
to produce the Reduced Assessed Value of that business: 197,404

(3) The assessed value of the real property that is used as the basis for computing the business assessment of Premiere Hotels Ltd with respect to the hotel business known as "The Ramada Hotel" at 150 King Street East is 472,351
 This is reduced by two-thirds to produce the Reduced Assessed Value of the business: 314,901
157,450

(4) "The Reduced Total Assessed Value" is \$8,518,812.00 - (39 4,808.00+3 14,901.00): \$7,809, 103.00

(5) The Mill Rate for the Special Charge is calculated by:

(a) dividing the approved estimates of the Board of Management, \$84,000.00

(b) by the Reduced Total Assessed Value, \$7,809, 103.00 and

(c) multiplying the result by 1,000: 10.7567

3. The portion of the Special Charge which is to be paid by the hotel business in sub-paragraph 2. (2) shall be determined by multiplying its Reduced Assessed Value by the Mill Rate.
4. The portion of the Special Charge to be paid by the hotel business in sub-paragraph 2. (3) shall be determined by multiplying its Reduced Assessed Value by the Mill Rate.
5. The portion of the Special Charge to be paid by each of the other persons in the Area assessed for business assessment shall be determined by multiplying the assessed value of the real property that is used as the basis for computing the business assessment of such person by the Mill Rate.

PASSED this 29th day of April A.D. 1997



CITY CLERK




MAYOR

2023 Downtown Hamilton Business Improvement Area Budget

Revenues	2021 Audited	2022 Budget	2023 Budget
Levy	\$383,015	\$400,000	\$425,000
Grants			
Interest			
Other Income	\$80,410	\$65,000	\$65,000
Wage Subsidies			
Revenue from retained earnings			
Total Revenue	\$463,425	\$465,000	\$490,000

Office Expenses			
Professional Fees	\$6,841	\$6,000	\$7,000
Telephone		\$5,000	\$6,000
Levy Appeals		\$20,000	\$10,000
HST			
Rent		\$46,000	\$48,000
Meetings		\$7,500	\$7,000
Memberships		\$1,000	\$1,000
Salaries/Benefits	\$186,279	\$180,000	\$180,000
Office Expenses	\$79,928		
Insurance		\$12,000	\$12,000
Amortization	\$8,425	\$12,000	\$12,000
Other - Bank charges/Bad Debts	\$3,175	\$500	\$1,000
Total	\$284,648	\$290,000	\$284,000

Special Events/Promotions			
Events & promotions			
Communications			
Total	\$157,221	\$125,000	\$151,000

Beautification			
Total	\$44,023	\$50,000	\$55,000

TOTAL EXPENSES	\$485,892	\$465,000	\$490,000
	(\$22,467)	\$0	\$0

**Appendix “C” to Report PED23202
Page 1 of 2**

Finance Explanation of Special Levy Charge

The following properties in the Downtown BIA paid a reduced BIA levy in 2022 (note that the roll numbers identified below, with the exception of the last one (130-150 King St E) used to be one roll number for Royal Connaught (020.151.50433). That roll number does not exist anymore and 7 new roll numbers created):

Downtown Hamilton		
BIA	ROLL_NO	PROPERTY_ADDRESS
D	020151504350000	0 KING ST E
D	020151504370000	110 KING ST E 1
D	020151504380000	114 KING ST E 2
D	020151504390000	116 KING ST E 3
D	020151504400000	120 KING ST E 4
D	020151504410000	122 KING ST E 5
D	020151504420000	118 KING ST E 6
D	020152000100000	130 KING ST E 150

Roll number would not be identified above if it did not have any commercial or industrial assessment.

By reduced CVA, I mean the following:

In arriving at the BIA tax rate for each respective BIA, Tax Policy staff use the weighted commercial/industrial assessment within each respective BIA. The higher the weighted assessment (leaving the BIA levy unchanged) the lower the BIA tax rate. For Downtown BIA we only use 1/3 of the assessment for the above properties to determine the weighted assessment, thereby increasing the BIA tax rate for all properties within their BIA. We then adjust the BIA levy for the above-mentioned roll numbers to charge the BIA tax rate on only 1/3 of their commercial/industrial assessment.

Below are the 2022 Downtown BIA levy/rates as per the by-law to provide further details. From the tables below you will note:

1. Royal Connaught (020.151.50433) – the “gross BIA tax” should they have not received a 2/3 reduction is \$9,587 – however they were only levied 1/3 (or \$3196)

Appendix “C” to Report PED23202
Page 2 of 2

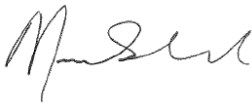
Table 4 - Downtown Hamilton								
Property Class			Current Value Assessment	Tax Ratio	Weighted Assessment	BIA Tax Rate	BIA Levy	
Commercial			207,064,997	1.9800	409,988,695	0.1931761%	\$ 400,000	
Industrial				3.1985	-	0.3120586%	\$ -	
Large Industrial				3.7506	-	0.3659265%	\$ -	
Total			\$ 207,064,997		\$ 409,988,695		\$ 400,000	
Approved 2022 Levy			\$ 400,000	(divided by weighted assessment) =		0.00097564	tax rate at tax ratio of 1.00	
Use Rateable Assessment								
* 2/3 assessment reduction as per By-law 92-119								
			Gross Assessment	Adjustment	Rateable Assessment	Gross Tax	Net Tax	
* Commercial			020.152.00010	22,530,000	15,020,000	7,510,000	43,523	14,508
Commercial			020.151.50433	4,963,000	3,308,667	1,654,333	9,587	3,196
				27,493,000	18,328,667	9,164,333	53,110	17,703

Sorry for all this detail but wanted to be clear that if we are to remove the 2/3 reduction, yes, the current properties receiving the reduction would be subject to the full BIA levy, but all properties within the respective BIA would benefit by including their full assessment in the BIA tax rate calculation, thereby reducing the BIA tax rate for all properties within the BIA.

The old by-law identified “Holiday Inn” at 150 King St. East. The 2022 by-law identifies this as roll number is 020152000100000 which is for 130-150 King St E. This property is no longer owned by Holiday Inn, but instead by OLD COLONY PROPERTIES INC. This property (130-150 King St E) did receive the 2/3 reduction.



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
 Economic Development Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	November 16, 2023
SUBJECT/REPORT NO:	Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3) - REVISED
WARD(S) AFFECTED:	Wards 2 and 3
PREPARED BY:	Cristina Geissler (905) 546-2424 Ext. 2632
SUBMITTED BY:	Norm Schleeahn Director, Economic Development Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

- (a) That the 2/3 Business Improvement Area levy reduction, provided to 286 Sanford Avenue North, 20 Myler Street, 30 Milton Avenue, and 42 Westinghouse Avenue be gradually phased-out over a three-year period starting in 2024 as follows: 60% of the current value assessment in 2024, 80% of the current value assessment in 2025 and 100% of the current value assessment in 2026;
- (b) That By-Law 98-15 Concerning Benefits Derived from the Establishment of the Barton Village Business Improvement Area respecting Westinghouse Canada Inc.'s facilities at 29 Princess Street, 286 Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue and the levying of a special charge for the Barton Village Business Improvement Area attached as Appendix "B" to Report PED23203 be amended in accordance with recommendation (a).

EXECUTIVE SUMMARY

On November 30, 2022 (GIC Report 22-022) Council approved the 2023 Operating Budget for the Barton Village Business Improvement Area, attached as Appendix "A" to Report PED22204, in the amount of \$176,200 of which \$95,000 correspond to the levy portion of the budget.

SUBJECT: Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3) - Page 2 of 4

On February 1, 2023, the Barton Village Business Improvement Area Board of Management voted to gradually increase the levy of the Westinghouse HQ (286 Sanford Avenue North, 20 Myler Street, 30 Milton Avenue, and 42 Westinghouse Avenue) from 1/3 to 100% of the properties assessed value now that each property is eligible for full occupancy by 2026.

The assessment base will increase from the existing one third the current assessment value to 60% in 2024, then increase 80% in 2025 and final increase to 100% in 2026.

Following the decision of the Barton Village Business Improvement Area Board of Management, Report PED23203 is recommending that the levy reduction be eliminated gradually starting in 2024.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Overall there is no change in the 2023 approved Budget/Levy. By eliminating the 2/3 reduction, it increases the weighted assessment with the Barton Village Business Improvement Area, and therefore results in a lower Business Improvement Area tax rate than what would have been calculated had the 2/3 reduction remained. This graduated adjustment in levy would start in 2024 and be at 100% over the next three years (2026).

Staffing: Not applicable.

Legal: Staff is recommending that By-law 98-15 be phased out over the next three years.

HISTORICAL BACKGROUND

On February 1, 2023, the Barton Village Business Improvement Area Board of Management voted to gradually increase the levy of 286 Sanford Avenue North, 20 Myler Street, 30 Milton Avenue, and 42 Westinghouse Avenue from 1/3 to 100% of the property assessed levy now that each property is eligible for full occupancy by 2026.

- Increase to 60% in 2024;
- Increase to 80% in 2025; and,
- Increase to 100% in 2026.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

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.

SUBJECT: Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3) - Page 3 of 4

Not Applicable.

RELEVANT CONSULTATION

- Corporate Taxation.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

In arriving at the Business Improvement Area tax rate for each respective Business Improvement Area, Tax Policy staff use the weighted commercial/industrial assessment within each respective Business Improvement Area. The higher the weighted assessment (leaving the Business Improvement Area levy unchanged) the lower the Business Improvement Area tax rate.

For the Barton Village Business Improvement Area one-third of the assessment for the properties in question is used to determine the weighted assessment which results in a BIA tax rate higher that it would have been if the reduction was not in place, for all properties within the Barton Village Business Improvement Area.

If the two-thirds reduction is removed, the current property receiving the reduction would be subject to the full Business Improvement Area levy, but all properties within the respective Business Improvement Area would benefit by including their full assessment in the Business Improvement Area tax rate calculation, thereby reducing the Business Improvement Area tax rate for all properties within the Business Improvement Area.

The Special Charge is no longer applicable as the property is at full occupancy. To minimize the impact to the property owner the decision by the Barton Village Board of Management was to gradually increase their levy contribution over the next 3 years.

Overall, there is no change in the 2023 approved Budget/Levy. By eliminating the two-thirds reduction, it increases the weighted assessment with the Barton Village Business Improvement Area and therefore results in a lower Business Improvement Area tax rate than what would have been calculated had the 2/3 reduction remained. These adjustments would start to be applicable for 2024, completing to 100% by 2026.

ALTERNATIVES FOR CONSIDERATION

Not applicable.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED23203 - Barton Village Business Improvement Area Budget
 Appendix "B" to Report PED23203 - By-Law 98-15 Concerning Benefits Derived from the Establishment of the Barton Village Business Improvement Area respecting Westinghouse Canada Inc.'s facilities at 29 Princess Street, 286

SUBJECT: Barton Village Business Improvement Area Amendment to Schedule of Payments (PED23203) (Wards 2 and 3) - Page 4 of 4

Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue and the levying of a special charge

Appendix "C" to Report PED23203 - Finance Explanation of Special Levy Charge

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.

Barton Village Business Improvement Area Budget

BIA Levy	\$95,000
Grants & Sponsorships	\$81,200
Total Revenues	\$176,200
EXPENSES	
Marketing + Events	
Banners/Median Lights	\$2,000
Consultants	\$10,000
Advertising	\$5,000
Barton Village Festival	\$30,000
Summer Activations	\$3,750
Fall Activations	\$3,750
Winter Activations	\$3,750
Spring Activations	\$3,750
	Total 62k
Meetings and Business Development	
Annual General Meeting	\$500
BIA Meetings	\$550
Beautification	
Streetscape Masterplan	12,000
Street Cleaning and Maintenance	\$8,000
Insurance	
General Insurance & Officers and Director's Liability	\$2,500
Membership	
Ontario BIA Membership	\$250
Administrative	
Partial Benefits	\$0
Accountant	\$1,200
Executive Director	\$60,000
Office Rent	\$25,000
Telephone/Internet	\$1,600
Office and BIA Supplies	\$1,000
Website Management	\$450
Financial Audit	\$500
Bank Charges	\$150
Levy Reconciliations	\$500
Total Expenses	\$176,200

Bill No. C-04

The Corporation of the City of Hamilton

BY-LAW NO. 98- 15

Concerning Benefits Derived from the Establishment of the Barton Village Business Improvement Area respecting Westinghouse Canada Inc.'s facilities at 29 Princess Street, 286 Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue and the levying of a special charge

WHEREAS, pursuant to Section 220(18) of the Municipal Act, R.S.O. 1990, Chapter M.45, the Council of The Corporation of the City of Hamilton, by By-law No. 87-178, designated an Improvement Area respecting the area described in Schedule "A" and shown on Schedule "B" thereto;

AND WHEREAS subsection 18 of the said Section 220 provides that council may provide that the sum required for purposes of the Board of Management shall be levied as a special charge upon and shall be borne and paid by persons in the area assessed for business assessment who in the opinion of the council derive special benefit from the establishment of the area, and the sum chargeable to such persons shall be equitably apportioned among them in accordance with the benefits that, in the opinion of the council, accrue to them from the establishment of the area;

AND WHEREAS in the opinion of Council, Westinghouse Canada Inc.'s facilities municipally known as 29 Princess Street, 286 Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue, derive a 33 1/3 per cent benefit from the establishment of the area and each of the other persons in the area assessed for business assessment derives a 100 per cent benefit from the establishment of the area;

AND WHEREAS the Notice of Intent of Council to pass this by-law in accordance with subsection 19 of section 220 of the said Act has been circularized to the Business Improvement Area membership.

NOW THEREFORE the Council of The Corporation of the City of Hamilton enacts as follows:

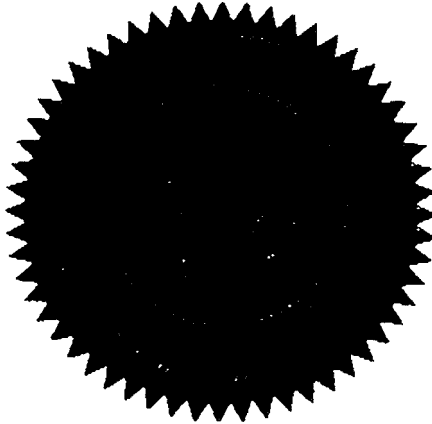
1. The sum required for the purposes of the Board of Management shall be levied as a special charge upon, and shall be borne and paid by:
 - (a) Westinghouse Canada Inc.'s facilities municipally known as 29 Princess Street, 286 Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue, in the proportion of one-third of the assessed value of the real property of each that is used as the basis for computing the business assessment bears to the assessed value of all the real property in the Improvement Area used as the basis for computing business assessment; and

- (b) each of the persons in the area assessed for business assessment, (except Westinghouse Canada Inc.'s facilities municipally known as 29 Princess Street, 286 Sanford Avenue North, 30 Milton Avenue and 42 Westinghouse Avenue), in the proportion that the full assessed value of the real property of that person that is used as the basis for computing the business assessment of such person bears to the assessed value of all the real property in the Improvement Area used as the basis for computing business assessment.

PASSED this eleventh day of December A.D. 1997



CITY CLERK



MAYOR

**Appendix “C” to Report PED23203
Page 1 of 2**

Finance Explanation of Special Levy Charge

The following properties in the Barton BIA paid a reduced BIA levy in 2022:

Barton Village		
BIA	ROLL_NO	PROPERTY_ADDRESS
B	030233060400000	286 SANFORD AVE N
B	030233060500000	20 MYLER ST
B	030233060550000	30 MILTON AVE
B	030237034100000	42 WESTINGHOUSE AVE

Roll number would not be identified above if it did not have any commercial or industrial assessment.

By reduced CVA, I mean the following:

In arriving at the BIA tax rate for each respective BIA, Tax Policy staff use the weighted commercial/industrial assessment within each respective BIA. The higher the weighted assessment (leaving the BIA levy unchanged) the lower the BIA tax rate. For Barton we only use 1/3 of the assessment for the above properties to determine the weighted assessment, thereby increasing the BIA tax rate for all properties within their BIA. We then adjust the BIA levy for the above mentioned roll numbers to charge the BIA tax rate on only 1/3 of their commercial/industrial assessment.

Below is the 2022 Barton St BIA levy/rates as per the by-law to provide further details. From the tables below you will note:

1. 286 Sanford (030.233.06040, owned by # company) – the “gross BIA tax” should they have not received a 2/3 reduction is \$15,014 – however they were only levied 1/3 (or \$5,005)

Table 2 - Barton Village							
Property Class			Current Value Assessment	Tax Ratio	Weighted Assessment	BIA Tax Rate	BIA Levy
Commercial			34,496,765	1.9800	68,303,595	0.2100693%	\$ 72,467
Industrial			746,400	3.1985	2,387,369	0.3393480%	\$ 2,533
Large Industrial				3.7506	-	0.3979268%	\$ -
Total			\$ 35,243,165		\$ 70,690,964		\$ 75,000
Approved 2022 Levy	\$ 75,000	(divided by weighted assessment) =			0.00106096	tax rate at tax ratio of 1.00	
Use Rateable Assessment							
<i>* 2/3 assessment reduction as per By-law 98-15</i>							
			Gross Assessment	Adjustment	Rateable Assessment	Gross Tax	Net Tax
Commercial		030.233.06055	1,035,000	690,000	345,000	2,174	725
Commercial		030.233.06040	7,147,000	4,764,667	2,382,333	15,014	5,005
Commercial		030.237.03410	436,000	290,667	145,333	916	305
Commercial		030.233.06050	3,470,800	2,313,867	1,156,933	7,291	2,430
Industrial		030.233.06050	1,690,200	1,126,800	563,400	5,736	1,912
			13,779,000	9,186,000	4,593,000	31,131	10,377

Appendix “C” to Report PED23203
Page 2 of 2

Sorry for all this detail, but wanted to be clear that if we are to remove the 2/3 reduction, yes the current properties receiving the reduction would be subject to the full BIA levy, but all properties within the respective BIA would benefit by including their full assessment in the BIA tax rate calculation, thereby reducing the BIA tax rate for all properties within the BIA.

From: Info BartonVillage <info@bartonvillage.ca>
Sent: February 1, 2023 1:25 PM
To: Geissler, Cristina <Cristina.Geissler@hamilton.ca>
Subject: Re: BIA levy question

Just to clarify, the adjustment was approved for all properties in the BIA that have the special consideration in place.

Nadine Ubl
Executive Director
Barton Village Business Improvement Area | 289-682-9472

From: Info BartonVillage <info@bartonvillage.ca>
Sent: February 1, 2023 1:01 PM
To: Geissler, Cristina <Cristina.Geissler@hamilton.ca>
Subject: Re: BIA levy question

Cristina,
I have just come across December 19th Meeting Minutes that indicate the approval of the levy increase over a period of 3 years.
2023 to 60%
2024 to 80%
2025 to 100%

It was carried unanimously.

Nadine Ubl
Executive Director
Barton Village Business Improvement Area | 289-682-9472



DEVELOPMENT CHARGES STAKEHOLDERS SUB-COMMITTEE

REPORT 23-003

November 9, 2023

8:30 a.m.

Room 264

Hamilton City Hall

71 Main Street West

Present: Councillor C. Cassar (Chair),
S. Frankovich, West End Home Builders Association (Vice Chair),
Councillors B. Clark, J.P. Danko, T. Hwang, M. Wilson
A. Stringer, Realtors Association of Hamilton-Burlington
G. Dunnett, Hamilton Chamber of Commerce

**Absent With
Regrets:** Mayor A. Horwath – City Business
J. Summers, Citizen Member
Sean Ferris, Citizen Member

THE DEVELOPMENT CHARGES STAKEHOLDERS SUB-COMMITTEE PRESENTS REPORT 23-003 AND RESPECTFULLY RECOMMENDS:

**1. 2024 Development Charges Background Study and By-law Update
(FCS23040(a)) (City Wide) (Item 11.1)**

That the 2024 Development Charges (DC) Background Study, as prepared by Watson & Associates Economists Ltd., be released by staff prior to December 31, 2023.

**2. Exemptions and Policies – 2024 Development Charges Background Study
and By-law Update (FCS23103) (City Wide) (Item 11.2)**

(a) That the following policies contained within the existing City of Hamilton Development Charges By-law (19-142) be maintained in the draft 2024 Development Charge By-laws prepared for public consultation:

- (i) The Adaptive Reuse Exemption for Heritage Buildings (Section 29(f) of By-law 19-142);
- (ii) The Redevelopment of an Existing Residential Facility Limited Exemption (Section 29(e) of By-law 19-142);

- (iii) The Non-Industrial Development Stepped Non-Industrial Rates Exemption within the boundaries of the City's Community Improvement Project Areas (CIPAs) and Business Improvement Areas (BIAs) (Section 29(a) of By-law 19-142);
 - (iv) The 5,000 square foot Non-Industrial Expansion Exemption for Office Developments (Section 29(b) of By-law 19-142);
 - (v) Agricultural Use (Section 25(b) of By-law 19-142);
 - (vi) The Place of Worship Exemption (Section 25(b) of By-law 19-142);
 - (vii) Transition Policy (Section 41(a) of By-law 19-142);
 - (viii) The Parking Exemption, other than Commercial Parking (Section 25(a) of By-law 19-142);
 - (ix) The Temporary Building or Structure Exemption (Section 25(b) of By-law 19-142);
 - (x) Section 26 respecting a 70% exemption for Class A Office within the Downtown Community Improvement Area (CIPA) Exemption;
 - (xi) Section 28 respecting limitations on stacking discretionary exemptions such that only the higher of any applicable discretionary exemptions apply to each development.
 - (xii) The discretionary ERASE Deferral Agreement Policy (Section 34(b) of By-law 19-142);
 - (xiii) The discretionary Public Hospitals Deferral Policy (Section 34(d) of By-law 19-142);
 - (xiv) The discretionary Post-Secondary Deferral Policy (Section 34(e) of By-law 19-142);
- (b) That the following policies contained within the existing City of Hamilton Development Charges By-law (19-142) modified in the draft 2024 Development Charge By-laws prepared for public consultation:
- (i) That the 50% Industrial Detached Expansion Exemption (Sections 21 to 24 of By-law 19-142) be removed;
 - (ii) That the Downtown Community Improvement Area (CIPA) Exemption (Sections 26 to 28 of By-law 19-142) be modified in the draft 2024 Development Charge By-laws prepared for public consultation as follows:

- (i) Section 27(a) through (d) respecting a reduction for all other development within the Downtown CIPA be modified to apply a 40% exemption to non-residential development (including the non-residential portion of a mixed-use development) only;
 - (ii) Section 27(e) respecting a Downtown Public Art Reallocation Option be removed;
- (c) That the Industrial Reduced Rate (Section 9(c) of By-law 19-142) be modified and renamed in the draft 2024 Development Charge By-laws prepared for public consultation such that:
- (i) it provides a net 37% reduction in the overall Development Charge rate by editing the percentage of the Services Related to a Highway;
 - (ii) the reduced rate no longer applies to Industrial Developments;
 - (iii) the reduced rate applies to Artists' Studios and Production Studios.
- (d) That the discretionary exemptions in the draft 2024 Development Charge By laws prepared for public consultation apply to the net rates after the statutory phase in deduction (Section 5 (6) 4. of the Development Charges Act, 1997) has been applied.
- (e) That the discretionary Deferral Agreement Policy (Section 34(a) & (c) of By law 19 142) be amended to permit staff to accept payment of DCs as early as building permit issuance where a statutory instalment plan has been legislated.
- (f) The Indexing Policy (Section 38 of By-law 19-142) be modified such that the initial indexing occurs on the date that the by-law is implemented and annually thereafter.
- (g) The Date By-law Effective (Section 44 of By-law 19-142) be set as June 1, 2024 in the draft 2024 Development Charge By-laws prepared for public consultation.

3. Area Specific and Local Service Policy – 2024 Development Charges Background Study and By-law Update (FCS23104) (City Wide) (Item 11.3)

- (a) That as required by Section 10 (2) (c.1) of the *Development Charges Act, 1997*, the following services continue with a City-wide approach to Development Charges and included in the 2024 Development Charges Background Study prepared for public consultation:
 - (i) Transit

- (ii) Services Related to a Highway
 - (iii) Public Works
 - (iv) Waste Diversion Services
 - (v) Policing Services
 - (vi) Fire Protection Services
 - (vii) Ambulance Services
 - (viii) Library Services
 - (ix) Long-term Care Services
 - (x) Parks and Recreation Services
 - (xi) Public Health Services
 - (xii) Childcare
 - (xiii) Provincial Offences Act Administration
- (b) That as required by Section 10 (2) (c.1) of the *Development Charges Act, 1997*, the following service continue with an Area Specific Development Charge and included in the 2024 Development Charges Background Study prepared for public consultation:
- (i) Storm Water Services – Calculated on a combined versus separated sewer system;
- (c) That as required by Section 10 (2) (c.1) of the *Development Charges Act, 1997*, the following services continue with a City-wide approach to Development Charges and included in the 2024 Development Charges Background Study prepared for public consultation:
- (i) Water (urban);
 - (ii) Wastewater Facilities (urban);
 - (iii) Wastewater Linear (urban);
- (d) That the Special Area Charge for Dundas / Waterdown (wastewater capacity) continue to be applied on an area-specific basis;
- (e) That in accordance with Section 59.1(1) and (2) of the *Development Charges Act, 1997*, a Local Service Policy be recommended for inclusion in the 2024 Development Charges Background Study prepared for public consultation and that the draft principles attached as Appendix “A” to Report FCS23104 be approved.

FOR INFORMATION:

(a) APPROVAL OF THE AGENDA (Item 2)

The Committee Clerk advised there were changes to the agenda:

5. COMMUNICATIONS

- 5.3 Ryan Millar, Emblem Developments Inc., respecting Reduction of Incentives

Recommendation: Be Received.

The agenda of the November 9, 2023 meeting was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 3)

None.

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

(i) September 18, 2023 (Item 4.1)

The Minutes of the September 18, 2023 meeting, were approved, as presented.

(d) COMMUNICATIONS (Item 5)

(i) Communication Items 5.1, 5.2 and Added Item 5.3

- (i) Stefano Guglietti, Melrose Investments Inc., respecting Removal of the CIPA Exemption Program

Recommendation: Be received.

- (ii) Consideration For Non-Profit Child Care Centres To Be Exempted From Development Charges

Recommendation: Referred to Committee (from the October 25, 2023 Council meeting) for their consideration and appropriate action.

- (iii) Ryan Millar, Emblem Developments Inc. respecting Reduction of Incentives

Recommendation: Be received.

The Communications Items 5.1 and 5.3 were received, and Item 5.2 was referred to Committee for their consideration and appropriate action.

(e) STAFF PRESENTATIONS (Item 8)

(i) 2024 Development Charges Background Study and By-law, and Draft Capital Listing (Item 8.1)

Gary Scandlan and Erik Karvinen of Watson & Associates Economists Limited addressed the Committee respecting 2024 Development Charges Background Study and By-law, and Draft Capital Listing, with the aid of a PowerPoint presentation.

The presentation respecting 2024 Development Charges Background Study and By-law, and Draft Capital Listing, was received.

For disposition of this matter, refer to Item 1.

(f) ADJOURNMENT (Item 16)

There being no further business, the Development Charges Stakeholders Sub-Committee, adjourned at 10:56 a.m.

Respectfully submitted,

Councillor C. Cassar, Chair
Development Charges
Stakeholders Sub-Committee

Lisa Kelsey
Legislative Coordinator
Office of the City Clerk

CITY OF HAMILTON NOTICE OF MOTION

Audit, Finance and Administration Committee: November 16, 2023

MOVED BY COUNCILLOR M. WILSON

Disaster Relief Assistance – Watermain Break (Hyde Park Avenue and Glenside Avenue) on November 12, 2023

WHEREAS residents of properties near the intersection of Hyde Park Avenue and Glenside Avenue in the City of Hamilton have experienced flooding as a result of a watermain break on November 12, 2023 and have incurred clean-up costs and property damage or loss;

WHEREAS Council desires to provide a compassionate grant of up to \$1,000 for residents' losses due to water damage and basement flooding for residential properties affected by this watermain break; and

WHEREAS the compassionate grant will rely on the Eligibility Criteria for the Residential Municipal Disaster Relief Assistance Program for Basement Flooding as approved by Council on August 9, 2006, in report FCS06007, respecting Proposed Residential Municipal Disaster Relief Assistance Program for Basement Flooding, except as it relates to the basement flooding arising from a severe rain storm event;

THEREFORE, BE IT RESOLVED:

- (a) That for the purpose of invoking the Residential Municipal Disaster Relief Assistance Program for Basement Flooding, Council declares the watermain break event at the intersection of Hyde Park Avenue and Glenside Avenue of November 12, 2023, as a "Disaster" for all affected residential properties within Ward 1 in the City of Hamilton;
- (b) That payment of claims be based on compassionate grounds only and shall not be construed as an admission of liability on the part of the City of Hamilton;
- (c) That the compassionate grant be payable in an amount being the lessor of \$1,000, the level of the resident's insurance deductible, or the resident's actual expense and loss incurred as a result of flooding, and further that the grant otherwise be determined under the Eligibility Criteria for the Residential Municipal Disaster Relief Assistance Program for Basement Flooding as approved by Council on August 9, 2006, in report FCS06007, respecting Proposed Residential Municipal Disaster Relief Assistance Program for Basement Flooding;
- (d) That the payment of the claims be funded from the Waterworks Reserve (108015); and,

- (e) That staff be authorized, if necessary, to retain independent adjusting services for the administration of claims under the Residential Municipal Disaster Relief Assistance Program for Basement Flooding and that these administrative costs be funded from the Waterworks Reserve (108015).