



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REVISED

Meeting #: 24-004
Date: February 22, 2024
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

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

1. **CEREMONIAL ACTIVITIES**
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 February 8, 2024
5. **COMMUNICATIONS**
6. **DELEGATION REQUESTS**
7. **DELEGATIONS**
8. **STAFF PRESENTATIONS**
 - 8.1 Accounts Payable Special Investigation (Fraud and Waste Report #65357)
(AUD24001)
9. **CONSENT ITEMS**
 - 9.1 Grants Sub-Committee - Clerk's Report (February 12, 2024)

- 9.2 City Enrichment Fund Community Consultation Update (GRA23003(c)) (City Wide)
(Outstanding Business List Item)

Referred from Grants Sub-Committee, February 12, 2024

10. PUBLIC MEETINGS

- 10.1 2024 Development Charges Background Study and By-law Update - Open House
Feedback (FCS23103(a))

10.1.a Registered Delegations

- 10.1.a.a Michelle Diplock, West End Home Builders Association
- 10.1.a.b Veronica Green, Slate Asset Management
- 10.1.a.c Alan Leela, Vantage Developments
- *10.1.a.d Toni Wodzicki, Broccolini Real Estate Group
- *10.1.a.e Steve Malovic, Flamborough Power Centre/iConnect
Community
- *10.1.a.f Julie Sergi, Realtors Association of Hamilton Burlington
- *10.1.a.g Shwaan Hutton, Development Collective
- *10.1.a.h Adam Lambros, Panattoni
- *10.1.a.i Steven Dejonckheere, Slate Asset Management
- *10.1.a.j Peter Appleton
- *10.1.a.k Greg Dunnett, Hamilton Chamber of Commerce
- *10.1.a.l Don McLean, Hamilton 350 Committee
- *10.1.a.m Robert Howe, Goodmans LLP
- *10.1.a.n Karl Andrus, Hamilton Community Benefits Network
- *10.1.a.o Ian Borsuk, Environment Hamilton
- *10.1.a.p Don Robertson

10.1.b Written Submissions

Members of the public can contact the Clerk's Office to acquire the documents considered at this meeting, in an alternative format.

- 10.1.b.a Brandon Donnelly and Veronica Green, Slate Asset Management
- *10.1.b.b Andrew Eldebs, Cachet Developments (Binbrook) Inc.
- *10.1.b.c Steven Dejonckheere, Slate Asset Management
- *10.1.b.d Ryan Millar, Emblem
- *10.1.b.e Peter Banting
- *10.1.b.f Cathy McPherson
- *10.1.b.g Elizabeth and Les Birchall
- *10.1.b.h Lida Holt
- *10.1.b.i Victoria Koch
- *10.1.b.j Lara Stewart
- *10.1.b.k Kris Gadjanski
- *10.1.b.l Theresa McCuaig and Family
- *10.1.b.m Christina Salamon
- *10.1.b.n Gord and Angie McNulty
- *10.1.b.o Rachelle Letain
- *10.1.b.p Jeffrey Sindall
- *10.1.b.q Cheryl Tigchelaar
- *10.1.b.r Kira McDermid
- *10.1.b.s Lois Corey
- *10.1.b.t Carolyn VanHoevelaak
- *10.1.b.u Patrick Denninger, Denninger's
- *10.1.b.v Marie Covert

- *10.1.b.w Nancy Chater
- *10.1.b.x Caroline Neufeld
- *10.1.b.y Ruth Frager
- *10.1.b.z Robert Wakulat, Courage Co-Lab Inc.
- *10.1.b.aa Alan Leela and Shamil Jiwani, Vantage Developments
- *10.1.b.ab Emil Jadanski
- *10.1.b.ac Melissa "Molly" Heppner
- *10.1.b.ad Allyn Walsh
- *10.1.b.ae Jan W. Jansen
- *10.1.b.af Katie West
- *10.1.b.ag Erica Hall
- *10.1.b.ah Laurianne Munezero
- *10.1.b.ai Ron Ballentine
- *10.1.b.aj Suzanne Cooper
- *10.1.b.ak Laurel Imeson
- *10.1.b.al Justin Mamone and Paul Brown, Paul Brown & Associates
- *10.1.b.am Susan Wortman
- *10.1.b.an Melissa Smith
- *10.1.b.ao Julie Richer
- *10.1.b.ap Michael Krasic, Coletara Development
- *10.1.b.aq David Lloyd
- *10.1.b.ar Marwan Zahra, Belmont Equity Partners
- *10.1.b.as Kim Beckman and Shwaan Hutton, Development Collective

- *10.1.b.at Nonni Iler
- *10.1.b.au Elizabeth Knight
- *10.1.b.av Aarthi Thaya, Rice Group
- *10.1.b.aw Sue Markey
- *10.1.b.ax Rick Johnson
- *10.1.b.ay Aaron Collina, Movengo Corporation
- *10.1.b.az Gabriel DeSantis, DeSantis Homes
- *10.1.b.ba Daniel Guizzetti, Empire Communities
- *10.1.b.bb Marcus Gagliardi, Cachet Homes
- *10.1.b.bc John B. Corbett, Corbett Land Strategies Inc.

11. DISCUSSION ITEMS

11.1 2023 City Enrichment Fund Update (GRA24001) (City Wide)

Referred from Grants Sub-Committee, February 12, 2024

12. MOTIONS

13. NOTICES OF MOTION

14. GENERAL INFORMATION / OTHER BUSINESS

15. PRIVATE AND CONFIDENTIAL

15.1 Auditor General Reporting of Serious Matters to Council (Case #71958)
(AUD24002)

Pursuant to Section 9.3, Sub-sections (a) and (f) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-sections (a) and (f) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to the security of the property of the City or a local board and advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

*15.2 Corporate Services Department Organizational Structure Changes (FCS24015)
(City Wide)

Pursuant to Section 9.3, Sub-section (b) of the City's Procedural By-law 21-021, as amended, and Section 239(2), Sub-section (b) of the Ontario Municipal Act, 2001, as amended, as the subject matter pertains to personal matters about an identifiable individual, including City or local board employees.

16. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 24-003

9:30 a.m.

February 8, 2024
Council Chambers
Hamilton City Hall

Present: Councillors T. Hwang (Chair), J. Beattie, B. Clark, M. Spadafora, M. Tadeson, A. Wilson and M. Wilson

Absent with

Regrets: Councillor C. Kroetsch – City Business

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **2023 City of Hamilton External Audit Planning Report (FCS24009) (City Wide) (Item 8.1)**

(Spadafora/Clark)

That Report FCS24009, respecting 2023 City of Hamilton External Audit Planning Report, be received.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

2. **CONSENT ITEMS (Items 9.1-9.5)**

(Spadafora/Tadeson)

That the following Consent Items, be received:

- (a) 2023 Third Quarter Emergency and Non-competitive Procurements Report - FCS23019(b) (City Wide) (Item 9.1)

- (b) 2023 Third Quarter Non-compliance with the Procurement Policy Report – FCS23020(b) (City Wide) (Item 9.2)
- (c) 2023 Third Quarter Request for Tenders and Proposals Report – FCS23021(b) (City Wide) (Item 9.3)
- (d) Water Leak Protection Program Update (FCS21087(b)) (City Wide) (Item 9.4)
- (e) Hamilton Street Railway Pension Plan Valuation at January 1, 2023 (FCS24010) (City Wide) (Item 9.5)

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

3. Single Source Procurement of Gartner Canada Co. Technology Services Data Leaders Module (FCS24013) (City Wide) (Item 10.1)

(Spadafora/A. Wilson)

That the General Manager of Corporate Services or designate be directed to negotiate a single year Single Source Agreement; prepare the necessary documents satisfactory to the City of Hamilton (City) Solicitor; and enter into an Agreement for subscription services for the Data Leader modules from Gartner Canada Co. (Gartner).

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

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

9. CONSENT ITEMS

- 9.1(a) 2023 Third Quarter Emergency and Non-competitive
Procurements Report - FCS23019(b) (City Wide) –
CORRECT REPORT AND APPENDIX A PUBLISHED

(Beattie/Tadeson)

That the agenda for the February 8, 2024 Audit, Finance and Administration Committee meeting, be approved, as amended.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) Approval of Minutes of the Previous Meeting (Item 4.1)

(Beattie/M. Wilson)

That the following Minutes, be approved, as presented:

- (1) January 18, 2024 (Item 4.1)
- (2) January 29, 2024 - Education Development Charges Hearing (Item 4.2)

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(d) DELEGATION REQUESTS (Item 6)

(M. Wilson/Spadafora)

That the Delegation Request from Michelle Diplock, West End Home Builders Association, respecting Development Charges, be approved for a future meeting.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(e) DELEGATIONS (Item 7)

(i) Zachary Bobolo, HTowing, respecting Towing contract (approved January 18, 2024) (Item 7.1)

Zachary Bobolo, HTowing, was not in attendance when called upon.

(ii) Adeyinka taiwo-Fasegha, respecting water bill issue (approved January 18, 2024) (Item 7.2)

Adeyinka taiwo-Fasegha, addressed Committee respecting water bill issue with the aid of a handout.

(iii) Staff Supporting Documentation respecting Adeyinka taiwo-Fasegha, respecting water bill issue (Item 7.2(a))

(M. Wilson/Beattie)

(a) That the Delegation from Adeyinka taiwo-Fasegha, respecting water bill issue, be received; and

(b) That the Staff Supporting Documentation respecting Adeyinka taiwo-Fasegha, respecting water bill issue, be received.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(f) STAFF PRESENTATIONS (Item 8)

(i) 2023 City of Hamilton External Audit Planning Report (FCS24009) (City Wide) (Item 8.1)

Paul Ciapanna, KPMG, addressed Committee respecting the 2023 City of Hamilton External Audit Planning Report, with the aid of a presentation.

(Spadafora/A. Wilson)

That the presentation from Paul Ciapanna, KPMG, respecting the 2023 City of Hamilton External Audit Planning Report, be received.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

For further disposition of this matter, refer to Item 1.

(g) DELEGATIONS (Item 7) (Continued)

(iv) Staff Supporting Documentation, respecting Zachary Bobolo, HTowing, respecting Towing contract (Item 7.1(a))

(A. Wilson/Spadafora)

That the Staff Supporting Documentation, respecting Zachary Bobolo, HTowing, respecting Towing contract, be received.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(h) ADJOURNMENT (Item 15)

(Tadeson/Beattie)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 11:03 a.m.

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

YES - Ward 1 Councillor Maureen Wilson
ABSENT - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora


Respectfully submitted,

Councillor Tammy Hwang, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk



CITY OF HAMILTON
OFFICE OF THE AUDITOR GENERAL

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 22, 2024
SUBJECT/REPORT NO:	Accounts Payable Special Investigation (Fraud and Waste Report #65357) (AUD24001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Brigitte Minard CPA, CA, CIA, CGAP, CFE (905) 546-2424 Ext. 3107 Delta Consulting Group Canada Ltd.
SUBMITTED BY:	Charles Brown, CPA, CA Auditor General Office of the Auditor General
SIGNATURE:	

RECOMMENDATION

- (a) That the Management Responses as detailed in Appendix “A” to Report AUD24001 be approved; and
- (b) That the General Manager of Finance and Corporate Services be directed to implement the management responses (attached as Appendix “A” to Report AUD24001) and report back to the Audit, Finance and Administration Committee by August 2024 on the nature and status of actions taken in response to the special investigation report.

EXECUTIVE SUMMARY

As a result of a Serious Matter reported to the Audit, Finance, and Administration Committee in May 2023 (Confidential Report AUD23007), the Office of the Auditor General (OAG) engaged investigative and forensic accounting specialists, Delta Consulting Group Canada Ltd. (Delta Consulting), to conduct an investigation on behalf of the Office of the Auditor General.

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: Accounts Payable Special Investigation (Fraud and Waste Report #65357) (AUD24001) (City Wide) **Page 2 of 3**

The special investigation found process weaknesses and an instance where standard operating procedures were not adhered to, and ultimately the City incurred losses of over \$52,000 due to fraudulent activity.

A formal report, attached as Appendix “A” to Report AUD24001, summarizes the control weaknesses uncovered in the above investigation and contains the Office of the Auditor General’s observations, recommendations and management’s responses and planned course of action to those recommendations.

Overall, OAG has made recommendations to improve and controls within the Accounts Payable processes, with a focus on vendor information changes.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None.

Staffing: None.

Legal: None.

HISTORICAL BACKGROUND

This matter was initially reported to the Office of the Auditor General (OAG) in early May 2023.

A police report was filed in early May 2023, thus requiring the OAG to inform Council of the matter. Confidential Report AUD23007 (Auditor General Reporting of Serious Matters to Council (Case #65357) went to the Audit, Finance and Administration Committee in late May 2023.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

None.

RELEVANT CONSULTATION

Appendix “A” to Report AUD24001 includes responses from management responsible for overseeing the Accounts Payable process in the Financial Services Division in the Corporate Services Department.

SUBJECT: Accounts Payable Special Investigation (Fraud and Waste Report #65357) (AUD24001) (City Wide) **Page 3 of 3**

The Legal and Risk Management Services Divisions in the Corporate Services Department were consulted during this special investigation.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The purpose of this special investigation was to investigate an alleged fraudulent payment of over \$52,000 processed by the City's Accounts Payable Section in late April 2023. The OAG also requested that Delta Consulting provide the OAG with recommendations based on their investigation findings in order to improve processes.

Due to the fact that the special investigation findings are process focused and are similar in nature to audit recommendations, the OAG has decided to provide a high-level summary of the investigation and share the recommendations and management responses publicly, as an audit report would be shared.

The summary of investigation findings, recommendations and management responses can be found at Appendix "A" to Report AUD24001. The OAG made six recommendations to strengthen controls over vendor information changes.

Management responses were received for all recommendations. Overall management agrees with the six recommendations. We are requesting that Council direct staff to report back on their progress on management response implementation to the Audit, Finance and Administration Committee in August 2024.

ALTERNATIVES FOR CONSIDERATION

Not Applicable

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

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 AUD24001 – Accounts Payable Special Investigation: Summary, Recommendations, and Management Responses

Accounts Payable Special Investigation (Fraud and Waste Report #65357)

Investigation Summary,
Recommendations, and
Management Responses



February 22, 2024

Brigitte Minard, Deputy Auditor General
Delta Consulting Group Canada Ltd.

Management Responses Provided by:
Financial Services Division, Corporate Services Department



Hamilton
OFFICE OF THE
AUDITOR GENERAL

Investigation Summary

The City of Hamilton received an email request from a person, posing as a vendor, to change the vendor's banking information for payments (known as Electronic Fund Transfers, or EFTs). After some exchange of emails, and obtaining the required forms and documentation, the vendor's banking information was changed and a payment of over \$52,000 was made to the imposter vendor's new bank account. The legitimate vendor subsequently inquired as to why they had not received payment which led to the discovery of the fraud.

Accounts Payable informed the Office of the Auditor General (OAG) of the incident, and the OAG reported the matter to the Hamilton Police Service. A "Serious Matter" Report was then provided to Council in late May 2023 (AUD23007). The OAG engaged Delta Consulting Group Canada Ltd. (Delta Consulting) to complete an investigation on behalf of the Office of the Auditor General.

The investigation found that the vendor did not have any connections with the fraudulent transactions, and in fact had fallen victim to a "Business Email Compromise" scam.

A business email compromise (BEC) scam is a type of cybercrime where attackers gain access to and/or make use of a company's email system. The main components include:

- **Unauthorized access:** Attackers may obtain access to the target's email system, either by stealing login credentials or using other methods.
- **Impersonation:** Once the attacker is inside, they study communication patterns and identify key people.
- **Social Engineering:** The attacker then uses the information obtained to impersonate trusted individuals in the company and send fraudulent emails that seem legitimate.
- **Deceptive Requests:** The fraudulent email contains a request to do something that is "urgent" (e.g. transfer money) or make changes to banking information.
- **Financial Loss:** The target may not detect the scam and may comply with the request. If changes to banking information were made, payment is sent to the attacker's bank account.

Source: ChatGPT, personal communication, December 18, 2023, search term: "explain business email compromise scam in plain language", edited and summarized by Office of the Auditor General.

The investigation included the use of a Norwich Order which is a court order that compels a third party to produce evidence in its possession – in this case a bank that was in receipt of funds allegedly procured by fraud. This allowed deposit and banking

transaction details to be obtained. The funds were ultimately traced to a bank account in another city, and we determined that the funds were quickly moved out of that account. The Hamilton Police Service were provided with this information for use in their investigation, and the OAG, with the assistance of Delta Consulting, set out to identify how procedures could be improved to prevent future occurrences, and to minimize such risk. This report summarizes our findings and conclusions.

Six recommendations have been made, the observations and corresponding recommendations are included below:

1. Authorized Vendor Personnel for Vendor Information Change

Observation

We were advised by the Accounts Payable staff that anyone from the vendor organization (for example, receptionists) can initiate a vendor information change.

Recommendation 1

That the City's Accounts Payable department keep an updated profile of vendor information, including authorized signatories and vendor contact information. Only the vendor's authorized signatory should be permitted to initiate a vendor information change.

Management Response

Agree.

The current procedure requires new vendors to have their contact information set up in the City's Accounts Payable vendor file. The Accounts Payable department does not currently track vendor authorized signatories. Accounts Payable staff will work with Procurement and Legal Services to seek their input on how to effectively manage vendor authorized signatories.

In the interim, Accounts Payable staff will contact the individual who signed the electronic fund transfer change form using the vendor information on file. This is the individual who states, "I have the authority to bind the vendor". Staff will verify the individual is a senior level staff person such as an owner, controller, director, etc. Staff will also have them verbally confirm other information (old banking information, last payment details, HST number, etc.).

A more enhanced audit tracking process is being developed that will track all vendor changes. A second reviewer will verify processes were followed and information changed was accurately updated.

Accounts Payable staff are currently scanning the municipal sector to see what processes are currently in place for vendor information changes. Staff are looking to see how they manage authorized signatories and what technology they leverage for their processes.

The City's Information Technology division will review current procedures to look for risk points and/or opportunities where information technology equipment could be leveraged to enhance our internal processes, as well as reviewing best practices in the municipal sector.

Estimated Completion: Q2 2024.

2. Vendor Communications on Information Change

Observation

Accounts Payable staff called the telephone number disclosed on the Electronic Funds Transfer (EFT) Form and sent an email to the requestor's email address for the requestor to call back for confirmation procedures. This information was inconsistent with the vendor profile.

Recommendation 2

That Accounts Payable staff use only contact information on the City's vendor profile or vendor invoices (independent of the completed EFT Form) to communicate and confirm vendor information changes. Additionally, we recommend that Accounts Payable staff avoid replying directly to the email request but rather initiate a new email communication with the vendor using the contact information on file.

Management Response

Agree.

The current procedure requires an independent confirmation of all changes by verbally contacting the vendor using the vendor information on file. Accounts Payable staff were retrained on procedures in quarter 2 of 2023.

Accounts Payable staff will work with Procurement and Legal Services to seek their input on how to effectively manage vendor authorized signatories.

In the interim, Accounts Payable staff will contact the individual who signed the electronic fund transfer change form using the vendor information on file. This is the individual who states, "I have the authority to bind the vendor". Staff will verify the individual is a senior level staff person such as an owner, controller, director, etc. Staff will also have them verbally confirm other information (old banking information, last payment details, HST number, etc.).

Procedures will be updated directing staff to initiate a new email communication with the vendor using the contact information on file when dealing with any vendor information changes. All changes still require a verbal confirmation using the vendor number on file.

Expected Completion: Q2 2024.

3. Confirmation Procedures of Vendor Information Change

Observation

Accounts Payable staff are required to verbally confirm vendor information changes with the vendor. This is an appropriate procedure if conducted properly.

Recommendation 3

That Accounts Payable staff confirm the identity of the requestor before proceeding with any vendor information change – only an authorized signatory should be permitted to initiate vendor information changes. For example, Accounts Payable staff may ask questions to have the vendor's authorized signatory verify vendor profile information on file, such as its old bank account number, prior vendor payment history or prior invoices.

Management Response

Agree.

Accounts Payable staff verify requestor information by verbally contacting vendor using vendor information on file. The current procedure has been updated to require vendors to confirm old bank account information and/or last payment details. An audit report for vendor change is reviewed by the Manager of Accounts Payable daily.

Accounts Payable staff will work with Procurement and Legal Services to seek their input on how to effectively manage vendor authorized signatories.

In the interim, Accounts Payable staff will contact the individual who signed the electronic fund transfer change form using the vendor information on file. This is the individual who states, "I have the authority to bind the vendor". Staff will verify the

individual is a senior level staff person such as an owner, controller, director, etc. Staff will also have them verbally confirm other information (old banking information, last payment details, HST number, etc.).

A more enhanced audit tracking process is being developed that will track all vendor changes. A second reviewer will verify processes were followed and information changed was accurately updated.

Accounts Payable staff are currently scanning the municipal sector to see what processes are currently in place for vendor information changes. Staff are looking to see how they manage authorized signatories and what technology they leverage for their processes.

The City's Information Technology Division will review our current procedures to look for risk points and/or opportunities where information technology equipment could be leveraged to enhance our processes, as well as reviewing best practices in the municipal sector.

Estimated Completion: Q2 2024.

4. Information Required on the EFT Form

Observation

The EFT Form did not require the requestor to provide vendor's old bank account information.

Recommendation 4

That the EFT Form be amended to include the vendor's old bank account information and/or last payment information to deter a scammer from submitting the request without the required information.

Management Response

Agree.

The EFT form has been updated. Vendor is required to provide old banking information and/or last payment details, as well as other additional information.

Completed Q1 2024.

5. Review of Information on the Void Cheque

Observation

The Accounts Payable department requested a copy of a void cheque from the new bank account. However, details of the void cheque were modified by the scammer and the Accounts Payable staff did not independently verify the banking information. For example, the transit branch number was inconsistent with the disclosed branch location.

Recommendation 5

That Accounts Payable staff familiarize themselves with a standard void cheque and independently verify banking information such as transit branch number and address of the branch, and ensure it is consistent with other vendor information in the circumstances (for example, locations of operations etc.).

Management Response

Agree.

Accounts Payable staff are required to verify transit branch number and address of branch using vendor information on file to ensure it is consistent with vendor information. Accounts Payable staff require the vendor to verify old bank account and/or last payment details. Accounts Payable staff verbally verify changes with the vendor using the vendor information on file. Staff were retrained on verifying banking information in quarter 2 of 2023. Staff are continuing to be updated on procedural changes. The Manager of Accounts Payable reviews the audit report for vendor changes daily.

A more enhanced audit tracking process is being developed that will track all vendor changes. A second reviewer will verify processes were followed and information changed was accurately updated.

Estimated Completion: Q2 2024.

6. Training of Accounts Payable Staff

Observation

The Hamilton Police Service advised that business email compromise is a common tool used by scammers to phish or lure fraudulent payments. In this case, the scammer

hacked into the vendor's email account or set up an identical email account address in order to request payments be made to a fraudulent bank account.

Recommendation 6

That all Accounts Payable staff dealing with vendor information change and payments processing receive training on risks related to business email compromise and the need to independently verify vendor information change or requested payments to avoid further losses to the City.

Management Response

Agree.

Accounts Payable procedure has been updated. Upon receipt of an EFT change request, Accounts Payable staff verify old banking information and/or last payment details provided by vendor. The Accounts Payable staff verbally confirm the requested change with the vendor using the vendor information on file. The Manager of Accounts Payable reviews the audit report for vendor changes daily.

Accounts Payable procedural training took place in quarter 2 of 2023. Additional fraud prevention training was also conducted with Accounts Payable staff and was extended to city wide employees. Training session topics included impacts of fraud, fraud detection and fraud prevention. Training took place in quarter 2 of 2023. Staff are continuing to be updated on procedural changes.

Staff will look to develop a training schedule for staff to be retrained on vendor information changes annually or more frequently if procedures change.

Estimated Completion: Q1 2024.

Accounts Payable Special Investigation (Fraud and Waste Report #65357)

February 22, 2024

Brigitte Minard, Deputy Auditor General

Ken Froese, Delta Consulting Canada

Grace Lau, Delta Consulting Canada



- Gained an understanding of the incident, an alleged fraudulent payment of over \$52,000.
- Gained an understanding of operational processes regarding Accounts Payable.
- Procured Delta Consulting Group Canada Ltd. to complete the investigation on our behalf, while providing investigation support and maintaining oversight of the investigation process to ensure quality and value were received.

Investigation Summary and Recommendations

Ken Froese – Senior Managing Director
Grace Lau – Associate Director

Delta Consulting Canada

Delta Consulting - Investigation Summary

- Delta Consulting Background
- Investigation Mandate from OAG: investigate alleged fraudulent payment of over \$52,000
 - Review of documentation, interviews with relevant staff and vendors, obtaining Norwich Order.
 - What happened.
 - Investigation findings and recommendations.
 - What internal control issues may have contributed to the issue.
 - What the current risk environment is for these type of issues.

- Six recommendations made to the Financial Services Division.
 - Management agreed with all recommendations.
- Management is currently working on implementing their management responses.
- OAG is recommending that Council directs Financial Services to report back was a status update in August 2024.



Hamilton

THANK YOU



Hamilton

**CLERK'S REPORT
GRANTS SUB-COMMITTEE**

9:30 a.m.

February 12, 2024

Council Chambers, City Hall

71 Main Street West, Hamilton, Ontario

Present: Councillors C. Kroetsch (Vice Chair), T. Jackson, and M. Tadeson

Absent with

Regrets: Councillors N. Nann (Chair), M. Francis, M. Wilson


Pursuant to Section 5.4(4) of the City of Hamilton's Procedural By-law 21-021, as amended, at 10:00 a.m. the Legislative Coordinator advised those in attendance that quorum would not be achieved within 30 minutes after the time set for the Grants Sub-Committee, therefore, the Legislative Coordinator to the Committee noted the names of those in attendance and the meeting stood adjourned.

Respectfully submitted,

Angela McRae
Legislative Coordinator



INFORMATION REPORT

TO:	Chair and Members Grants Sub-Committee
COMMITTEE DATE:	February 12, 2024
SUBJECT/REPORT NO:	City Enrichment Fund Community Consultation Update (GRA23003(c)) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Andrea Carvalho (905) 546-2424 Ext. 6797
SUBMITTED BY:	Morgan Stahl Director, Government Relations and Community Engagement City Manager's Office
SIGNATURE:	

COUNCIL DIRECTION

At its June 13, 2023 meeting the Grants Sub-Committee approved City Enrichment Fund – Appeal Process Update (GRA23003(a)) (City Wide) (Item 9.1), which included the motion:

- (a) That staff be directed to consult with community organizations in order to develop a further equitable City Enrichment Fund process and report back to the Grants Sub-Committee.

INFORMATION

Since 2015, the City Enrichment Fund (CEF) has annually invested in local charities, non-profit, and grassroots organizations across seven sector areas in the city, Agriculture, Arts, Communities, Culture and Heritage, Community Services, Environment, and Sports and Active Lifestyles. At the September 14, 2023, Grants Sub-Committee meeting, staff presented a twelve-month engagement plan that included preliminary steps to consult community partners and applicants with a focus on best

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**SUBJECT: City Enrichment Fund Community Consultation Update
(GRA23003(c)) (City Wide) - Page 2 of 6**

practices, funding rationale recommendations, evaluation, and efficiencies to the overall program delivery.

As the needs of the Hamilton community continue to grow and evolve, community

feedback provided through Council delegations, surveys, focus groups, workshops and applicant feedback has informed enhancements to CEF. The CEF program evolution has been driven with the applicant experience and community benefit at the forefront of decision making. Staff have recommended incremental changes to the fund through Grants Sub-Committee to ensure the program is meeting the current needs of the community and the continuously evolving local landscape.

This report provides Grants Sub-Committee with a detailed update on Phase I of the CEF Update and Community Engagement Plan, including recently implemented changes, planned Phase II activities, and an update on the 2024 CEF intake period, which received a 28% application increase or 430 applications across the program in 2023 ahead of the 2024 distribution of funds.

Community Engagement – Phase I

From September 20, 2023, to October 11, 2023, the general public, community partners, and previous CEF applicants were invited to provide feedback on the development of a set of funding principles through an online survey. This was promoted through direct communication with past applicants via e-mail, on the City of Hamilton website, through social media and the Engage Hamilton promotional tool. 126 respondents participated through the Engage Hamilton platform and answered five questions relating to funding allocations, priorities, and overall expectations of the City Enrichment Fund. Responses and comments to these questions set the foundation and informed discussion at the in-person and virtual consultation(s).

Following the survey, approximately 100 community partners attended in-person and virtual sessions on October 23, 2023, to further prioritize and shape the survey results. Government Relations and Community Engagement, Tourism and Culture, and Healthy and Safe Communities staff worked with external community member, Kojo Dampety of 2941 Consulting, to provide arms-length facilitation and a report summarizing attendee feedback with recommendations to inform future direction of the CEF program. This report, and the report key messages, are published on Engage Hamilton and the CEF webpage.

The City Enrichment Fund is guided by the following set of funding principles informed through the Phase I community engagement.

CEF Funding Principles:

Allocate available funding amongst not-for profit organizations, registered charities,

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**SUBJECT: City Enrichment Fund Community Consultation Update
(GRA23003(c)) (City Wide) - Page 3 of 6**

grassroots organizations, and professional artist projects.
 Allocate some level of funding to all passing applicants.
 Provide funding to programs/projects that present diverse revenue sources and a feasible budget.
 Support the programming and service delivery for both returning and new organizations and programs.

Beginning with the 2024 cycle, CEF staff have implemented the following updates in an effort to deliver an equitable, transparent, and streamlined program.

Update	Impact/Benefit
<p><u>Funding Principles</u> Support funding to all passing applicants, recognizing returning organizations, and providing access to new applicants and programming.</p>	<ul style="list-style-type: none"> • Transparent and informed by community. • Provides funding to more applicants. • Greater overall impact to smaller, new, community organizations and equity serving groups. • Recognizes both returning and new applicants.
<p><u>30% Funding Policy</u> Updated to only apply to requests above \$15,000. (this does not apply to operating streams).</p>	<ul style="list-style-type: none"> • Greater capacity for applicant to deliver programs. • Greater support to applicants that do not have access to other funding sources. • Greater support for equity-deserving organizations. • Improved support to one-time projects and new initiatives. • In 2024, 243 applicants, or 57%, submitted requests less than \$15,000. Their total requests represent 34% of the overall 2024 requests.
<p><u>Financial Review</u> Updated the internal financial review process to apply to applications with requests of \$30,000 or greater only.</p>	<ul style="list-style-type: none"> • Reduced staff time to process the reviews by 73%. • Improved support to one-time projects and new initiatives.
<p><u>Online Grant Portal</u> Piloting separate grant portal program tiles for Agriculture, Digital, Sports and Active Lifestyles areas, with the intent of providing an easier and more simple process</p>	<ul style="list-style-type: none"> • Allowing for a more simplified application process. • Allows for the application language to be more direct and relevant to each program area. • Improved user experience for adjudicators

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**SUBJECT: City Enrichment Fund Community Consultation Update
(GRA23003(c)) (City Wide) - Page 4 of 6**

Update	Impact/Benefit
for applicants and efficiencies for staff.	and staff.
<u>Translation Services</u> Written translation available for all program material, applications, handbooks, guidelines.	<ul style="list-style-type: none"> Applicants requiring language support services can request the translation of CEF material into 74 different languages.
<u>Applicant Support</u> In addition to public information sessions, CEF Program Managers offered drop-in sessions, providing applicants with one-on-one staff support.	<ul style="list-style-type: none"> CEF staff are accessible to the public, providing direct applicant support. Applicants can bring their specific questions and challenges to staff to increase their grant writing capacity and build success.

Community Engagement – Phase II

Staff have begun working on Phase II of the 2024 CEF Update and Community Engagement Plan, as presented to the Grants Sub-Committee on September 14, 2023, report (GRA23003(b)). Phase II includes a review of past consultation documents, an internal review with staff, and community engagement to solicit feedback on CEF overall, experiences as an applicant, adjudicator, and current barriers in accessing the program.

Phase II community engagement will begin online through the Engage Hamilton page and move to in-person sessions divided by CEF Program Areas and occurring in City-Wide throughout the city. Phase II will gather overall feedback and then apply a collaborative approach with focus groups addressing issues that are most prevalent to applicants and their needs.

Through a relational listening and sharing approach, Phase II community engagement is intended to inform staff with specific areas for enhancements. Applying a continuous improvement method allows staff to identify long-term goals and make meaningful, gradual improvements to several CEF program stages.

The Community Engagement Plan, objectives include:

- Developing a funding framework
- Updated public documents
- Updates to the online grant portal to ensure a more user-friendly experience for applicants
- Recommendations for 2025 CEF program enhancements
- Updates to the Funding Agreement/DocuSign process
- Creating program stretch goals

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**SUBJECT: City Enrichment Fund Community Consultation Update
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Enhancements to the application process – reducing barriers to access
Document Plan – a user-friendly public facing CEF Funding Report

2024 City Enrichment Fund Intake

In response to Council direction to consult with community groups in the development of an equitable funding model, the 2024 CEF intake was shifted to facilitate a November 1 — December 15, 2023, deadline. To accommodate the Phase I engagement, past applicants were communicated with directly and notified of date changes and continued to be in frequent communication with staff.

The 2024 CEF intake period was shared with the public through the City’s webpage, social media channels, print and online ads, and marketing through the City’s recreation centers and city-wide library branches. To support applicants during the intake period, CEF Program Managers hosted 11 virtual information sessions that saw 89 total attendees. The information sessions provide potential applicants with general CEF information and specific program area details. The sessions were recorded and were publicly accessible through the CEF webpage. Closer to the December 15 deadline, Program Managers also hosted 8 drop-in sessions, with a total of 35 attendees. Drop-in sessions provide applicants with one-on-one staff support where organizations are invited to bring their specific application or budget questions and challenges.

For the second year, applicants were offered translation services of the CEF applications, handbooks, and guidelines. Additional support was provided to applicants unable to access the online portal by converting specific applications into fillable pdf forms that were then attached to their online accounts through one-on-one online support.

This year, the CEF program saw a considerable increase to the number of applications and overall funding request with the highest totals for the program to date. Compared to the 2023 funding year, the program received a 28% increase in applications and a 47% increase in funding requested, 430 and \$13,537,403 respectively.

City Enrichment Fund Intake Totals 2023-2024 Application Totals

Area	2024	2023	% Increase
Total Applications	430	337	28%
Total Grant Requests	\$13,537,403	\$9,190,107	47%

The total number of applications and funding requests by program area is detailed in Appendix “A” to Report GRA23003(c).

APPENDICES AND SCHEDULES ATTACHED

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**SUBJECT: City Enrichment Fund Community Consultation Update
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Appendix "A" to Report GRA23003(c): 2024 City Enrichment Fund Intake Data

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Appendix “A” to GRA23003(c)
Page 1 of 1

2024 City Enrichment Fund (CEF) Intake Data

The 2024 intake began on November 1 with a December 15, 2023, deadline. The following charts provide information on the total number of applications and total funding request in 2024 and compared to the 2023 totals. Overall, the 2024 intake received the highest number of CEF applications, 430 and \$13,537,403 respectively.

City Enrichment Fund 2023-2024 Application Totals

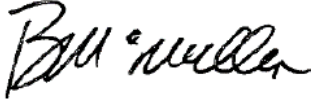
Program and Stream	2024 # of Applications	2023 # of Applications	% Increase/Decrease
Agriculture	16	17	-1%
Arts	103	75	37%
Communities, Culture and Heritage	77	62	24%
Community Services	136	116	17%
Digital	14	5	180%
Environment	14	16	-13%
Sport and Active Lifestyles	70	46	52%
Total Applications	430	337	28%

City Enrichment Fund 2023-2024 Funding Request Totals

Program and Stream	2024 Funding Request	2023 Funding Request	% Increase/Decrease
Agriculture	\$164,542	\$165,944	-1%
Arts	\$5,678,512	\$3,781,404	50%
Communities, Culture and Heritage	\$1,317,467	\$943,727	40%
Community Services	\$5,404,911	\$3,572,681	51%
Digital	\$183,350	\$50,078	266%
Environment	\$249,557	\$301,659	-17%
Sport and Active Lifestyles	\$539,063	\$374,614	44%
Total Grants Request	\$13,537,403	\$9,190,107	47%



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 22, 2024
SUBJECT/REPORT NO:	2024 Development Charges Background Study and By-law Feedback (FCS23103(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Carolyn Paton (905) 546-2424 Ext. 4371 Kirk Weaver (905) 546-2424 Ext. 2878
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

N/A

INFORMATION

The purpose of Report FCS23103(a) is to provide the Audit, Finance and Administration Committee (AF&A) with an update on the feedback received to date on the 2024 Development Charge Background Study and By-law. The AF&A Committee meeting on February 22, 2024 is the Statutory Public meeting under the *Development Charges Act*. Watson & Associates Economists Ltd. (Watson) are presenting a summary of the City of Hamilton's Development Charge process to date, providing additional options for AF&A's consideration, the rationale for those options and next steps.

It is anticipated that several delegations will be attending the AF&A Committee meeting on February 22, 2024 to provide input on the proposed Development Charges Background Study and By-law during the Statutory Public Meeting. Feedback from this meeting will be addressed in a final report to the AF&A Committee recommending the By-law approval which is planned for April 18, 2024.

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**SUBJECT: 2024 Development Charges Background Study and By-law Feedback
(FCS23103(a)) (City Wide) – Page 2 of 6**

Background

Statutory Public Meeting under the *Development Charges Act*

As required in the *Development Charges Act, 1997, as amended* (DC Act), the City of Hamilton is holding a public meeting to discuss proposed Development Charge rates, as well as Development Charge policies that will be applied throughout the City.

The two areas in the *DC Act* where Council has some discretion is in setting policies are in both DC Exemptions and Local Service Policies.

DC Exemptions

The *Development Charges Act, 1997, as amended*, (DC Act) sets out a number of mandatory DC exemptions and policies. However, under Section 5 (1) 10 of the *DC Act*, Council can enact exemptions on a discretionary basis.

The current City of Hamilton DC By-law (19-142) contains several discretionary DC policies, some with full or partial exemptions. The foregone DC revenue is funded by existing taxpayers and ratepayers through funding allocations in both the Rate and Tax Budgets.

As part of Watson's current engagement, a review of DC Policies was undertaken. It included a review of exemptions to be considered in the 2024 DC Background Study and By-laws, a comprehensive review of market feasibility, best practices in comparator municipalities and historical performance of current exemptions.

Among the recommendations proposed by Watson were the removal of the DC exemption for residential development within the Downtown Hamilton Community Improvement Plan Area (CIPA) and discontinuing a reduced DC rate for industrial developments.

Should Council choose to amend any of these draft policies or exemptions, as a result of public consultation or further information, they may do so prior to adopting the DC By-laws in 2024.

**SUBJECT: 2024 Development Charges Background Study and By-law Feedback
(FCS23103(a)) (City Wide) – Page 3 of 6**

Bill 23, *More Homes Built Faster Act, 2022*, legislated a statutory rate phase in for all DC By-laws passed on or after January 1, 2022. The mandatory DC rate phase-in means that municipalities must phase-in the calculated DC charge in the following manner:

- 80% of the calculated DC charge in year one of the DC By-law(s),
- 85% in year two,
- 90% in year three,
- 95% in year four, and
- 100% in years five through 10.

It is noted that, as of the time of writing the DC Background Study, the Province announced (on December 13, 2023) potential changes to the phasing-in requirements. It is anticipated that the details of these changes will be forthcoming in early 2024. It is unknown at this time if the Province will implement a full removal of the phase in, a reduction of the phase in, or some other option. The Ontario Legislature is not in session until late February 2024. For the purposes of Report FCS23103(a), it is assumed that the mandatory phase-ins are in place. Should the Province implement any changes, staff will assess and report back to Council.

On June 21, 2023, Council approved Report FCS23064, “Development Charges Exemptions Sustainable Funding Strategy”, that referred an overall DC exemption funding strategy including the financial impacts of Bill 23 for consideration in the 2024 Rate and Tax Supported Budget. The proposed 2024 Tax Budget presented through Report FCS24002 recommended a phased financing strategy to address these impacts.

Local Service Policy

Section 59.1(1) and (2) of the Act “No Additional Levies” prohibits municipalities from imposing additional payments or requiring construction of a service not authorized under the *DC Act*. Municipalities, therefore, implement Local Service Policies (LSP) which propose what will be included in the DC and what will be required by developers as part of their development agreements.

Based on discussions with Watson, engineering sub-consultants and staff, the existing LSP has been subdivided based on the location of development as follows:

- Within the Urban Boundary as set out in the Official Plan Amendment (OPA) 167 as adopted by Council on June 8, 2022, and without the Minister modifications approved on November 4, 2022 (“Council adopted Urban Boundary”) – traditional local service policy requirements (current) remain unchanged;

SUBJECT: 2024 Development Charges Background Study and By-law Feedback (FCS23103(a)) (City Wide) – Page 4 of 6

- Outside the Council-adopted Urban Boundary the developer be responsible for:
 - All roads, linear water and wastewater infrastructure (external to urban boundary) required to service the development including potential oversizing costs;
 - Certain linear water / wastewater works that are oversized (post-period benefit), within the Urban Boundary to accommodate flows;
 - Development would be required to pay:
 - municipal-wide DCs; and
 - water / wastewater treatment DCs (if they will be serviced with municipal water and wastewater).

At the time of writing Report FCS23103(a), there has been no public feedback received on the proposed Local Service Policy which will form part of the 2024 Development Charges By-laws.

Public Feedback on DC Exemptions

The City held two Development Charge Open Houses for feedback on the draft 2024 DC Background Study and the proposed 2024 DC By-laws. An in-person Open House was held on January 23, 2024 from 7:00 to 9:00 pm and a virtual session was held on January 24, 2024, from 10:00 am to 12:00 pm. Both Open Houses were well attended by members of the development community (with one interested citizen at the in-person open house) representing both residential and non-residential interests. Representatives from Planning and Economic Development Department (Economic Development and Growth Management Divisions) and Corporate Services Department (Financial Planning, Administration and Policy Division) and Watson were in attendance.

The focus of the feedback from the attendees was related to the proposed removal of two existing discretionary DC exemptions being the 40% exemption for residential development within the Downtown Community Improvement Plan Area (CIPA) and the 37% discount for industrial development. Feedback received includes comments and concerns as follows.

Residential Downtown CIPA DC Exemption

- High interest rates which translate to high financing costs are impacting development;
- Increases in construction costs are resulting in higher unit prices;
- Lower demand is resulting in slow housing sales;
- A reduction in exemptions will further negatively impact desire for development in the downtown;

**SUBJECT: 2024 Development Charges Background Study and By-law Feedback
(FCS23103(a)) (City Wide) – Page 5 of 6**

Industrial Reduced Rate Exemption / Industrial Building Expansion (Detached) DC Exemption

- High interest rates which translate to high financing costs;
- Hamilton's ability to compete in industrial development market as it relates to surrounding municipalities;
- A reduction in exemptions will further negatively impact desire for development;
- Productivity of land needs to be considered.

Other Feedback

Farm Labour Residences have been charged Residential DC Rates in every City of Hamilton DC By-law since amalgamation. As these types of buildings are being encouraged on working farms (Farm Labour Residences Discussion Paper (PED22002(a))), staff has requested Watson to review options related to the DC treatment of Farm Labour Residences to ensure policy alignment. A review on how other municipalities treat these residences in terms of Development Charges is also being undertaken.

As a result of the feedback and additional information received from the development community since the Open Houses, staff has requested Watson to review their initial recommendations and prepare alternative exemption scenarios for consideration including pros and cons. The additional information points to uncertainty in the current residential development market in downtown Hamilton, in part, due to higher interest rates. Given this uncertainty a gradual reduction of DC exemptions may be considered by Council. Watson will also be reviewing DC rates with surrounding municipalities to ensure competitiveness.

Community Improvement Plan (CIP) Grant Program Consideration

Staff is working to determine if providing a grant program through a CIP is a more desirable approach to managing these type of incentives. Should this option be beneficial for both the City and the development community, a report with the appropriate recommendations will be prepared for Council's consideration.

Providing for grants through a CIP Grant Program has many advantages over including exemptions in the DC By-laws such as:

- Provides greater flexibility with respect to establishing parameters for eligible developments;
- Allows the City greater flexibility in responding to market trends;
- Allows Council to review each development and eligibility on a case-by-case basis, if desired;

**SUBJECT: 2024 Development Charges Background Study and By-law Feedback
(FCS23103(a)) (City Wide) – Page 6 of 6**

- Allows Council to establish an upper limit on the dollar amount of exemptions that can be provided in any given year.

The disadvantage of a grant program outside of the DC By-laws would mean additional resourcing requirements to establish, administer and monitor such a program. In addition, a grant program would require funds to be budgeted for the anticipated level of grants annually.

As establishing a CIP Grant Program will take several months, it may be necessary to maintain exemptions desired by Council within the DC By-law until such time as a CIP is adopted by Council.

Next Steps

Feedback from the February 22, 2024, Statutory public meeting, in addition to feedback heard from the development community will be addressed in a final report to the Audit, Finance and Administration Committee recommending By-law approval in April 2024. While Council has the ability to make changes to exemption policies without triggering an addendum to the DC Background Study, should other amendments be required to the DC Background Study and draft By-laws, a DC Background Study addendum will be prepared and made available to the public. If necessary, an additional public meeting may be held.

APPENDICES AND SCHEDULES ATTACHED

N/A

CP/dt



City of Hamilton 2024 Development Charges Background Study & By-laws

Public Meeting
February 22, 2024



Format for Public Meeting

- Opening Remarks
- Public Meeting Purpose
- Study Process and Timelines
- Development Charges Overview
- Presentation of the Proposed Charges and Policies
- Presentations by the Public
- Questions from Council
- Conclude Public Meeting



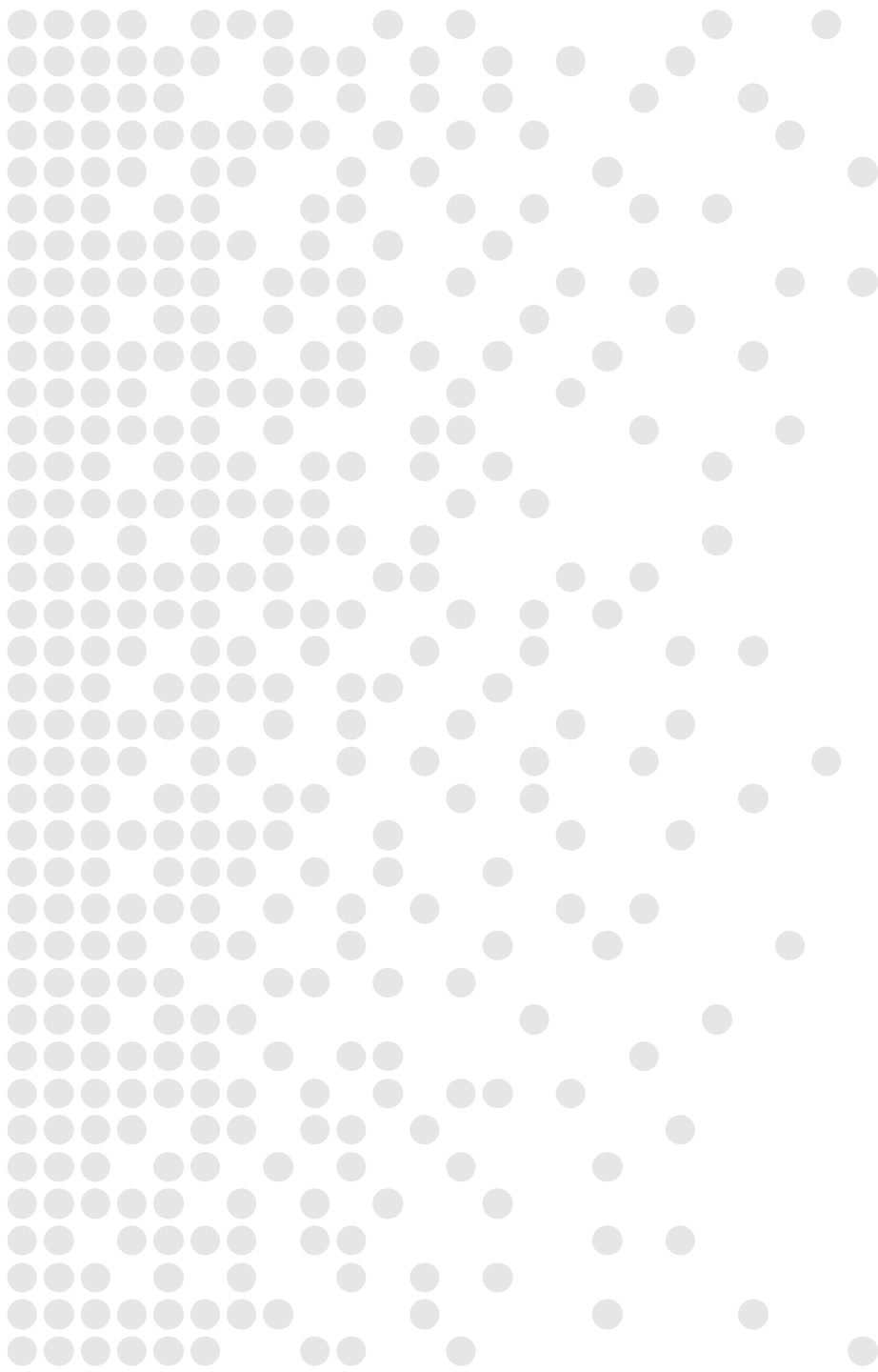
Public Meeting Purpose

- The public meeting is to provide for a review of the D.C. background study and to receive public input on the proposed policies and charges
- The meeting is a mandatory requirement under the Development Charges Act (D.C.A.)
- Prior to Council's consideration of a by-law, a background study must be prepared and available to the public a minimum 60 days prior to the D.C. by-law passage



Study Process and Timelines

- 1** **September 2022 to November 2023**
Data collection, staff review, D.C. calculations and policy work
- 2** **April 13, September 18, and November 9, 2023**
Development Charges Stakeholders Sub-Committee Meeting
- 3** **December 21, 2023**
Release of Background Study and draft by-laws
- 4** **January 23/24, 2024**
Public open house sessions
- 5** **February 22, 2024**
Public Meeting at Audit, Finance & Administration Committee
- 6** **April/May 2024**
Audit, Finance & Administration Committee considers passage of by-laws
- 7** **June 1, 2024**
New D.C. By-laws in Effect
- 8** **June 12, 2024**
Expiry of Existing D.C. By-law (note: existing by-law will be repealed at the time the new by-laws come into effect)



Development Charges Overview

City of Hamilton 2024 Development Charges
Background Study & By-laws



Development Charges (D.C.s)

Purpose:

- To recover the capital costs associated with residential and non-residential growth within a municipality
- The capital costs are in addition to what costs would normally be constructed as part of a subdivision (i.e., internal roads, sewers, watermains, sidewalks, streetlights, etc.)
- Municipalities are empowered to impose these charges via the Development Charges Act (D.C.A.)



D.C. Eligible Services

1. **Water**
2. **Wastewater**
3. **Storm water drainage**
4. **Services related to a highway**
5. Electrical power services.
6. Toronto-York subway extension.
7. **Transit**
8. **Waste diversion**
9. **Policing Services**
10. **Fire protection**
11. **Ambulance**
12. **Library**
13. **Long-term Care**
14. **Parks and Recreation**
15. **Public Health services**
16. **Childcare and early years services**
17. **Provincial Offences Act**
18. Emergency Preparedness
19. Airports (Waterloo Region only)

Blue highlight denotes services included in 2024 D.C.

Note: Public works is included in the D.C. calculation as a class of service



Changes to D.C. Legislation – Overview

- There were a number of changes to the D.C.A. since the passage of the City's 2019 D.C. By-law which were detailed in the City's 2021 D.C. Update Study. These changes were provided through:
 - Bill 108: *More Homes, More Choice Act, 2019*
 - Bill 138: *Plan to Build Ontario Together Act, 2019*
 - Bill 197: *COVID-19 Economic Recovery Act, 2020*
 - Bill 213: *Better for People, Smarter for Business Act, 2020*
- Since the completion of the D.C. Update Study in 2021, further legislative changes have been made to the D.C.A. through:
 - Bill 109: *More Homes for Everyone Act, 2022* – provides additional reporting requirements as part of Treasurer's Statement
 - Bill 23: *More Homes Built Faster Act, 2022* – discussed in further detail in subsequent slides
 - Bill 134: *Affordable Homes and Good Jobs Act, 2023* – provides for changes to the definition for affordable residential units (discussed in subsequent slides)



Bill 23 Overview

- The Province passed Bill 23: *More Homes Built Faster Act, 2022* on November 28, 2022
- This Bill amends a number of pieces of legislation, including the *Development Charges Act (D.C.A.)*, and the *Planning Act*
 - These changes impact development charges (D.C.s), community benefits charges (C.B.C.s), and parkland dedication
- The changes provided through Bill 23 negatively impact the City's ability to collect revenues to fund growth-related capital expenditures



Changes to the D.C.A.

Bill 23

Additional D.C. Exemptions:

Currently in Force:

- **Inclusionary Zoning Units:** Affordable housing units required under inclusionary zoning by-laws
- **Non-Profit Housing:** Non-profit housing units are exempt from D.C. installment. Outstanding installment payments due after this section comes into force will also be exempt from payment of D.C.s.
- **Additional Residential Unit Exemptions:** units in existing rental buildings, 2nd and 3rd units in existing and new singles, semis, and rowhouses

Currently Not in Force (additional details provided on next slide):

- **Affordable Rental Unit**
- **Affordable Owned Unit**
- **Attainable Unit**



Changes to the D.C.A. – Affordable/Attainable Definitions

Bill 23/Bill 134

Definitions for “affordable” under the D.C.A. were updated by Bill 134, which received Royal Assent on December 4, 2023:

Bill 23 Definitions

Affordable Rental Unit: where rent is no more than 80% of the average market rent, as defined by a new Bulletin*

Affordable Owned Unit: where the price of the unit is no more than 80% of the average purchase price, as defined by a new Bulletin*

Bill 134 Definitions

Affordable Rental Unit: rent is less than 30% of the 60th percentile of income for rental households or average market rent set out in a new Bulletin*

Affordable Owned Unit: cost is less than 30% of the 60th percentile of income for households in the municipality or 90% of the average purchase price as defined in a new Bulletin*

Attainable Unit: yet to be defined by legislation

*Bulletin to be published by the Ministry of Municipal Affairs and Housing



Changes to the D.C.A.

Bill 23

D.C. Discounts:

- Rental Housing Discount (based on number of bedrooms – 15%-25%)

D.C. Revenue Reduction:

- Removal of Housing as an Eligible D.C. Service
- Capital Cost Amendments (restrictions to remove studies and possible future removal of land)
- Historical Levels of Service from 10 years to 15 years
- Mandatory Phase-In of D.C. (Maximum charge of 80%, 85%, 90%, 95%, 100% for first 5 Years of the by-law) - These rules apply to a D.C. by-law passed on or after January 1, 2022

D.C. Administration:

- Maximum Interest Rate for Installments and D.C. Freeze (maximum interest rate would be set at the average prime rate plus 1%)
- Requirement to Allocate 60% of the monies in the reserve funds for Water, Wastewater, and Services Related to a Highway
- D.C. by-law expiry extended to 10 years



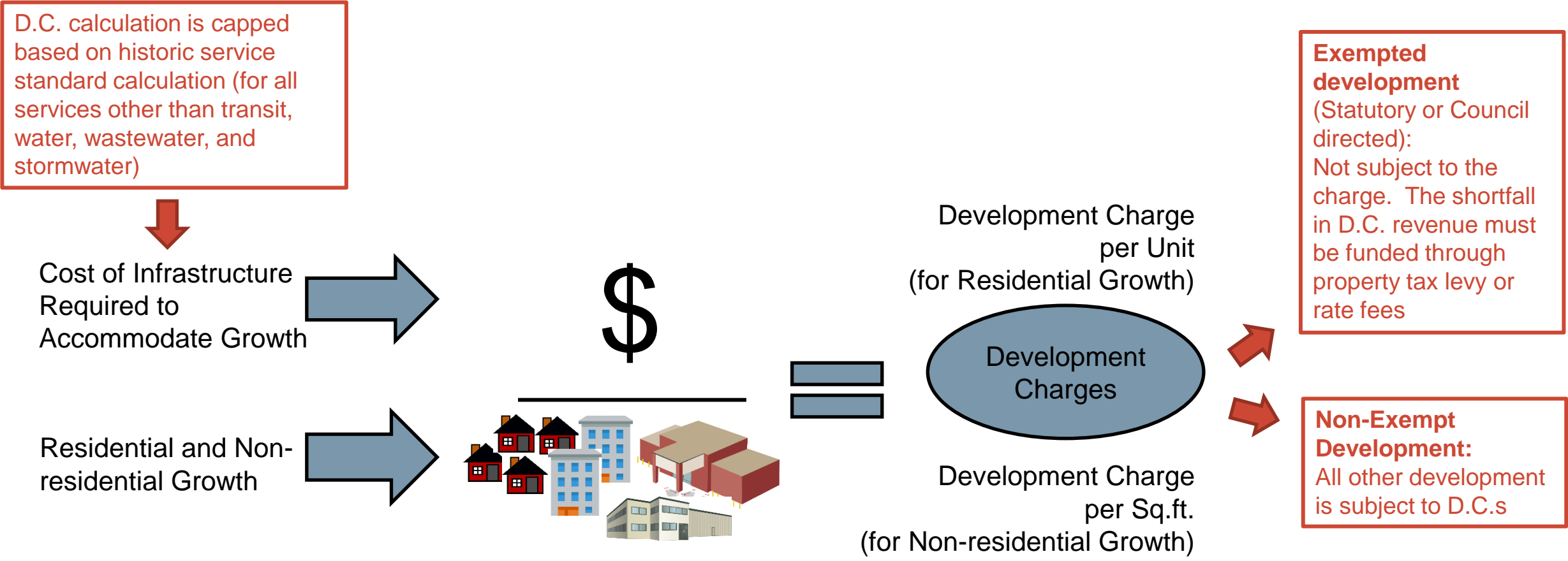
D.C. Methodology

The following provides the overall methodology to calculating the charge:

1. Identify amount, type and location of growth
2. Identify servicing needs to accommodate growth
3. Identify capital costs to provide services to meet the needs
4. Deduct:
 - i. Grants, subsidies and other contributions
 - ii. Benefit to existing development
 - iii. Amounts in excess of 15-year historical service calculation
 - iv. D.C. Reserve funds (where applicable)
5. Net costs then allocated between residential and non-residential benefit
6. Net costs divided by growth to calculate the D.C.

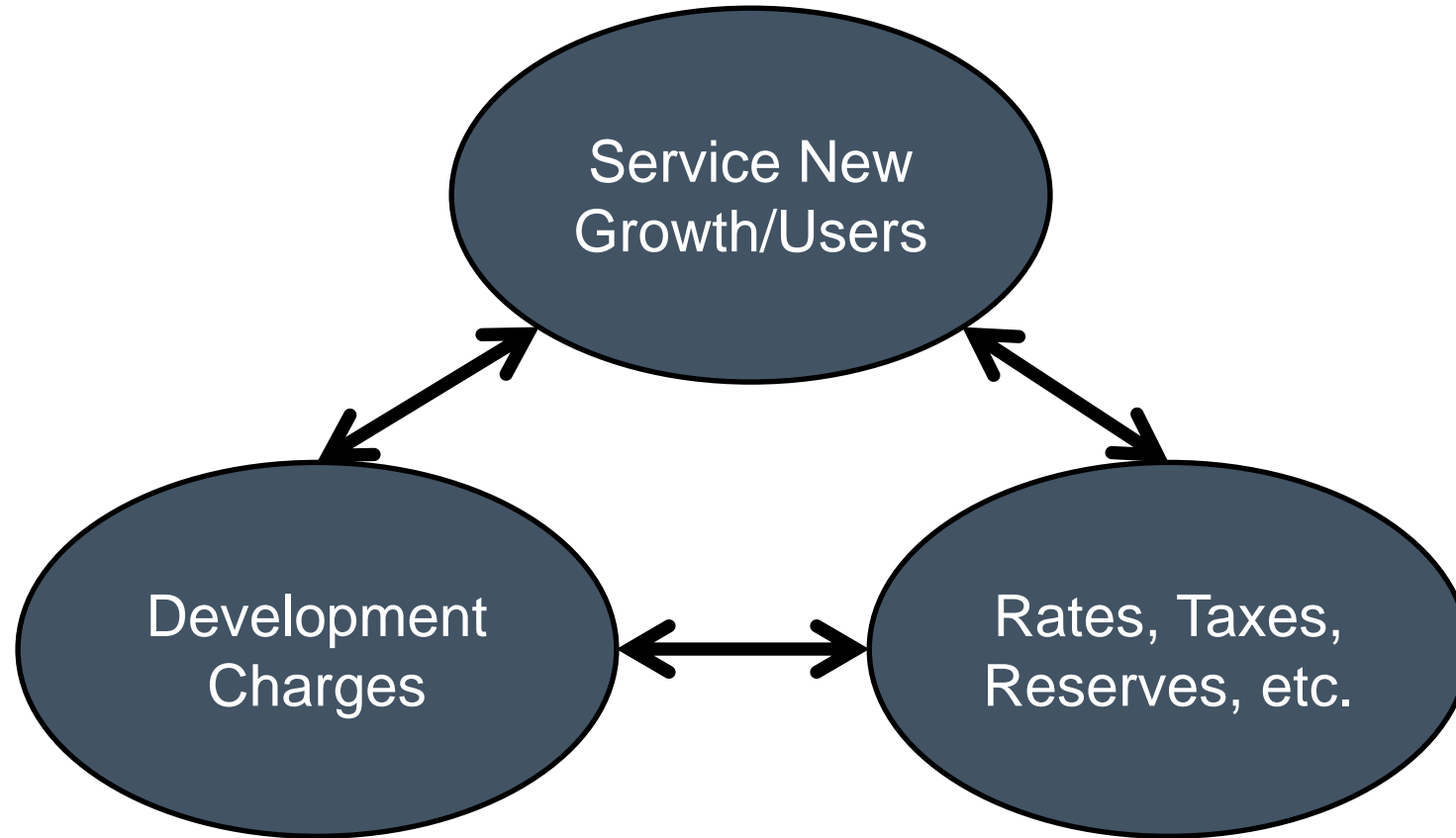


Overview of the D.C. Calculation





Relationship Between Needs to Service Growth vs. Funding



Calculated D.C. Rates

City of Hamilton 2024 Development Charges
Background Study & By-laws



Rate Comparison – Residential (per Single Detached Unit)

Service/Class of Service	Current	Calculated (2023\$)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:							
Services Related to a Highway	14,608	22,539	18,031	19,158	20,285	21,412	22,539
Public Works	1,092	1,335	1,068	1,135	1,202	1,268	1,335
Transit Services	2,600	1,601	1,281	1,361	1,441	1,521	1,601
Fire Protection Services	626	1,151	921	978	1,036	1,093	1,151
Policing Services	711	1,018	814	865	916	967	1,018
Parks and Recreation*	3,518	11,065	8,852	9,405	9,959	10,512	11,065
Library Services	6,695	2,061	1,649	1,752	1,855	1,958	2,061
Growth Studies**	1,554	-	-	-	-	-	-
Long-term Care Services	549	231	185	196	208	219	231
Child Care and Early Years Programs	246	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	21	55	42	44	47	49	52
Public Health Services	3	42	34	36	38	40	42
Ambulance	201	325	260	276	293	309	325
Waste Diversion	990	346	277	294	311	329	346
Total Municipal Wide Services/Classes	33,469	41,766	33,413	35,501	37,589	39,678	41,766
Water and Wastewater Urban Area Charges							
Wastewater Facilities	5,491	7,125	5,700	6,056	6,413	6,769	7,125
Wastewater Linear Services	7,346	10,878	8,702	9,246	9,790	10,334	10,878
Water Services	6,466	7,323	5,858	6,225	6,591	6,957	7,323
Total Water and Wastewater Urban Area Services	19,303	25,326	20,261	21,527	22,793	24,060	25,326
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services	5,355	9,553	7,642	8,120	8,598	9,075	9,553
Stormwater Services - Separate Sewer System							
Stormwater Drainage and Control Services	14,192	23,541	18,833	20,010	21,187	22,364	23,541
Grand Total - City Wide	33,469	41,766	33,413	35,501	37,589	39,678	41,766
Grand Total - Urban Area - Combined Sewer Sytem	58,127	76,645	61,316	65,148	68,981	72,813	76,645
Grand Total - Urban Area - Separate Sewer Sytem	66,964	90,633	72,506	77,038	81,570	86,101	90,633

*Parks & Recreation now combined as one D.C. eligible service

**Growth studies are no longer eligible when a new by-law is passed under Bill 23

Note: Rates will be indexed at by-law implementation to 2024\$

Rate Comparison – Apartments 2-Bedrooms+ (per Unit)



Service/Class of Service	Current	Calculated (2023\$)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:							
Services Related to a Highway	8,555	13,818	11,054	11,745	12,436	13,127	13,818
Public Works	639	818	654	695	736	777	818
Transit Services	1,524	982	786	835	884	933	982
Fire Protection Services	367	706	565	600	635	671	706
Policing Services	416	624	499	530	562	593	624
Parks and Recreation*	2,059	6,784	5,427	5,766	6,106	6,445	6,784
	3,920						
Library Services	910	1,264	1,011	1,074	1,138	1,201	1,264
Growth Studies**	322	-	-	-	-	-	-
Long-term Care Services	145	142	114	121	128	135	142
Child Care and Early Years Programs	13	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	31	32	26	27	29	30	32
Public Health Services	2	26	21	22	23	25	26
Ambulance	119	199	159	169	179	189	199
Waste Diversion	579	212	170	180	191	201	212
Total Municipal Wide Services/Classes	19,601	25,607	20,486	21,766	23,046	24,327	25,607
Water and Wastewater Urban Area Charges							
Wastewater Facilities	3,216	4,368	3,494	3,713	3,931	4,150	4,368
Wastewater Linear Services	4,301	6,669	5,335	5,669	6,002	6,336	6,669
Water Services	3,787	4,490	3,592	3,817	4,041	4,266	4,490
Total Water and Wastewater Urban Area Services	11,304	15,527	12,422	13,198	13,974	14,751	15,527
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services	3,137	5,857	4,686	4,978	5,271	5,564	5,857
Stormwater Services - Separate Sewer System							
Stormwater Drainage and Control Services	8,312	14,432	11,546	12,267	12,989	13,710	14,432
Grand Total - City Wide	19,601	25,607	20,486	21,766	23,046	24,327	25,607
Grand Total - Urban Area - Combined Sewer Sytem	34,042	46,991	37,593	39,942	42,292	44,641	46,991
Grand Total - Urban Area - Separate Sewer Sytem	39,217	55,566	44,453	47,231	50,009	52,788	55,566

*Parks & Recreation now combined as one D.C. eligible service

**Growth studies are no longer eligible when a new by-law is passed under Bill 23

Note: Rates will be indexed at by-law implementation to 2024\$



Rate Comparison – Apartments Bachelor & 1-Bedroom (per Unit)

Service/Class of Service	Current	Calculated (2023\$)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:							
Services Related to a Highway	5,853	8,561	6,849	7,277	7,705	8,133	8,561
Public Works	437	507	406	431	456	482	507
Transit Services	1,042	608	486	517	547	578	608
Fire Protection Services	251	437	350	371	393	415	437
Policing Services	285	387	310	329	348	368	387
Parks and Recreation*	1,409	4,203	3,362	3,573	3,783	3,993	4,203
Library Services	622	783	626	666	705	744	783
Growth Studies**	220	-	-	-	-	-	-
Long-term Care Services	99	88	70	75	79	84	88
Child Care and Early Years Programs	8	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	22	20	16	17	18	19	20
Public Health Services	1	16	13	14	14	15	16
Ambulance	80	123	98	105	111	117	123
Waste Diversion	396	131	105	111	118	124	131
Total Municipal Wide Services/Classes	13,407	15,864	12,691	13,484	14,278	15,071	15,864
Water and Wastewater Urban Area Charges							
Wastewater Facilities	2,200	2,706	2,165	2,300	2,435	2,571	2,706
Wastewater Linear Services	2,943	4,132	3,306	3,512	3,719	3,925	4,132
Water Services	2,592	2,782	2,226	2,365	2,504	2,643	2,782
Total Water and Wastewater Urban Area Services	7,735	9,620	7,696	8,177	8,658	9,139	9,620
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services	2,145	3,629	2,903	3,085	3,266	3,448	3,629
Stormwater Services - Separate Sewer System							
Stormwater Drainage and Control Services	5,685	8,942	7,154	7,601	8,048	8,495	8,942
Grand Total - City Wide	13,407	15,864	12,691	13,484	14,278	15,071	15,864
Grand Total - Urban Area - Combined Sewer Sytem	23,287	29,113	23,290	24,746	26,202	27,657	29,113
Grand Total - Urban Area - Separate Sewer Sytem	26,827	34,426	27,541	29,262	30,983	32,705	34,426

*Parks & Recreation now combined as one D.C. eligible service

**Growth studies are no longer eligible when a new by-law is passed under Bill 23

Note: Rates will be indexed at by-law implementation to 2024\$



Rate Comparison – Non-Residential (per sq.ft)

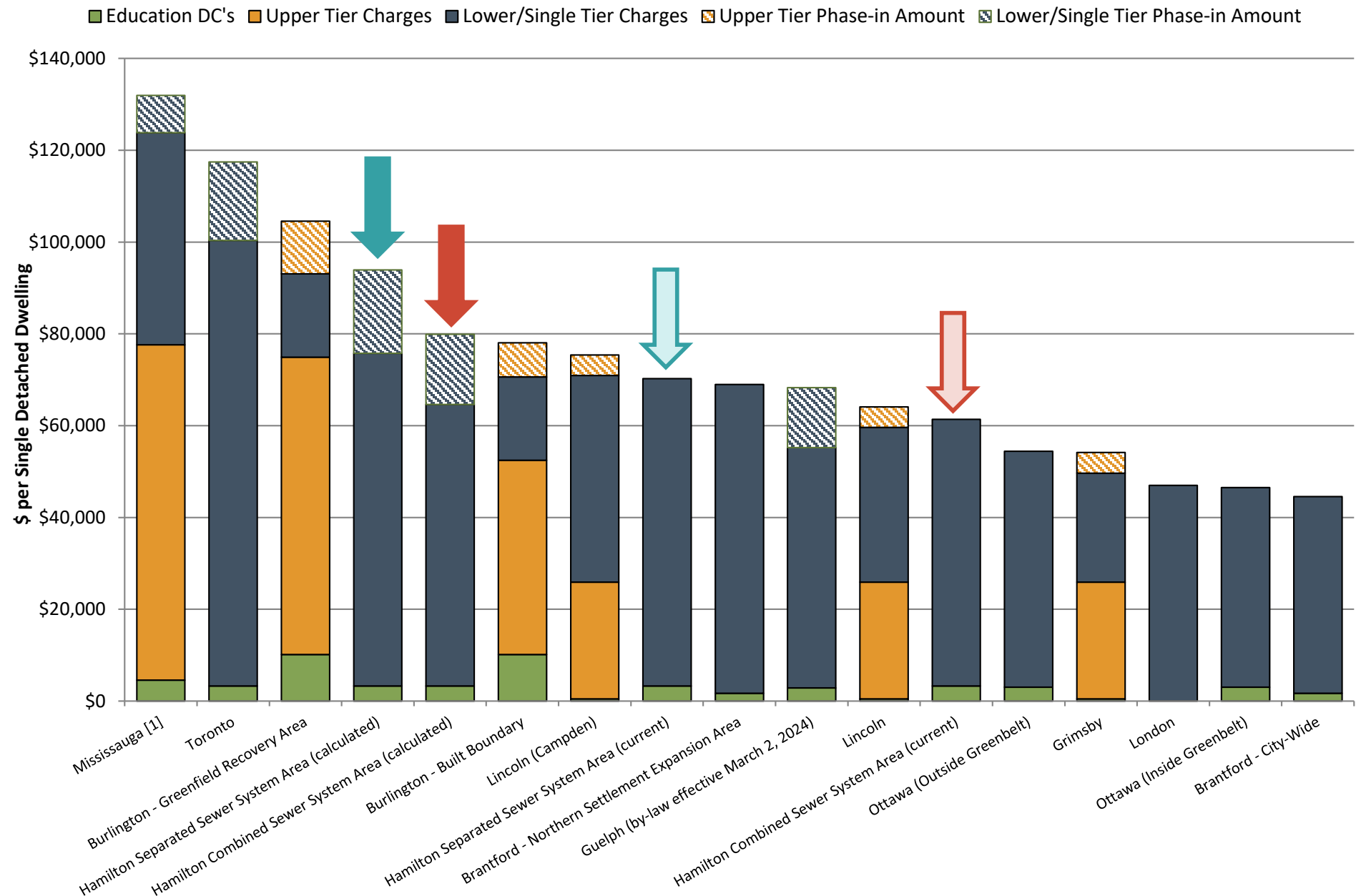
Service/Class of Service	Current	Calculated (2023\$)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:							
Services Related to a Highway	10.92	16.28	13.02	13.84	14.65	15.47	16.28
Public Works	0.56	0.80	0.64	0.68	0.72	0.76	0.80
Transit Services	1.32	0.96	0.77	0.82	0.86	0.91	0.96
Fire Protection Services	0.31	0.69	0.55	0.59	0.62	0.66	0.69
Policing Services	0.36	0.61	0.49	0.52	0.55	0.58	0.61
Parks and Recreation*	0.16	0.95	0.76	0.81	0.86	0.90	0.95
Library Services	1.36	0.18	0.14	0.15	0.16	0.17	0.18
Growth Studies**	0.28	-	-	-	-	-	-
Long-term Care Services	0.02	0.04	0.03	0.03	0.04	0.04	0.04
Child Care and Early Years Programs	-	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	0.02	0.03	0.02	0.03	0.03	0.03	0.03
Public Health Services	-	0.01	0.01	0.01	0.01	0.01	0.01
Ambulance	0.02	0.06	0.05	0.05	0.05	0.06	0.06
Waste Diversion	0.17	0.03	0.02	0.03	0.03	0.03	0.03
Total Municipal Wide Services/Classes	15.80	20.64	16.51	17.54	18.58	19.61	20.64
Water and Wastewater Urban Area Charges							
Wastewater Facilities	2.65	4.53	3.62	3.85	4.08	4.30	4.53
Wastewater Linear Services	3.53	6.91	5.53	5.87	6.22	6.56	6.91
Water Services	3.10	4.65	3.72	3.95	4.19	4.42	4.65
Total Water and Wastewater Urban Area Services	9.28	16.09	12.87	13.68	14.48	15.29	16.09
Stormwater Services - Combined Sewer System							
Stormwater Drainage and Control Services	-	-	-	-	-	-	-
Stormwater Services - Separate Sewer System							
Stormwater Drainage and Control Services	2.93	4.75	3.80	4.04	4.28	4.51	4.75
Grand Total - City Wide	15.80	20.64	16.51	17.54	18.58	19.61	20.64
Grand Total - Urban Area - Combined Sewer Sytem	25.08	36.73	29.38	31.22	33.06	34.89	36.73
Grand Total - Urban Area - Separate Sewer Sytem	28.01	41.48	33.18	35.26	37.33	39.41	41.48

*Parks & Recreation now combined as one D.C. eligible service

**Growth studies are no longer eligible when a new by-law is passed under Bill 23

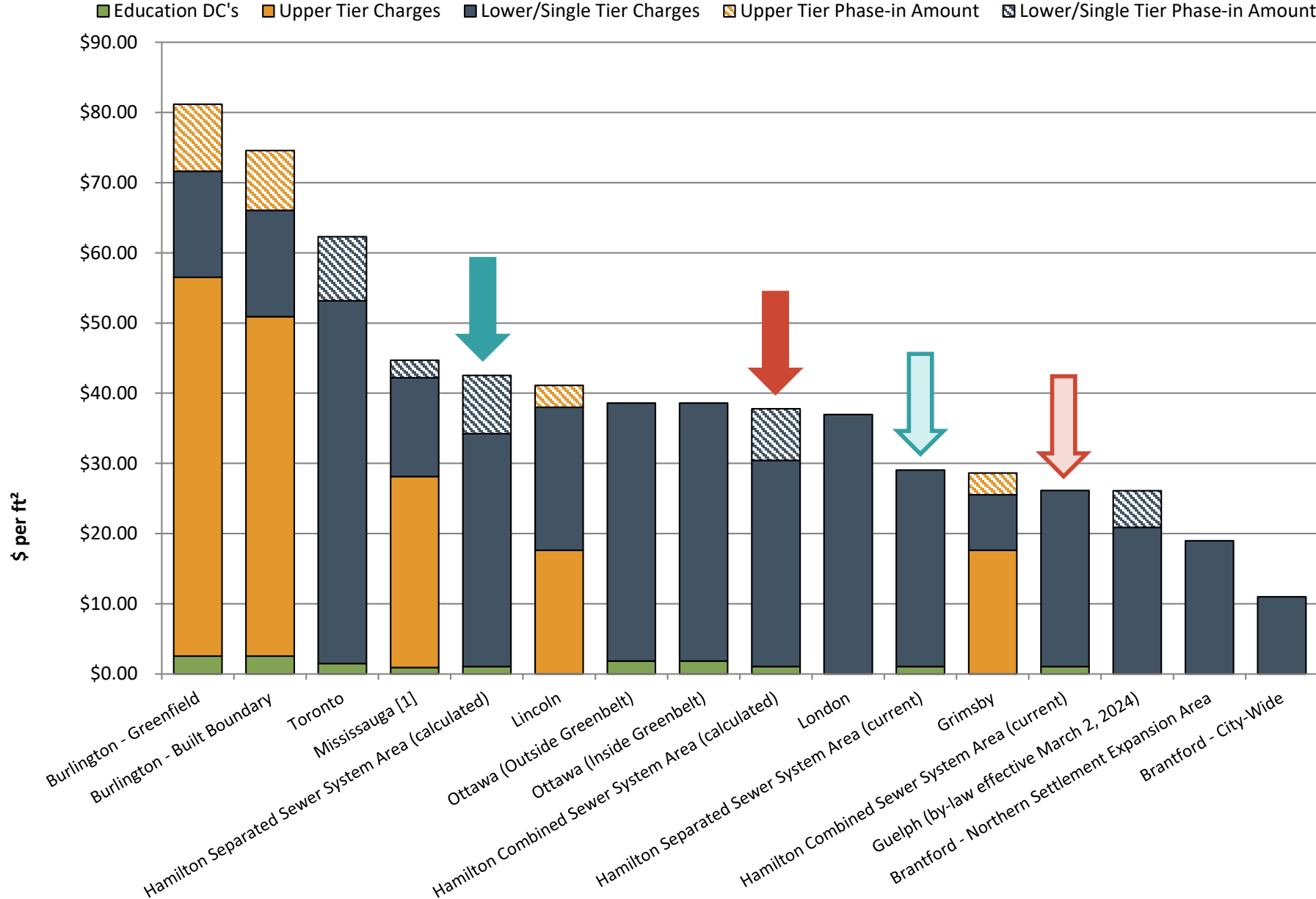
Note: Rates will be indexed at by-law implementation to 2024\$

Survey of Comparator Municipalities – Single/Semi Detached



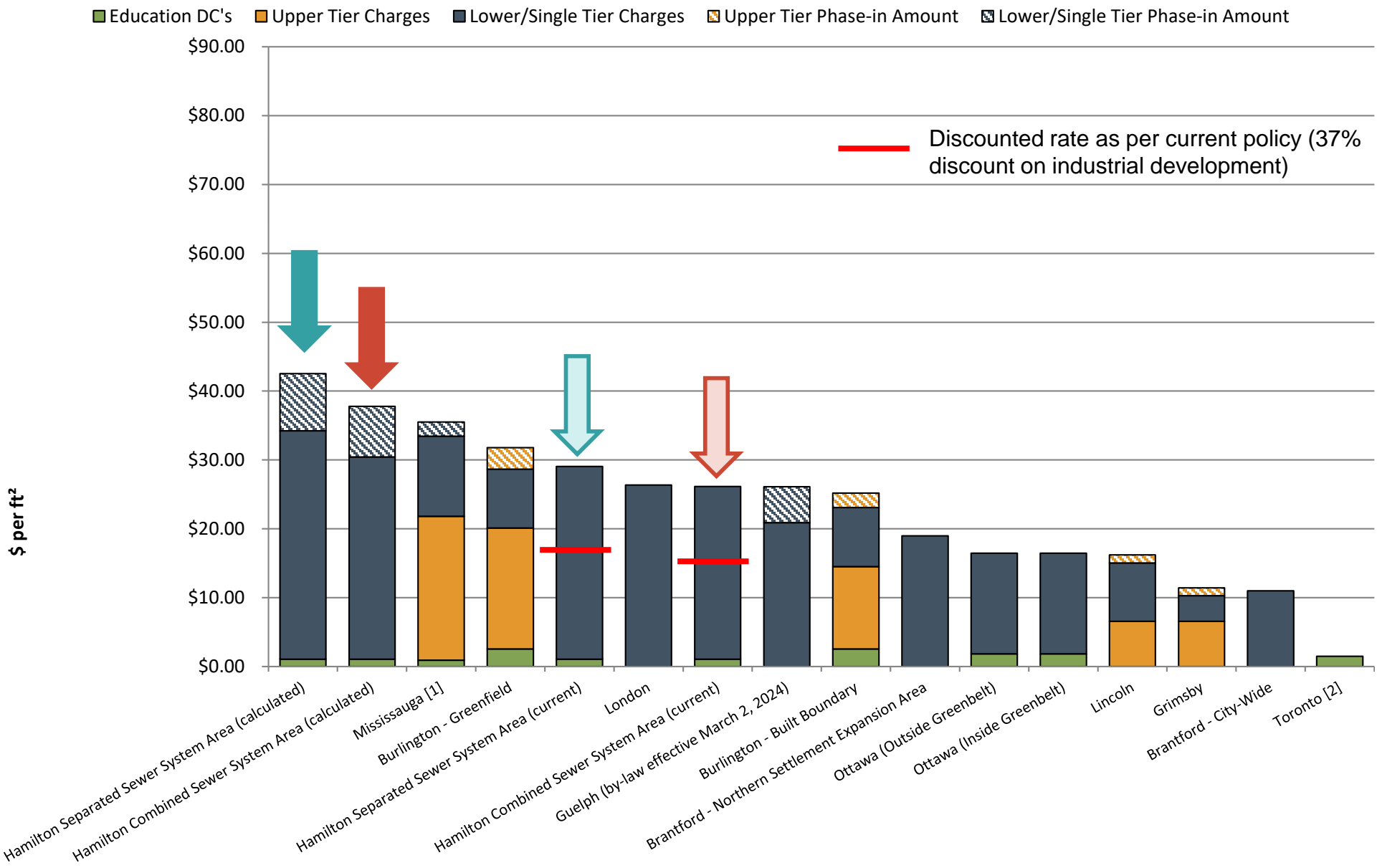
[1] Includes stormwater charge based on area – assuming 12 homes per acre

Survey of Comparator Municipalities – Non-Industrial (per sq.ft.)

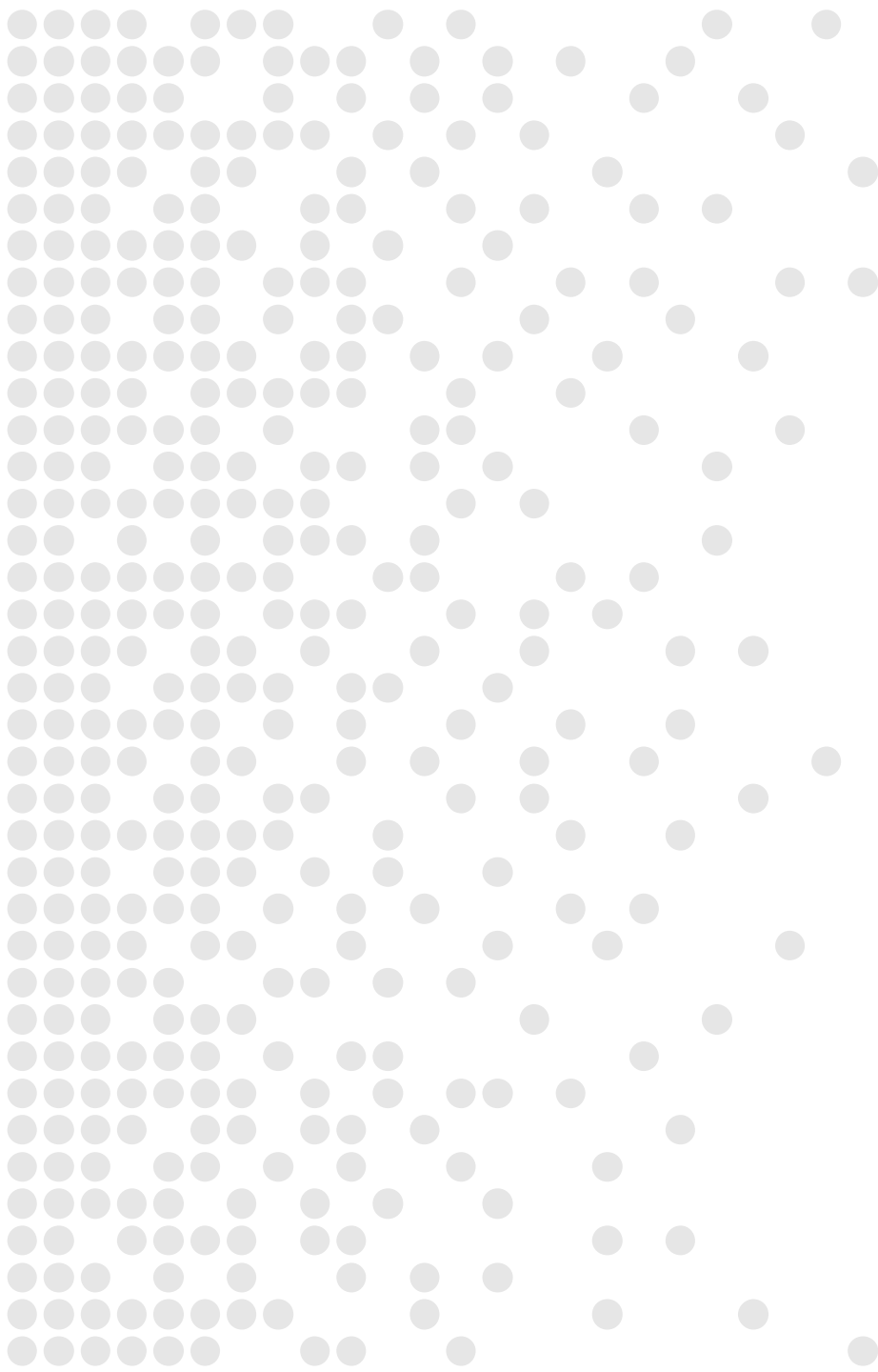


[1] Includes stormwater charge based on area – assuming 1/3 lot coverage

Survey of Comparator Municipalities – Industrial (per sq.ft.)



[1] Includes stormwater charge based on area – assuming 1/3 lot coverage
 [2] Industrial development is exempt in Toronto



D.C. Policies

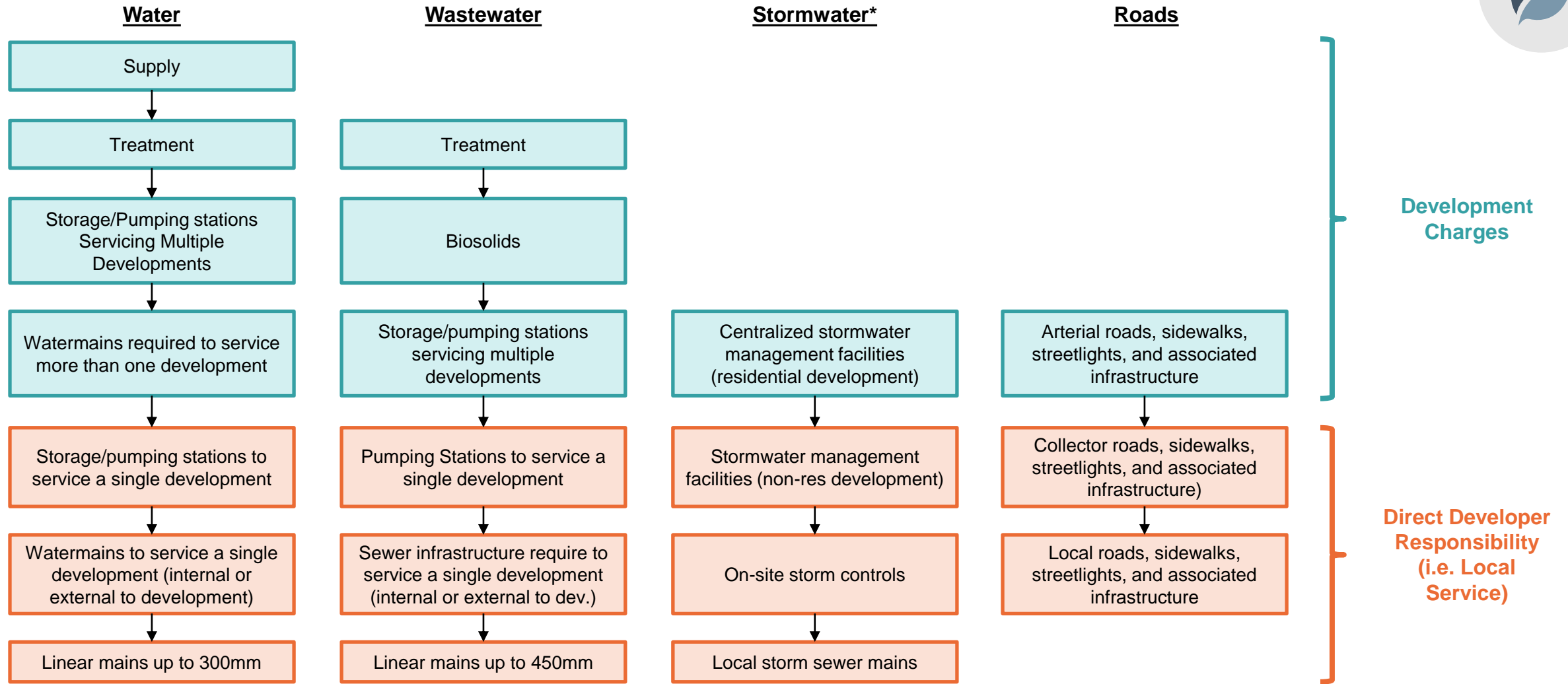
City of Hamilton 2024 Development Charges Background Study & By-laws



Local Service Policy

- Section 59.1(1) and (2) of the Act “No Additional Levies” - prohibits municipalities from imposing additional payments or requiring construction of a service not authorized under the D.C.A. therefore, the Local Service Policy identifies:
 - What will be included in the D.C.; and
 - What will be required by developers as part of their development agreements
- As part of the D.C. background study, the City’s current Local Service Policy has been updated and is included as Appendix E
- Items considered in the Local Service Policy include:
 - Roads & related infrastructure (e.g. traffic signals, streetlights, noise abatement measures, intersection improvements, etc.)
 - Active Transportation (e.g. sidewalks, bike lanes/multi-use trails, etc.)
 - Water & Wastewater
 - Stormwater
 - Parkland development & Natural Heritage Systems.

Current City of Hamilton Local Service Policy Schematic



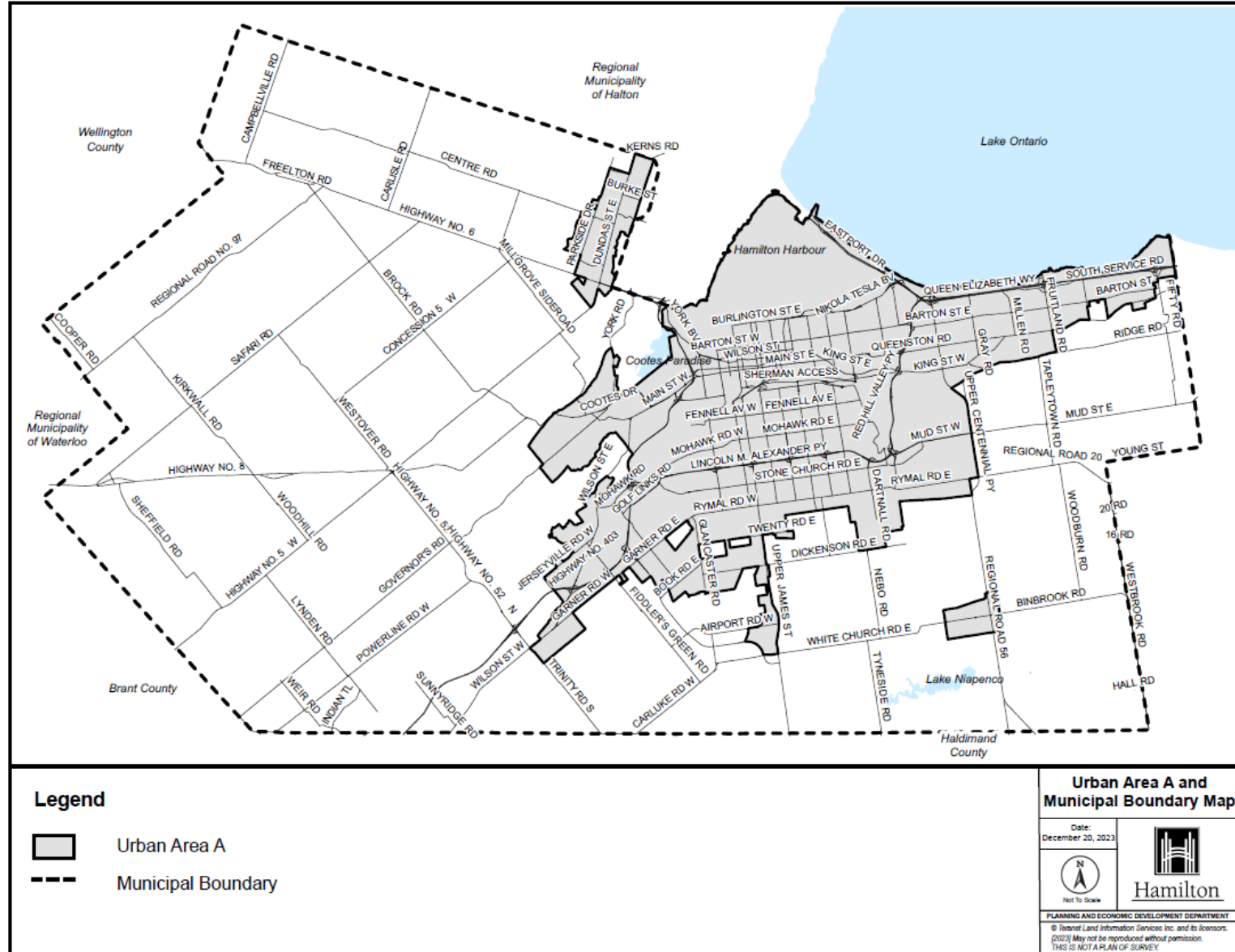
Note: Stormwater infrastructure in the combined sewer system area is 100% developer responsibility



Local Service Policy (LSP) Overview

The existing LSP has been subdivided based on location of development as follows:

- Within “Urban Area A” (lands within the Urban Area as identified in the map and are not subject to any expansion resulting from an amendment to the urban boundary in the Urban Hamilton Official Plan)
- Traditional local service policy requirements will apply as per the Local Service Policy



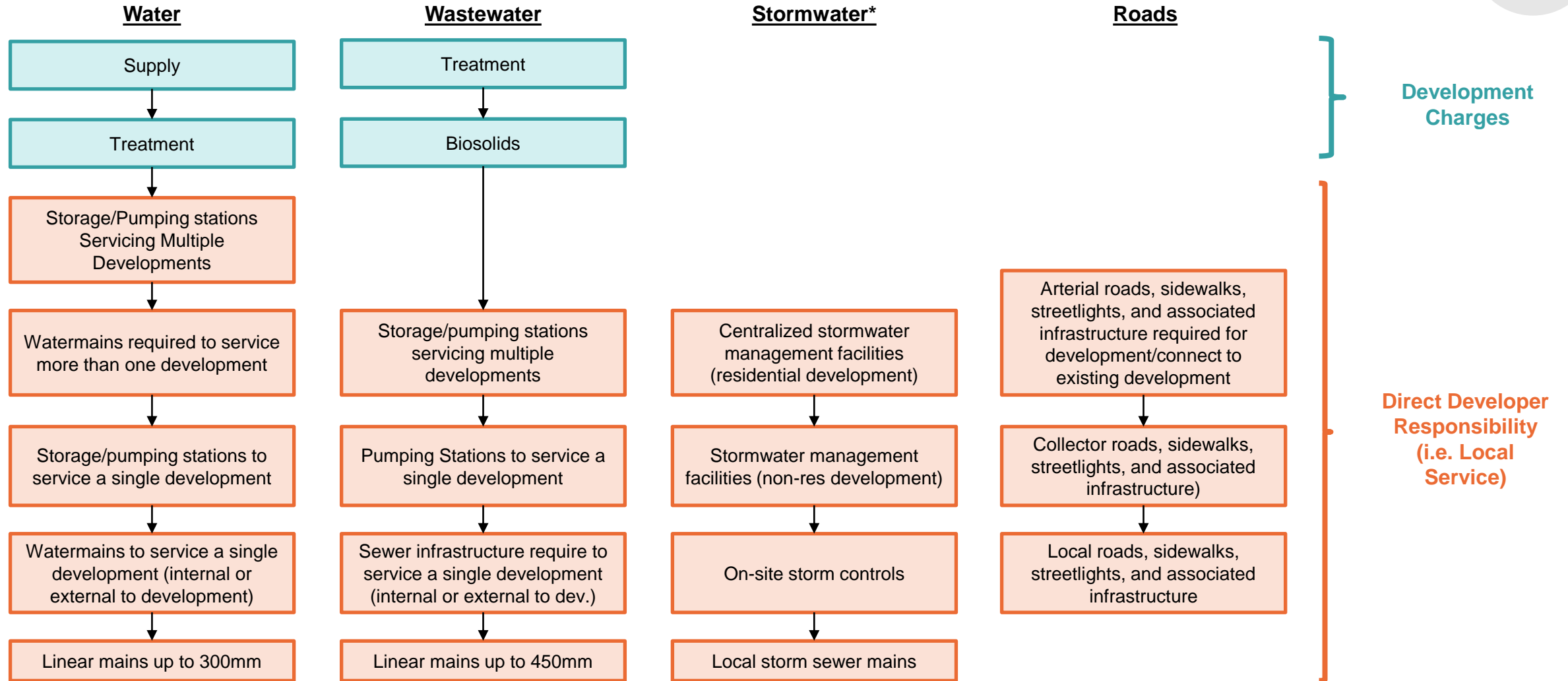


Local Service Policy (LSP) Overview - Continued

Within “Urban Area B” (any lands added to the Urban Area as a result of any amendment to the Urban Hamilton Official Plan expanding the Urban area beyond Urban Area A) – developer would be responsible for:

- All costs required to service the development and/or to connect the development area with existing infrastructure, including without limitation all water, wastewater, stormwater, transit, transportation works (in accordance with the Complete Street definition), any utility relocation/conversion costs, and land acquisition costs to meet City standards will be a developer responsibility, unless otherwise provided herein.
- In conjunction with the above bullet, the scope to service the development and/or connect the development area would be identified within approval authority accepted studies to support development areas.
- For projects occurring within Urban Area A, with an oversizing component, that are required to service development within Urban Area B, the oversizing component is a direct developer responsibility.
- Downstream and/or upstream water and wastewater infrastructure located within Urban Area A required to support development within Urban Area B would be a direct developer responsibility.
- Section E.3 (parkland development) of the local service policy applies

Proposed LSP Schematic Within Urban Area B



Note: Stormwater infrastructure in the combined sewer system area is 100% developer responsibility

Note 1: oversizing of works identified within Urban Area A to be direct developer responsibility

Note 2: Downstream and/or upstream water and wastewater infrastructure located within Urban Area A required to support development within Urban Area B would be a direct developer responsibility.



Mandatory D.C. Exemptions/Discounts

Amended as per Bill 23

- Upper/Lower Tier Governments and School Boards;
- Industrial building expansions (may expand by 50% with no D.C.);
- Development of lands intended for use by a university that receives operating funds from the Government (as per Bill 213);
- May add up to 2 apartments in an existing or new detached, semi-detached, or rowhouse (including in an ancillary structure);
- Add one additional unit or 1% of existing units in an existing rental residential building;
- Affordable and attainable units (to be in force at a later date);
- Affordable inclusionary zoning units;
- Non-profit housing;
- Discount for Rental units based on bedroom size; and
- Phase-in of D.C.s.



Discretionary Exemptions – Initial Recommendations

Discretionary D.C. Exemption	Current Policy	Recommendation	Recommended Policy
Downtown CIPA	Downtown Community Improvement Project Area (CIPA) - 40% D.C. discount except for office development 70%	Modify	<ul style="list-style-type: none"> Remove D.C. exemption of 40% for residential development Maintain 40% CIPA exemption for all non-residential development (standalone and mixed-use) and 70% CIPA exemption for standalone major office developments (Class A) greater than 20,000 sq.ft. gross floor area
Industrial Reduced Rate	City-wide 37% discount of the current industrial D.C. rate -applicable for industrial developments	Modify	<ul style="list-style-type: none"> Remove reduced rate exemption (37% reduction) for industrial development Maintain discount for Production and Artist Studios
Industrial Building Expansion (Detached)	No D.C.s on new industrial buildings on the same lot as an existing building(s), up to 50% of the combined gross floor area of the existing building	Remove	<ul style="list-style-type: none"> Remove industrial expansion (detached) D.C. exemption for all City-wide industrial developments
Downtown Public Art	In Downtown CIPA, 10% of D.C.s can be repurposed to contribute to the Public Art Reserve	Remove	<ul style="list-style-type: none"> Remove D.C. exemption. Similar benefit through new C.B.C.



Discretionary Exemptions – Initial Recommendations

Discretionary D.C. Exemption	Current Policy	Recommendation
Heritage Building	City-wide 100% D.C. exemption for adaptive reuse of a Protected Heritage Property	Keep with no change
Redevelopment for Residential Facility	City-wide 50% D.C. exemption provided for redevelopment of an existing residential development for the purpose of creating residential facilities within existing building envelope	Keep with no change
Stepped Non-Industrial Rates	<p>The rates for non-industrial developments within a CIPA or BIA and for office development (excluding medical clinics) is to be phased as follows:</p> <ul style="list-style-type: none"> • 1st 5,000 square feet: 50% of charge • 2nd 5,000 square feet: 75% of charge • 10,000+ square feet: 100% of charge 	Keep with no change
Non-Industrial Expansion	The initial 5,000 square feet of gross floor area of an office development expansion (medical clinics excluded) are D.C. exempt	Keep with no change
Agricultural Use	100% D.C. exemption for bona fide farming/agriculture uses.	Keep with no change
Place of Worship	100% D.C. exemption (must be exempted from property taxes)	Keep with no change
Transition Policy	Honour the previous DC rates if the permit is issued within 6 months of the rate increase	Keep with no change



Discretionary Exemptions Review

- Subsequent to the initial exemption recommendations, in-person and virtual public open houses were undertaken.
- Feedback was received from the development community related to the industrial and downtown CIPA exemptions.
- The proforma/market feasibility analyses were reviewed to determine if any adjustments to the recommendations should be provided. Revised recommendations are as follows:
 - Industrial Reduced Rate: revised recommendation is to maintain the 37% discount for manufacturing facilities only, and this is to be provided through a CIP as a grant equivalent to the D.C.
 - Industrial Expansion Exemption (Detached Buildings): revised recommendation is to provide the exemption for manufacturing facilities only, and this is to be provided through a CIP as a grant equivalent to the D.C.
 - Residential CIPA DC Exemption: a change in recommendation given updated proforma analysis



Development Charges – Residential and Non-Residential

Existing and Proposed under Various Scenarios

Development Type	Current DC Rates	Proposed DC Rates ^[1]		
		With Residential CIPA Discount (40%)	With Residential CIPA Discount (40%)	With Residential CIPA Discount (20%)
Residential ^[2]	With Residential CIPA Discount (40%)	With Residential CIPA Discount (40%)	With Residential CIPA Discount (20%)	No Residential CIPA Discount
1 Bedroom Condominium Downtown (per Unit)	\$ 13,972	\$ 13,974	\$ 18,632	\$ 23,290
1 Bedroom Purpose Built Rental Downtown (per Unit) ^[3]	\$ 11,876	\$ 11,878	\$ 15,837	\$ 19,797
Non-Residential ^[4]	With Industrial Reduced Rate 37% Discount	Proposed with 37% Discount	Proposed with 20% Discount	Proposed with No Discount
Industrial Development (New Build) (per sq.ft.)	\$ 16.70	\$ 20.90	\$ 26.54	\$ 33.18

[1] All proposed DC rate calculations reflect the mandatory phase-in of 80% for Year 1.

[2] Located in Combined Sewer System.

[3] The proposed DC rate calculation for the purpose-built rental includes a 15% mandatory discount for 1-bedroom units.

[4] Located in Separate Sewer System



Development Parameters

Development Type Condominium - 23 Storey with Ground Floor Commercial

Building G.F.A.	245,419	sq.ft.
Residential G.L.A.	287	units
Commercial Space	4,845	sq.ft.

Current Rates

	Full DC	Payable	Difference
Residential \$	8,788,040	\$ 5,272,824	\$ 3,515,216
Commercial \$	126,600	\$ 75,960	\$ 50,640

DC Exemptions/Discounts

Residential CIPA (40%) and Non-Residential CIPA (40%)	\$ 3,565,856
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Proposed Rates

	Full DC	Payable	Difference
Residential \$	11,502,471	\$ 5,521,186	\$ 5,981,285
Commercial \$	177,957	\$ 85,419	\$ 92,538

DC Exemptions/Discounts

Mandatory Phase-In of 80% for Year 1	\$ 2,336,086
Residential CIPA (40%) and Non-Industrial CIPA (40%)	\$ 3,737,737
\$	6,073,822

Proposed Rates

	Full DC	Payable	Difference
Residential \$	11,502,471	\$ 7,361,581	\$ 4,140,890
Commercial \$	177,957	\$ 85,419	\$ 92,538

DC Exemptions/Discounts

Mandatory Phase-In of 80% for Year 1	\$ 2,336,086
Residential CIPA (20%) and Non-Industrial CIPA (40%)	\$ 1,897,342
\$	4,233,427





Development Parameters

Development Type Purpose-Built Rental - 28 Storey with Ground Floor Commercial

Building G.F.A.	405,422	sq.ft.
Residential G.L.A.	322	units
Commercial Space	5,340	sq.ft.

Current Rates

	Full DC	Payable	Difference
Residential \$	7,950,124	\$ 4,011,670	\$ 3,938,454
Commercial \$	214,663	\$ 128,798	\$ 85,865

DC Exemptions/Discounts

Mandatory Discount for Rental Units	\$ 1,264,007
Residential CIPA (40%) and Non-Residential CIPA (40%)	\$ 2,760,312
\$	4,024,319

Proposed Rates

	Full DC	Payable	Difference
Residential \$	10,125,262	\$ 4,131,107	\$ 5,994,155
Commercial \$	301,744	\$ 144,837	\$ 156,907

DC Exemptions/Discounts

Mandatory Phase-In of 80% for Year 1	\$ 2,085,401
Mandatory Discount for Rental Units	\$ 1,215,031
Residential CIPA (40%) and Non-Industrial CIPA (40%)	\$ 2,850,629
\$	6,151,062

Proposed Rates

	Full DC	Payable	Difference
Residential \$	10,125,262	\$ 5,508,143	\$ 4,617,119
Commercial \$	301,744	\$ 144,837	\$ 156,907

DC Exemptions/Discounts

Mandatory Phase-In of 80% for Year 1	\$ 2,085,401
Mandatory Discount for Rental Units	\$ 1,215,031
Residential CIPA (20%) and Non-Industrial CIPA (40%)	\$ 1,473,594
\$	4,774,026





Discretionary Exemptions – Recommendations

Discretionary D.C. Exemption	Current Policy	Recommendation	Recommended Policy
Downtown CIPA	Downtown Community Improvement Project Area (CIPA) - 40% D.C. discount except for office development 70%	Modify	<ul style="list-style-type: none"> • Reduce D.C. exemption of 40% for residential development to 20%. Thereafter, reduce exemption amount by 5% every year until phased out entirely in five years. • Maintain 40% CIPA exemption for all non-residential development (standalone and mixed-use) and 70% CIPA exemption for standalone major office developments (Class A) greater than 20,000 sq.ft. gross floor area
Industrial Reduced Rate	City-wide 37% discount of the current industrial D.C. rate - applicable for industrial developments	Modify	<ul style="list-style-type: none"> • Reduced rate exemption (37% reduction) to apply only to industrial developments with primary economic activity identified as manufacturing (Employment NAICS code 31-33) as well as for Production and Artist Studios
Industrial Building Expansion (Detached)	No D.C.s on new industrial buildings on the same lot as an existing building(s), up to 50% of the combined gross floor area of the existing building	Modify	<ul style="list-style-type: none"> • Modify industrial expansion (detached) D.C. exemption so that applies only to industrial businesses with primary economic activity identified as manufacturing (Employment NAICS code 31-33).



Farm Help Houses

Consideration for D.C. Exemption

- Definition: Farm Help Houses or Farm Labour Residences are rural temporary accommodations for farm labourers necessary to support agricultural production. Located on same lot or farm site as the primary farm dwelling.
- Some comparator municipalities such as Lincoln, Brant County, London and Woodstock exempt Farm Help Houses along with other bona fide farm buildings.
- Recommendation: Farm Help Houses to be 100% D.C. exempt (same as for non-residential buildings) if they are for bona fide farming/agriculture uses.



Next Steps



September 2022 to November 2023

Data collection, staff review, D.C. calculations and policy work



April 13, September 18, and November 9, 2023

Development Charges Stakeholders Sub-Committee Meeting



December 21, 2023

Release of Background Study and draft by-laws



January 23/24, 2024

Public open house sessions



February 22, 2024

Public Meeting at Audit, Finance & Administration Committee



April/May 2024

Audit, Finance & Administration Committee considers passage of by-laws



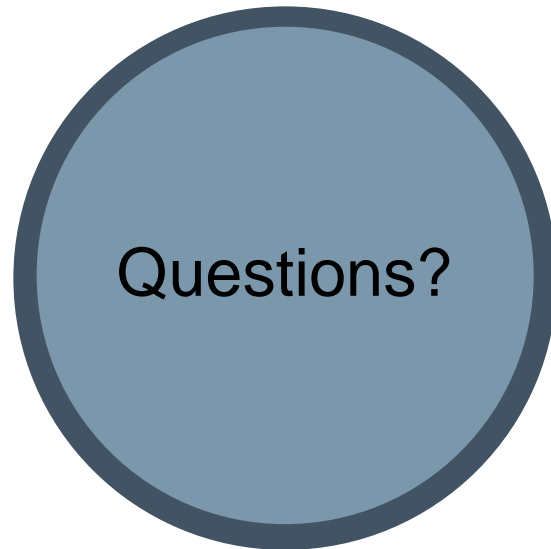
June 1, 2024

New D.C. By-laws in Effect



June 12, 2024

Expiry of Existing D.C. By-law (note: existing by-law will be repealed at the time the new by-laws come into effect)



Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Wed, 01/24/2024 - 12:51

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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 E
Hamilton, Ontario. L8W 3N7
michelle@westendhba.ca

Preferred Pronoun
she/her

Reason(s) for delegation request
To speak to Committee with regard to the City of Hamilton's Development Charges.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
Yes

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Mon, 02/12/2024 - 11:53

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Veronica Green
Slate Asset Management
121 King Street West
Suite 200
Toronto, On. M5A0B1

Preferred Pronoun
she/her

Reason(s) for delegation request
Slate is a builder and developer in Hamilton, ON; we are directly impacted by the DC Changes. I will be speaking to the DC Background Study and By-Law.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Wed, 02/14/2024 - 10:43

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Alan Leela
Vantage Developments

Toronto, Ontario.

Preferred Pronoun
he/him

Reason(s) for delegation request
CIPA Development Charge Exemptions

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Wed, 02/14/2024 - 16:35

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Toni Wodzicki
Broccolini Real Estate Group
2680 Skymark Avenue
Suite 800
Mississauga, Ontario. L4W 5L6

Preferred Pronoun
he/him

Reason(s) for delegation request
2024 Development Charges By-law & Background Study Public Meeting

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Thu, 02/15/2024 - 09:04

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Steve Malovic
Flamborough Power Centre / iConnect Community
200 - 2500 Appleby Line
Burlington, Ontario. L7L 0A2

9053355204

Preferred Pronoun
he/him

Reason(s) for delegation request
Support the prestige industrial park that will be significantly affected by the proposed DC by-law

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Thu, 02/15/2024 - 10:10

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Julie Sergi
Realtors Association of Hamilton Burlington
505 York Blvd
Hamilton, Ontario. L8R 3K4

9055298101

Preferred Pronoun
she/her

Reason(s) for delegation request
Development Charge Exemptions (CIPA) - Feb.22 Committee

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Thu, 02/15/2024 - 15:22

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Shwaan Hutton
Development Collective

Hamilton, Ontario.

Preferred Pronoun
she/her

Reason(s) for delegation request
Commenting on the proposed residential development charge changes for the downtown area.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Thu, 02/15/2024 - 15:28

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Adam Lambros
Panattoni
185 The West Mall Suite 860
Toronto, ON. M9C 5L5
alambros@panattoni.com

Preferred Pronoun
he/him

Reason(s) for delegation request
Comments on Employment Development Charge increases

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Fri, 02/16/2024 - 07:08

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Steven Dejonckheere
Slate Asset Management
121 King Street West
Suite 200
Toronto, ONTARIO. M5H 3T9

Preferred Pronoun
he/him

Reason(s) for delegation request
Slate is currently developing significant residential and industrial properties in Hamilton and is concerned about the impact of the proposed development charge updates on our projects.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
Yes

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Fri, 02/16/2024 - 13:06

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

Will you be delegating via a pre-recorded video?
Yes

Requestor Information

Requestor Information
peter appleton

dundas, ontario.

Preferred Pronoun
he/him

Reason(s) for delegation request
To address the commercial versus industrial tax rates

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Fri, 02/16/2024 - 16:43

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Greg Dunnnett
Hamilton Chamber of Commerce
120 King St. W., Plaza Level
Hamilton, Ontario. L8P 4V2
G.Dunnnett@HAMILTONCHAMBER.CA
905-522-1151

Preferred Pronoun
he/him

Reason(s) for delegation request
Speak to the 2024 Development Charges Background Study and By-Law Update - Public Meeting on February 22, 2024 to provide feedback.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Mon, 02/19/2024 - 12:38

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Don McLean
Hamilton 350 Committee
Hamilton, Ontario.

Preferred Pronoun
he/him

Reason(s) for delegation request
To speak to item 10.1: 2024 Development Charges Background Study and By-law Update - Open House Feedback (FCS23103(a)) on Thursday, February 22.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Tue, 02/20/2024 - 15:39

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Robert Howe
Goodmans LLP
3400 - 333 Bay Street
Toronto, ON. M5H 2S7
rhowe@goodmans.ca

Preferred Pronoun
he/him

Reason(s) for delegation request
Delegation regarding development charges on behalf of City of Hamilton Employment Land developers.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
Yes

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Tue, 02/20/2024 - 16:45

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration 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
Karl Andrus
HAMILTON COMMUNITY BENEFITS NETWORK

Hamilton, ON.

Preferred Pronoun
he/him

Reason(s) for delegation request
To speak to the 2014 DC study

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

Subject: FW: Webform submission from: Request to Speak to a Committee of Council

Submitted on Wed, 02/21/2024 - 09:18

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Ian Borsuk
Environment Hamilton
51 Stuart Street
Hamilton, Ontario. L8L1B5
iborsuk@environmenthamilton.org
9055490900

Preferred Pronoun
he/him

Reason(s) for delegation request
I am seeking to provide feedback and commentary on item 10.1 2024 Development Charges Background Study and By-law Update - Open House Feedback (FCS23103(a)) for the February 22nd meeting.

Thank you!

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

REQUEST TO SPEAK TO A COMMITTEE OF COUNCIL

If your request is for a specific committee meeting, this form must be received by NOON the day before the scheduled committee meeting. Requests for Monday meetings must be received by NOON the Friday before the meeting. Requests for meetings scheduled for the day after a statutory holiday must be received by NOON the last business day before the meeting. For summer meeting requests (July/August), please contact the City Clerk's Office at 905 546-4408 for further information.

Committee Requested

- Audit, Finance and Administration
- Board of Health
- Emergency & Community Services
- Advisory/Sub-Committee (enter name) _____
- General Issues
- Planning
- Public Works

Requestor Information

Name: Don Robertson

Name of Organization: Realtor

Contact Number: [Redacted]

Email Address: [Redacted]

Mailing Address: [Redacted] Berzaville [Redacted]

Reason(s) for delegation request: [Migrant Workers Res]

Development Charges for Migrant Housing v
representing clients of his

Item 10.1. 2024 Development Charges Feedback.

- Will you be requesting funding from the City? Yes No
- Will you be submitting a formal presentation? Yes No
- Do you or your organization represent a lobbyist Yes No

If yes, to the lobbyist question, who are you representing? _____

(The information collected for the Lobbyist registry system was implemented by City Council in 2004 and information provided is on a voluntary basis. The Voluntary Lobbyist Registry is a public document and is available for viewing in the City Clerk's office.)

Requests to speak to Council are forwarded to the Committee and will be placed on a Committee agenda for consideration. Once considered by Committee, and approved, you will be notified of the date for your presentation.

This form is not for the purpose of presenting unsolicited proposals by Vendors to Committee. Such proposals are subject to a competitive process as required by the City's Purchasing Policy.

The City makes a video record of Committee and Council meetings. If you make a presentation to a Committee, the City will be video recording you and will be make the recording public by publishing the recording on the City's website.

Personal information collected on this form is authorized under Section 5.11 of the City's Procedural By-law No. 10-053 for the purpose of contacting individuals and/or organizations requesting an opportunity to appear as a delegation before a Committee and will be published with the Committee Agenda. The Voluntary Lobbyist Registry is a public document and will be available for viewing in the City Clerk's office. The Procedural By-law is a requirement of Section 238(2) of the Municipal Act. Questions about its collection can be directed to the Manager, Legislative Services / Deputy Clerk, 71 Main St. W., Hamilton, ON L8P 4Y5, 905 546-2424 ext. 4304.

Dear Chair and Members of the Audit, Finance, and Administration Committee,

We are writing to you on behalf of **Corktown L.P.** to express our concern with the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area. Our company has invested in downtown Hamilton, and we are actively selling over 700 residential units that will deliver before 2028. New housing supply of all types helps the City of Hamilton deliver on its ambitious housing and intensification targets and increase the City's tax productivity of land. In 2023, redevelopment delivered an increased assessment value of 1.9% to the City's overall budget. Importantly, this revenue is generated by the City for the lifespan of the new building.

While we understand the pressures on the residential tax levy, we wish to emphasize that contrary to the previous 5 years, **the residential intensification market is not strong**. Construction costs have escalated, borrowing costs have escalated and the high-density intensification market's probability of success and feasibility for the return needed to build has significantly decreased.

Our company wishes to continue to invest in building housing for Hamiltonians. We urge the City to reconsider removal of this important city building incentive as it will have significant long term negative impacts for Hamilton's future.

We have serious concerns that this will result in our projects being delayed or cancelled in the short term. Although the market may return in the mid-to-long term, it is imperative to maintain a competitive DC rate to keep developments moving through the pipeline. Projects that are not able to begin or proceed today will never materialize in 2-3 years. This will create a gap in the market and significantly impact housing supply during over that time period. We are concerned that in the absence of this program Hamilton will miss their Housing Accelerator Fund unit commitments and miss out on needed funding from the federal government.

Thank you,

Brandon Donnelly

Managing Director



Veronica Green

Vice President



City of Hamilton
Audit, Finance and Administration Committee
71 Main Street West
Hamilton, ON L8P 4Y5

February 15, 2024

RE: Comments on the 2024 Development Charges Background Study

On behalf of Cachet Developments (Binbrook) Inc. and the landholdings of the company within Binbrook, we are writing to provide comments and feedback on the 2024 Development Charges Background Study recently conducted by the City of Hamilton. Having reviewed the study and associated materials posted through the consultation process, we would like to offer the following comments:

Project Related Comments – Binbrook

1. The project under Services Related to a Highway described as “Binbrook at Pumpkin Pass (Binbrook) Roundabout” is mislabeled. The description should be revised to clarify that the project pertains to the planned roundabout at the intersection of Binbrook Road and Fletcher Road. Tu Vu and Steve Molloy of the City of Hamilton have confirmed via email that this is a labelling error.
2. *Section 4.5 – Capital Forecast* – indicates that the costs to acquire land or an interest therein are included in the capital forecast. We seek clarification whether the cost to acquire the lands west of Fletcher Road to facilitate the Binbrook Road/Fletcher Road roundabout is included in the study.
3. As per the draft plan conditions and subdivision agreement, subdivision 25T-201405 (3105 Fletcher Road) is required to urbanize Fletcher Road from the southerly limit of the draft plan of subdivision to Binbrook Road. The draft plan condition states that the financial responsibility of the owner is limited to the New Roads Servicing Rate. However, the 2024 Development Charges Background Study and the supporting report titled Strategic Transportation Network Review by Arcadis, do not appear to budget for the urbanization of this stretch of Fletcher Road. We request that this project be included in the 2024 Development Charges Background Study.
4. *Table 4-1 (page 4-3)* indicates that roundabouts are eligible for inclusion in the Development Charges calculation. Subdivision 25T-201405 (3105 Fletcher Road) is required to construct a roundabout at the intersection of Windwood Drive and Alway Road. We request clarification on whether this roundabout is eligible for Development Charge recoveries.
5. The project under Services Related to a Highway described as “Binbrook at Fall Fair Way (Binbrook) Roundabout” appears to be constructed. We seek clarification as to why this roundabout remains in the 2024 Development Charges Background Study.

General Comments

1. *Section 5.3 – Services Related to a Highway* – we note discrepancies between the 2019 and 2024 Development Charges studies in terms of total road and sidewalk lengths. Despite

there being a lesser amount of roads and sidewalks in the 2024 study, there is a significant increase in per capita investment in the 2024 study (\$22,998 per capita in 2019 vs. \$41,962 per capita in 2024). We seek clarification on the reasons for this discrepancy and the significant increase in per capita investment in the 2024 study.

2. *Section 7.3.2 – Determination of the Amount of the Charge* – The 2024 Development Charge study appears to significantly shift the burden of Development Charge growth onto residential development compared to the 2019 study, without adequately justifying the change in allocation. For instance, in the 2024 study, a significantly higher percentage of charges related to services such as highways and stormwater drainage are allocated to residential development compared to the 2019 study. This change in allocation has major implications but lacks justification. Therefore, there is a need for the 2024 study to provide clear justification for these shifts in allocation compared to the previous study conducted in 2019.

We appreciate the opportunity to provide feedback on the 2024 Development Charges Background Study. We trust that our comments will be given due consideration as the City continues to refine its Development Charges policies. Should you require any further information or clarification, please do not hesitate to contact me.

Thanks,

Andrew Eldebs
Cachet Developments (Binbrook) Inc.



City of Hamilton, Office of the Auditor General
50 Main Street East, 3rd Floor
Hamilton, ON
L8N 1E9

February 15, 2024

Chair and Members Audit, Finance and Administration Committee,

For several years, Slate Asset Management (“Slate”) has been an active landowner and developer in the City of Hamilton. With over 700 residential suites and 11M square feet of employment area under development, the unprecedented increase in Development Charges (“DCs”) will shock the market and have immediate negative economic impact. Should the proposed rates be implemented, Hamilton will have one of the most expensive industrial DCs in the GTHA, posing a significant barrier to new investment.

Slate shares concerns with many of our industry peers regarding the unprecedented increase in DC’s that will have a dramatic impact on future investment and jeopardize the feasibility of our projects. Market data provided by the City’s consultant to inform the proposed DC changes is based largely on trailing historical data and has not accurately captured today’s market dynamics. In reality, 2023 residential sales were the worst in a decade for Hamilton and the GTA. Waves of residential inventory coupled with persistent affordability challenges are leading to delayed or cancelled projects and pushing purchasers to walk away from their homes.

While the GTHA’s industrial market remains relatively healthy, it too is experiencing the pressures of vacancy rates increasing back to pre-pandemic levels and a slowing of rental growth rates from their peaks in 2021 and 2022. Hamilton’s relative affordability leaves the City well positioned to attract employment opportunities, however, this momentum is delicate and the proposed DC changes would dramatically erode the advantages presented today. Facing these headwinds, the City of Hamilton is adding undue pressure to already difficult conditions – now is not the right time for a dramatic increase in DCs.

Slate urges the City to consider the long-term opportunity of growth and development, focusing on the tax productivity of land. A conservative estimate shows that, at full buildout, the Steelpoint lands will generate \$71M in additional annual property taxes – offering a long-term stable revenue stream for the City. This does not include an extensive list of additional benefits associated with adding over 23,000 construction and permanent jobs. Under the proposed DC rate changes, the City could realize the one-time benefit of an additional \$210M in DC payments over the course of Steelpoint’s development. However, this policy severely threatens the viability of development and risks delay or diversion of investment leaving the Steelpoint lands underutilized for a longer period of time. At completion, it would take less than three years of incremental additional tax revenues to off set the one-time benefit of the proposed increased DC’s.



Slate Asset Management
121 King St W, Suite 200
Toronto, ON M5H 3T9

slateam.com

The proposed DC increase totals approximately \$25 per square foot of new development (a 148% increase). To put this in perspective, \$25 per square foot represents 20% or more of the typical construction hard cost for development of traditional industrial buildings. This increase would be the equivalent of raising land prices by almost \$500,000 per acre. These increases will put Hamilton at a significant disadvantage when compared to most markets in the GTHA pushing investments into neighboring municipalities such as Burlington, Brantford and Milton.

Enacting a policy that more than doubles the industrial DC will undoubtedly weaken Hamilton's ability to attract jobs and investment. Furthermore, this short-sighted policy risks delaying productivity of existing lands and infrastructure and disincentivizes development and investment throughout the City. No additional DCs or tax revenue will be collected by the City if no development occurs as a result of the policy. This will impact the City's brownfields in particular which are more costly to redevelop and present a greater overall investment risk. Such an approach is inconsistent with the economic development policies in the City's official plan which indicate that the City will provide the necessary financial assistance to make redevelopment of brownfield sites a viable option (Policy B.3.1.6 c)).

The City should also consider how such drastic increases in industrial DCs will affect the ability to achieve the vision in the recently approved Bayfront Industrial Area Strategy. This Strategy envisions transformational change in the Bayfront Industrial Area that sees the area transition into a cleaner, greener area which embraces the City's rich industrial heritage while attracting modern, high-tech industry and high paying jobs. The Steelpport proposal is a timely development located right in the centre of the Bayfront Industrial Area that will catalyze this transformation. However, it is difficult to comprehend how the City intends to realize this vision in the absence of a competitive DC framework. The proposed policy will have a dramatic negative impact on the City and its potential revenue stream, stifling investment, development, jobs, and ultimately municipal revenues.

Slate is calling on Hamilton Staff and Council to revisit this policy. The City and those helping to build it need realistic and sustainable policies to continue growing a strong and stable economy.

Sincerely,



Steven Dejonckheere
Senior Vice President
Slate Asset Management



EMBLEM

1819 Yonge Street
Toronto, Ontario
M4S1X8

February 16th, 2024

Via E-mail

Audit, Finance and Administration Committee
71 Main Street West
Hamilton, Ontario
L8P4Y5

Attention: Tamara Bates, Legislative Coordinator.

Dear Sirs/Mesdames:

Regarding: Item 10.1 – 2024 Development Charges Background Study and By-law Update.

We are writing to you on behalf of Emblem Developments Inc to express our concern with the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area. Our company has invested in downtown Hamilton and are working to deliver over 1,690 units in the downtown market. New housing supply of all types helps the City of Hamilton deliver on its ambitious housing and intensification targets and increase the City's tax productivity of land. In 2023, redevelopment delivered an increased assessment value of 1.9% to the City's overall budget. Importantly, this revenue is generated by the City for the lifespan of a new building.

As a result of the redevelopment and improvement of just two of our recent projects (and as confirmed through staff reporting brought before General Issues Committee), we will have increased the property values substantially resulting in an increase in municipal taxes collected by the City (pre-project collected taxes) from \$230,998.83 to \$4,313,056.14 (post-project completion) annually.

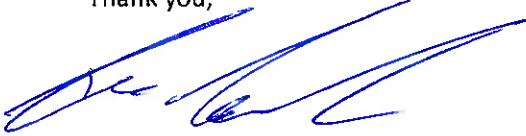
While we understand the pressures on the residential tax levy, we wish to emphasize that contrary to the previous 5 years, the residential intensification market is not strong. Construction costs have escalated, borrowing costs have escalated and the high-density intensification market's probability of success and feasibility for the return needed in order to fund, finance and build has significantly decreased.

Our company wishes to continue to invest in building housing for Hamiltonians. We urge the City to reconsider removal of this important city building incentive as it will have significant long term negative impacts for Hamilton's future.

We have serious concerns that this will result in future projects no longer being feasible. Although the market may return in the mid-to-long term, it is imperative to maintain a competitive DC rate to keep

developments moving through the pipeline. Projects that are not able to begin or proceed today will never materialize in 2-3 years. This will create a gap in the market and significantly impact housing supply during over that time period. We are concerned that in the absence of this program Hamilton will miss their Housing Accelerator Fund unit commitments and miss out on needed funding from the federal government.

Thank you,



Ryan Millar

V.P. Planning and Development

Cc: Carolyn Paton
Kirk Weaver
Lindsay Gillies

Bates, Tamara

Subject: FW: No Discounts on Development Charges

From: Peter Banting <>
Sent: Monday, February 19, 2024 5:01 PM
To: Bates, Tamara <Tamara.Bates@hamilton.ca>
Subject: No Discounts on Development Charges

Dear Councillor,

I urge you to vote against Discounts on Industrial Development Charges.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

Every Councillor on the committee has expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers pay for growth.

I hope I can count on your support for the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields (no discounts).

Peter Banting

Dr. Peter Banting

Hamilton, Ontario,
Canada

Bates, Tamara

Subject: FW: Public feedback on Industrial Development Charges (DCs)**From:** Cathy McPherson < >**Sent:** Monday, February 19, 2024 5:03 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Cc:** Nann, Nrinder <Nrinder.Nann@hamilton.ca>**Subject:** Public feedback on Industrial Development Charges (DCs)

I understand that the City of Hamilton's [Audit, Finance and Administration Committee \(AF&A\)](#) will meet on Thursday Feb 22, 2024 to hear public feedback on what level of Development Charges (DCs) we should charge developers. The committee will then vote on new DCs in April.

For several years Hamilton has given industrial development (warehouses) a discount on Development Charges as an incentive to build. This means the discounted portion of those infrastructure costs, which should be paid by the developers, are transferred straight to Hamilton taxpayers instead. And more concerning these developments are often being built on Hamilton wetlands and farmlands.

We need to provide disincentives for industry to build in environmentally sensitive areas such as our wetlands and in farmlands.

Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

I also support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

We must prevent developers from expanding outside of Hamilton's agreed upon urban boundary. Those who are successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization rather than putting the tax burden on taxpayers.

Regards, Cathy McPherson

Hamilton, Ontario

Bates, Tamara

Subject: FW: Development Charges No Discounts**From:** Elizabeth & Les Birchall <>**Sent:** Monday, February 19, 2024 5:14 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Charges No Discounts

in favour of increasing the DCs for industrial developers. Here are some speaking points.

We are urging Council to remove any discounts for industrial development!

We are very disappointed that the open house and public consultation were only posted on the city's [DC website](#) and not actively promoted to the public. We believe that the only feedback to date has been from developers who are keen to maintain the status quo Industrial DC discounts. Because of this lack of notification apparently only one member of the public attended the open house. How can "the public" properly respond when we are not notified of the opportunity to comment?

Echoing the comments of others, we believe:

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

- We support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

-We support a further substantial Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

-Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

We trust Council will act appropriately and consider the points above.

Thank you,

Elizabeth and Les Birchall

Dundas, ON

Bates, Tamara

Subject: FW: Developer Discounts

From: Lida Holt < >**Sent:** Monday, February 19, 2024 6:23 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Developer Discounts

Respectfully, I believe that:

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

-The proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields be approved.

-A further Industrial DC increase be applied for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

-Every Councillor on the committee take this opportunity to reduce the tax burden on residents, ensuring that developers, not taxpayers pay for growth.

Thank you

...Lida Holt

Bates, Tamara

Subject: FW: Developer Charges

From: T <>

Sent: Monday, February 19, 2024 7:58 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>

Cc: Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>

Subject: Developer Charges

I just heard that the idea of reducing DCs for industrial developers is going around. Taxpayers do not want wetlands made I to industrial parks. So, here are some points I want to be very clear on:

1. Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.
2. You should support the proposed new DC rate of \$41.48 per square foot f9or all industrial development on greenfields.
3. You also support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists. Farms should not be paved over where there are plenty of brownfields around.
4. Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization. Although, they should not be forcing said expansion in the first place.
5. Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

There is an alarming trend I Ontario to destroy farms and wetlands and to make the average person pay for the profits of developers. These trends need to stop.

Victoria Koch
Hamilton, Ontario

Bates, Tamara

Subject: FW: Development Charges

From: Lara Stewart-Panko < >**Sent:** Monday, February 19, 2024 8:00 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Charges

Hello,

I wish to express my support of the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

I also support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.

If a developer is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary, I support that they must pay the full costs of urbanization.

Thank you for taking measures to ensure Hamilton taxpayers are not burdened to make up for lost revenue that discounts to developers would create.

Sincerely,
Lara Stewart

Bates, Tamara

Subject: FW: Development Charges to Developers in City of Hamilton**From:** Kris Gadjanski <>**Sent:** Monday, February 19, 2024 8:08 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Charges to Developers in City of Hamilton

Dear Members of the Audit, Finance and Administration Committee:

I am writing today to request your consideration in the matter of Development Charges to developers in the City of Hamilton. Given that any shortfall in development charges has, to date, been passed along to taxpayers, it is imperative that Hamilton taxpayers be fully consulted before the final vote in April.

The status quo is not working for our city. Constituents cannot continue to subsidize the (very profitable) development industry, particularly given the City's financial position. I ask that you support the proposed new rate of \$41.48 per square foot for all industrial development on greenfields. For developers who build on unserved farmland, where there is no existing infrastructure, I ask you to support the implementation of an even greater increase in development charges.

The evidence is very clear that building on greenfield is both unsustainable and expensive in financial terms to municipalities; any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization, taking into account lifetime costs. Such development should be disincentivized in a structural way by the City.

I note that all delegates on the agenda are from the development and/or real estate industry; I would not expect them to have the best interests of the taxpayers of Hamilton at heart. It is understandable that they are lobbying the Committee to ensure their organizations remain profitable.

However, having observed the recent budget vote, I note with relief that every Councillor on the committee sincerely expressed their strong desire to reduce the tax burden on residents. It follows that the Committee should vote to ensure that developers, not your constituents, pay for growth.

Thank you for your consideration,

Kris Gadjanski

Bates, Tamara

Subject: FW: February 22 AF&A Committee Meeting

Importance: High

From: Theresa McCuaig < >

Sent: Monday, February 19, 2024 8:33 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: February 22 AF&A Committee Meeting

Importance: High

Dear Councillors and Clerk:

When the AF&A Committee meets this Thursday, please establish the April increase of development charges for industrial units on greenfields to the proposed \$41.48, from the present discounted rate of \$16.70.

The increase will help prioritize Hamilton brownfields as building sites, as they are already serviced by expensive infrastructure. Infill within the existing City boundaries is preferable to sprawl on greenfields, not only because it is cheaper for taxpayers, but also because rehabilitating brownfields protects our environment. Let us use well what we already have at hand, rather than needlessly expanding.

Thank you very much for your consideration.

Sincerely,

Theresa McCuaig and Family

Hamilton, ON

Bates, Tamara

Subject: FW: Development on Hamilton Wetlands,**From:** Wordy Birdies < >**Sent:** Monday, February 19, 2024 9:07 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development on Hamilton Wetlands,

Dear Clerk and Councilors of Hamilton,

I am writing to you most urgently to immediately cease giving a discount on development charges to developers who build on farmlands and wetlands.

Did you know that wetlands are vital to a community's resilience in the face of climate change? Wetland habitats are important for mitigation of catastrophic effects of extreme weather by storing water in times of flooding, and preserving surface water in times of drought. Wetlands are effective carbon sinks and offer natural and effective filtration of runoff. In fact, maintaining wetlands can lead to cost savings when compared to manmade infrastructure solutions. World-wide communities are realizing the importance of wetlands are investing effort and money to restore damaged wetlands. In fact, the government of Ontario is providing funding under the Wetlands Conservation Partner program to restore and enhance wetlands across the province. Since the program was launched in 2020, \$20 million has been invested and in the first two years of the program alone, and estimated \$6 million of flooding damage was already avoided. Several wetlands are being restored in Burlington under this program.

Wetland habitats are extremely important for preservation of biodiversity, urgently required in our time, and also offer opportunities for citizens to relax and connect with nature.

Considering the economic, biological and social significance of wetlands, Hamilton would ideally move to disallow any further development on wetlands.

It is certainly shortsighted to allow development and even offer a development charge discount to developers who build on this land.

If Hamilton does not stop such development, then at the very least,

- (a) Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary should pay the full costs of urbanization
- (b) Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.
- (c) The new DC rate of \$41.48 per square foot should be applied to all industrial development on greenfields.
- (d) A further Industrial DC increase should be applied to developers who build on unserved farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.
- (e) Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

Regards,

Christina Salamon

Oakville

Bates, Tamara

Subject: FW: Letter to AF&A for Feb. 22 meeting

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

From: Gord McNulty < >

Sent: February 19, 2024 9:54 PM

To: tamaraBates@hamilton.ca; clerk@hamilton.ca

Subject: Letter to AF&A for Feb. 22 meeting

Hello:

We are sending this letter regarding Item 10.1, the Development Charges issue, for the Feb. 22 meeting.

February 19, 2024

Dear members of the Audit, Finance and Administration Committee:

Re: Item 10.1 2024 Development Charges Background Study and Bylaw Update

We are residents of Ward 1 who believe that developers should contribute financially to cover the cost of infrastructure such as roads, sewers, streetlights and water mains in and around new projects. Accordingly, we are in favour of increasing the Industrial DC charge for some types of industrial development such as warehouses.

The proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields has our support.

We urge the committee to implement a further Industrial DC increase for developers who build on unserviced farmland where there isn't any existing infrastructure. Like many Hamiltonians, we would like to see more sustainable growth on brownfields within the urban area where infrastructure already exists.

As well, it's essential that any developer that is successful in having their lands added to the Urban Area, by forcing the expansion of Hamilton's urban boundary, must pay the full costs of urbanization. The financial and environmental burden of sprawl shouldn't fall on Hamilton taxpayers, who should expect the city to ensure that growth will pay for itself --- at least more than it does now under the existing developer discounts that are available.

We also share the concern that the committee hasn't actively promoted more public consultation on this issue. It deserves a higher profile. Save Our Streams Hamilton has noted that the open house and public consultation were posted only on the city's DC website. The committee should take steps to ensure that taxpayers are fully consulted on an issue which has significant financial and environmental importance for the entire community.

Thank you.

Gord & Angie McNulty'

Bates, Tamara

Subject: FW: Support Higher Development Charges + Responsible Growth**From:** Rachelle Letain <>**Sent:** Tuesday, February 20, 2024 9:10 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>**Subject:** Support Higher Development Charges + Responsible Growth

Dear Tamara Bates,

I hope this message finds you well. As a concerned Hamilton taxpayer, I am writing to express my support for the proposed changes to Development Charges (DCs) for industrial developers, particularly in light of the upcoming meeting of the Audit, Finance, and Administration Committee (AF&A) on February 22, 2024.

I urge the AF&A committee to ensure full consultation with Hamilton taxpayers before the final vote in April, as any discounts on industrial DCs ultimately get transferred to us, the taxpayers.

Specifically, I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields. This measure aligns with the principle that developers should contribute more significantly to the infrastructure costs associated with their projects.

I also advocate for a further increase in Industrial DCs for developers building on unserved farmland, where there is no existing infrastructure. This additional charge is a fair approach compared to those building on brownfields within the urban area where infrastructure already exists.

Furthermore, it is imperative that any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

During the recent budget period, every Councillor on the committee expressed a strong desire to reduce the tax burden on residents. This upcoming decision on DCs provides a crucial opportunity to ensure that developers, not taxpayers, bear the financial responsibility for growth.

I appreciate your attention to these important matters and trust that you will consider the well-being of Hamilton and its taxpayers in your decisions.

Thank you for your time and commitment to responsible urban development.

Sincerely, Rachelle Letain Hamilton, ON

Bates, Tamara

Subject: FW: Stop Urban Sprawl - Stop Discounting Development Charges

From: Jeff S < >

Sent: Tuesday, February 20, 2024 9:27 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Stop Urban Sprawl - Stop Discounting Development Charges

Please:

- fulfill your promise to reduce the tax burden by stopping discounts for development charges of green space (development charges for green spaces should be much, much higher!)
- stop urban sprawl (the long-term costs of urban sprawl are greater than the revenue from property taxes)
- preserve wetlands, which provide flood protection and other environmental benefits to slow climate change
- focus instead on redeveloping Hamilton's core and brownfields with population intensification and better recreational facilities and commercial districts
- learn from Burlington and Oakville which are highly ranked as "most livable" municipalities

Thank you.

Jeffrey Sindall

Bates, Tamara

Subject: FW: Development Charges**From:** Cheryl Tigchelaar <>**Sent:** Tuesday, February 20, 2024 10:21 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Charges

To the Clerk and Hamilton Councillors,

I'm writing in support of increased, rather than decreased, charges to developers who plan industrial development on farmland.

As a Ward 13 resident and taxpayer, I do not want my taxes to increase as a result of discounts provided to any developer. Councillors have expressed their strong desire to reduce the tax burden on residents – this is your chance to ensure that developers, not taxpayers, pay for development.

I support the proposed development charge rate of \$41.48 per square foot for all industrial development on greenfields.

I also support a further development charge increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to developers building on brownfields within the urban area with existing infrastructure.

Developers who might be successful in having their lands added to the Urban Area by forcing expansion of Hamilton's urban boundary must pay the full costs of urbanization.

I urge members of the Audit, Finance and Administration Committee to move to increase development charges to developers planning to build on farmland and wetlands.

Sincerely,

Cheryl Tigchelaar

Dundas

Bates, Tamara

Subject: FW: Development Charges - No more discounts for industrial development

From: Kira McDermid < >

Sent: Tuesday, February 20, 2024 10:34 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Development Charges - No more discounts for industrial development

Hello everyone,

In advance of the Audit, Finance and Administration Committee's meeting on Thursday, February 22, 2024, I wanted to add my voice on what level of development charges we should charge developers.

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

-I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

-I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

-Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

Thank you for your time, and hope you have a great rest of your day,

Kira McDermid

Ward 2 resident

Bates, Tamara

Subject: FW: Development charges issue

From: Lois Corey <>**Sent:** Tuesday, February 20, 2024 10:44 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development charges issue

To the Clerk and Councillors on the AF&A committee:

I am writing for two reasons:

1. In regard to public feedback for this Thursday's meeting to express that I am in favour of increasing the DCs for industrial developers, noting the following:

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

-I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

-I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

-Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

2. I SUPPORT the staff recommendations in the "*Updates and Amendments to the Low Density Residential (R1) and Low Density Residential (R1a) Zones, and Creation of a New Low Density Residential*" report!

Thanks for the opportunity to provide feedback!

Sincerely,

Lois Corey

Bates, Tamara

Subject: FW: Development charges

From: Carolyn VanHoevelaak < >**Sent:** Tuesday, February 20, 2024 11:16 AM**To:** Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development charges

Please do not encourage developers to build on our green space. Please increase the development charge for industrial development to the proposed \$41.48 per square foot so that the actual cost of development is paid for by the developer and not passed on to the local tax payer. We must encourage the development on land within the city boundaries, especially brownfields, and curtail expansion into the green areas that help to fight climate change. Please consult with your constituents. They do not want their taxes increased to help developers and they also care about the environment that we all live in.

Carolyn VanHoevelaak
Mount Hope, ON



February 20, 2024

Attention: Audit, Finance & Administration Committee
Hamilton City Hall
71 Main St. W.
Hamilton, ON
L8P 4Y5

RE: Developmental Charge Rebate

Dear Audit, Finance & Administration Committee,

Denninger's has been a part of the Hamilton downtown core since 1954. We currently employ approximately 300 people, most of whom live and work in Hamilton. As a business, we would like to express our concern regarding the removal of the Downtown Developmental Charge Rebate and the negative impact that it may have on the business community.

The downtown business community relies on the development of the City and increased population density. With recent changes to traffic routes and proposed future changes including the LRT, this will become even more important. We are concerned that the removal of the rebate will halt the development in the downtown core. This would directly impact the viability of the downtown businesses who will rely much heavier on foot traffic vs. vehicular traffic coming into the City.

While we understand that the City must manage their budgets and we do not have complete insight into the impacts this rebate has on all parties involved, we ask that the City please consider the impact that this may have on the business community. We would like to propose that the City take a staggered approach to the removal of the Developmental Charge Rebate.

Thank you for your consideration and please do not hesitate to contact me if you have any further questions.

Yours truly,

A handwritten signature in black ink, appearing to read 'Patrick Denninger', is written over a horizontal line.

Patrick Denninger
President & CEO
(905) 528 8468



Bates, Tamara

Subject: FW: For AFA agenda Feb 22
Attachments: Development Charges 2024.docx

From: Marie Covert <>
Sent: Tuesday, February 20, 2024 12:00 PM
To: Bates, Tamara <Tamara.Bates@hamilton.ca>
Cc: Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>
Subject: For AFA agenda Feb 22

Hello Ms. Bates,

Please find attached my letter regarding Development Charges, for the Audit, Finance, and Administration Committee meeting on February 22, 2024.

Thank you for your assistance in seeing that everyone has access to my submission.

Respectfully submitted,
Marie Covert,
Dundas

To: the Audit, Finance, and Administration Committee

Thank you for the opportunity to provide feedback on the Development Charges By-law. Hamilton taxpayers are already on the hook for \$35 Million in 2024 due to lost Development Charges from Bill 23. If Industrial Developers don't pay their fair share of DCs, Hamilton taxpayers will be forced to cover the shortfall.

Increased taxes has been the topic of newspaper articles and television interviews for weeks. You all know that Hamiltonians are awash in taxes, increased costs of everything and yet developers are asking for continued discounts and exemptions as they plan to build on wetlands and farmlands, thereby increasing sprawl.

Please ask yourselves why taxpayers should continue to cover discounts granted to industrial developers so they can build costly sprawl infrastructure on unserviced farmland on the taxpayer's dime. Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

I support the proposed new DC rate of \$41.48 per square foot **for all industrial development on greenfields**. Going forward, growth must support growth. It is supposed to pay for itself. It has been a lack of vision and leadership for countless years, by previous Councils, that has landed us in this predicament where infrastructure is ancient, poorly coordinated, and needs to be replaced at every turn and STILL Developers expect preferential treatment. It is time for change!

I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists. Note: the price tag for new roads in the Airport Employment Growth District (AEGD) has been estimated at \$500 Million and this excludes water and sewers. The costs are monumental and built on a wing and a prayer: "if you build it, they will come". And currently, the taxpayers will pay for it, except this isn't a ball diamond in a corn field. It's total destruction of wetlands, wildlife habitats, and whole ecosystems.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization, especially when there are so many other suitable and already serviced areas within the urban boundary,

e.g. the Portlands. There are programs to assist developers who will build on brown fields, e.g. the ERASE program, the Green Development Rebate.

Every Councillor on the committee has expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers pay for growth.

In April please vote for:

No Industrial Development Charges discounts for developers

An increase to Industrial Development Charges to the original recommendation of \$41 per square foot on unserviced farmland

Hamilton taxpayers should not have to subsidize Industrial Developers who, for years, have received hefty discounts on DCs at the taxpayer's expense. Let developers pay, not residents!

Lastly, if you are wondering why so few taxpayers have responded to the Development Charges Background Study and By-law Feedback, it's because we didn't know about the vote and the impending changes. Only one interested person attended the 2 Open Houses in January because this Report was not properly publicized. The Open Houses were only advertised on the DC website which explains why so many Developers were present at the Open Houses and why they dominate the agenda.

Clearly, the odds are stacked against the taxpayer when they are not even notified of tax increases which will impact them hugely. This smacks of extreme preferential treatment in favour of developers. Whoever is responsible should be ashamed. This is poorly, poorly done. Hamiltonians deserve better!

Bates, Tamara

Subject: FW: Developer DC discounts? No thanks!

From: Nancy Chater < >**Sent:** Tuesday, February 20, 2024 12:08 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Developer DC discounts? No thanks!

Dear Councillors,

I am writing to express my view that Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial Development Charges (DC) will be transferred to taxpayers.

I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

I understand that every Councillor on the AF& A committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers, pay for growth.

Please vote in April in favour of increasing the Development Charges for industrial developers.

This is an important issue for healthy growth and a liveable City of Hamilton and planet.

Thank you,

Nancy Chater

Ward 2 Resident

Bates, Tamara

Subject: FW: Development Costs**From:** Caroline Neufeld < >**Sent:** Tuesday, February 20, 2024 12:24 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Costs

Dear Hamilton City Councillor

Please protect Hamilton taxpayers from tax increases due to the ill-advised downloading of development costs to taxpayers.

But this is different. **We need to STOP giving industrial development (warehouses) a big discount on DCs as an incentive to build.** Here's what needs to be done:

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

-I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

-I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

Every Councillor on the committee has expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers, pay for growth.

Hamilton can do this. YOU can do this. Please do it!

Caroline Neufeld

Hamilton taxpayer

Bates, Tamara

Subject: FW: Don't Download Development Charges onto Taxpayers

From: Frager, Ruth < >

Sent: Tuesday, February 20, 2024 12:46 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Don't Download Development Charges onto Taxpayers

Hello,

I join many concerned citizens of Hamilton who oppose deep discounts in development charges for private developers. I support the proposed new DC rate of \$41.48 per square foot on industrial development on greenfield sites. I support a further industrial increase for developers who build on unserviced farm land. In addition, any developer who is successful in having their lands added to the urban area by forced expansion of Hamilton's boundaries must pay the full costs of urbanization.

Sincerely,
R.A. Frager
(Hamilton)

=====

I acknowledge that I am located on the traditional territories of the Mississauga and Haudenosaunee nations, and within the lands protected by the "Dish With One Spoon" Wampum Agreement.

Bates, Tamara

Subject: FW: Development Charges**From:** Robert Wakulat <robert@designwithcourage.com>**Sent:** Tuesday, February 20, 2024 12:47 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Development Charges

Hey folks,

I understand all of you are part of the AF&A Committee that is currently reviewing and debating development charges.

I suppose before even sharing my perspective as a local Hamiltonian, I'm curious about the following questions:

- Is there (or are there) municipal and/or provincial databases that inventory the ecosystem productivity of undeveloped lands? Do we understand what happens/changes when we allow for development on natural lands? How does that impact our clean water, clean air and ecosystem resilience?
- Who do we model ourselves after? What are the benchmark municipalities across the world that we aspire to learn from and follow? I think of Freiburg, Germany as an example in the renewable energy space and wonder who is doing great work in the sustainable development space. Sustainable as in financially (for residents/city budget), economically, and environmentally. Furthering this thought, it seems to me many European cities stick to their existing urban footprints and maintain the current integrity of their surrounding natural and agricultural environments. Mainz is a bit smaller than Hamilton but it comes to mind as a city that builds within and not without.

Having wondered about all of that, it seems to me that we shouldn't allow capitalist industries to suck out value for shareholders from us as residents. They should have to pay the full freight of their development and if they won't, then we shouldn't want them here because they will continue to attempt to extract value from their relationship to the city rather than putting value back into it. Our taxes shouldn't buttress the bottom line(s) of for-profit companies. If that's their key rationale for choosing a place to set up business then they'll pull out the moment it's in their financial interests leaving us with less wetland and ecosystem capacity and having extracted value from taxpayers.

That's my 2 cents.

Thanks
Robert

--

Robert Wakulat, J.D., C.C.A.

Managing Director, Courage Co-Lab Inc.

robert@designwithcourage.com |*Courage is something you bring to the process. We support you — and others — to be brave in your shared creativity.*



Vantage Developments Inc.
30 Adelaide St. East
12th Floor, Suite 1202
Toronto, ON M5C 3G8

February 20th, 2024

Via E-mail

Audit, Finance and Administration Committee
71 Main Street West
Hamilton, ON, L8P 4Y5

Attention: Tamara Bates, Legislative Coordinator

Dear Sirs/Mesdames:

Regarding: Item 10.1 – 2024 Development Charges Background Study and By-law Update.

We are writing to you on behalf of Vantage Developments (“Vantage”) to express our significant reservations with the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area. Vantage is a recently formed residential development company with Hamilton being the location of our first development project, which is expected to include approximately 375 residential units. We believe the supply of new housing is critical to foster a vibrant, livable, and a supportive downtown ecosystem. Not only does each new unit provide an opportunity to chip away at the housing crisis across Ontario, but it also provides the City with recurring funding through property taxes to provide critical services to residents.

While we understand the pressures on the residential tax levy, it is important to note that new residential development is teetering on the brink of being unfeasible. The rising interest rate environment has significantly impaired both sales volumes and pricing. Coupled with rising construction costs, the ability to secure construction financing required to pursue construction is greatly diminished. This is happening across Ontario, with foreclosures of development sites drastically increasing.

We have serious concerns that this will result in many projects being delayed or cancelled. Barring an immediate and marked improvement in market fundamentals, which is outside of any person’s control, the removal of the Development Charge Exemption will only further suppress new building activity, delaying the delivery of housing, exacerbating the housing crisis and also limiting the available pool of property tax proceeds for the City of Hamilton.

Although the market may return in the mid-to-long term, it is imperative to maintain a competitive DC rate to keep developments moving through the pipeline. Projects that are not able to begin or proceed today will never materialize in 2-3 years. This will create a gap in the market and significantly impact in new housing supply. Further, we are concerned that in the absence of this program Hamilton will miss the Housing



Accelerator Fund unit commitments, risking the opportunity to secure available funding from the federal government.

Thank you,

Vantage Developments



Alan Leela, Partner



Shamil Jiwani, Partner

Cc: Carolyn Paton, Kirk Weaver, and Lindsay Gillies

Bates, Tamara

Subject: FW: In support of increasing development charges for industrial developments

From: Emil Gadjanski < >**Sent:** Tuesday, February 20, 2024 1:46 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** In support of increasing development charges for industrial developments

As a member of the Audit, Finance, and Administration Committee, I would like to **implore you to pass the staff proposal to increase development charges (DC) for industrial development on greenfields (other than for manufacturing purposes) to a non-discounted rate of \$41.48 per square foot.** In addition, please take into consideration that:

- Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.
- I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.
- any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.
- every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers pay for growth.

Thank you for your consideration,

Emil Gadjanski
Dundas, ON

Bates, Tamara

Subject: FW: Urgent Call to Action: Support Increasing Development Charges for Industrial Developers in Hamilton

From: Molly Heppner <>

Sent: Tuesday, February 20, 2024 2:07 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>

Subject: Re: Urgent Call to Action: Support Increasing Development Charges for Industrial Developers in Hamilton

Dear Clerk and Councillors,

I am writing to you as a concerned taxpayer and resident of Hamilton regarding the upcoming vote on the Development Charges (DCs) for industrial developers, which will be discussed by the AF&A committee. I urge you to carefully consider the following points before making your decision:

1. Consultation with Taxpayers: **It is essential that Hamilton taxpayers are fully consulted before the final vote in April.** Any discounts on industrial DCs will ultimately be transferred to taxpayers. Therefore, it is crucial that their voices are heard in this decision-making process.

2. Support for Increased DCs: **I am in favor of increasing the DC rate for industrial development on greenfields to \$41.48 per square foot.** This increase is necessary to ensure that developers contribute their fair share to the infrastructure costs associated with their projects.

3. Further Increase for Unserved Farmland: I also support a further increase in DCs for developers who build on unserved farmland where there is no existing infrastructure. It is only fair that these developers bear a higher cost compared to those building on brownfields within the urban area where infrastructure already exists.

4. Full Costs of Urbanization: Any developer who succeeds in having their lands added to the Urban Area, thereby forcing the expansion of Hamilton's urban boundary, **must pay the full costs of urbanization.** This principle is crucial to ensure that developers do not pass on the burden of growth to taxpayers.

5. Reducing Tax Burden on Residents: I am aware of the strong desire expressed by every Councillor on the committee to reduce the tax burden on residents during the recent budget period. Supporting an increase in industrial DCs is an opportunity to ensure that **developers**, rather than taxpayers, bear the costs associated with growth.

I urge you to consider these points carefully and **vote in favor of increasing the DCs for industrial developers.** This decision will have a significant impact on the future development of Hamilton and the financial well-being of its residents.

Thank you for your attention to this matter.

Sincerely,
Melissa "Molly" Heppner

Bates, Tamara

Subject: FW: AF&A committee, new DC rate

From: Allyn Walsh < >

Sent: Tuesday, February 20, 2024 2:18 PM

To: Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: AF&A committee, new DC rate

I fully support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

A further Industrial DC increase is crucial for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization now and into the future

Thank you to all the Councillors on the committee, who all expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers pay for growth. The taxpayer dollars are desperately needed elsewhere.

With sincere thanks,

Allyn Walsh

Lifelong Hamilton resident and booster - and taxpayer

Bates, Tamara

Subject: FW: DC renewal at A,F&A meeting April 22

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

From: janwillem jansen < >

Sent: February 20, 2024 1:35 PM

To: clerk@hamilton.ca

Cc: Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: DC renewal at A,F&A meeting April 22

Message for the Acoounts, Finance and Administration Committee of April 22, 2024

Dear Clerk and counsellors,

Industrial development generates enormous infrastructural cost which should be payed for by the developers, not by the taxpayers of Hamilton. Especially where it is developed outside the brownfields, when it also will further destroy precious farmlands and greenspace. Hereby I am urging you to go ahead with the proposal to increase the DC rate for industrial non-manufacturing developers to 41.48 per sq.ft. Manufactural industry development which brings good quality jobs to the city may be exempt from this and even maintain its present reduced rate.

Furthermore I am of the opinion that this important decision should be open to public discussion before taking it. Counselors , here is a chance to reduce the tax payers burden by letting developers pay for the infrastructure that goes along with their development!

Thank you,

Jan W. Jansen, Dundas

Bates, Tamara

Subject: FW: Regarding Development Charges By-Law Changes

From: Katie West < >**Sent:** Tuesday, February 20, 2024 2:43 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Regarding Development Charges By-Law Changes

I am writing to express my concerns with respect to changes to the Development Charges By-law being discussed at the Audit, Finance and Administration committee.

As a Hamilton taxpayer, we should be fully consulted before the final vote in April since any discounts on industrial development charges will be transferred to taxpayers. Funds required to support and maintain our city must be increased, but not continually fall the residents tax base disproportionately to that of developers.

I support the proposed new development charges rate of \$41.48 per square foot for all industrial development on greenfields.

I also support a further Industrial development charges for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

I understand every Councillor on the Audit, Finance and Administration committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

Appreciating your attention and consideration for this important by-law!

Katie West
Dundas,

Bates, Tamara

Subject: FW: Development Charges

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

From: Erica Hall <>

Sent: Tuesday, February 20, 2024 2:52 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Development Charges

I wish to let you know that I support councillors as you consider reducing and eliminating discounts on development charges for industrial development. It is very important we discourage development on greenfield and farm land by increasing fees to develop there.

As a resident of Hamilton I understand the need to encourage development in our city and how reducing development changes helps to do that. However, it is also important that we do not increase costs to residents due to flooding that paving over wetlands will create and also that we provide areas for food growth for future generations and current residents in the event of a supply chain crisis. As you all know reducing those subsidies and increasing development charges will help many Hamiltonians who are struggling with large increases to their cost of living, they really could use a break on their taxes.

Sincerely,

Erica Hall

Bates, Tamara

Subject: FW: Public Feedback on Dev. Charges**From:** Laurianne Munezero <>**Sent:** Tuesday, February 20, 2024 3:31 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Cc:** iborsuk@environmenthamilton.org; Office of Ward 3 City Councillor Nrinder Nann <ward3@hamilton.ca>**Subject:** Public Feedback on Dev. Charges

Audit, Finance and Administration Committee (AF&A):

I support an increased development rate if it takes place outside of current city boundaries, and where new infrastructure would be required. My reasons are because these sites may become brownfields before too long. Therefore, I strongly support construction on brownfield sites with a grant for manufacturing companies. I am pleased to know that we've utilised almost half of our brownfield sites (contaminated urban areas) between 2008 and 2018, so thank you to Council for this accomplishment.

https://policyoptions.irpp.org/magazines/january-2023/brownfield-redevelopment-is-a-better-alternative-than-urban-sprawl/?link_id=2&can_id=52e1ed538e7362b29cf64f281e6e8d2a&source=email-quick-action-for-hamilton-wetlands&email_referrer=email_2211439&email_subject=quick-action-for-hamilton-wetlands

Although, every project has inherent risks such as an overvalued ROI, or perhaps unanticipated closures - we must be prudent in how we assess the benefits of development. As such, companies that represent the biggest burdens, and lack the most opportunities for citizens, should cover most of the bill for future maintenance of sites, and construction itself.

You may also appreciate the ease of logistics, for instance a hassle-free commute if new facilities were to be located on current bus routes, where even a taxi or alternative would be affordable.

I support all recommendations from Save Our Streams Hamilton, as listed below - I couldn't have paraphrased it better;

-Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

-You support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.

-You support a further Industrial DC increase for developers who build on unserved farmland where there is no existing infrastructure, compared to those that build on [brownfields](#) within the urban area where infrastructure already exists.

-Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

-Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

Laurianne Munezero

Public member from Ward 3

Bates, Tamara

Subject: FW: Audit, Finance and Administration Committee Feedback for February 23 Meeting

From: Ron Ballentine <>

Sent: Tuesday, February 20, 2024 3:44 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Audit, Finance and Administration Committee Feedback for February 23 Meeting

Hello everyone,

Please consider the following points as you consider raising the development charges for industrial warehouse developments on greenfield lands (which I support):

- Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.
- You support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields.
- You support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.
- Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.
- Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is their chance to ensure that developers, not taxpayers pay for growth.

Sincerely,

Ron Ballentine

Hamilton ON.

Bates, Tamara

Subject: FW: New DC rates.

From: Suzanne Cooper < >

Sent: Tuesday, February 20, 2024 4:09 PM

To: Wilson, Alex <Alex.Wilson@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>

Subject: New DC rates.

I would like to state that I support the proposed new DC rate of \$41.48 per square foot for all industrial developments on greenfields.

Also, I believe a further industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those who build on brownfields within the urban area where infrastructure already exists.

Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

Hamilton taxpayers should be fully consulted before the final vote in April since any discounts on industrial DCs will be transferred to taxpayers.

Every councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. Now is your chance to ensure that developers, not taxpayers, pay for the growth.

Thank you.

Suzanne Cooper

Bates, Tamara

Subject: FW: Increase DCs for industrial developers

From: Laurel Imeson < >

Sent: Tuesday, February 20, 2024 4:14 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Increase DCs for industrial developers

Hello,

I am writing to let the AF&A committee know that Hamilton taxpayers should be fully consulted before the final vote in April because any discounts on industrial DCs will be transferred to taxpayers. I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfields. I support a further Industrial DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists. Any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization. Every Councillor on the committee expressed their strong desire to reduce the tax burden on residents during the recent budget period. This is your chance to ensure that developers, not taxpayers, pay for growth.

Thank you,
Laurel Imeson



February 20, 2024

*Sent by e-mail
tamara.bates@hamilton.ca*

Audit, Finance & Administration Committee
City of Hamilton
71 Main Street West
Hamilton, ON
L8P 4Y5

Attention: Ms. Tammy Hwang
Chair, Councillor Ward 4

**Re: City of Hamilton Development Charges Background Study
Audit, Finance & Administration Committee – February 22, 2024
Agenda Item No. 10.1 (Report No. FCS23103(a))
ALBA Developments – 844 Glancaster Road**

Dear Councillor Hwang and Members of Committee,

On behalf of our client, we are writing to you regarding the City of Hamilton's (the City) proposed update to the 2019 Development Charges By-law (DC Bylaw) and the 2024 Development Charges Background Study (the study) brought forward to Committee today.

We represent ALBA Developments (ALBA), who own approximately 66 acres of greenfield lands located within the Airport Employment Growth District (AEGD) Secondary Plan. ALBA's lands are located on the west side of Glancaster Road, south of Book Road.

ALBA, formerly known as RFA Developments, is a well-respected Toronto based commercial/industrial developer who have been active in the City of Hamilton since 2021 with additional projects currently under construction in both the Red Hill and Stoney Creek Business Parks on Glover Road and South Service Road respectively. Their latest venture will be the construction of approximately 1.2 million square feet of industrial space adjacent to the Hamilton Airport, on the above noted Glancaster Road lands, with the potential for bringing more than 600 new jobs to the City of Hamilton.

With respect to the 2024 DC By-law update, we have reviewed the City's staff report (FCS23103(a)) and the Background Study prepared by Watson & Associates, and on behalf of ALBA, we would like to take this opportunity to provide comment and express our objections: not only to the recommended general increase in the proposed DC charges, but also the suggested removal of key exemptions – each of which will have significant financial implications to our clients proposed development, as well as the overall integrity of attracting business not only to the AEGD Secondary Plan Area, but the greater City of Hamilton.

Paul Brown & Associates Inc.
Municipal Consultants and Advisors
162 Guelph St., Suite 225
Georgetown, ON
L7G 5X7
Phone (416) 346-7227 Email: paulb@pbpm.ca



As it relates to ALBA's Glancaster Road development, we provide the following comments:

Firstly, the recommended overall increase to the non-residential DC rate is concerning and will result in significant financial impacts to the proposed development (already exasperated by an increase in overall construction hard costs and current market conditions) and putting feasibility of the project at risk. This scenario would not be isolated to our client's development proforma, but others who have invested (or plan to invest) in the AEGD Secondary Plan Area.

Despite the remarkable efforts of its successful Economic Development program, the City should be deeply concerned as this would have severe consequences to the marketability of the AEGD Secondary Plan Area, as well as other industrial lands located throughout the City, by making them much less competitive against other municipalities for attracting new business. Specifically, future employment growth and much needed jobs could be lost to nearby City of Brantford, whose current DC rate for industrial development is a mere \$10.97 per square foot (\$118.10 per sq.m). Under the proposed recommendations for the DC By-law, the City of Hamilton's new industrial rate would be \$41.48 per square foot – a **148% increase** from the current discounted rate. For your information and further comparison below is a summary of current industrial/non-residential DC rates being charged by other nearby municipalities, as currently posted on their respective webpages:

County of Brant	\$10.73 per square foot	
Town of Grimsby	\$10.27 per square foot	**up to 100% Regional DC grant available
City of Kitchener	\$16.14 per square foot	**includes 60% industrial (Regional) discount
City of Guelph	\$27.44 per square foot	*effective March 2, 2024
City of Burlington	\$28.68 per square foot	*includes Regional DC payable
Town of Oakville	\$29.70 per square foot	*includes Regional DC payable
City of Mississauga	\$32.95 per square foot	*includes Regional DC payable

Secondly, the “reduced industrial rate” is suggested to be removed from the DC By-law, and should be carried forward. This has been a key driver in the development of the project proforma on the Glancaster Road lands – keeping the development costs within a feasible range and making Hamilton an attractive investment for ALBA to consider. Together with the overall increase in the DC rate discussed in the previous paragraph, the removal of the reduced rate for industrial properties would render ALBA's proposed development unfeasible, and may require our client to reevaluate their investment – putting the development on hold until further notice, or selling the lands altogether.

Thirdly, the exemption to industrial building expansions should also be maintained in the new DC By-law. If this exemption is not renewed, this would have serious limitations on the potential expansion of industrial uses and reduce future job growth within the AEGD Secondary Plan Area. It would be a useful tool to ensure any jobs created within the City of Hamilton stay within the City of Hamilton.

Lastly, a delayed phase-in of the new DC rates should be included in the new DC By-law – specifically for lands located within the AEGD. A number of key infrastructure projects in the AEGD Secondary Plan are still in the planning stages (Environmental Assessment), and not yet under construction. Municipal services will not be available, and as such, developers in this area (such as ALBA) will not see the opportunity to have building permits issued until at least the 5th or 6th year of the life of the by-law – beyond

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Municipal Consultants and Advisors
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the mandatory phase-in requirements imposed by the Province under Bill 23. It would therefore be appropriate to consider a specific phase-in policy for these lands and protect their economic feasibility to ensure they bring the desired jobs to the AEGD Secondary Plan area.

In closing, we understand and appreciate the principle that development charges are intended to ensure that the costs of new infrastructure are paid by new development and not by the overall tax base (“growth pays for growth”). Although an increase to the DC rates may appear to be attractive as a way to facilitate this mandate, implementing too large of an increase may prove to be counter-intuitive to reducing the municipal tax burden. If increased development costs inhibit the developability of the City’s industrial lands, then the anticipated DC revenue cannot be generated to offset any potential tax increase – not to mention the additional tax revenue that would be generated by the industrial development itself. Respectfully, please take this and the above comments into consideration during your deliberations.

We thank the City of Hamilton for providing us the opportunity to submit this letter and sincerely urge this Committee to take these objections into consideration, among the other delegations brought forward today, and direct staff to revise their recommendations accordingly. We also reserve the right to appeal the By-law, should our concerns not be addressed.

Yours Truly,

Paul Brown & Associates Inc.

Justin Mamone, BES, MCIP, RPP
Associate

Paul Brown
President

cc: Barry White, ALBA Developments
Andres Kivi, ALBA Developments

Paul Brown & Associates Inc.
Municipal Consultants and Advisors
162 Guelph St., Suite 225
Georgetown, ON
L7G 5X7
Phone (416) 346-7227 Email: paulb@pbpm.ca

Bates, Tamara

Subject: FW: Development Charges

From: Susan Wortman <>

Sent: Tuesday, February 20, 2024 7:03 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Development Charges

Dear Ms Bates and Committee members,

I understand that the Audit, Finance and Administration Committee will be meeting this Thursday, February 22, to discuss renewing the city's development charges by-law. And in particular to consider raising the Development Charges for warehouse developments on greenfield lands.

Well, first of all, I feel that any development on greenfield lands should be stopped until all brownfield lands have been built on. Particularly when much of the development in question is warehouses on wetlands. Warehouses that will not, as promised, provide many jobs, given the move towards automation. And wetlands that need to be protected as they sink carbon, harbour insects, birds and animals, and control flooding.

However, I understand you need to make decisions based on possible incursions onto greenfields, and if so, the costs of supporting that development with roads, water, sewers etc must be born by the developers themselves, not just for the initial builds, but for maintenance into the future.

Given this, I support the proposed new DC rate of \$41.48 per square foot for all development on greenfields, and support a further DC increase for developers who build on unserviced farmland where there is no existing infrastructure, compared to those that build on brownfields within the urban area where infrastructure already exists.

Hamiltonians are rightfully concerned about the proposed upcoming increase in taxes; I personally am grateful to be able to pay for the city to run a complicated urban and rural city like Hamilton. But we should not carry the burden of unnecessary expansion into lands that should be protected in any case.

Make those who are benefiting from this growth pay for it.

Thank you, Susan Wortman

--

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Bates, Tamara

Subject: FW: DC By-law review

From: Melissa Smith < >

Sent: Tuesday, February 20, 2024 7:34 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: DC By-law review

To Whom it May Concern,

I'm writing to ask you to consider eliminating the industrial DC developer discount, and increase the charge for some types of industrial development. My understanding is that taxpayers will bear the costs of urbanization for some new developments if the developers don't. Taxpayers shouldn't have to cover these costs, especially when some land in the AEGD may be precious wetland, or farmland that ideally wouldn't be shifted to other purposes. Given climate change and a potential future of food insecurity, the types of land under development should at the very least involve different charges, depending on their desirability for other purposes.

Thank you for doing your part to ensure that developers approach Hamilton with all the care and consideration it requires to remain climate-change ready for a long time. Where developers are willing to work with brownfields and other areas that aren't useful either ecologically or agriculturally, the cost could be reduced to encourage sustainable practices.

Cheers,
Melissa Smith

Ward 3
Hamilton.

Bates, Tamara

Subject: FW: By law re:Taxation and Industry Growth

From: Julie Richer < >

Sent: Tuesday, February 20, 2024 7:54 PM

To: Spadafora, Mike <Mike.Spadafora@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Bates, Tamara <Tamara.Bates@hamilton.ca>

Subject: By law re:Taxation and Industry Growth

Dear Audit, Finance and Administration Committee,

I reviewed the slide deck of information regarding the proposed by-laws change to hold industry and warehouses accountable and not download the tax burden to residents of the city.

I support the proposed new DC rate of \$41.48 per square foot for all industrial development on greenfield and the further Industrial DC increase for developers who build on farmland compared to those that build within the urban area where infrastructure already exists. I hope that any developer who is successful in having their lands added to the Urban Area by forcing the expansion of Hamilton's urban boundary must pay the full costs of urbanization.

I am grateful that there are organizations that support communication so citizens are aware of what is being proposed. I heard the public consultation had one attendee. One question is how can the city improve the process to make things more transparent so citizens can be informed and contribute comments and insights for the April meeting?

Thanks for the work you are doing that centers the needs of the public and the environment while looking at economic growth in a balanced way.

Julie Richer
Flamborough resident



February 20th, 2024

City of Hamilton
71 Main Street West
Hamilton, ON L8P 4Y5

Attn: Ms. Carolyn Paton, Mr. Kirk Weaver, Ms. Lindsay Gillies

Re: Proposed Removal of CIPA Exemption

Dear Chair and Members of the Audit, Finance and Administration Committee,

On behalf of Coletara Development, I am writing to address our deep concerns regarding the proposed elimination of the 40% Development Charge Exemption within the Downtown Community Improvement Area.

As one of the initial developers to build a high-rise community in Downtown Hamilton, Coletara has made substantial investments in the City's Downtown, delivering approximately 300 new homes with an additional 1,200 new units in development. These 1,500 units will equate to an approximate annual tax revenue of \$4,500,000. Coletara's investments into Downtown Hamilton have in part been the result of the cooperative nature of the City of Hamilton and associated programs targeted at Downtown improvements. The provision of new housing in various forms is vital for the City of Hamilton to achieve its ambitious housing and intensification goals, and support Hamilton's growing labour force, while also enhancing the tax productivity of land.

While we understand the inflationary pressures on the municipal budget, being that new home sales are at a decade low, the proposed exemption removal would have a material effect on the feasibility of projects and ultimately increase prices on the magnitude of over 5% to new home owners, and the future potential tenants of these spaces as well.

Escalating construction and borrowing costs, coupled with diminished feasibility and success rates in the high-density intensification market, pose significant challenges for the development industry. Despite these hurdles, our company remains committed to investing in housing for Hamiltonians and newcomers who are looking to build their lives in Hamilton. We strongly urge the City to reconsider the removal of this critical incentive, as it could have far-reaching negative consequences for Hamilton's future.

We are deeply concerned that the removal of this program, or any reductions to it, may lead to delays of numerous projects in the next several years. The failure to initiate or proceed with projects now will result in a significant gap in the market, severely impacting housing supply for years to come. Furthermore, without this incentive, Hamilton may fail to meet its Housing Accelerator Fund unit commitments and lose out on essential federal funding. With recent


legislation limiting urban boundary expansion, there is a further emphasis on encouraging development within existing urban areas such as the Downtown area to meet these targets.

We sincerely appreciate your consideration of our concerns. It is our sincere hope the removal of the 40% DC Exemption for the Downtown CIPA be reconsidered, to ensure that Hamilton's growth remains strong well into the future.

Thank you for your attention to this matter.

Yours truly,

Coletara Development



Michael Krasic
Vice President of Development
966 Pantera Drive, Suite 22
Mississauga, Ontario L4W 2S1

Tel: 905-624-4100 [REDACTED]

Carolyn.Paton@hamilton.ca
Kirk.Weaver@hamilton.ca
Lindsay.Gillies@hamilton.ca

Bates, Tamara

Subject: FW: DC charges Feb 22 AF&A agenda

From: David Lloyd <>
Sent: Tuesday, February 20, 2024 11:47 PM
To: Bates, Tamara <Tamara.Bates@hamilton.ca>
Subject: DC charges Feb 22 AF&A agenda

Good afternoon Ms. Bates, please add my communication below to the Feb 22 agenda.

I would like to first say to the committee that as a taxpayer I am extremely concerned about the lack of public consultation on a topic which will have a direct effect on Hamilton taxpayers. The staff report says it clearly:

"The City held two Development Charge Open Houses for feedback on the draft 2024 DC Background Study and the proposed 2024 DC By-laws. An in-person Open House was held on January 23, 2024 from 7:00 to 9:00 pm and a virtual session was held on January 24, 2024, from 10:00 am to 12:00 pm. Both Open Houses were well attended by members of the development community (with one interested citizen at the in-person open house) representing both residential and non-residential interests"

The fact that only one citizen attended should be a red flag to staff. This is not a topic that only concerns the development industry. As we all know development is supposed to pay for itself but **when discounts are applied we can safely say that development is subsidised by the taxpayer.**

I respectfully submit the following -

I strongly oppose any discount at all for industrial developers who build on Hamilton farm fields where no servicing currently exists. Not only will such development eliminate the flood plains and ability of those fields to keep water at bay, risking financial loss in future, but additionally we the taxpayer will be lumbered with a portion of the costs to install that infrastructure.

Let the developers pay the full upfront cost since taxpayers will be stuck with the phased-in discounts due to Bill 23 and with lifetime repairs and upkeep.

I strongly support an increase to \$41.48 per sq. foot for greenfield industrial developers and an incentive through ERASE or another grant program to industrial developers who choose to develop brownfields.

I support the recommendation that would force any development outside the current urban boundary to pay the full costs of ALL infrastructure.

Please adequately broadcast this issue and invite the public for feedback before any final decisions are made. Bill 23 has educated the public on the perils of lost development charges and we have a right to take part.

Finally, all the councillors on this committee expressed a desire to keep taxes low during the days of budget talks so please stay true to your word and do not lumber residents with the costs for discounts to developers even if it means they take their business elsewhere.

Sincerely,
David Lloyd

Hamilton

City of Hamilton, Office of the Auditor General
50 Main Street East, 3rd Floor
Hamilton, ON L8N 1E9

February 20, 2024

Dear Chair and Members of the Audit, Finance, and Administration Committee,

I am reaching out to you on behalf of Belmont Equity Partners to express our concerns regarding the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area (CIPA). We are specifically concerned about the timing of this removal which is set to take place with the implementation of the new DC by-law on June 1, 2024. Such removal would severely impact our project at 58 York Blvd where we are actively pursuing a Site Plan application.

We understand there has been some preliminary discussions around the potential extension of a 6-month grace period to active developments to alleviate the pressures of rushed applications before the effective date of the new by-law thereby allowing projects to lock in the current DC rates and the 40% CIPA exemption. **We kindly request that you grant us this grace period as it would significantly reduce the pressure we are currently facing with trying to achieve a complete application before the effective date of the new by-law.**

We have dedicated significant resources to acquiring and preparing 58 York for development, including environmental risk assessments and collaboration with the city to ensure a well-designed building. The proposed changes to the DC regulations at this stage will jeopardize our investment and undermine the progress we have made thus far.

Belmont Equity has been investing in downtown Hamilton for several years and contributing towards its future. Our current project at 58 York Blvd is integral to this contribution effort and aims to be a catalyst to kick off residential intensification in the northwest quadrant of downtown with the expectation that the 40% CIPA exemption would be maintained.

The proposed removal of the 40% CIPA exemption not only jeopardizes the feasibility of our 58 York project but also undermines the broader objectives of urban improvement and economic development in Downtown Hamilton. This proposed removal fails to acknowledge the substantial investments made by Belmont Equity and other developers in the downtown district.

It is also important to note the residential downtown market is not as robust as it has been in the past five years. Rising construction and borrowing costs, coupled with slowing sales, have negatively impacted feasibility in the high-density intensification market, which is leading to project delays and will likely result in project cancellations.

We urge the City of Hamilton to reconsider the proposed removal of the 40% CIPA discount or grants us a grace period to alleviate the pressure of achieving a complete site plan application before the new DC by-law takes effect.

Kind regards,

A handwritten signature in blue ink, appearing to be 'Marwan Zahra', with a stylized flourish at the end.

Marwan Zahra
Development Manager

1400 Cornwall Road, Suite 13
Oakville, ON L6J 7W5
t. (905) 281.4424



Feb 21st, 2024

Audit, Finance and Administration Committee
City Hall, 71 Main Street West,
Hamilton, Ontario, L8P 4Y5

Re: Hamilton Development Charge Review, Downtown Community Improvement Area

To Whom It May Concern,

We are writing with respect to the significant concerns our organization has with the staff recommendation to eliminate the 40% Development Charge exemption for the Downtown Community Improvement area. Development Collective is a land development group with a commitment to develop efficient, transit-oriented housing in Hamilton's core. We are currently completing due diligence investigations on several properties in the downtown core and can confirm the elimination of this exemption renders many properties economically unviable and/or introduces additional risk which would render them ineligible for financing based on standard requirements by the lending industry, particularly in an "emerging" high density market that has experienced a significant downturn due to the interest rate climate over the past several months. The principals of the Development Collective have nearly 50 years of combined experience in the land development field in both the approval and construction of high-density projects in urban settings. We believe it is important the committee considers the following factors in making its decision:

1. **Momentum:** after decades of little to no higher-density development in the downtown, prior to the more recent interest rate climate, there has finally been *some* momentum in downtown Hamilton housing starts. However, there are still large holes in the urban fabric, extremely high retail vacancy rates and many underutilized and/or contaminated properties. The development charge incentive policy, paired with a strong market, spurred progress but was stymied when interest rates rose. Eliminating the incentive now, in a weak market that will take considerable time to recover from, would further delay and limit the creation of new housing in downtown Hamilton.
2. **Contamination:** Most lands in downtown Hamilton are contaminated and/or have challenging, expensive, geotechnical/hydrogeological issues, beyond those of other municipalities in the GTHA. While the ERASE grant is helpful, those funds are not guaranteed, which introduces risk when buying land especially given the lengthy approval processes that are associated with obtaining approval for projects. Although this 40% discount was not targeted directly towards these issues, it was of considerable assistance in offsetting the financial risks associated with the remediation of contaminated and substandard soils.
3. **LRT:** As the City of Hamilton will be responsible for the operating costs of the LRT which is to commence construction imminently. It is critical that the ridership be supported through sufficient housing generation along the route in order to lessen the City's financial burden. This has not been considered in the reporting that is being provided to the Committee with the staff recommendation. Accordingly, the City should be focused on continuing to encourage development downtown with all the tools available to it, and not removing or limiting those tools as that would undermine population growth in the downtown and therefore ridership.

4. **Taxes:** The long-term, perpetual benefit of a massively improved tax base on currently underutilized lands has not been considered in the reporting provided to the Committee and is relevant to your consideration of this issue. Removing the development charge discount is likely to slow down, or stop, development in the downtown until the land markets respond – and markets in emerging markets such as downtown Hamilton respond slowly. Missing opportunities to significantly increase the long-term tax base downtown, helps no one.

5. **Small Business/Vibrant Downtowns:** Given the severe impacts of the Covid pandemic and high-interest rates, small businesses need people living and spending money in the downtown more than ever. The progress our downtown was making seems to be sliding backwards. The downtown has not yet reached a healthy level of density to support main street businesses and removing this incentive would likely stall the downtown’s much needed growth.

6. **High-rise risk:** High-rise projects inherently present greater risk than low-rise. It is also the kind of development that should be encouraged as it stimulates small business, healthier more sustainable modes of mobility, reduces sprawl pressures and promotes the efficient use of land and infrastructure. A low-rise development can begin incrementally in blocks as sales progress, whereas a high-rise project cannot begin until a 70/80% sales threshold has been hit to attain a construction loan. Sales are currently slow, interest rates are up and the cost of carrying projects that used to take 3 months to sell are now taking years, creating substantial financial risk. Hamilton is still seen as an emerging market from a risk perspective in the eyes of investor and the financial industry, making this not the time to remove this incentive.

7. **Implementation:** In the event that some or all of the DC exemption is removed, we request that despite Bill 109 challenges, the City finds a process to accept Zoning By-law applications concurrently with Site Plan applications, so as not to fundamentally change the development economics of projects where the lands have already been purchased.

In summary, downtown Hamilton is still in the infancy of its recovery and viewed by investors as emerging and higher risk. The ambitious future of the downtown is too important to gamble with - by removing this proven financial tool, particularly during a housing crisis, the high interest rate environment and the largest real estate slump in over a decade, we would be doing just that. We strongly recommend this Council consider keeping the 40% DC exemption for the downtown and re-evaluate it during the next Development Charge review cycle.

Sincerely,



Kim Beckman, President



Shwaan Hutton, Executive Vice-President



Bates, Tamara

Subject: FW: Selling-off wetlands

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

From: Nonni Iler <>

Sent: Wednesday, February 21, 2024 9:01 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: Selling-off wetlands

To Whom it May Concern,

I am adding my voice to those who are asking the City NOT to sell-off our wetlands, especially not at a discounted rate.

Sincerely,

Nonni Iler

Please - Reduce, Re-use & Recycle

Bates, Tamara

Subject: FW: Feb 22 Audit, Finance and Administration meeting**From:** Elizabeth Knight <>**Sent:** Wednesday, February 21, 2024 10:45 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>**Cc:** Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>**Subject:** Feb 22 Audit, Finance and Administration meeting

Hello, please add my letter to the above agenda as part of the public record.

Thank you for the opportunity to provide feedback on the Development Charges By-law. I believe that the city should **eliminate Industrial DC discounts for developers who build on unserviced greenfields and should incentivize through grants, those who develop downtown and on brownfields.** Yes, as a city we need to be competitive, but incentivizing the destruction of wetlands and farmland during a climate and biodiversity crisis is folly. Our urban forest strategy aims for a doubling of the urban canopy to 40% yet the Panattoni warehouse on Dickenson proposes to remove thousands of trees and [surround the Dickenson wetland with impermeable surfaces and industrial buildings.](#)

This is counter-intuitive, and the current bylaw means the city would give Panattoni a discount to carry this out.

Has the city undertaken an analysis of the ecosystem services that areas like the AEGD and recently recovered Whitebelt lands provide in financial, source water, environmental, and social benefit to the residents of Hamilton? I respectfully suggest that the city hire a competent consultant to conduct such a study and in the meantime raise the DCs payable for greenfield industrial to the maximum amount suggested.

Do we even know if industrial sprawl pays for itself in the long run or are we simply following business as usual practices? The road network alone for the greenfields near the airport is pegged at \$500 Million and as a taxpayer I don't want to pay a single cent toward it. Study after study shows that greenfield industrial sprawl is already a liability as taxpayers are lumbered with the forever costs to upkeep new roads, sewers, pipes and other infrastructure long after the developer is gone. Please do not ignore the City's \$3.7 billion accumulated infrastructure deficit backlog, which is compounding by \$195M annually, by simply adding to it with out of date, business as usual decisions.

Developers are asking you to continue providing them a discount and threatening to take their business elsewhere, but please consider that their profit margins are not this committee's concern. The real work is in determining where and what type of development is best in the LONG TERM for Hamilton and who should pay for it.

Thank you,

Elizabeth Knight
Hamilton

Bates, Tamara

Subject: FW: Written Submission: AF&A Committee Meeting (Feb 22, 2024)

From: Aarthi Thaya < >

Sent: February 21, 2024 11:15 AM

To: clerk@hamilton.ca

Subject: Written Submission: AF&A Committee Meeting (Feb 22, 2024)

To Whom This May Concern,

I am writing to you on behalf of the property owners of 2876 Upper James Street, RCG Upper James Hamilton Inc. We have active development applications associated with our site (25T-202205, UHOPA-22- 014 & ZAC-22-027) and have concerns with the 2024 Development Charges By-law & Background Study being presented to the Audit, Finance & Administration Committee on February 22, 2024. Kindly accept this email as a our written request to be included all correspondences moving forward issued by the City of Hamilton in regards to this matter.

Thank you.

Please confirm receipt of this email.

Best Regards,

Aarthi Thaya

Manager, Development

t: 905.888.1277

75 Tiverton Court

Markham, Ontario L3R 4M8

This message is confidential. It may also be privileged or otherwise protected by work-product immunity or other legal rules. If you have received it by mistake, please let us know by email reply and delete it from your system; you may not copy this message or disclose its contents to anyone. The integrity and security of this message cannot be guaranteed on the Internet.

Please consider the environment before printing this email.

Bates, Tamara

Subject: FW: City's Development Charges By-Law

From: Sue Markey < >

Sent: Wednesday, February 21, 2024 11:18 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: City's Development Charges By-Law

To Members of the Audit, Finance and Administration Committee.

Since any discounts on industrial development charges will be paid by Hamilton taxpayers, they should be meaningfully consulted before the final vote occurs on these fees in April.

I support increasing development charges at the rate of \$41.48 per square foot for all industrial development on greenfields and an increase for development on unserviced farmland that has no existing infrastructure.

In addition, if a developer succeeds in having lands added to the Urban Area by forcing expansion of Hamilton's urban boundary, then they should pay the total cost of the development.

This is an opportunity for city councillors to decrease the tax burden on residents and ensure that developers rather than taxpayers take responsibility for growth.

Sincerely,

Sue Markey

Bates, Tamara

Subject: FW: City of Hamilton Development Charges

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

From: Richard Johnson < >

Sent: Wednesday, February 21, 2024 11:38 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>

Cc: maureen.wilson@hamilton.ca; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>

Subject: City of Hamilton Development Charges

Good day Ms. Bates and City Councillors:

I hope that you and your families are well. My name is Rick Johnson and I reside in Ward 11 in the Village of Mount Hope. It is my understanding that your committee will be meeting on Thursday, Feb. 22 fro discuss the subject of City development charges and specifically for developers who want to build monstrous and unsightly warehouses on prime farmland and wetlands in the City of Hamilton. It is common knowledge that the City of Hamilton has offered significant financial discounts to land developers in the past to encourage development. I want to go on record right with you as adamantly opposing any further discounts on development charges for any reason at any time for land developers. This practice has to stop now and in fact, I would fully support raising the rate of development charges to these same groups. No Hamilton taxpayer should be responsible for any financial shortfall in development charges revenue due to discounts handed out by the City to any developer! I want no part of paying for the enormous profits that accrue to developers especially when they have received City of Hamilton development charge discounts.

Let me be more than clear, please. **NO MORE DEVELOPMENT CHARGE DISCOUNTS** for any reason at any time to any developer seeking such and in fact, I do support **AN INCREASE IN DEVELOPMENT CHARGES** to developers doing business with the City of Hamilton. It is bad enough that industrial sprawl threatens our farmland and wetlands around the Hamilton Airport. I do not want to be on the hook for any part of this practice in my residential city taxes. The whole City approval of approximately \$500,000,000 which we cannot afford for roadways around the Airport was ludicrously and astronomically over the top given the nature of the financial times that we find ourselves in. We don't need any more sweetheart deals for developers to compound these financial issues. When you team that up with approved budget items like \$60,000,000 for bike lanes, we are making financial commitments which will put us in the red for far too many years placing unacceptable stress on the backs of residential owners! To wrap up - **NO DEVELOPMENT CHARGE DISCOUNTS** for land developers!

Thank you for receiving my comments on this matter and I look forward to your committee fully supporting my position on this issue. Homeowners are saturated by financial demands already and don't need any further demands on their ability to pay!

Sincerely,

Rick Johnson

Mount Hope, Ontario



February 21, 2024

Via E-mail to: Tamara.Bates@Hamilton.ca

Chair and Members
 Audit, Finance and Administration Committee
 City of Hamilton
 71 Main Street West
 Hamilton, ON L8P 4Y5

Dear Chair and Members,

Re: Item 10.1 2024 Development Charges Background Study and By-law Update

Movengo is a developer with land holdings in Downtown Hamilton. We have developed and have current development projects in the City's Downtown including Televisions City, 31 John Street, 84 Jackson Street East, 73 Hughson Street North, and 89 Park Street North. We are writing to identify our serious concerns with the DRAFT Development Charges By-law and its proposed reduction and phasing out of the Downtown CIPA exemption.

Staff Report FCS23103(a) summarizes the key comments Staff has received regarding the recommended reduction and phasing out of the Downtown CIPA exemption, including:

"Residential Downtown CIPA DC Exemption

- *High interest rates which translate to high financing costs are impacting development;*
- *Increases in construction costs are resulting in higher unit prices;*
- *Lower demand is resulting in slow housing sales;*
- *A reduction in exemptions will further negatively impact desire for development in the downtown;"*

We agree with these concerns and will add that the DC exemptions in the Downtown have been a significant driver for the development that has occurred in the past several years, including the projects we have developed. These incentives have allowed for the continued development of residential units in the City's Downtown. Any reduction in these incentives will result in delays and/or cancellations of projects in the Downtown, including several projects that we have in the planning stage.

www.movengocorp.com

Any slow down of development in the Downtown will have a negative impact across the City and especially in the Downtown. There continues to be a significant need for an increase in the permanent population in the Downtown. The recent development and increase in the Downtown population has occurred as a result of the DC exemptions. If this momentum is reduced and/or stopped, it will result in negative impacts on the Downtown including impacts to:

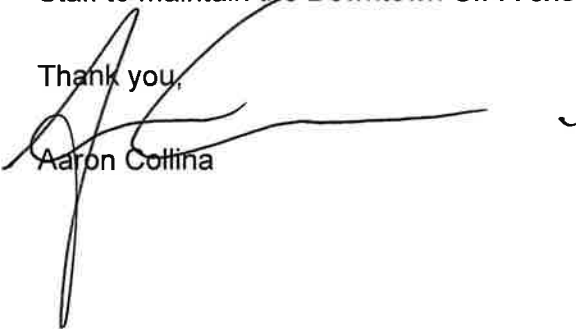
- Downtown businesses and commercial amenities;
- Ridership in public transit, including HSR and GO;
- Office vacancy;
- The ability to secure funds for much needed public service facilities;
- Tax base as a result of a lack of development; and,
- Construction jobs related to development.

In addition, impacts to development in the Downtown will put pressures on other parts of the City to accommodate the planned population growth for Hamilton. The rate and intensity of development in the other parts of the City will need to increase in order to accommodate any reduction in growth in the City's Downtown. This will have negative impacts related to additional investments in infrastructure and public service facilities and inefficient development in suburban areas of the City, which can be costly.

The Staff Report acknowledges that the Downtown CIPA exemption is a discretionary one and City Council has the ability to maintain it. The development of the City's Downtown is too important to not maintain the momentum of growth and development that it has experienced in these past several years. We urge you to maintain this exemption and focus development on the Downtown so we can increase the permanent population and allow for it to flower into what we envision it to be – the best place in the City to live, work and play!

For all these reasons and more, we respectfully request that the Committee and Council direct Staff to maintain the Downtown CIPA exemption in the DC By-law update.

Thank you,



Aaron Collina



February 21, 2024

Via E-mail to: Tamara.Bates@Hamilton.ca

Chair and Members
Audit, Finance and Administration Committee
City of Hamilton
71 Main Street West
Hamilton, ON L8P 4Y5

Dear Chair and Members,

Re: Item 10.1 2024 Development Charges Background Study and By-law Update

DeSantis Homes is a multi-generational developer and homebuilder, with land holdings within Downtown Hamilton as well as other parts of this community. We are writing to identify our serious concerns with the DRAFT Development Charges By-law and its proposed reduction and phasing out of the Downtown CIPA exemption.

Staff Report FCS23103(a) summarizes the key comments Staff has received regarding the recommended reduction and phasing out of the Downtown CIPA exemption, including:

“Residential Downtown CIPA DC Exemption

- High interest rates which translate to high financing costs are impacting development;
- Increases in construction costs are resulting in higher unit prices;
- Lower demand is resulting in slow housing sales;
- A reduction in exemptions will further negatively impact desire for development in the downtown;”

We agree with these concerns and will add that the DC exemptions in the Downtown have been a significant driver for the development that has occurred in the past several years, including the projects we have developed. These incentives have allowed for the continued development of residential units in the City’s Downtown. Any reduction in these incentives will result in delays and/or cancellations of projects in the Downtown, including several projects that we have in the planning stage.

Any slowdown of development in the Downtown will have a negative impact across the City and especially in the Downtown. There continues to be a significant need for an increase in the permanent population in the Downtown. The recent development and increase in the Downtown population has occurred as a result of the DC exemptions. If this momentum is reduced and/or stopped, it will result in negative impacts on the Downtown including impacts to:

- Downtown businesses and commercial amenities;
- Ridership in public transit, including HSR and GO;
- Office vacancy;
- The ability to secure funds for much needed public service facilities;
- Tax base as a result of a lack of development; and,
- Construction jobs related to development.



The Staff Report acknowledges that the Downtown CIPA exemption is a discretionary one and City Council has the ability to maintain it. The development of the City's Downtown is too important to not maintain the momentum of growth and development that it has experienced in these past several years.

For all these reasons and more, we respectfully request that the Committee and Council direct Staff to maintain the Downtown CIPA exemption in the DC By-law update.

Regards,

A handwritten signature in blue ink, appearing to read 'G. DeSanits', is written over the word 'Regards,'.

Gabriel DeSanits
President,
DeSantis Homes



125 VILLARBOIT CRESCENT
VAUGHAN, ONTARIO
CANADA L4K 4K2

EMPIRECOMMUNITIES.COM
T 905 307 8102
F 905 307 8103

2/21/2024

Via E-mail to: Tamara.Bates@Hamilton.ca

Chair and Members
Audit, Finance and Administration Committee
City of Hamilton
71 Main Street West
Hamilton, ON L8P 4Y5

Dear Chair and Members,

Re: Item 10.1 2024 Development Charges Background Study and By-law Update

Empire Communities is based in the Greater Toronto and Hamilton Area and has been developing communities for over 30 years. Developments range from low-rise master planned communities to high-rise developments. High-rise and mid-rise projects under development in the City of Toronto include Maverick (King Street), Maven (Avenue Road), and Phoenix (Manitoba Avenue). Empire has also developed a number of low-rise communities in suburban Hamilton over the last 20 years and is hoping to build its first high-rise project in the City of Hamilton at 84 York Boulevard together with our partner Hamilton Coliseum Place. We are writing to identify our serious concerns with the DRAFT Development Charges By-law and its proposed reduction and phasing out of the Downtown CIPA exemption.

Staff Report FCS23103(a) summarizes the key comments Staff has received regarding the recommended reduction and phasing out of the Downtown CIPA exemption, including:

“Residential Downtown CIPA DC Exemption

- High interest rates which translate to high financing costs are impacting development;
- Increases in construction costs are resulting in higher unit prices;
- Lower demand is resulting in slow housing sales;
- A reduction in exemptions will further negatively impact desire for development in the downtown;”



We agree with these concerns and will add that the DC exemptions in the Downtown have been a significant driver for the development that has occurred in the past several years. These incentives have allowed for the continued development of residential units in the City's Downtown.

Any slow down of development in the Downtown will have a negative impact across the City and especially in the Downtown. There continues to be a significant need for an increase in the permanent population in the Downtown. The recent development and increase in the Downtown population has occurred as a result of the DC exemptions. If this momentum is reduced and/or stopped, it will result in negative impacts on the Downtown including impacts to:

- Downtown businesses and commercial amenities;
- Ridership in public transit, including HSR and GO;
- Office vacancy;
- The ability to secure funds for much needed public service facilities;
- Tax base as a result of a lack of development; and,
- Construction jobs related to development.

The Staff Report acknowledges that the Downtown CIPA exemption is a discretionary one and City Council has the ability to maintain it. The development of the City's Downtown is too important to not maintain the momentum of growth and development that it has experienced in these past several years. We urge you to maintain this exemption and focus development on the Downtown so we can increase the permanent population and allow for it to flower into what we envision it to be – the best place in the City to live, work and play!

For all these reasons and more, we respectfully request that the Committee and Council direct Staff to maintain the Downtown CIPA exemption in the DC By-law update.

Thank you,

Daniel Guizzetti
Chief Executive Officer



February 21, 2024

Audit, Finance and Administration Committee

City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

**RE: City of Hamilton Development Charges Background Study
Staff Report FCS23103(a)
Comments on the 2024 Development Charges Background Study**

Dear Chair and Members of the Audit, Finance and Administration Committee,

On behalf of Cachet Homes we wish to submit the following comments in response to the 2024 Development Charge Background Study. We own approximately 95 acres of land within the urban boundary in the Airport Employment Growth District; our land holdings make up approximately 85% of the Garth Street extension, as well as key collector road connections from Twenty Road West to Dickenson Road. As a committed member of the development community we have concerns with the general direction of the DC Background Study in terms of the overall unprecedented increase in residential Development Charges as well as the manner in which the City is attempting to handle growth in future greenfield areas through Development Charge policy changes.

The removal of several critical exemptions will have a chilling effect on the delivery of development. In particular, all of the changes will have the likely impact of significantly altering the financial viability of existing and planned projects. For residential, it will likely have the impact of passing additional costs along to the homeowner, thereby further deepening the affordability crisis.

In addition to the removal of several critical exemptions, the removal of reductions for employment uses unilaterally will impact the delivery of jobs to the City of Hamilton. It significantly reduces the incentive for developers and builders to construct spaces for key employers. In particular, in the Airport Employment Growth District, we feel that the proposed reduction of 37% should apply to every use that is otherwise permitted in the AEGD such that developers and the City have every opportunity to build and attract prime employers for a variety of employment uses.

We have equal concern with the timing and delivery of key infrastructure projects within the AEGD that have been slated for 2032 – 2041 time period, while others are proposed earlier on in 2023. Given the interrelated nature of the Garth Street connection and interconnected collector roads, it would be best if all legs of Garth Street and associated collector roads were slated for the same time period of 2023 – 2031.

Members of council should be aware that the proposed changes will likely prevent the collection of millions of dollars in new tax revenues, the creation of thousands of new jobs, and will significantly delay the realization of several key infrastructure projects already in the planning stages and under construction.



We preserve the right to provide additional comments on the background study through the ongoing engagement process, and appreciate the opportunity to provide feedback at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Gagliardi", written over a horizontal line.

CACHET HOMES
Marcus Gagliardi



February 21, 2024

Audit, Finance and Administration Committee

City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

**RE: City of Hamilton Development Charges Background Study
Staff Report FCS23103(a)
Comments on the 2024 Development Charges Background Study**

Dear Chair and Members of the Audit, Finance and Administration Committee,

On behalf of the Upper West Side Landowners Group (UWSLG) (formerly Twenty Road West Landowners Group), Corbett Land Strategies Inc. (CLS) wishes to submit the following comments in response to the 2024 Development Charge Background Study. The UWSLG consists of several community builders who have constructed numerous residential and employment related projects throughout Hamilton and whom have numerous active projects currently being considered by the City.

The UWSLG wishes to share its concern with the general direction the DC Background Study in terms of the overall unprecedented increase in Development Charges as well as the manner in which the City is attempting to handle growth in future greenfield areas. The removal of several critical exemptions and the introduction of new Local Service Policies will have a chilling effect to the delivery of development in the downtown, employment areas and future neighbourhoods. In particular, all of the changes will have the likely impact of significantly altering the financial viability of existing and planned projects. For residential, it will likely have the impact of passing increased fees along to the homeowner, further deepening the affordability crisis.

Given that a significant portion of the UWSLG lands are located within the Airport Employment Growth District (AEGD) Secondary Plan, there are significant concerns with the proposed removal of the DC Exemptions for certain employment uses and the significant increase to Development Charges. Not only will these changes likely prevent the collection of millions of dollars in new tax revenues and the creation of thousands of new jobs, they may too significantly delay the realization of several key infrastructure projects already in the planning stages and under construction. For the AEGD, this will likely delay the advancement of the employment area as well as dissuade further investment.

The UWSLG is continuing to participate in the preparation of the DC Background Study and will submit further comments at a future date.



Sincerely,

John Corbett

John B. Corbett, MCIP, RPP

President


Corbett Land Strategies Inc.

[REDACTED]

416-806-5164



CITY OF HAMILTON
CITY MANAGER'S OFFICE
Government Relations & Community Engagement

TO:	Chair and Members Grants Sub-Committee
COMMITTEE DATE:	February 12, 2024
SUBJECT/REPORT NO:	2023 City Enrichment Fund Update (GRA24001) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Monique Garwood (905) 546-2424 Ext. 3991
SUBMITTED BY:	Morgan Stahl Director, Government Relations and Community Engagement City Manager's Office
SIGNATURE:	

RECOMMENDATION

That the overall 2023 City Enrichment Fund surplus (Appendix "A" attached to Report GRA24001), in the amount of \$134,710 be transferred to the City Enrichment Fund Reserve # 112230.

EXECUTIVE SUMMARY

The total approved budget for the 2023 City Enrichment Fund (CEF) was \$6,575,410. During the year, additional amounts of \$687,492 and \$75,000 were approved from the CEF Reserve # 112230 to fund appeals and the digital program, bringing the total amount available to fund applicants to \$7,337,902. At the end of 2023, the City Enrichment Fund has an unspent balance of \$134,710. The unspent balance is composed of funds returned from 2022 grant recipients as well as uncollected grants (as outlined in Appendix "B" attached to Report GRA24001).

The CEF Reserve # 112230 had an opening balance of \$1,537,050. During the year, Council approved transfers of \$1,292,621, resulting in a closing reserve balance of \$244,429. Of the \$244,429, \$75,000 is earmarked for the approved Digital Equity Program to be utilized in 2024 for the remaining pilot year. Following these entries, the uncommitted reserve balance will be \$169,429.

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: 2023 City Enrichment Fund Update
(GRA24001) (City Wide) - Page 2 of 3**

Alternatives for Consideration – See Page 3

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The overall surplus in the City Enrichment Fund is \$134,710. If transferred to the City Enrichment Fund Reserve, the balance in this reserve as of Dec 31, 2023 will be \$379,139. Of this balance, \$75,000 is earmarked for the approved Digital Program to be utilized in 2024, resulting in a remaining reserve balance of \$304,139.

Staffing: There are no staffing implications of Report (GRA24001).

Legal: There are no legal implications of Report (GRA24001).

HISTORICAL BACKGROUND

Prior to the final year-end closing entries, staff prepare a final draft of the City Enrichment Fund actual costs, in order to provide Council a review of any unclaimed or unallocated grant funds. This report outlines all the grants paid, returned, due or allocated for the year ending December 31, 2023. This is consistent with the practice of previous years and is common practice for staff overseeing the City Enrichment Fund.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Not applicable

RELEVANT CONSULTATION

Not applicable

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The unallocated balance for the City Enrichment Fund is \$134,710.

The summary of funding is below:

2023 Approved Funding (excluding appeals)	\$6,650,418
Grants Issued per Program Area:	
Agriculture	\$ 115,452
Arts	\$3,005,412

**SUBJECT: 2023 City Enrichment Fund Update
(GRA24001) (City Wide) - Page 3 of 3**

Communities, Culture and Heritage (CCH)	\$ 419,148
Community Services	\$2,452,455
Environment	\$ 213,479
Sport and Active Lifestyles	\$ 246,282
Digital	\$ 33,809
Administration Costs	<u>\$ 29,671</u>
Total Payments	\$6,515,708
Balance/Surplus	<u>\$ 134,710</u>

ALTERNATIVES FOR CONSIDERATION

As an alternative for consideration, the Committee could choose not to transfer the surplus to the City Enrichment Fund Reserve # 112230. The surplus would then form part of the City's overall surplus/deficit 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.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to GRA24001 – 2023 City Enrichment Fund Summary

Appendix "B" to GRA24001 – 2023 City Enrichment Fund Unallocated and Returned Funds

2023 City Enrichment Fund Summary

Category	Total Applications Received	2023 Approved Budget	2023 Total Approved Funding	2023 Total Payment	Variance (Approved Funding vs Payment)
Agriculture	17	\$ 154,924	\$ 121,863	\$ 115,452	\$ 6,411
Arts	75	\$ 2,994,020	\$ 3,007,662	\$ 3,005,412	\$ 2,250
Communities, Culture and Heritage (CCH)	62	\$ 613,492	\$ 476,852	\$ 419,148	\$ 57,704
Community Services	116	\$ 2,338,944	\$ 2,452,455	\$ 2,452,455	\$ -
Environment	16	\$ 158,198	\$ 213,479	\$ 213,479	\$ -
Sport and Active Lifestyles	46	\$ 265,832	\$ 253,107	\$ 246,282	\$ 6,825
Digital *	5	\$ 75,000	\$ 75,000	\$ 33,809	\$ 41,191
Appeals *	76	\$ 687,492	\$ 687,492	\$ 687,492	
Total Traditional Grant Program Areas	413	\$ 7,287,902	\$ 7,287,910	\$ 7,173,529	\$ 114,381
CEF Administration		\$ 50,000	\$ 50,000	\$ 29,671	\$ 20,329
Total City Enrichment Fund	413	\$ 7,337,902	\$ 7,337,910	\$ 7,203,200	\$ 134,710

*Funded from CEF Reserve

2023 City Enrichment Fund Unallocated and Returned Funds

REF #	Organization	Program Name	2023 Approved	2023 Payment	Variance
ART-D8	DOD Productions (Anne Rosenberg)	Play - The Coat Check Girl	2,250	-	2,250
CCH-C1	Erland Lee (Museum) Home (Federated Women's Institute of Ontario)	Internal Enrichment Project	810	-	810
CCH-A24	Downtown Dundas BIA	Community, Culture, Heritage Large Events	21,072	-	21,072
CCH-B2	Authors in the Park	Authors in the Park	731	-	731
CCH-B8	Erland Lee (Museum) Home (Federated Women's Institute of Ontario)	The Victorian Market and Fair	549		549
SAL-B3	Hamilton Olympic Club	Hamilton Olympic Club - Sport Awareness Program	5,625	4,575	1,050
DIG	<i>Unspent funds based on approved applications</i>		75,000	33,809	41,191
Total 2023 Uncollected Grants			\$ 106,037	\$ 38,384	\$ 67,653
Funds Returned				Amount	
AGR	Hamilton Sustainable Victory Gardens Inc.	2022 Grant funds returned		5,495	
AGR	Hamilton-Wentworth 4-H Association	2022 Grant funds returned		16	
Funds Returned				Amount	

AGR	Southwentworth Plowmen's Association	2022 Grant funds returned		732	
AGR	Wentworth District Women's Institute	2022 Grant funds returned		167	
CCH	INDIA CANADA SOCIETY	2022 Grant funds returned		1,051	
CCH	Dundas Cactus Parade Inc.	2022 Grant funds returned		837	
CCH	Hamilton Folk Arts Heritage Council	2022 Grant funds returned		26,646	
CCH	South Asian Heritage Association of Hamilton & Region	2022 Grant funds returned		4,564	
CCH	Flamborough Santa Claus Parade	2022 Grant funds returned		1,444	
SAL	Hamilton Aquatic Club	2022 Grant funds returned		5,775	
Total Returned Grants			-	\$ 46,728	\$ 46,728
Total CEF Administration Costs			\$ 50,000	\$ 29,671	\$ 20,329
Total Remaining Funds					\$134,710