



City of Hamilton
GENERAL ISSUES COMMITTEE
AGENDA

Meeting #: 24-
Date: April 17, 2024
Time: 9:30 a.m.
Location: Council Chambers (GIC)
Hamilton City Hall
71 Main Street West

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

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 March 27, 2024 - Special

4.2 April 3, 2024

5. COMMUNICATIONS

6. DELEGATION REQUESTS

6.1 Delegation Requests, respecting Light Rail Transit, for today's meeting, from the following individuals:

a. Brian Connolly, ATU Canada (Virtually)

b. Eric Tuck, ATU Local 107 (In-Person)

c. Karl Andrus, Hamilton Community Benefits Network (In-Person)

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

- d. Mason Fitzpatrick, CUPE Local 3906 (In-Person)
- e. Anthony Marco, Hamilton & District Labour Council (In-Person)
- f. Stephen McBride (In-Person)

7. DELEGATIONS

- 7.1 Matt Johnston, Urban Solutions Planning & Land Development Consultants Inc., respecting Hamilton Tax Increment Grant Program in relation to 75 James Street South, Hamilton (In-Person) (Approved December 6, 2023)
- 7.2 Delegations respecting Light Rail Transit, from the following individuals:
 - a. Stewart Klazinga, ACORN Hamilton, respecting the vote of LRT Operations (Virtually) (Approved February 7, 2024)
 - b. Ritch Whyman, respecting concerns with the City pursuing an agenda that is designed to create precarious and low wage jobs on LRT (In-Person) (Approved February 21, 2024)

8. STAFF PRESENTATIONS

- 8.1 Light Rail Transit Operations Models (PED23166(b)) (City Wide)
(REFERRED from the January 29, 2024 meeting of the Light Rail Transit Sub-Committee)
- 8.2 Goods Movement Strategy (PED24049) (City Wide)

9. CONSENT ITEMS

- 9.1 Business Improvement Area Sub-Committee Report 24-003 - April 9, 2024

10. DISCUSSION ITEMS

- 10.1 Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, 71 Rebecca Street, Hamilton (PED24073) (Ward 2)
- 10.2 Revenue Sources to Fund Council Priorities and Ongoing Operating and Capital Works (FCS24022) (City Wide) (Outstanding Business List Item)

11. MOTIONS

- 11.1 City of Hamilton advocacy at the Great Lakes St. Lawrence Cities Initiative Annual General Meeting taking place in Montreal, Quebec in May 2024

- 11.2 Request for Funding Agreement to the Provincial Government
- 11.3 Revitalizing Hamilton Tax Increment Grant Application Criteria Exception for the Property Municipally Known as 75 James Street South, Hamilton

12. NOTICES OF MOTION

13. GENERAL INFORMATION / OTHER BUSINESS

13.1 Amendments to the Outstanding Business List:

- a. Items Considered Complete and Needing to be Removed:

Revenue Sources to fund Council Priorities and Ongoing Operating and Capital Works

Added: August 14, 2023 at GIC - Item 11.2

Completed: April 17, 2024 at GIC - Item 10.3

14. PRIVATE AND CONFIDENTIAL

14.1 Closed Session Minutes - March 27, 2024 - Special

Pursuant to Section 9.3, Sub-sections (c), (e), (f) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2) sub-sections (c), (e), (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matters pertain to a proposed or pending acquisition or disposition of land for City or a local board purposes; litigation or potential litigation, including matters before administrative tribunals, affecting the City or a local board; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City or a local board.

14.2 Closed Session Minutes - April 3, 2024

Pursuant to Section 9.3, Sub-sections (c), (f) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2) sub-sections (c), (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matters pertain to a proposed or pending acquisition or disposition of land for City or a local board purposes; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City or a local board.

14.3 Verbal Update on a Cyber Security Incident (No copy)

Pursuant to Section 9.3, Sub-section (a) of the City's Procedural By-law 21-021, as amended; and, Section 239(2), Sub-sections (a) 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.

14.4 Legal Update Regarding Judicial Review Application - Urban Boundary Expansion (LS16029(j)) (City Wide)

Pursuant to Section 9.3, Sub-sections (f) and (k) of the City's Procedural By-law 21-021, as amended; and, Section 239(2), Sub-sections (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality or local board.

14.5 Overtime Policy Amendments During the Cyber Security Incident (HUR24009) (City Wide)

Pursuant to Section 9.3, Sub-section (d) of the City's Procedural By-law 21-021, as amended; and, Section 239(2), Sub-section (d) of the *Ontario Municipal Act, 2001*, as amended, as the subject matter pertains to labour relations or employee negotiations.

15. ADJOURNMENT



SPECIAL GENERAL ISSUES COMMITTEE MINUTES 24-005

9:30 a.m.

March 27, 2024

Council Chambers, City Hall, 2nd Floor
71 Main Street West, Hamilton, Ontario

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

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Ottawa Street Business Improvement Area Changes to Board of Management (PED24050) (Wards 3 and 4) (Item 6.1)

(Nann/Hwang)

- (a) That the following individual be removed from the Ottawa Street Business Improvement Area Board of Management:
 - (i) Ariane Terveld, Obskurrah Bazaar; and,
- (b) That the following individual be appointed to the Ottawa Street Business Improvement Area Board of Management:
 - (i) Keith Arana, Nerdcore.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

**Special General Issues Committee
Minutes 24-005**

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Yes - Ward 10 Councillor Jeff Beattie
 Yes - Ward 11 Councillor Mark Tadeson
 Yes - Ward 12 Councillor Craig Cassar
 Yes - Ward 13 Councillor Alex Wilson
 Yes - Ward 14 Councillor Mike Spadafora
 Yes - Ward 15 Councillor Ted McMeekin

2. Concession Street Business Improvement Area Changes to Board of Management (PED24056) (Ward 7) (Item 6.2)

(Pauls/Cassar)

(a) That the following individual be removed from the Concession Business Improvement Area Board of Management:

(i) Sarah Maticic, White Rabbit;

(ii) Joanne Emberson, Crumbuns; and,

(b) That the following individual be appointed to the Concession Street Business Improvement Area Board of Management:

(i) Diane Hines, Made You Look Optical;

(ii) Jim Foreman, Cancer Assistance Program;

(iii) Tosin Ikotun, RBC;

(iv) Stephanie Muir, Lavandula Spa.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

Yes - Ward 15 Councillor Ted McMeekin

3. Locke Street Business Improvement Area 2024 Proposed Budget and Schedule of Payments (PED24053) (Ward 1) (Item 6.3)

(M. Wilson/Hwang)

- (a) That the 2024 Operating Budget for the Locke Street Business Improvement Area, attached as Appendix "A" to Report PED24053, in the amount of \$46,658 be approved;
- (b) That the levy portion of the Operating Budget for the Locke Street Business Improvement Area in the amount of \$41,658 be approved;
- (c) That the General Manager of Finance and Corporate Services be hereby authorized and directed to prepare the requisite By-law pursuant to Section 208, The *Municipal Act, 2001*, to levy the 2024 Budget as referenced in Recommendation of Report PED24053;
- (d) That the following schedule of payments for 2024 be approved:
 - (i) February \$20,829;
 - (ii) June \$20,829;

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

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

4. One-Time Funding for Client Management System Migration Alcohol, Drugs & Gambling Services, Mental Health and Street Outreach Program (BOH24004) (City Wide) (Item 8.1)

(Hwang/Horwath)

That the General Issues Committee authorize and direct the Medical Officer of Health, or delegate, to:

- (a) Accept, utilize, and report on the available one-time \$60,000.00 funding allocation from Ontario Health, for the migration of the Alcohol, Drug and Gambling Services and Mental Health and Street Outreach Programs client management systems; and,
- (b) Enter into and execute, on behalf of the City all agreements, including funding agreements, and any ancillary agreements, contracts, extensions and documents associated with this approval and the related client management system, satisfactory in form to the City Solicitor.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

5. Mohawk 4Ice Centre Operating Agreement (HSC24010) (Ward 6) (Item 8.2)

(Jackson/Hwang)

- (a) That the City of Hamilton enter a new Operating and Maintenance Agreement with Hamilton Arena Partners Inc. for a ten-year initial term, effective March 6, 2024, with the option for two consecutive renewals, each of five years to permit Hamilton Arena Partners Inc. to continue to maintain and operate the Mohawk 4Ice Centre; and,

- (b) That the General Manager, Healthy and Safe Communities, or delegate, be authorized and directed to negotiate, enter, and execute the Operating and Maintenance Agreement with Hamilton Arena Partners Inc., together with any amendments and renewals to the Operating and Maintenance Agreement, and any ancillary documents or agreements to give effect thereto with content acceptable to the Director of Recreation and in a form satisfactory to the City Solicitor.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

6. Approval Authority for the Non-Competitive Procurement of Fire Apparatus (HSC24008) (City Wide) (Item 8.3)

(Pauls/Hwang)

- (a) That Council approve the method of spot buying as described in this Report for four (4) firefighting apparatus meeting Hamilton Fire Department's operational needs, specifications, and budget expectations for the immediate purchase and delivery from authorized apparatus dealer(s) or manufacturers until December 31, 2025; and,
- (b) That the General Manager, Healthy and Safe Communities Department or their designate be authorized to negotiate, enter into and execute contracts and any ancillary documents provided such are in accordance with the requirements set out in Appendix A of Report HSC24008.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

| | | |
|-----|---|----------------------------------|
| Yes | - | Mayor Andrea Horwath |
| Yes | - | Ward 1 Councillor Maureen Wilson |

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

**7. Appointment of Administrator of Ontario Works (HSC18001(b)) (City Wide)
(Item 8.5)**

(Hwang/Pauls)

- (a) That the appointment of Stuart Beumer as the Administrator of Ontario Works be approved; and,
- (b) That the appointment of Stuart Beumer as the Administrator of Ontario Works be submitted to the Ministry of Community and Social Services for approval.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

8. Strategic Acquisition of Property in Stoney Creek (PED24054) (Ward 10) (Item 12.1)

(A. Wilson/Clark)

- (a) That the direction provided to staff in Closed Session, respecting Report PED24054, be approved;
- (b) That the annual repayment of costs to the Unallocated Capital Levy Reserve be referred to the 2025 Budget for consideration.
- (c) That the City Solicitor be authorized and directed to complete the Acquisition of Property in the City of Hamilton, on behalf of the city, including paying any necessary expenses above what the City Solicitor is financially authorized, including but not limited to, disbursements, Land Transfer Tax and property taxes, amending the closing, due diligence and other dates, and amending and waiving terms and conditions on such terms deemed reasonable;
- (d) That the Clerk and Mayor be authorized and directed to execute all necessary documents for the Acquisition of Property in the City of Hamilton, in a form satisfactory to the City Solicitor; and,
- (e) That the complete Report PED24054, respecting the Acquisition of Property in the City of Hamilton, located in Ward 10, remain confidential until completion of the real estate transaction, and that Appendix "B" to Report PED24054 is to remain confidential after the close of the transaction.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

9. Land Exchange – 1086 West Fifth Street (PED21207(a)) (Ward 8) (Item 12.2)

(Danko/A. Wilson)

- (a) That the direction provided to staff in Closed Session, respecting Report PED21207(a) be approved;
- (b) That the proceeds from this land exchange be deposited to Real Estate Capital Account No. 59806-3561850200;
- (c) That the Real Estate Admin Fee of \$20,670 be funded from Account No. 59806-3561850200 and be credited to Dept. ID Account No. 59806-812036 (Real Estate – Admin Recovery);
- (d) That the net proceeds from this land exchange be transferred to Parkland Reserve Account No. 104090;
- (e) That the City Solicitor be authorized and directed to complete the land exchange on behalf of the city, including paying any necessary expenses, amending the closing, due diligence and other dates, and amending and waiving terms and conditions on such terms deemed reasonable;
- (f) That the Clerk and Mayor be authorized and directed to execute all necessary documents for the Land Exchange in the City of Hamilton, in a form satisfactory to the City Solicitor; and,
- (g) That the complete Report PED21207(a) respecting the Land Exchange – 1086 West Fifth Street in the City of Hamilton, located in Ward 8, remain confidential until completion of the real estate transaction.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

Yes - Ward 15 Councillor Ted McMeekin

10. Minutes of Settlement, 70 Brant Street, Hamilton (PED18115(a)) (Ward 3) (Item 12.3)

(Nann/Hwang)

- (a) That the direction provided to staff in Closed Session, respecting Report PED18115(a), Minutes of Settlement, 70 Brant Street, Hamilton, be approved;
- (b) That the city pay reasonable legal, appraisal and other costs incurred by the owner for the purpose of determining compensation payable pursuant to the Expropriations Act, as prescribed in Item 11 of the Minutes of Settlement;
- (c) That the city pay an interim reimbursement of the tenant's reasonable legal costs, including the costs of negotiating and settling terms of the Minutes of Settlement pursuant to the Expropriations Act, as prescribed in Item 13 of the Minutes of Settlement;
- (d) That all costs and expenses required to settle this matter pursuant to the Expropriations Act be charged to Project ID 5301850810;
- (e) That the budget for Project ID 5301850810 be increased by \$4.3 M, to be funded by debt;
- (f) That the sum of \$141,161 be funded from Project ID Account No. 59806-5301850810 and be credited to Dept. ID Account No. 812036 (Real Estate – Admin Recovery) for recovery of expenses including real estate and legal fees and costs;
- (g) That the General Manager, Finance and Corporate Services, be authorized and directed to negotiate and confirm the terms for the placement and issuance of all debenture issue(s), in either a public or private market and / or bank loan agreements and debenture issue(s), in and / or variable interest rate bank loan agreement and debenture issue(s), in an amount not to exceed \$4.3 M;
- (h) That the General Manager, Finance and Corporate Services, be authorized to engage the services of all required professionals to secure the terms and issuance of the debenture issue(s) described in recommendation (g) including, but not limited to, external legal counsel and fiscal agents;
- (i) That the General Manager, Finance and Corporate Services, be authorized and directed, on behalf of the City of Hamilton, to enter and / or execute, all agreements and necessary ancillary documents to secure the terms and issuance of the debenture issue(s) described in recommendation (d), on

terms satisfactory to the General Manager, Finance and Corporate Services and in a form satisfactory to the City Solicitor;

- (j) That staff be authorized and directed to prepare all necessary By-Law(s) for Council's consideration, for the purpose of authorizing debenture issue(s) described in recommendation (g);
- (k) That Report PED18115(a) respecting Minutes of Settlement, 70 Brant Street, Hamilton, remain confidential and not be released as a public document; and,
- (l) That the Mayor and Clerk be authorized and directed to execute all necessary documents related to the Minutes of Settlement in a form satisfactory to the City Solicitor.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

11. Reaching Home: Canada's Homelessness Strategy, Program Extension 2024-2028 (HSC24017) (City Wide) (Item 12.4)

(A. Wilson/Hwang)

- (a) That the direction provided to staff in closed session, respecting Report HSC24017, regarding the Reaching Home Program Extension 2024-2028, be approved and remain confidential;
- (b) That Report HSC24017, respecting the Reaching Home Program Extension, remain confidential; and,

- (c) That the Mayor continue advocacy efforts with the Federal Government to rectify the reduction in Reaching Home funding in acknowledgement of continuous community need.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 1)

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

8. DISCUSSION ITEMS

- 8.4 Report of the 2023 Remuneration and Expenses as Required under Section 284 of the Municipal Act (FCS24019) (City Wide) - WITHDRAWN

Withdrawn at the request of staff to allow for further review and consultation with Councillors.

(Pauls/Hwang)

That the agenda for the March 27, 2024 Special General Issues Committee meeting, be approved, as amended.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

| | | |
|-----|---|----------------------------------|
| Yes | - | Mayor Andrea Horwath |
| Yes | - | Ward 1 Councillor Maureen Wilson |

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

(b) DECLARATIONS OF INTEREST (Item 2)

Councillor Mike Spadafora declared a non-disqualifying interest to Item 8.2, Report HSC24010, respecting Mohawk 4Ice Centre Operating Agreement, as he sits on multiple minor hockey boards.

(c) PRIVATE & CONFIDENTIAL (Item 12)

(i) (Spadafora/Cassar)

That Committee move into Closed Session pursuant to Section 9.3, Sub-sections (c), (e), (f) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2) sub-sections (c), (e), (f) and (k) of the *Ontario Municipal Act, 2001*, as amended, as the subject matters pertain to a proposed or pending acquisition or disposition of land for City or a local board purposes; litigation or potential litigation, including matters before administrative tribunals, affecting the City or a local board; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City or a local board.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

| | | |
|-----|---|------------------------------------|
| Yes | - | Mayor Andrea Horwath |
| Yes | - | Ward 1 Councillor Maureen Wilson |
| Yes | - | Ward 2 Councillor Cameron Kroetsch |
| Yes | - | Ward 3 Councillor Nrinder Nann |
| Yes | - | Ward 4 Councillor Tammy Hwang |
| Yes | - | Ward 5 Councillor Matt Francis |
| Yes | - | Ward 6 Councillor Tom Jackson |
| Yes | - | Ward 7 Councillor Esther Pauls |

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

(ii) Strategic Acquisition of Property in Stoney Creek (PED24054) (Ward 10) (Item 12.1)

For disposition of this matter, refer to Item 8.

(iii) Land Exchange – 1086 West Fifth Street (PED21207(a)) (Ward 8) (Item 12.2)

For disposition of this matter, refer to Item 9.

(iv) Minutes of Settlement, 70 Brant Street, Hamilton (PED18115(a)) (Ward 3) (Item 12.3)

For disposition of this matter, refer to Item 10.

(v) Reaching Home: Canada's Homelessness Strategy, Program Extension 2024-2028 (HSC24017) (City Wide) (Item 12.4)

For disposition of this matter, refer to Item 11.

(d) ADJOURNMENT (Item 15)

(Tadeson/McMeekin)

That there being no further business, the General Issues Committee be adjourned at 10:51 a.m.

Result: MOTION, CARRIED by a vote of 16 to 0, as follows:

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

**Special General Issues Committee
Minutes 24-005**

**March 27, 2024
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| | | | |
|-----|---|---------|---------------------------|
| Yes | - | Ward 9 | Councillor Brad Clark |
| Yes | - | Ward 10 | Councillor Jeff Beattie |
| Yes | - | Ward 11 | Councillor Mark Tadeson |
| Yes | - | Ward 12 | Councillor Craig Cassar |
| Yes | - | Ward 13 | Councillor Alex Wilson |
| Yes | - | Ward 14 | Councillor Mike Spadafora |
| Yes | - | Ward 15 | Councillor Ted McMeekin |

Respectfully submitted,

Deputy Mayor Cameron Kroetsch
Chair, General Issues Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk



GENERAL ISSUES COMMITTEE MINUTES 24-006

9:30 a.m.

April 3, 2024

Council Chambers, City Hall, 2nd Floor
71 Main Street West, Hamilton, Ontario

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

Absent: Councillors N. Nann, E. Pauls - Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. **Asset Management Plans (PW23073(a)) (City Wide) (Item 8.1)**

(Hwang/A. Wilson)

- (a) That the Corporate Asset Management Plans, attached as Appendices “A”, “B”, “C”, “D” and “E” to Report PW23073(a), Asset Management Plans, be approved as required by Ontario Regulation 588/17: Asset Management for Municipal Infrastructure; and,
- (b) That the Asset Management Plans, attached as Appendices “A”, “B”, “C”, “D” and “E” attached to Report PW23073(a), Asset Management Plans, subject to the approval of recommendation (a), be posted in a designated area on the City’s website, as required under Ontario Regulation 588/17.

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

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

**General Issues Committee
Minutes 24-006**

**April 3, 2024
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| | | | |
|--------|---|---------|---------------------------|
| Yes | - | Ward 9 | Councillor Brad Clark |
| Absent | - | Ward 10 | Councillor Jeff Beattie |
| Absent | - | Ward 11 | Councillor Mark Tadeson |
| Yes | - | Ward 12 | Councillor Craig Cassar |
| Yes | - | Ward 13 | Councillor Alex Wilson |
| Yes | - | Ward 14 | Councillor Mike Spadafora |
| Yes | - | Ward 15 | Councillor Ted McMeekin |

2. Red Hill Valley Parkway Inquiry: Management Update (PW24011) (City Wide) – REVISED (Item 8.2)

(Jackson/McMeekin)

That Report PW24011, respecting Red Hill Valley Parkway Inquiry: Management Update, be received.

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

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

3. Mayor's Task Force on Transparency, Access and Accountability Report 24-002 - February 20, 2024 (Item 9.1)

(Hwang/Francis)

That the Mayor's Task Force on Transparency, Access and Accountability Report 24-002 - February 20, 2024, be received.

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

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

**General Issues Committee
Minutes 24-006**

**April 3, 2024
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| | | | |
|--------|---|---------|---------------------------|
| Absent | - | Ward 3 | Councillor Nrinder Nann |
| Yes | - | Ward 4 | Councillor Tammy Hwang |
| Yes | - | Ward 5 | Councillor Matt Francis |
| Yes | - | Ward 6 | Councillor Tom Jackson |
| Absent | - | Ward 7 | Councillor Esther Pauls |
| Yes | - | Ward 8 | Councillor J. P. Danko |
| Yes | - | Ward 9 | Councillor Brad Clark |
| Yes | - | Ward 10 | Councillor Jeff Beattie |
| Absent | - | Ward 11 | Councillor Mark Tadeson |
| Yes | - | Ward 12 | Councillor Craig Cassar |
| Yes | - | Ward 13 | Councillor Alex Wilson |
| Yes | - | Ward 14 | Councillor Mike Spadafora |
| Yes | - | Ward 15 | Councillor Ted McMeekin |

**4. Accessibility Committee for Persons with Disabilities Report 24-002 -
February 13, 2024 (Item 9.2)**

(Clark/Beattie)

**(a) Accessibility Committee for Persons with Disabilities – Terms of
Reference (Item 11.1)**

That the Terms of Refence for the Accessibility Committee for Persons with Disabilities attached as Appendix “A” to Accessibility Committee for Persons with Disabilities Report 24-002 be approved, as presented.

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

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

5. Waterdown Village Business Improvement Area 2024 Changes to Board of Management (PED24072) (Ward 15) (Item 9.3)

(McMeekin/Spadafora)

(a) That the following individuals be removed from the Waterdown Village Business Improvement Area Board of Management:

- (i) Buket Necip, Free2BeWellness; and,
- (ii) Krista Allan, The Wine Shop.

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

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

6. Assessment of Environmental Impacts of Fireworks at Municipal Events (PED24051) (City Wide) (Item 9.4)

(Hwang/A. Wilson)

That Report PED24051, respecting Assessment of Environmental Impacts of Fireworks at Municipal Events, be received.

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

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

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

**7. Asylum-Claimants Transitional Housing Proposal (HSC24016) (City Wide)
(Item 10.1)**

(A. Wilson/Cassar)

- (a) That funding up to \$280,000 be provided to Good Shepherd Centres for the provision of a 10-bed women's transitional housing program for refugee claimants and asylum seekers between June 1, 2024 to December 31, 2024 to be funded first from eligible Provincial or Federal funding, then by any program, Department, or Corporate surplus, and lastly Corporate Financials – Expenditures/Non-program Dept. subject to Good Shepherd Centres confirming it is a non-profit organization and Good Shepherd Centres entering into a funding agreement with City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;
- (b) That funding up to \$200,000 be provided to Good Shepherd Centres for the provision of a 10-bed women's transitional housing program for refugee claimants and asylum seekers between January 1, 2025 to May 30, 2025 to be funded first from eligible Provincial or Federal funding, then by any program, Department, or Corporate surplus, and lastly from Corporate Financials – Expenditures/Non-program Dept. subject to Good Shepherd Centres confirming it is a non-profit organization and Good Shepherd Centres, entering into a funding agreement with City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;
- (c) That funding up to \$642,000 be provided to Wesley Urban Ministries for the provision of a 30-bed transitional housing program for men, women, family, and couples between June 1, 2024 to December 31, 2024 to be funded first from eligible Provincial or Federal funding, then by any program,

Department, or Corporate surplus, and lastly from Corporate Financials – Expenditures/Non-program Dept. subject to Wesley Urban Ministries confirming it is a non-profit organization and Wesley Urban Ministries, entering into a funding agreement with City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;

- (d) That funding up to \$459,000 be provided to Wesley Urban Ministries for the provision of a 30-bed transitional housing program for men, women, family, and couples between January 1, 2025 to May 31, 2025 to be funded first from eligible Provincial or Federal funding, then by any program, Department, or Corporate surplus, and lastly from Corporate Financials – Expenditures/Non-program Dept. subject to Wesley Urban Ministries confirming it is a non-profit organization and Wesley Urban Ministries, entering into a funding agreement with City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;
- (e) That funding up to \$122,000 be provided to Refuge Newcomer Health for the operation of a Newcomer Referral and Coordination Hub serving all newcomer demographics between June 1, 2024 to December 31, 2024 to be funded first from eligible Provincial or Federal funding, then by any program, Department, or Corporate surplus, and lastly from Corporate Financials – Expenditures/Non-program Dept. subject to Refuge Newcomer Health confirming it is a non-profit organization and Refuge Newcomer Health, entering into a funding agreement with City on such terms and conditions satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;
- (f) That funding up to \$87,100 be provided to Refuge Newcomer Health for the operation of a Newcomer Referral and Coordination Hub serving all newcomer demographics between January 1, 2025 to May 31, 2025 to be funded first from eligible Provincial or Federal funding, then by any program, Department, or Corporate surplus, and lastly from Corporate Financials – Expenditures/Non-program Dept. subject to Refuge Newcomer Health confirming it is a non-profit organization and Refuge Newcomer Health, entering into a funding agreement with City on such terms and conditions

satisfactory to the General Manager of the Healthy and Safe Communities Department and in a form satisfactory to the City Solicitor, and that the General Manager of the Healthy and Safe Communities Department be authorized and directed to execute the funding agreement and any ancillary documentation;

- (g) That staff be directed to continue to pursue full recovery from senior levels of government for the costs associated with the City's response to the refugee claimants and asylum seekers and that any funds received for this purpose be applied to the Corporate Financials – Expenditures/Non-Program Dept; and,
- (h) That staff report back following six months of operation to report on program success and make a recommendation on the continuation of services after May 2025.

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

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

8. City of Hamilton advocacy at the Federation of Canadian Municipalities Annual Conference and Trade Show taking place in Calgary, Alberta in June 2024 (Item 11.2)

(Cassar/M. Wilson)

WHEREAS the Federation of Canadian Municipalities (FCM) represents the interests of municipalities on policy and program matters that fall within federal jurisdiction;

WHEREAS the City of Hamilton has a robust government relations strategy and as part of that process, advocacy at the federal level is integral to economic prosperity and success;

WHEREAS FCM's Board of Directors is comprised of elected municipal officials from all regions and sizes of communities to form a broad base of support and provide FCM with the prestige required to carry the municipal message to the federal government; and

THEREFORE, BE IT RESOLVED:

- (a) That Mayor A. Horwath, and Councillor N. Nann be selected as the City of Hamilton's representatives at the Federation of Canadian Municipalities Conference and Trade Show in Calgary, Alberta from June 6-9, 2024 and,
- (b) That Council assumes all costs associated with Mayor A. Horwath, and Councillor N. Nann's attendance at the Federation of Canadian Municipalities Annual Conference and Trade Show in Calgary, Alberta from the General Legislative Budget (300100).

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

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

9. Waiving Street Festival Fees for Use of On-Street Parking Spaces (City Wide) (Item 11.3)

(Kroetsch/Cassar)

WHEREAS, increasing pedestrian access to our downtown streets is an important way to build community and increase safety;

WHEREAS, street festivals are an important tool to support broader economic activity;

WHEREAS, Hamilton Municipal Parking System typically charges a fee to help offset the loss in revenue where street festivals remove metered on-street parking from service;

WHEREAS, reducing the costs associated with street festivals could increase their number;

WHEREAS, on April 26, 2023, Council approved a resolution that the fees typically applied to offset revenue losses from on-street metered parking being removed from service be waived for street festivals qualifying under the Special Event Advisory Team (SEAT) process for the 2023 season, with the revenue losses to be offset from the Economic Development Investment Reserve; and

WHEREAS, the financial cost of the 2023 Council resolution was an estimated \$34,000 and resulted in cost savings for important festivals and events, such as Dundas Cactus Festival, Concession Street Fest, Grey Cup Festival on James Street, and the Santa Claus Parade;

THEREFORE, BE IT RESOLVED:

- (a) That the fees typically applied to offset revenue losses from metered on-street parking being removed from service be waived for street festivals qualifying under the Special Event Advisory Team (SEAT) process for the 2024 season;
- (b) That the estimated revenue off-set for the Hamilton Municipal Parking System be funded from the Economic Development Investment Reserve (112221); and,
- (c) That staff also include an examination and recommendations for a sustainable way to reduce or eliminate the costs of the use of metered on-street parking spaces for street festivals qualifying under the Special Event Advisory Team (SEAT) process when reporting back to the General Issues Committee by the second quarter of 2024 on the Internal Facilitation of Special Events including Traffic Control Plans as per Ontario Traffic Manual (OTM) Book 7 and Implementation of Temporary Road Closures for Event Organizers.

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

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

**General Issues Committee
Minutes 24-006**

**April 3, 2024
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| | | | |
|--------|---|---------|---------------------------|
| Absent | - | Ward 3 | Councillor Nrinder Nann |
| Yes | - | Ward 4 | Councillor Tammy Hwang |
| Yes | - | Ward 5 | Councillor Matt Francis |
| Yes | - | Ward 6 | Councillor Tom Jackson |
| Absent | - | Ward 7 | Councillor Esther Pauls |
| Yes | - | Ward 8 | Councillor J. P. Danko |
| Yes | - | Ward 9 | Councillor Brad Clark |
| Yes | - | Ward 10 | Councillor Jeff Beattie |
| Absent | - | Ward 11 | Councillor Mark Tadeson |
| Yes | - | Ward 12 | Councillor Craig Cassar |
| Yes | - | Ward 13 | Councillor Alex Wilson |
| Yes | - | Ward 14 | Councillor Mike Spadafora |
| Yes | - | Ward 15 | Councillor Ted McMeekin |

10. Chedoke Creek Order - Remediation Update (PW19008(v)) (City Wide) (Item 14.2)

(Jackson/McMeekin)

- (a) That the Haudenosaunee Development Institute's request for following, be denied:
- (i) an increase to the \$50K upset limit for the Settlement Agreement capacity funding, which was exceeded by \$95,357 based on Haudenosaunee Development Institute invoicing; and,
 - (ii) a new monitoring agreement to have their environmental monitors present for the remaining remedial work and post-dredge monitoring activities.
- (b) That Report PW19008(v), respecting the Chedoke Creek Order - Remediation Update, remain confidential.

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

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

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

11. Acquisition of Land in the City of Hamilton (PED22092(a)) (Ward 15) (Item 14.3)

(McMeekin/Spadafora)

- (a) That the direction provided to staff in Closed Session, respecting Report PED22092(a), be approved;
- (b) That the funding strategy for the Acquisition of Land in the City of Hamilton outlined in Appendix “B” to Report PED22092(a) be approved;
- (c) That the sum of \$676,691, to be funded from Project ID Account No. 59806-3561850200 and be credited to Dept. ID Account No. 59806-812036 (Real Estate – Admin Recovery) for recovery of expense including real estate and legal fees and costs, be approved;
- (d) That the City Solicitor be authorized and directed to complete the Acquisition of Land in the City of Hamilton, on behalf of the city, including paying any necessary expenses including, but not limited to, disbursements, Land Transfer Tax and property taxes, amending the closing, due diligence and other dates, and amending and waiving terms and conditions on such terms deemed reasonable;
- (e) That the City Solicitor be authorized and directed to execute all necessary documents for the Acquisition of Land in the City of Hamilton, in a form satisfactory to the City Solicitor; and,
- (f) That the complete Report PED22092(a), respecting the Acquisition of Land in the City of Hamilton, located in Ward 15, remain confidential until completion of the real estate transaction, with the exception of Appendix “B” to Report PED22092(a) which is to remain confidential.

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

Yes - Mayor Andrea Horwath
 Yes - Ward 1 Councillor Maureen Wilson
 Absent - Ward 2 Councillor Cameron Kroetsch
 Absent - Ward 3 Councillor Nrinder Nann
 Yes - Ward 4 Councillor Tammy Hwang
 Yes - Ward 5 Councillor Matt Francis
 Yes - Ward 6 Councillor Tom Jackson
 Absent - Ward 7 Councillor Esther Pauls

**General Issues Committee
Minutes 24-006**

**April 3, 2024
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| | | | |
|--------|---|---------|---------------------------|
| Yes | - | Ward 8 | Councillor J. P. Danko |
| Yes | - | Ward 9 | Councillor Brad Clark |
| Yes | - | Ward 10 | Councillor Jeff Beattie |
| Yes | - | Ward 11 | Councillor Mark Tadeson |
| Yes | - | Ward 12 | Councillor Craig Cassar |
| Absent | - | Ward 13 | Councillor Alex Wilson |
| Yes | - | Ward 14 | Councillor Mike Spadafora |
| Yes | - | Ward 15 | Councillor Ted McMeekin |

12. Legal Opinion Regarding Possible Upload of the Red Hill Parkway to the Province (City Wide) (LS24007) (Item 14.4)

(Hwang/Clark)

- (a) That the direction provided to staff in Closed Session respecting Report LS24007, Legal Opinion Regarding Possible Upload of the Red Hill Parkway to the Province, be approved and remain confidential; and,
- (b) That Report LS24007, respecting Legal Opinion Regarding Possible Upload of the Red Hill Parkway to the Province, be received and remain confidential.

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

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

FOR INFORMATION:

(a) APPROVAL OF AGENDA (Item 2)

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

8. STAFF PRESENTATIONS

8.2 Red Hill Valley Parkway Inquiry: Management Update (PW24011)
(City Wide) – REVISED

11. MOTIONS

11.1 Stoney Creek Parking – WITHDRAWN

12. NOTICES OF MOTION

12.1 Request for Funding Agreement to the Provincial Government

(Clark/Cassar)

That the agenda for the April 3, 2024 General Issues Committee meeting, be approved, as amended.

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

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

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) February 21, 2024 (Item 4.1)

(Hwang/Jackson)

That the minutes of the February 21, 2024 General Issues Committee meeting be approved, as presented.

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

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

(d) DELEGATIONS (Item 7)

- (i) David Braden, Windrush Farm, respecting asking the City to provide land for a small housing project to demonstrate superior energy efficiency and housing affordability (In-Person) (Approved February 7, 2024)) (Item 7.1)**

(Clark/A. Wilson)

That the delegates be provided with an additional 5 minutes to address the Committee with their delegation.

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

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

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

David Braden, Windrush Farm, addressed the Committee respecting a request for the City to provide land for a small housing project to demonstrate superior energy efficiency and housing affordability

(A. Wilson/Beattie)

That the Delegation from David Braden, Windrush Farm, respecting a request for the City to provide land for a small housing project to demonstrate superior energy efficiency and housing affordability, be received.

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

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

(ii) Edward Reece and Geoff Ondercin-Bourne, Council of Canadians Hamilton/Burlington Chapter, respecting solar generated power in Hamilton (In-Person) (Approved February 21, 2024) (Item 7.2)

Edward Reece and Geoff Ondercin-Bourne, Council of Canadians Hamilton/Burlington Chapter, addressed the Committee respecting solar generated power in Hamilton.

(Cassar/A. Wilson)

That the Delegation from Edward Reece and Geoff Ondercin-Bourne, Council of Canadians Hamilton/Burlington Chapter, respecting solar generated power in Hamilton, be received.

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

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

(e) STAFF PRESENTATIONS (Item 8)

(i) Asset Management Plans (PW23073(a)) (City Wide) (Item 8.1)

Pat Leishman, Director, Corporate Asset Management, and Amber Dewar, Senior Program Analyst, provided the Committee with a presentation respecting Report PW23073(a), Asset Management Plans.

(Hwang/A. Wilson)

That the staff presentation respecting Report PW23073(a), Asset Management Plans, be received.

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

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

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

For disposition of this matter, refer to Item 1.

(ii) Red Hill Valley Parkway Inquiry: Management Update (PW24011) (City Wide) – REVISED (Item 8.2)

Carlyle Khan, General Manager of Public Works, provided an overview and introduced Pat Leishman, Director, Corporate Asset Management, who provided the Committee with a presentation respecting Report PW24011, Red Hill Valley Parkway Inquiry: Management Update - REVISED.

(Jackson/McMeekin)

That the staff presentation respecting Report PW24011, Red Hill Valley Parkway Inquiry: Management Update - REVISED, be received.

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

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

For disposition of this matter, refer to Item 2.

(f) CONSENT ITMES (Item 9)

(i) Recess

(Cassar/Hwang)

That the General Issues Committee recess for 30 minutes until 12:35 p.m.

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

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

(g) NOTICES OF MOTION (Item 12)

Councillor Francis introduced the following Notice of Motion:

(i) Request for Funding Agreement to the Provincial Government (Added Item 12.1)

WHEREAS, Toronto Mayor Olivia Chow secured a \$1 billion funding agreement with the Province of Ontario in November 2023 for resources that will support Toronto transit, shelter and homeless programs and other City services,

WHEREAS, Ottawa Mayor Mark Sutcliffe recently secured a 'new deal' for the City of Ottawa where the Province of Ontario will invest \$543 million into local roads and the construction of a new police station,

WHEREAS, the aforementioned Provincial investments in Toronto and Ottawa will partially offset future budget pressures in those municipalities,

WHEREAS, the City of Hamilton approved a 5.8% budget increase for 2024 with the aid of municipal reserves,

WHEREAS, the City of Hamilton anticipates large budget increases for 2025 and 2026,

WHEREAS, the continued use of municipal reserves to lower the tax rate is not financially sustainable, and,

WHEREAS, the City of Hamilton could financially benefit from the same Provincial contributions provided to the cities of Toronto and Ottawa;

THEREFORE, BE IT RESOLVED:

That City Council support Hamilton Mayor Horwath in her efforts to secure a similar financial arrangement for the City of Hamilton to help offset future capital and operating budget.

(h) GENERAL INFORMATION / OTHER BUSINESS (Item 13)

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

(Francis/Spadafora)

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

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

Red Hill Valley Parkway Inquiry Final Report (PW23029(a)) (City Wide)
Added: December 6, 2023 - GIC Report 23-033 - Item 16(b)
Completed: April 3, 2024 - Item 8.2

Celebrating Canada Day in a New Climate Change Reality
Added: November 15, 2023 - GIC Report 23-031 - Item 9
Completed: April 3, 2024 - Item 9.4

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

Housing Sustainability and Investment Roadmap Work Program: City Property Review and Property Disposition Strategies (PED23099(a) / HSC23028(a)) (City Wide)
Current Due Date: April 17, 2024
Requested New Due Date: May 15, 2024

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

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

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

(i) PRIVATE & CONFIDENTIAL (Item 14)

Committee determined that discussion of Item 14.1 was not required in Closed Session; therefore, the matter was addressed in Open Session, as follows:

(i) Closed Session Minutes – February 21, 2024 (Item 14.1)

(Beattie/Cassar)

That the Closed Session minutes of the General Issues Committee of February 21, 2024, be approved and remain confidential.

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

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

(ii) (Hwang/Jackson)

That Committee move into Closed Session Pursuant to Section 9.3, Sub-sections (c), (f) and (k) of the City's Procedural By-law 21-021, as amended, and Section 239(2) sub-sections (c), (f) and (k) of the *Ontario Municipal Act*,

2001, as amended, as the subject matters pertain to a proposed or pending acquisition or disposition of land for City or a local board purposes; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the City or a local board.

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

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

**(iii) Chedoke Creek Order - Remediation Update (PW19008(v)) (City Wide)
(Item 14.2)**

For disposition of this matter, refer to Item 10.

**(iv) Acquisition of Land in the City of Hamilton (PED22092(a)) (Ward 15)
(Item 14.3)**

For disposition of this matter, refer to Item 11.

**(v) Legal Opinion Regarding Possible Upload of the Red Hill Parkway to
the Province (City Wide) (LS24007) (Item 14.4)**

For disposition of this matter, refer to Item 12.

(j) ADJOURNMENT (Item 15)

(Clark/Cassar)

That there being no further business, the General Issues Committee be adjourned at 2:57 p.m.

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

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

Respectfully submitted,

Deputy Mayor Maureen Wilson
Chair, General Issues Committee

Angela McRae
Legislative Coordinator
Office of the City Clerk

Submitted on Tue, 02/27/2024 - 15:29

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Brian Connolly
ATU Canada
812 Wilson Ave. Downsview, Ontario M3K 1E5
Downsview, Ontario. M3K
BConnolly@atu113.net
9054095694

Reason(s) for delegation request
Speak out against privatization of operations and maintenance of the Hamilton LRT by presenting evidence of the failed privatization of maintenance of the Ottawa Confederation Line LRT that has led to many months of service disruption, derailments, fires, and service delays.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Submitted on Thu, 03/28/2024 - 11:01

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

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

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

Requestor Information

Requestor Information
Eric Tuck
Amalgamated Transit Union local 107
President@atu107.com

Preferred Pronoun
he/him

Reason(s) for delegation request
HSR Operations and Maintenance of LRT.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
Yes

Submitted on Thu, 03/28/2024 - 12:00

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

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

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

Requestor Information

Requestor Information
Karl Andrus
Hamilton Community Benefits Network
karlandrus@hcbn.ca

Preferred Pronoun
he/him

Reason(s) for delegation request
To speak to the Hamilton LRT subcommittee deferred item regarding LRT Operations.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Submitted on Fri, 03/29/2024 - 12:41

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

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

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

Requestor Information

Requestor Information
Mason Fitzpatrick
CUPE Local 3906

Preferred Pronoun
he/him

Reason(s) for delegation request
Re Light Rail Transit, GIC April 17

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Submitted on Mon, 04/01/2024 - 13:10

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee

General Issues Committee

Will you be delegating in-person or virtually?

In-person

Will you be delegating via a pre-recorded video?

No

Requestor Information

Requestor Information

Anthony Marco

Hamilton & District Labour Council

Preferred Pronoun

he/him

Reason(s) for delegation request

Regarding the decision to make the LRT Operations private or public on April 17th.

Will you be requesting funds from the City?

No

Will you be submitting a formal presentation?

No

Submitted on Thu, 04/04/2024 - 08:40

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee

General Issues Committee

Will you be delegating in-person or virtually?

In-person

Will you be delegating via a pre-recorded video?

No

Requestor Information

Requestor Information

Stephen McBride

Reason(s) for delegation request

April 17th GIC re LRT Operations.

Will you be requesting funds from the City?

No

Will you be submitting a formal presentation?

Yes

Submitted on Mon, 12/04/2023 - 11:57

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

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

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

Requestor Information

Requestor Information
Matt Johnston
Urban Solutions Planning & Land Development Consultants Inc.
3 Studebaker Place, Unit 1
Hamilton, Ontario. L8L 0C8
mjohnston@urbansolutions.info
9055461087

Reason(s) for delegation request
To address Committee in relation to the Hamilton Tax Increment Grant Program in relation to 75 James Street South, Hamilton, for a future GIC agenda.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Submitted on Mon, 01/29/2024 - 17:06

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Stewart Klazinga
ACORN Hamilton

Preferred Pronoun
he/him

Reason(s) for delegation request
To speak on the vote of LRT Operations, Private or Public, the vote which was moved to the GIC meeting of March 21st from the LRT subcommittee meeting on January 29th.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Submitted on Wed, 02/07/2024 - 11:58

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
General Issues Committee

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

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

Requestor Information

Requestor Information
Ritch Whyman

Preferred Pronoun
he/him


Reason(s) for delegation request
Speak about concerns with the City pursuing an agenda that is designed to create precarious and low wage jobs on LRT

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Hamilton LRT Project Office

| | |
|---------------------------|---|
| TO: | Chair and Members Light Rail Transit Sub-Committee |
| COMMITTEE DATE: | January 29, 2024 |
| SUBJECT/REPORT NO: | Light Rail Transit Operations Models (PED23166(b)) (City Wide) |
| WARD(S) AFFECTED: | City Wide |
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| SUBMITTED BY: | Abdul Shaikh Director, Hamilton LRT Project Office Planning and Economic Development Department |
| SIGNATURE: |  |

RECOMMENDATION

That the City endorse Operations Model 2 (*Municipality performs passenger interface activities*) to be selected as the City's preferred LRT operations model with the right to opt-in (transition) to Operations Model 4 (*Municipality performs all aspects of Operational activities except facility operations*) after an initial 10-year term.

EXECUTIVE SUMMARY

The 2021 Memorandum of Understanding between the City and Metrolinx and the Ministry of Transportation notes that the City will be responsible to pay operations and maintenance costs for the Hamilton Light Rail Transit (LRT) project, save and except lifecycle maintenance costs. The Province has indicated they are open to input from the City regarding the role the City would like to play in the operations of the LRT; however, the final decision rests with Metrolinx.

At the July 26, 2023, LRT Sub-Committee meeting, staff presented Report PED23166 which provided an overview of potential LRT operating models and assessment criteria. On September 25, 2023 staff presented Report PED23166(a) to the LRT Sub-

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Committee providing staff's preliminary assessment of the potential LRT operating models.

The purpose of Report PED23166(b) is to present staff's final assessment of the potential LRT operating models, and to seek Council's endorsement of Operations Model 2 (*Municipality performs passenger interface activities*) as the City's preferred LRT operations model with the right to opt-in (transition) to Operations Model 4 (*Municipality performs all aspects of Operational activities except facility operations*) after an initial 10-year term.

Alternatives for Consideration – See Page 15

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The Memorandum of Understanding with Metrolinx and the Ministry of Transportation commits the City to fund the costs of operations and non-lifecycle maintenance costs, whether or not the City is the operator. Staff's assessment of the relative financial impacts of the different potential operating models is summarized in Appendix "D" and Appendix "E" to Report PED23166(b).

Staffing: Staff's assessment of the relative staffing impacts of the different potential operating models is summarized in Appendix "B" to Report PED23166(b). The staff recommendation to endorse Model 2 would require the City to perform passenger interface activities for the LRT operations period. This will require dedicated City staffing resources for customer service, communications, fare enforcement and safety and security of customers and staff.

Legal: The City and Metrolinx will need to execute the legal agreements necessary for the operating and maintenance period, including performance and service levels, in accordance with the recommendations from the report and the terms and conditions set forth in the Memorandum of Understanding.

HISTORICAL BACKGROUND

On September 15, 2021, City Council ratified a Memorandum of Understanding with Metrolinx and the Ministry of Transportation to move forward with the 14-kilometre Hamilton Light Rail Transit (LRT) Project. The Memorandum of Understanding notes that the City will be responsible to pay operations and maintenance costs, save and except lifecycle maintenance costs. Metrolinx has indicated they are open to input from the City regarding the role the City would like to play in the operations of the LRT; however, the final decision rests with Metrolinx.

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At the July 26, 2023, LRT Sub-Committee meeting staff presented Report PED23166 which provided an overview of potential LRT operating models and assessment criteria.

At the September 25, 2023, LRT Sub-Committee meeting staff presented Report PED23166(a) summarizing staff's preliminary assessment of the potential LRT operating models.

At the LRT Sub-Committee meeting on December 11, 2023, Mike Murray, consultant to the City for the Hamilton LRT project, presented Sub-Committee with a lessons-learned overview, highlighting the Region of Waterloo's approach to the operations and maintenance of the Waterloo ION LRT system.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

N/A

RELEVANT CONSULTATION

Staff undertook internal as well as external consultation, including a peer review, and also considered the input received at previous LRT Sub-Committee meetings.

- *LRT Project Office and Operational Models Working Group*

The LRT Project Office has been supported by an Operational Models Working Group which includes representatives from various City departments who will interact with LRT planning and operations. The process involved development of assessment criteria followed by a ranking and weighting of the proposed criteria. These steps were followed by a detailed assessment of each option against the criteria and validation by the Operational Models Working Group .

The LRT Project Office reports to the City's LRT Steering Committee, which includes directors from key departments, who provided input into the decision-making process.

The LRT Project Office has received the endorsement of staff's recommendations from the City's Senior Leadership Team.

- *Consultation with Metrolinx*

The LRT Project Office has engaged Metrolinx, as the asset owner, from the early stages of the process. This includes a series of workshops led by Metrolinx on the activities involved with operations and maintenance of the LRT. These workshops have assisted staff in their assessment of LRT models.

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- *Strategic Advisory Services*

Mike Murray, former Region of Waterloo Chief Administrative Officer, has been providing strategic advisory services to the City on the Hamilton LRT project for two years. Mr. Murray is a member of the City's Operational Models Working Group, providing input into the assessment of the LRT operating model. Mr. Murray shared a Waterloo ION LRT lessons-learned presentation at the December 11, 2023, LRT Sub-Committee.

- *Peer Review*

Dennis Fletcher & Associates was retained by the LRT Project Office in August 2023 to provide peer review and assessment support to the development of operational models for Hamilton LRT. The purpose of this review was to provide verification and validation of the internal assessment by an experienced external source. The goal was to review the process, activities and recommendations with the LRT Project Office.

Dennis Fletcher & Associates has observed and reviewed the overall process of operational model development and evaluation and found it to be a comprehensive process, with assessments that are accurate and consistent with industry practice and experience.

The peer review assessment can be found in Appendix "C" to Report PED23166(b) "Peer Review Assessment for Hamilton LRT Operational Models."

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Operating Models

Staff has worked with Metrolinx to develop a list of operational activities and group related activities into three bundles:

- a) Bundle 1: Light Rail Transit B Line Operations
- b) Bundle 2: Light Rail Transit Vehicle Operations
- c) Bundle 3: Passenger Interface Provider

These bundles are designed to assess the advantages, disadvantages and/or implications to the City in taking on any of the bundle activities. Details of each bundle were set out in Report PED23166 and presented at the July 26, 2023, LRT Sub-Committee meeting and are described in more detail in Appendix "A" to Report PED23166(b) "Operational Activities." Additional operational activities related to facility

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operations as well as a series of maintenance activities (lifecycle and non-lifecycle) will be the responsibility of a third party selected through Metrolinx's procurement process.

Based on these bundles, the following four operating models were selected for review and assessment:

- a) Model 1: Third party performs all 'Operational Activities.' Staff are not presently aware of any use of this model for LRT systems in Ontario.
- b) Model 2: City performs 'Passenger Interface Provider Activities.' This model is presently used in the Region of Waterloo's LRT system and will also be used for the Hazel McCallion Line in Peel Region.
- c) Model 3: City performs 'LRT Vehicle Operations and Passenger Interface Provider Activities.' Staff is not presently aware of the use of this model for LRT systems in Ontario. However, this model is similar GO Transit's operating arrangement, whereby a third party provides staffing and operates GO under a contract with Metrolinx.
- d) Model 4: City performs all 'Operational Activities.' This is the approach planned for operating the Eglinton Crosstown and Finch West lines, whereby the TTC will perform all operating functions, and the City of Ottawa's Confederation Line, which is being operated by OC Transpo.

Table 1 summarizes the operational activity bundles and the operating models.

Table 1 – Light Rail Transit Operating Models

| Operational Activities | Operating Model 1 | | Operating Model 2 | | Operating Model 3 | | Operating Model 4 | |
|--|-------------------|-------------|-------------------|-------------|-------------------|-------------|-------------------|-------------|
| | City | Third Party | City | Third Party | City | Third Party | City | Third Party |
| Bundle 1: LRT B Line Operations | | x | | x | | x | x | |
| Bundle 2: LRT Vehicle Operations | | x | | x | x | | x | |
| Bundle 3: Passenger Interface Provider | | x | x | | x | | x | |

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Assessment Criteria

As outlined in Report PED23166, staff developed four criteria for the assessment of the operating models. A series of questions were also provided for each criterion to assist with context and the application of the criterion. The assessment criteria and questions were further refined based on feedback received at the July 26, 2023, LRT Sub-Committee meeting and outlined in Report PED23166(a) at the September 25, 2023, LRT Sub-Committee meeting:

- a) *Customer experience*: To assess a seamless experience between all modes of transit, ease of information, and continuity for the public and to determine if the model fosters opportunities for enhanced Inclusion, Diversity, Equity and Accessibility (IDEA).
- b) *Interface(s) between parties*: To assess the interface(s) between Metrolinx, the City and various third parties and to determine the associated complexities with shared activities.
- c) *Risks and liability*: To assess the types of risks and liabilities that exist for each model, their likelihood of occurrence, the consequences associated with each risk and the potential for mitigation.
- d) *Cost to the City*: To assess the relative cost impact of each model to determine if this creates an additional funding liability for the City.

Report PED23166(a) also provided a ranking and weighting of each criterion per the following (1 is highest, 4 is lowest):

- 1. Customer Experience (35%);
- 2. Risks and Liability (30%);
- 3. Costs to the City (25%); and,
- 4. Interfaces between Parties (10%).

The first three criteria, i.e., Customer Experience, Risks and Liability, and Costs to the City, are considered to be of greatest priority. Customer Experience is the highest priority as it fundamentally addresses the success of the system to attract and retain ridership and serve the residents of Hamilton. Interfaces between Parties criteria are given lesser importance, as these can be mitigated through carefully planned operations.

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Preliminary Assessment

Report PED23166(a) presented a preliminary review of the operating models against the four assessment criteria. The assessment of the operations models was anchored on a series of themes aligned with the selected criteria:

- 1) Maximize seamless customer experience with enhanced opportunities for Inclusion, Diversity, Equity and Accessibility;
- 2) Minimize risk exposure and liability for the City with consideration for 'ease of mitigation' of the risk or deficiency; and,
- 3) Maximize accountability.

Cost to the City

At the September 25, 2023, LRT Sub-Committee further elaboration on the "Cost to the City" criterion was requested.

The cost assessment in this exercise is qualitative, not quantitative, due to the complexities involved. Precise cost estimates of each model would require significant further work, as well as knowledge of operational aspects for the project that are not certain at this time. Estimates would not be able to be guaranteed until the bids are received through a competitive bidding process.

To undertake this qualitative analysis, staff referred to the 2011 analysis undertaken by the City with respect to the Preliminary Operations and Maintenance Plan. It identified items involved for the costing purposes of operations and maintenance of the LRT. The breakdown of these proportional costs is summarized in Table 2.

Table 2 – Operations and Maintenance Cost Share Breakdown (%)

| Items | Approximate Cost Share |
|--|-------------------------------|
| Labour Costs (Admin, operation, maintenance) | 83.3% |
| Vehicle Maintenance Costs | 2.7% |
| Track maintenance / rail replacement | 0.6% |
| Power Costs | 3.4% |
| Cost for parts for maintenance of Catenary and Traction Powered Sub Station (TPSS) | 0.4% |
| Cost for parts for maintenance of Communication and fare collection equipment | 0.2% |
| Office supplies | 0.3% |

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| Items | Approximate Cost Share |
|--|-------------------------------|
| 10% insurance, rates, property taxes, etc. | 9.1% |
| Total | 100% |

Labour costs are estimated to represent more than 80% of the total costs involved in operations and maintenance, which therefore make it a key factor in staff's assessment of the "Cost to the City" criteria.

To complete this qualitative assessment, staff broke down the cost assessment into three categories: 1 - Cost Certainty, 2 - Start-Up (upfront) Cost and 3 - Ongoing Cost.

- *Cost Certainty*

Per industry practices, it is generally expected that the greatest cost certainty can be achieved for procurement with contracts assigned to a third party, as costs will need to be presented as fixed (as part of the bidders' submissions) over a defined period of time for the operations phase. Cost certainty is low when the City takes on more responsibilities, as it depends on various factors, including the periodic collective bargaining process.

- *Start-Up (up-front) Cost*

Start-up costs are costs associated with setting up facilities, equipment, and hiring and training staff required to undertake the operations activities. Start-up costs are typically high if the municipality has not provided the operation activity in the past or needs to be further expanded to meet the requirements of LRT infrastructure. As this would be the City's first LRT line, the start-up cost would be higher as the City takes on more up-front responsibilities compared to a third party with experienced staff from similar projects.

- *Ongoing Cost*

Ongoing cost, in the context of operations activities, includes staff salaries, ongoing training, hiring, and onboarding training of new personnel. Operations will typically have lower ongoing costs with a third party provider, as operations agreements go through a procurement process which encourages multiple vendors or suppliers to propose competitive costs, driving prices down as each participant tries to offer the most competitive pricing to win the contract. To lower the cost, the third party could employ some efficiencies, such as fewer activities being outsourced to another third party on a retainer basis, rather than keeping full-time employees.

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Staffing Requirements for LRT Operating Bundles

The City's 2011 Preliminary Operations and Maintenance Plan also outlined preliminary staffing requirements for the operations and maintenance of LRT. According to this report, a total of 182 staff would be required for operations and maintenance activities. Staffing requirements per the 2011 Preliminary Operations and Maintenance Plan can be found in Appendix B to Report PED23166(b).

Though this report does not break down the staffing requirement for the three bundled activities under consideration for this assessment, information is provided for context related to the types of positions which will be required. This information will be reassessed and validated as needed at a later stage.

Based on learning from similar projects, the following could be considered as an estimate for the staffing requirements for each bundle:

- Bundle 1: Up to 15 employees will be required as controllers, supervisors, etc.
- Bundle 2: Up to 70 employees will be required as operators, trainers, recruiters, supervisors, etc.
- Bundle 3: Up to 30 employees will be required as safety and security officers, fare enforcement officers, customer service and communications specialists, supervisors, etc.

In addition to the above, the City will need to establish an LRT operations service area, which will be responsible for managing all aspects of the transit service, including coordinating contract administration with Metrolinx. Anticipated positions in the LRT operations service area will include managerial, supervisory, administrative and contract management positions, the size and scope of which are yet to be determined based on the final model selected by the City.

Assessment of the Operating Models

The following is a high-level summary of the assessment of the operating models. A detailed summary of the assessment of the models can be found in Appendix D to Report PED231766(b).

- *Model 1*

Model 1 may create customer confusion, require more efforts to coordinate schedules between HSR and a third party, with potential lack of alignment between fare enforcement and optimizing revenue for the City, minimal public-facing presence, with the least opportunity for the City to influence delivery of the City's mandate for enhanced Inclusion, Diversity, Equity and Diversity (IDEA).

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For Model 1, customer service and fare enforcement/fare collection are additional interfaces anticipated compared to other common interfaces expected for Model 2. Some risks are primarily transferred to the third-party operator, the overall risk to the City is considered medium.

Model 1 would benefit the City by means of the greatest cost certainty due to a procurement contract with a third party, as costs will be fixed as part of the bidding process for a defined period of time over the operations period. Model 1 has the least upfront cost to the City to bring in new functions compared to other models. Ongoing costs should be comparable to Model 2 and slightly lower than Models 3 or 4.

- *Model 2*

Model 2 presents a relatively seamless customer experience, as the City will be responsible for customer interface for both HSR and LRT. With this model, the City has an opportunity to implement measures which consider socio-economic factors when dealing with Customer Service and Fare Enforcement, such as addressing the barriers affordability and enforcement can present to some. This model provides an opportunity to achieve IDEA as the City takes on customer facing and customer service responsibilities. Model 2 has been assessed to have the fewest and least complex interfaces. Model 2 has been assessed to have the least overall risks to the City. Risks related to drivers, collisions, etc., are borne by the third party operator, not the City.

Model 2 has slightly less cost certainty than Model 1, slightly more upfront cost to the City to bring in new functions compared to Model 1, similar ongoing costs to Model 1 and slightly lower ongoing costs than Models 3 or 4.

- *Model 3*

Model 3 presents a relatively seamless customer experience, with considerable effort to coordinate schedules between HSR service and third party operation of LRT. The City could experience an increased public profile and increased opportunity to consider socio-economic factors when dealing with Customer Service and Fare Enforcement. A higher opportunity to achieve IDEA is expected as the City takes on more responsibilities, including driver recruitment and training. Model 3 has the highest number of interfaces between parties, which could lead to added challenges when managing accountability. With overall medium to high risk, operational activities are partially borne by the City, and as such Light Rail Vehicle driver related incidents in case of Light Rail Vehicle collisions present greater accountability on the part of the municipality.

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Model 3 was assessed to have less cost certainty than Models 1 and 2, more upfront cost to the City to bring in new functions compared to Models 1 and 2 and ongoing costs similar to Model 4 and slightly higher than Models 1 and 2.

- *Model 4*

Model 4 presents a relatively seamless customer experience, as the City would be responsible for customer interface for both HSR and LRT. With this model, the City would have a high public profile with increased opportunity for the City to consider socio-economic factors when dealing with Customer Service and Fare Enforcement. The highest opportunity for the City to influence delivery of the City's mandate for enhanced IDEA is anticipated. Model 4 contemplates a relatively high number of interfaces, with overall risk being high, as risks associated with all operational activities (Light Rail Vehicle drivers, Light Rail Vehicle-related collisions) are borne by the City.

Model 4 provides the least cost certainty compared to the other models, as fewest activities are contracted with a fixed amount per year during the operation period. This model is presumed to have the most upfront cost to the City to bring in new functions compared to other models. The City would be required to expand some HSR customer service activities, create a fare enforcement program, hire, train and manage Light Rail Vehicle drivers, and operate and manage the LRT system. Ongoing costs are estimated to be similar to Model 3 and slightly higher than Models 1 and 2.

Assessment Results

Staff have assigned numeric scoring from 1 to 9 to assess the operating models; a higher score would mean a more favourable model for the City (i.e., Score 1 is the least favourable to the City, and Score 9 is the most favourable to the City). The scores were carefully allocated for each model based on the qualitative assessment information developed together with the Working Group.

Appendix "E" to Report PED23166(b) "Model Assessment Results" summarizes the scoring along with key rationale and overall weighted scores for each model.

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Table 3 – Scoring Summary

| Operations Model Assessment Criteria | Established Weights** | Model 1 | Model 2 | Model 3 | Model 4 |
|--|-----------------------|----------|----------|----------|----------|
| | | Scores* | Scores* | Scores* | Scores* |
| Customer Experience | 35% | 2 | 5 | 6 | 7 |
| Accountability - Interfaces between parties (# of interfaces, complexity and ease of mitigation) | 30% | 6 | 7 | 5 | 6 |
| Risks and Liabilities (consequence, likelihood, overall risk) | 25% | 8 | 9 | 6 | 5 |
| Cost (cost certainty, up-front and ongoing cost) | 10% | 6 | 6 | 3 | 2 |
| Weighted Scores*** | | 5 | 7 | 5 | 6 |

* Higher score translates to more favourable/benefit to the City

** Level of importance to the City (higher weight means the criterion is more important to City)

***Scores for operations model accounting for the criterion's weighing

Some of the key observations from the assessment of the models are summarized below:

- For 'Customer Experience', targeted questions were designed for fair assessment of each model. According to Table 3, Model 4 appears to be the most favourable to the City due to showing the highest score (7) from a Customer Experience perspective.
- For 'Accountability – Interfaces between parties', relevant qualifiers such as number of known interfaces, complexity of the interface, and ease of mitigation of each interface are used to numerically identify the most favourable model to the City. As shown in Table 3, Model 2 appears to be the most favourable to the City, from an accountability/interface perspective, with the highest score (7) compared to the other models.
- For 'Risks and Liabilities', relevant qualifiers such as risk consequence and risk likelihood are used to quantify the overall risk associated with every risk known and identified for the models. As shown in Table 3, Model 2 appears to be the most favourable to the City, from a Risks and Liabilities perspective, with the highest score (9) compared to the other models.

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- For ‘Cost’, relevant cost components such as cost certainty, upfront cost and ongoing cost are used to quantify the overall cost score associated with the models. As shown in Table 3, Models 1 and 2 appear to be the most favourable to the City, from a cost perspective compared to the other models.

The assigned weights, as an indication of the level of importance of the City for each criterion, are used to generate the overall scores across all models. Considering the established weights for the models, Table 3 shows Model 2 has the highest overall weighted score (7), followed by Model 4 with the second highest overall weighted score (6).

Based on staff’s analysis, Model 2 is recommended as the preferred operating model for the City as it would:

- provide relatively seamless customer service, with the City providing the customer-facing functions;
- minimize risks associated with the transition from design and construction to operations and maintenance;
- minimize the City’s risk related to operational activities;
- provide greater cost-certainty to the City; and,
- likely be one of the lowest cost options for the City.

Transitional Approach

As discussed in the September 25, 2023, Report PED23166(a), though the operating models have been analysed as discrete models for the purposes of the assessment, in practice opportunities exist for “transition” between the models. For example, there can be an initial “start-up” period in which certain functions are operated by a third party, with an option for the City to assume responsibility for those functions after an initial period of time. This can be an automatic option or an optional “opt-in” approach.

Transitional operations models are being used in other jurisdictions. For example, Waterloo Region’s LRT system has a contract with a third party operator for an initial 10 year operations period, with up to four five-year extensions. Waterloo Region has the option to operate LRT after the expiry of the initial period. Similarly, Metrolinx has an agreement with the TTC to operate the Eglinton Crosstown LRT line for an initial period of 10 years with two successive renewal terms, each for an additional 10 years.

Staff is recommending a transitional operations model for Hamilton LRT. This would entail operations Model 2 being deployed, at minimum, for the “start-up” phase for the duration of 10 years, followed by an optional “opt-in” to Model 4.

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Staff would bring forward a recommendation report in year seven of the operations and maintenance period which would assess the operations-to-date of the LRT system and recommend whether or not the LRT operational model should transition from Model 2 to Model 4 after the 10-year operation and maintenance “start-up” period.

It is expected that the transition would require approximately 18-24 months lead time as a transition period to allow time for third party notification, for the City to hire and train appropriate staff, to establish Standard Operating Procedures, infrastructure setup, and shift to Model 4 at the beginning of year 11.

The benefits associated with the approach of endorsing Model 2 with the option to transition to Model 4 include:

- The City taking on the role as Passenger Interface Provider role from the outset, which would provide a seamless customer service experience, would give the City an appropriate profile with transit customers and would provide an opportunity to advance the City's objectives and policies related to Inclusivity, Diversity, Equity and Accessibility.
- Minimizing the risks associated with the transition from the design and construction phases to the start-up, commissioning, operations and maintenance phase, for the 10 year “start-up” period, as a single third party entity would be responsible for all activities.
- Minimizing the City's risks related to operations for the initial operating period.
- Providing an opportunity for the City to observe and monitor LRT operation activities, driver management, and LRT line operation, and provide the necessary knowledge and experience for the City to make an informed decision about the risks, costs and benefits of the City taking on these operational activities at an appropriate time in the future, i.e., after the 10 year operation and maintenance “start-up” period.
- Providing an opportunity for the City to choose to take on additional operational activities in the future (transition to Model 4), assuming the City would have access to the systems and processes which had been developed for the initial operations period, which would make it more efficient for the City to put in place the necessary operating procedures.

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Maintenance Activities:

At the July 26 and September 26 LRT Sub-Committee meetings, Sub-committee members asked for potential consideration of an additional model within the assessment, referred to as "Model 5", in which the City would perform all maintenance activities in addition to undertaking all operational activities of LRT. Staff noted in Report PED23166 *"Metrolinx has recommended that the four maintenance activities listed above [constituting all non-lifecycle and lifecycle maintenance activities] be performed by the third party..."*. To provide further clarity, the Ministry of Transportation has provided the City with a letter, included as Appendix "F", " Letter to City of Hamilton from Ministry of Transportation regarding maintenance activities, January 22". As noted in the letter, lifecycle maintenance activities will remain with a third party contracted by the Province. There may be opportunities for the City to take on some non-lifecycle maintenance activities (e.g. custodial activities such as platform snow clearing, garbage collection, etc.), however, this is a decision which would be made at a later date.

Next Steps

Upon receiving Council endorsement of an operating model, staff will present the preferred model to Metrolinx. Metrolinx, as owner of the Hamilton LRT project and assets, will ultimately decide on the operating model.

If Metrolinx agrees to the City's preferred operating model, Metrolinx and the City will develop the requirements for procurement and execute the legal agreements necessary for the operating and maintenance period in accordance with the terms and conditions in the Memorandum of Understanding. Procurement documents will specify the roles and responsibilities for the City and the third-party operator during the operation phase of the LRT project.

Staff will work with Metrolinx to assess non-lifecycle maintenance activities and identify specific activities the City should be performing as an alternative to a third party through Metrolinx procurement. Staff will bring this information to the LRT Sub-Committee at a later date.

ALTERNATIVES FOR CONSIDERATION

It is important to note whichever operating model is selected for Hamilton LRT, the City will be responsible for operations and maintenance costs, except lifecycle maintenance.

Alternative One – Select an Alternative Model

Council could decide to endorse an alternative model. This is not recommended for the reasons outlined in this report.

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APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED23166(b) – Operational Activities

Appendix "B" to Report PED23166(b) – Staffing Requirements for Operations and
Maintenance

Appendix "C" to Report PED23166(b) – Peer Review Assessment for Hamilton LRT
Operational Models

Appendix "D" to Report PED23166(b) – Detailed Operations Model Assessment

Appendix "E" to Report PED23166(b) – Model Assessment Results

Appendix "F" to Report PED23166(b) – Letter to City of Hamilton from Ministry of
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January 22

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Operational Activities

| Activity Bundles | List of Main Activities* |
|---|--|
| Bundle 1: Light Rail Transit B Line Operations | <p>Activities include, but are not limited to, the following:</p> <ul style="list-style-type: none"> - Light Rail Transit Operations Control Centre (24/7/365) - manage on-time service performance and disruptions, service in the event of an emergency, and implementing service recovery post-emergency, including coordination with City traffic and transit - unplanned event management, including coordination with power utilities, HSR, Traffic, etc. - emergency event oversight - scheduling and planning of LRT service, including planned event management - establishing, monitoring and reporting operational performance (on-time performance, root cause analysis of service faults, etc) - safety and security of the LRT line, including guideway and corresponding infrastructure. i.e., traction powered substations, overhead catenary systems, platform stops - power control authority for traction power with local hydro provider - training to third parties who access right of way (emergency services, utility companies, etc) - associated employee management activities for groups listed above, including staffing and forecasting, recruitment, training/testing, scheduling, performance management |
| Bundle 2: Light Rail Transit Vehicle Operations** | <p>Activities include, but are not limited to, the following:</p> <ul style="list-style-type: none"> - operating LRT vehicles (i.e. drivers) - driver staffing and forecasting, recruitment, training/testing, scheduling, performance management; - driver performance, including safe operation of vehicles and adhere to schedules - driver adherence to safety-sensitive protocols, specifically during service disruptions and emergencies |

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| Activity Bundles | List of Main Activities* |
|--|--|
| Bundle 3: Passenger Interface Provider | <p>Activities include, but are not limited to, the following:</p> <ul style="list-style-type: none"> - overall customer experience: call centre management, public inquiries, issues management, public affairs and media relations - communications, including meeting AODA standards for service disruptions - safety and security of employees and passengers on board the vehicles and at stops, including vandalism, loitering, threat response, medical emergency response - fare collection and enforcement, fraud investigation and fare evasion ticketing - passenger communication during emergencies |

* List of activities is not exhaustive. List is intended to highlight major components for illustrative and comparison purposes.

** Typical industry practice includes combining Bundle 2 (Light Rail Transit Vehicle Operations) within Bundle 1 (Light Rail Transit B Line Operations). Staff has “deconstructed” these two bundles in order to allow the City to consider if it wants to provide either, neither or both of Bundles 1 and 2.

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Staffing Requirements for Operations and Maintenance (2011)

The information presented in the table below is based on the LRT Preliminary Operations and Maintenance Plan (2011). This report was completed by a consultant to provide a high-level estimate for the number of employees required to undertake typical LRT operation and maintenance activities. As this work was undertaken in 2011, it may not reflect the City’s current organization structure or job roles or the current design or operating assumptions of the Hamilton LRT Project. The information below is for illustrative purposes only.

| Department (Service Area) | Job Types (FTEs) | Total Number of Employees (FTEs) |
|----------------------------------|--|---|
| General Manager’s Office | <ul style="list-style-type: none"> • General Manager (1) • Administrative Assistant (1) | 2 |
| Transportation Department | <ul style="list-style-type: none"> • Manager (1) • Administrative Assistant (1) LRT Operations Section <ul style="list-style-type: none"> • Operators (72) Operations & Control Centre <ul style="list-style-type: none"> • Supervisors (3) • Controllers (9) | 86 |
| Equipment Department | <ul style="list-style-type: none"> • Manager (1) • Administrative Assistant (1) LRT Repair Section <ul style="list-style-type: none"> • Superintendent (1) • Inspectors (2) • Technicians (6) • Mechanics (4) • Cleaners (4) • Operators (2) Traction & Body Repair Section <ul style="list-style-type: none"> • Supervisors (2) • Technicians/Mechanics (4) | 27 |
| Plant Department | <ul style="list-style-type: none"> • Manager (1) • Administrative Assistant (1) Facilities Section <ul style="list-style-type: none"> • Supervisor (1) • Plumber (0.7) • A/C Technician (0.7) • Electrician (0.7) • Cleaners (4) Electrical Systems Section <ul style="list-style-type: none"> • Supervisor (1) • Signals Technicians (3) • Substation, O/H Electricians (3) • Communications Technicians (3) Track & Way Section | 29.1 |

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| Department (Service Area) | Job Types (FTEs) | Total Number of Employees (FTEs) |
|------------------------------|---|----------------------------------|
| | <ul style="list-style-type: none"> • Supervisor (1) • Track Maintainers (4) • Equipment Operators (3) Engineering Section <ul style="list-style-type: none"> • Structural/Architectural/Track (1) • Electrical Engineer (1) | |
| Administrative Department | <ul style="list-style-type: none"> • Manager (1) • Administrative Assistant (1) Finance <ul style="list-style-type: none"> • Superintendent (1) • Budget (1) • Accounts Payable/Receivable (1) • Accountant (1) • Pay Office (1) • Clerical (1) • Fare Clerk (1) Legal <ul style="list-style-type: none"> • Solicitor (0.5) Human Resources <ul style="list-style-type: none"> • Recruiter (1) • Health Services (1) • Clerk (1) Training <ul style="list-style-type: none"> • Supervisor (1) • Trainers (Transportation) (1) • Trainers (Equip. & Plant) (1) • Trainers (Security) (1) Materials & Procurement <ul style="list-style-type: none"> • Buyer (1) • Stores Clerk (1) Marketing, Public Relations <ul style="list-style-type: none"> • Marketing & PA Representative (1) IT Support <ul style="list-style-type: none"> • Support Staff (1) | 20.5 |
| Safety & Security Department | <ul style="list-style-type: none"> • Manager (1) • Administrative Assistant (1) Safety & Fire Prevention <ul style="list-style-type: none"> • Safety Coordinator (1) • Safety and Fire Prevention Technicians (3) Security <ul style="list-style-type: none"> • Supervisors (3) • Building & Gate Attendants (6) • Audit/Quality Assurance (1) | 17 |

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| Department (Service Area) | Job Types (FTEs) | Total Number of Employees (FTEs) |
|---|---|----------------------------------|
| | <ul style="list-style-type: none"><li data-bbox="683 321 938 352">• Environment (1) | |
| Total Number of Employees (FTEs) | | 182 |

MEMO



2023-10-18
Project: 23-12

Hamilton LRT Operational Models Assessment Review

Purpose

Dennis Fletcher & Associates (DFA) was retained by the City of Hamilton LRT Project Office in August 2023 to provide peer review and assessment support to the development of operational models for the Hamilton LRT.

This review's purpose was to provide verification and validation of the internal assessment by an experienced external source with a broader range of experience and local understanding and expertise.

The goal was to review the process, activities, and recommendations from the LRT project Office to the LRT Sub-Committee.

Process Context

Following Council's approval in 2017 of a Memorandum of Understanding for the Hamilton LRT project, Metrolinx sought input from the City regarding a preferred operational model outlining the responsibilities for the various operational activities. This framework is to be independent of cost responsibilities, is not to include facility and maintenance activities and a final decision is to remain with Metrolinx.

The assessment and evaluation process was divided into three stages:

- **Stage 1:** Develop models and assessment framework. The results of this stage of work were presented to the Sub-committee in July 2023.
- **Stage 2:** Preliminary Analysis of operational models. The results of this stage of work were presented to the Sub-committee in September 2023
 - **Stage 3:** Final Analysis and recommendations. The results of this stage are to be presented to the sub-committee in November 2023

This review was initiated during Stage 2, but included a review of the outcomes of Stage 1

The LRT project office is supported in this work by an Operational Models Working Group (OMWG) comprising representatives of various City departments that will interact with the LRT planning and operations. The Project Office reports to the LRT Sub-Committee through the LRT Steering Committee, including senior staff from key departments and the Senior Leadership Team, among others. This ensures comprehensive vetting of analysis and recommendations.

The following sections of this review examine the evaluation activities and outcomes of this process.

Evaluation Activities and Outcomes

Activity Bundling and Model Development

The development of operational models began with developing an understanding of the activities to be considered. These various bundles were then used to construct a range of operational models that covered various combinations of allocation of responsibilities for the bundles between the City and the contracted third party (through Metrolinx).

Activity Bundling

Staff developed three activity models to form the basis of the operational model options:

- Bundle 1 – including LRT network operations
 - Operations Control Centre
 - Scheduling, planning and service management
 - Safety, security and emergency management
- Bundle 2 – including LRT vehicle operations
 - Driving LRT vehicles
 - Operator staff management (recruiting, training etc.)
- Bundle 3 – including passenger interface activities
 - Customer experience (call centre, lost and found etc.)
 - Fare collection and enforcement
 - Customer communications
 - Passenger safety and security

Staff noted that the separation of network and vehicle operations into distinct bundles is not common in the industry but was done to give the City the option to consider these activities separately.

Separating these two aspects of the operations is not standard industry practice for a variety of reasons, which were made clear in the detailed assessment. However, the approach taken by staff did achieve the stated goal of allowing consideration of both aspects separately, and ultimately led to a better understanding of the implications of the models among the OMWG members and improved the final assessment for presentation to the Sub-Committee.

Operational Model Options

Operational models for consideration were developed by creating different distributions of responsibility for each activity bundles between the City and the third party. Figure 1 shows the characteristics of the four models.

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Figure 1 - Operational Model Options

| Operational Activities | Operational Model 1 | | Operational Model 2 | | Operational Model 3 | | Operational Model 4 | |
|---|---|-------------|--|-------------|---|-------------|--|-------------|
| | Third party Performs all Operational Activities | | City performs Passenger Interface Provider Activities. | | City performs Passenger Interface Activities and LRT Vehicle Operations | | City performs all aspects of Operational Activities except for Facility Operations | |
| | City | Third Party | City | Third Party | City | Third Party | City | Third Party |
| Bundle 1: LRT B Line Operations | | X | | X | | X | X | |
| Bundle 2: LRT Vehicle Operations | | X | | X | X | | X | |
| Bundle 3: Passenger Interface Provider | | X | X | | X | | X | |

Model 1, where the third party is responsible for all aspects of the operation, is commonly referred to as a Design-Build-Operate-Maintain (DBOM) model, and in the Metrolinx setting, often expanded to include Financing (DBFOM). Both the Waterloo ION and Ottawa Confederation Line projects were originally conceived as DBFOM models but are being implemented as somewhat modified models. No other current Ontario transit projects are being implemented as strict DBFOM models. In the United States, DBOM models are not uncommon, but very few to date have included the financing aspect.

In Model 4, where the municipality takes responsibility for all operational activities (excluding facility), the third party is primarily responsible for the Design-Build-Finance-Maintain components (DBFM). The current TTC projects, Eglinton Crosstown and the Finch West LRT, as well as Ottawa’s Confederation Line, operate as DBFM models. In each case, it was considered vital by the respective agencies to keep control of both the vehicle operations and customer interface elements.

These two models, Model 1 and Model 4, represent the traditional approaches to private sector project involvement.

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Model 2, where the municipality takes responsibility for the passenger interface elements of the service, is actually a modified DBFOM model, where the third party retains operational responsibility for all network and LRT operations. Model 2 is a special case where the City retains customer interface elements. Both Waterloo ION and the Mississauga Hazel McCallion Line use this model, though they are often called DBFOM applications.

Model 3 is a unique application derived from the non-traditional separation of activity Bundle 1 and Bundle 2. There are no current known LRT projects using this model.

The process of model development using the unique bundling approach created a robust set of operational models for consideration. The range of models was both exhaustive and comprehensive within Metrolinx’s guidelines and presented logically.

Evaluation Process

The evaluation process was designed to be a collaborative effort between LRT Project Office staff and the OMWG. The process involved two preliminary steps: development of assessment criteria followed by a ranking and weighting of the proposed criteria. These steps were followed by a detailed assessment of each option against the criteria and validation by the OMWG.

Assessment Criteria

LRT Project office staff developed preliminary assessment criteria, based on their expertise and experience in other systems. Each of the four criteria was further elaborated in a set of questions that not only helped articulate the implications of the criterion but provided a basis for detailed assessment.

The four criteria are:

- **Customer experience**, including aspects of communication, planning and scheduling implications, City profile with customers and such
- **Risk and liability**, including assessment of likelihood and consequence of identified risks and potential for mitigation
- **Cost**, including both overall cost and potential for cost certainty and assessing operating and maintenance cost as well as costs of new functions
- **Interface between parties**, assessing the number and complexity of interfaces between agencies for each model, with the understanding that fewer and less complex interfaces are preferred.

Ranking and Weighting

Developing relative weights for the assessment criteria included a two-step process where the members of the OMWG first ranked the assessment criteria from most to least important without regard for weights. A workshop process was used to reach consensus on the overall ranking of the criteria. Once established, the ranked criteria were further reviewed in a workshop process to reach a consensus on the relative weights of the criteria.

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In any process of ranking and weighting evaluation criteria, there is a risk of introducing bias by the key staff developed in the way the criteria are presented. Even the order in which the criteria are described to evaluators can be perceived as a bias.

This process was not immune to that influence, but staff went to considerable lengths to try to eliminate bias through careful consideration of all criteria and encouraging OMWG members to consider alternatives.

The initial ranking process resulted in the criteria being ranked, from most important to least as

- Customer experience
- Risk and liability
- Cost
- Interface between parties

More than 90 percent of participants rated Customer experience at 35 to 40 percent, Risk and liability at 30 percent, Cost at 25 to 30 percent and interfaces at 10 percent.

There was some discussion of minor variations in some of these values, within similar ranges. However, the initial values were accepted as consensus with the understanding that the weights would be applied qualitatively rather than strictly quantitatively.

This notion of a more qualitative assessment is appropriate given the level of data and information available (for example, specific costs are unknown at this time)

Detailed Assessment

This review is not to revisit the detailed assessment but to examine the process and identify areas where consideration was inadequate or misaligned with industry practice and experience.

Initial assessments for each model were prepared by Project Office staff, then reviewed by OMWG members. DFA participated in assessment, both in the development phase and the review with OMWG.

The conclusion is that the detailed assessment is comprehensive. An assessment such as this cannot be exhaustive, but the assessment was certainly comprehensive and addressed a wide range of key aspects. Considering industry practice and experience, no important aspects of the assessment relevant to the Hamilton context were left out.

Challenges and suggestions from the Sub-Committee and OMWG were welcomed and incorporated into the assessment. A key example is the IDEA principles which were incorporated and adjusted to be consistent with the assessment of other criteria.

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Presentation

A key challenge in this process was creating a summary of the assessment that was detailed enough to reflect key elements and nuance of the assessment in each area, while being summarized at a level that would help comprehension by senior decision-makers.

Staff put considerable effort into achieving this balance, and in DFA’s opinion, the overall implications of the detailed assessment are accurately reflected in the summary material.

In DFA’s opinion, the risks associated with Model 3, where third party private sector contractors would be responsible for directing the work activities of represented municipal employees are somewhat understated in the summary presentation, though they were well understood by the evaluators. However, in this case, strengthening the presentation of an argument against Model 3 merely re-enforces the overall recommendation.

Evaluation Outcomes

Generally, the results of the evaluation reflected concern over Model 1 where the City would not have control over customer facing elements. As noted here, all other Ontario examples of DBFOM models (Model 1), separate the customer interface elements from the operations aspects, creating a modified DBFOM model, which in this case is Model 2.

Model 3 was the least preferred, with the highest level of risk.

Model 4 was also supported, with the concern over the City’s lack of experience in key areas of network management and operations, particularly in the short-term.

Recommendations

The recommendation derived from this process, to be presented to the Sub-Committee in November, is “That the City adopt Operations Model 2 as the most preferred model for Hamilton, with the City reserving the right to opt-in to Operations Model 4 after 10 years of LRT operations”.

This review supports that recommendation, with the caveat that a potential transition after some period of time must be addressed in some detail in the initial contract considerations, as it will have financial implications for the third party contractor.

The recommendation includes a summary of the merits of the recommendation:

Benefits associated with Models 2 and Model 4 Hybrid, include but are not limited to:

- The City taking on the role as Passenger Interface Provider from the outset (Model 2)
- Minimizing the risks associated with the transitions from the design and construction phases to the start-up, commissioning, operations and maintenance phases
- Minimizing the City's risks related to operations for the initial operating period

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- An opportunity for the City to observe and learn and take over operations when the initial commissioning period has passed and with any outstanding matters addressed. **Option for the City to Model 4, as decided by the City.**

DFA supports this rationale, adding that the City maintaining control of the passenger interface elements is of paramount importance

Conclusions

In summary, DFA has observed and reviewed the overall process of Operational Model development and evaluation directed by the LRT Project Office and found it to be a comprehensive process, with assessments that are accurate and consistent with industry practice and experience.

Further DFA supports the recommendation to adopt Model 2, with the future option to transition to Model 4.

Detailed Operations Model Assessment

City of Hamilton -
LRT Project Office
Hamilton LRT
Project Assistance
Operations Models Assessment Matrix - Nov 2023 - Draft.xlsm

| Assessment Criteria | Model 1 - Third Party performs all Operational Activities. | Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo) | Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations | Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa) |
|---|--|--|--|---|
| <p>Customer Experience</p> <p>Is the model likely to contribute to a seamless customer service experience between bus service and the LRT service?</p> | <ul style="list-style-type: none"> - High potential for overlaps and/or gaps in customer experience - High potential for customer confusion about who to call for inquiries - Significant effort needed to coordinate customer communication between the City and third party - High potential for inconsistent public messaging from the City and third party - Creates complexities for call centre, incident management, reporting and lost/found - Creates complexities related to stop communications: multiple screens/signs - Creates barriers for customer experience improvements, leading to customer experience issues/confusion may impact overall HSR brand. | <ul style="list-style-type: none"> - Should be relatively seamless customer experience, as City will be responsible for customer interface for HSR and LRT. | <ul style="list-style-type: none"> - Should be relatively seamless customer experience, as City will be responsible for customer interface for HSR and LRT. | <ul style="list-style-type: none"> - Should be relatively seamless customer experience, as City will be responsible for customer interface for HSR and LRT. |
| <p>Is the model providing benefits to schedule and service integration requirements of the project?</p> | <ul style="list-style-type: none"> - High level of effort will be needed to coordinate schedules between HSR and third party. - Coordination required through Metrolinx creates more complexities. - Potential for confusion when unpredicted schedule disruptions occur. | <ul style="list-style-type: none"> - Effort will be needed to coordinate schedules between HSR (City) and third party. - Coordination required through Metrolinx creates more complexities. - Potential for confusion when unpredicted schedule disruptions occur. | <ul style="list-style-type: none"> - Effort will be needed to coordinate schedules between HSR (City) and third party. | <ul style="list-style-type: none"> - Schedule and service integration should be relatively seamless, as City will be responsible for both HSR and LRT operations. - Will need to coordinate with Metrolinx and third party if any schedule changes have an impact on maintenance activities (should be minimal). |
| <p>Does the model give the City the desired profile with transit customers?</p> | <ul style="list-style-type: none"> - City would have limited presence on LRT system or vehicles. - Low ability to influence and provide quality control over customer interactions. - Potential for lack of alignment between fare enforcement activities, and optimizing revenue to the City. | <ul style="list-style-type: none"> - City will have public profile as the customer interface provider (although not as the system operator). - City will have the ability to optimize fare enforcement activities to achieve best balance between customer service and revenue objectives. | <ul style="list-style-type: none"> - City will have high profile as the Passenger Interface Provider (PIP) and Light Rail Vehicle (LRV) driver. City will be seen as responsible for system successes and any challenges/issues. - City will have the ability to optimize fare enforcement activities to achieve best balance between customer service and revenue objectives. | <ul style="list-style-type: none"> - City will have high public profile as the operator of the LRT and as the customer interface provider. City will be responsible for system successes and any challenges/issues. - City will have the ability to optimize fare enforcement activities to achieve best balance between customer service and revenue objectives. |

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| Assessment Criteria | Model 1 - Third Party performs all Operational Activities. | Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo) | Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations | Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa) |
|---|--|--|--|---|
| Does this model provide appropriate opportunities for the City to consider socio-economic circumstances when dealing with transit customers? Does the model foster opportunities for enhanced Inclusion, Diversity, Equity and Accessibility (IDEA) for the public? | <ul style="list-style-type: none"> - Limited or no opportunity for the City to consider socio-economic factors when dealing with customer service and fare enforcement i.e., addressing the barriers that affordability and enforcement can present to some. - Least opportunity for the City to influence delivery of the City’s mandate for enhanced IDEA. - Low ability to influence and provide quality control over customer interactions. | <ul style="list-style-type: none"> - Increased opportunity (compared to Model 1) for the City to consider socio-economic factors when dealing with Customer Service and Fare Enforcement (i.e. addressing the barriers that affordability and enforcement can present to some). - Moderate opportunity for the City to influence delivery of the City’s mandate for enhanced IDEA (coordination required with Metrolinx, and third party). | <ul style="list-style-type: none"> - Increased opportunity (compared to Model 1) for the City to consider socio-economic factors when dealing with Customer Service and Fare Enforcement i.e. addressing the barriers that affordability and enforcement can present to some. - Higher opportunity for the City to influence delivery of the City’s mandate for enhanced IDEA; coordination required with Metrolinx, and third party (compared to Models 1 and 2). | <ul style="list-style-type: none"> - Increased opportunity (compared to Model 1) for the City to consider socio-economic factors when dealing with Customer Service and Fare Enforcement i.e. addressing the barriers that affordability and enforcement can present to some. - Highest opportunity for the City to influence delivery of the City’s mandate for enhanced IDEA; coordination required with Metrolinx, and third party. |
| Does the model allow for the integration/coordination of some customer facing roles to enhance efficiency? (e.g. security also performs fare enforcement and passenger relations)? | <ul style="list-style-type: none"> - Two separate customer service departments (HSR and LRT) would introduce inefficiencies (duplication of some effort). - Same party (third party) would be responsible for all LRT customer facing functions, which would potentially enhance LRT customer service efficiency. | <ul style="list-style-type: none"> - This should be efficient as the City will provide fully integrated customer service activities (e.g., one call centre, one communications team, one escalation process, etc). - Same party (City) would be responsible for all LRT customer facing functions, which would potentially enhance LRT customer service efficiency. | <ul style="list-style-type: none"> - This should be efficient as the City will provide fully integrated customer service activities (e.g. one call centre, one communications team, etc). - Same party (City) would be responsible for all LRT customer facing functions, which would potentially enhance LRT customer service efficiency. | <ul style="list-style-type: none"> - This model should be efficient as the City will provide fully integrated customer service activities (e.g. one call centre, one communications team, etc). - Same party (City) would be responsible for all LRT customer facing functions, which would potentially enhance LRT customer service efficiency. |
| <p><u>Accountability - Interface(s) between parties</u></p> <p>In the model, what interfaces exist between the City and other parties? How complex are the interfaces between the City and other parties?</p> | <p>Model 1 contemplates some commonly known interfaces as Model 2, with the addition of customer service and fare enforcement/fare revenue interfaces. Interfaces in this model are mainly Moderate in complexity. For this model, known interfaces include but are not limited to the following:</p> <ul style="list-style-type: none"> - Scheduling: Third party will be responsible for Light Rail Vehicle (LRV) scheduling; The City (HSR) will be responsible for bus scheduling. Will need close coordination to integrate scheduling, hours of operation etc. Complexity: Low to Moderate - Bus Bridging: Third party will be responsible for LRT operations, but the City (HSR) will be responsible for providing buses and operators needed for bus bridging, for planned and emergency service disruptions. Complexity: Moderate | <p>Model 2 contemplates commonly known interfaces as model 1 with the addition of operation/communications interface. This model has the fewest number of interfaces. Interfaces in this model are mainly Low to Moderate in complexity. For this model, known interfaces include but are not limited to the following:</p> <ul style="list-style-type: none"> - Scheduling: Third party will be responsible for Light Rail Vehicle (LRV) scheduling; The City/HSR will be responsible for bus scheduling. Will need close coordination to integrate scheduling, hours of operation, etc. Complexity: Low to Moderate - Bus Bridging: Third party will be responsible for LRT operations, but the City/HSR will be responsible for providing buses and operators needed for bus bridging for planned and emergency service disruptions. Complexity: Moderate | <p>Model 3 has the highest number of known interfaces, including many associated with model 2, with the addition of operation/communications, LRV Operations/Network Operations and Transition from construction to operations. Interfaces in this model are mainly Moderate to High in complexity. For this model, known interfaces include but are not limited to the following:</p> <ul style="list-style-type: none"> - Scheduling: Third party will be responsible for LRV .scheduling; The City / HSR will be responsible for bus scheduling. Will need close coordination to integrate scheduling, hours of operation etc. Complexity: Low to Moderate - Bus Bridging: Third party will be responsible for LRT operations, but the City/HSR will be responsible for providing buses and operators needed for bus bridging – for planned and emergency service disruptions. Complexity: Moderate | <p>While many interfaces are expected to be resolved compared to the other models, Model 4 still contemplates some of the interfaces identified for other models, with the addition of some unique interfaces, such as Operations vs Maintenance, Maintenance Scheduling, LRT’s Facility Operations, etc. Interfaces in the model are mainly Moderate to High in complexity. For this model, known interfaces include but are not limited to the following:</p> <ul style="list-style-type: none"> - Operations monitoring/payments - Third party is responsible for operation facility; Metrolinx is responsible for monitoring Project Agreement (PA) compliance; The City is responsible for paying all operating costs. The City needs efficient, effective mechanisms to obtain operations monitoring/PA compliance information to determine appropriate payments and/or penalties. Complexity: Low |

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| Assessment Criteria | Model 1 - Third Party performs all Operational Activities. | Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo) | Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations | Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa) |
|---|---|---|--|---|
| <p><u>Accountability - Interface(s) between parties</u></p> <p>In the model, what interfaces exist between the City and other parties? How complex are the interfaces between the City and other parties? (continued)</p> | <p>- Emergency Response: Third party will be responsible for responding to LRT-related emergencies; especially collisions involving LRVs. The City will likely also be involved in some aspects of emergency response (e.g., related to traffic operations; EMS; fire; others?) Protocols will be needed for the communication of notifications of emergencies between LRV and general traffic. Complexity: Moderate</p> <p>- Operations Monitoring/Payments: Third party is responsible for operations; Metrolinx is responsible for monitoring Project Agreement (PA) compliance; the City is responsible for paying all operating costs. The City needs efficient, effective mechanisms to obtain operations monitoring/PA compliance information to determine appropriate payments and/or penalties. Complexity: Moderate</p> <p>- Traffic Signal Operation: Higher level of coordination for different modes of transportation will be required between LRT’s Operation Control Centre and the City’s Traffic Signals Operations. Complexity: Moderate</p> <p>- Customer Service: The City and third party will both be providing customer service. Will need to be close coordination between them with respect to responsibility for various calls, complaints, and transfer and tracking protocols. Complexity: Low to Moderate.</p> <p>- Fare Revenue/Fare Enforcement: Depends on physical design of system and platforms, and location of “fare-paid zone”. City is entitled to fare revenue, but third party is responsible for fare enforcement. May be motivation for third party to minimize (cost of) fare enforcement, which may reduce City’s revenue. Complexity: Moderate.</p> <p>- Agreements: Anticipated that Metrolinx will have a PA with third party for design, construction, maintenance, network, LRV, and facility operation), and a separate agreement with the City for Customer interface. This may be cumbersome as the many interfaces between City and third party will need to be managed by Metrolinx, as there likely will not be an agreement between City and third party. Complexity: Moderate to High.</p> | <p>- Emergency Response: Third party will be responsible for responding to LRT-related emergencies, especially collisions involving LRVs. The City will likely also be involved in some aspects of emergency response (e.g., related to traffic operations; EMS; fire). Complexity: Moderate</p> <p>- Operations Monitoring/Payments: Third party is responsible for operations; Metrolinx is responsible for monitoring Project Agreement (PA) compliance; The City is responsible for paying all operating costs. The City needs efficient, effective mechanisms to obtain operations monitoring / PA compliance information to determine appropriate payments and/or penalties. Complexity: Moderate</p> <p>- Traffic Signal Operation - Higher level of coordination for different modes of transportation will be required between LRT’s Operation Control Centre and the City’s Traffic Signals Operations. Complexity: Moderate</p> <p>- Fare Revenue/Fare Enforcement: Depends on physical design of system and platforms, and location of “fare-paid zone”. City is entitled to all fare revenue, but third party is responsible for fare enforcement. May be motivation for third party to minimize (cost of) fare enforcement, which may reduce City’s revenue. Complexity: Moderate.</p> <p>- Agreements: Anticipated that Metrolinx will have a PA with third party for design, construction, maintenance, network, LRV, and facility operation), and a separate agreement with the City for Customer interface. This may be cumbersome as the many interfaces between City and third party will need to be managed by Metrolinx, as there likely will not be an agreement between City and third party. Complexity: Moderate.</p> <p>- Operation / Communications: Third party will be responsible for operations; City will be responsible for customer interface. Will need close coordination between third party operations staff and City Communications staff to ensure timely and accurate operational information is communicated to customers. Complexity: Low</p> | <p>- Emergency Response: Third party will be responsible for responding to LRT-related emergencies, especially collisions involving LRVs. The City will likely also be involved in some aspects of emergency response (e.g., related to traffic operations; EMS; fire). Complexity: Moderate</p> <p>- Operations Monitoring/Payments: Third party is responsible for operations; Metrolinx is responsible for monitoring Project Agreement (PA) compliance; The City is responsible for paying all operating costs. The City needs efficient, effective mechanisms to obtain operations monitoring / PA compliance information to determine appropriate payments and/or penalties. Complexity: High</p> <p>- Traffic Signal operation - Higher level of coordination for different modes of transportation will be required between LRT’s Operation Control Centre and the City’s Traffic Signals Operations. Complexity: Moderate</p> <p>- Customer Service: N/A</p> <p>- Fare Revenue: N/A</p> <p>- Agreements: Anticipated that Metrolinx will have a PA with third party for design, construction, maintenance, network, and facility operation), and a separate agreement with the City for Customer interface and LRV operations. This may be cumbersome as the many interfaces between City and third party will need to be managed by Metrolinx, as there likely will not be an agreement between City and third party. Complexity: Moderate to High</p> <p>- Operation / Communications: Third party will be responsible for operations; City will be responsible for customer interface. Will need close coordination between third party operations staff and City Communications staff to ensure timely and accurate operational information is communicated to customers. Complexity: Low</p> | <p>- Agreements – Anticipated that Metrolinx will have a PA with third party for design, construction, maintenance, and facility operation), and a separate agreement with the City for Customer interface and LRT system and vehicle operations. This may be cumbersome as the many interfaces between City and third party will need to be managed by Metrolinx, as there likely will not be an agreement between City and third party. Complexity: Low to Moderate.</p> <p>- Operations vs Maintenance - City will be responsible for all aspects of system and vehicle operations. Third party will be responsible for system and vehicle maintenance. This will create potential for disputes about the cause(s) of operational and maintenance issues (e.g., operational disruptions may be caused by improper maintenance; excessive maintenance may be caused by improper operation). Complexity: Moderate to High</p> <p>- Maintenance Scheduling (Vehicles and System) - City will be responsible for scheduling of operations, including number of vehicles required etc. Third party will be responsible for scheduling the necessary preventive and corrective maintenance on the vehicles and system. This may create conflicts between the need for in-service vehicles vs vehicles requiring maintenance. Complexity: Moderate</p> <p>- LRT’s Facility Operations - City will be responsible for all aspects of operations, including network operations (such as power control/electrification). Third party will be responsible for facility operations, including stops and Traction Power Sub Station. This may create coordination issues related to operations and maintenance of stops, Traction Power Sub Station, power supply etc. Complexity: Moderate</p> <p>- Transition from construction to operations - Third party will be responsible for design, construction, commissioning, and facility operations. City will be responsible for LRT system and vehicle operations. Will require careful management of the start-up phase to avoid disputes about early operational challenges due to unforeseen design, construction, and commissioning issues. Complexity: Moderate to High</p> |

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| Assessment Criteria | Model 1 - Third Party performs all Operational Activities. | Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo) | Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations | Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa) |
|--|--|---|--|---|
| <p><u>Accountability - Interface(s) between parties</u></p> <p>In the model, what interfaces exist between the City and other parties? How complex are the interfaces between the City and other parties? (continued)</p> | | | <p>- Transition from construction to operations: Third party will be responsible for design, construction, commissioning, and network operations. City will be responsible for LRV operations. Will require careful management of the start-up phase to avoid disputes about early operational challenges due to unforeseen design, construction and commissioning issues. Complexity: Moderate</p> | |
| <p>Ease of Mitigation: How easy or difficult will it be to create agreements that clarify interface roles and responsibilities and provide adequate incentive for other parties to act responsibly?</p> | <p>In general, interface issues can be partially mitigated through appropriate provisions in the Project Agreement (PA) and in Standard Operating Procedures (SOPs) between the various parties:</p> <ul style="list-style-type: none"> - Scheduling Mitigation: Create or use current PAs/SOPs to specify initial hours of service and need to coordinate/align schedules. PA could provide mechanism for ongoing coordination of schedules. - Bus Bridging Mitigation: PA and/or SOPs could specify roles and responsibilities and financial arrangements for bus bridging. Need to avoid incentive for third party to over-use the frequency or duration of bus bridging. - Emergency Response Mitigation: PA and/or SOPs could specify roles and responsibilities related to emergency response. - Operations Monitoring/Payments Mitigation: PA could include mechanisms for monitoring operations performance and tracking appropriate payments and penalties. Operation & Maintenance payment agreement between The City and Metrolinx could contain provisions to ensure The City gets appropriate information to inform Operations payments. - Traffic Signal Operation Mitigation: New SOPs established between the City and third party. - Customer Service Mitigation: Create or use current PAs/SOPs (who handles which types of calls, tracking customer calls, transferring calls, lost and found, etc.). | <p>In general, interface issues can be partially mitigated through appropriate provisions in the Project Agreement (PA) and in Standard Operating Procedures (SOPs) between the various parties:</p> <ul style="list-style-type: none"> - Operation / Communications: Mitigation – SOPs to specify roles and responsibilities for timely sharing of operational information with Communications staff. Potential for customer service/communications staff to have real time access to operational information. - Scheduling: Mitigation – PA could specify initial hours of service and need to coordinate/align schedules. PA could provide mechanism for ongoing coordination of schedules. - Bus Bridging: Mitigation – PA and/or SOPs could specify roles and responsibilities and financial arrangements for bus bridging. Need to avoid incentive for third party to over-use the frequency or duration of bus bridging. - Emergency Response: Mitigation – PA and/or SOPs could specify roles and responsibilities related to emergency response. - Operations Monitoring/Payments: Mitigation – PA could include mechanisms for monitoring operations performance and tracking appropriate payments and penalties. Operation & Maintenance payment agreement between the City and Metrolinx could contain provisions to ensure the City gets appropriate information to inform Operations payments. | <p>In general, interface issues can be partially mitigated through appropriate provisions in the Project Agreement (PA) and in Standard Operating Procedures (SOPs) between the various parties:</p> <ul style="list-style-type: none"> - Operation / Communications: Mitigation - SOPs to specify roles and responsibilities for timely sharing of operational information with Communications staff. Potential for customer service/communications staff to have real time access to operational information. - Scheduling: Mitigation - PA could specify initial hours of service and need to coordinate/align schedules. PA could provide mechanism for ongoing coordination of schedules. - Bus Bridging: Mitigation - PA and/or SOPs could specify roles and responsibilities and financial arrangements for bus bridging. Need to avoid incentive for third party to over-use the frequency or duration of bus bridging. - Emergency Response: Mitigation - PA and/or SOPs could specify roles and responsibilities related to emergency response. - LRV Operations/Network Operations: Mitigation - PA will need to include specific provisions about network operations vs LRV operations roles and responsibilities. - Transition from construction to operations: Mitigation - PA will need to provide considerable detail about commissioning, start-up and acceptance testing, and mechanisms to resolve disputes about early operational issues. | <p>In general interface issues can be partially mitigated through appropriate provisions in the Project Agreement (PA) and in Standard Operating Procedures (SOPs) between the various parties:</p> <ul style="list-style-type: none"> - Transition from construction to operations – Mitigation: PA will need to provide considerable detail about commissioning, start-up and acceptance testing, and mechanisms to resolve disputes about early operational issues. - Operations vs Maintenance – Mitigation: PA will need to provide considerable detail about maintenance responsibilities, and mechanisms to resolve disputes related to the operations/maintenance interface. Models and “lessons learned” from other projects that could inform these requirements. - Maintenance Scheduling (Vehicles and System) – Mitigation: PA and SOPs will need to provide clarity about roles and responsibilities for vehicle (and system) availability for service vs availability for maintenance. - Facility Operations: Mitigation: Metrolinx agreements with third party and the City will need to be carefully structured to deal with the interfaces and relationships between City and third party. - Operations Monitoring/Payments – Mitigation: PA could include mechanisms for monitoring operations performance and tracking appropriate payments and penalties. |

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|--|---|---|---|--|
| <p>Ease of Mitigation: How easy or difficult will it be to create agreements that clarify interface roles and responsibilities and provide adequate incentive for other parties to act responsibly? (continued)</p> | <p>- Fare Revenue/Fare Enforcement Mitigation: PA could provide a minimum standard for fare enforcement.</p> | <p>- Traffic Signal Operation: Mitigation: Create updated SOPs for coordination between the systems.</p> <p>- Agreements: PA between Metrolinx and third party for design, construction, maintenance, network, LRV, and facility operation, and a separate agreement with the City for Customer interface.</p> | <p>- Operations Monitoring/Payments: Mitigation - PA could include mechanisms for monitoring operations performance and tracking appropriate payments and penalties.</p> <p>- Operation & Maintenance payment agreement between the City and Metrolinx could contain provisions to ensure The City gets appropriate information to inform Operations payments.</p> <p>- Agreements: Mitigation - Metrolinx agreements with third party and the City will need to be carefully structured to deal with the interfaces and relationships between City and third party.</p> | <p>- Operation & Maintenance payment agreement between the City and Metrolinx could contain provisions to ensure the City gets appropriate information to inform Operations payments.</p> <p>- Agreements: Mitigation: Metrolinx agreements with third party and the City will need to be carefully structured to deal with the interfaces and relationships between City and third party.</p> |
| <p>Risks and Liability</p> <p>What risks to the City does the model create? What are the likelihood and consequence of each risk? Assessment Criteria</p> <p>Model 1 - Third Party performs all Operational Activities.</p> <p>Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo)</p> <p>Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations</p> <p>Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa)</p> | <p>The risks associated with all of the operational activities (LRV drivers, vehicle collisions etc.) are borne by third party operator, not by the City. This model generally has the same number of commonly known risks compared to Model 2; however, contemplates Medium overall risk to the City:</p> <p>- Poorly integrated/coordinated customer service and customer information. Likelihood: Medium; Consequence: High; Overall Risk: Medium</p> <p>- Schedules are not integrated/aligned. Likelihood: Low; Consequence: Medium; Overall Risk: Low to Medium</p> <p>- Bus bridging is not well-coordinated and/or is overly costly to the City. Likelihood: Medium; Consequence: Medium; Overall Risk: Medium</p> <p>- Emergency response not well-coordinated. Likelihood: Medium; Consequence: Medium; Overall Risk: Medium</p> <p>- Misalignment with COH objectives/philosophies when choosing third party contractor e.g. changes in priorities. Likelihood: Medium; Consequence: Medium; Overall Risk: Medium</p> <p>- Lack of reporting of LRV-related collisions, untimely investigations, resulting in claims. Likelihood: Low; Consequence: Low to Medium; Overall Risk: Low</p> | <p>In this model, the risks associated with all the operational activities (LRV drivers, LRV-related collisions etc.) are borne by third party operator, not by the City. In this model, the City’s assumption of public interface activities eliminates some problematic interfaces.</p> <p>This model generally has the same number of commonly known risks compared to Model 1; however, contemplates the least overall risk to the City (Low), compared to all models:</p> <p>- Customer Service/Communications may not be given access to timely/accurate operational information. Likelihood: Low to Medium, Consequence: Low Overall Risk: Low</p> <p>- Schedules are not integrated/aligned. Likelihood: Low, Consequence: Medium Overall Risk: Low</p> <p>- Bus Bridging is not well-coordinated and/or is overly costly to the City. Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Emergency Response not well-coordinated. Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Misalignment with COH objectives e.g. change in priorities. Likelihood: Low, Consequence: Low to Medium Overall Risk: Low</p> | <p>In addition to many of the risks identified for Models 1 and 2, Model 3 contemplates a new set of commonly known risks relating to LRV operation, LRV drivers and drivers management and training. Risks associated with this model are perceived to be of overall Moderate to High. Some of the most commonly known risks relating to Model 3 include but are not limited to the following:</p> <p>- For Model 3, operational activities are partially transferred to third party. For this model, similar to Model 4, in case of an LRV-related collision, the City (as the driver’s employer and supervisor) is likely to bear some (or all) of the alleged liability— unless the collision is the result of non-driver related causes such as system malfunction, signal or vehicle mechanical problems. For this model risks associated with LRV driver and management (including LRV collision-related risks) are borne by the City. Likelihood: Medium, Consequence: High Overall Risk: Medium to High</p> <p>- Customer Service/communications not given access to timely/accurate operational information. Likelihood: Low to Medium, Consequence: Low Overall Risk: Low</p> <p>- Schedules are not integrated/aligned. Likelihood: Low, Consequence: Low to Medium Overall Risk: Low</p> | <p>In addition to many of the risks identified for other models, Model 4 contemplates a new set of commonly known risks relating to operational activities fully transferred to the City. Model 4 exposes many risks with overall Medium to High and High as a result of their likelihood and consequence. Some of the most commonly known risks relating to Model 4 include but are not limited to the following:</p> <p>- For Model 4, operational activities are fully transferred to the City party. For this model, in case of a Light Rail Vehicle (LRV)-related collision, the City (as the driver’s employer and supervisor) is most probable to bear any alleged liability, either related to driver or system related such as malfunctions in traffic signal or vehicle mechanical problems. In Model 4 risks associated with all operational activities are borne by the City (LRV drivers, LRV-related collisions etc.) and not transferred to third Party).</p> <p>- Disputes during start-up and operations related to design, construction, and commissioning issues - Likelihood: High, Consequence: Medium to High Overall Risk: Medium to High</p> <p>- Operations vs maintenance conflicts - Likelihood: High, Consequence: Medium to High Overall Risk: Medium to High</p> <p>- Insufficient Operations Procedures and SOPs - Likelihood: Medium, Consequence: Medium to High Overall Risk: Medium</p> |

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|---|---|--|---|--|
| <p>Risks and Liability</p> <p>What risks to the City does the model create? What are the likelihood and consequence of each risk? Assessment Criteria Model 1 - Third Party performs all Operational Activities. Model 2 - Municipality performs Passenger Interface Provider Activities; Third Party Responsible for Everything Else (HC, Waterloo) Model 3 - Municipality performs Passenger Interface Provider and LRT Driver Management Activities; Third Party Responsible for LRT Line Operations and Facility Operations Model 4 - Municipality performs all aspects of Operational Activities except for Facility Operations. (TTC, Ottawa) (continued)</p> | <p>- Fare enforcement is not appropriately aligned with fare revenue optimization. Likelihood: Depends on system design; Low to Medium; Consequence: Medium; Overall Risk: Medium</p> <p>- Reputational/Public perception risk for having public interface e.g. customer service, communication, fare enforcement and passenger interface security by third party (any bylaw issues or privacy issues having third party performing public interface security and fare enforcement). Likelihood: Low; Consequence: Medium; Overall Risk: Low</p> <p>- Operations do not meet PA service standards. Likelihood: Low; Consequence: Medium to High; Overall Risk: Low to Medium.</p> | <p>- Lack of reporting of LRV-related collisions, untimely investigations, resulting in claims. Likelihood: Low, Consequence: Low to Medium Overall Risk: Low</p> <p>- Operations do not meet PA service standards. Likelihood: Low, Consequence: Medium to High Overall Risk: Medium</p> <p>- Fare Enforcement/Revenue Collection. Likelihood: Low, Consequence: Low to Medium Overall Risk: Low</p> <p>- Reputational/Public Perception Risk: Once the City starts taking responsibility for some elements, the public perception of responsibility begins to shift. So while there remains a medium likelihood of the public assigning responsibility to the City (at least in the short-term) the consequence is now medium, since the City will bear some responsibility for information, coordination etc., affecting the customer service, increasing the overall risk to medium. Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Operations do not meet PA service standards: Likelihood: Low, Consequence: Medium to High Overall Risk: Medium.</p> | <p>- Bus bridging is not well-coordinated and/or is overly costly to the City: Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Emergency response not well-coordinated: Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Disputes during start-up and operations related to design, construction, and commissioning issues: Likelihood: Medium to High, Consequence: High Overall Risk: Medium to High</p> <p>- Operations vs maintenance conflicts: Likelihood: Medium to High, Consequence: High Overall Risk: Medium to High</p> <p>- Insufficient Operations Procedures and SOPs: Likelihood: Medium, Consequence: Medium to High Overall Risk: Medium to High</p> <p>- Poor coordination between Network operations (Operations Control Centre) and LRV operations, due to misaligned or competing objectives between Operations Control Centre and LRV operations: Likelihood: Low to Medium, Consequence: Medium Overall Risk: Low to Medium</p> <p>- Insufficient operator training: Likelihood: Low, Consequence: Medium to High Overall Risk: Low to Medium</p> <p>- LRV driver scheduling problems/lack of availability of operators causing missed trips, leading to financial implications to the City and customer inconvenience Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- City’s liability for all operator-related incidents, ranging from customer service complaints to death claims Likelihood: High Consequence: Medium Overall risk: High</p> | <p>- Insufficient operator training - Likelihood: Low, Consequence: Medium to High Overall Risk: Low to Medium</p> <p>- Maintenance Scheduling Conflict - Likelihood: Medium to High, Consequence: Medium Overall Risk: Medium</p> <p>- Coordination Issues, related to operations and maintenance of stops, Traction Power Sub Station, power supply, etc. - Likelihood: Medium, Consequence: Medium Overall Risk: Medium</p> <p>- Training scheduling of Operations Control Centre staff - Likelihood: Low, Consequence: Low Overall Risk: Low</p> <p>- Incidents associated with dispatch / communications - Likelihood: medium, Consequence: Medium Overall Risk: Medium</p> <p>- Incidents associated with the operation of signals and control systems - Likelihood: Medium, Consequence High Overall Risk: High</p> |

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|--|--|---|--|--|
| How easy can the potential risks be mitigated? | <p>In general, risks can be partially mitigated through appropriate provisions in the Project Agreement and appropriate Standard Operating Procedures between the various parties.</p> <p>Create or adjust PAs/SOPs to mitigate the risks and manage high liability circumstances, and to achieve:</p> <ul style="list-style-type: none"> - Integrated/coordinated customer service and customer information. - Schedule integrated and alignment. - Bus bridging coordination and/or reduced cost to City. - Emergency response coordination. - Enhanced public interface. - Alignment with the City’s objectives. - Fare enforcement appropriately aligned with fare revenue optimization (design system to minimize potential for customers to board LRVs without paying fares). - Operations meet PA service standards (adequate information available to City to ensure that appropriate payments are made and/or penalties withheld). - Accurate and timely reporting of LRV-related collisions: ensure collisions are reported to the City, handling of all LRV related collisions with other modes of traffic. i.e. documentation, reporting and investigation. <p>Further mitigation could include the City proposing an initial “start-up” period e.g. 5 years, in which certain activities are operated by a third party, with an option for the City to assume responsibility for those activities after the expiry of the initial start-up period.</p> | <p>In general, the aforementioned risks can be partially mitigated through appropriate provisions in the Project Agreement and appropriate Standard Operating Procedures between the various parties:</p> <p>Create or use updated PAs/SOPs to mitigate the risk and to achieve:</p> <ul style="list-style-type: none"> - City Customer Service/communications access to timely/accurate operational information. - Schedule integrated and alignment. - Bus bridging coordination and/or minimized cost to City. - Emergency response coordination. - Operations meet PA service standards (Adequate information available to City to ensure that appropriate payments are made and/or penalties withheld). <p>Further mitigation could include the City proposing an initial “start-up” period e.g. 5 years, in which certain activities are operated by a third party, with an option for the City to assume responsibility for those activities after the expiry of the initial start-up period.</p> | <p>In general, risks can be partially mitigated through appropriate provisions in the Project Agreement and appropriate Standard Operating Procedures, emergency response plans and operator training between the various parties. Regardless, more risks to the City in Models 3 and 4.</p> <p>Create or use current PAs/SOPs to mitigate the risk and to achieve:</p> <ul style="list-style-type: none"> - Customer Service/communications timely/accurate operational information. - Schedule integrated and alignment. - Bus bridging coordination and/or cost to City. - Emergency response coordination. - Coordination between Network operations (Operations Control Centre) and LRV operations. - reduced disputes during start-up and operations related to design, construction, and commissioning. - reduced Operations vs maintenance conflicts. <p>City will need expertise to develop and deliver operation procedures/training to:</p> <ul style="list-style-type: none"> - establish essential SOPs. - deliver complete operator training package. <p>LRV-related collisions: establish appropriate SOPs related to operator training as well as notification, emergency response etc.</p> <p>Further mitigation could include the City proposing an initial “start-up” period e.g. 5 years, in which certain activities are operated by a third party, with an option for the City to assume responsibility for those activities after the expiry of the initial start-up period.</p> | <p>These risks can be partially mitigated through appropriate provisions in the Project Agreement and appropriate Standard Operating Procedures, emergency response plans and operator training between the various parties. Regardless, more risks to the City in Models 3 and 4.</p> <p>Create or use updated PAs/SOPs to mitigate the risk and to achieve:</p> <ul style="list-style-type: none"> - Reduced disputes during start-up and operations related to design, construction, and commissioning. - Reduced maintenance scheduling conflicts. - Coordination related to operations and maintenance of stops, Traction Power Sub Station, power supply, etc. - reduced operations vs maintenance conflicts. <p>City will need expertise to develop and deliver operation procedures/training to:</p> <ul style="list-style-type: none"> - Establish essential SOPs. - Deliver complete operator training package. <p>- LRV-related collisions: establish appropriate SOPs related to notification, emergency response, etc., as well as operator training.</p> |

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|--|--|--|---|--|
| <p>Cost to the City</p> <p>Is the model likely to result in greater or lesser cost certainty to the City?</p> <p>Is the model likely to result in higher or lower costs to the City associated with bringing in new functions, setting up the staffing units and appropriate skills and expertise?</p> <p>Is the model likely to result in greater or lesser ongoing cost to the City for operations (excluding facility operations)?</p> | <p>Greatest cost certainty with third party contract compared to other models (most services contracted to third party).</p> <p>Least upfront cost to the City to bring in new functions compared to other models.</p> <p>Ongoing Costs should be similar to Model 2 and slightly lower than Models 3 or 4:</p> <ul style="list-style-type: none"> - third party will need to make a profit on all aspects of contracted operations. - some duplication of customer service functions would lead to slightly higher costs for that function compared to Model 2. - fewer interfaces requiring management by City staff than Models 3 or 4. - fewest additional City staff required compared to other models. - the relative cost of City staff vs third party staff is unknown. | <p>Slightly less cost certainty than Model 1 (because Passenger Interface activities performed by City rather than third party).</p> <p>Slightly more upfront cost to the City to bring in new functions compared to Model 1 (City would need to expand some HSR customer service activities and create fare enforcement program).</p> <p>Ongoing Costs should be similar to Model 1 and slightly lower than Models 3 or 4:</p> <ul style="list-style-type: none"> - third party will need to make a profit on all aspects of contracted operations (except for Passenger Interface Activities). - fewest interfaces requiring management by City staff compared to other models. - slightly more City staff required than Model 1, but significantly less than Models 3 and 4. - the relative cost of City staff vs third party staff is unknown. | <p>Less cost certainty than Models 1 and 2 (because Passenger Interface and LRT driving activities performed by City rather than third party).</p> <p>More upfront cost to the City to bring in new functions compared to Models 1 and 2 (City would need to expand some HSR customer service activities, create fare enforcement program, and staff, train and manage LRV drivers).</p> <p>Ongoing Costs should be similar to Model 4 and slightly higher than Models 1 and 2.:</p> <ul style="list-style-type: none"> - third party will need to make a profit on fewer aspects of contracted operations compared to Models 1 and 2. - significant complex interfaces requiring management by City staff compared to other models. - significantly more new, additional City staff required than Model 1 and 2, but less than Model 4. - the relative cost of City staff vs third party staff is unknown. | <p>Least cost certainty compared to other models (because fewest activities are contracted to third party).</p> <p>Most upfront cost to the City to bring in new functions compared to other models. City would need to expand some HSR customer service activities, create fare enforcement program, and staff, train and manage LRV drivers, and staff to operate and manage the LRT system.</p> <p>Ongoing Costs should be similar to Model 3 and slightly higher than Models 1 and 2:</p> <ul style="list-style-type: none"> - third party will need to make a profit on fewest aspects of contracted operations compared to other models. - significant complex interfaces requiring management by City staff compared to other models. - most new, additional City staff required compared to other models. - the relative cost of City staff vs third party staff is unknown. |

Scoring Summary

| Operations Model Assessment Criteria | Established Weights** | Model 1 | Model 2 | Model 3 | Model 4 |
|--|-----------------------|---|---|---|---|
| | | Scores* | Scores* | Scores* | Scores* |
| Customer Experience | 35% | 2 | 5 | 6 | 7 |
| | | <p>Model 1 tends to:</p> <ul style="list-style-type: none"> - create customer confusion - require high efforts to coordinate schedules -potential for lack of alignment between fare enforcement and optimizing revenue - have least public facing presence - give least opportunity to influence IDEA | <p>Model 2 tends to:</p> <ul style="list-style-type: none"> - provide seamless customer experience - require high efforts to coordinate schedules - enable the City to control alignment between fare enforcement and optimizing revenue - provide more public profile (presence) - give increased opportunity to consider socio-economic factors - provide minimal opportunity to influence IDEA | <p>Model 3 tends to:</p> <ul style="list-style-type: none"> - provide a seamless customer experience - require significant efforts to coordinate schedules - enable the City to control alignment between fare enforcement and optimizing revenue - provide more public profile (presence) - give increased opportunity to consider socio-economic factors - provide moderate opportunity to influence IDEA | <p>Model 4 tends to:</p> <ul style="list-style-type: none"> - provide the most seamless customer experience - offer seamless schedule coordination - enable the City to seamlessly control alignment between fare enforcement and optimizing revenue - provide most public profile (presence) - give highest opportunity to consider socio-economic factors - provide highest opportunity to influence IDEA |
| Accountability - Interfaces between parties (No. of Interfaces, Complexity and ease of mitigation) | 30% | 6 | 7 | 5 | 6 |
| | | <p>Tends to contemplate consistent number of interfaces compared to Model 2, with Moderate complexity</p> | <p>Tends to contemplate consistent number of known interfaces compared to Model 1, with reduced complexity (low to moderate)</p> | <p>Tends to contemplate highest number of known interfaces compared to the other models, with moderate to high complexity</p> | <p>Tends to contemplate a new set of known interfaces, with moderate to high complexity</p> |

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| Operations Model Assessment Criteria | Established Weights** | Model 1 | Model 2 | Model 3 | Model 4 |
|---|-----------------------|---|---|---|--|
| | | Scores* | Scores* | Scores* | Scores* |
| Risks and Liabilities (Consequence, Likelihood, Overall Risk) | 25% | 8 | 9 | 6 | 5 |
| | | Tends to contemplate consistent number of known risks compared to Model 2, with low to moderate overall risk | Tends to contemplate consistent number of known risks compared to Model 1, with low to moderate overall risk | Tends to contemplate highest number of known risks compared to other models (driver-related collision risks now transferred to the City), with medium to high overall risk. | Tends to contemplate new set of known risks associated with Light Rail Vehicle and driver-related collision (these risks are transferred to the City), with medium to high overall risk. |
| Cost (Cost certainty, Upfront and Ongoing Cost) | 10% | 6 | 6 | 3 | 2 |
| | | Tends to provide the City with high cost certainty, minimal upfront cost and low ongoing cost with the lowest overall cost to be the City | Tends to provide the City medium cost certainty, low upfront cost and low ongoing cost with the second lowest overall cost to be the City | Tends to provide the City low cost certainty, medium upfront cost and medium ongoing cost with the second highest overall cost to be the City | Tends to provide the City minimal cost certainty, high upfront cost and high ongoing cost with the highest overall cost to be the City |
| Weighted Scores*** | | 5 | 7 | 5 | 6 |

* A higher score translates to more benefit to the City (more favorable to the City)

** Level of importance to the City for each criterion i.e. the higher weight means the criterion is more important to the City

***Scores for Operations Models accounting for the criterion's level of importance (weight) to the City

**Ministry of Transportation
Transit Division**

777 Bay Street, 30th Floor
Toronto ON M5G 2E5
Tel : 416-585-7347
Email : felix.fung@ontario.ca

**Ministère des Transports
Division des transports en commun**

777 rue Bay, 30^e étage
Toronto ON M5G 2E5
Tel: 416-585-7347
Courriel : felix.fung@ontario.ca

Jason Thorne
General Manager, Planning and Economic Development
City of Hamilton

January 22, 2024

Dear Jason,

I am writing to provide clarity around the operations and maintenance responsibilities for the Hamilton LRT.

As you are aware, the Hamilton LRT is a provincially owned and delivered asset and decision making regarding the LRT's assets resides with the Province and Metrolinx, including determining operations and maintenance roles and responsibilities for the project. Maintenance responsibilities can be divided into day-to-day maintenance, which are tied to the operations of the LRT, and lifecycle maintenance, which are activities to ensure assets are in a state of good repair.

As the asset owner, Metrolinx will be responsible for undertaking all lifecycle maintenance activities to the specifications of its choosing, which has been the case of all provincially owned LRT projects.

The model for operations and some aspects of non-lifecycle (i.e., day-to-day) maintenance activities, including determining which party will be responsible to perform such activities, is subject to future Provincial decision-making. Non-lifecycle maintenance activities may include, but are not limited to, cleaning, snow and waste clearing, and/or minor corrective work such as lighting replacements.

As noted by Hamilton City staff in prior LRT subcommittees, there are several models for how the operational activities of the Hamilton LRT can be performed. I understand Hamilton City staff are currently reviewing a number of options to make a recommendation to Metrolinx on the City's preferred approach to operations. As work on the implementation of the project continues to evolve, there will be opportunities for further discussions on certain aspect of non-lifecycle maintenance.

Should you have any questions or require further clarification, please don't hesitate to reach out.

Sincerely

A handwritten signature in blue ink, appearing to read "Felix Fung".

Felix Fung
Assistant Deputy Minister
Transit Division, Ministry of Transportation

Appendix “F” to Report PED23166(b)

Page 2 of 2

- c. Marnie Cluckie, City Manager, City of Hamilton
Doug Jones, Deputy Minister, Ministry of Transportation
Ewa Downarowicz, Director, Transit Delivery and Partnerships, Ministry of Transportation
Kanivanan Chinniah, Head Sponsor, Rapid Transit, Metrolinx



Hamilton

BUSINESS IMPROVEMENT AREA SUB-COMMITTEE REPORT 24-003

**10:30 a.m.
Tuesday, April 9, 2024**

**Hamilton City Hall
71 Main Street West**

Present: S. Braithwaite (Chair) – International Village BIA
Councillor T. Hwang – City Business
Councillor M. Wilson
T. MacKinnon – Westdale Village BIA and Stoney Creek BIA
K. Nydam – Dundas BIA
S. Pennie (Vice-Chair) – Waterdown BIA
H. Peter – Ancaster BIA
N. Ubl – Barton Village BIA
E. Walsh – Downtown Hamilton BIA
S. Weiler – Ottawa Street BIA

**Absent with
Regrets:** Councillor E. Pauls – Personal
D. Sanchez – Concession Street BIA
B. Schormann – Locke Street BIA

THE BUSINESS IMPROVEMENT AREA SUB-COMMITTEE PRESENTS REPORT 24-003 FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

The Committee Clerk advised there were no changes to the agenda:

The agenda for the April 9, 2024 Business Improvement Area Sub-Committee meeting was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

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

(i) February 13, 2024 (Item 4.1)

The February 13, 2024 Minutes of the Business Improvement Area Sub-Committee were approved, as presented.

(d) PRESENTATIONS (Item 8)**(i) Tourism and Culture Division Updates on the RBC Canadian Open (Item 8.1)**

Kevin Bunn, Senior Project Manager, Major Hosted Tourism Events, addressed Committee respecting Tourism and Culture Division Updates on the RBC Canadian Open, with the aid of a presentation.

The presentation from Kevin Bunn, Senior Project Manager, Major Hosted Tourism Events, respecting Tourism and Culture Division Updates on the RBC Canadian Open, was received.

(e) GENERAL INFORMATION/OTHER BUSINESS (Item 13)**(i) Updates from Business Development Office (Item 13.1)**

Cristina Geissler, Business Development and Business Improvement Area (BIA) Officer, addressed the Committee respecting Updates from the Business Development Office.

The verbal update from Cristina Geissler, Business Development and Business Improvement Area (BIA) Officer, respecting Updates from the Business Development Office, was received.

(ii) Statements by Members (Item 13.2)

BIA Members used this opportunity to discuss matters of general interest.

The updates from Committee Members, was received.

(f) ADJOURNMENT (Item 15)

There being no further business, the Business Improvement Area Sub-Committee was adjourned at 11:35 a.m.


Respectfully submitted,

Susie Braithwaite
Chair,
Business Improvement Area Sub-
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Economic Development Division

| | |
|---------------------------|---|
| TO: | Mayor and Members General Issues Committee |
| COMMITTEE DATE: | April 17, 2024 |
| SUBJECT/REPORT NO: | Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, 71 Rebecca Street, Hamilton (PED24073) (Ward 2) |
| WARD(S) AFFECTED: | Ward 2 |
| PREPARED BY: | Phil Caldwell (905) 546-2424 Ext. 2359 |
| SUBMITTED BY: | Norm Schleeahn Director, Economic Development Planning and Economic Development Department |
| SIGNATURE: |  |

RECOMMENDATION

- (a) That Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, submitted by HiRose (Rebecca) Inc. (Melrose Investments Inc./Rosehaven Homes), owner of the property 71 Rebecca Street, Hamilton be approved for an Environmental Remediation and Site Enhancement Redevelopment Grant not to exceed \$5,160,501 for estimated eligible remediation costs to be provided over a maximum of ten years, in accordance with the terms and conditions of the Environmental Remediation and Site Enhancement Redevelopment Agreement;
- (b) That the General Manager of the Planning and Economic Development Department be authorized and directed to execute the Environmental Remediation and Site Enhancement Redevelopment Agreement together with any ancillary documentation required, to give effect to the Environmental Remediation and Site Enhancement Redevelopment Grant for HiRose (Rebecca) Inc. (Melrose Investments Inc./Rosehaven Homes) owner of the property 71 Rebecca Street, Hamilton in a form satisfactory to the City Solicitor;
- (c) That the General Manager of the Planning and Economic Development Department be authorized and directed to administer the Grant and Grant Agreement including but not limited to: Deciding on actions to take in respect of

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SUBJECT: Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, 71 Rebecca Street, Hamilton (PED24073) (Ward 2) - Page 2 of 9

events of default and executing any Grant Amending Agreements, together with any ancillary amending documentation, if required, provided that the terms and conditions of the Environmental Remediation and Site Enhancement Redevelopment Grant, as approved by City Council, are maintained and that any applicable Grant Amending Agreements are undertaken in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

An application to the Environmental Remediation and Site Enhancement Redevelopment Grant Program (hereafter referenced as the Program) for 71 Rebecca Street, Hamilton (the Site) was submitted on December 6, 2023, by HiRose (Rebecca) Inc. (Melrose Investments Inc./Rosehaven Homes), the registered owner of the Site.

The Site is located in Downtown Hamilton on the north side of Rebecca Street between John Street North and Catharine Street North. The Site is currently vacant. The Site and a previously existing building were developed in the 1950's as an inter-city bus terminal which ceased operation in 1996 and thereafter became home to the Hamilton Urban Core Community Healthcare organization until the building was demolished in 2022.

A Supplementary Phase Two Environmental Site Assessment completed in June 2023 to investigate the Site's soil and groundwater conditions identified the presence of contaminants in the soil and groundwater at concentrations above the applicable Ministry of Environment, Conservation and Parks (the Ministry) Site Condition Standards needed to accommodate the planned redevelopment. Contaminates identified include Petroleum Hydrocarbons, Metals, and Benzene, Toluene, Ethylbenzene and Xylene in the soil as well as Volatile Organic Compounds and further Petroleum Hydrocarbons in the Site's groundwater. As such, site remediation is required which is proposed to include the undertaking of a Risk Assessment with associated risk mitigation measures incorporated into the development, along with removal of contaminated soil in order to facilitate the required filing of a Record of Site Condition in accordance with Ontario Regulation 153/04.

The planned redevelopment of the Site, for which conditional Site Plan approval has been granted, consists of a 30-storey mixed use building containing 477 residential condominium units and three commercial ground floor units with a total of 389 square metres. Construction costs are estimated to be approximately \$156,000,000.

Estimated remediation costs eligible for consideration under the Program are \$5,160,501.

SUBJECT: Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, 71 Rebecca Street, Hamilton (PED24073) (Ward 2) - Page 3 of 9

It is estimated that the planned redevelopment will increase the Site's assessment from the pre-development value of \$1,883,000 (CX-Commercial) to approximately \$86,159,000 (CT-Commercial/RT-Residential). This will increase total annual property taxes (municipal and education) generated by this Site from \$60,324 to an estimated \$1,152,615, an increase of \$1,092,291 annually. The municipal portion of this increase would be \$973,287 of which 80%, representing the maximum potential annual grant permitted under the Program, would be \$778,630. The maximum total grant which may be provided, as recommended by staff, would be provided over seven annual payments based on current estimates.

The existing condition of the Site as well as renderings of the planned development are provided below:



Existing Conditions (September 2023) – 71 Rebecca Street, Hamilton viewed northwest from Rebecca Street and Catharine Street North (Source: maps.google.ca)



Planned Development – viewed looking northwest (Source: HiRose (Rebecca) Inc.)

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**SUBJECT: Environmental Remediation and Site Enhancement Redevelopment
Grant Application ERG-23-06, 71 Rebecca Street, Hamilton
(PED24073) (Ward 2) - Page 4 of 9**

Alternatives for Consideration – See Page 9

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: As per the Program, the City will provide the Applicant with a Grant equivalent to 80% of the increase in municipal taxes up to the estimated eligible remediation costs of \$5,160,501 or until 10 annual payments are provided, whichever comes first. Based on an estimated maximum potential annual Grant amount of \$778,630, the annual Grant payments are estimated to conclude in year seven after which the City will realize the full annual municipal tax increment of \$973,287 annually for the life of the development.

The City will retain the remaining 20% of the annual municipal tax increment estimated not otherwise provided to the Applicant estimated to be \$194,657. In accordance with the Program terms, these funds will be directed to the Brownfield Pilot Project Account No. 3621755102, up to a maximum of 20% of the total Environmental Remediation and Site Enhancement Grant to be provided, estimated to total \$1,032,100.

The Brownfield Pilot Project funds the Municipal Acquisition and Partnership Program and Environmental Remediation and Site Enhancement Affordable Housing Grant Program. The Environmental Remediation and Site Enhancement Municipal Acquisition and Partnership Program enables the City to acquire strategic brownfield sites, remediate and redevelop property it already owns, or participate in public/private partnerships to redevelop brownfield properties. The Environmental Remediation and Site Enhancement Affordable Housing Grant Program provides grants to non-profit housing providers to assist with remediation costs on sites being developed for affordable housing.

Staffing: Applications and Grant payments under the Program are administered by staff from the Economic Development Division, Planning and Economic Development Department and the Financial Planning, Administration and Policy Section of the Corporate Services Department.

There are no additional staffing requirements arising from this Report's recommendations.

Legal: The Program is authorized by the Environmental Remediation and Site Enhancement Community Improvement Plan which was originally adopted and approved in 2001 and most recently comprehensively reviewed and

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SUBJECT: Environmental Remediation and Site Enhancement Redevelopment Grant Application ERG-23-06, 71 Rebecca Street, Hamilton (PED24073) (Ward 2) - Page 5 of 9

updated in 2023 in accordance with Section 28 of the *Planning Act*. The Applicant will be required to enter into an Environmental Remediation and Site Enhancement Redevelopment Agreement which will specify the obligations of the city and the Applicant and will be prepared in a form satisfactory to the City Solicitor.

HISTORICAL BACKGROUND

On December 6, 2023, an Application to the Program for the Site was submitted by the registered owner HiRose (Rebecca) Inc. (Melrose Investments Inc./Rosehaven Homes).

The Site is approximately 0.30 hectares (0.74 acres) in size and located in Downtown Hamilton on the north side of Rebecca Street between John Street North and Catharine Street North. The immediate area is urbanized with a mix of high, mid and low rise commercial, residential and institutional buildings. The Site is immediately adjacent to a commercial surface parking lot to the north, the Hamilton Police Service Investigative Services Division building to the east, the John Rebecca Park to the south and a commercial surface parking lot to the west.

The Site is currently vacant. The Site and a previously existing building were developed in the 1950's as an inter-city bus terminal which ceased operation in 1996 and thereafter became home to the Hamilton Urban Core Community Healthcare organization until the building was demolished in 2022.

A Phase One Environmental Site Assessment was completed in May 2021 by Terraprobe Inc. to identify historical land use activities and the potential for Contaminates of Concern on the Site. The results identified 18 on-site Areas of Potential Environmental Concern which included historical gasoline storage, vehicle maintenance and repair activities, importation of fill of unknown quality/origin as well as a number of historical manufacturing activities dating back to the Site's initial development in the 1890s.

In addition to previous Phase Two Environmental Site Assessments undertaken, a Supplementary Phase Two Environmental Site Assessment was undertaken by Terraprobe Inc. in June 2023 to further investigate the Site's current soil and groundwater conditions and to delineate the extent of contamination in support of the Site's redevelopment. The assessment was overseen by a qualified person with results informed by samples obtained from boreholes dug to test soil and groundwater conditions in each of the Areas of Potential Environmental Concern identified.

The results confirmed the presence of numerous contaminants in the Site's soil including, but not limited to, Petroleum Hydrocarbons, Metals, and Benzene, Toluene,

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**SUBJECT: Environmental Remediation and Site Enhancement Redevelopment
Grant Application ERG-23-06, 71 Rebecca Street, Hamilton
(PED24073) (Ward 2) - Page 6 of 9**

Ethylbenzene and Xylene. In addition, Volatile Organic Compounds and further Petroleum Hydrocarbons were identified in the Site's groundwater with the potential that for such contaminants originating from off-site sources. These contaminants were found at concentrations that exceed the Ministry's Table 3 - Full Depth Generic Site Condition Standards in a Non-Potable Groundwater Condition for Residential/Parkland/Institutional land use deemed applicable to the Site based on the planned redevelopment in accordance with Ontario Regulation 153/04.

Site remediation to facilitate successful filing of a Record of Site Condition with the Ministry will be required to accommodate the planned redevelopment in accordance with Ontario Regulation 153/04.

A Remedial Action Plan was prepared in November 2023 by Terraprobe Inc. which recommended that Site remediation include the undertaking of a Tier III Risk Assessment (a scientific tool to assess and manage risk and to establish property specific standards), risk management measures to be incorporated into the Site and proposed building as well as removal of contaminated soil to facilitate building slab construction. Specific risk management measures which will be incorporated include, but are not limited to:

- Installation of vapour barriers under the buildings slab-on-grade;
- Prohibition of residential units at grade;
- Construction of a four level above ground parking structure on top of commercial uses at grade;
- Surface barrier systems; and,
- Potable water and landscape restrictions (including prohibitions on vegetable gardens or any grown produce on-site).

The required risk management measures will be registered on title through the Certificate of Property Use and Record of Site Condition for the Site.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Urban Hamilton Official Plan

The Site is located within the "Downtown Urban Growth Centre" on Schedule "E" – Urban Structure and further identified as being within the Downtown Hamilton Secondary Plan area (Official Plan Amendment 102) which designates the Site as

**SUBJECT: Environmental Remediation and Site Enhancement Redevelopment
Grant Application ERG-23-06, 71 Rebecca Street, Hamilton
(PED24073) (Ward 2) - Page 7 of 9**

“Downtown Mixed Use” on “Map B.6.1-1 – Land Use Plan” and “High-rise 2” on “Map B.6.1-2 – Maximum Building Heights”. These designations are intended to support intensive, urban-scale mixed use developments of up to 30 storeys.

The planned redevelopment conforms to the designation.

City of Hamilton Zoning By-law 05-200

The subject Site is zoned D1 (701, H17, H105) (Downtown Central Business District Zone) which is intended to provide for a range of stand-alone and mixed-use buildings incorporating a built form and uses that support the City’s goal of creating a complete, vibrant and transit-oriented area downtown core.

Special Exception 701 of the applicable zoning sets out various modified site-specific standards respecting setbacks, step backs, lot coverage and parking standards. Holding Provision 17 outlines various development conditions required to be met before development can proceed including the submission of various studies and the meeting of building height criteria. Holding Provision 105 requires that a Record of Site Condition be acknowledged by the Ministry and submitted to the City.

The planned redevelopment is permitted.

Site Plan Control

The Site is subject to Site Plan Control. At the time of writing this Report the planned redevelopment has received conditional Site Plan approval (DA-23-016).

RELEVANT CONSULTATION

Staff from Financial Services and Taxation and Legal Services of the Corporate Services Department were consulted, and the advice received incorporated in this Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

Estimated remediation costs, as per Terraprobe’s November 2023 Remedial Action Plan, which may be eligible for consideration under the ERG Program based on the Site’s location within the Historically Developed Area of the Environmental Remediation and Site Enhancement Community Improvement Project Area, total \$5,160,501 and consist of the following:

**SUBJECT: Environmental Remediation and Site Enhancement Redevelopment
Grant Application ERG-23-06, 71 Rebecca Street, Hamilton
(PED24073) (Ward 2) - Page 8 of 9**

- \$3,810,065 in costs for physical risk mitigation measures (including caisson wall shoring, hard cap and fill cap barriers, vapor barriers etc.);
- \$1,079,045 in costs associated with the excavation, transportation and disposal of up to 2,877 m³ of impacted soils at a licensed landfill facility as well as groundwater management; and,
- \$271,391 in environmental consulting costs for preparation of required studies, plans, monitoring well decommissioning and filing of a Record of Site Condition.

Invoices and supporting documentation for the above noted estimated costs shall be required to be submitted to staff and will be the subject of an audit to ensure compliance with the Council approved Program terms including, but not limited to, ensuring that costs required for the development regardless of the presence of contamination (non-remediation related construction costs) are identified and excluded from the eligible grant.

Auditing of invoices and supporting documentation will be undertaken by staff and may be subject to a third-party review at staff's discretion. Where such third-party review is required, the cost will be at the approved Applicant's expense but subject to eligibility under the Program for the purposes of the Grant.

The following is an overview of pre and post development property assessments and associated taxes which have informed the estimated maximum potential Grant and Grant payment period contained in this Report:

| | | | |
|--|----|------------|-------------------------|
| Grant Level: | | 80% | |
| Total Estimated Eligible Costs (Maximum): | \$ | 5,160,501 | |
| Total Estimated Grant (Maximum): | \$ | 5,160,501 | |
| Pre-project Assessment (CX-Commercial) | \$ | 1,883,000 | Year: 2023 |
| Municipal Levy: | \$ | 43,753 | |
| Education Levy: | \$ | 16,570 | |
| Pre-project Property Taxes | \$ | 60,323 | |
| Estimated Post-project Assessment (CT-Commercial/RT-Residential): | \$ | 86,159,000 | Year: To be determined. |
| Estimated Municipal Levy: | \$ | 1,017,041 | |
| Estimated Education Levy: | \$ | 135,575 | |
| Estimated Post-project Property Taxes: | \$ | 1,152,616 | |

**SUBJECT: Environmental Remediation and Site Enhancement Redevelopment
Grant Application ERG-23-06, 71 Rebecca Street, Hamilton
(PED24073) (Ward 2) - Page 9 of 9**

Provisions for Calculations:

- 1) The actual roll number(s), assessed value(s), tax classification(s) and value partitioning (where applicable) are to be determined by the Municipal Property Assessment Corporation upon completion of the development;
- 2) As per Program requirement, the increase in realty taxes is based on the most recently available tax year information at the time the tax estimate was requested;
- 3) 2023 tax rates have been used for calculation of the estimated pre- and post-development property taxes;
- 4) Annual taxes exclude any Local Charges; and,
- 5) All dollar figures rounded.

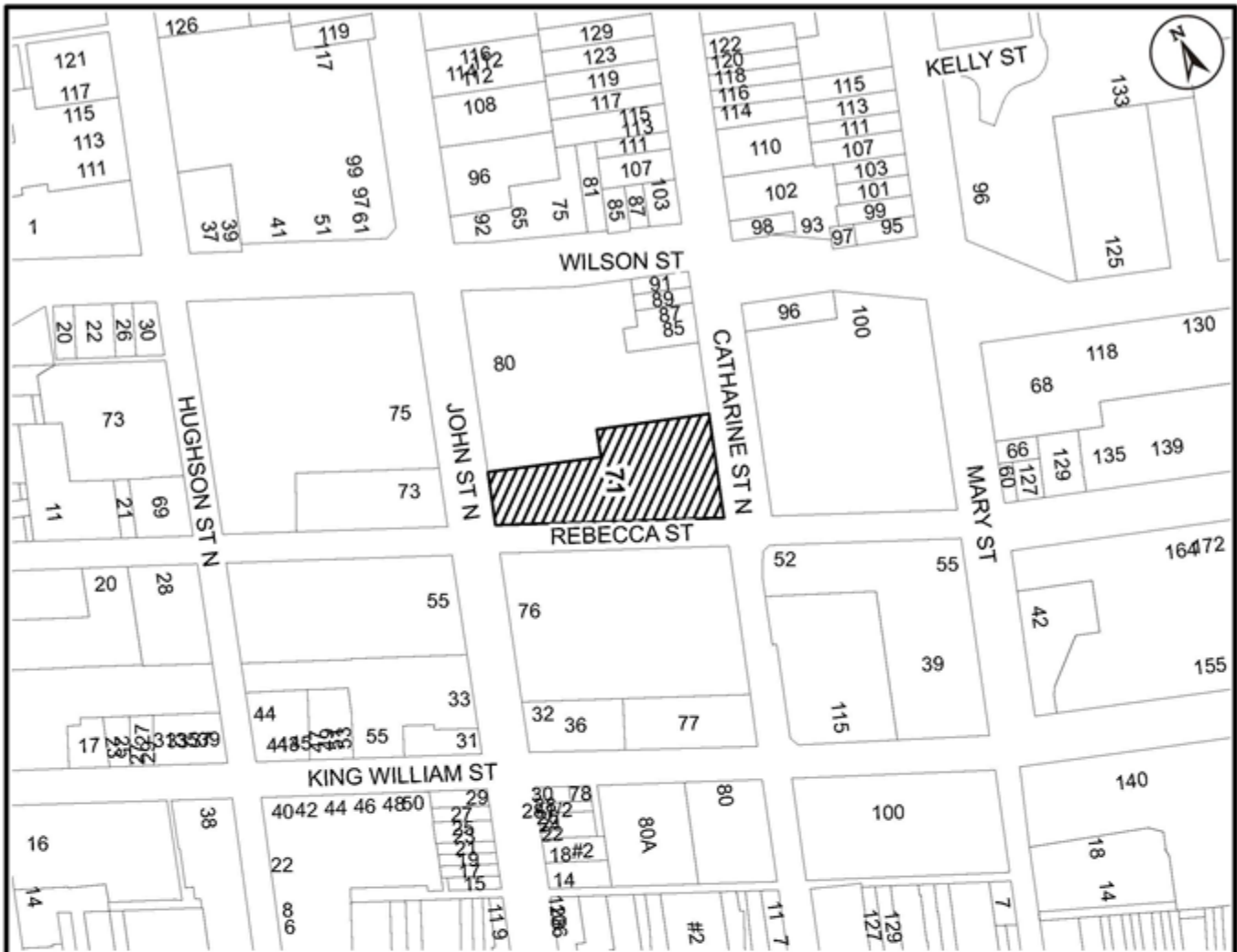
ALTERNATIVES FOR CONSIDERATION

The Application meets the eligibility criteria and requirements of the Program. In the event the project is not considered for the Program, the Application should be referred to staff for further information on possible financial and/or legal implications.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED24073 – Site Location Map

Appendix "A" to Report PED24073
Page 1 of 1



Location Map

PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT

File Name/Number:
ERG-23-06

Date:
February 22, 2024


| | | |
|--------------|------------------|------------------------------|
| Appendix "A" | Scale: N.T.S. | Planner/Technician: PC/AL |
|--------------|------------------|------------------------------|

Subject Property

71 Rebecca Street



INFORMATION REPORT

| | |
|---------------------------|--|
| TO: | Mayor and Members General Issues Committee |
| COMMITTEE DATE: | April 17, 2024 |
| SUBJECT/REPORT NO: | Revenue Sources to Fund Council Priorities and Ongoing Operating and Capital Works (FCS24022) (City Wide) (Outstanding Business List Item) |
| WARD(S) AFFECTED: | City Wide |
| PREPARED BY: | Duncan Robertson (905) 546-2424 Ext. 4744 Abdisalam Osman |
| SUBMITTED BY: | Kirk Weaver Acting Director, Financial Planning, Administration and Policy Corporate Services Department |
| SIGNATURE: |  |

COUNCIL DIRECTION

At its meeting on August 18, 2023, City Council approved the following motion regarding revenue tools available to municipalities:

- (a) That staff be directed to report back to the General Issues Committee the following information by Q1 2024:
- (i) A scan of revenue authorities contained in the *Municipal Act, 2021* or other Provincial legislation that do not require the expressed permission of the Government of Ontario;
 - (ii) An inventory of revenue sources that are contained in the *City of Toronto Act, 2006* but not contained in the *Municipal Act, 2021*; and,
 - (iii) A scan of municipal revenue tools in other jurisdictions that may be more progressive and could support in the achievement of this term of Council priorities and ongoing programming needs and any expressed permissions necessary to implement the strategies.

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SUBJECT: Revenue Sources to Fund Council Priorities and Ongoing Operating and Capital Works (FCS24022) (City Wide) – Page 2 of 14

INFORMATION**Purpose**

Report FCS24022 provides an analysis of potential revenue sources for the City of Hamilton, informed by a review of legislative frameworks, comparative data with other municipalities and a detailed examination of financial and demographic data. It aims to identify viable strategies for enhancing municipal revenue without requiring provincial approval and in alignment with Council's priority of Sustainable Economic and Ecological Development.

Background

The City of Hamilton, like all municipalities in Ontario, must navigate within the fiscal framework set by provincial legislation which determines the extent and scope of revenue generation tools available. *The Municipal Act, 2001* delineates the standard revenue options for Ontario municipalities, excluding specific provisions for the City of Toronto under the *City of Toronto Act, 2006*.

Revenue Sources Available to all Ontario Municipalities

The *Municipal Act, 2001*, provides Ontario municipalities with various revenue authorities that do not require any additional expressed permission of the Government of Ontario. These include:

- Property Taxes (*Municipal Act, Section 75*): Municipalities have the authority to levy property taxes on residential, commercial, industrial and other types of properties within their jurisdiction.
- Payment in Lieu of Taxes (*Municipal Act, Section 382*): Payments made by tax-exempt entities, such as non-profits, universities and government agencies to municipal governments. The “Heads in Beds” levy (Section 323) has not increased from the \$75 per head or bed since its inception in 1987.
- User Fees and Service Charges (*Municipal Act, Section 391*): Municipalities can impose fees and charges for services they provide, such as recreational programs, public utilities (water, sewer, electricity) and various permits and licenses.
- Impost Fees (*Municipal Act, Section 391*): Fees collected from developers for capital cost related to services on persons not receiving immediate benefit, but who will receive benefit at a later point (i.e., development of public utilities such as water and sewage).
- Fines and Penalties (*Municipal Act, Section 333*): Municipalities can collect fines and penalties from by-law infractions and other offenses within their jurisdiction.

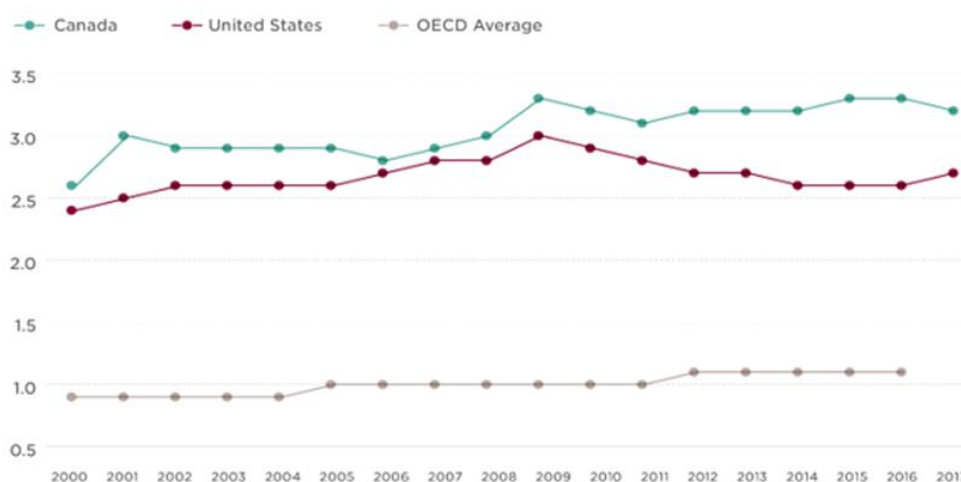
SUBJECT: Revenue Sources to Fund Council Priorities and Ongoing Operating and Capital Works (FCS24022) (City Wide) – Page 3 of 14

- Investment Income (*Municipal Act*, Section 438): Earnings generated from the investment of municipal funds.
- Grants and Subsidies (*Municipal Act*, Sections 302-303): Transfers from senior governments aimed at supporting local infrastructure projects. The Canada Community-Building Fund (CCBF), for example, provides predictable, long-term funding for public transit and other municipal infrastructure priorities.

Under the *Development Charges Act, 1997*, municipalities also hold the power to levy charges for growth-related capital municipal infrastructure projects for various service areas.

Comparatively, Canadian municipalities (definition of municipality may vary with compared jurisdictions) have a greater dependence on property taxes as a revenue source than their counterparts in the United States and the Organization for Economic Co-operation and Development (OECD) countries, as illustrated in Figure 1. By broadening their revenue bases beyond property taxes, Canadian municipalities could alleviate the fiscal burden on homeowners and, in turn, enhance their revenue streams.

Figure 1 – Property tax revenue of local governments as a share of GDP (2000-2017, percent)



Source: OECD, Revenue Statistics – OECD Countries: Comparative Tables

Toronto's Fiscal landscape

Toronto has an array of revenue tools enabled by the *City of Toronto Act (CoTA), 2006*, with property tax representing a significant portion, 35% of its revenue (Figure 2). Toronto relies less on revenue from property taxes, compared to other municipalities, benefiting from its diversified revenue tools. The City of Toronto, like all municipalities, also sources revenue from rate-based programs like Toronto Water, Solid Waste

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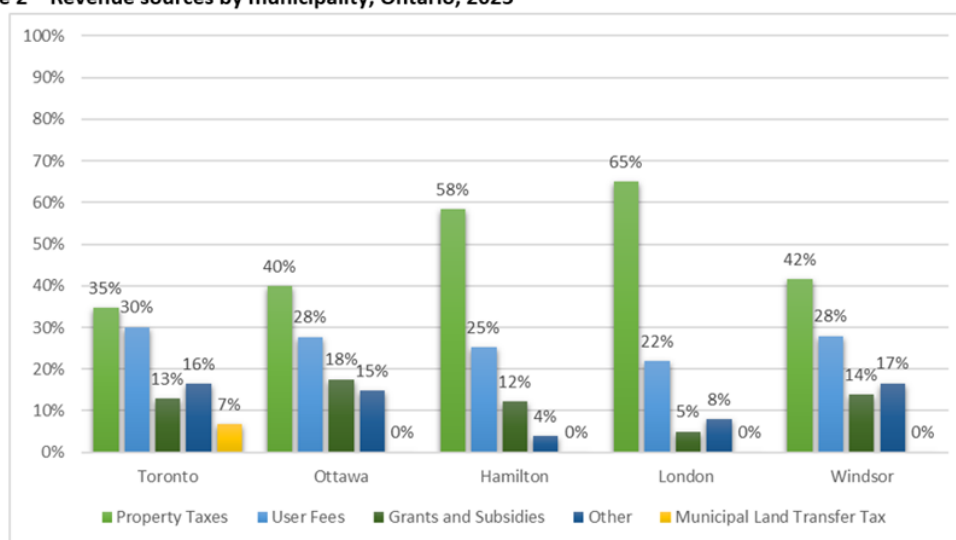
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SUBJECT: Revenue Sources to Fund Council Priorities and Ongoing Operating and Capital Works (FCS24022) (City Wide) – Page 4 of 14

Management Services and the Toronto Parking Authority, funded by user fees reflective of consumption and usage. Additional revenue is raised through targeted taxes:

- Municipal Land Transfer Tax (MLTT): Represented 10% of revenues in 2023.
- Third Party / Billboard Sign Tax: Imposed on outdoor advertising installations.
- Vacant Home Tax: Increased recently to 3% to combat housing vacancy and affordability issues.

Figure 2 – Revenue sources by municipality, Ontario, 2023



Source: Municipal Budgets 2023

Furthermore, Toronto has seven options that are currently authorized under the CoTA and within the City's control, which include:

- **Parking Levy in Downtown Area**
Toronto has the authority to implement targeted taxes like a parking levy, which is not available under the *Municipal Act*. A parking levy in downtown Hamilton could follow Toronto's lead by imposing a fee on parked vehicles, thereby generating revenue from high-traffic areas. The Toronto Parking Authority generated over \$142 M (2023 Capital and Operating Budget Notes, City of Toronto). Unlike property taxes, this tool could reduce congestion, promote public transit use and support the City of Hamilton's climate resilience and readiness.
- **Revisions to the Municipal Land Transfer Tax (MLTT) First-Time Homebuyer Tax Exemptions**
The City of Toronto has greater autonomy in setting tax exemptions, such as adjustments to the MLTT for first-time homebuyers. Revising these exemptions could stimulate the housing market by making home purchases more attractive for those entering the ownership market for the first-time including newcomers.

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- **Tiered MLTT**
Toronto recently implemented a tiered MLTT where the tax rate increases with the value of the property transaction. This is seen as a progressive tax structure creating a more equitable system where higher-value transactions incur a greater tax. While this could help align tax contributions with property values, it might also discourage high-value property sales.
- **Graduated Tax Rates for Commercial / Industrial Properties**
In Toronto, varied tax rates for different property types are used to balance the tax burden. This option could foster a fairer property tax landscape but potentially dissuade business growth if the rates are seen as punitive.
- **Registration Fees for Ride-Sharing Services**
Toronto can levy registration fees on ride-sharing services, a modern revenue source reflecting the changing urban transport landscape. However, these costs might be passed on to consumers, making ride-sharing services more expensive.
- **Tax on Foreign Property Purchasers**
The City of Toronto has the authority to consider taxes targeting foreign property investors. Implementation of such a tax could curb speculative investments and ensure contributions to local infrastructure. However, it risks reducing foreign investment, which can be crucial for the City's growth. The use of this tool was recently approved by Mayor Olivia Chow's Executive committee and will come into effect on January 1, 2025, pending approval from Toronto City Council.
- **A Dedicated 911 Levy**
Toronto can implement specific levies to fund emergency services. Ontario and Manitoba are the only provinces that do not currently charge a monthly levy for 911 services. A levy of \$1 per cellphone user in Toronto could bring in an estimated \$28.8 M a year (Audit of 911 Report - Toronto Auditor General, June 14, 2022).

The City of Toronto has further revenue options that would require a collaborative approach with the province but would not need further changes to the existing CoTA framework:

- Motor Vehicle Registration Tax
- Levies on alcoholic beverages
- Tobacco sales tax
- Taxes on entertainment and amusement venues
- Road pricing strategies, such as cordon charges

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- A Building Performance Charge aimed at incentivizing energy efficiency and reducing carbon emissions in the building sector.

Toronto's unique legislative framework under the *City of Toronto Act* allows for a broader range of revenue tools than the standard provisions of the *Municipal Act*. For Hamilton, adopting similar measures would require a departure from traditional revenue sources moving toward a more diversified and potentially equitable revenue system that could include usage-based fees and targeted taxes. However, each option comes with its own set of trade-offs that would need to be carefully evaluated and balanced to meet the City's financial needs without adversely affecting economic growth or affordability.

Revenue sources for the City of Hamilton

Hamilton currently utilizes a variety of revenue tools to support its municipal budget, including:

- Property Taxes
- User Fees and Service Charges (including rate revenue sources)
- Grants and Subsidies from senior levels of government
- Fines and Penalties
- Investment Income
- Development Charges
- Vacant Unit Tax (planned for implementation in 2024)
- Municipal Accommodation Tax

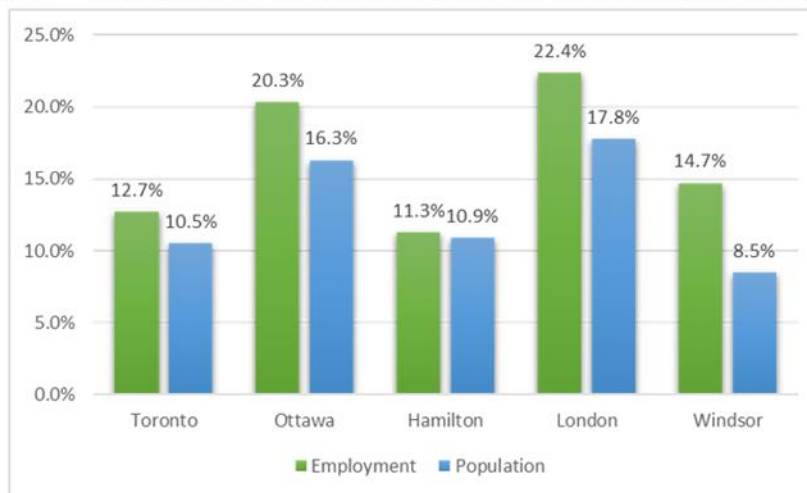
The City of Hamilton recently expanded its portfolio of revenue tools with Council's adoption of the implementation of the Vacant Unit Tax (FCS21017(c), January 18, 2023) and Municipal Accommodation Tax (PED20009(c), August 4, 2022). The Province of Ontario has commended the City of Hamilton through introducing the Vacant Unit Tax through Budget 2024 referencing Hamilton as a leader among three other municipalities. This development represents a significant step towards diversifying the City's revenue streams. These new tools not only align with Hamilton's strategic priorities to address housing affordability and promote tourism but also provide an innovative approach to generating additional revenue needed to fund essential municipal services and infrastructure projects.

The City has further potential to improve its financial landscape by examining and adapting some of the revenue tools used by Toronto as authorized by the *City of Toronto Act*. This could include additional analysis on implications of the implementation of taxes on parking, land transfers and alcohol and tobacco sales. Integrating these fiscal tools into Hamilton's financial planning could result in a diverse and robust portfolio of revenue streams easing pressure on the property tax levy.

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With its position as Ontario's fifth largest city, over the past decade, Hamilton has seen both its employment and population grow by approximately 11% reflecting a parallel expansion in its job market and resident base (see Figure 3). This growth presents both a challenge and an opportunity for Hamilton to leverage its expanding population base to diversify its revenue sources ensuring sustainable economic growth. Despite an over-reliance on property tax revenue, the City of Hamilton's property tax rate has been steady and relatively constant as seen in Figure 4. Fiscal innovation is particularly crucial considering the City's slower rise in property tax revenues from 2013 to 2021.

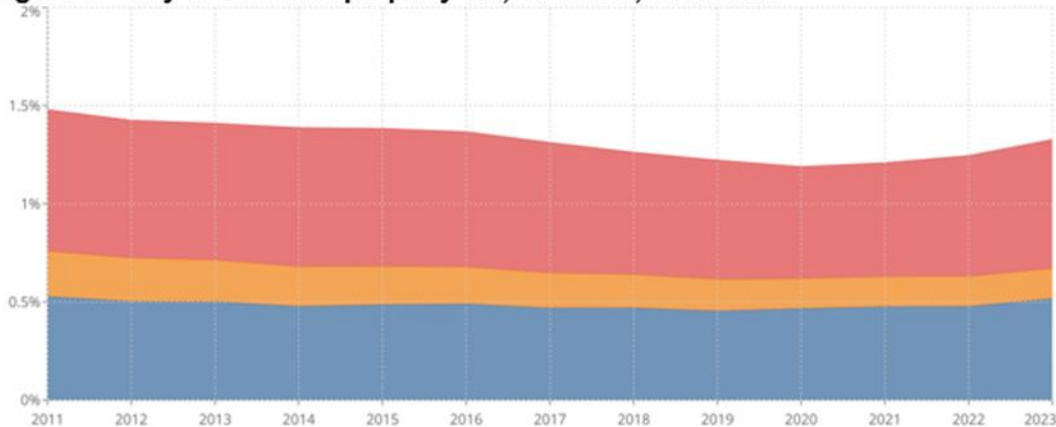
Figure 3 – Employment and population growth by municipality, Ontario (2012-2022)



Source: Statistics Canada. Population: 17-10-0142-01,
Employment: 14-10-0384-01

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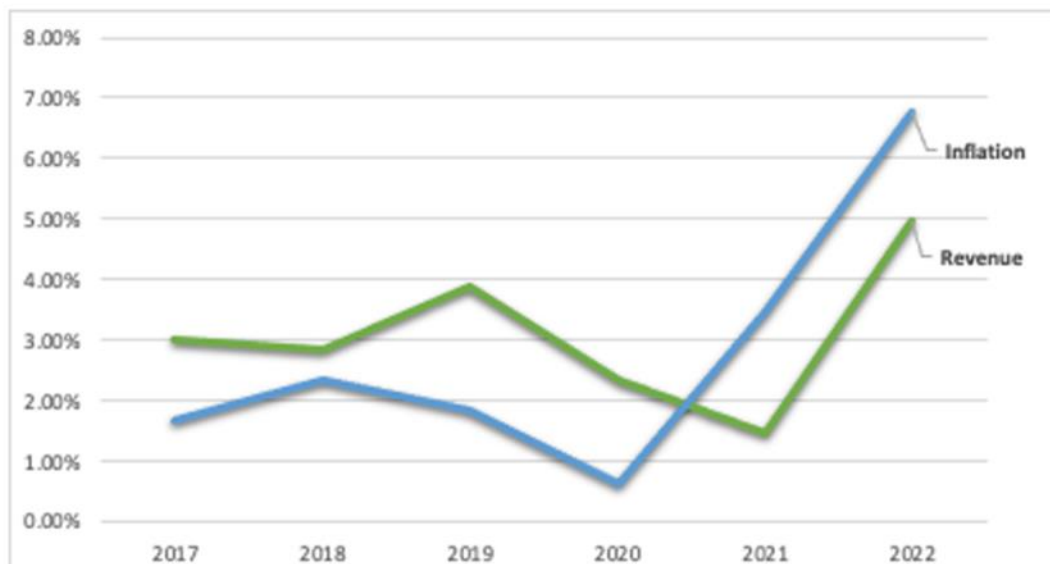
Figure 4 – City of Hamilton property tax, Hamilton, 2011-2023



Source: City of Hamilton

The divergence between Hamilton's revenue growth and inflation rates from 2017 to 2022, as depicted by Figure 5, emphasizes the need for the City of Hamilton to explore alternative sources to bolster revenue. Moreover, user fees and other revenue sources may not adjust automatically with inflation. This delay in adjustment can lead to a real decrease in revenue further straining the City's finances. The City's capacity to fund services and infrastructure may be compromised if revenue fails to align with the escalating costs associated with providing those services.

Figure 5 - Inflation outpacing Revenue Growth for the City of Hamilton (2017-2022)



Source: Statistics Canada, Table: 18-10-0005-01. City of Hamilton Budget

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Municipal Revenue Tools Across National and International Jurisdictions

Certain municipalities outside of Ontario have the option to levy a business tax, as seen in Figure 6 which could be an additional revenue source for consideration by municipalities within Ontario, including Hamilton. The incorporation of a business tax could potentially provide Hamilton with a broader fiscal base, diversifying its revenue streams beyond the traditional reliance on property taxes and user fees. This strategy could align Hamilton with other Canadian cities using business taxes for fiscal stability but might burden businesses possibly leading to higher costs for consumers and impacting competitiveness and economic growth in Hamilton.

Figure 6 – Municipal sources of revenue, Canada, 2020

| Source | BC | AB | SK | MB* | ON** | QC | NB | NS*** | PE | NL**** |
|-------------------------------------|----|----|----|-----|------|----|----|-------|----|--------|
| Tax revenues | | | | | | | | | | |
| Tax on real property | x | x | x | x | x | x | x | x | x | x |
| Business tax | | x | | x | | x | | | | x |
| Accommodation levies and fees | | | | x | x | | | x | x | x |
| Land transfer tax | | | | x | x | x | | x | | |
| Vehicle registration tax | | | | | x | | | | | |
| Billboard tax | | | | x | x | | | | | |
| Electricity and natural gas tax | | | | x | | | | | | |
| Poll tax | | | | | | | | | | x |
| Non-tax revenues | | | | | | | | | | |
| User fees | x | x | x | x | x | x | x | x | x | x |
| Licence, franchise, and permit fees | x | x | x | x | x | x | x | x | x | x |
| Fines and penalties | x | x | x | x | x | x | x | x | x | x |
| Total number of tools | 4 | 5 | 4 | 9 | 8 | 6 | 4 | 6 | 5 | 7 |

* Only Winnipeg is allowed to levy billboard tax and electricity and gas tax.

** Only Toronto is allowed to levy land transfer tax, vehicle registration tax, and billboard tax.

*** Only Halifax is allowed to levy accommodation tax.

**** Only St. John's is allowed to levy accommodation tax.

Source: Taylor and Dobson (2020), pp. 43–44.

An examination of tax revenue distribution across federal countries in the OECD shows a distinct pattern in the allocation of funds with provincial or state governments receiving varying shares (Figure 7). This highlights the differing financial responsibilities assigned to sub-national governments and illustrates the differences in federal fiscal frameworks among countries in the OECD. In 2021, Canada allocated 39.6% of total tax revenue to its provincial governments, a figure that is markedly higher than the unweighted average of 17.7% for state or regional governments across the examined nations. This suggests that Canada empowers its provinces with a substantial fiscal responsibility in comparison to other OECD countries.

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In contrast, the United States and Switzerland demonstrate a different fiscal approach where a larger proportion of tax revenue is allotted to local governments at 14.5% and 15.3%, respectively. This allocation is notably higher than Canada's 9.3% underscoring a system where municipalities have greater fiscal autonomy. These differences reflect the diverse structures within which federal countries operate each allowing for varying degrees of financial independence at the local level.

Figure 7 – Tax revenues of sub-sectors of governments, OECD, 2021 (% of total tax revenue)

| | Central/Federal | State/Regional/Provincial | Local/Municipal |
|---------------------------|-----------------|---------------------------|-----------------|
| Australia | 80.4 | 16.5 | 3.1 |
| Austria | 64.5 | 2.0 | 3.0 |
| Belgium | 52.4 | 10.2 | 4.5 |
| Canada | 41.7 | 39.6 | 9.3 |
| Germany | 28.3 | 24.7 | 8.8 |
| Mexico | 80.4 | 4.1 | 1.8 |
| Switzerland | 36.0 | 24.5 | 15.3 |
| United States | 42.4 | 20.2 | 14.5 |
| <i>Unweighted average</i> | 53.3 | 17.7 | 7.5 |

Source: OECD: Revenue statistics highlights

Revenue Generation Options for the City of Hamilton

Municipal Land Transfer Tax

A Municipal Land Transfer Tax (MLTT) could help boost municipal revenues as observed in Toronto. In assessing revenue generation for Hamilton, the dynamics of the housing market where the proportion of renters has been increasing, surpassing the growth of homeowners, as shown in Figure 8, adds a layer of complexity. A Municipal Land Transfer Tax could risk exacerbating housing challenges by potentially depressing the real estate market further. The Realtors Association of Hamilton-Burlington (RAHB) noted a decline in housing sales by 11 percent in 2023 compared to the previous year (Figure 9). Notably, the proposal for an MLTT was brought to Council in 2015 for a vote to study its impacts but was defeated.

Jim Dunn, McMaster University professor and director of the Canadian Housing Evidence Collaborative (CHEC), highlights that the previously low interest rates and increased equity allowed homeowners to bid well over asking prices, exacerbating the competition in the housing market. Dunn also points to a lack of coordinated effort to align immigration with housing supply. There was also a hesitation among sellers to

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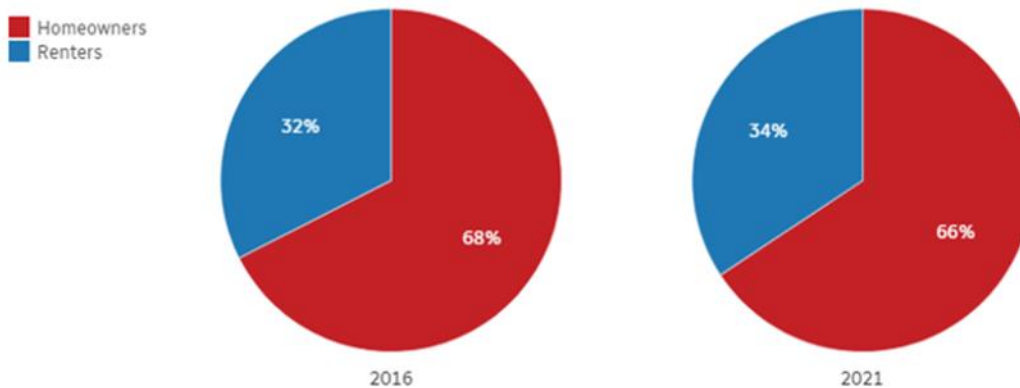
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reduce prices from the peak seen in 2022, despite rising interest rates and stagnant incomes, contributing to the slow home sales. This context adds another dimension to the challenges facing Hamilton, where a Municipal Land Transfer Tax (MLTT) may further complicate an already tense market. Dunn's insights suggest that, for many, the prospect of homeownership is becoming increasingly elusive underscoring the delicate balance required in implementing new tax measures.

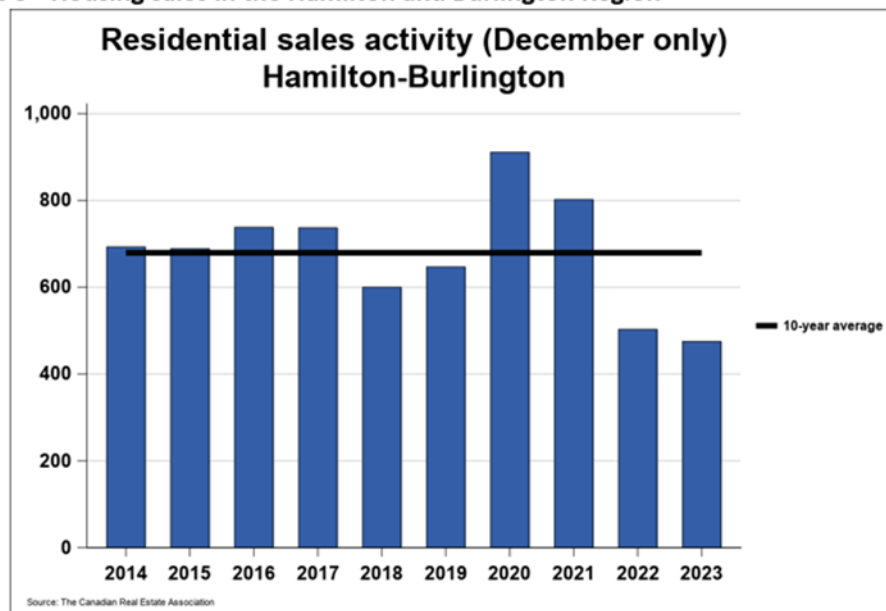
Figure 8 – Renters in Hamilton outpacing homeowners

The number of renters is growing at a faster pace than the number of homeowners in Hamilton.



Source: Statistics Canada and City of Hamilton (Bobby Hristova/CBC)

Figure 9 - Housing sales in the Hamilton and Burlington Region



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Residential Capital Gains Tax

Steve Pomeroy, Head of Focus Consulting and Senior Research Fellow for the Centre for Urban Research and Education, alternatively suggests a capital gains tax on home values as opposed to the MLTT, a perspective that sheds light on homeowner preferences regarding equity versus taxation, where a minor tax may be more favorable than a significant drop in home value.

In weighing the two tax strategies, the MLTT aligns more closely with Council's priority for Sustainable Economic and Ecological Development. The MLTT operates as a one-off sales tax paid only by property purchasers, contrasting with the recurring nature of a capital gains tax. This approach effectively lessens the ongoing tax obligations for homeowners aligning with Council's objective to reduce the burden on residential taxpayers.

Other revenue options might include:

- **Sales Taxes:** A municipal sales tax could generate consistent revenue but might discourage spending within Hamilton.
- **Entertainment Taxes:** These could profit from Hamilton's cultural events, though they risk dampening the local entertainment industry.
- **Business Taxes:** Implementing a business tax could tap into the economic activities of local enterprises providing a stable revenue source. However, it could also place a financial strain on businesses potentially affecting competitiveness and economic growth within Hamilton.

Each option carries potential benefits and drawbacks necessitating a strategic approach to enhance Hamilton's fiscal resilience without adverse economic impacts.

Advocacy

For municipalities to secure revenue tools similar to those granted under the *City of Toronto Act*, a unified advocacy effort is helpful. This involves collaboration with other Ontario municipalities, industry associations and advocacy bodies like the Association of Municipalities of Ontario (AMO), the Federation of Canadian Municipalities (FCM) and other allied entities. A detailed advocacy strategy, endorsed by a collective municipal front, is essential if Council opts to pursue specific tools akin to Toronto's model. This strategy aligns with the Federation of Canadian Municipalities Big City Mayor's Caucus' (BCMC) push for a comprehensive review of social and economic prosperity by the province, recognizing the current fiscal arrangements as detrimental to Ontario's economic vitality and living standards.

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"As our nation grows, the need for municipalities to confidently meet that growth is clearer than ever. Municipalities are on the frontlines of challenges related to homelessness and mental health, climate change, and more," stated The Federation of Canadian Municipalities (FCM) President Scott Pearce (November 2023) emphasizing the vital role of municipalities in navigating and mitigating issues at the local level and the urgent need to bolster fiscal mechanism to support those efforts.

The Federation of Canadian Municipalities (FCM) is exploring various avenues for municipal revenue enhancement aiming to establish a Municipal Growth Framework. This includes refining existing tools, introducing new ones and augmenting federal or provincial transfers. FCM's consultation process engages multiple stakeholders to define the principles for such a framework, emphasizing the connection of municipal revenue to economic and population growth, equipping municipalities with diverse financial instruments for comprehensive service provision and advocating for a more equitable tax revenue distribution that reflects the actual service delivery responsibilities across government tiers.

Considerations

Aligning the City of Hamilton Revenue Tools with its Priorities

- Sustainable economic and ecological development can be reached by exploring strategic fiscal partnerships, advocating for a new fiscal framework, diversifying revenue streams through innovative models and expanding the commercial tax base to reduce the financial burden on residential taxpayers.
- Enhancing available and affordable housing supply while also reducing chronic homelessness can be supported by synergizing specific revenue tools, such as, implementing a Land Transfer Tax in conjunction with a tax on foreign property investment to discourage speculative buying and support the development of affordable housing.

Strategic Fiscal Partnerships and Frameworks

- Engaging with the Association of Municipalities of Ontario (AMO) and similar bodies could present an opportunity to collectively explore revenue generation tools similar to those utilized by the City of Toronto. A collaborative effort may offer a unified voice in discussions with the provincial government regarding fiscal policies.
- There is a strong advantage in aligning with other municipalities to jointly strategize on advocating for a comprehensive review of fiscal tools by the province or federal government. This could help in achieving a cohesive approach to revenue generation that supports municipal growth and sustainability.

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Fostering Sustainable Municipal Revenue

- The Federation of Canadian Municipalities (FCM) is embarking on the development of a Municipal Growth Framework which aims to expand revenue options for municipalities. Supporting this initiative could align with efforts to create a diversified revenue portfolio and participation in the FCM's consultation process may influence the framework to ensure it includes equitable growth and tax distribution.

Revenue Diversification for Economic Resilience

- A re-evaluation of Hamilton's fiscal structure may reveal the potential for reducing the City's reliance on property taxes. Additional revenue mechanisms, such as, parking levies, taxes on foreign property purchases and a tiered approach to Municipal Land Transfer Taxes (MLTT) could lead to a more resilient economic base.

Proactive Economic Analysis

- Proactively monitoring the economic impact of newly implemented revenue tools could be instrumental in ensuring they serve the City's financial health.

APPENDICES AND SCHEDULES ATTACHED

None.

DR/AO/dt

CITY OF HAMILTON MOTION

General Issues Committee: April 17, 2024

MOVED BY COUNCILLOR N. NANN

SECONDED BY COUNCILLOR T. HWANG.....

City of Hamilton advocacy at the Great Lakes St. Lawrence Cities Initiative Annual General Meeting taking place in Montreal, Quebec in May 2024

WHEREAS the Great Lakes and St. Lawrence Cities Initiative is a binational coalition of over 240 U.S. and Canadian mayors, councillors and local officials working to advance the protection and restoration of the Great Lakes and St. Lawrence River Basin.

WHEREAS the Cities Initiative and local officials integrate environmental, economic and social agendas and sustain a resource that represents approximately 20 percent of the world’s surface freshwater supply, provides drinking water for 40 million people, and is the foundation upon which a strong regional economy is based.

WHEREAS the City of Hamilton has a robust government relations strategy and as part of that process, advocacy and alignment with other municipalities at the federal level is integral to sustainability, economic prosperity and success;

WHEREAS participation on behalf of the City of Hamilton supports the Term of Council Priorities

THEREFORE, BE IT RESOLVED:

- (a) That Councillor A. Wilson be selected as the City of Hamilton’s representative at the Great Lakes St. Lawrence Cities Initiative Annual General Meeting taking place in Montreal, Quebec from May 15 – 17, 2024; and,
- (b) That Council assumes all costs associated with attendance for Councillor A. Wilson for the Great Lakes St. Lawrence Cities Initiative Annual General Meeting taking place in Montreal, Quebec from May 15 – 17, 2024 from the General Legislative Budget (300100).