



City of Hamilton

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE ADDENDUM

Meeting #: 24-009
Date: May 2, 2024
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

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

5. COMMUNICATIONS

***5.1 Bill 185, Cutting Red Tape to Build More Homes Act, 2024**

To be received and referred to the consideration of Item 10.1, *Bill 185, Cutting Red Tape to Build More Homes Act, 2024* as it relates to the *Development Charges Act, 1997* (FCS24034) (City Wide)

***5.1.a Watson & Associates Economists Ltd. respecting the Assessment of Bill 185, Cutting Red Tape to Build More Homes Act, 2024.**

Referred from Council, April 24, 2024

***5.1.b Watson & Associates Economists Ltd. respecting the Assessment of Bill 185, Cutting Red Tape to Build More Homes Act, 2024 and the Proposed Provincial Planning Statement, 2024**

***5.2 Development Charges By-Law**

Recommendation: To be received and referred to consideration of Item 8.1, Development Charges Background Study, Policies and By-Laws

***5.2.a Colleen Wicken**

***5.2.b Christiane de Savigny**

***5.2.c Rose Janson and Family**

- *5.2.d Marie Covert
- *5.2.e Elizabeth Watson-Morlog
- *5.2.f Mary Love
- *5.2.g Heather Vaughan
- *5.2.h J. Williams
- *5.2.i Catherine Thomas
- *5.2.j Verena Walter
- *5.2.k Lyn Folkes
- *5.2.l Steve Chalastra
- *5.2.m Jan W. Jansen
- *5.2.n Don Brown
- *5.2.o Candy Venning
- *5.2.p Monica McCrory
- *5.2.q Jane Wright
- *5.2.r Bernice McRae
- *5.2.s Patricia (Pat) Wilson, The Wilson Financial Group
- *5.2.t Karijn de Jong
- *5.2.u Luigia DeDivitiis and Allan Buck
- *5.2.v Wendy Leigh-Bell and E. Robert Ross
- *5.2.w Nonni Iler
- *5.2.x Theresa McQuaig
- *5.2.y Teresa Gregorio
- *5.2.z Erica Hall

- *5.2.aa Elizabeth Knight
- *5.2.ab Steven Dejonckheere, Slate Asset Management
- *5.2.ac Toni Wodzicki, Broccolini
- *5.2.ad Robert Howe, Goodmans LLP

6. DELEGATION REQUESTS

- *6.1 2024 Development Charges Background Study, Policies and By-laws - Final Report (for today's meeting)
 - *6.1.a Michelle Diplock, West End Home Builders' Association
 - *6.1.b Amanda C. Stringer, Realtors Association of Hamilton Burlington
 - *6.1.c Greg Dunnett, Hamilton Chamber of Commerce
 - *6.1.d Veronica Green, Slate Asset Management
 - *6.1.e Steven Dejonckheere, Slate Asset Management

8. STAFF PRESENTATIONS

- 8.1 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide)
 - *8.1.a 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) - REVISED

April 11, 2024

To Our Municipal Clients:

Re: Assessment of Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*

On behalf of our many municipal clients, we are writing to inform you of the Ontario Legislature's proposed changes to the *Development Charges Act* (D.C.A.) under Bill 185 (*Cutting Red Tape to Build More Homes Act*) and to Ontario Regulation 82/98 under the D.C.A. These proposed changes are with respect to:

- The definition of eligible capital costs (to include certain studies);
- The removal of the mandatory phase-in of charges;
- The process for minor amendments to development charge (D.C.) by-laws;
- A reduction of time for the D.C. rate freeze related to site plan and zoning by-law amendment planning applications;
- Modernizing public notice requirements; and
- Implementation of the Affordable Residential Unit exemptions.

Further details with respect to these proposed changes are provided below.

With respect to changes to the *Planning Act* arising from Bill 185, Watson will be preparing a subsequent letter summarizing the changes.

1. Revised Definition of Capital Costs

On November 28, 2022, the Province enacted Bill 23, *More Homes Built Faster Act*, which included a number of discounts, exemptions, and reductions to D.C.s. As part of this legislation, the definition of capital costs (subsection 5 (3) of the D.C.A.) was amended to remove studies, including D.C. background studies.

Bill 185 proposes to reverse the capital cost amendments of the *More Homes Built Faster Act* (Bill 23) by reinstating studies as an eligible capital cost. The following paragraphs are proposed to be added to subsection 5 (3) of the D.C.A.:

5. *Costs to undertake studies in connection with any of the matters referred to in paragraphs 1 to 4.*
6. *Costs of the development charge background study required under section 10.*



The proposed amendment will allow municipalities to fund studies, consistent with by-laws passed prior to the *More Homes Built Faster Act* (Bill 23). This will allow for the funding of master plans, D.C. background studies, and similar studies that inform the capital costs of the D.C. background study.

2. Removal of the Mandatory Phase-in

The *More Homes Built Faster Act* (Bill 23) required the phase-in of charges imposed in a D.C. by-law over a five-year term. D.C. by-laws passed after January 1, 2022, were required to phase-in the calculated charges as follows:

- Year 1 of the by-law – 80% of the charges could be imposed;
- Year 2 of the by-law – 85% of the charges could be imposed;
- Year 3 of the by-law – 90% of the charges could be imposed;
- Year 4 of the by-law – 95% of the charges could be imposed; and
- Years 5 to 10 of the by-law – 100% of the charges could be imposed.

Bill 185 proposes to remove the mandatory phase-in of the charges. It is proposed that this change would be effective for D.C. by-laws passed after Bill 185 comes into effect.

For site plan and zoning by-law amendment applications that were made prior to Bill 185 receiving Royal Assent, the charges payable will be the charges that were in place on the day the planning application was made (i.e., including the applicable mandatory phase-in).

Note, the Bill also proposes to allow minor amendments to D.C. by-laws that include these phase-in provisions. As provided in further detail below, these amendments would not require the preparation of a D.C. background study or undertake the statutory public process, and the amendments would not be subject to Ontario Land Tribunal appeal. This provision will only be available for a period of six months after Bill 185 takes effect.

3. Process for Minor Amendments to D.C. By-laws

Section 19 of the D.C.A. requires that a municipality must follow sections 10 through 18 of the D.C.A. (with necessary modifications) when amending D.C. by-laws. Sections 10 through 18 of the D.C.A. generally require the following:

- Completion of a D.C. background study, including the requirement to post the background study 60 days prior to passage of the D.C. by-law;
- Passage of a D.C. by-law within one year of the completion of the D.C. background study;
- A public meeting, including notice requirements; and
- The ability to appeal the by-law to the Ontario Land Tribunal.



Bill 185 proposes to allow municipalities to undertake minor amendments to D.C. by-laws for the following purposes without adherence to the requirements noted above (with the exception of the notice requirements):

1. To repeal a provision of the D.C. by-law specifying the date the by-law expires or to amend the provision to extend the expiry date (subject to the 10-year limitations provided in the D.C.A.);
2. To impose D.C.s for studies, including the D.C. background study; and
3. To remove the provisions related to the mandatory phase-in of D.C.s as discussed in section 2 of this letter.

Minor amendments related to items 2 and 3 noted above may be undertaken only if the D.C. by-law being amended was passed after November 28, 2022, and before Bill 185 takes effect. Moreover, the amending by-law must be passed within six months of Bill 185 taking effect.

Notice requirements for these minor amending by-laws are similar to the typical notice requirements, with the exception of the requirement to identify the last day for appealing the by-law (as these provisions do not apply).

4. Reduction of D.C. Rate Freeze Timeframe

Bill 108, *More Homes, More Choices Act, 2019*, which received Royal Assent on June 6, 2019, provided several changes to the D.C.A. including the requirement to freeze the D.C.s imposed on certain developments. This applied to developments that were subject to a site plan and/or a zoning by-law amendment application. The D.C. rate for these developments is “frozen” at the rates that were in effect at the time the site plan and/or a zoning by-law amendment application was submitted (subject to applicable interest). Once the application is approved by the municipality, if the date the D.C. is payable^[1] is more than two years from the approval date, the D.C. rate freeze would no longer apply.

Bill 185 proposes to reduce the two-year timeframe to 18 months and move this timeframe from being identified in O. Reg. 82/98 to being identified in the D.C.A. Transition provisions are included that require the two-year D.C. “freeze” for site plan and zoning by-law amendment applications that were approved prior to Bill 185 receiving Royal Assent to remain in effect.

^[1] In the case of Rental Housing and Institutional development, once the application is approved by the municipality, if the date the first building permit is issued is more than two years after the date of approval, the D.C. rate freeze would no longer apply.



Note that the streamlined process for minor amending by-laws does not appear to include the ability to amend D.C. by-laws to meet this legislative change.

5. Other Proposed Changes

Along with the proposed legislative changes outlined in Bill 185, the Province has identified related proposed regulatory changes regarding modernization of the public notice requirements. In addition, the Province has noted that implementation of the Affordable Residential Unit exemption will occur on June 1, 2024.

5.1 Modernizing Public Notice Requirements

The D.C.A. sets out the requirements for municipalities to give notice of public meetings and of by-law passage. These requirements are prescribed in sections 9 and 10 of O. Reg. 82/98 and include giving notice in a newspaper of sufficiently general circulation in the area to which the by-law would apply. The proposed regulatory changes would modernize public notice requirements by allowing municipalities to provide notice on a municipal website if a local newspaper is not available.

5.2 Implementing the Affordable Residential Unit Exemption

The More Homes Built Faster Act (Bill 23) identified an exemption for Affordable Residential Units. This exemption was subsequently revised through Bill 134, *Affordable Homes and Good Jobs Act, 2023*, which received Royal Assent on December 4, 2023. The exemption is summarized as follows:

- **Affordable Rental:** Where the rent is no greater than the lesser of the income based affordable rent^[1] set out in the Affordable Residential Units Bulletin and the average market rent identified in the Affordable Residential Units Bulletin.
- **Affordable Owned Unit:** Where the price of the residential unit is no greater than the lesser of the income-based affordable purchase price^[2] set out in the Affordable Residential Units Bulletin and 90% of the average purchase price identified in the Affordable Residential Units Bulletin.

^[1] Based on the 60th percentile of gross annual incomes for renter households in the applicable local municipality and where the rent is equal to 30% of the income of the household.

^[2] Based on the 60th percentile of gross annual incomes for households in the applicable local municipality and where the purchase price would result in annual accommodation costs equal to 30 per cent of the income of the household.



The Provincial Backgrounder has indicated that this exemption will come into force on June 1, 2024, and that the Affordable Residential Units Bulletin will be posted on Ontario.ca.

Note, no commentary has been provided on the Attainable Unit exemption at this time.

6. Summary Comments on the Proposed Amendments

Many of these changes to the D.C.A. appear positive for municipalities by assisting in ensuring that growth pays for growth to the extent possible. This is achieved by allowing for the inclusion of growth-related studies that will allow municipalities to appropriately plan for additional development. Furthermore, the removal of the mandatory phase-in provisions ensures discounts to D.C.s are not provided to development and redevelopment that municipalities do not aim to incentivize. The reduction in the D.C. rate freeze timeline helps to ensure development that is not proceeding quickly does not receive D.C. discounts. Additionally, the ability to make minor amendments to D.C. by-laws to align with the legislative changes without onerous administrative requirements will assist municipalities in aligning policies with the amended legislation quickly. Modernizing the public notice requirements further assists municipalities in areas where there is no local newspaper.

With respect to the implementation of the Affordable Residential Unit exemption on June 1, 2024, as stated in previous correspondence, while it is an admirable goal to create additional affordable housing units, further D.C., community benefits charge, and parkland exemptions will continue to provide further financial burdens on municipalities to fund these exemptions.

Watson will be providing a submission through the Environmental Registry of Ontario on these legislative changes. Watson will also be seeking an opportunity to speak as a delegation to the Standing Committee, if possible, to provide our comments on behalf of our municipal clients. We will continue to monitor the progress of Bill 185 through the legislature and will continue to keep our clients informed of any changes. If you have any questions, please do not hesitate to contact us.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

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April 24, 2024

To our Municipal clients:

Re: Assessment of Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* and the Proposed Provincial Planning Statement, 2024

On behalf of our many municipal clients, we are writing to inform you of the Ontario Legislature's proposed changes to the *Planning Act* under Bill 185 (*Cutting Red Tape to Build More Homes Act*) and the proposed Provincial Planning Statement, 2024 (PPS, 2024). The primary focus of this letter is to provide our assessment of the proposed PPS, 2024 and its potential impacts on growth management in Ontario. The proposed PPS, 2024 was released in coordination with Bill 185 on April 10, 2024, for a 30-day comment period. The comment period on the proposed PPS, 2024 ends on May 12, 2024 (the deadline was extended by two days after the release of the French version of the proposed PPS, 2024). The PPS is provided under section 3 of the *Planning Act* and if the proposed PPS, 2024 is approved, all municipal decisions would be required to be consistent with the PPS, 2024 under subsections 3 (5) and 3 (6) of the *Planning Act*.

1. Proposed Planning Act Changes

With respect to the proposed changes to the *Planning Act* under Bill 185, we have identified the following key impacts as they broadly relate to growth management in Ontario.

Upper-Tier Municipalities with No Planning Responsibilities to Come into Effect on July 1, 2024, for the Regional Municipalities of Halton, Peel, and York

- The Province introduced the concepts of “upper-tier municipalities without planning responsibilities” and “upper-tier municipalities with planning responsibilities” to the *Planning Act* as part of Bill 23. “Upper-tier municipalities without planning responsibilities” includes a list of seven upper-tier municipalities comprising all the upper-tier municipalities in the Greater Toronto Area, as well as the County of Simcoe, the Region of Niagara, and the Region of Waterloo. Bill 185 builds upon this and amends the *Planning Act* to implement changes to certain upper-tier municipalities, “upper-tier municipalities without planning responsibilities.”
- Under Bill 185, the Region of Halton, the Region of Peel, and the Region of York will become “upper-tier municipalities without planning responsibilities” on July 1, 2024. The County of Simcoe, the Region of Durham, the Region of Niagara, and the Region of Waterloo will become “upper-tier municipalities without planning



responsibilities” at a future date to be named by proclamation of the Lieutenant Governor.^[1]

- Upon the review of Bill 23, Watson & Associates Economists Ltd. (Watson) previously expressed concerns with these significant changes to regional planning. We anticipate that there will continue to be a strong need for impacted upper-tier municipalities to address regional growth management coordination efforts (e.g., coordination of regional growth forecasts and regional urban land needs assessments, assessment of regional infrastructure needs and review of cross-jurisdictional issues) working with their area municipalities.

Elimination of Third-Party Appeal Rights to Include Municipally Approved Official Plans, Official Plan Amendments, Zoning By-Laws and Zoning By-Law Amendments

- As part of Bill 23, the Province amended the *Planning Act* to limit appeals for minor variances, a plan of subdivision, or a consent to sever to the applicant, the municipal authority, the Minister, or a “specified person.” “Specified person” is a new term introduced with the intent to focus appeals on a more focused group, including applicants, public bodies, Indigenous communities, and utilities providers. Appeal rights removed include third-party landowners, ratepayers, and other members of the public that are not the applicant, the Minister, an approval authority, a public body, or a “specified person.” Under Bill 185, it is proposed that the elimination of third-party appeals would be extended to include municipally approved Official Plans, Official Plan Amendments, Zoning By-laws and Zoning By-law Amendments.^[2]
- Bill 185 proposes to remove appeal rights for “upper-tier municipalities with no planning responsibilities”; these upper-tier municipalities will only be able to provide comments on applications. As a result, utility providers will have stronger tools (including appeal rights) to protect their infrastructure relative to upper-tier municipalities who are responsible for managing and building infrastructure, as well as the associated risks (e.g., financial and public safety).^[3]

Restore Appeal Rights for Privately Initiated Settlement Area Boundary Expansions

- Private-sector applications for a boundary of area of settlement (settlement area expansions) can be appealed to the Ontario Land Tribunal (OLT) provided that it

^[1] Bill 185, Schedule 1, section 1.

^[2] Bill 185, Schedule 12, section 3 (1).

^[3] The Regional Municipality of York, Report of the Commissioner of Corporate Services and Chief Planner for Regional Council on April 25, 2024 – Cutting Red Tape to Build More Homes Act, 2024 (Bill 185) – Proposed Changes to Planning Act, 1990, Municipal Act, 2001 and Provincial Planning Statement.



is not within the Greenbelt Area. Under the current *Planning Act*, an applicant cannot appeal an Official Plan Amendment or Zoning By-law Amendment application that would expand or alter an in-force settlement area boundary.^[1] It is important to note that this appeal right does not extend to settlement boundary expansions that have received a Minister's decision as part of an Official Plan and Official Plan Amendment. The Minister's decision is still final.

- Permitting appeals may result in more land being designated through OLT decisions than what was identified by municipalities in Official Plans and would potentially have the impact of undermining local growth management objectives established through an Official Plan Review.

A New “Use it or Lose it” Tool for Municipalities to Tackle Stalled Developments

- Proposed changes to the *Planning Act* include a new “use it or lose it” tool for municipalities to tackle stalled developments that have unused servicing capacity allocation (water and sewage servicing). The proposal as part of Bill 185, includes a framework for the municipality to expand the scope of lapsing provisions, including requiring approval authorities to impose a lapsing condition for all draft subdivision/condominium and site plan control approvals.^[2] Previously, this was an option for municipalities; now it is a requirement. It should be noted that municipalities can provide for lapsing provisions of previous applications, subject to notice to the owner.^[3]
- The new provisions would provide an incentive for developers/builders to move forward on an approved application. From a growth management perspective, this tool would potentially provide more certainty when determining housing and land supply potential to accommodate growth within the short term.

Create a New “Servicing Management” Tool to Facilitate Infrastructure Servicing Re-Allocation to Make More Efficient Use of Municipal Servicing Capacity

- This bill proposes to create a new municipal servicing management tool that would explicitly authorize municipalities to adopt policies by by-law (if they do not already exist) to establish how water and sewage servicing of an approved development is managed. Furthermore, it would enable municipalities to allocate and reallocate servicing capacity to other projects if the approved development has not proceeded after a specified timeline and the servicing is needed elsewhere in the service area. Should municipalities adopt such a by-law, it would not be appealable to the OLT.^[4]

^[1] Bill 185, Schedule 12, section 6 (4).

^[2] Bill 185, Schedule 12, section 10 (3) and section 12.

^[3] Bill 185, Schedule 4, section 2.

^[4] Bill 185, Schedule 12, section 14.



- Currently, the *Planning Act* already provides municipalities with the authority to enact by-laws to establish an allocation system for water and wastewater servicing for lands that are subject to a draft plan of subdivision. Bill 185 proposes to repeal this provision of the *Planning Act* and give municipalities the authority to pass by-laws to create a policy for water and servicing capacity, which may include the tracking of water and wastewater servicing capacity for approved developments and establishing criteria for the allocation to future development applications.^[1] Bill 185 proposes to replace this policy in the *Planning Act* and to add a new section 86.1 to Part III (Specific Municipal Powers) of the *Municipal Act, 2001*.^[2]
- These changes will empower municipalities to shift servicing allocation that will deliver the development of homes and employment growth opportunities faster. Furthermore, it provides more transparency on the expectations of servicing for future development applications.

Elimination of Parking Standards in Protected Major Transit Station Areas to Provide More Flexibility

- Proposed changes to the *Planning Act* will include prohibiting municipalities from setting parking minimums in Protected Major Transit Station Areas (PMTSAs). This would allow the market and developers the ability to decide the parking requirements in PMTSAs based on market needs.^[3] This could provide opportunities to increase housing yields in PMTSAs and possibly reduce development costs through potentially lower parking requirements.

A New Minister's Zoning Orders (MZO) Framework

- To provide better transparency at the provincial level, the Province has established a framework setting out how requests for zoning orders will be received and considered. The framework includes intake thresholds, submission requirements, and a process for Ministry assessment and decision-making. The intake requirements would need to demonstrate that the MZO delivers on a provincial priority that is supported by an Ontario government ministry and/or is supported by a single-tier or lower-tier municipality through a municipal council resolution or a letter from a mayor with strong mayor powers. Formal input from upper-tier municipal councils is excluded from the intake requirements. Submission requirements that should be provided with an application include a rationale on why the project requires ministerial zoning relief rather than following

^[1] Based on interpretation by McMillan LLP, Introducing Bill 185, the Cutting Red Tape to Build More Homes Act, and an Update on the New Provincial Planning Statement, April 17, 2024.

^[2] Bill 185, Schedule 9 (*Municipal Act, 2001*).

^[3] Bill 185, Schedule 12, section 2.



municipal planning processes; a description of consultation with the public and engagement with Indigenous communities; and information related to how and when servicing (water/wastewater) will be addressed.^[1]

- While the applicant is required to demonstrate that it supports provincial priorities and/or local council support, the MZO framework does not require an applicant to support the need for the application in consideration of existing urban land supply opportunities, the status of other applications within municipalities, or forecast demand for housing within an established planning horizon. Provincial priorities established in the framework are very broad and include addressing housing and economic development opportunities which would not limit many applications, if any.
- We continue to support the recommendations provided to the Province by the Association of Municipalities of Ontario to improve the MZO framework that would include MZOs being used in collaboration with municipalities and use MZOs only in situations of extraordinary urgency.^[2]

Remove the Community Infrastructure and Housing Accelerator Tool from the *Planning Act*

- The proposed changes would include removing the Community Infrastructure and Housing Accelerator (CHIA) tool (brought in under Bill 109) from the *Planning Act*.^[3] Instead of the CHIA tool, municipalities can rely on the new MZO framework that provides clarity on how MZO requests from municipalities will be received and considered going forward.
- Proposed transition rules will be provided to permit CHIA orders that have been made to date to continue functioning as municipal zoning by-laws.

Enhance and Expand Municipal Planning Data Regulation (O. Reg. 73/23) to Include 21 Additional Municipalities (50 Municipalities in Total)

- On April 6, 2023, Ontario Regulation (O. Reg.) 73/23: Municipal Planning Data Reporting (as part of Bill 109), came into effect. This regulation requires 29 municipalities in Ontario to report information on planning matters to the Ministry on a quarterly and annual basis. The 29 municipalities have already provided reporting on a quarterly basis. Under Bill 185, this would be expanded to 50 municipalities.^[4]

^[1] Province of Ontario – Zoning Order Framework, retrieved online: [Zoning order framework | ontario.ca](https://www.ontario.ca/zoning-order-framework), accessed April 19, 2024.

^[2] Association of Municipalities of Ontario, retrieved online: [Bill 185, Cutting Red Tape to Build More Homes Act, 2024 | AMO](https://www.amo.on.ca/bill-185-cutting-red-tape-to-build-more-homes-act-2024), accessed April 19, 2024.

^[3] *Planning Act*, section, 34.1.

^[4] Environmental Registry of Ontario, ERO 019-8368, Proposed Amendments to Ontario Regulation 73/23: Municipal Planning Data Reporting.



- The reporting requirements include preparing a standardized summary table that outlines key statistics on planning applications for each quarterly report (e.g., total number of submissions, decisions) and documenting changes to settlement area boundaries, Employment Area conversions, and major transit station areas (MTSAs) on an annual basis. Providing geospatial data that identifies designated serviced land supply is also required as part of the reporting. The additional 21 municipalities would be required to publish this summary on their respective municipal webpages and update the summary each quarter, beginning October 1, 2024.^[1]
- It is our opinion that this regulation change is a key step forward in setting minimum standards for municipalities in reporting land supply. This also provides an opportunity for the municipalities to build upon these provincial requirements and proactively track and monitor growth, which will better empower municipalities in making informed decisions on planning for growth.

Enhancing and Broadening the Framework for Additional Residential Units

- Under subsection 35.1 (2) of the *Planning Act*, the Minister is authorized to make regulations regarding Additional Residential Units (ARUs) by establishing requirements and standards with respect to a second or third residential unit in a detached house, semi-detached house, or rowhouse, as well as a residential unit in a building or structure ancillary to such a house.
- Bill 185 proposes to broaden provisions to allow the Minister to regulate any ARUs in an existing home (as noted above) or ancillary structure for the purposes of an ARU. If approved, the Minister will have a new regulation-making power to remove zoning barriers to accommodate ARU developments which may include maximum lot coverage and limits on the number of bedrooms allowed per lot.^[2]

2. Proposed Provincial Planning Statement, 2024

In 2023, the Province set in motion consultation on a Provincial Planning Statement (PPS, 2023) that proposes to integrate the Provincial Policy Statement, 2020 (PPS, 2020) and A Place to Grow: Growth Plan for the Greater Golden Horseshoe (Growth Plan) into a single document. The proposed PPS, 2023 was released for public comment in April 2023 and was introduced as part of Bill 97 – *the Helping Homebuyers, Protecting Tenants Act*. On April 10, 2024, the Province posted another draft of the PPS. Based on a review by Watson, we note that the PPS, 2024 is not significantly different than the previous PPS, 2023. There are, however, more parameters, additional guidance, and strengthening of policies related to the management of growth

^[1] Ontario Regulation 73/23 filed April 6, 2023, under *Planning Act*, R.S.O. 1990, c. P.13.

^[2] Bill 185, Schedule 12, section 9.



relative to the proposed PPS, 2023. Provided below are key highlights of the proposed PPS, 2024 with a key focus on growth management in Ontario. Some of the highlights below include policies that are proposed to be carried forward from the PPS, 2023.

A Flexible Growth Forecast Horizon

Compared to the PPS, 2020, the proposed PPS, 2024 provides a more flexible horizon for planning for growth by providing a planning horizon with a minimum of 20 years and a maximum of 30 years. Similar to the proposed PPS, 2023, “planning for infrastructure, public service facilities, strategic growth areas and employment areas may extend beyond this time horizon.”^[1] Based on our interpretation of the proposed PPS, 2024, this would suggest that municipalities are to designate land to accommodate growth over a 20- or 30-year period, with the opportunity to designate additional land beyond the 30-year time horizon for Employment Areas.

Initial Direction on Growth Forecasting

The proposed PPS, 2024 notes that “planning authorities shall base population and employment growth forecasts on Ministry of Finance (MOF) 25-year projections and may modify projections, as appropriate”^[2] (underlining added). It is our interpretation that municipalities are not required to utilize the MOF forecasts and that they are not meant to replace long-term forecasting by municipalities. It is important to note that the MOF population forecasts are provided at the Census division level only, which typically represents upper-tier municipalities, including separated municipalities (e.g., the City of Stratford and the Town of St. Marys are included with the County of Perth Census Division) and large urban single-tier municipalities. The MOF does not provide forecasts at the area municipal level.^[3] Furthermore, the most recent Summer 2023 MOF forecast provides growth estimates to the year 2046. Subsection 2.1.3 of the proposed PPS, 2024 states that urban land needs can be calculated up to 30 years. As such, current MOF forecasts would need to be extended from 2046 to 2054 to accommodate a full 30-year planning horizon. It is our interpretation that the use of the MOF forecasts is not meant to replace long-term forecasting by municipalities but the forecasts are to be used as a starting place in establishing forecasts and testing the reasonableness of alternative regional forecasts and area municipal growth allocations, a practice that Watson currently carries out.

Municipalities within the Greater Golden Horseshoe (GGH) are required to continue to use forecasts issued by the Province through Schedule 3 of the Growth Plan until more

[1] Proposed PPS, 2024, policy 2.1.3, p. 6

[2] Proposed PPS, 2024, policy 2.1.1, p. 6

[3] Census division is the general term for provincially legislated areas (such as municipality, county, region or district) or their equivalents. Census divisions are intermediate geographic areas between the province/territory level and the municipality (Census subdivision).



current forecasts are available to 2051, as informed by guidance provided by the Province.^[2] Forecasts established in Schedule 3 of the Growth Plan and the allocation of growth by lower-tier municipality are to be considered minimum growth forecasts. It is unknown at this time whether this policy of growth forecasts as minimums will be carried forward. We anticipate that future guidance documents will provide direction on this matter.

It should be noted that the proposed PPS, 2024 encourages growth management undertaken by municipalities to be coordinated with adjacent planning authorities when planning is not conducted by an upper-tier municipality.^[3] We envision the need for local municipalities, where planning is not conducted by an upper-tier municipality, to include a consultation process or technical advisory group comprising representatives of adjacent municipalities when conducting Official Plan Reviews and other related comprehensive planning studies.

Minster's Zoning Orders (MZOs) are Considered in Addition to Projected Needs

According to the proposed PPS, 2024, MZOs are to be treated as “in addition to projected needs” over the planning horizon. In planning for MZO lands, the proposed PPS, 2024 states these lands must be incorporated into the Official Plan and related infrastructure plans.^[4] Since MZO lands are not tied to an assessment of need, it is recommended that when planning for these lands the timing of their buildout is not held to a targeted minimum or maximum planning horizon. As such, it is recognized that full development of MZOs may or may not extend beyond the 30-year maximum planning horizon set out in the proposed PPS, 2024, subject to anticipated economic growth and real estate market demand within the municipality and the broader economic region over the horizon of the plan. It is our opinion that the timing of development regarding approved MZOs should be established through provincial and local phasing policies, municipal servicing plans, and reviewed through regular monitoring.

Providing for an Appropriate Range and Mix of Housing Options

Similar to the proposed PPS, 2023, under subsection 2.1.4 of the proposed PPS, 2024 planning authorities are to:

- a) maintain at all times the ability to accommodate residential growth for a minimum of 15 years through lands which are designated and available for residential development; and

^[2] Proposed PPS, 2024, policy 2.1, p. 6; and Environmental Registry of Ontario, ERO 019-8462: Review of proposed policies for a new provincial planning policy instrument.

^[3] Proposed PPS, 2024, policy 6.2.10, p. 36.

^[4] Proposed PPS, 2024, policy 2.1.1, p. 6.



- b) maintain at all times where new development is to occur, land with servicing capacity to provide at least a three-year supply of residential units available through lands suitably zoned, including units in draft approved registered plans.

We recommend that where planning authorities have established minimum targets for intensification and redevelopment, these targets are considered in the assessment of proposed PPS, 2024 policy 2.1.4. a) and b).

Subsection 2.1.5 of the proposed PPS, 2024 identifies that where planning is conducted by an upper-tier municipality, the land and unit supply maintained by the lower-tier municipality shall be based on and reflect the allocation of population and units by the upper-tier municipality. This policy emphasizes the need for urban land and housing needs to be assessed at the local municipal level within two-tier planning systems.

Anticipated Guidance Documents on Growth Forecasting and Land Needs

We anticipate that the Province will release a guidance document on projecting growth and associated land requirements.^[5] On March 12, 2024, the Province re-opened a proposal on Environmental Registry Ontario (ERO) for A Proposed Approach to Update the Projection Methodology Guideline.^[6] This proposal was initially posted in June 2021 following the release of the PPS, 2020. As noted in the ERO proposal summary, the last provincial guidance document on growth projections and land needs for the entire Province was provided in 1995. The 1995 Projection Methodology has been generally used by Watson as a source of best practice for growth forecasting. Since 1995, the Province released a Land Needs Assessment Methodology for the GGH with a few updates.^[7] This document has since been used as a best practice for projecting growth and urban land needs across the GGH.

It should be noted that the Province has not yet updated the document entitled, “Proposed Approach to Implementation of the Proposed Provincial Planning Statement” which accompanied the proposed PPS, 2023 in April 2023.

^[5] The ERO 019-2346 proposal summary notes that “Guidance for projecting population and related land requirements may be updated after finalization of the proposed Provincial Planning Statement to reflect final policy direction and considering feedback received.”

^[6] Environmental Registry of Ontario, ERO 019-2346, A Proposed Approach to Update the Projection Methodology Guideline.

^[7] The last update to the methodology came into effect on August 28, 2020. The proposed PPS plans to combined both the PPS and the Growth Plan and if approved, this document would no longer be in force.



No Significant Policy Change and Approach to Planning for Affordable Housing

The proposed PPS, 2024 carries forward a similar definition of affordable housing as established in the PPS, 2020. The definition of affordable housing in the proposed PPS, 2024, however, is based on the municipality instead of the regional market area as defined in the PPS, 2020. The definition of affordable housing was notably missing in the proposed PPS, 2023. Additionally, the proposed PPS, 2024 carries forward the requirement of “establishing and implementing minimum targets for the provision of housing that is affordable to low- and moderate-income households.”^[9] The proposed PPS, 2024 does not address the issue of attainable housing, an issue that was also lacking in the PPS, 2020.

Settlement Areas Remain Focus of Growth and Development

The proposed PPS, 2024 identifies that settlement areas shall be the focus of growth and development. Within settlement areas, where applicable, growth should be focused in Strategic Growth Areas (SGAs), including Major Transit Station Areas (MTSAs), and that planning authorities shall support general intensification and redevelopment to promote the achievement of complete communities. Planning authorities are encouraged to establish and implement minimum targets for intensification and development within built-up areas, based on local conditions. Planning authorities are also encouraged to establish density targets for designated growth areas, based on local conditions. Large and fast-growing municipalities are encouraged to plan for a target of 50 residents and jobs per gross hectare in designated growth areas. Large and fast-growing municipalities are identified in Schedule 1 of the proposed PPS, 2024.

Based on our experience, all large and fast-growing municipalities are anticipated to achieve average densities in designated growth areas above 50 residents and jobs per gross hectare. Accordingly, it is recommended that this density target is considered a minimum.

Identifying New Settlement Areas and Settlement Area Boundary Expansions

According to the proposed PPS, 2024, Settlement Area Boundary Expansion (SABE) is allowed at any time and without the requirement of a Municipal Comprehensive Review or Comprehensive Review, provided that all PPS policies under subsection 2.3.4 are considered.^[10] Furthermore, the policies allow for a simplified and flexible approach for municipalities to undertake a SABE which would require a demonstrated need for urban expansion. It should be noted that the criteria in the proposed PPS, 2024 has been expanded compared to the proposed PPS, 2023. Additionally, the language has

^[9] Proposed PPS, 2024, policy 2.2.1, p. 7.

^[10] Proposed PPS, 2024, policy 2.3.4, p. 7. Under the A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2019 and the PPS, 2020, SABEs were permitted only through a Municipal Comprehensive Review.



changed from “should consider” in the proposed PPS, 2023 to “shall consider” in the proposed PPS, 2024. The proposed PPS, 2024 does carry over the concept of demonstrating the need for additional land as identified in the PPS, 2020 which was not included in the proposed PPS, 2023.

While the proposed PPS, 2024 does not require a prescriptive approach to determining the need for expansion as provided in the Growth Plan or the PPS, 2020, it does require municipalities to consider infrastructure needs and the phased progression of growth. Furthermore, for new settlement areas, the proposed PPS, 2024 adds a stand-alone policy requiring municipalities to demonstrate that the infrastructure and public service facilities are planned or available for new settlement areas.^[11]

We recommend that a policy is added to subsection 2.3.2.1 of the proposed PPS 2024 that identifies where planning authorities have established minimum targets for intensification and redevelopment within built-up areas and that implementation of these targets shall be considered prior to identifying the need for new settlement areas.

Planning for Growth in Major Transit Station Areas

Under the proposed PPS, 2024, intensification policies have become less prescriptive compared to the PPS, 2020, with a focus on encouraging rather than setting out requirements. As previously noted, according to the proposed PPS, 2024, planning authorities are encouraged (rather than required) to establish minimum targets for intensification and redevelopment within their respective built-up areas. Targets for intensification are encouraged in MTSA's and all municipalities (i.e., not just large and fast-growing municipalities as identified in the proposed PPS, 2023) shall plan to meet minimum density targets.^[12] Minimum density targets for MTSA's are based on the transit service level:

- a) 200 residents and jobs combined per hectare for those that are served by subways;
- b) 160 residents and jobs combined per hectare for those that are served by light rail or bus rapid transit; or
- c) 150 residents and jobs combined per hectare for those that are served by commuter or regional rail.^[13]

[11] Proposed PPS, 2024, policy 2.3.2, p. 8.

[12] Proposed PPS, 2024, policy 2.2.3.1.4, p. 8

[13] Proposed PPS, 2024, policy 2.2.3.1.4, p. 8



Expanded Scope of Strategic Growth Areas, but No Targets on Density

The proposed PPS, 2024 carries over the concept of SGAs from the proposed PPS, 2023. The concept of SGAs was initially introduced in the Growth Plan. According to the proposed PPS, 2024, SGAs include:

major transit station areas, existing and emerging downtowns, lands adjacent to publicly assisted post-secondary institutions and other areas where growth or development will be focused, that may include infill, redevelopment (e.g., underutilized shopping malls and plazas), brownfield sites, the expansion or conversion of existing buildings, or greyfields. Lands along major roads, arterials, or other areas with existing or planned frequent transit service or higher order transit corridors may also be identified as strategic growth areas.^[14]

The proposed PPS, 2024 expands on the description of SGAs to include a greater range of site areas focused for infill and redevelopment, such as underutilized shopping malls and plazas, suggesting that SGAs may include a range of site sizes, with an expanded focus on non-residential sites. It is important to note that, unlike the proposed PPS, 2023, the proposed PPS, 2024 encourages all municipalities (i.e., not just the large and fast-growing municipalities) to focus growth and development in SGAs to achieve higher density outcomes.

Other than minimum density targets for MTSAs, minimum density targets for other SGAs have not been carried forward from the proposed PPS, 2023 and the Growth Plan. Furthermore, Urban Growth Centres, a component of SGAs set out in the proposed PPS, 2023 and the Growth Plan, have not been carried forward in the proposed PPS, 2024. Instead, the proposed PPS, 2024 provides more simplified direction to plan for downtowns as SGAs.

A Narrow Definition of Employment Area

The proposed PPS, 2024 includes an updated definition of Employment Area based on the amendment of the *Planning Act* on June 8, 2023. The *Planning Act* was amended under subsection 1 (1) to include a new definition of “area of employment.” The amendment to the *Planning Act* received Royal Assent as part of Bill 97 on June 8, 2023. The definition change in the *Planning Act* would require proclamation before it becomes in effect.

Under the new definition of Employment Area, municipalities are required to plan for, and protect, industrial uses based on a more narrowly scoped definition of Employment Area and are limited to these uses that are primarily industrial in nature or other uses associated or ancillary to the primary use. Employment Area lands and uses that do not

^[14] Proposed PPS, 2024, definitions, p. 53.



meet the definition of Employment Area should be removed from Employment Areas. Lands that do not meet the Employment Area definition would not be subject to provincial Employment Area protection policies and would allow for opportunities for residential and other non-employment uses.^[15]

In light of the definition change of Employment Area, a key concern for municipalities will be their ability to provide an urban structure that will support employment uses outside of Employment Areas, particularly non-retail commercial and institutional uses (e.g. office uses, training and education, entertainment, wholesale trade and service repair centres). Traditionally, Employment Areas have been regarded as areas protected for key targeted employment sectors, especially those in the export-based sectors.

As previously discussed, municipalities are allowed to forecast beyond a 30-year period for Employment Areas.^[16] Furthermore, it should be noted that the Provincially Significant Employment Zones identified in the Growth Plan are not proposed to be carried forward. The Province has suggested in the PPS, 2024 proposal summary that the policies in the PPS are sufficient for protection for Employment Areas.^[17]

Unlocking Residential Opportunities on Non-Residential Lands and Supporting Mixed-Uses

The proposed PPS, 2024 requires that municipalities unlock more opportunities for housing, stating that municipalities should support redevelopment of commercially designated retail lands (e.g., underutilized shopping malls and plazas) to support mixed-use residential.^[18] Furthermore, the proposed PPS, 2024 notes that Employment Areas that do not meet the definition of Employment Area, referred to as “employment outside of Employment Areas” should support a diverse mix of land uses, including residential uses.^[19] These lands generally would include office business parks, commercial and institutional lands, and employment lands that do not meet the definition of Employment Area. It is also suggested that specific industrial, manufacturing, and small-scale warehousing uses that do not require separation from sensitive land uses are to be encouraged to locate in mixed-use areas or SGAs where frequent transit service is available, outside of Employment Areas.^[20] Again, under the proposed policy framework, municipalities are anticipated to face greater long-term challenges regarding their ability to strike a balance in accommodating mixed-use development and ensuring an adequate supply of non-residential lands to support employment uses outside of

^[15] Proposed PPS, 2024, definitions, p. 34.

^[16] Proposed PPS, 2024, policy 2.1.3, p. 6.

^[17] Environmental Registry of Ontario, ERO 019-8462, Review of Proposed Policies for a New Provincial Planning Policy Instrument, Proposal Summary, Section 2.

^[18] Proposed PPS, 2024, policy 2.4.1.3, p. 9.

^[19] Proposed PPS, 2024, policy 2.8.1.3, p. 13.

^[20] Proposed PPS, 2024, policy 2.1.8.2, p. 11.



Employment Areas, especially with increasing market pressure to accommodate residential development.

Employment Area Conversions Referred to as Removals of Employment Areas

The proposed PPS, 2024 carries forward similar policies on conversions provided in the proposed PPS, 2023. Under the proposed PPS, 2024, municipalities are provided with greater control over Employment Area conversions (now referred to as Employment Area removals) with the ability to remove lands from Employment Areas at any time. Previously, under the PPS, 2020 and the Growth Plan, municipalities were required to review changes to designated Employment Areas during a Municipal Comprehensive Review or Comprehensive Review. Under the proposed PPS, 2024, municipalities are required to demonstrate that there is an identified need for the removal and the land is not required for Employment Area uses over the long term. Furthermore, the Employment Area removal requires consideration of the impact of the produced use on the function of the Employment Area and whether existing infrastructure and public facilities can accommodate the proposed use.^[23]

It is important to recognize that the definition change may result in already developed Employment Area lands not meeting the definition. Based on the proposed PPS, 2024 emphasis on supporting mixed uses, going forward, municipalities will need to assess whether existing Employment Areas meet the new provincial definition and identify areas that should transition into mixed-use areas. While municipalities are required to plan Employment Areas according to the new definition, existing uses that were legally established prior to the *Helping Homebuyers, Protecting Tenants Act, 2023* came into force are allowed the continuation of use, regardless of whether the use meets the definition change.^[24]

Planning for Growth in the Rural Area Directed to Rural Settlement Areas

Compared to the PPS, 2020, the proposed PPS, 2024 does not significantly change the direction of growth within rural areas. As noted in the proposed PPS, 2024, in rural areas, rural settlement areas “shall be the focus of growth and development and their vitality and regeneration shall be promoted.”^[28] A key update in the proposed PPS, 2024 includes permitting more housing on farms to support farmers, farm families, and farm workers without creating new lots (enhanced policy and criteria supporting additional units).^[29] Unlike the proposed PPS, 2023, the proposed PPS, 2024 does not carry forth policies that would have permitted lot creation in prime agricultural areas.

^[23] Proposed PPS, 2024, policy 2.8.2.4, p. 12.

^[24] *Planning Act*, Schedule 6, section 1 (2).

^[28] Proposed PPS, 2024, policy 2.5.2, p. 11.

^[29] Environmental Registry of Ontario, ERO 019-8462, Review of Proposed Policies for a New Provincial Planning Policy Instrument, Proposal Summary, section 1.



No New Direction on Planning for Rural Employment Areas

The proposed PPS, 2024 identifies that development within rural areas needs to be assessed within the rural context in terms of the scale of servicing and character.^[30] No further direction is provided with respect to development within existing or new Rural Employment Areas. Under subsection 2.2.9.5 of the Growth Plan, the Province provided a framework for Rural Employment Area expansions. The framework identified that expansion of Employment Areas outside settlement areas on rural lands that were designated for employment uses may only be permitted if necessary to support the immediate needs of existing business and if compatible with the surrounding uses.^[31] The proposed PPS, 2024 does not carry forward this policy. Based on the proposed PPS, 2024, it appears that expansion of Rural Employment Areas in the GGH is no longer subjected to the policies that prohibited the creation of new Employment Areas in the rural areas.

New Emphasis in Planning for Public Service Facilities

The proposed PPS, 2024 includes a new definition of public service facilities and requires a greater emphasis on coordination with public service providers, as well as planning for emergency management services, health care institutions, schools and post-secondary institutions.^[32] It is noted that municipalities can plan beyond a 30-year period for public service facilities.^[33]

Consideration of a Student Housing Strategy

The proposed PPS, 2024 recognizes the importance of planning for a post-secondary population, especially in municipalities with a post-secondary institution. This is the first time that provincial planning policy has acknowledged the need to consider student housing needs. The word “student” is not mentioned at all in the PPS, 2020. The proposed policies in the PPS, 2024 would require municipalities to collaborate with publicly assisted post-secondary institutions on the development of a student housing strategy that includes consideration of off-campus housing targeted to students.^[34]

^[30] Proposed PPS, 2024, policy 2.5.2, p. 10.

^[31] A Place to Grow, Growth Plan for the Greater Golden Horseshoe, Office Consolidation, policy 2.2.9.5, p. 28.

^[32] Proposed PPS, 2024, policy 3.1, p. 16.

^[33] Proposed PPS, 2024, policy 2.1.3, p. 6.

^[34] Proposed PPS, 2024, policy 6.2.6, p. 35.



3. Summary Comments on the Proposed Amendments and the PPS, 2024

Watson will be providing a submission through the ERO on these legislative changes. We will continue to monitor the progress of Bill 185 through the legislature, including any guidance documents on implementation, and will continue to keep our clients informed of any changes. If you have any questions, please do not hesitate to contact us.

Yours very truly,

WATSON & ASSOCIATES ECONOMISTS LTD.

Jamie Cook, MCIP, RPP, PLE, Managing Partner
Andrew Grunda, MBA, CPA, CMA, Principal
Peter Simcisko, BA (Hons), MBE, Managing Partner
Sean-Michael Stephen, MBA, Managing Partner
Daryl Abbs, MBE, PLE, Managing Partner
Jack Ammendolia, BES, PLE, Managing Partner

Bates, Tamara

Subject: FW: Development Charges break for developers

From: Colleen Wicken < >

Sent: Sunday, April 28, 2024 11:27 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Development Charges break for developers

External Email: Use caution with links and attachments

NO to giving

ANY

DEVLOPERS A

BREAK ON DCs Discounts

Bates, Tamara

Subject: FW: Please vote for Us!**From:** Christiane de Savigny < >**Sent:** Sunday, April 28, 2024 12:03 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Please vote for Us!**External Email:** Use caution with links and attachments

Hi,

I am citizen of Hamilton and am concerned about the ever rising expenses our city incurs. Of equal importance to me is the environmental destruction around us.

Industry can see the Hamilton area is open and desirable to set up shop. There are good and talented labor force available, and plenty of brown fields to build on. The developers will profit no matter what, but they should do so without pulling money out of taxpayers pockets. With the money the city saves by cancelling the development charges discounts many more important projects could be funded that would benefit All that live here. As taxpayers, we should have a say in where our money gets spend. I say No to paying for DC!

To summarize:

Eliminate the current 37% discount entirely, with no gradual phase out and no exemptions for industrial expansions.

Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields within the urban area where infrastructure already exists.

Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. Developers, not taxpayers should pay for growth.

Thank you and please vote against DC discounts on May 2nd.

Sincerely,

Christiane de Savigny

Bates, Tamara

Subject: FW: Vote regarding Development Charges for AEGD Lands

From: Rose Janson < >
Sent: Sunday, April 28, 2024 12:47 PM
To: clerk@hamilton.ca
Subject: Vote regarding Development Charges for AEGD Lands

External Email: Use caution with links and attachments

Dear Hamilton Council

We are very concerned that council has been asked to consider a 37-per-cent discount in development charges for the AEGD lands. Do you want to make it easier for developers to destroy precious wetlands, and then have taxpayers pay for this?

This area, so rich in wetlands, is important for significant wildlife species and for farmland. As the highest point of land between lakes Ontario and Erie, it's also where four watercourses spring forth: the Welland River, Twenty Mile Creek, Ancaster Creek and Tiffany Creek.

The AEGD doesn't fare well under financial scrutiny. Infrastructure will be very costly, for a long time. The road network alone is pegged at \$500 million. Some of these costs will be covered by developers, but there will be a shortfall which must be made up by taxpayers.

Please consider these matters carefully, and vote for maintaining the ecosystems all of life depends on.

Rose Janson and Family

Bates, Tamara

Subject: FW: Audit, Finance, and Administration Committee meeting, May 2, 2024**From:** Marie Covert < >**Sent:** Sunday, April 28, 2024 1:43 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Audit, Finance, and Administration Committee meeting, May 2, 2024**External Email:** Use caution with links and attachments

Dear Mayor, Clerk, and Councillors,

The issue before the AFAC this coming week gives you the opportunity to do something for taxpayers, for wetlands, and for the environment. A win-win-win situation!

Please give serious consideration to the elimination of the current 37% discount afforded to developers as part of the Development Charges, specifically in the AEGD. It is an old-fashioned, out-of-date way of thinking for this new Hamilton that discourages sprawl. Eliminate the 37% discount entirely, with no gradual phase out and no exemptions for industrial expansion. This is the fairest approach for Hamilton taxpayers, who are paying dearly for everything, as we all know.

Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields within the urban boundary where infrastructure exists. This also encourages developers to do the right thing and make the best choices for climate change and the environment.

Hamilton taxpayers have not been consulted about DC exemptions, which will transfer significant costs from developers, straight to taxpayers. Surely this is not what you want to tell the citizens of Hamilton. You must continue to earn their trust by fighting for them, at every opportunity. Developers, not taxpayers, should pay for growth.

Many thanks for all the hard work and difficult choices which you make constantly to ensure a richer future for this city.

Best Regards,
Marie Covert
Dundas

Sent from my iPad

Bates, Tamara

Subject: FW: Airport Adjacent Wetlands and Developers' Discounts

From: Elizabeth Watson-Morlog < >

Sent: Sunday, April 28, 2024 2:09 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Airport Adjacent Wetlands and Developers' Discounts

External Email: Use caution with links and attachments

Dear Committee;

You were elected to represent your constituents, not developers. Have you forgotten your role?

I cannot fathom for the life of me, why we are looking to destroy environmentally sensitive lands, to destroy green space, and to build multi-acred warehouses all in the name of 'progress'. We have enough derelict land sitting unused within this city that could be used for warehousing, that green space needs NOT be touched. There is zero reason to develop the proposed lands.

Furthermore, developers 'discounts' merely pad their pockets, leaving the already overburdened tax payer to pick up the costs. Have you seen the hungry children in our schools? Have you seen the face of the 7 year old who is told he can't play soccer, as there is no money to buy cleats or shin pads? Have you seen the child with autism who has no supports as their parent can't afford private therapy? Have you seen the mother who chooses not to fill a needed prescription as feeding her child is more important? Have you talked to parents who have to choose between rent and food? What about the 30 year old who has to move back home to live, as rent costs are untenable?

Are you really prepared to download the infrastructure burden onto these very people, those who have the least? Make no mistake about it. To continue with developer discounts is shameful. Should you vote to continue these, the rich get richer, and the struggling will continue to struggle. Their struggles are escalating into unprecedented mental health issues invading our society at exponential rates.

Look at inside your own consciences and listen to your heart. What is the right thing to do? You all know what it is.

I implore you to have the courage to do what is right. Stop the discounts. Stop the destruction of any more land. Work for the people, those who elected you.

Elizabeth Watson-Morlog
Dundas, ON

Bates, Tamara

Subject: FW: May 2 Decision on DC discounts

From: Mary Love < >

Sent: Sunday, April 28, 2024 2:44 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: May 2 Decision on DC discounts

External Email: Use caution with links and attachments

Wetlands need a break, not warehouses! These ugly edifices, often full of thousands of returned parcels, are part of rampant consumerism, and the giant, concretized space they require makes vulnerable wetland and farmland here a target for bloated out of province corporations who have absolutely no concern for Hamilton's future viability, only their own next quarter earnings.

Hamilton needs to look out for itself and the future of its citizens! Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields within the urban area where infrastructure already exists.

That land remediation and preservation is surely what the City's ten directives imply, not kowtowing to companies who don't care how much of another city's land they destroy for their personal short-term commercial gain.

Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. Developers, not taxpayers should pay for growth. And the growth should never be at the expense of farmland, wetlands, nor woodlands. Humans and other beings on these lands need shelter, water, food, and clean air: not industrial development for another's profit at the expense of our irredeemable loss!

Through this week's decision on DCs, your committee has the chance to control unbridled destruction of our city's surrounding wetland and farmland. I urge you to use the powers you do hold to hold industrial developers in check. Hamilton's great grandchildren will need the vulnerable and irreplaceable gifts of Mother Earth that you hold in your hands much more than anyone needs the latest packages from the likes of Amazon.

Everything must be debated and decided through a climate and biodiversity lens. You committed to that when you declared a Climate Emergency: it takes courage to say No to breaks for big business, but that is precisely what your job is in this moment of precarious hope for the future!

Sincerely,

Mary Love
Ward 7

Sent from my iPhone

Bates, Tamara

Subject: FW: Developer discounts**From:** Heather Vaughan <>**Sent:** Sunday, April 28, 2024 2:45 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Developer discounts**External Email:** Use caution with links and attachments

Hello

I have recently learned that developers in Hamilton are getting a discount on Development Charges and the Audit, Finance and Administration committee will vote on this on May 2. Why are we giving discounts for developers who build new roads, which doesn't even pay for the long term upkeep of these roads?? The roads in Hamilton are in ABHORRENT condition, making cycling a nightmare and driving a car a bumpy and potentially dangerous ride when drivers swerve to avoid the massive potholes. If we can't even afford to prioritize upkeep of these roads why are we giving a discount to developers who want to build new roads, and pave over precious wetlands that will then not be able to house sensitive species and prevent flooding.

Please ELIMINATE the current 37% discount entirely, with no gradual phase-out and no exemptions for industrial expansions.

Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields within the urban area where infrastructure already exists!!!

Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. Developers, not taxpayers should pay for growth.

Thank you

Heather Vaughan

Bates, Tamara

Subject: FW: Vote No to Discounts of Development Charges**From:** Jacqueline Williams <>**Sent:** Sunday, April 28, 2024 2:49 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Vote No to Discounts of Development Charges**External Email:** Use caution with links and attachments

We should not be allowing development on environmentally important wetlands and farmland PERIOD.

We should absolutely NOT be providing discounts of development charges to developers who will build job poor, automated warehouses on these sensitive lands. So doing would significantly burden taxpayers now and forever.

Instead, redevelop existing industrial lands (eg. Stelco) where infrastructure already exists which will provide property tax income, good jobs and clean up the environment.

Please vote NO.

Thank you,
J. Williams

Bates, Tamara

Subject: FW: Re discounts for developers developing wetlands

From: Catherine Thomas <>

Sent: Sunday, April 28, 2024 3:28 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Re discounts for developers developing wetlands

External Email: Use caution with links and attachments

I am very concerned to hear not only that are developers to get the go ahead to develop warehouses on wetlands, which need to be conserved due to climate changes and wildlife habitat preservation, but alarmed that there is a staff proposal to give developers a discount on development charges - this means that taxpayers would be subsidising a development that most of the local population is against!

As a local taxpayer I urge you to please vote against this discount proposal

Catherine Thomas

Hamilton ON

Bates, Tamara

Subject: FW:**From:** Verena Walter <>**Sent:** Sunday, April 28, 2024 3:57 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** WTF?**External Email:** Use caution with links and attachments

please.....

Eliminate the current 37% discount entirely, with no gradual phase out and no exemptions for industrial expansions.

Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields within the urban area where infrastructure already exists.

Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. Developers, not taxpayers should pay for growth.

In disappointment,

Verena Walter

Sent from my iPhone

Bates, Tamara

Subject: FW: Development Charges/Climate Emergency**From:** Lyn Folkes <>**Sent:** Sunday, April 28, 2024 4:42 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Development Charges/Climate Emergency**External Email:** Use caution with links and attachments

Dear Council Members and members of Hamilton's Audit, Finance and Administration committee (for your next meeting on this topic),

I just received the following from SaveOur Streams Hamilton:

"Hamilton is currently giving a big discount on Development Charges (DCs) to industrial developers who want to build warehouses on Hamilton wetlands." and I know that, "If developers don't have to pay them, then taxpayers do!" and, "On May 2, 2024 will vote on whether or not to continue giving industrial developers discounts to pave [1300 acres of wetlands and farmland near Hamilton Airport](#). The AEGD was rezoned in 2015 for industrial use. A terrible decision that should be reversed."

I hope Council will not allow any discounts to industry to be dumped onto us - the cost of living is quickly increasing along with our global average temperatures! If you vote NO on this then that would be the smarter choice and I thank you very much for supporting Hamilton taxpayers. But I'm writing this letter in case you don't:

Although many climate initiatives have been introduced in Hamilton, I am still terribly distraught about the lack of attention being paid to the climate emergency when it comes to the province forcing bad planning decisions on our city.

If this 'forever damaging our future' warehouse-development discount is approved, this is just another example of how Hamilton, Ontario and Canada are showing the world exactly how backwards we are behaving compared to the rest of the developed world in regard to the global climate emergency. We need to vote NO to giving support to developers who want to degrade our good city, pave over our few remaining life-saving wetlands, accelerate the climate emergency and dump their costs unfairly onto taxpayers who CAN'T AFFORD THAT ANY LONGER. We're all feeling the pervasive cost of living increases today.

We need to seriously consider our climate in every decision we make now, and it would be incredibly irresponsible if not plain stupid to allow warehouses to be built on top of wetlands, or any natural land or farmlands today for that matter. These giant warehouses are mainly used to store the massive overconsumption of goods by our society that is causing the pollution, waste and loss of natural green space that is fueling climate warming. These warehouses create their own 'desert-like' environments that heat up our atmosphere physically in the space they occupy as well.

All of these facts lead to an acceleration of GHG emissions , poorer air and water quality, and heat in our atmosphere. And our atmosphere is already warming faster than ever seen before in human history. We are literally harming ourselves - that's why it's a global climate 'emergency.'

So, I ask you, "Is paving over wetlands and other cooling natural habitats (including meadows which are also valuable for a stable climate), a good idea if this kind of massive development will serve to accelerate the most dangerous emergency in our lives?

Is it smart to fill-in wetlands when our drinking water supply is at threat, including Lake Ontario which can go toxic with increasing temperatures mixed with the pollution we keep dumping into it. Is it smart to destroy natural habitats that are already so fragmented and struggling to support the wildlife that should be able to live here? Nevermind rare species, we could lose most of our native fauna if we don't act like we're in an emergency. Etc., etc, etc.

We need our farmland which is still disappearing rapidly around Hamilton. Urban Sprawl continues because our province is blatantly ignoring the climate emergency. I'm so ashamed of Ontario today. We need to work much harder to stop these incredible damaging developments from happening here.

If any more mega-warehouses are approved here, it will be an international embarrassment for us and the beginning of the end for Hamilton residents' health. We need to move towards a path of healing our world, and healing Ontario from the terribly unthoughtful and destructive plans of the PC Ford government.

This literally makes me feel sick. I'd move but Hamilton is my home town and it needs me today -- but it needs you more. PLEASE don't let these warehouses destroy what we need to survive into this accelerating climate chaos across Canada.

We can't afford to ignore the climate emergency like Ontario continues to do. I'm terrified and if you approve these warehouses and give these destructive companies discounts that I will be forced to pay for, I think we are all in very serious trouble.

My family's lives are in your hands today. This is the moment that is the most important turning point in our lives. Will you help us mitigate this quickly warming climate that will throw all our lives into continual suffering much sooner than you think?

Or will you dangerously pretend it's not happening like the PC Party?

In reality, the PCs are fast becoming the equivalent of Darth Vader in our world. Please don't let the PC's allow you to ignore the most important part of this decision:

It will significantly add to the problem of our warming climate if we allow these warehouses to be built in our city.

Don't turn a blind eye - you know that Hamiltonians have voted against urban sprawl and this is just an extension of that same problem.

In Ontario, we must save every bit of our Greenbelt that is left, build housing within our existing boundaries and stop supporting fossil fuel-driven mega-projects like urban sprawl, new major highways, and warehouses that promote overconsumption and excessive use of fossil fuel transport systems (including lots of air flights!).

We have to make smarter decisions based on what's healthiest for our planet and human health today. Giant warehouses will only help to hurt our society, and every one of us in Hamilton.

I don't want my money used to hurt my family, PLEASE! No developer discounts unless the project helps with the climate emergency in a significant way. We need housing, I understand that, but we don't need more 'STUFF' stored in warehouses. Save Garner Marsh - all the wetlands are important today to conserve our water quantity and quality. We need clean water, we don't need more hectares of non-pervious, flood-promoting surfaces like these warehouses create.

This is a bad idea in SO many ways.

Please think very hard about this decision and act in the taxpayers' best interest - no discounts to wealthy companies, no mega-warehouses in Hamilton. Go stand in the middle of the parking lot at a giant

warehouse for an hour on a hot day at noon this summer, and then tell me these huge impervious surfaces don't add heat and pollutants to the air we have to breathe.

Our well-being is far more fragile than people realize - our physical and mental health and our democracy are all at risk today mainly due to poor provincial management. Let's not make that any worse please.

Thank you,
Lyn Folkes, retired environmental scientist
B.E.S., M.E.S. Univ of Waterloo, Ontario

Bates, Tamara

Subject: FW: AEGD developer charges

From: Steve Chalastra < >
Sent: Sunday, April 28, 2024 4:52 PM
To: Steve Chalastra < >
Subject: AEGD developer charges

External Email: Use caution with links and attachments

Dear Councillors,

As a mostly progressive council, I assume you are all aware of the significance of wetlands in general and the Garner Marsh in particular.

It is the last original wetland in the headwaters and surrounded by valuable farmland that produces much of our local fruits and vegetables.

Like all wetlands, it acts as a regulator to help minimize flooding as well as being a sanctuary for all types of birds, amphibians, reptiles, and insects.

And yet the encroachment of the AEGD into the marsh and surrounding farmland is one more step in the destruction of these incredibly important natural habitats. As if the Ford government hasn't already done enough by eviscerating the OWES system and our conservation areas.

What do you value most, this irreplaceable feature we're so lucky to have or yet more warehouses and concrete parking lots for the benefit of companies like Amazon that fly in goods at the expense of the environment (air freight creates almost 50 times more greenhouse gases than lake shipping for every ton-mile), destroying our local bricks-and-mortar commercial infrastructure in the process?

To add insult to injury, it beggars belief that you would even consider discounting development charges to subsidize this sort of destruction.

If warehouses are to be built, surely it would be more sensible to locate them in Hamilton's industrial port lands where residential housing would be problematic?

Sincerely,
Steve Chalastra

Bates, Tamara

Subject: FW: concerns City of Hamilton Audit Finance and Administration Committee meeting May 2

From: janwillem jansen < >

Sent: Monday, April 29, 2024 4:54 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: concerns City of Hamilton Audit Finance and Administration Committee meeting May 2

External Email: Use caution with links and attachments

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

As a concerned resident I urge you to say NO to the further destruction of our wetlands and streams so, on May 2 please vote against giving discounts to developers to pave over these precious areas!

Thank you

Jan W. Jansen, Dundas

Sent from my iPhone

Bates, Tamara

Subject: FW: Development Plans for AEGD lands**From:** Don Brown <>**Sent:** April 28, 2024 9:06 PM**To:** clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Development Plans for AEGD lands**External Email:** Use caution with links and attachments

Dear Hamilton Council

Please heed the warnings of those who have learned the importance of wetlands when it comes to their ability to mitigate the damage caused by global warming. The Earth will look after itself. It's us we need to be concerned about.

We look to you for leadership in economics: discounting charges for developing wetlands and then asking taxpayers to pay for the destruction makes no sense.

Yours for the love of who we are.

Don Brown

Hamilton

"If we surrendered to Earth's intelligence, we could rise up like trees"Rainer Maria Rike"

"We were meant to love one another; and when that relationship is broken, to work towards mending it". "The Reason You Walk". 2015. Wab Kinew, current NDP Premier of Manitoba

Bates, Tamara

Subject: FW: No Thanks! - Development Charge discounts on Wetlands?**From:** Candy Venning <>**Sent:** Monday, April 29, 2024 9:30 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** No Thanks! - Development Charge discounts on Wetlands?**External Email:** Use caution with links and attachments

Hamilton has always built upon the strength in its ability to manufacture and distribute via the Port and existing industrial districts.

BUT

Are all of those spaces full? – has every existing brownfield already been developed? A quick drive along Barton east and around Stelco ect. says no – no it hasn't!

Why would we then allow discounted growth on previously undeveloped land?

As a voter and taxpayer, I'm frankly alarmed that the City would consider this at all, especially since growth is supposed to pay for itself. That's why DCs exist. They should be paid by developers to cover the cost of infrastructure in and around new developments, such as roads, sewers, streetlights and water mains. Most of Hamilton's remaining wetlands are in the Airport Employment Growth District – AEGD – where new roads alone will cost the city at least half a BILLION dollars. If a developer wants to build, they should contribute financially to the infrastructure that accompanies that development. Note that the upfront costs of paying for infrastructure that the city is allowed to collect, don't even come close to covering the lifetime costs of sprawl infrastructure which always fall to the taxpayer in the long run.

Kindly **eliminate the current 37% discount** entirely, with no gradual phase out and no exemptions for industrial expansions.

Industrial **developers who build on unserviced farmland should pay higher DCs** compared to those that remediate and build on [brownfields](#) within the urban area where infrastructure already exists.

Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. **Developers, not taxpayers, should pay for growth.**

Candy Venning

property owner, taxpayer, voter

Bates, Tamara

Subject: FW: Development Charges

From: Monica McCrory < >

Sent: Monday, April 29, 2024 11:00 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Development Charges

External Email: Use caution with links and attachments

Hi there,

As representatives of the people I really hope you are listening to the residents of your elected areas.

I can't imagine many residents would be in favour of having their taxes increase so developer's taxes can decrease.

Developers should only be given such incentives possibly if they are utilizing already vacant buildings and spaces which is helping to revitalize the city or if they are building actual affordable housing. They should actually have to pay more if they are destroying wetlands and other environmental sensitive areas.

I know homeowners that already have flooding issues now that the Amazon warehouse and other buildings have been built on upper James and Dickinson area.

Please vote to scrap this discount!

Regards,

Monica
(Hamilton resident)

Bates, Tamara

Subject: FW: No Development Charge discounts for warehouses

From: J Wright < >

Sent: Monday, April 29, 2024 11:06 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: No Development Charge discounts for warehouses

External Email: Use caution with links and attachments

Dear Mayor and Councillors,

I am writing with concern about your upcoming consideration of development charges for industrial warehouses in the Hamilton airport area.

I do not agree that these enterprises should be afforded discounted development charges.

Taxpayers should not have to pay for this.

It is upsetting to me that Hamilton continues to support development on wetlands and agricultural land. The people of Hamilton have spoken eloquently about their concern for our unique and valuable natural environment.

The airport industrial area plan needs to be re-thought. Times have changed.

Please do not vote for any measures that would support industrial development on lands properly considered urban sprawl.

We need our wetlands. We need to preserve the important Garner marsh.

We do not want to pay for the ruin our natural environment.

I am asking that you vote against discounted development charges for industrial enterprises in the airport environs.

With respect for the important work that you do,

Jane Wright
Hamilton, ON

Bates, Tamara

Subject: FW: Say 'NO' to discount...

From: Bernice McRae <>

Sent: Monday, April 29, 2024 11:25 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Say 'NO' to discount...

External Email: Use caution with links and attachments

PLEASE SAY 'NO' to giving a big discount on Development Charges (DCs) to industrial developers who want to build warehouses on Hamilton wetlands.

Bernice McRae
Hamilton, On

<http://www.bahai.org/>

"Each challenge we encounter, becomes a moment of learning and an opportunity to witness the power of unity and perseverance," by Khosrow Rezai, Baha'i

Bates, Tamara

Subject: FW: Development on and near wetlands**From:** Pat Wilson < >**Sent:** Monday, April 29, 2024 11:40 AM**To:** Pat Wilson < >**Subject:** Development on and near wetlands**External Email:** Use caution with links and attachments

Please stop making the average taxpayer responsible for costs that should be borne by the developers who will profit. It is time Hamilton stepped up and said ENOUGH! Why encourage further warehouse development adding to the taxpayers already high burden to build these properties? Never mind the ongoing costs maintain and service them in perpetuity. What about the storm water issue? Will they be required to use permeable pavement. Stop giving the developers a break, they have the ability to build these costs into the price of their new structures, just like homebuilders do.

Just say NO to maintaining the status quo. Start with raising the cost back to where there were and build in a series of increases until the land is built out.

Patricia (Pat) Wilson CFP
The Wilson Financial Group

Mutual funds, approved exempt market products and/or exchange traded funds provided through Investia Financial Services Inc. To UNSUBSCRIBE from receiving commercial electronic messages from Pat Wilson and The Wilson Financial Group, please reply to this email with "UNSUBSCRIBE" in subject line. To unsubscribe from receiving commercial electronic messages from Investia Financial Services Inc., click [here](#)

Bates, Tamara

Subject: FW: scrap discounts to industrial dcs!**From:** Karijn de Jong <>**Sent:** Monday, April 29, 2024 2:17 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** scrap discounts to industrial dcs!**External Email:** Use caution with links and attachments

Hello,

I am writing as a concerned Hamiltonian in regards to an upcoming vote that could have a huge impact on saving fragile ecological systems and be a big win for both the environment upon which we rely, as well as us tax-paying citizens!

Developers need more incentive to make smart choices for the environment, and money talks! Incentive to build on brownfields within existing infrastructure and urban bounds is what we need to encourage. Taxpayers shouldn't have to pay for industry's poor choices--the current 37% discount for industrial expansions needs to be eliminated entirely, with no gradual phase out, and no exemptions.

Do the right thing! Say no to discounts for industrial warehouse development on Hamilton wetlands!

Sincerely and in appreciation,

Karijn de Jong

Bates, Tamara

Subject: FW: Development Charges**From:** luigia DeDivitiis <>**Sent:** Monday, April 29, 2024 5:22 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** Development Charges**External Email:** Use caution with links and attachments

We were disappointed to learn that Hamilton is encouraging industrial development on our virgin wetlands near the John C. Munro Airport. We were beyond disappointed to learn that the council has "doubled down" on this poor decision by giving these industrial developers a 37% discount on development charges. The required infrastructure must be built and paid for by Hamilton. If the developers do not pay the full cost then we the Hamilton taxpayer will have to pay the difference as well as pay for the future maintenance costs. I encourage the Audit, Finance and Administration committee members to immediately eliminate this 37% discount on the development charges.

Further, I ask the Committee to amend the development charges so that the developers who build on virgin farmland pay higher development charges than the developers who build on city greenfields.

Thank you for taking the time to read this message and consider our requests.

Luigia DeDivitiis and Allan Buck

Bates, Tamara

Subject: FW: development charges**From:** E. Robert Ross <>**Sent:** Monday, April 29, 2024 10:52 PM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** development charges**External Email:** Use caution with links and attachments

Dear City Council and Staff:

I am writing to express my dismay at the city plan to offer development charge discounts to developers. This would encourage the further destruction of wetlands and other green space. It is common knowledge that building on unserviced land is less economical than building on serviced land and will increase our infrastructure deficit. The cost to maintain infrastructure built to service low density residential areas, has caused our infrastructure deficit, necessitating the frequent emergency repairs of existing infrastructure due to our inability to replace and repair aging existing infrastructure in a timely fashion.

Why then, would we (the taxpayers) take on the building and maintenance costs of more infrastructure?

We know that because the storm and sewage pipes are common, the volume of stormwater runoff together with human waste overwhelms the sewage treatment plant every time it rains, causing untreated sewage to run into the lake.

Besides the common pipes, we know that heavy rain events, and too much paved land cause the frequent pollution. Paved land has been rendered impermeable to rain water and adds oily residues to the storm water runoff.

Why pave over even more land, especially wetlands?

We know that due to the climate change crisis, (declared by the city), the frequency with which we will experience heavy rain events will increase.

Finally, we know that wetlands are the biggest absorbers of rain water during these events.

The city must preserve its green space, wetlands, in order to prevent augmentation of the infrastructure deficit, prevent flooding,

pollution of Lake Ontario with untreated sewage, and the destruction of our precious wetlands, and the wealth of biodiversity contained therein.

There is simply no justification for the destruction of wetlands - the key to our climate change resiliency. The citizenry of Hamilton have made it

abundantly clear that they are not in favour of extending the urban boundary and the destruction of sensitive areas of biodiversity.

Sincerely,

Wendy Leigh-Bell

E.Robert Ross

Ward 1
Hamilton, Ontario

Bates, Tamara

Subject: FW: No to Industrial Developer Discounts -No to Wetland Destruction!

From: Nonni Iler <>

Sent: Monday, April 29, 2024 11:53 PM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: No to Industrial Developer Discounts -No to Wetland Destruction!

External Email: Use caution with links and attachments

To the City of Hamilton's AF&A committee,

Drop the discount!

Taxpayers should not be expected to pay for industrial developmental charges to support warehouse builds on farmland and wetlands.

37% is ridiculous! 1% is ridiculous!
Developers do not need incentives to build!

Many, many of us are opposed to sprawl, the destruction of wetland habitat and farmland.

Please vote 'NO' to continuing to give industrial developers discounts.

Sincerely,
Nonni Iler

Please - Reduce, Re-use & Recycle

Bates, Tamara

Subject: FW: May 2 Audit, Finance and Administration committee vote

From: Theresa McCuaig < >

Sent: Tuesday, April 30, 2024 12:04 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: May 2 Audit, Finance and Administration committee vote

External Email: Use caution with links and attachments

Dear Mayor Horwath, City Clerk, and Councillors:

On May 2, please end the current discount on Development Charges that industrial developers receive for paving our wetlands and unserviced farmland. Raise the industrial development rate to \$41.48 per square foot of gross floor area, particularly to deter wetland loss around the airport. Kindly do not phase out the current discount gradually, nor exempt expansions of existing warehouses.

Hamilton already has many industrial buildings on brownfields in its North End that could be readily converted to warehouses at minimal cost.

Infrastructure already exists at these former industrial sites. Frankly, Hamilton home owners cannot tolerate yet another rise in the property tax levy or water rates to bolster the profits of private companies.

Paving wetlands exacerbates run-off, pollutes and diverts the watershed, compacts the soil to the point of sterility, and kills wildlife. We should reuse the North End, which has already been despoiled, and protect the raw land around the airport.

Thank you very much for your attention. My entire family will be following the outcome of the May 2 vote with great interest.

Sincerely,

Theresa McCuaig
Hamilton, ON

Bates, Tamara

Subject: FW: May 2 Meeting and Vote**From:** Teresa G <>**Sent:** Tuesday, April 30, 2024 10:40 AM**To:** Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>**Subject:** May 2 Meeting and Vote**External Email:** Use caution with links and attachments

Hello,

I am a lifelong citizen of Hamilton and I am concerned about discounts for warehouse developers in this city. I'm asking for council to vote no on May 2 to a continuation of these tax discounts.

It is deeply upsetting that the city gives tax discounts to developers who want to build on wetlands. These areas need to be protected, not destroyed. The current 37% discount should be eliminated entirely with no exemptions for industrial expansion.

Industrial developers who build on unserviced farmland should pay higher DCs compared to those that remediate and build on brownfields inside the urban area where infrastructure already exists.

I and all other Hamilton taxpayers have not been consulted about DCs exemptions, which will transfer significant costs from developers straight to taxpayers. Developers, not taxpayers should pay for growth.

Thank you

Teresa Gregorio

Bates, Tamara

Subject: FW: Development Charges for green space

From: Erica Hall <>

Sent: Wednesday, May 1, 2024 1:50 AM

To: Bates, Tamara <Tamara.Bates@hamilton.ca>; clerk@hamilton.ca; Office of the Mayor <Officeofthe.Mayor@hamilton.ca>; Wilson, Maureen <Maureen.Wilson@hamilton.ca>; Kroetsch, Cameron <Cameron.Kroetsch@hamilton.ca>; Nann, Nrinder <Nrinder.Nann@hamilton.ca>; Hwang, Tammy <Tammy.Hwang@hamilton.ca>; Francis, Matt <Matt.Francis@hamilton.ca>; Jackson, Tom <Tom.Jackson@hamilton.ca>; Pauls, Esther <Esther.Pauls@hamilton.ca>; Danko, John-Paul <John-Paul.Danko@hamilton.ca>; Clark, Brad <Brad.Clark@hamilton.ca>; Beattie, Jeff <Jeff.Beattie@hamilton.ca>; Tadeson, Mark <Mark.Tadeson@hamilton.ca>; Cassar, Craig <Craig.Cassar@hamilton.ca>; Wilson, Alex <Alex.Wilson@hamilton.ca>; Spadafora, Mike <Mike.Spadafora@hamilton.ca>; McMeekin, Ted <Ted.McMeekin@hamilton.ca>

Subject: Development Charges for green space

External Email: Use caution with links and attachments

Hi Everyone,

I'm asking you all to please vote to end the reduction of development charges on green space. We need to grow food and keep our wetlands for the future health of the people in our region and beyond. If companies really want to build on green space, they should not get a discount to do it.

The land surrounding the airport was designated industrial before Covid and climate change was noticeable. Both of these things indicate relying on an airport as a source of income is a terrible idea.

If you can't stop development of the land at least make it less affordable to develop. I understand you have competition with other municipalities for the tax dollars these companies will provide but if not now, in the future, we will need the farm land, carbon sinks and runoff protection this green space offers, much more than tax \$\$\$. I'm sure you've heard the saying, "you can't eat money." Please, think hard about that!

Also, at a time when many people can't afford a roof over their heads, the last thing those fighting to keep their head's covered is the larger tax bill the DC discounts cause.

Sincerely,

Erica Hall

Bates, Tamara

Subject: FW: \$71M in City-granted DC exemptions passed on to taxpayers**From:** Elizabeth Knight < >**Sent:** Wednesday, May 1, 2024 9:25 AM**Subject:** \$71M in City-granted DC exemptions passed on to taxpayers**External Email:** Use caution with links and attachments

Dear Councillors, Mayor and Clerk,

Please add to the Audit and Finance meeting agenda, my objection to continuing the City's practice of giving industrial developers a 37% exemption on development charges.

The staff report says the City budgeted \$93.3M in losses between the Province's and the City's DC exemptions. Now that the Province is considering a reversal, the report says there will be a "positive impact" if the City goes ahead with City-granted DC exemptions to the tune of **\$71M?**

Councillors who vote for a DC bylaw for Hamilton which includes industrial developer DC exemptions of any kind are voting to transfer a portion of that total lost revenue straight to taxpayers. Therefore, as a Hamilton taxpayer, I do not support a 37% exemption, nor a gradual phase out of that exemption over 10 years for industrial development on greenfields. Let industrial developers build on already contaminated areas and provide them a grant to remediate the land. This would be a net win for Hamilton.

Don't fall for the fear mongering narrative of billion dollar multinational corporations who threaten that they will build elsewhere. They won't. They will stay, they will build and either they will pay the DCs or taxpayers will.

Thank you
Elizabeth Knight

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

May 1, 2024

Chair and Members Audit, Finance and Administration Committee,

Slate Asset Management appreciates the careful consideration of the delegations heard to-date and believes staff's suggested policy revisions to the development charge by-laws proposed are effective in addressing some of the concerns that have been expressed. Slate supports staff's recommendations; however, even as proposed by the latest staff report, the increase to development charges is significant and Slate continues to share concerns with our industry colleagues regarding the quantum of and rationale presented to justify these rates. Once in effect, Hamilton will have some of the highest development charge and property tax rates in Ontario. The impact of these costs on future investment to the City should not be underestimated.

Slate urges the City to consider additional amendments to the proposed policy including:

- Expansion the existing 37% exemption beyond manufacturing strictly outlined in NAICS codes 31 – 33. Specifically, the following NAICS codes should receive the exemption in addition to uses already identified by staff:
 - o 1114 – Greenhouse, Nursery and Floriculture Production.
 - o 2211 – Electric Power Generation, Transmission and Distribution.
 - o Codes 4811-4832, 4851, 4881 – 4883 and 4889 which allow for port, rail, air and highway transportation and logistics related development.
 - o 51 – Information uses which would include a range of media, creative, telecom and data uses.
 - o 5417 – Scientific Research and Development Services.
- Provision for an additional year of 37% exemption for warehousing to support instream projects.

Slate believes the above changes would strike a manageable balance without dramatically stifling growth and development. Furthermore, with diligent consideration of which uses receive an exemption, we can encourage a mix of healthy industries that will make Steelpoint and the surrounding communities more diverse and successful.

Sincerely,



Steven Dejonckheere
Senior Vice President
Slate Asset Management
[REDACTED]
steven@slateam.com

B R O C C O L I N I

May 1, 2024

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

Dear Chair and Members of the Committee:

**Re: City of Hamilton Development Charges Review
Final Report (FCS23103(b))**

While Broccolini appreciates the staff recommendation to phase out the industrial discount, we along with the Hamilton Employment Landowners Group do not believe that this will mitigate the drastic impact the increase in development charges will have on economic investment and the future development of employment lands in Hamilton. If it were to be eliminated altogether it would lead to a grinding halt on any employment development applications in Hamilton that are non-manufacturing related.

Hamilton has long been an attractive market for economic growth and investment within the GTHA due to a strong labor pool and relative cost competitiveness compared to municipalities in the GTA. A large amount of recent economic investment and internal growth in Hamilton is not from speculative development (build it and they will come), but rather from companies making long-term investments in Hamilton with design-build projects (custom builds). These end users for design-build projects are typically seeking to own their facilities and not rent them. Their decision to locate and invest in Hamilton is almost always driven by economics first and foremost, with qualitative elements being secondary to cost. Broccolini and the Hamilton Employment Landowners Group are still concerned about the impact the proposed phase-out will have on the development of employment lands in Hamilton.

Note that without the proposed phase-out, Hamilton's employment DCs would be the second highest in Ontario, significantly reducing the impact of the City's competitiveness to attract employment development, and the feasibility of many types of industrial development, not just in the manufacturing sector.

We greatly appreciate your consideration.



Toni Wodzicki
Director, Real Estate Development

Barristers & Solicitors

Bay Adelaide Centre, West Tower
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.caDirect Line: +1 (416) 597-5158
rhowe@goodmans.ca

May 1, 2024

Our File No.: 240838

Via EmailAudit, Finance and Administration Committee
City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4Y5

Dear Chair and Members of Committee:

**Re: City of Hamilton Development Charges Review
Final Report (FCS23103(b))**

We are solicitors for the Hamilton Employment Landowners Group, a group of major employment landowners in the City of Hamilton that are cooperating in their review of the City's proposed development charge update, which includes:

1. First Gulf and Sun Life Assurance Company of Canada
2. Hopewell Development
3. Panattoni Development Company
4. The Beedie Group Developments
5. Alba Developments
6. Broccolini
7. Nicola Institutional Realty Advisors
8. Slate Asset Management
9. Fengate Asset Management

The Hamilton Employment Landowners Group all have active proposals for new industrial development in the City. While the group appreciates the staff recommendation to phase out the industrial discount, we do not believe that this will materially mitigate the drastic impact the increase in development charges will have on future development of employment lands in Hamilton. As noted in the Staff Report:

... the record pace of industrial construction value realized over the last couple of years may not be sustained in Hamilton beyond 2024.

As also noted by staff, many neighbouring municipalities offer industrial development charges at a much lower rates. For example Brantford's non-residential development charge is \$10.97 per square foot and Burlington's non-residential development charge is \$19.11 per square foot.

The removal of the industrial discount will materially impact the City's competitiveness to attract employment development, and the feasibility of many types of industrial development, not just in the manufacturing sector. Despite recent investment in Hamilton's industrial sector being in the form of speculative development (build it and they will come), historically Hamilton has been a design-build destination (custom building construction) for companies making long-term investments in Hamilton to suit specialized needs, which are not necessarily manufacturing related. Furthermore, these companies for design-build projects are typically seeking to own their facilities and not rent them. Their decision to locate and invest in Hamilton is almost always driven by economics first and foremost, with qualitative elements being secondary to cost. Although the proposed phase-out may be beneficial in the near term, the long-term removal or the prospect of eliminating the industrial discount in its entirety will have a significant impact on economic investment in Hamilton.

The Hamilton Employment Landowners' Group is also very concerned about the calculation of the development charges in the Background Study and Addendum. The Group retained a team of consultants to review the Background Study and supporting information, including Keleher Planning & Economic Consulting, MGM Consulting (servicing engineers), and BA Group (transportation planners and engineers). Written comments were provided to the City from each of the consultants. Responses were provided by the City last week. Although we have not had much time to review the responses, we were disappointed that for the most part the high-level responses we received provided very little substance or new information that could be used to satisfy the concerns raised. The Group's consultants believe that the assumptions and calculations in the Background Study and Addendum result in proposed development charges that are inflated and that do not comply with the requirements of the legislation.

Many of the concerns identified relate to a lack of background information or analysis to support the assumptions and calculations made. For example:

1. The residential and non-residential growth forecasts used in the Background Study do not match the "service target" levels of population and employment used to determine the need for water, wastewater and road services. The City's consultants have indicated these differences are addressed by making a "provisional" allocation to post period benefit. However, no explanation has been provided in respect of how this provisional allocation was calculated, despite our requests.

2. Neither the Background Study nor supporting information provided in response to questions on the issue has substantiated the floor space per worker assumptions used to determine employment growth.
3. No analysis or backup information is provided to support the replacement costs of facilities used to calculate the historic service level standards.
4. No analysis or backup information is provided to support the estimated capital costs of new library, and parks and recreation facilities.
5. New potential public works facilities are funded without any assessment of the need for such services.
6. The benefit to existing development allocations of certain parks and recreation services has not been justified.
7. With respect to the development charge for roads:
 - (a) Certain projects have been moved to the post period, which the Group believes may be required sooner, without justification.
 - (b) Assumptions are made regarding costs to be funded by developers as local services, with no justification for the amounts calculated through such assumptions.
 - (c) The development charge funds several categories of generic service categories (e.g., development road urbanization, sidewalks, signals, land acquisition) with no capital program or justification of estimated capital costs.
 - (d) The Background Study assumes that new cycling and other active transportation facilities in rural areas have no benefit to existing development, without any reasonable justification.
 - (e) Grade separations are funded without any justification regarding location or scope, and with no allocation of benefit to existing development, whereas such facilities clearly have operational and safety benefits to existing development.
 - (f) The Highway 5/6 interchange project has no allocation to existing benefit, whereas it will clearly have operational and safety benefits to existing development.

- (g) Various road components that clearly benefit existing development have no allocation of benefit to existing development (e.g., durable pavement markings, traffic controller cabinet replacements, sidewalks, signals, transit shelters, etc.).

The Hamilton Employment Landowners' Group does not believe the quantum of the increase in the development charge is warranted. The Group urges Council to request staff to revise the calculations in the Background Study to address the concerns raised by the Group's consultants and to recommend an increase that is fair and reasonable and in accordance with the legislation.

Yours truly,

Goodmans LLP



Robert Howe

cc: client

1405-6405-7356

Bates, Tamara

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

Submitted on Thu, 04/25/2024 - 10:22

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

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

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

Requestor Information

Requestor Information
Michelle Diplock
West End Home Builders' Association
1112 Rymal Road East
Hamilton, ON. L8W3N7
michelle@westendhba.ca

Preferred Pronoun
she/her

Reason(s) for delegation request
Delegation regarding 8.1 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) for May 2, 2024

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
Yes

Bates, Tamara

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

Submitted on Thu, 04/25/2024 - 15:26

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

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

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

Requestor Information

Requestor Information
Amanda C Stringer
Realtors Association of Hamilton Burlington
505 York Blvd
Hamilton, Ontario. L8R 3K4
amandas@rahb.ca
9055298101

Reason(s) for delegation request
DC Exemptions

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

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

Submitted on Mon, 04/29/2024 - 09:19

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

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

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

Requestor Information

Requestor Information
Greg Dunnett
Hamilton Chamber of Commerce
120 King St. W., Plaza Level
Hamilton, Ontario. L8P 4V2
G.Dunnett@HamiltonChamber.ca

Preferred Pronoun
he/him

Reason(s) for delegation request
Speak to the Final Report of the 2024 Development Charges Background Study, Policies and By-Laws.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

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

Submitted on Mon, 04/29/2024 - 14:25

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

Will you be delegating in-person or virtually?
Virtually

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

Requestor Information

Requestor Information
Veronica Green
Slate Asset Management
121 King Street W
Suite 200
Toronto, ON. M3H 5T9
veronica@slateam.com

Reason(s) for delegation request
Downtown Community Improvement Area Exemption Staff Recommendation
• A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for residential development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40% in year one (June 1, 2024 to May 31, 2025); 35% in year two (June 1, 2025 to May 31, 2026); 30% in year three (June 1, 2026 to May 31, 2027); 32% in year four (June 1, 2027 to May 31, 2028); 10% in year five (June 1, 2028 to May 31, 2029); and 0% thereafter.

To reaffirm support for the gradual phase in and communicate the requirement to keep DCs low.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

Bates, Tamara

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

Submitted on Wed, 05/01/2024 - 10:45

Submitted by: Anonymous

Submitted values are:

Committee Requested

Committee
Audit, Finance & Administration Committee

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

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

Requestor Information


Requestor Information
Steven Dejonckheere
Slate Asset Management
121 King Street
Suite 200
Toronto, ON. M5H 3T9
steven@slateam.com

Preferred Pronoun
he/him

Reason(s) for delegation request
To provide feedback regarding the proposed development charge by-law revisions and staff's report on the subject.

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No

TO:	Mayor and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 2, 2024
SUBJECT/REPORT NO:	2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Carolyn Paton (905) 546-2424 Ext. 4371
SUBMITTED BY:	Kirk Weaver Acting Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the 2024 City of Hamilton Development Charges Study, as amended, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved;
- (b) That, whenever appropriate, the City of Hamilton requests that grants, subsidies and other contributions be clearly designated by the provider as being to the benefit of existing development (or new development, as applicable);
- (c) That all the growth capital projects listed in the City of Hamilton Development Charges Background Study, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved, in principle, subject to annual capital budget approvals;
- (d) That, having considered the matters in Report FCS23103(b) including the changes incorporated into the 2024 Development Charges By-law, attached hereto as Appendix "A" of Report FCS23103(b), no further meeting under s.12 of the *Development Charges Act, 1997* is required;
- (e) That Appendix "A" attached to Report FCS23103(b) respecting a single 2024 Development Charges By-law, prepared in a form satisfactory to the City Solicitor and including the following discretionary exemption policies, be passed and enacted:

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- (i) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for residential development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40% in year one (June 1, 2024 to May 31, 2025); 35% in year two (June 1, 2025 to May 31, 2026); 30% in year three (June 1, 2026 to May 31, 2027); 20% in year four (June 1, 2027 to May 31, 2028); 10% in year five (June 1, 2028 to May 31, 2029); and 0% thereafter;
- (ii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for non-industrial development (other than Class A Office) industrial development and the non-residential component of mixed-use development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40%;
- (iii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for Class A Office, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 70%;
- (iv) A reduced rate discretionary exemption be provided for manufacturing (Employment North American Industry Classification System (code 31-33), as well as, for production and artists' studios at a 37% discount;
- (v) A reduced rate discretionary exemption be provided for industrial development (other than manufacturing) at a 37% discount in Year 1 (June 1, 2024 to May 31, 2025) with a reduction in the exemption of 5% per year until completely phased out;
- (vi) An industrial expansion (detached building), 50% expansion of existing gross floor area exemption, be applied only to industrial businesses with primary economic activity identified as manufacturing (employment North American Industry Classification System (N.A.I.C.S.) code 31-33);
- (vii) A 100% Development Charge discretionary exemption for adaptive re-use of a protected heritage property;
- (viii) A 50% Development Charge discretionary exemption for redevelopment of an existing residential development for the purpose of creating residential facilities within an existing building and that the credit applicable, when the original building was a Residential Facility or Lodging house, be 100% of the applicable Residential Facility Rate or Lodging House Rate;
- (ix) A discretionary exemption for non-industrial developments included within a Community Improvement Project Area (CIPA) or Business Improvement Area (BIA) and for office developments (excluding medical clinics) as follows:

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- (i) 1st 5,000 square feet at 50% of the non-industrial charge;
- (ii) 2nd 5,000 square feet at 75% of the non-industrial charge; and
- (iii) 10,000 square feet or larger at 100% of the non-industrial charge;

- (x) A 100% discretionary Development Charge exemption for bona fide farming / agricultural use;

- (xi) A 100% discretionary Development Charge exemption for places of worship exempt from property taxes;

- (xii) A discretionary transition policy in which the Development Charge Rate at the time of a complete building permit application apply if the building permit is issued within six months of the next rate increase;

- (xiii) A 100% discretionary Development Charge exemption for Farm Labour Residences;

- (xiv) A 100% discretionary Development Charge Exemption for City Housing Hamilton;

- (xv) A 100% discretionary Development Charge Exemption for Parking, other than Commercial Parking;

- (xvi) A Temporary Building or Structure Exemption;

- (xvii) A discretionary Deferral Policy for Non-residential Development, a Mixed Use Development, a Residential Facility, a Lodging House or an Apartment Dwelling only;

- (xviii) A discretionary Environmental Remediation and Site Enhancement (ERASE) Deferral Agreement Policy;

- (xix) A discretionary Public Hospitals Deferral Policy;

- (xx) A discretionary Post-Secondary Deferral Policy;

- (f) That the Local Service Policy, as included in the 2024 City of Hamilton Development Charges Background Study, as amended, be approved, adopted and implemented effective June 1, 2024;

- (g) That revisions to Section L.2.4 of the Comprehensive Development Guidelines and Financial Policies, to align with the Local Service Policy, attached as Appendix "C" be adopted and approved; and

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- (h) That, where public stormwater management facilities have been provided at the cost of a developer, as a condition of development approval and the said facilities are deemed to be permanent and part of an ultimate solution, “credits for services in-lieu” for the related stormwater component of the Development Charge will be applied for any unbuilt units upon the said facilities being included in the Development Charge Background Study and any applicable addendum(s).

EXECUTIVE SUMMARY

The purpose of the 2024 Development Charges Background Study (DCBS) and By-law is to ensure that the City can continue collecting Development Charges (DCs) from net new development across the City to fund growth related capital infrastructure needs in accordance with the *Development Charges Act, 1997, as amended* (DC Act). The City’s existing 2019 Development Charges (DC) By-law 19-142 is set to expire on June 12, 2024. Approval of the new 2024 DC By-law (Appendix “A” to Report FCS23103(b)) is required to levy DCs after this date. The new DC By-law will be in effect June 1, 2024.

Staff was directed to undertake a new DCBS in 2021 through Report FCS21085, “2023 Development Charges Background Study – Procurement Policy 11 Request”. Since that time, staff and consultants have worked to compile and release the information required to be included in a DCBS per the DC Act. The 2024 DC By-law and the draft By-laws were released to the public on December 21, 2023.

The DCBS initially recommended the use of separate DC By-laws for each service in response to the mandatory phase-in requirements in the DC Act that were introduced via the *More Homes Built Faster Act, 2022* (Bill 23). However, Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*, under consideration by the Legislature, seeks to reverse this requirement. Staff is now recommending one DC By-law. More detail is included in the Analysis and Rationale for Recommendations section of Report FCS23103(b).

An Addendum to the December 21, 2023 Development Charge Background Study (Addendum), prepared by Watson and Associates Economists Ltd. (Watson) was released to the public on April 2, 2024. The Addendum includes revisions to capital costs related to water, wastewater, stormwater and services related to a highway. In addition, the Addendum being recommended through Report FCS23103(b), includes an update to the City’s Local Service Policy (LSP). As a result of these revisions, a recalculation of the DC rates has been undertaken. The result is a decrease in the calculated DC rates compared to the DCBS release on December 21, 2023. Table 1 sets out the new proposed rates.

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**Table 1
Residential and Non-Residential 2024 Development Charge Rates**

Service/Class of Service	SCHEDULE OF DEVELOPMENT CHARGES					NON-RESIDENTIAL (per sq.ft. of Gross Floor Area)
	RESIDENTIAL					
	Single and Semi- Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	
City Wide Services/Class of Service:						
Services Related to a Highway	18,103	13,512	11,099	6,876	5,636	13.31
Public Works (Facilities and Fleet)	1,335	996	818	507	416	0.80
Transit Services	1,601	1,195	982	608	498	0.96
Fire Protection Services	1,151	859	706	437	358	0.69
Policing Services	1,018	760	624	387	317	0.61
Parks and Recreation	11,065	8,259	6,784	4,203	3,445	0.95
Library Services	2,061	1,538	1,264	783	642	0.18
Long-term Care Services	231	172	142	88	72	0.04
Child Care and Early Years Programs	-	-	-	-	-	0.00
Provincial Offences Act Services including By-Law Enforcement	52	39	32	20	16	0.03
Public Health Services	42	31	26	16	13	0.01
Ambulance	325	243	199	123	101	0.06
Waste Diversion	346	258	212	131	108	0.03
Total City Wide Services/Class of Services	37,330	27,862	22,888	14,179	11,622	17.67
Urban Services						
Wastewater Facilities	7,125	5,318	4,368	2,706	2,218	4.53
Wastewater Linear Services	10,630	7,934	6,517	4,038	3,310	6.75
Water Services	6,856	5,117	4,203	2,604	2,135	4.36
Combined Sewer System						
Stormwater Drainage and Control Services	9,553	7,130	5,857	3,629	2,974	0.00
Separated Sewer System						
Stormwater Drainage and Control Services	22,741	16,974	13,942	8,638	7,080	4.75
GRAND TOTAL RURAL AREA	37,330	27,862	22,888	14,179	11,622	17.67
GRAND TOTAL COMBINED SEWER SYSTEM	71,494	53,361	43,833	27,156	22,259	33.31
GRAND TOTAL SEPARATED SEWER SYSTEM	84,682	63,205	51,918	32,165	26,365	38.06

The DC rates in Table 1 are in 2023 dollars and will be indexed when the 2024 DC By-law comes into effect on June 1, 2024. More detail is included in the Analysis and Rationale for Recommendations section of Report FCS23103(b).

The City of Hamilton (City) held two open houses to receive feedback on the 2024 DCBS and the proposed 2024 DC By-law. An in-person open house was held on January 23, 2024 from 7:00 to 9:00 pm and a virtual session on January 24, 2024 from 10:00 am to 12:00 pm. In addition to the open houses, the City held a statutory public meeting as required by the DC Act at the Audit, Finance and Administration Committee meeting on February 22, 2024 to receive input on the proposed DC rates and related DC policies that will be applied throughout the City. Staff has received other input and consulted with any interested parties with each public release of information. All feedback received from the variety of opportunities provided were considered in staff recommendations included in Report FCS23103(a).

The current DC By-law (19-142) contains several discretionary DC policies, some with full or partial exemptions. The foregone DC revenue that results from these exemptions is funded by existing tax and ratepayers through allocations in both the Rate and Tax Capital Budgets.

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An extensive review of the City’s DC exemption policies was carried out by Watson as part of the DCBS process. Report FCS23103(b) recommends the discretionary policies (including exemptions) to be contained in the 2024 DC By-law which is anticipated to be in force June 1, 2024. Table 2 provides a comparison of the City’s current policies, recommendations from Watson and the recommendations from staff. The rationale for the staff recommendations is included in the Analysis and Rationale section of Report FCS23103(b).

**Table 2
Recommended Discretionary Exemption Policies
Downtown CIPA, Industrial and Farm Help Houses**

Exemption Provided	Current Policy	Watson Recommended Policy	Staff Recommended Policy
Downtown CIPA – Non-Residential	70% discount for office development 40% for all other non-residential	No change	No change
Downtown CIPA – Residential	40% discount	20% discount in year 1. Reduce by 5% every year until phased out	Discounts by Year: <ul style="list-style-type: none"> • 40% discount in year 1 (June 1/24-May 31/25) • 35% Discount in year 2 (June 1/25-May 31/26) • 30% Discount in year 3 (June 1/26-May 31/27) • Reduce by 10% every year until phased out
Industrial Reduced Rate	37% discount for all industrial development	37% discount to apply to manufacturing development and Production and Artists Studios only	Maintain 37% exemption for manufacturing (Employment NAICS code 31-33) as well as for Production and Artist Studios Industrial - 37% discount in year 1 (June 1/24-May 31/25). Reduce by 5% every year until phased out
Industrial Building Expansion (Detached)	Industrial building on same lot as an existing building – fully exempt up to 50% of existing gross floor area	Exemption to apply to manufacturing development only	Exemption to apply to manufacturing development only
Farm Help Houses	No exemption	Fully exempt	Fully exempt

Alternatives for Consideration – See Page 27

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Passing of the 2024 DC By-law will enable the City to continue to levy a DC, generally at building permit issuance, for new development, net new development, redevelopment or change of use to recover a portion of the capital costs for infrastructure incurred by the City to service the increased needs arising from development.

All figures presented are inclusive of the DCBS Addendum.

Table 3 outlines the gross expenditures related to servicing growth over the next 10 years and the portion that can be recovered through DCs.

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**Table 3
Net Costs to be Recovered from Development Charges**

Total gross expenditures planned over the life of the by-law	\$ 4,713,771,389
Less:	
Benefit to existing development	\$ 1,162,295,003
Post planning period benefit	\$ 379,320,827
Other deductions	\$ 153,260,402
Grants, subsidies and other contributions	\$ 631,928,900
Net Costs to be recovered from development charges	\$ 2,386,966,257

Staff has estimated the cost of the recommended discretionary DC exemption portfolio at an annualized cost of \$71.9 M. This cost estimate is based on the proposal contained in Bill 185 removing the legislated phase-in of DC rates and the pace of growth experienced 2020-2023 versus the growth forecasted in the DCBS. An overview of the financial implications of Bill 185, if enacted, and discretionary DC exemption impacts on the DC exemption financing strategy included in the 2024 Tax and Rate Budgets will be included in the 2025 Budget Outlook Report. As indicated in Table 2 of Appendix “B” to Report FCS23103(b), the City budgeted \$93.3 M for DC exemptions in 2024, the estimated annualized cost of staff’s recommendations is \$71.9 M (assuming no phase-in). Therefore, a positive impact is anticipated in future financing plans.

Staffing: None

Legal: The proposed By-law has been reviewed by Legal Services. Once approved, the By-law is subject to a 40-day appeal period. Any appeals to the By-law will require further involvement from Legal Services’ staff.

HISTORICAL BACKGROUND

The City’s existing DC By-law 19-142 expires end of day June 12, 2024. A new DC By-law must come into effect by end of day June 12, 2024 for the City to continue collecting DCs. If DCs are not collected for a period of time, the costs associated with growth-related capital projects would have to be funded from other sources, such as, property taxes and rate user fees. Over the 2021-2023 period, the City collected an average of \$101.7 M in DCs and exempted an average of \$56.1 M in DCs.

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Staff was directed to undertake a new DCBS through Report FCS21085, “2023 Development Charges Background Study – Procurement Policy 11 Request”, approved by Council on October 27, 2021. Since that time, staff and consultants have worked to compile and release the information required to be included in a DCBS per the DC Act. The DC By-law, attached as Appendix “A” to Report FCS23103(b) is drafted to be in force as of June 1, 2024 and to repeal DC By-law 19-142 at the same date.

Since the passing of the 2019 DC By-law, the Province has released numerous pieces of legislation affecting development charges, including:

- *More Homes, More Choice Act, 2019* (Bill 108);
- *Plan to Build Ontario Together Act, 2019* (Bill 138);
- *COVID-19 Economic Recovery Act, 2019* (Bill 197);
- *Better for People, Smarter for Business Act, 2020* (Bill 213);
- *More Homes for Everyone Act, 2022* (Bill 109);
- *More Homes Built Faster Act, 2022* (Bill 23);
- *Affordable Homes and Good Jobs Act, 2023* (Bill 134); and
- *Cutting Red Tape to Build More Homes Act, 2024* (Bill 185), not yet in force.

Staff brought forward reports to Council detailing the changes and to obtain endorsement of municipal comments for consultations conducted by the Province as legislation was released.

The City completed a Development Charges Update Study in 2021 and amended the 2019 DC By-law via By-law 21-102 to reflect some of these legislative changes arising from Bill 108 and Bill 138. Other changes from these Acts took effect when the legislation passed and did not require a By-law update.

The *More Homes Built Faster Act, 2022* (Bill 23), introduced multiple and significant changes to the DC Act including the phase-in of charges imposed in a DC By-law over a five-year term. Any DC By-laws passed after January 1, 2022, were required to phase-in the calculated charges as follows:

- Year 1 of the By-law – 80% of the charges could be imposed;
- Year 2 of the By-law – 85% of the charges could be imposed;
- Year 3 of the By-law – 90% of the charges could be imposed;
- Year 4 of the By-law – 95% of the charges could be imposed; and
- Years 5 to 10 of the By-law – 100% of the charges could be imposed.

Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* introduced in the legislature on April 10, 2024, proposes to eliminate some of the provisions contained in Bill 23, including the statutory phase-in of DC rates for DC By-laws passed on and after January 1, 2022. Other changes related to Bill 185 are detailed in staff Report FCS24034.

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As part of the Federal Government 2024 Budget, released on April 16, 2024, \$6 B over 10 years was announced to Infrastructure Canada to launch a new Canada Housing Infrastructure Fund. \$1 B is expected to flow directly to municipalities, with the remaining \$5 B flowing through agreements with the Provinces. Included in the \$5 B section of the budget, was an action to freeze DCs for three years at the April 2, 2024 DC rates.

It is unclear at this time (1) whether the Province of Ontario will enter into an agreement, (2) how this freeze would be implemented, (3) timing of implementing a freeze, (4) whether indexing would be permitted and (5) how the financial gap between calculated DC rates and the April 2, 2024 DC rates would be funded. Therefore, this announcement has not been factored into the recommendations of Report FCS23103(b). Staff will report back to Council on this announcement as more details become available.

Committee and Sub-Committee Reports and Presentations

Throughout the DCBS process, members of Council have been engaged through updates or to provide direction at key milestones. Below is a summary of the major committee and sub-committee meeting since 2021.

Audit, Finance and Administration Committee - October 21, 2021

- 2023 Development Charges Background Study – Procurement Policy 11 Request (Report FCS21085)

Development Charges Stakeholders Sub-Committee Meeting - April 13, 2023

- 2024 Development Charges Background Study and By-law Update (Report FCS23040)

General Issues Committee Meeting - June 14, 2023

- Development Charges Exemptions Sustainable Funding Strategy (Report FCS23064)

Development Charges Stakeholders Sub-Committee Meeting - September 18, 2023

- Presentation delivered by Watson & Associates Economists Ltd. – 2024 Development Charges Background Study and By-law

Development Charges Stakeholders Sub-Committee Meeting • November 9, 2023

- 2024 Development Charges Background Study and By-law Update (Report FCS23040(a))
- Exemption Policy – 2024 Development Charges Background Study and By-law Update (Report FCS23103)
- Area Specific and Local Service Policies – 2024 Development Charges Background Study and By-law Update (Report FCS23104)

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Release of 2024 Development Charges Background Study – December 21, 2023

Audit, Finance and Administration Committee Meeting – February 22, 2024

- 2024 Development Charges Background Study and By-law Update – Open House Feedback (Report FCS23103(a))
- Public meeting as required under Section 12 of the DC Act

Release of Addendum to the 2024 Development Charges Background Study – April 2, 2024

Audit, Finance and Administration Committee Meeting (Special) – April 4, 2024

- 2024 Development Charges Background Study and By-law Update - Open House Feedback (Report FCS23103(a))
- Motion passed directing staff to review and analyze several discretionary exemptions to be included in Report FCS23103(b)

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

DCs are fees imposed on development and redevelopment projects to support the capital costs of growth-related infrastructure that is needed to service new residential and non-residential populations within a municipality. The DC Act requires that the City's 2024 DC By-law expires a maximum of 10 years from the date it comes into effect (was no more than five years when the 2019 DC By-law was adopted). The last DCBS and DC By-law for the City of Hamilton was completed in 2019.

The DC Act outlines the requirements for a municipality to pass a DC By-law. Municipalities are required to undertake a background study no less than every 10 years. This requirement has not changed with Bill 185.

The DC policy included in the recommended 2024 DC By-law, attached as Appendix "A" to Report FCS23103(b), encompasses the direction obtained through previous Council decisions.

Table 4 to Report FCS23103(b) outlines the requirements of the municipality under the DC Act and the associated dates related to the adoption of the 2024 DC By-law.

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**Table 4
Requirements Under the DC Act**

Requirement	Date
2024 Development Charges Background Study released	December 21, 2023
Public Meeting advertisement placed in Hamilton Spectator at least 20 days prior to the public meeting	January 17, 2024
Public Meeting at least two weeks after proposed DCBS and By-law are made available to the public	February 22, 2024, held at Audit, Finance and Administration Committee
Addendum released	April 2, 2024
Addendum advertisement placed in Hamilton Spectator	April 8, 2024
Council considers passage of By-law at least 60 days after the DCBS is made available to the public	May 2, 2024, held at Audit, Finance and Administration Committee
Newspaper and written notice given of By-law passage within 20 days after By-law passage	Forthcoming
Last day for By-law appeal within 40 days after By-law passage	Forthcoming
City makes available Development Charges pamphlet within 60 days after By-law passage	Forthcoming

Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*

On April 10, 2024, the Province of Ontario introduced the *Cutting Red Tape to Build More Homes Act, 2024* (Bill 185). Bill 185 contains several proposed amendments to the DC Act detailed in Schedule 6 of the Bill. Changes proposed through Bill 185 are detailed in staff Report FCS24034.

Bill 185 proposes the removal of the mandatory phase-in of DC rates over five years which has implications for the 2024 DC By-Law. Given the uncertainty around the timing for final passage of Bill 185 and the need for the City to pass a new by-law prior to the expiry of the current By-law, the draft 2024 DC By-law has been prepared to abide by the legislation in effect (i.e., the phase-in will apply until it is eliminated by the Province as anticipated through Bill 185). The DC By-Law will not require amendment to eliminate the phase-in but may be required to facilitate other changes to the DC Act through Bill 185.

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GO Transit

In addition to City DC By-law 19-142, the City also has the GO Transit DC By-law (By-law 11-174) which will remain in effect. The GO Transit DC By-law is applied in addition to City DCs. The GO Transit DC By-law collects funds to support the Metrolinx system. The City collects the DCs and remits them annually to Metrolinx. The GO Transit DCs will be indexed effective July 6, 2024, in accordance with the GO Transit DC By-law. Table 5 illustrates the current GO Transit DC rates and the rates that will take effect July 6, 2024. Note that GO Transit DCs are not applicable to non-residential development.

**Table 5
Metrolinx (GO Transit) DC Rates**

Residential DCs (\$ per unit unless otherwise stated)	GO DCs Current (July 6, 2023 – July 5, 2024)	GO DCs July 6, 2024 – July 5, 2025	Increase Due to Indexing
Single / Semi	357	386	29
Townhouse / Other Multiple	256	277	21
Apartment (2+ bedrooms)	221	239	18
Apartment (1 bedroom)	148	160	12
Residential Facility (\$ per bed)	116	126	10

While DC By-laws are required to be updated through a legislated study process, the Province of Ontario has passed several regulations which have enabled GO Transit DC by-laws to remain in force without a study. Most recently, O. Reg 538/22 on November 25, 2022, under the *Metrolinx Act, 2006*, has enabled GO Transit DC By-laws to remain in force until December 31, 2025. During the extension period, the Ministry of Transportation was to undertake a broader review of the framework governing municipal contributions to GO Transit. To date, the City has not received communications regarding the future of GO Transit as it relates to DC collections.

Education Development Charges

In addition to City DCs and GO DCs, the City is required to collect Education DCs (EDCs) on behalf of the school boards. EDC By-laws are passed by each of the school boards. The City does not have influence on the EDCs.

Both school boards will have new EDC rates coming into effect on July 6, 2024. At the time of writing, staff has not received the draft rates from either board.

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RELEVANT CONSULTATION

Approach to DC Consultation Period

The 2024 DCBS and Draft DC By-laws were released to the Public via the City's website on Thursday December 21, 2023 following Council direction through Report FCS23040(a) approved by Council on November 22, 2023. A Communication Update to Council, informing Council of the release was issued on December 21, 2023. The City's social media channels were also utilized to communicate the release of the DCBS and interested parties were notified.

Various staff divisions and sections were involved in the creation of the DCBS and recommendations for the DC Policies. As soon as any information was released publicly, staff from the appropriate divisions worked to review and validate all enquiries, concerns and feedback received. Where appropriate, amendments to the DC By-law and Background Study have been implemented.

Internal

- Planning and Economic Development Department
- Public Works Department
- Healthy and Safe Communities Department
- City Manager's Office
- Corporate Services Department – Legal and Risk Management Services
- Corporate Services Department – Office of City Clerk
- Hamilton Police Service
- Hamilton Public Library
- Development Charges Stakeholders Sub-Committee (includes representatives from Hamilton-Halton Homebuilders Association, Hamilton-Burlington Real Estate Board, Hamilton Chamber of Commerce and two representatives of the public)
- Development Industry Liaison Group
- Audit, Finance and Administration Committee

External

- Watson & Associates Economists Ltd. (Watson)
- GMBlueplan
- Arcadis IBI Group
- Scheckenberger & Associates Ltd. (Ron Scheckenberger) in association with WSP
- The City received feedback and correspondence through the City's email address: DCBackgroundStudy@hamilton.ca

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Open Houses

The City held two open houses to receive feedback on the 2024 DCBS and the proposed 2024 DC By-law. An in-person open house was held on January 23, 2024 from 7:00 pm to 9:00 pm and a virtual session on January 24, 2024 from 10:00 am to 12:00 pm. Notifications of these meetings were sent to Council, the Developers Industry Liaison Group (DILG), relevant community stakeholders and posted on LinkedIn, “X” (formerly Twitter), and Hamilton.ca. Both open houses were well attended by members of the development community representing both residential and non-residential interests. Representatives from Planning and Economic Development, Financial Planning, Administration and Policy and Watson & Associates Economists Ltd. were in attendance.

Statutory Meeting (see Recommendation (d))

As required by the DC Act, the City of Hamilton held a statutory public meeting at the Audit, Finance and Administration Committee meeting on February 22, 2024 to discuss proposed DC rates, as well as, DC policies that will be applied throughout the City. This meeting was advertised in the Hamilton Spectator on January 17, 2024, posting on the City’s website (hamilton.ca), “X” (formerly Twitter), LinkedIn and interested community stakeholders. There were 16 registered delegates and 55 written submissions included in the February 22, 2024, Audit, Finance and Administration Committee meeting agenda. Subsequently, 10 written submissions were received and added to the February 28, 2024 Council Agenda. These 10 items were ultimately received at the March 27, 2024 Council meeting due to cancellation of the February 28, 2024 Council meeting. In addition, one registered delegate and two written submissions were included in the April 4, 2024, Audit, Finance and Administration Committee meeting agenda.

Several requests for additional information relating to the DCBS were received through the City’s email at DCBackgroundStudy@hamilton.ca. Individual responses were compiled with input from the relevant consultants and City staff.

Table 6 presents a summary of the nature of concerns from the community.

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**Table 6
Summary of Community Input**

AGAINST ELIMINATION OF EXEMPTIONS
Residential – Downtown CIPA – Against Elimination of 40% Residential Exemption
<ul style="list-style-type: none"> • High interest rates which translate to high financing costs are impacting development • Increasing construction costs are resulting in higher unit prices • Lower demand is resulting in slow housing sales • A reduction in exemptions will further negatively impact desire for development in the downtown • Concerned about the long-term negative impacts on downtown development • Impact on housing commitment and not receiving due funding from Federal Government
Non-Residential – Against Elimination of Industrial Reduced Rate Exemption / Industrial Building Expansion (Detached) DC Exemption
<ul style="list-style-type: none"> • High interest rates which translate to high financing costs are impacting development • Hamilton’s ability to compete in industrial development market as it relates to surrounding municipalities • A reduction in exemptions will further negatively impact desire for development • Productivity of land needs to be considered.
Other
<ul style="list-style-type: none"> • Farm labour residences should be considered fully exempt
IN FAVOUR OF ELIMINATION OF EXEMPTIONS
<ul style="list-style-type: none"> • Suggestion to increase DC rates for farmers who build on unserviced farmland where there is no existing infrastructure. • Developers who are successful in expanding outside the urban boundary should pay • Taxpayers should not have to pay for developer or provincial shortfalls • The desire to reduce tax burden on residents during recent budget deliberations. This is their chance to ensure developers pay for growth and not taxpayers

An Addendum to the 2024 DCBS was released on April 2, 2024. The Addendum includes housekeeping changes, as well as, LSP changes recommended by Planning and Economic Development staff. A Communication Update was released on April 2, 2024. While no further statutory public meeting was required, a notice regarding the Addendum with the opportunity to provide feedback was communicated with the community. This included an advertisement in the Hamilton Spectator on April 10, 2024, posting on the City’s website (hamilton.ca), “X” (formerly Twitter), LinkedIn and communications to interested community stakeholders.

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ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The three priorities for the City of Hamilton’s Council term (2022-2026) are: *Sustainable Economic and Ecological Development, Safe & Thriving Neighbourhoods, and Responsiveness & Transparency*. While all three priorities are integral to the City’s success, building infrastructure that supports development through DC rates assists in achieving the goal of Sustainable Economic and Ecological Development.

DCs are fees imposed on development and redevelopment projects to help pay for the capital costs of growth-related infrastructure that is needed to service new residential and non-residential populations within a municipality.

The purpose of the DCBS and DC By-law is to ensure that the City can continue collecting DCs from net new development across the City to fund growth related capital infrastructure needs in accordance with the DC Act.

DC By-laws

The DCBS initially recommended the use of separate DC By-laws for each service in response to the mandatory phase-in requirements in the DC Act that were introduced via the *More Homes Built Faster Act, 2022* (Bill 23). The current version of the DC Act could be interpreted such that any amendment to a DC By-law would create a new DC By-law and re start the mandatory phase-ins (i.e., year one of the amending By-law would require a maximum of 80% of the calculated rate being imposed). Bill 185 proposes to remove the mandatory phase-in requirements. As the financial risk associated with having one DC By-law is now viewed as low, staff is recommending one 2024 DC by-law versus one for each service. One DC by-law reduces the administrative complexity related to City staff and developer use.

Bill 185 had implications on the 2024 DC By-law. Bill 185 proposes the reversal of the mandatory five-year phase-in of DC rates under new DC By-Laws which was previously enacted through Bill 23. The 2024 DC By-law has been drafted such that, if the mandatory phase-in requirements are repealed from the DC Act, they will not be applicable through the City’s 2024 DC By-law.

Bill 185 further proposes the reduction of the Site-Plan / Zoning By-Law Amendment lock-in period from two years to 18 months from the date of approval in order to expedite building processes. The 2024 DC By-law has been drafted to refer to the DC Act so that current legislation in effect for each development (either two years or 18 months) will be applied.

Staff worked with Legal Services and made a few other changes from the separate DC By-laws for each service drafted in December 2023 to the recommended 2024 DC By-law attached as Appendix “A” to Report FCS23103(a). Those changes are summarized below:

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- Consolidated 16 By-laws into one By-law, including repeal of 2019 DC By-law
- Edited discretionary DC Exemption Policies to align with staff recommendation as summarized in Table 2
- Some sections edited for clarity and to ensure language works with Bill 185 proposals
- Added definitions as needed (e.g., Manufacturing Facilities, Farm Labour Residences, Local Service Policy)

DC Exemptions (see Recommendation (e) (i) – (e) (xx))

A municipality may choose to impose less than the calculated DC rate but must express so through the DC By-law and cannot make up the lost revenues by increasing the DC for other types of development. Due to the state of the housing market at present, staff's recommendation on exempting DCs in certain circumstances is intended to take in to account current economic realities respecting the state of the housing market, as well as, Council's priority and funding opportunities with Senior Levels of Government.

In addition to statutory exemptions (e.g., residential intensification, non-profit housing, discounts for rental), the City's DC By-law has historically contained discretionary DC policies with full or partial exemptions. The foregone DC revenue is funded by existing tax and rate payers. An allocation of funding and multi-year financing plan for both statutory and discretionary exemptions was approved in the 2024 Budget.

Watson undertook a thorough review of the City's DC Exemption Policies. Initially, Watson recommended eliminating the Downtown CIPA Residential and Industrial reduced rate exemptions. After feedback was received from community stakeholders, a further comprehensive review of market feasibility, best practices in comparator municipalities and historical performance of current exemptions led to Watson revising their initial recommendations to the policy identified in Table 7. Staff has considered Watson's recommendations and is recommending an alternative set of discretionary exemptions, also illustrated in Table 7. The rationale for staff's recommendations is explained in more detail below.

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**Table 7
Summary of Staff Recommended Exemption Policies
– Downtown CIPA and Non-Residential**

Exemption Provided	Current Policy	Watson Recommended Policy	Staff Recommended Policy
Downtown CIPA – Non-Residential	70% discount for office development 40% for all other non-residential	No change	No change
Downtown CIPA – Residential	40% discount	20% discount in year 1. Reduce by 5% every year until phased out	Discounts by Year: <ul style="list-style-type: none"> • 40% discount in year 1 (June 1/24-May 31/25) • 35% Discount in year 2 (June 1/25-May 31/26) • 30% Discount in year 3 (June 1/26-May 31/27) • Reduce by 10% every year until phased out
Industrial Reduced Rate	37% discount for all industrial development	37% discount to apply to manufacturing development and Production and Artists Studios only	Maintain 37% exemption for manufacturing (Employment NAICS code 31-33) as well as for Production and Artist Studios Industrial - 37% discount in year 1 (June 1/24-May 31/25). Reduce by 5% every year until phased out
Industrial Building Expansion (Detached)	Industrial building on same lot as an existing building – fully exempt up to 50% of existing gross floor area	Exemption to apply to manufacturing development only	Exemption to apply to manufacturing development only
Farm Labour Residences	No exemption	Fully exempt	Fully exempt

Rationale for Staff Recommended Exemptions

Residential Exemption in the Downtown Hamilton Community Improvement Project Area (see Recommendation (e) (i) – (e)(iii))

Staff are recommending a slower phase out of the exemption for residential development in the Downtown Hamilton CIPA. Staff's recommendation is shown in Table 8 below in comparison to that recommended by Watson:

**Table 8
Watson's Recommendations compared to Staff Recommendations**

	Downtown CIPA Residential Exemption					
	Jun 1, 2024	Jun 1, 2025	Jun 1, 2026	Jun 1, 2027	Jun 1, 2028	Jun 1, 2029 and thereafter
Watson's Recommendation	20%	15%	10%	5%	0%	0%
Staff's Recommendation	40%	35%	30%	20%	10%	0%

Staff's recommendation is intended to take into account current economic realities respecting the current state of the local housing market, Council's priorities and leveraging funding opportunities with Senior Levels of Government respecting near term housing supply. Specifically, the following have informed staff's recommendation:

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- Economic Realities

Through public and stakeholder feedback received as part of consultation on the DCBS, the current housing market has been identified as being in a weakened state, particularly with respect to higher-density development in the Downtown. This is a result of the rapid rises in interest rates resulting in softened pre-sales for new development. This, combined with other significant development costs, risk and financial lending requirements needed to facilitate higher density development, have resulted in projects becoming unfeasible with evidence of projects either being cancelled or placed on hold.

This feedback has been corroborated through consultations and feedback from staff in the Economic Development Division and in recent industry market reports. A recent report by the Canadian Mortgage and Housing Corporation published on April 4, 2024 projected a decline in housing starts in 2024 before seeing a recovery in 2025 and 2026 as a result of higher interest rates. (source: <https://www.cmhc-schl.gc.ca/media-newsroom/news-releases/2024/lower-housing-starts-forecast-2024>)

- Housing Supply as a Council Priority and Funding Opportunity with Senior Levels of Government

City Council has identified housing supply and affordability as a priority and approved various initiatives and efforts to support new housing creation including updates to the City's Official Plan and Zoning By-law, evaluation of City-owned lands for housing and continued infrastructure improvements. In addition to City efforts, both the Provincial and Federal governments have prioritized housing supply as central policy initiatives. This focus has resulted in a number of funding opportunities to municipalities intended to support new and expedited housing unit creation, as well as, fund necessary supporting infrastructure.

The Downtown represents a significant area of opportunity for new housing supply in support of these housing targets and commitments given the scale and density of current planning permissions and the continued presence of significantly underutilized properties available for redevelopment in relatively short order where financially feasible.

Key funding commitments of note, that the City has entered into, tied to housing supply include:

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- The Canadian Mortgage and Housing Corporation’s (CMHC) Housing Accelerator Fund under which the City has entered into an agreement to incentivize the creation of 2,675 net new housing units above the City’s five-year historical Building Permit average by December 2026. To support this target, the Housing Accelerator Fund will provide the City annual payments until March 2027 totalling \$93.5 M to fund various CMHC approved City incentive programs and initiatives intended to meet the housing target. It is important to note that the City’s fourth and final payment under this program, representing approximately \$20 M, is contingent on the City demonstrating significant progress towards meeting the net new housing unit target.
- The Province’s Building Faster Fund which provides the City with funding for meeting annual provincial housing targets established for the City. For 2023, the City received approximately \$17.6 M for exceeding the 2023 housing target. The Building Faster Fund is a three-year program with the potential for further funding in 2024 and 2025 tied to meeting/exceeding housing targets.

Staff’s recommended approach continues to seek an overall phase-out of the current Downtown Residential CIPA exemption, but at a slower pace than recommended by Watson. This approach is intended to provide a meaningful incentive to support new housing creation and supply in the downtown. The approach takes into consideration the current economic realities for higher-density development in the near term and the current City commitments and opportunities to leverage potential funding opportunities with senior levels of government tied to increased housing supply.

Industrial Reduced Rate Exemption (See Recommendations (e)(iv) – (e)(vi))

Staff is recommending that a reduced rate apply for manufacturing development, consistent with Watson’s recommendation. However, staff is also recommending that the City phase out the existing reduced rate for other industrial development instead of an immediate removal of the reduced rate.

**Table 9
Watson’s Recommendations compared to Staff Recommendations**

	Industrial (other than Manufacturing)								
	Jun 1, 2024	Jun 1, 2025	Jun 1, 2026	Jun 1, 2027	Jun 1, 2028	Jun 1, 2029	Jun 1, 2030	Jun 1, 2031	Jun 1, 2032+
Watson’s Recommendation	0%	0%	0%	0%	0%	0%	0%	0%	0%
Staff’s Recommendation	37%	32%	27%	22%	17%	12%	7%	2%	0%

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Based on current market conditions, the regional competitiveness landscape and the desire to fulfil ambitious strategic priorities of increasing industrial and commercial tax base, square footage and construction value and growing key sectors of the economy, staff has recommended a continuation of the 37% exemption to DCs for manufacturing (NACS codes 31-33). Staff are recommending the gradual phase out of the exemption for all other industrial development.

Industrial real estate saw a significant boom during the COVID-19 pandemic with the increase in e-commerce, supply chain constraints and demand for manufactured goods. In late 2023 / 2024, industrial real estate demand started to normalize in the Greater Toronto and Hamilton Area (GTHA) and greater southern Ontario regions. There are several development projects currently underway across Southern Ontario, projecting on the demand of the last couple of years that is no longer present. As a result, lease and rental rate increases realized over the last few years are beginning to fall back.

In addition, the higher interest rate environment, tighter capital markets and increase in land values and construction costs, has already slowed the pace of industrial development activity in Hamilton. While 2024 should be another decent year for industrial construction in Hamilton, this is a result of projects that have been in the development pipeline for the last couple of years. Moving forward, the pipelines for 2025 and 2026 appear far less robust. In summary, the record pace of industrial construction value realized over the last couple of years may not be sustained in Hamilton beyond 2024.

The continued growth of the industrial market is reliant on occupiers and companies coming from other markets and Hamilton needs to be able to provide opportunities at a price point that is less than offerings in the Greater Toronto Area (GTA) for a company to be able to rationalize locating in Hamilton. While the City's Industrial property tax competitiveness has been improving, taxes for the industrial property class in Hamilton are still higher than the overall average.

Whether through exemptions or discounts provided within their DC by-laws or through Community Improvement Plan and grant programs, some of our neighbouring municipalities offer industrial DCs at a much lower rate.

The 2022 - 2026 Council Priorities include Priority 1: *Sustainable Economic & Ecological Development* that includes outcomes to reduce the burden on residential taxpayers and facilitate the growth of key sectors. The Economic Development Action Plan 2021 - 2025 includes growing business and investment as a key priority and several stretch targets aimed at achieving this goal including: adding seven million square feet of new Industrial / Commercial space; generate a total of \$2.5 B in Industrial / Commercial construction value; and increase new gross commercial / industrial assessment by 1.5 % per year.

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Hamilton also has employment density and growth targets to achieve to keep pace with residential growth targets. Stagnation in the industrial sector with continued residential growth would put further pressure on the residential tax base and put Hamilton in the realm of bedroom community status.

Development on Airport Lands (Responds to section (b)(ii) of the April 4, 2024 AF&A Motion)

The following information is provided in response to a motion passed at the April 4, 2024 special meeting of the Audit, Finance and Administration Committee requesting a comparison of DCs applicable to local airports.

The trigger for DCs on the City's airport is established within the lease agreement with the City and its tenant, Tradeport International Corporation (Tradeport). The City and Tradeport have established a process for collecting fees that are consistent with DC fees for building structures on Tradeport operated lands. Through this process, the rates applied would include all eligible discounts or exemptions. Upon review of exemption / grant policies of surrounding airports (Region of Waterloo and the City of London), the Non-Residential DC for Industrial Buildings on airport lands in the Region of Waterloo is discounted by 60%. The City of London provides a grant for the following industrial uses:

- Targeted Industrial – A 100% grant for advanced manufacturing (Renewable and Clean Technology, Automotive, Agri-Food/Food Processing, and Defence and Aerospace), Life and Health Sciences, Information Technology and Digital Media, and Research and Development.); and
- Non-Targeted – All other industrial developments (excluding the targeted industries noted above) would be eligible for 50% exemption grant up to a maximum of \$250,000.

Local Service Policy (see Recommendations (f) and (g))

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

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

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

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

Changes to the LSP included in the Addendum are recommended to provide additional clarity to DC eligible projects and reflect new standards approved by Council since adoption of the 2019 DC Background Study including the Complete Streets Guidelines (2018) and the Airport Employment Growth District (AEGD) Transportation Master Update 2023.

The LSP currently identifies land for all local, collector and arterial roads (net of applicable oversizing) as direct developer responsibility as per the Financial Policies for Development. Recent approval of the Complete Streets Guidelines and the AEGD Transportation Master Plan Update have resulted in wider road allowances for non-residential roads, relative to residential roads.

The current Financial Policies for Development does not distinguish between the width of residential and non-residential roads; both require the developer to be responsible for up to 26m road allowance. Given that land for road allowances up to the collector designation is a direct developer contribution, the impact on the DC is not proportional for non-residential collector roads which are generally wider than residential collector roads. As such, to align with the plans listed above, the responsibility for non-residential roads has been updated in Appendix “C” to Report FCS23103(b) such that the developer is responsible for up to 32m of road allowance.

Indexing of Development Charge Rates

The City’s 2024 DCBS was prepared in 2023 and, therefore, the calculated DC rates are in 2023 dollars. Section 49 of the City’s 2024 DC By-law, attached as Appendix “A” to Report FCS23103(b), contains the indexing provision for DCs. The DC Act prescribes that Statistic’s Canada Construction Cost Index (non-residential building) (CANSIM Table 18-10-0276-02 (Toronto), formerly 18-10-0135-01/CANSIM 327-0058) is to be used to index DC rates. The index for 2024 was 8.25%. Tables 10 and 11 illustrate the residential (combined and separated sewer) indexed DC rates that will be in effect as of June 1, 2024.

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**Table 10
Residential City DC Rates for Combined Sewer System**

Residential DCs (\$ per unit unless otherwise stated)	City DCs per 2024 DCBS (2023\$)	City DCs Indexed (Jun 1, 2024 – May 31, 2025)	Increase Due to Indexing
Single / Semi	71,494	77,388	5,894
Townhouse/Other Multiple	53,361	57,761	4,400
Apartment (2+ bedrooms)	43,833	47,445	3,612
Apartment (1 bedroom)	27,156	29,396	2,240
Residential Facility (\$ per bed)	22,259	24,094	1,835

General Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

**Table 11
Residential City DC Rates for Separated Sewer System**

Residential DCs (\$ per unit unless otherwise stated)	City DCs per 2024 DCBS¹ (2023\$)	City DCs Indexed (Jun 1, 2024 – May 31, 2025)	Increase Due to Indexing
Single / Semi	84,682	91,663	6,981
Townhouse/Other Multiple	63,205	68,417	5,212
Apartment (2+ bedrooms)	51,918	56,197	4,279
Apartment (1 bedroom)	32,165	34,818	2,653
Residential Facility (\$ per bed)	26,365	28,539	2,174

General Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

Table 12 illustrates the Non-Residential City DC rates for developments in combined sewer system areas.

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**Table 12
Non-Residential City DC Rates for Combined Sewer System**

Non-Residential DCs (\$ per sq. ft.)	City DCs per 2024 DCBS (2023\$)	City DCs Indexed (Jun 1, 2024 – May 31, 2025)	Increase Due to Indexing
Full rate	33.31	36.05	2.74
Reduced rate ^[2]	20.99	22.51	1.52
New Non-Industrial ^[1] (i.e., Commercial, Institutional)			
1 st 5,000 sq. ft.	16.70	18.07	1.37
2 nd 5,000 sq. ft.	24.99	27.04	2.05
10,000+ sq. ft.	33.31	36.05	2.74

General Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

^[1] New non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) receive reduced stepped rates as illustrated above. Staff calculated the reduced stepped rates based on the full rate per the 2024 DCBS.

^[2] The reduced rate is for Artist Studios, Production Studios, and Manufacturing Facilities as defined in the 2024 DC By-law. Staff calculated the reduced rate based on the full rate per the 2024 DCBS.

Table 13 illustrates the Non-Residential City DC rates for developments in separated sewer system areas.

**Table 13
Non-Residential City DC Rates for Separated Sewer System**

Non-Residential DCs (\$ per sq. ft.)	City DCs per 2024 DCBS (2023\$)	City DCs Indexed (Jun 1, 2024 – May 31, 2025)	Increase Due to Indexing
Full rate	38.06	41.19	3.13
Reduced rate ^[2]	23.98	26.14	2.16
New Non-Industrial ^[1] (i.e., Commercial, Institutional)			
1 st 5,000 sq. ft.	19.08	20.64	1.56
2 nd 5,000 sq. ft.	28.55	30.90	2.35
10,000+ sq. ft.	38.06	41.19	3.13

General Note: The City DCs above do not include Special Area Charges which are not subject to annual indexing.

^[1] New non-industrial developments within a CIPA or BIA and new office development (medical clinic excluded) receive reduced stepped rates as illustrated above. Staff calculated the reduced stepped rates based on the full rate per the 2024 DCBS.

^[2] The reduced rate is for Artist Studios, Production Studios, and Manufacturing Facilities as defined in the 2024 DC By-law. Staff calculated the reduced rate based on the full rate per the 2024 DCBS.

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The City's DC Pamphlet will be posted on the City's DC website and made available to the public. The Pamphlet provides a summary of the current rates and provisions contained within the DC By-law. Special Area Charges, GO Transit DCs and educational DCs are also outlined, where applicable.

With respect to the communication strategy for DC indexing, staff will provide communication to the members of the Development Industry Liaison Group (DILG). Also, along with the DC pamphlet, staff will be providing notice of the DC indexing rate on the City's DC website. The City's social media accounts will be utilized to provide notice as well.

Transition Policy (see Recommendation (e)(xi))

DCs are payable upon building permit issuance with some exceptions.

Effective January 1, 2020, the Province implemented exceptions that are detailed in Report FCS21025, presented at the March 25, 2021 meeting of the Audit, Finance and Administration Committee. The rate payable is legislated through the DC Act and is either the rate in effect on the date of building permit issuance or the rate that was in effect at site plan or site-specific zoning by-law amendment application date plus interest to the building permit issuance date. Interest is calculated according to the City's DC Interest Policy. The interest rate is capped at average prime of the five major banks plus one percent, adjusted quarterly, consistent with the maximum as per the DC Act.

For developments already in progress and nearing permit issuance and where a site plan or site-specific zoning by-law amendment application is not applicable, a transition policy was included as part of DC By-law 19-142 (as amended) and is included in the recommended 2024 City DC By-law. The transition policy allows for the DC rates, in effect on the date of building permit application, to be paid if all the following criteria are met:

- The permit application must be a complete application as per requirements outlined by the Building Services Division;
- The permit must be issued within six months of the effective date of the first rate increase following application; and
- The permit must not be revoked after the date of a rate increase.

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ALTERNATIVES FOR CONSIDERATION

There are alternatives to the staff recommendations that Council may consider. A change to discretionary DC policies can be incorporated by staff between the May 2, 2024 meeting of the Audit, Finance and Administration Committee meeting and when the 2024 DC By-law is presented to Council for adoption at its meeting of May 8, 2024. Should Council seek to make changes to the Capital Project lists included in the DCBS, that change would necessitate that an Addendum to the DCBS be prepared by Watson and staff would need to return to Committee for approval on May 16, 2024, before a revised DC By-law could be considered at the May 22, 2024 meeting of Council.

Alternative 1: Council could choose not to pass a 2024 DC By-law

Financial	The City would no longer be able to levy a DC to recover some of the capital costs associated with growth that the City will incur to service the increased needs arising for new development, net new development, redevelopment or change of use in developments. Over the 2021 - 2023 period, the City collected an average of \$101.7 M in DCs and exempted and average of \$56.1 M in DCs.
Staffing	The Planning and Economic Development Department of the City may experience an increase in development applications and building permit applications due to not having DCs payable. Additional full time staff equivalents may be needed to support any increase in volumes.
Legal	None.
Pros	May result in more developments moving forward.
Cons	The City would not be able to collect DCs. This would negatively impact on the City's ability to fund critical infrastructure. Any amounts that are not collected as a result of having no DC by-law would need to be funded by property tax and rate payers.

Alternative 2: Council can establish discretionary Development Charges policies

Section 2 of Appendix "B" presents Council with several discretionary DC exemption scenarios that staff could be directed to adopt in lieu of the staff recommendations. Each option contains a brief introductory explanation of the option, as well as, the total financial impact of adopting that option.

Financial	Financial impacts for all options are included in Appendix "B".
Staffing	None

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Legal	Legal would need to incorporate any changes in direction into the DC By-law in advance of Council adopting the By-law.
Pros	<p>Some of the alternative discretionary exemption scenarios result in lower DC exemption costs which would reduce the amount the City needs to levy on property tax and rate payers.</p> <p>Other alternatives provide more exemptions to the development community which may result in developments proceeding to development earlier or staying in the City.</p>
Cons	<p>Some of the alternative discretionary exemption scenarios result in higher DC exemption costs which would need to be levied to property tax and rates payers or drawn from reserves.</p> <p>Other alternative scenarios result in providing fewer exemptions to the development community which, given the economic challenges with development, may delay developments from proceeding.</p>

Alternative 3: Council could remove discretionary exemptions from DC By-law in favour of a Community Improvement Plan (CIP) Grant Program

Under Section 28 of the *Planning Act*, municipalities with enabling policies in their Official Plans may adopt a Community Improvement Plan(s) for the purposes of providing grants and / or loans to property owners to support physical improvements / development within specific geographic areas as deemed appropriate by City Council.

In addition to loans and tax increment grants, a Community Improvement Plan may also be used to provide grants wholly or partially equivalent to payable DCs or other City imposed development fees and charges. Such programs currently exist for various purposes in Niagara Region, London, Windsor among others.

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

Financial	If discretionary DC exemptions are replaced like for like with a grant program, then the total cost remains the same. Additional costs would be required to fund the administration of a grant program.
Staffing	Staffing will be required to implement and support the program. Specifics would need to be assessed through the establishment of the program.
Legal	Legal Services would need to support the establishment and administration of a grant program.

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- Pros** Providing DC reductions / exemptions via a grant program as opposed to within the DC By-law has advantages such as:
- Provides greater flexibility to apply additional criteria or requirements for eligibility versus an “as-of-right” requirement when embedded in the DC By-law;
 - Allows the City greater flexibility to modify grants / programs in response to evolving market trends;
 - Allows Council to review each development and eligibility on a case-by-case basis, if desired; and
 - Allows Council to establish an upper limit on the dollar amount of exemptions that can be provided in any given year.
- Cons** Implementing this change, at this stage in the process, could be viewed negatively by the development community who seek stability and predictability in the development process.
- A CIP approach also has disadvantages including:
- Requiring additional staffing to administer and monitor the program, as well as, to evaluate applications subject to program/grant criteria;
 - Additional time and resources required for approval of grant applications via Committee / Council, unless otherwise delegated to staff;
 - Less certainty for the development community and property owners as to the potential applicability of a Development Charge grant; and
 - Would require funds to be budgeted for the anticipated level of grants annually.

Alternative 4: Council could direct staff not to proceed with LSP road change

The current Financial Policies for Development does not distinguish between the width of residential and non-residential roads as both require the developer to be responsible for up to 26m road allowance. To align with the Complete Streets Guidelines and the AEGD Transportation Master Plan Update, the responsibility for non-residential roads has been updated such that the developer is responsible for up to 32m of road allowance.

Specifically, Council would need to direct that Project number 91 in Table 5-12 of the Addended DCBS be reduced \$4.7 M, such that the DC rates in effect would be those outlined in Appendix “F” to the Addendum.

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Financial	If the LSP change is not adopted, the direct developer responsibility will be lower for non-residential roads which leads to \$4.7 M being put back into the DC calculation and the DC rates being higher than the Staff Recommendation as outlined in the Addendum to the 2024 DCBS.
Staffing	None
Legal	None
Pros	None
Cons	A disconnect would continue to exist between the Complete Streets Guidelines and the AEGD Transportation Master Plan Update versus the City's LSP.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS23103(b) – 2024 Development Charge By-law

Appendix "B" to Report FCS23103(b) – 2024 Development Charges Discretionary Exemptions Policy Options

Appendix "C" to Report FCS23103(b) – Comprehensive Development Guidelines and Financial Policies Manual 2019

CP/LG/dt

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Authority: Item ,
Report
CM:
Ward: City Wide

Bill No.

CITY OF HAMILTON

BY-LAW NO. 24-XXX

Being a By-Law respecting development charges on lands within the City of Hamilton

WHEREAS the *Development Charges Act, 1997*, S.O.1997, c.27 (hereinafter referred to as the “Act”) authorizes municipalities to pass a By-law for the imposition of development charges against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which the said By-law applies;

WHEREAS the City of Hamilton (herein referred to as the “City”), as required by section 10 of the Act, has undertaken and completed a development charge background study regarding the anticipated amount, type and location of development; the increase in needs for services; estimated capital costs to provide for such increased needs, including the long term capital and operating costs for capital infrastructure required for the services;

WHEREAS as required by section 11 of the Act, this By-law is being enacted within one year of the completion of the said development charge background study, titled *Development Charges Background Study*” prepared by Watson & Associates, dated December 21, 2023, as amended by the Addendum to the December 21, 2023 Development Charges Background Study prepared by Watson & Associates Economists Ltd., dated March 28, 2024;

WHEREAS in advance of passing this By-law the Council of the City (herein referred to as “Council”) has given notice of and held a public meeting on February 22, 2024 in accordance with section 12 of the Act regarding its proposals for this development charges By-law;

WHEREAS Council, through its Audit, Finance and Administration Committee, has received written submissions and heard all persons who applied to be heard no matter whether in objection to, or in support of, the said By-law;

WHEREAS Council intends that development related 2023 – 2031 capacity will be paid for by development charges;

WHEREAS Council, at its meeting of May 8, 2024, has adopted and approved the said background study, as amended, and the development charges and policies recommended by the General Manager of the Finance and Corporate Services Department to be included in this By-law and determined that no further public meetings are required under section 12 of the Act; and,

WHEREAS Council approved report FCS23103(b) respecting “2024 Development Charges Background Study, Policies and By-laws - Final Report”, thereby updating its capital budget and forecast where appropriate and indicating that it intends that the increase in the need for services to service anticipated development will be met.

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

1. In this By-law,

- (a) **“Act”** means the *Development Charges Act, 1997*, S.O. 1997, c.27.
- (b) **“Adaptive Reuse”** means the alteration of an existing Building on a Protected Heritage Property for compliance of its continuing or resumed use(s) with current Building Code requirements; or, for compliance of its proposed new use(s) with current building code requirements; or, for ensuring its structural integrity; or for optimizing its continued, resumed or new use(s); while maintaining the cultural heritage value or interests of the subject building; and in compliance with the conditions of any Heritage Permit required for the subject alterations.
- (c) **“Affordable Housing Project”** means a Residential Unit that meets the criteria set out in subsection 4.1(2) or 4.1(3) of the Act.
- (d) **“Agricultural Land”** means land which is zoned for an Agricultural Use in the zoning By-law of the predecessor municipality in which the land is located, and any subsequent amendment or replacement thereof, and used for a bona fide Agricultural Use.
- (e) **“Agricultural Use”** means the use of Agricultural Land and Buildings by a Farming Business outside of the Urban Area for apiaries, fish farming, dairy farming, fur farming, the raising or exhibiting of livestock, or the cultivation of trees, shrubs, flowers, grains, sod, fruits, vegetables and any other crops or ornamental plants including storage of related equipment, excluding:
 - (i) Residential Uses, including Farm Labour Residences;
 - (ii) non-agriculture uses, including but not limited to banquet halls, Retail Greenhouses and retail stores;
 - (iii) distilleries, wine production facilities, breweries and any retail space, restaurant or other uses associated therewith; and,
 - (iv) Cannabis Production Facilities.
- (f) **“Apartment Building”** means a Building containing three or more Residential Units where the Residential Units are connected by an interior corridor but does not include a Residential Facility Dwelling or a Lodging House.
- (g) **“Apartment Residential Unit”** means a Residential Unit within an Apartment Building.

- (h) **“Artist Studio”** means a non-residential Building, or any part thereof, used as a workplace of an artist and shall include but not limited to a painter, sculptor or photographer.
- (i) **“Attainable Residential Unit”** has the meaning ascribed to it in the Act.
- (j) **“Background Study”** means the Development Charges Background Study prepared by Watson & Associates Economists Ltd., dated December 21, 2023, as amended by the Addendum to the December 21, 2023 Development Charges Background Study prepared by Watson & Associates Economists Ltd., dated March 28, 2024, as adopted by Council;
- (k) **“Back-to-back Townhouse Dwelling”** means a building containing four or more Residential Units vertically by a common wall, including a rear common wall, that do not have rear yards.
- (l) **“Back-to-back Townhouse Residential Unit”** means a Residential Unit within a Back-to-back Townhouse Dwelling.
- (m) **“Bedroom”** means a habitable room seven square metres or more, including a den, study, or other similar area, but does not include a living room, dining room or kitchen.
- (n) **“Board of Education”** means a board as defined in subsection 1(1) of the *Education Act 1997*, S.O. 1997, c.E.2.
- (o) **“Building”** means any structure or building as defined in the Building Code but does not include a vehicle.
- (p) **“Building Code”** means Ontario Regulation 332/12 made under the *Building Code Act, 1992*, S.O. 1992, c.23.
- (q) **“Business Improvement Areas”** or **“BIAs”** means the following business improvement areas approved by By-law 14-153 as amended:
 - (i) Ancaster BIA
 - (ii) Barton Village BIA
 - (iii) Concession Street BIA
 - (iv) Downtown Hamilton BIA
 - (v) Dundas BIA
 - (vi) International Village BIA
 - (vii) King West BIA
 - (viii) Locke Street BIA

- (ix) Main West Esplanade BIA
- (x) Ottawa Street BIA
- (xi) Stoney Creek BIA
- (xii) Waterdown BIA
- (xiii) Westdale BIA
- (r) **“By-law”** means, unless the context requires otherwise, this City of Hamilton By-law Number 24-XXX, including with all Schedules hereto, as amended from time to time.
- (s) **“Cannabis”** means:
 - (i) a cannabis plant;
 - (ii) any part of a cannabis plant, including the phytocannabinoids produced by, or found in, such a plant, regardless of whether that part has been processed or not;
 - (iii) any substance or mixture of substances that contains or has on it any part of such a plant; and
 - (iv) any substance that is identical to any phytocannabinoid produced by, or found in, such a plant, regardless of how the substance was obtained.
- (t) **“Cannabis Plant”** means a plant that belongs to the genus Cannabis.
- (u) **“Cannabis Production Facilities”** means a Building, or part thereof, designed, used, or intended to be used for one or more of the following: growing, cultivation, propagation, production, processing, harvesting, testing, alteration, destruction, storage, packaging, shipment or distribution of cannabis where a licence, permit or authorization has been issued under applicable federal law but does not include a Building or part thereof solely designed, used, or intended to be used for retail sales of cannabis.
- (v) **“Class A Office Development”** means an Office Development with a minimum of 20,000 square feet of Gross Floor Area.
- (w) **“Class of Services”** means a grouping of services combined to create a single service for the purposes of this By-law and as provided in section 7 of the Act.
- (x) **“Combined Sewer System”** shall mean the area within the City of Hamilton that is depicted as the Combined Sewer System in Schedule “I”.

- (y) **“Commercial Parking”** means a Building, or part thereof, used for the parking of motor vehicles for compensation, but shall not include any parking spaces provided for Residential, Non-residential or Mixed Use Development required or permitted by the applicable City Zoning By-law.
- (z) **“Communications Establishment”** means a Building, or any part thereof, used for the broadcasting and production of information through various media, and shall include but not be limited to print, television, radio and electronic media and which may include facilities for the printing or broadcasting of information but shall not include a call centre.
- (aa) **“Community Improvement Project Areas” or “CIPAs”** means the following community improvement project areas approved by By-law 21-163 as amended:
- (i) Ancaster Commercial District CIPA
 - (ii) Barton Village Commercial District CIPA
 - (iii) Binbrook Commercial District CIPA
 - (iv) Strategic Commercial Corridors CIPA
 - (v) Concession Street Commercial District CIPA
 - (vi) Downtown Hamilton Commercial District CIPA (Downtown CIPA)
 - (vii) Dundas Commercial District CIPA
 - (viii) Locke Street Commercial District CIPA
 - (ix) Mount Hope / Airport Gateway CIPA
 - (x) Ottawa Street Commercial District CIPA
 - (xi) Stoney Creek Commercial District CIPA
 - (xii) Waterdown Commercial District CIPA
 - (xiii) Westdale Commercial District CIPA
- (bb) **“Council”** means the Council of the City of Hamilton.
- (cc) **“Development”** means the construction, erection, or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of increasing the size or usability thereof or any development requiring any of the actions described in section 14 and includes redevelopment such as the conversion of the use of a building or structure to another use.

- (dd) **“Development Charge”** or **“Development Charges”** means the charges imposed by this By-law against land to pay for increased capital costs required because of increased needs for services arising from development of the area to which this By-law applies.
- (ee) **“Existing Industrial Building”** shall have the same meaning as that term is defined under the Regulation, but, for clarity, shall only include Buildings for which a final inspection by a City building inspector has been conducted and passed, resulting in a finalized building permit.
- (ff) **“Existing Manufacturing Facility”** shall have the same meaning as Manufacturing Facility, but, for clarity, shall only include Buildings for which a final inspection by a City building inspector has been conducted and passed, resulting in a finalized building permit.
- (gg) **“Farm Labour Residence”** means a Residential Development constructed on Agricultural Land for the Farming Business operating thereon and not attached to any other Building, with sleeping, cooking, living and sanitary facilities, and used for seasonal, interim or occasional accommodations by full-time farm labourers. For greater certainty, a primary residence or year round residence shall not be considered a Farm Labour Residence.
- (hh) **“Farming Business”** means a business operating on Agricultural Land with a current Farm Business Registration Number issued pursuant to the *Farm Registration and Farm Organizations Funding Act, 1993*, S.O. 1993, c.21, and assessed in the Farmland Realty Tax Class by the Municipal Property Assessment Corporation.
- (ii) **“Full Kitchen”** means a kitchen which contains a fridge, stove and sink.
- (jj) **“Garden Suite”** has the same meaning as it has in subsection 39.1(2) of the *Planning Act*.
- (kk) **“Grade”** means the average level of proposed or finished ground adjoining a Building at all exterior walls.
- (ll) **“Gross Floor Area”** means:
- (i) in the case of a Non-residential Development, the total area of all Building floors above Grade measured between the outside surfaces of the exterior walls or between the outside surfaces of exterior walls and centre line of firewalls dividing the non-residential use from another non-residential use, and includes the floor area of a mezzanine; or
 - (ii) in the case of a Mixed Use Development including both Residential Uses and Non-residential Uses, the total area of the Non-residential Use portion including all Building floors above Grade measured between the outside surfaces of the exterior walls or between the outside surfaces of exterior walls and the centre line of firewalls dividing a Non-residential Use and a Residential Use; or

- (iii) in the case of a Live / Work Unit, the total area of the Non-residential Use portion of the unit including all Building floors above Grade measured between the outside surfaces of the exterior walls or between the outside surfaces of exterior walls and the centre line of firewalls dividing the Live / Work Unit from any other Live / Work Unit, Residential Unit, Non-residential Use or Mixed Use Development.
- (mm) **“Hangar”** means a covered or enclosed Building used for housing and repairing aircraft within one thousand (1000) metres of an aerodrome as that term is defined in the *Aeronautics Act*, R.S.C., 1985, c.A-2. For the purposes of this By-law, hangars will be considered an industrial development.
- (nn) **“Industrial Development”** means a Building used, designed or intended for use for,
- (i) a Manufacturing Facility, or for storing or distributing something;
 - (ii) office, administrative, clerical, management, consulting, advisory or training purposes, if they are, carried out with respect to Manufacturing, storage or distributing of something, and are at the site which the Manufacturing, storage or distribution takes place; and
 - (iii) any use inside the Urban Area, that would, except for its location inside the Urban Area, be considered an Agricultural Use under this By-law.
- Without limiting the generality of the foregoing, for the purpose of this By-law, Industrial Development also includes a warehouse, a Hangar and Cannabis Production Facilities but not a Communications Establishment, a Self-Storage Facility and warehouse club.
- (oo) **“Institutional Development”** has the meaning ascribed to it in section 11.1 of the Regulation.
- (pp) **“Live / Work Unit”** means a Building, or part of thereof, which contains, or is intended to contain, both a Residential Unit and Non-residential areas and which is intended for both Residential Use and Non-residential Use concurrently and shares a common wall or floor with or without direct access between the Residential and Non-residential areas.
- (qq) **“Local Board”** means any municipal service board, municipal business corporation, transportation commission, public library board, board of health, police services board, planning board, or any other board, commission, committee, body or local authority established or exercising any power under any act with respect to the affairs or purposes of the City, excluding a school board, a conservation authority, any municipal business corporation not deemed to be a local board under O. Reg 168/03 under the *Municipal Act*, 2001, S.O. 2001, c.25.

- (rr) **“Local Service Policy”** means the Local Service Policy attached as Appendix “E” in the Background Study.
- (ss) **“Lodging House”** means a building that is used or designed to provide four or more lodging units, which may share common areas of the building other than the lodging unit and do not appear to function as a single housekeeping unit and does not include a Residential Facility.
- (tt) **“Lodging Unit”** means a room or set of rooms located in a lodging house designed or intended to be used for sleeping and living accommodation, which:
- (i) is designed for the exclusive use of the resident or residents of the unit;
 - (ii) is not normally accessible to persons other than the resident or residents of the unit; and,
 - (iii) may contain either a bathroom or Full Kitchen but does not contain both for the exclusive use of the resident or residents of the unit.
- (uu) **“Lot”** means a lot, block or parcel of land which can be legally and separately conveyed pursuant to section 50 of the *Planning Act* and includes a development having two or more lots consolidated under a single ownership.
- (vv) **“Manufacturing”** includes the terms manufacturing, producing and processing, and means the transfiguration of materials or substances into new products, where the establishment occupying the Building is classified in industry sector Manufacturing, code 31-33 of the North American Industry Classification System (NAICS) Canada 2022 Version 1.0.
- (ww) **“Manufacturing Facility”** means a Building, or part thereof, used, designed, or intended for use for, or in connection with Manufacturing and shall also include the following:
- (i) Research and development in connection with manufacturing;
 - (ii) Retail sales by a manufacturer of something they manufactured if the retail sales are at the site which the manufacturing takes place; and,
 - (iii) Office, administrative, clerical, management, consulting, advisory or training purposes, if they are, carried out with respect to manufacturing, and are at the site which the Manufacturing takes place.
- (xx) **“Medical Clinic”** means a Building, or part thereof, which is used by health professionals for the purpose of consultation, diagnosis and / or treatment of persons and shall include but not be limited to laboratories, dispensaries or other similar facilities, but shall not include overnight accommodation for in-patient care resulting from surgery.

- (yy) **“Mixed Use Development”** means a Building used, designed or intended for use for both Residential and Non-residential Uses.
- (zz) **“Mobile Home”** means a Building recognized in the Building Code as a “Mobile Home” in accordance with the standard for mobile homes in CSA Z240.2.1 “Structural requirements for Manufactured Homes” or CSA A277 “Procedures for Factory Certification of Buildings”.
- (aaa) **“Multiple Unit Dwelling”** means a Building consisting of two or more Residential Units attached by vertical and / or horizontal wall or walls other than a Single Detached Dwelling, Semi-detached Dwelling, Apartment Dwelling, Stacked Townhouse Dwelling, Residential Facility Dwelling or Lodging House. Multiple Unit Dwelling includes, but is not limited to, Townhouse Dwelling, Back-to-back Townhouse Dwelling, and the portion of a Live/Work Unit intended to be used exclusively for living accommodations for one or more individuals.
- (bbb) **“Municipal Boundary”** means the municipal boundary as identified in Schedule “F.”
- (ccc) **“Non-industrial Development”** means any non-residential Building which is not an Industrial Development and without limiting the generality of the foregoing, Non-industrial Development includes commercial and retail buildings, Office Development, Class A Office Development, Institutional Development, the portion of a Live / Work Unit that is not intended to be used exclusively for living accommodations for one or more individuals, a hospital that is approved under *Public Hospitals Act*, R.S.O. 1990, c. P. 40, and R.R.O. 1990, Regulation 964 as a public hospital, Short Term Accommodation, a Self-Storage Facility, a Retail Greenhouse, a Place of Worship, a Medical Clinic, an Artist Studio, a Production Studio and Commercial Parking.
- (ddd) **“Non-residential Development”** or **“Non-residential Use”** is any development other than a Residential Development or Residential Use.
- (eee) **“Occupants”** means the residents of a Residential Facility.
- (fff) **“Office Development”** means a Building, or part thereof, in which management, clerical, administrative, consulting, advisory or training services are offered or performed, but shall not include a Medical Clinic or any part of an Industrial Development

- (ggg) **“Place of Worship”** means a Building, or any part thereof, owned and occupied by a church or religious organization used for religious services, ceremonies or other religious practices, or for the purposes of a the burial or entombment of the remains of deceased individuals and which is which is or would be classified as exempt from taxation in accordance with subsection 3(1)3 of the *Assessment Act*, R.S.O. 1990, Chapter A.31, but does not include a Building or any part thereof, owned by a church or religious organization and used for any other purpose including without limiting the generality of the foregoing any uses which generate revenue for the church or religious organization.
- (hhh) **“Planning Act”** means the *Planning Act*, R.S.O. 1990, c. P. 13.
- (iii) **“Previous Use”** has the meaning ascribed to it in section 34.
- (jjj) **“Production Studio”** means a Building, or any part thereof, used for the creation and production of motion pictures or audio or video recordings and the associated warehousing, prop and set design and storage or used for digital media uses such as animation studio, and associated software development and processing, but shall not include the mass reproduction of film.
- (kkk) **“Protected Heritage Property”** means a property that is designated under Part IV of the *Ontario Heritage Act*, subject to a Heritage Easement under Part II of the *Ontario Heritage Act*, subject to a Heritage Easement under Part IV of the *Ontario Heritage Act*, or subject to a covenant or agreement on title held between the property owner and a conservation authority or level of government in the interest of conserving built heritage.
- (III) **“Redevelopment”** means the construction, erection or placing of one or more Buildings on land where all or part of a Building has previously been or will be, in accordance with a demolition agreement entered into with the City, demolished on such land, or changing the use of a Building from a Residential Development to a Non-residential Development or from a Non-residential Development to a Residential Development, or changing a Building from one form of Residential Development to another form of Residential Development or from one form of Non-residential Use to another form of Non-residential Use and including any development or redevelopment requiring any of the actions described in section 14.
- (mmm) **“Regulation”** means Ontario Regulation 82/98 under the Act.
- (nnn) **“Rental Housing”** has the meaning as ascribed to it in section 1 of the Act.
- (ooo) **“Residential Development”** or **“Residential Use”** means:
- (i) a Single Detached Dwelling;
 - (ii) a Semi-detached Dwelling;
 - (iii) a Residential Facility;

- (iv) a Lodging House;
- (v) a Mobile Home;
- (vi) a Multiple Unit Dwelling;
- (vii) a Stacked Townhouse Dwelling;
- (viii) an Apartment Dwelling;
- (ix) Garden Suite; or
- (x) the portion of a Mixed-use Development comprised of any Residential Units and any areas intended to be used exclusively by the residents of the Residential Units,

but does not include any Buildings used or designed to be used for use as Short Term Accommodation.

(ppp) **“Residential Facility”** means a Building or part thereof containing four or more rooms or suites of rooms designed or intended to be used for sleeping and living accommodation that have a common entrance from street level and:

- (i) where the Occupants have the right to use, in common: halls, stairs, yards, common rooms and accessory buildings;
- (ii) which may or may not have exclusive sanitary facilities for each occupant;
- (iii) which does not have exclusive Full Kitchen facilities for each occupant; and
- (iv) where support services such as meal preparation, laundry, housekeeping, nursing, respite care and attendant services may be provided at various levels,

and excludes any part of the Building used or occupied for uses not exclusively related to the Occupants.

(qqq) **“Residential Unit”** means a room or suite of rooms used, or designed or intended for use by one or more persons living together as a single housekeeping unit in which culinary and sanitary facilities are provided for the exclusive use of such person or persons.

(rrr) **“Retail Greenhouse”** means a Building, that is made primarily of translucent building material, used, designed or intended to be used for the sale and display of plants products grown or stored therein gardening supplies and equipment, or landscaping supplies and equipment.

- (sss) **“Self-Storage Facility”** means a Building primarily used in renting or leasing space for self-storage. These Buildings provide secure space (rooms, compartments, lockers, containers or outdoor space) where clients can store and retrieve their goods.
- (ttt) **“Semi-detached Dwelling”** means a Building consisting of two Residential Units attached by a vertical wall or walls, each of which has a separate entrance or access to grade.
- (uuu) **“Separated Sewer System”** means the area within the City of Hamilton that is contained inside the Urban Area and outside the area depicted as the Combined Sewer System in Schedule “I”.
- (vvv) **“Services”** means services designated in Schedules “A” through “E” of this By-law; or designated in an agreement under section 44 of the Act.
- (www) **“Short Term Accommodation”** means a Building designed or used or designed or intended for use as a temporary rental sleeping accommodation for travellers and shall include but not be limited to a motel, motor hotel, hotel or an apartment hotel.
- (xxx) **“Single Detached Dwelling”** means a Building containing one Residential Unit and not attached to another Building, whether or not the Single Detached Dwelling is situated on a single lot.
- (yyy) **“Special Area Development Charge”** or **“Special Area Development Charges”** means the charges imposed by this By-law against land to pay for increased capital costs required because of increased needs for the Services arising from development of the area to which this By-law applies.
- (zzz) **“Stacked Townhouse Dwelling”** means a Building containing four or more Residential Units which are horizontally and vertically separated in a split level or stacked manner, where each Residential Unit egresses directly outside to grade (no egress to a common corridor).
- (aaaa) **“Stacked Townhouse Residential Unit”** means a Residential Unit within a Stacked Townhouse Dwelling.
- (bbbb) **“Temporary Building or Structure”** means a non-residential Building without a foundation which is constructed, erected or placed on land for a continuous period of time not exceeding one year, or a like addition or alteration to an existing Building or an existing structure that has the effect of increasing the usability thereof for a continuous period not exceeding one year.
- (cccc) **“Townhouse Dwelling”** means a Building divided vertically into three or more Residential Units, by common walls which prevent internal access between units where each Residential Unit egresses directly outside to grade.

- (dddd) **“Townhouse Residential Unit”** means a Residential Unit within a Townhouse Dwelling.
 - (eeee) **“Urban Area A”** means the lands within Urban Area A, identified in Schedule “G” and which are not subject to any expansion resulting from an amendment to the urban boundary in the Urban Hamilton Official Plan.
 - (ffff) **“Urban Area B”** means any lands added to the Urban Area as a result of any amendment to the Urban Hamilton Official Plan expanding the Urban Area beyond Urban Area A.
 - (gggg) **“Urban Area”** means the area within the City that is identified as the urban area in Schedule E of the Urban Hamilton Official Plan, as amended.
 - (hhhh) **“Zoning By-law”** means Zoning By-laws Nos. 05-200, 87-57, 3581-86, 90-145-Z, 464, 6593, 3692-92 and any subsequent City zoning by-law as applicable based on development type and development location within the City.
2. Any defined term in the Act or Regulation that has not been defined in section 1 of this By-law, has the meaning given to it in the Act or Regulation.
 3. The basis of the Development Charges imposed by this By-law is the Background Study and the application and interpretation of this By-law shall be consistent with the Background Study. Recommendations for exemptions in the Background Study not included in this By-law are irrelevant to the application and interpretation of this By-law.
 4. Any non-residential use which has not been specified in this by-law shall be determined to be either industrial or non-industrial according to where the use falls within Schedule 10 of the Background Study,
 - (a) Primary Industry Employment and Industrial and Other Employment shall be Industrial;
 - (b) Population related Employment and Institutional shall be Non-industrial.
 5. Any reference in this By-law to any statute, or regulation, City of Hamilton By-law or City of Hamilton official plan or any section of any statute, or regulation, City of Hamilton By-law or City of Hamilton official plan shall, unless otherwise expressly stated, be deemed to be a reference to such statute, regulation, City of Hamilton By-law or City of Hamilton official plan or section as amended, restated or re-enacted from time to time and to any successor statute, regulation, City of Hamilton By-law or City of Hamilton official plan. If any statute, regulation or City of Hamilton By-law is repealed or section thereof is repealed or removed and not replaced, this By-law shall be deemed to not include a reference to such statute, regulation, City of Hamilton By-law or section.
 6. Unless otherwise indicated, references in this By-law to sections and schedules are to sections and schedules of this By-law.

7. In this By-law "herein", "hereof", "hereto" and "hereunder" and similar expressions refer to this By-law.

Schedules

8. The following schedules to this By-law form an integral part of this By-law:

Schedule "A": Full Rate City Wide Development Charges

Schedule "B": Full Rate Development Charges for Wastewater Facilities and Linear Services

Schedule "C": Full Rate Development Charges for Water Services

Schedule "D": Full Rate Development Charges for Stormwater Drainage and Control Services

Schedule "E": Full Rate Special Area Development Charges

Schedule "F": Municipal Boundary Map

Schedule "G": Urban Area A and Municipal Boundary Map

Schedule "H": Urban Area and Municipal Boundary Map

Schedule "I": Combined Sewer System Area and Municipal Boundary Map

Schedule "J": Dundas / Waterdown Special Area Development Charge Map

Lands Affected

9. This By-law applies to all land within the City of Hamilton.

Phasing and Amount of Charge

10. The development of land in the City of Hamilton is also subject to City of Hamilton By-law 11-174, as amended, and any additional Development Charges By-laws that may be enacted by the Council of the City of Hamilton.

11.

- (a) Subject to subsection 11(i), for all city wide Services / Classes of Services, where there is Development of land within the Municipal Boundary, the Development Charges payable pursuant to this By-law shall be the Development Charges set out in Schedule "A" to this By-law.
- (b) Subject to subsection 11(i), for wastewater facilities and linear services, where there is Development of land within Urban Area A or Urban Area B, the Development Charges payable pursuant to this By-law shall be the Development Charges set out in Schedule "B" to this By-law.

- (c) Subject to subsection 11(i), for water services, where there is Development of land within Urban Area A or Urban Area B, the Development Charges payable pursuant to this By-law shall be the Development Charges set out in Schedule “C” to this By-law.
- (d) Subject to subsection 11(i), for stormwater drainage and control services, where there is Development of land within the Urban Area, the Development Charges payable pursuant to this By-law shall be the Development Charges set out in Schedule “D” to this By-law.
- (e) Subject to any applicable exemption set out in this By-Law, and subsection 11(i), where there is Development of land within those areas of Dundas and Waterdown delineated on Schedule “J” to this By-law, the Special Area Development Charges payable pursuant to this By-law shall be the Special Area Development Charges as shown on Schedule “E” to this By-law. Special Area Development Charges shall apply in addition to any other Development Charge payable under this By-law.
- (f) Subject to subsection 11(i), where there is Development of land outside of Urban Area A and Urban Area B and, where a connection of a Building in the Development to the wastewater facilities and linear services is proposed, the applicable charge set out in Schedule “B” for Urban Area A shall be applied to the said Development as a Development Charge.
- (g) Subject to subsection 11(i), where there is Development of land outside of Urban Area A and Urban Area B and, where a connection of a Building in the Development to water services is proposed, the applicable charge set out in Schedule “C” for Urban Area A shall be applied to the said Development as a Development Charge.
- (h) Subject to subsection 11(i), where there is Development of land outside of the Urban Area and, where a connection of a Building in the Development to stormwater drainage and control services is proposed, the applicable charge set out in Schedule “D” shall be applied to the said Development as a Development Charge.
- (i) The amount of the Development Charges described in section 11 of this By-law shall be reduced in accordance with any required reduction in subsection 5(8) of the Act as said subsection reads on the date of passage of this By-law and if subsection 5(8) of the Act is amended or repealed after the passage of this By-law, the Development Charges shall be calculated in accordance with any such amendments or repeal to subsection 5(8). Any other reductions and / or exemptions applicable provided in this By-law or otherwise shall be applied to Development Charges net of any required reduction provided for in this subsection 11(i).

Designation of Services / Class of Services

12. All Development of land within the area to which this By-law applies will increase the need for Services / Class of Services.

13. The Development Charges applicable to a Development as determined pursuant to this By-law shall apply without regard to the Services / Class of Services required or used by an individual Development. It is not necessary that the amount of the Development Charges for a particular Development be limited to an increase in capital costs, if any, that are attributable to that particular development.

Approvals for Development

14. The Development of land is subject to a Development Charge where the Development requires the following:
 - (a) the passing of a zoning By-law or an amendment thereto under section 34 of the *Planning Act*;
 - (b) the approval of a minor variance under section 45 of the *Planning Act*;
 - (c) a conveyance of land to which a By-law passed under subsection 50(7) of the *Planning Act* applies;
 - (d) the approval of a plan of subdivision under section 51 of the *Planning Act*;
 - (e) a consent under section 53 of the *Planning Act*;
 - (f) the approval of a description under section 9 of the *Condominium Act* 1998, S.O. 1998, c.19; or
 - (g) the issuance of a permit under the *Building Code Act*, 1992, S.O. 1992, c.23 in relation to a building or structure.
15. Where two or more of the actions described in section 14 of this By-law occur at different times, or a second or subsequent building permit is issued resulting in increased, additional or different Development, then additional Development Charges shall be imposed in respect of such increased, additional, or different Development permitted by that action.
16. Where a Development requires an approval described in subsections 14(a) to 14(f) of this By-law after the issuance of a building permit and no Development Charges have been paid, then the Development Charges shall be paid prior to the granting of any approval required under subsections 14(a) to 14(f) of this By-law.
17. Where a Development does not require a building permit but does require one or more of the approvals described in subsections 14(a) to 14(f) of this By-law, then, notwithstanding sections 36 and 37 of this By-law, Development Charges shall be payable and paid prior to the granting of any approval required under subsections 14(a) to 14(f) of this By-law.
18. Nothing in this By-law prevents Council from requiring, in a condition of an approval or an agreement respecting same under section 51 of the *Planning Act* or as a condition of consent or an agreement respecting same under section 53 of the *Planning Act* that the owner, at his or her own expense, shall install such local services related to or within a plan of subdivision, as Council may require, in accordance with the City's applicable Local Services Policies in effect at this time.

Calculation of Development Charges

19. A Development Charge imposed pursuant to this By-law shall, subject to any other applicable provision hereof, be calculated as follows:
- (a) Subject to (i), (ii) and (iii) below, in the case of Residential Development or the residential portion of Mixed Use Development, or the residential portion of a Live / Work Unit, based on the number and type of Residential Units:
 - (i) in the case of a Residential Facility or Lodging House based upon the number of bedrooms;
 - (ii) subject to (iii) below, in the case of a Residential Unit containing six or more Bedrooms, the sixth and any additional Bedroom shall be charged at the applicable Residential Facility rate; or
 - (iii) in the case of an Apartment Residential Unit containing six or more Bedrooms, then the following applies: (A) the applicable “apartment 2 bedroom +” rate shall apply to the Residential Unit and the first five Bedrooms; and (B) the applicable Residential Facility rate shall apply to the sixth Bedroom and each additional Bedroom;
 - (b) in the case of Non-residential Development based upon the Gross Floor Area of such Development measured in square feet;
 - (c) in the case of the Non-residential Use portion of a Mixed Use Development, based upon the Gross Floor Area of the Non-residential Use component measured in square feet; and
 - (d) in the case of the Non-residential Use portion of a Live / Work Unit, based upon the Gross Floor Area of the Non-residential Use component of such Development measured in square feet.
20. Subject to the provisions of this By-law, Development Charges against land are to be calculated and collected in accordance with the Services and rates set out in Schedules “A” through “E” to this By-law.

Development Charge Applicability

21. No Development Charge shall be imposed on any Building owned by and used for the purposes of:
- (a) the City of Hamilton;
 - (b) a Board of Education;
 - (c) a local board; or,
 - (d) CityHousing Hamilton.

Industrial Development Exemptions

22. No Development Charge shall be imposed on one or more enlargements of an Existing Industrial Building, up to a maximum of fifty percent (50%) of the Gross Floor Area of the Existing Industrial Building.
23. Where a proposed enlargement exceeds fifty percent (50%) of the Gross Floor Area of an Existing Industrial Building, Development Charges are payable on the amount by which the proposed enlargement exceeds fifty percent (50%) of the Gross Floor Area before the enlargement.
24. The cumulative total of the Gross Floor Area previously exempted hereunder shall be included in the determination of the amount of the exemption applicable to any subsequent enlargement.
25. Where a subdivision of a lot or parcel of land subsequent to any enlargement previously exempted hereunder results in the existing industrial Building being on a lot or parcel separate from the Development previously, further exemptions, if any, pertaining to the existing industrial Building shall be calculated on the basis of the lot or parcel of land as it exists at the time of said enlargement.

Other Exemptions from Development Charges

26. Exemptions or partial exemptions or reductions in accordance with the Act or any other Province of Ontario legislation will be applied.
27. Notwithstanding any other provision of this By-law, no Development Charges are imposed under this By-law respecting;
 - (a) a Building, or part thereof, used for parking but excluding a building or part thereof used for Commercial Parking;
 - (b) an Agricultural Use;
 - (c) a Place of Worship;
 - (d) a Temporary Building or Structure, subject to section 35; and,
 - (e) a Farm Labour Residence.

Downtown CIPA Partial Exemption

28. Notwithstanding any other provision of this By-law, the Development Charges payable under this By-law respecting Class A Office Development within the boundaries of the Downtown CIPA shall be reduced by 70% after all credits, partial exemptions and other exemptions are applied under this By-law, for only the portion of the Class A Office Development that is within the height restrictions as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto applicable to the particular development to which the Development Charges are payable and any Development in excess of said height restrictions shall be subject to the full calculated Development Charge.

29. Notwithstanding any other provision of this By-law, all Non-Industrial Development, Industrial Development and the Non-residential component of Mixed Use Development within the boundaries of the Downtown CIPA as shown in By-law 21-163, as amended, is exempt from 40% of Development Charges payable under this By-law.

The development charges payable under this By-law respecting Non-Industrial Development, Industrial Development and the Non-residential component of Mixed Use Development, other than Class A Office Development, within the boundaries of the Downtown CIPA shall be reduced after all credits, partial exemptions and other exemptions are applied under this By-law, for only the portion of the Building that is within the height restrictions as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto applicable to the particular development to which the Development Charges are payable and any Development in excess of said height restrictions shall be subject to the full calculated Development Charge.

30. Notwithstanding any other provision of this By-law, the Development Charges payable under this By-law respecting all Residential Development within the boundaries of the Downtown CIPA shall be reduced after all credits, partial exemptions and other exemptions are applied:

- (a) by the percentages;
- (b) for the time periods;
- (c) for the types of applications; and;
- (d) as of the date, identified in the following Table 1:

Table 1: Downtown Hamilton CIPA Partial Exemption

Date	Percentage of reduction (%)
June 1, 2024 to May 31, 2025	40
June 1, 2025 to May 31, 2026	35
June 1, 2026 to May 31, 2027	30
June 1, 2027 to May 31, 2028	20
June 1, 2028 to May 31, 2029	10
June 1, 2029 to May 31, 2034	0

The Development Charges payable under this By-law respecting all Residential Development within the boundaries of the Downtown CIPA shall be reduced after all credits, partial exemptions and other exemptions are applied under this By-law, for only the portion of the Building that is within the height restrictions as shown in Schedule F – Figure 1 of City Zoning By-law 05-200 as it read prior to any amendment thereto applicable to the particular development to which the Development Charges are payable and any Development in excess of said height restrictions shall be subject to the full calculated Development Charge.

31. The partial exemptions in sections 28, 29 and 30 shall not apply in addition to the exemptions, partial exemptions or reductions in section 27 or subsections 32(a) to (e). The partial exemptions provided in sections 28, 29 and 30 shall only apply if the amount of exemption is greater than the exemptions, partial exemptions or reductions provided under section 27 or subsections 32(a) to (e), individually or cumulatively. If the exemptions, partial exemptions or reductions under section 27 or subsections 32(a) to (e) are greater, individually or cumulatively, than the partial exemptions which could be provided under sections 28, 29 and 30, no partial exemptions pursuant to sections 28, 29 and 30 shall apply. For the purpose of this section, the Residential Use and Non-residential Use portion of a Mixed Use Development may be viewed as independent of one another and the exemption under this By-law that provides the greatest reduction in Development Charges payable shall be applied to each use.

Other Partial Exemptions

32. Notwithstanding any other provision of this By-law, the Development Charges payable under this By-law respecting the following types of Development will be partially exempt from Development Charges under this By-law in the manner and to the extent set out below:
- (a) for any Non-industrial Development other than an expansion, within the boundaries of the CIPAs or BIAs, and for any Office Development other than an expansion anywhere in the City, Development Charges shall be imposed as follows:
- (i) 50% of the applicable Development Charge on the first 5,000 square feet;
 - (ii) 75% of the applicable Development Charge for each square foot in excess of 5,000 square feet and under 10,000 square feet;
 - (iii) 100% of the applicable Development Charge on the amount of Development exceeding 10,000 square feet.

Where Development has been exempted pursuant to this subsection, the exemption set out in subsection 32(b) below does not apply to any subsequent expansion on such Development.

- (b) the initial 5,000 square feet of Gross Floor Area of an Office Development expansion, whether attached or unattached to an existing Office Development, shall be exempted from the payment of Development Charges provided that:
- (i) the office development has not had the exemption in subsection 32(a) previously applied to it under this By-law;
 - (ii) the Office Development has not been the subject of any exemptions or partial exemptions from the payment of Development Charges under any other Development Charges By-laws which are no longer in force;
 - (iii) where unattached to an existing Office Development, the expansion must be situated on the same site as the existing Office Development; and,

- (iv) where, subsequent to an unattached expansion exempted hereunder, the Lot is further subdivided such that the original existing Office Development and the unattached expansion thereof are no longer situated on the same Lot, further exemptions pursuant to this section, if any, shall only be calculated on the basis of the Office Development and the Lot as they existed on the date of the first exemption.
- (c) Redevelopment of an existing Residential Development for the purpose of creating Residential Facilities or Lodging Houses within the existing building envelope is exempt from 50% of the Development Charge otherwise payable pursuant to this By-law.
- (d) Redevelopment of an existing Residential Facility or Lodging House for the purpose of creating additional bedrooms in a Residential Facility or Lodging House within the existing building envelope shall be exempt from 50% of the Development Charge payable pursuant to this By-law. Notwithstanding anything else contained in this By-law, save and except subsection 33(e) and subsection 34(d), the credit applicable to any such Redevelopment shall be based on 100% of the applicable Residential Facility rate or Lodging House rate according to sections 51 and 53 for the said redevelopment within the meaning of section 34 of this By-law.
- (e) the Adaptive Reuse of the part of a building on a Protected Heritage Property that contains:
 - (i) heritage attributes that are the subject of designation under Part IV of the *Ontario Heritage Act*;
 - (ii) features subject to a Heritage Easement under Part II of the *Ontario Heritage Act*;
 - (iii) features subject to a Heritage Easement under Part IV of the *Ontario Heritage Act*; or
 - (iv) features subject to a covenant or agreement on title held between the property owner and a conservation authority or level of government in the interest of conserving,

is exempted from Development Charges.
- (f) The Development Charge for a Production Studio, Artist Studio and Manufacturing Facility shall be reduced by 37%.
- (g) The Development Charge for an Industrial Development other than a Manufacturing Facility shall be reduced:
 - (i) by the percentages;
 - (ii) for the time periods;
 - (iii) for the types of applications; and;

(iv) as of the date, identified in the following Table 2:

Table 2: Development Charges Reduction for an Industrial Development other than a Manufacturing Facility

Date	Percentage of reduction (%)
June 1, 2024 to May 31, 2025	37
June 1, 2025 to May 31, 2026	32
June 1, 2026 to May 31, 2027	27
June 1, 2027 to May 31, 2028	22
June 1, 2028 to May 31, 2029	17
June 1, 2029 to May 31, 2030	12
June 1, 2030 to May 31, 2031	7
June 1, 2031 to May 31, 2032	2
June 1, 2032 to May 31, 2034	0

- (h) No Development Charge shall be imposed on one or more Manufacturing Facilities on the same lot or parcel of land as one or more Existing Manufacturing Facilities but not attached thereto, up to a maximum of fifty percent (50%) of the combined Gross Floor Area of the Existing Manufacturing Facilities.
- (i) Where lands are merged or otherwise added to a lot or parcel of land after July 16, 2018, the exemption in subsection 32(h) shall only be available to Development on the lot or parcel of land as it existed as of July 16, 2018 and the exemption in subsection 32(h) shall not apply to any Development on lands that were merged with or added to a lot or parcel of land after July 16, 2018.

Rules with Respect to Redevelopment – Demolitions

33. In the case of the demolition of all or part of a Building:

- (a) a credit shall be allowed against the Development Charges otherwise payable pursuant to this By-law, provided that a building permit has been issued for the Redevelopment within five years of the issuance date of the demolition permit on the same land and may be extended by the General Manager of Finance and Corporate Services either for Developments located outside the Urban Area or for Developments where it has been determined by the General Manager of Planning and Economic Development that significant development delays were not the responsibility of the developer, or may be otherwise extended by Council;
- (b) the credit shall be calculated at the time Development Charges are due for the Redevelopment as follows:
- (i) for the portion of the Building used for Residential Uses, by multiplying the applicable Development Charge under section 11 of this By-law by the number, according to type, of the Residential Units that have been or will be demolished as supported by a demolition agreement; and

- (ii) for the portion of the Building used for Non-residential Uses, by multiplying the applicable Development Charge under section 11 of this By-law, according to type of Non-residential Use, by the Gross Floor Area that has been or will be demolished as supported by a demolition agreement;
- (c) without limiting the generality of the foregoing, the credit for the demolished building shall be reduced or eliminated by the amount of any exemption, partial exemption or other reduction provided under this By-law applicable to the demolished use as if the demolished Building were being assessed as new development under this By-law;
- (d) without limiting the generality of the foregoing, no credit shall be allowed for demolished Buildings, or parts thereof, that would have been exempted pursuant to subsection 32(e); and
- (e) the amount of any credit pursuant to this section shall not exceed, in total, the amount of the Development Charges otherwise payable pursuant to this By-law with respect to the Redevelopment.

Rules with Respect to Redevelopment – Conversions

34. Where an existing Building is converted in whole or in part from one use (hereinafter referred to in this section as the “Previous Use”) to another use,
- (a) the amount of Development Charges payable shall be reduced by the amount, calculated pursuant to this By-law at the current Development Charges rates in respect of the Previous Use;
 - (b) the Previous Use shall be the use as confirmed through the City’s Building Division and related permit records. If such records are not available, the Previous Use shall be determined using property tax records or such other City records as may be available;
 - (c) for greater certainty, and without limiting the generality of the foregoing, the credit for the converted building shall be reduced or eliminated by the amount of any exemption, partial exemption or other reduction provided under this By-law applicable to the Previous Use as if the converted Building were being assessed as new development under this By-law; and
 - (d) the amount of any credit pursuant to this section shall not exceed, in total, the amount of the Development Charges otherwise payable pursuant to this By-law with respect to the Redevelopment.

Temporary Buildings or Structures

35. Where an application is made for the issuance of a permit under the Building Code in relation to a Temporary Building or Structure, the Chief Building Official, or his or her delegate, may, as a condition of the issuance of the said permit, require that the owner of the land enter into an agreement with the City pursuant to section 27 of the Act and sections 39 to 45 of this By-law and submit security satisfactory to the General Manager of Finance and Corporate Services and the City Solicitor, to be realized upon in the event that the Temporary Building or Structure remains on the land for more than one year, or any other time as may be set out in the said agreement or security, from the date of the construction or erection thereof. A Temporary Building or Structure that has not been removed or demolished by the first anniversary of its construction or erection on the land, or by the date specified in an agreement, shall be deemed not to be, nor ever to have been, a Temporary Building or Structure and Development Charges under this By-law shall become due and payable forthwith and the City may draw upon any security as payment for the Development Charges payable.

Collection of Development Charges

36. Subject to the provisions of sections 38 to 45, Development Charges are payable at the time a building permit is issued with respect to a Development.
37. Despite section 36, a Development Charge in respect of any part of a Development that consists of a type of Development set out in subsection 26.1(2) of the Act, is payable in accordance with section 26.1 of the Act, including interest as per the City's Development Charge Interest Policy FPAP-DC-002 as may be revised from time to time, for so long as section 26.1 of the Act remains in force and effect.

Prepayment or Deferral Agreements

38. For developments under subsection 26.1(2) of the Act only, the General Manager of Finance and Corporate Services may authorize in writing, in accordance with section 27 of the Act, and subject to the eligibility criteria as set out by the General Manager of Finance and Corporate Services, an agreement with a person to permit, on such terms as the General Manager of Finance and Corporate Services may require, the payment of the Development Charges as early as building permit issuance.

39. Save as otherwise specified in this By-law, and for Non-residential Development, a Mixed Use Development, a Residential Facility, a Lodging House or an Apartment Dwelling only, the General Manager of Finance and Corporate Services may authorize in writing, in accordance with section 27 of the Act, and subject to the eligibility criteria as set out by the General Manager of Finance and Corporate Services, an agreement with a person to permit, on such terms as the General Manager of Finance and Corporate Services may require, including the payment of interest by such person, and for an initial term no longer than five years, the payment of the Development Charge before or after it is otherwise payable under this By-law. The General Manager of Finance and Corporate Services may, on such terms as the General Manager of Finance and Corporate Services may require, including the payment of interest by such person, extend the initial term by no more than two years.
40. Notwithstanding section 39 above, for any Development that has been approved by the City for an ERASE Redevelopment Grant, or any successor thereof, the General Manager of Finance and Corporate Services may authorize in writing, in accordance to section 27 of the Act, an agreement with a person to permit, on such terms as the General Manager of Finance and Corporate Services may require, without interest, the payment of a portion or all of the Development Charge after it is otherwise payable under this By-law for an amount not to exceed the amount of the approved ERASE Grant and for a period of time not to exceed the date on which the final payment of the approved ERASE Redevelopment Grant will be made.
41. Notwithstanding section 39 above, the General Manager of Finance and Corporate Services may, relating to a Development that consists of one building that requires more than one building permit, authorize in writing, in accordance with section 27 of the Act, an agreement to permit, on such terms as the General Manager of Finance and Corporate Service may require, including the payment of instalments related to subsequent building permits and interest by such person and for a term no longer than five years, the payment of the Development Charge after it is otherwise payable under this By-law.
42. Notwithstanding section 39 above, Council may authorize an agreement with a hospital that is approved under *Public Hospitals Act*, R.S.O. 1990, c. P. 40, and R.R.O. 1990, Regulation 964 as a public hospital to permit, on such conditions as Council may require, including the payment of interest, and for a term no longer than 10 years, the payment of the Development Charge after it is otherwise payable under this By-law.
43. Notwithstanding section 39 above, Council may authorize an agreement with a university or other post-secondary school offering a degree or diploma recognized by the Province of Ontario, on such conditions as Council may require, including the payment of interest, and for a term no longer than 30 years, the payment of the Development Charge after it is otherwise payable under this By-law.
44. The General Manager of Finance and Corporate Services shall have the authority to execute any agreements authorized by sections 38 to 43 and any ancillary or subsidiary documentation related to any such agreement or necessary to give effect to the authority delegated in sections 38 to 43.

45. The General Manager of Finance and Corporate Services shall be authorized to direct the City Solicitor to commence legal proceedings and enter into agreements to ensure the collection of amounts deferred under sections 39 to 43 of this By-law and under section 27 of the Act and the General Manager of Finance and Corporate Services shall be authorized to execute any such agreements and ancillary documentation.

Credit for Services-in-lieu Agreement

46. In accordance with sections 38, 39, 40 and 41 of the Act, a person may perform work that relates to a service to which this By-law applies, in return for a credit towards the Development Charges payable by the said person, by way of an agreement. No such credit shall exceed the total Development Charges payable by the person.

Front-Ending Agreements

47. Council may authorize a front-ending agreement in accordance with the provisions of Part III of the Act, upon such terms as Council may require, in respect of the Development of land.

Administration of By-law

48. This By-law shall be administered by the Corporate Services Department of the City of Hamilton.

Indexing

49. The Development Charges set out in Schedule "A" through "D" of this By-law shall be adjusted annually without amendment to this By-law by the percentage change during the preceding year, as recorded in the Statistics Canada's Building Construction price index, by type of building (non-residential building) (Table 18-10-0276-02) for the City of Toronto, as may be amended or replaced from time to time. This adjustment shall take place as follows:

- (a) the initial adjustment shall occur on June 1, 2024 at 12:01am, and
- (b) thereafter, adjustment shall be made each year on June 1.

Reserve Fund Report

50. The General Manager of Finance and Corporate Services shall, in each year prior to June 30 thereof, commencing June 30, 2025 for the 2024 year, furnish to Council a statement in respect of the reserve funds required by the Act for the Services / Classes of Services to which this By-law relates, for the prior year, containing the information as required by the Act and Regulation.

When Amount of Development Charge is Determined

51. The amount of a Development Charge payable under this By-law shall be determined in accordance with section 26.2 of the Act and other provisions in the Act providing when the amount of the Development Charge is determined.
52. Interest on the total amount of Development Charges determined shall be charged as permitted by the Act to the date of building permit issuance in accordance with the City's Development Charge Interest Policy FPAP-DC-003, as may be revised from time to time.
53. Where subsection 26.2(1)(a) and (b) of the Act do not apply, the Development Charges shall be calculated in accordance with the Act subject to the following reduction, if applicable. The Development Charge rates payable shall be the rates in effect on the date a complete building permit application is received and accepted by the City's Chief Building Official, provided that the permit is issued within 6 months of the effective date of the first Development Charge rate increase following said building permit application. Where the said building permit is lawfully revoked by the Chief Building Official on or after the date of the said Development Charge rate increase, any subsequent application for a building permit on the lands or site will be subject to the Development Charge rate in effect on the date of building permit issuance. For the purposes of this section, a "complete application" means an application with all information and plans required as per the Ontario Building Code.

Overpayments and Underpayments

54. Refunds or partial refunds of Development Charges that have been paid will be made without interest, including cases where a permit is cancelled and where the City has made an error in the calculation of the Development Charges which resulted in an overpayment to the City.
55. Additional payment of Development Charges shall be made where there has been an error in the calculation of the Development Charges which resulted in an underpayment of Development Charges. The amount of the difference between the corrected amount of Development Charges payable and the Development Charges paid shall be payable on demand and unpaid amounts will be added to the tax roll for the property in accordance with section 32 of the Act.

General

56. This By-law may be referred to as the "*City of Hamilton Development Charges By-law, 2024.*"

Date By-law Effective

57. This By-law shall come into force and take effect at 12:01 a.m. on June 1, 2024.

Date By-law Expires

58. This By-law expires ten years after the date on which it comes into force or be repealed on such earlier expiry date as Council may determine.

By-law Registration

59. A certified copy of this By-law may be registered in the Land Titles Office as against title to any land to which this By-law applies.

Headings for Reference Only

60. The headings inserted in this By-law are for convenience of reference only and shall not affect the construction or interpretation of this By-law.

Severability

61. If, for any reason, any section or subsection of this By-law is held invalid, it is hereby declared to be the intention of Council that all the remainder of this By-law shall continue in full force and effect until repealed, re-enacted or amended, in whole or in part or dealt with in any other way.

Repeal

62. By-law 19-142, as amended, is hereby repealed effective as of the date and time of this By-law coming into effect.

Non-binding Nature

63. Nothing in this By-law shall be construed so as to commit or require the City or its Council to authorize or proceed with any specific capital project at any specific time.

PASSED this _____ , _____

A. Horwath
Mayor

J. Pilon
City Clerk

SCHEDULE A, TO BY-LAW **24-XXX**
 FULL RATE CITY WIDE DEVELOPMENT CHARGES – EFFECTIVE JUNE 1, 2024

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	(per sq.ft. of Gross Floor Area)
City Wide Services/Class of Service:						
Services Related to a Highway	18,103	13,512	11,099	6,876	5,636	13.31
Public Works (Facilities and Fleet)	1,335	996	818	507	416	0.80
Transit Services	1,601	1,195	982	608	498	0.96
Fire Protection Services	1,151	859	706	437	358	0.69
Policing Services	1,018	760	624	387	317	0.61
Parks and Recreation	11,065	8,259	6,784	4,203	3,445	0.95
Library Services	2,061	1,538	1,264	783	642	0.18
Long-term Care Services	231	172	142	88	72	0.04
Child Care and Early Years Programs	-	-	-	-	-	0.00
Provincial Offences Act Services including By-Law Enforcement	52	39	32	20	16	0.03
Public Health Services	42	31	26	16	13	0.01
Ambulance	325	243	199	123	101	0.06
Waste Diversion	346	258	212	131	108	0.03
Total City Wide Services/Class of Services	37,330	27,862	22,888	14,179	11,622	17.67

Note: The Development Charges above are unindexed and are subject to indexing as per Section 49 of this By-law.

SCHEDULE B, TO BY-LAW **24-XXX**
 FULL RATE DEVELOPMENT CHARGES FOR WASTEWATER FACILITIES AND
 LINEAR SERVICES – EFFECTIVE JUNE 1, 2024

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	(per sq.ft. of Gross Floor Area)
Urban Area A						
Wastewater Facilities	7,125	5,318	4,368	2,706	2,218	4.53
Wastewater Linear Services	10,630	7,934	6,517	4,038	3,310	6.75
Total Wastewater Services - Urban Area A	17,755	13,252	10,885	6,744	5,528	11.28
Urban Area B						
Wastewater Facilities	7,125	5,318	4,368	2,706	2,218	4.53
Wastewater Linear Services	-	-	-	-	-	0.00
Total Wastewater Services - Urban Area B	7,125	5,318	4,368	2,706	2,218	4.53

Note: The Development Charges above are unindexed and are subject to indexing as per Section 49 of this By-law.

SCHEDULE C, TO BY-LAW **24-XXX**
 FULL RATE DEVELOPMENT CHARGES FOR WATER SERVICES – EFFECTIVE
 JUNE 1, 2024

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	(per sq.ft. of Gross Floor Area)
Urban Area A						
Water Services	6,856	5,117	4,203	2,604	2,135	4.36
Urban Area B						
Water Services	-	-	-	-	-	0.00

Note: The Development Charges above are unindexed and are subject to indexing as per Section 49 of this By-law.

SCHEDULE D, TO BY-LAW 24-XXX
 FULL RATE DEVELOPMENT CHARGES FOR STORMWATER DRAINAGE AND
 CONTROL SERVICES – EFFECTIVE JUNE 1, 2024

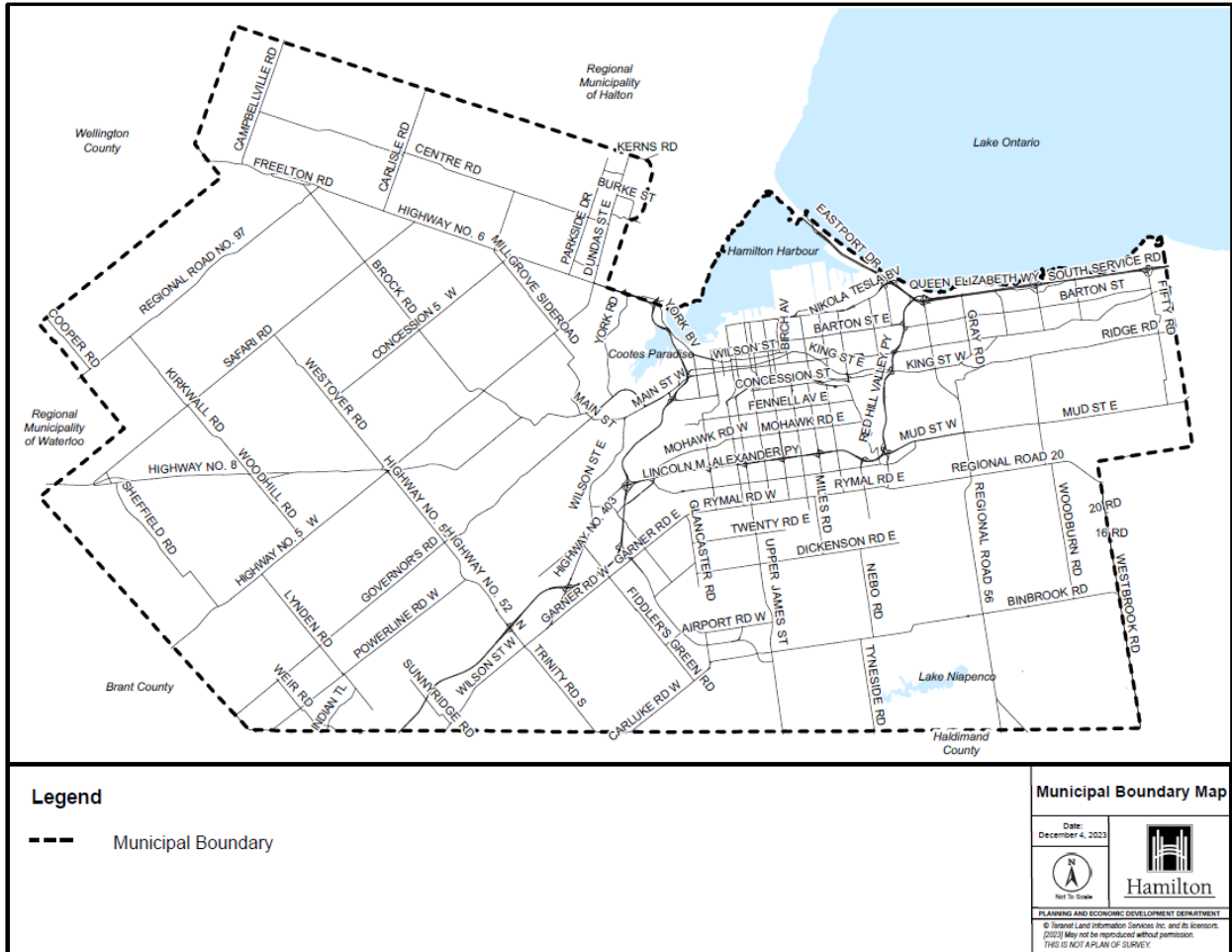
Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	(per sq.ft. of Gross Floor Area)
Combined Sewer System						
Stormwater Drainage and Control Services	9,553	7,130	5,857	3,629	2,974	0.00
Separated Sewer System						
Stormwater Drainage and Control Services	22,741	16,974	13,942	8,638	7,080	4.75

Note: The Development Charges above are unindexed and are subject to indexing as per Section 49 of this By-law.

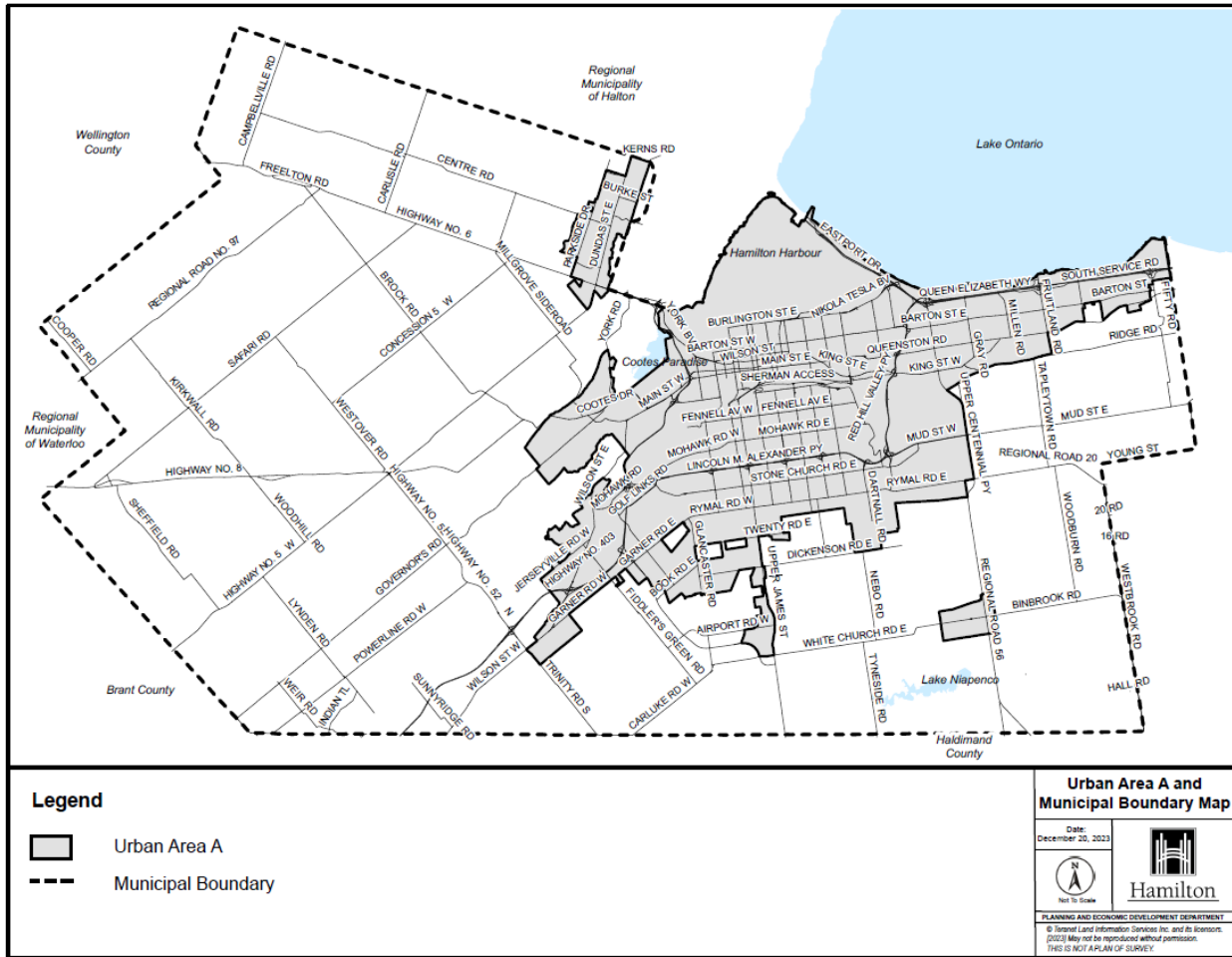
SCHEDULE E, TO BY-LAW 24-XXX
 FULL RATE SPECIAL AREA DEVELOPMENT CHARGES – EFFECTIVE JUNE 1,
 2024

Service/Class of Service	RESIDENTIAL				NON-RESIDENTIAL	
	Single and Semi-Detached Dwelling	Other Multiples	Apartments - 2 Bedrooms+	Apartments - Bachelor and 1 Bedroom	Residential Facility	(per sq.ft. of Gross Floor Area)
Special Area Development Charges	1,931	1,441	1,884	734	601	1.07

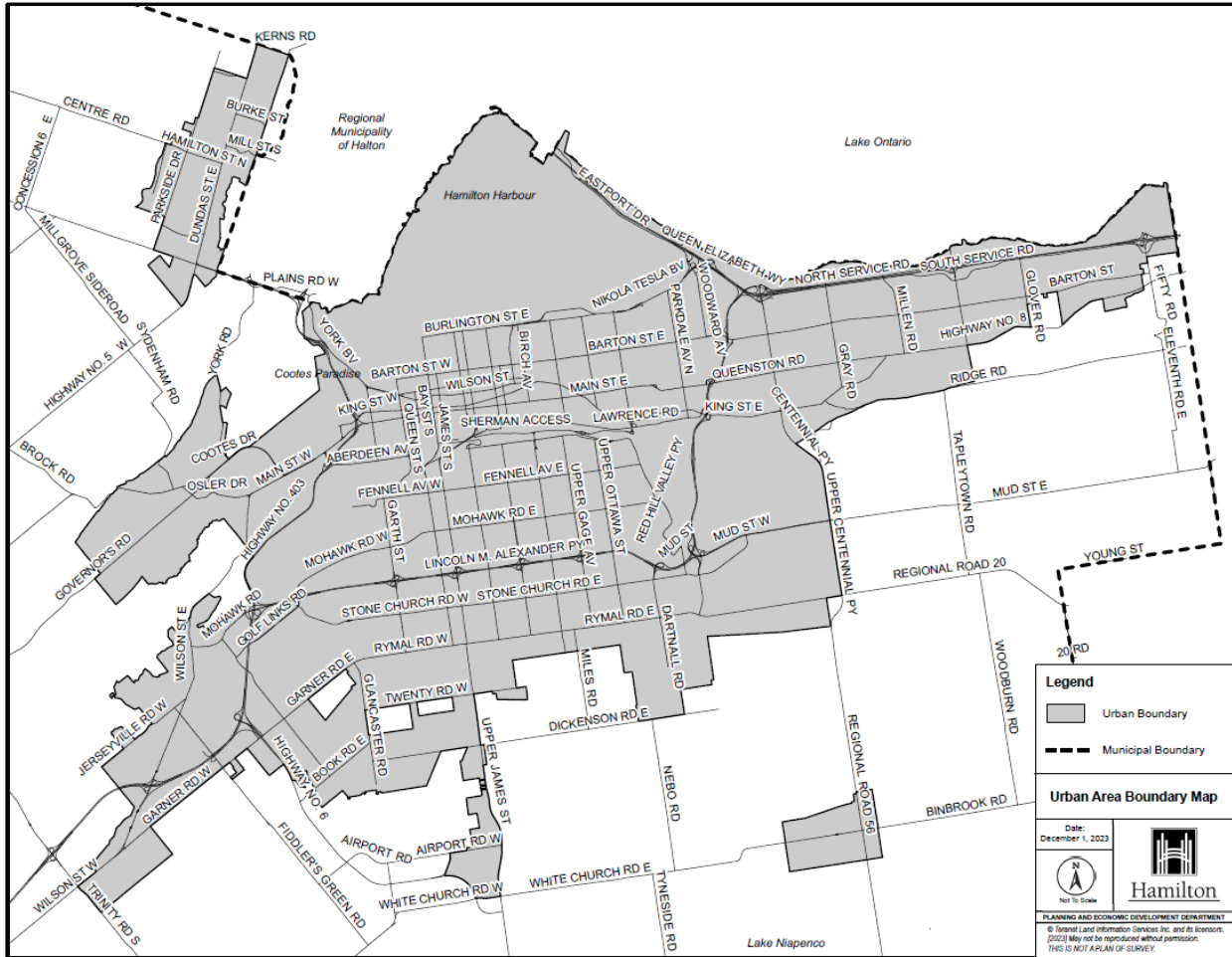
SCHEDULE F, TO BY-LAW 24-XXX
MUNICIPAL BOUNDARY MAP



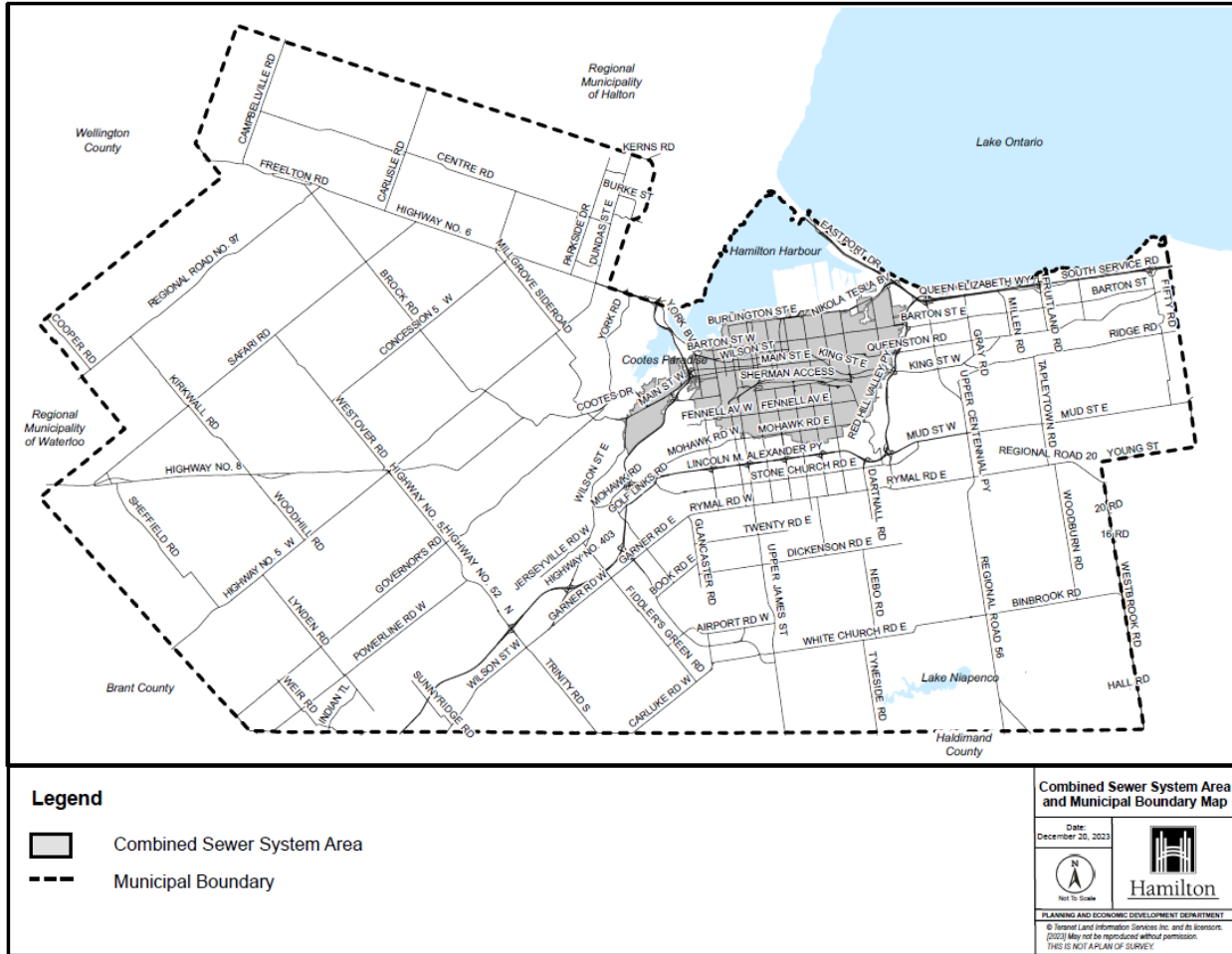
SCHEDULE G, TO BY-LAW 24-XXX
 URBAN AREA A AND MUNICIPAL BOUNDARY MAP



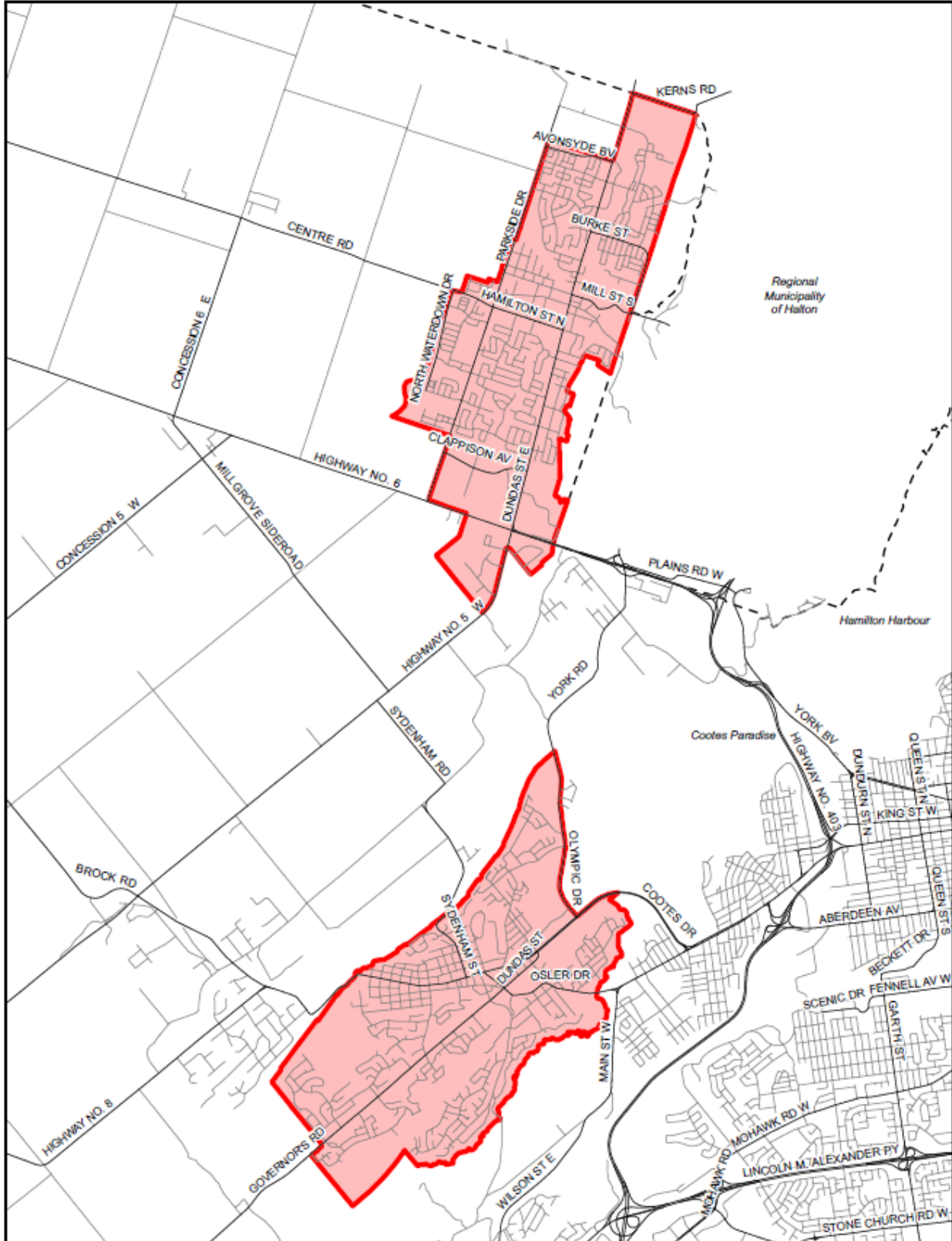
SCHEDULE H, TO BY-LAW 24-XXX URBAN AREA AND MUNICIPAL BOUNDARY MAP



SCHEDULE I, TO BY-LAW 24-XXX
 COMBINED SEWER SYSTEM AREA AND MUNICIPAL BOUNDARY MAP



SCHEDULE J, TO BY-LAW 24-XXX
DUNDAS / WATERDOWN SPECIAL AREA DEVELOPMENT CHARGE MAP



Appendix “B” to Report FCS23103(b)

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2024 Development Charges Discretionary Exemptions Policy Options

The purpose of Appendix “B” to Report FCS23103(b) is to outline a range of discretionary Development Charge (DC) exemption policy options. Section 1 of Appendix “B” outlines the DC exemption policies recommended by staff through Report FCS23103(b). Section 2 of Appendix “B” outlines the impact of a selection of policy options available to Council based on feedback received throughout the DC Background Study process.

Section 1: Staff Recommendations

Table 1 summarizes the staff recommendations for a few of the discretionary DC exemption policies recommended through Report FCS23103(b). These discretionary exemptions have been highlighted as they have received the most discussion throughout the DC Background Study process.

Staff estimates the annualized cost of the recommended discretionary DC exemptions proposed through Report FCS23103(b) at \$71.9 M. This estimate assumes that the DC rate phase mandated by the *Development Charges Act, 1997* (DC Act), will be reversed as proposed through the *Cutting Red Tape to build More Homes Act, 2024* (Bill 185). Staff Report FCS24034, “Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* as it relates to the *Development Charges Act, 1997*”, provides additional information on Bill 185.

Table 1
Staff Recommended Discretionary DC Exemptions

Discretionary Exemption Type	Recommendation	Cost of Discretionary Exemption ^[1]
Downtown Community Improvement Project Area Exemption for Residential Development	(e)(i) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for residential development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40% in year one (June 1, 2024 to May 31, 2025); 35% in year two (June 1, 2025 to May 31, 2026); 30% in year three (June 1, 2026 to May 31, 2027); 32% in year four (June 1, 2027 to May 31, 2028); 10% in year five (June 1, 2028 to May 31, 2029); and 0% thereafter;	Accounts for \$6.1 M of the annualized \$71.9 M DC exemption cost estimate.

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Discretionary Exemption Type	Recommendation	Cost of Discretionary Exemption ^[1]
Reduced Rate for Industrial and Manufacturing Development	(e)(iv) A reduced rate discretionary exemption be provided for manufacturing (Employment North American Industry Classification System (N.A.I.C.S.) (code 31-33), as well as, for production and artists' studios at a 37% discount; (e)(v) A reduced rate discretionary exemption be provided for industrial development (other than manufacturing) at a 37% discount in Year 1 (June 1, 2024 to May 31, 2025) with a reduction in the exemption of 5% per year until completely phased out;	Accounts for \$9.7 M of the annualized \$71.9 M DC exemption cost estimate.
Detached Industrial 50% Expansion Exemption	(e)(vi) An industrial expansion (detached building) 50% expansion of existing gross floor area exemption be applied only to industrial businesses with primary economic activity identified as manufacturing (employment North American Industry Classification System (N.A.I.C.S.) code 31-33);	Accounts for \$454 K of the annualized \$71.9 M DC exemption cost estimate.
Farm Labour Residences	(e)(xii) A 100% discretionary Development Charge exemption for Farm Labour Residences	Accounts for \$150 K of the annualized \$71.9 M DC exemption cost estimate.

[1] The cost of each discretionary exemption has been estimated with the assumption that the statutory phase-in of DC rates will be removed from the DC Act, as proposed through Bill 185.

Table 2 illustrates the funding for DC Exemptions that has been approved and forecasted in the 2024 Tax and Rate Capital Budgets, as well as, an estimate of the cost of the staff recommended policy as outlined in Table 1. Adoption of the discretionary DC exemptions recommended by staff would result in a lower estimated cost than the amount considered in the 2024 Budget as a result of (1) the staff recommendation assuming removal of the phase-in through Bill 185 and (2) DC rates not increasing as significantly as expected in Staff Report FCS23064, “DC Exemptions Sustainable Funding Strategy”. The 2024 Budget relies on transfers from reserve and transfers from other funding sources to fund the cost of DC Exemptions. An overview of the financial implications of Bill 185, if enacted, and impacts on financing strategy included in the 2024 Tax and Rate Budgets will be included in the 2025 Budget Outlook Report.

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Table 2
Budget Considerations

	DC Exemption Tax Budget^[1]	DC Exemptions Rates Budget	Total
2024 Budget (1 year)	\$55.6 M (\$23.1 M levy, \$32.5 M Reserves and other sources)	\$37.7 M (\$20.2 M user rates, \$17.5 M Reserves and other)	\$93.3 M
2024 – 2033 Budget 10 year - annualized	\$61.5 M (\$54.2 M levy, \$7.3 M Reserves and other sources)	\$42.4 M (\$38.9 M user rates, \$3.5 M Reserves and other)	\$103.9 M
Staff recommendation 10 year – annualized	\$39.3 M	\$32.6 M	\$71.9 M
Staff recommendation if phase-in is not removed 10 year – annualized	\$47.0 M	\$39.0 M	\$86.0 M

[1] Amounts exclude previously approved funding dedicated towards eliminating the backlog of historically unfunded DC Exemptions

Section 2: Policy Option Alternatives

Section 2 of Appendix “B” to Report FCS23103(b) details various DC discretionary exemption scenarios that staff could be directed to adopt in lieu of the staff recommendations. Only one direction related to each exemption may be directed. For example, staff could be directed to implement scenario 1a. Staff could not be directed to implement scenarios 1a and 1b. Council may also choose to implement the staff recommendation and not to direct any of these alternatives.

1. Downtown Community Improvement Project Area (CIPA) Exemption for Residential Development

Historically, an exemption for residential development in the downtown CIPA has been provided. The 2019 DC By-Law included a phase-down of the exemption from 70% beginning in 2019 to 40% in 2021 onwards.

a. No Downtown CIPA Exemption for Residential Development

This option is consistent with the draft DC by-laws released for public consultation in December 2023. In this scenario, residential development in the Downtown CIPA would not receive a discretionary exemption in the 2024 DC By-law.

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Table 1a
Scenario 1a Cost Assessment versus Staff Recommendation (ANNUALIZED)

	Total Impact
No Downtown CIPA Exemption for Residential Development	\$6.1 M decrease in DC exemption cost estimate versus staff recommendation

b. Watson’s Revised Recommendation – 20/15/10/5/0

Through the DC public consultation process, Watson & Associates Economists Ltd. (Watson) updated their DC Exemption Analysis and presented a revised recommendation at the February 22, 2024 DC Public Meeting held at the City’s Audit, Finance and Administration Committee meeting.

Table 1b
Scenario 1b Cost Assessment versus Staff Recommendation (ANNUALIZED)

	Total Impact
Watson’s revised recommendation – 20/15/10/5/0	\$3.8 M decrease in DC exemption cost estimate versus staff recommendation

c. Maintain 40% Exemption

This option is consistent with the DC exemption that is currently provided to residential development withing the Downtown CIPA.

Table 1c
Scenario 1c Cost Assessment versus Staff Recommendation (ANNUALIZED)

	Total Impact
Maintain current 40% Exemption	\$10.7 M increase in DC exemption cost estimate versus staff recommendation

2. Industrial Rates

Historically, a partial exemption of DC rates for industrial developments has been provided.

a. No Exemption for Industrial (Including Manufacturing)

This option is consistent with the draft DC by-laws released for public consultation in December 2023. In this scenario, industrial development would not receive a discretionary exemption in the 2024 DC By-law.

Appendix “B” to Report FCS23103(b)

Table 2a**Scenario 2a Cost Assessment versus Staff Recommendation (ANNUALIZED)**

	Total Impact
No Exemption for Industrial (including Manufacturing)	\$9.7 M decrease in DC exemption cost estimate versus staff recommendation

b. Watson’s Revised Recommendation – Manufacturing

Through the DC public consultation process, Watson updated their DC Exemption Analysis and presented a revised recommendation at the February 22, 2024 DC Public Meeting held at the City’s Audit, Finance and Administration Committee Meeting. The revised recommendation was to provide a 37% exemption for manufacturing developments, but not for other industrial.

Table 2b**Scenario 2b Cost Assessment versus Staff Recommendation (ANNUALIZED)**

	Total Impact
Watson’s revised recommendation – Manufacturing	\$5.1 M decrease in DC exemption cost estimate versus staff recommendation

c. Maintain 37% Reduction for Industrial

In this scenario, the existing 37% reduction for all industrial development would be maintained.

Table 2c**Scenario 2c Cost Assessment versus Staff Recommendation (ANNUALIZED)**

	Total Impact
Maintain current 37% Reduction for all Industrial	\$5.1 M decrease in DC exemption cost estimate versus staff recommendation

3. Farm Labour Residences

In this scenario, an exemption for Farm Labour Residences would not be included in the 2024 DC By-law.

Table 3**Scenario 3 Cost Assessment versus Staff Recommendation (ANNUALIZED)**

	Total Impact
Farm Labour Residences	\$150 K decrease in DC exemption cost estimate versus staff recommendation

4. Non-Profit Child Care Centres

This scenario is prepared in response to a motion passed at the April 4, 2024 special meeting of the Audit, Finance and Administration Committee. In this scenario, the City would include an exemption in the 2024 DC By-law for non-profit Child Care Centres operating under the *Child Care and Early Years Act, 2014*.

Hamilton’s child care community-based space allocation under the Canada Wide Early Learning and Care system is 1,433 spaces. This growth is incremental and the 1,433 spaces expect to be open and operational by the end of 2026. The 1,433 spaces will be approved under a directed growth application process administered by the Children’s and Community Services Division and every ward across the City will benefit. It is estimated that approximately 575 of total new daycare spaces would be non-profit.

Table 4
Scenario 4 Cost Assessment versus Staff Recommendation (ANNUALIZED)

	Total Impact
Non-Profit Child Care Centers	\$213 K increase in DC exemption cost estimate versus staff recommendation

5. Full Rate / Exemption Policy Holds

These scenarios have been prepared in response to a motion passed at the April 4, 2024 special meeting of the Audit, Finance and Administration Committee.

Consistent with all other analysis for DC Exemption scenarios, these scenarios assume that the DC rate phase-in that is currently in the DC Act, will be reversed as proposed through Bill 185.

The motion requested that staff address the impact to the levy in the first year (identified in Tables 5a and 5b), as well as, the long-term financial economic uplift should either of these scenarios be adopted by Council.

The economic uplift of these rate and policy freezes can be considered in terms of development proceeding at a faster pace, employment as a result of development and the property tax assessment realized from growth.

Generally, growth will assist in achieving the City’s growth targets. If development proceeds at a faster pace than it otherwise would, due to lower DCs, then progress towards these targets may be front loaded. As well, construction of buildings will have an immediate impact on maintaining / creating construction-related jobs during development. Subsequently, if development proceeds faster than it otherwise would, the new buildings and population will give rise to maintaining / creating permanent jobs for various employment sectors (maintenance trade sector, retail trade, finance / insurance, food services, etc.).

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Alternatively, while new tax revenues will be generated from the new assessment associated with the development, the additional growth will also create the need for additional municipal services. From work undertaken by Watson over many years, residential growth generally creates more municipal expenditures than revenues.

In conclusion, it is challenging to quantify the long-term economic uplift as the long-term impact would be limited to development which proceed under a freeze of DC rates and policy which would otherwise not proceed. Developments which proceed at an earlier date than they otherwise would, could help achieve the City’s growth targets faster, bring employment faster and could assist with maintaining construction related employment through 2024 and 2025 while CMHC is forecasting development to decline. The DC rate and policy freeze would be considered an exemption and would be passed along to all tax and rate payers.

a. Maintain Current DC By-law Rates and Exemption Policy for One Year

In this scenario, the City would continue to charge the current DC By-law rates (plus annual indexing) for the first year of the 2024 DC By-law. This would be accomplished via a discretionary exemption applied to all rates in the first year. The City would charge the lesser of the current DC By-law rates and the 2024 calculated DC rates as the City cannot charge more than the calculated DC rate.

This scenario would also maintain the following current DC By-law discretionary exemptions for the first year of the by-law:

- 40% exemption on Residential Development in the Downtown CIPA
- 37% exemption on all Industrial Development
- 50% detached Industrial Expansion exemption

After the first year, it is assumed that the 2024 calculated DC rates and the staff recommended discretionary exemption policies will commence.

Table 5a
Scenario 5a Cost Assessment versus Staff Recommendation

	Additional Cost in Year One	Additional Cost over 10 years	Additional Cost Annualized
Maintaining current DC Rate for One year	\$17.6 M	\$17.6 M	\$1.8 M
Downtown CIPA Residential Impact	(\$3.8 M) ^[1]	\$14.9 M	\$1.5 M
Industrial Impact	(\$4.5 M) ^[1]	\$8.2 M	\$816 K
Total	\$9.3 M	\$40.6 M	\$4.1 M

[1] The impact is negative (i.e., less than the staff recommendation) in the first year because the DC rate would be held at a lower rate and the exemption would be the same %.

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b. Maintain Current DC By-law Exemption Policy for One Year

This scenario would move to the 2024 calculated DC rates but maintain the following current DC By-law discretionary exemptions for the first year of the by-law:

- 40% exemption on Residential Development in the Downtown CIPA
- 37% exemption on Industrial Development
- 50% detached Industrial Expansion exemption

After the first year, it is assumed that the staff recommended discretionary exemption policies will commence.

Table 5b
Scenario 5b Cost Assessment versus Staff Recommendation

	Additional Cost in Year 1	Additional Cost over 10 years	Additional Cost Annualized
Downtown CIPA Residential Impact	\$0 M	\$18.7 M	\$1.87 M
Industrial Impact	\$0 M	\$12.6 M	\$1.26 M
Total	\$0 M	\$31.3 M	\$3.1 M

Note that there is no cost difference in year one because staff’s recommendation maintains the existing discretionary exemption policy for the first year of the by-law.



Hamilton

Comprehensive Development Guidelines and Financial Policies Manual 2019



Comprehensive Development Guidelines and Financial Policies Manual

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L FINANCIAL POLICIES

L1. Cost Sharing for Over-sizing of Infrastructures

The term 'over-sizing' in the context of this policy refers to sewers, watermains and road works whose size has been increased (over-sized) to service multiple upstream or downstream lands and therefore the size is no longer local to the development in which the works are constructed. The term 'over-sizing', the over-sizing limits and over-sizing rates within this policy do not apply to municipal capital improvement projects within the City's Development Charge Background Study.

Contribution by the City towards the cost of over-sized services constructed under Subdivision Agreements within this policy is funded from revenues collected by the City through its Development Charge. Payment by the City for over-sizing shall be determined based on the over-sizing rates within the cost estimate schedules approved by the City for the constructed works. Temporary works are not eligible for over-sizing contribution by the City.

L1.1. Sanitary Sewers, Storm Sewers and Watermains

Residential Development

A Proponent is required to pay the full cost for construction of storm and sanitary sewers, maintenance holes and watermains in residential developments up to and including the following sizes:

SANITARY SEWER	450mm Ø
STORM SEWER	1200mm Ø
WATERMAIN	300mm Ø

For pipes the sizes listed above, the Proponent shall pay the local component of the service cost and the City shall pay the over-size component on a "Flat Rate" basis in accordance with the City's table of rates for over-sized works constructed under Subdivision Agreements, plus applicable overhead fees and HST.

Stipulation

The City's contribution for storm sewer over-sizing shall be applied only to storm sewer systems that provide for drainage and conveyance of runoff arising from storm event designs having a five (5) year return period (minor system). Storm sewers conveying 100 year storm event designs (major system) are not eligible for cost contribution by the City.

Where a Proponent proposes a storm sewer system based on a five (5) year return period (minor system) incorporating large diameter pipes at a shallow depth and grade, where smaller diameter pipes can be utilized at lower depth and steeper grades, then the sewer is not considered over-sized by definition under this policy and therefore is not eligible for cost contribution by the City.

Non-Residential Development

In non-residential development a Proponent is required to pay the full cost for installation of sanitary sewers, maintenance holes and watermains up to and including the following sizes:

SANITARY SEWER	450mm Ø
WATERMAIN	300mm Ø

Note

Over-sizing rates shall be adjusted annually by the City at the time of adjustment of the City's Development Charge By-law using the Non-residential Building Construction Price Index for Toronto.

L12 Roadworks

Residential Development

A Proponent is required to pay the full cost for installation of an 8.0 metre wide (local) residential roadway and minimum 1.50 metre wide concrete sidewalk.

The City of Hamilton shall pay for:

1. The portion of a residential road beyond 8.0 metres in width.

Exceptions

- Where an existing local residential road is wider than 8.0 metre and must be extended by development, the Proponent shall pay the full cost for the road extension due to its local road classification; and,
 - Where a turning circle is constructed at the intersection of two local roads, there shall be no cost sharing by the City for any portion of the turning circle or land due to the local road classification;
2. The portion of base course asphalt which is beyond 80mm in depth and/or Granular "A" base beyond 150mm in depth, and/or Granular "B" base beyond 300mm in depth;
 3. Lay-bys within or abutting residential subdivision plans, provided the lay-by is mandated by the City for the purpose of servicing a public or community facility. This does not include lay-bys required for private multiple residential sites;
 4. The portion of the cost for roundabouts constructed on collector roads, which is over and above the cost of a turning circle for local and collector roads; and,
 5. The full cost of splitter islands required for roundabouts, where the City has paid a portion of the round-about cost.

Non-Residential Development

A Proponent is required to pay the full cost for installation of up to an eleven (11) metre wide non-residential road. The City of Hamilton shall contribute towards the portion of non-residential roads, which is determined to be beyond a local width and/or depth of base course asphalt and/or granular bases.

Notes

Where widening of a road surface is necessary to accommodate traffic requirements specific to a development site, there shall be no contribution by the City toward the additional road cost as the widening is local to the development site only.

For both residential and non-residential roads:

- Contribution by the City toward the cost of newly constructed over-sized roads shall be on a "Flat Rate" basis in accordance with the rates shown in the table of rates for over-sized works constructed under Subdivision Agreements;
- The City shall not contribute toward the cost of extra depth asphalt or granular bases required to compensate for sub-soil conditions and/or method of construction; and,
- Contribution by the City toward the cost of upgrading existing roads shall be in accordance with the City's Development Charges Background study and Local Service Policy

L2 Cost Sharing for Street Frontage

In this policy, aboveground works refers to and includes all of the following:

- Base and surface course asphalt pavement on a granular base;
- Concrete curb and gutter, including sub-drain;
- Sidewalk;
- Catch basins and connections;
- Street lighting; and,
- Utility trenching.

Underground works refers to and includes all of the following:

- Storm and sanitary sewers, including maintenance holes;
- Storm and sanitary private drain connections;
- Watermains, valves and chambers; and,
- Water service connections and hydrants.

L21. New Roads Servicing Rate

The New Roads Servicing Rate is a flat rate representing the average cost of local roads constructed under residential Subdivision Agreements and includes all applicable overheads.

All cost sharing for street frontage by the City for the local component of aboveground works shall be based on the New Roads Servicing Rate. The length of street property frontage and/or flankage, which abut the works, shall be multiplied by the New Roads Servicing Rate and the sum shall be the contribution to be paid by the City as cost sharing for above ground works. This rate shall be adjusted annually by the City at the time of adjustment to the City's Development Charge.

In the case of a cost recovery, where a property owner can demonstrate to the satisfaction of the Senior Director of Growth Management that payment has been previously made to the City for existing road works or part thereof, the New Roads Servicing Rate shall be adjusted accordingly.

L22 City Lands

The City shall contribute toward the cost of aboveground and underground works adjacent to the street property frontage of City land:

- i) That has been or will be transferred to the City to satisfy the requirement for parkland dedication under the *Planning Act*. The City's share of servicing cost for aboveground and underground works shall be paid at the time construction of above and underground works is accepted as complete by the City.

Stipulation

Where a Proponent has initiated a neighbourhood and/or draft plan amendment which results in an increase in park street property frontage, the City's contribution toward above and underground works shall be based on the length of park street property frontage before the amendment;

- ii) That has been or will be transferred to the City for storm water management ponds, for the portion of street pond frontage beyond the first 8.0 metres in length, where the City has mandated storm pond land with street property frontage.

Stipulation

Where open space lands have been incorporated into the lands of a storm water management pond, the City will not contribute to the underground or aboveground works abutting the street property frontage of the open space portion of the storm pond lands;

- iii) Which is vacant and can be developed through a *Planning Act* application. In this particular case, the Proponent shall pay the initial upfront servicing cost adjacent to the vacant City land and this cost shall be identified under a 'Cost Recovery' schedule of the City's Subdivision Agreement for the front-ending

Proponent. Payment for the works which relate to the City land shall be made at the time of final release of a development or subdivision application on the vacant land or, in the case of underground works, when an application is made for a service connection to the underground works; and,

- iv) That is currently used for the operation of the City such as fire halls, public works yards, arenas or community centres. The City's share of underground works shall be paid at the time when an application is made for a service connection to the underground works. The Proponent shall pay the initial upfront servicing cost adjacent to the City land and this cost shall be identified under a 'Cost Recovery' schedule of the City's Subdivision Agreement for the front-ending Proponent.

Stipulation

There shall be no contribution by the City toward the cost of aboveground works as the City facility is considered existing development benefiting from previous road access.

Note

The City's contribution towards the cost of underground works shall be calculated by taking the street property frontage of City land as a percent of the total street property frontage abutting the limits of the underground works for the street abutting the City land and applying that percentage to the total cost of the underground works, including all applicable overhead.

Contribution toward the cost of aboveground works by the City on new roads within development plans shall be based on the New Roads Servicing Rate multiplied by the street property frontage of the City land.

L23. Fencing Adjacent to City Lands

Where a development abuts City land or land to be transferred to the City as a condition of development approval and a Proponent is required to install a fence to separate the developed lands from City lands, the Proponent shall pay the full cost of the fence installation. For lands transferred to the City to fulfil the requirement for parkland dedication under the *Planning Act*, the cost to install a fence separating parkland from development land shall be shared equally between a Proponent and the City based on the cost to install a 1.50 metre high chain link fence.

Delete L.2.4 as written:

~~L24. Value of Land for Road Allowances~~

~~Where a Proponent is required to dedicate more than thirteen (13) metres of land to establish a new road allowance width, measured from the centerline of the road allowance to one side to its ultimate width, the City shall compensate the Proponent~~

~~for the value of dedicated land beyond 13 metres in width on that side of the road allowance, for the length of the conveyance.~~

~~Daylight triangles and daylight radius curves are not included in the calculation to determine over-dedication of land to establish or widen road allowance.~~

~~Land value shall be determined by the City's Real Estate Section and shall be funded from the Development Charge Reserve.~~

And replace with:

L.2.4. Value of Land for Road Allowances

Where a Proponent is required to dedicate more than thirteen (13) metres of land to establish a new road allowance width for a residential road, and more than 16m for a non-residential road, measured from the centerline of the road allowance to one side to its ultimate width, the City shall compensate the Proponent for the value of dedicated land beyond 13 metres in width on that side of the road allowance for a residential road, and 16m for a non-residential road, respectively, for the length of the conveyance. For clarity, non-residential roads include those roads that are meant to carry mixed traffic and not solely residential traffic.

Daylight triangles and daylight radius curves are not included in the calculation to determine over-dedication of land to establish or widen road allowance.

Land value shall be determined by the City's Real Estate Section and shall be funded from the Development Charge Reserve.

....Revision complete

L25. Storm Water Management Facilities

- Contribution by the City toward the cost of storm water management facilities will be limited to the 'growth related' component of the capital project cost as outlined in the Development Charges Background Study which includes construction, land and applicable overhead.
- Piping and headwalls for the conveyance system to a storm water management facility are not included in the 'growth related' component of the capital project cost and shall be constructed at the expense of the Proponent unless otherwise stipulated by the City's storm water master plan, master drainage plan or watershed/sub-watershed study and development charge background study.
- Storm water management facilities and on-site open watercourse improvements for non-residential development shall be constructed at the expense of the Proponent unless otherwise stipulated by the City's storm

water master plan, master drainage plan or watershed/sub-watershed study and development charge background study.

L26. Availability and Timing of Funding by the City

- Timing of payment for the City's share of servicing costs in any year for works constructed under is subject to availability of funding in the capital budget as approved by the City for that year. [Appendix K - Protocol for City Share](#) further outlines the Protocol for Repayment of City Share.
- Any Proponent requesting allocation of funding for the City's share of servicing costs under Development Applications shall do so, in writing to the City's Senior Director of Growth Management, prior to August 1st of previous calendar year. Such requests can apply to completed works or imminently proposed works.
- Any development requiring the City's share of works to be paid beyond the approved Capital Budget amount for that year shall require the approval of City Council. The Senior Director of Growth Management Division may authorize funding to be paid during the year for completed eligible projects not initially allocated funding during the Capital Budget process, subject to the availability of reserved monies funded that year.
- Where the total City's share of servicing cost, before overhead, under the Schedule of Works approved by the City is greater than fifty thousand dollars (\$ 50,000) a public tender process must be carried out by the Proponent to award the contract.

Note

- For all works constructed under development applications where a Proponent increases the size and/or length or alters the routing and/or configuration of works in their own interest, then contribution by the City toward the cost of such works, if applicable, shall apply to only the portion of works required by the City's policies, design criteria standards and specifications.

L3. Cost Recovery Policies

L3.1. Cost Recovery in favour of Proponent

A Proponent is required to pay the initial up-front cost, less City contribution, of all works required to service land to be developed, including the cost of works which may be required through or adjacent to lands of others, except City owned land as described under this policy.

For further clarity, the Proponent is required to install services at their cost up to the limit of the property.

Works Identified for Cost Recovery

A front-ending Proponent's consulting Engineer shall calculate the estimated cost of works which will benefit the lands of others, identify the benefiting lands and the portion of the cost attributable to the benefiting lands. This information shall be included in the City's 'Cost Recovery' schedule for the purpose of recording future cost recovery obligations of the City in favour of a front-ending Proponent against the benefiting lands.

Temporary works are not eligible for inclusion under the City's 'Cost Recovery' obligation and are described as works which will be removed at the time when the benefiting lands or surrounding lands develop or when the ultimate plan is implemented such as the urbanization of a road. In addition, the City reserves the right to disallow any works from inclusion in the City's 'Cost Recovery' schedule which, in the opinion of the City using reasonable judgment, do not benefit the abutting or surrounding lands.

Where a benefiting land owner is required to resurface or reconstruct a road or remove and replace services identified for recovery under the City's 'Cost Recovery' obligation as a result of development of the benefiting lands, then the cost of the removed item shall be excluded from the City's cost recovery calculation against the benefiting lands.

Determination of Cost Recovery Rates

Upon completion of works identified in the City's 'Cost Recovery' schedule, the front-ending Proponent's consulting Engineer shall provide the City with a certified progress payment certificate detailing the actual cost of the completed works. The City shall use the costs within the payment certificate to calculate the total cost of the constructed works, less any City share of the construction cost, and determine a rate to be applied to the benefiting lands.

Where the actual cost of the works exceeds the estimated cost as approved by the City, by more than ten percent (10%) then, the rate to be applied to the benefiting lands for the purpose of cost recovery shall be based on the approved estimated cost, plus ten percent (10%).

A copy of the City's calculations shall be provided to the front-ending Proponent's consulting Engineer for review. Upon Agreement by the consulting Engineer and City to the actual costs and recovery rate for the works, the rate for the 'Cost Recovery' shall

be set by the City and applied to the frontage and/or flankage of the benefiting lands. The cost of individual sewer and water service connections shall be based on the actual cost of each connection.

In the instance where development of a benefiting property takes place prior to completion of the works, then the cost calculation to determine a recovery rate shall be based on the unit cost of the incomplete item within the signed tender document for the works.

Cost Recovery for New Development

Where the City receives an application under the Planning Act to subdivide or develop land, which has been identified in the City's 'Cost Recovery' schedule of an existing Subdivision/External Works Agreement as benefiting from previously constructed works, the City shall impose a condition requiring the benefiting land owner to pay their proportionate share of the servicing cost for the works, prior to final release of the Planning Act application.

New development refers to land, or the portion of land, that when subdivided is vacant. Cost recoveries for new development shall apply to the vacant portion of subdivided land only.

Cost Recovery for Existing Development

Where a Proponent is required to construct sewers and/or watermains within roads or easements that are adjacent to existing development, the City will pass a Fees and Charges By-law in accordance with the provisions under the Municipal Act, for the purpose of assessing and charging existing property owners for their share of the cost of services to an existing dwelling or building in fulfillment of its 'Cost Recovery' obligation to a front-ending Proponent. The City will recover the assessed cost, prior to issuance of a sewer and/or water service permit to connect an existing building or dwelling to the sewer and/or watermain.

There shall be no cost recovery imposed on existing development for enhancements to or urbanization of existing roads carried out by Proponents as these lands have already derived benefit of road access prior to the road improvement.

Existing development refers to land, or the portion of land as determined by the City, exercising reasonable judgment, where a building or dwelling exists prior to construction of municipal works by a front-ending Proponent which services the existing dwelling or building.

All monies collected by the City from existing and new development in fulfillment of its 'Cost Recovery' obligation under the Subdivision/External Works Agreement shall be forwarded to the Proponent named in the Agreement for the works to which the cost recoveries relate.

Exceptions Include:

- Where an existing dwelling or building is located within a lot or block of a plan of subdivision, then for the purposes of cost recoveries, the frontage/flankage of the lot or block upon which the existing dwelling or building is located shall be included in all cost recovery calculations by the City;
- Where an application to develop or subdivide land requires or results in the demolition of an existing building/dwelling then, for the purposes of cost recoveries, the whole of the land subject to the development application shall be considered vacant and referred to as new development;
- The City reserves the option to limit recovery costs for mainline sewers and watermains abutting existing houses or buildings to the equivalent of a minimum sized pipe;
- Where the lands of an existing house have the potential to be subdivided in the future and where a connection to sewers or a watermain is made to the house only, the City reserves the option to apply a flat rate recovery charge for the existing house based on the total recovery amount owed against the lands divided by the potential number of lots that could be created by subdivision of the lands. The flat rate charge shall be paid to the City prior to issuance of a sewer and/or water service permit. The balance of the outstanding cost shall be recovered by the City as a condition of a Planning Act application to subdivide the lands;
- Recovery costs for sewers and watermains identified as municipal capital improvement projects funded partly or wholly by Development Charges abutting existing dwellings or buildings shall be limited to the lesser of either the actual non-growth related portion of the project cost or the sewer/watermain extension flat fee under the City's Tariff of Planning and Growth Management Fees By-law; and,
- There shall be no recovery by the City for the cost of storm sewers installed as part of urbanization of an existing rural road which results in removal of the abutting property's overland storm outlet (ditch).

Limit of 'Cost Recovery' Obligation

The City's obligation to recover servicing costs under the 'Cost Recovery' provision of its Subdivision/External Works Agreements shall be limited to no more than ten (10) years from the date of registration of the subdivision plan which relates to the 'Cost Recovery' works, or in the case of site plan and consent applications, ten (10) years from the date of final release of the application.

L32 Cost Recoveries in favour of the City**Aboveground Works**

Where the City has previously paid for construction of aboveground works along 0.30 metre reserves under previous Subdivision Agreements, the City shall recover the cost, less the portion identified as over-sizing, from an abutting landowner prior to removal of the reserve. The City shall multiply the 'New Roads Servicing Rate' in effect at the time of payment by the length of the property frontage/flankage of the lands abutting the 0.30

metre reserve. The sum shall be collected by the City as a recovery for the aboveground works.

Underground Works

In the past where the City has previously paid for construction of underground works (sewers and/or watermains) along 0.30 metre reserves under previous Subdivision Agreements, the City shall recover the cost from an abutting land owner prior to removal of the reserve. The cost to be recovered shall be determined based on the as-constructed cost of the works, less the portion of the cost identified as over-sizing, plus applicable overhead. The as-constructed cost shall be divided by the total frontage of the lands abutting the limits of the underground works in order to determine a recovery rate to be applied to the abutting lands. Cost recoveries along 0.30 metre reserves shall be determined by multiplying the recovery rate of the works by the property frontage/flankage of the lands abutting the reserve and the sum shall be adjusted by the Canada Construction Cost Index (Ontario Series) from the month when the works were accepted by the City as complete to the month when a recovery is made by the City.

L33. Cost Recovery on Corner Lots with Daylight Triangle/Radius

Where a corner lot has a daylight triangle or daylight radius thereby reducing the overall length of street property frontage of the lot, then for the purposes of cost recoveries, the length of the frontage and flankage shall be based on the full width (frontage) or depth (flankage) of the lot as if the daylight triangle or daylight radius did not exist.

Municipal Infrastructure

Where it is known that land under a development application is adjacent to works that will be constructed in the future by the City or other Proponents, the City shall collect a security deposit under its Subdivision or Consent Agreement, as the case may be, to secure payment of the Proponent's share of future aboveground and underground works. Security for future aboveground works shall be based on the New Roads Servicing Rate applied to the frontage and/or flankage of the Proponent's lands adjacent to the future works. Security for underground works shall be estimated based on the pipe size of the future underground services.

Following construction of the future works, the City shall invoice the Proponent for the Proponent's share of the actual cost of the works. Upon receipt of payment from the Proponent the City shall release the Proponent's security deposit held under the Subdivision or Consent Agreement.

Street Tree Planting

Where land is subdivided to create single, semi-detached or street town house development, the City shall collect a cash payment from the Proponent for street treeplanting to be carried out by the City at a rate of one tree for the front yard of each lot and unit created and two additional trees along the side yard of each corner lot. The cash payment shall be collected by the City prior to registration of a subdivision plan or prior to execution of a consent agreement by the city.

L34. Payment for Future Urbanization of Existing Rural Roads

Where land is subdivided, adjacent to an existing road of rural cross section which is located within the Urban Area Boundary as defined by the City's Official Plan, the City shall collect a cash payment representing the Proponent's contribution toward the cost to urbanize existing rural roads including local size storm sewer. The requirement to pay toward future road urbanization shall be imposed by the City as a condition of an application to subdivide land. Payment shall be determined by multiplying the New Roads Servicing Rate in effect at the time of payment by the property frontage of the subdivided land which represents new development as defined under this policy and the sum shall be collected by the City prior to final release of the Planning Act application. Development fee tables can be obtained from Planning and Economic Development Department, Growth Management Division.



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

Audit, Finance & Administration Committee Meeting
May 2, 2024



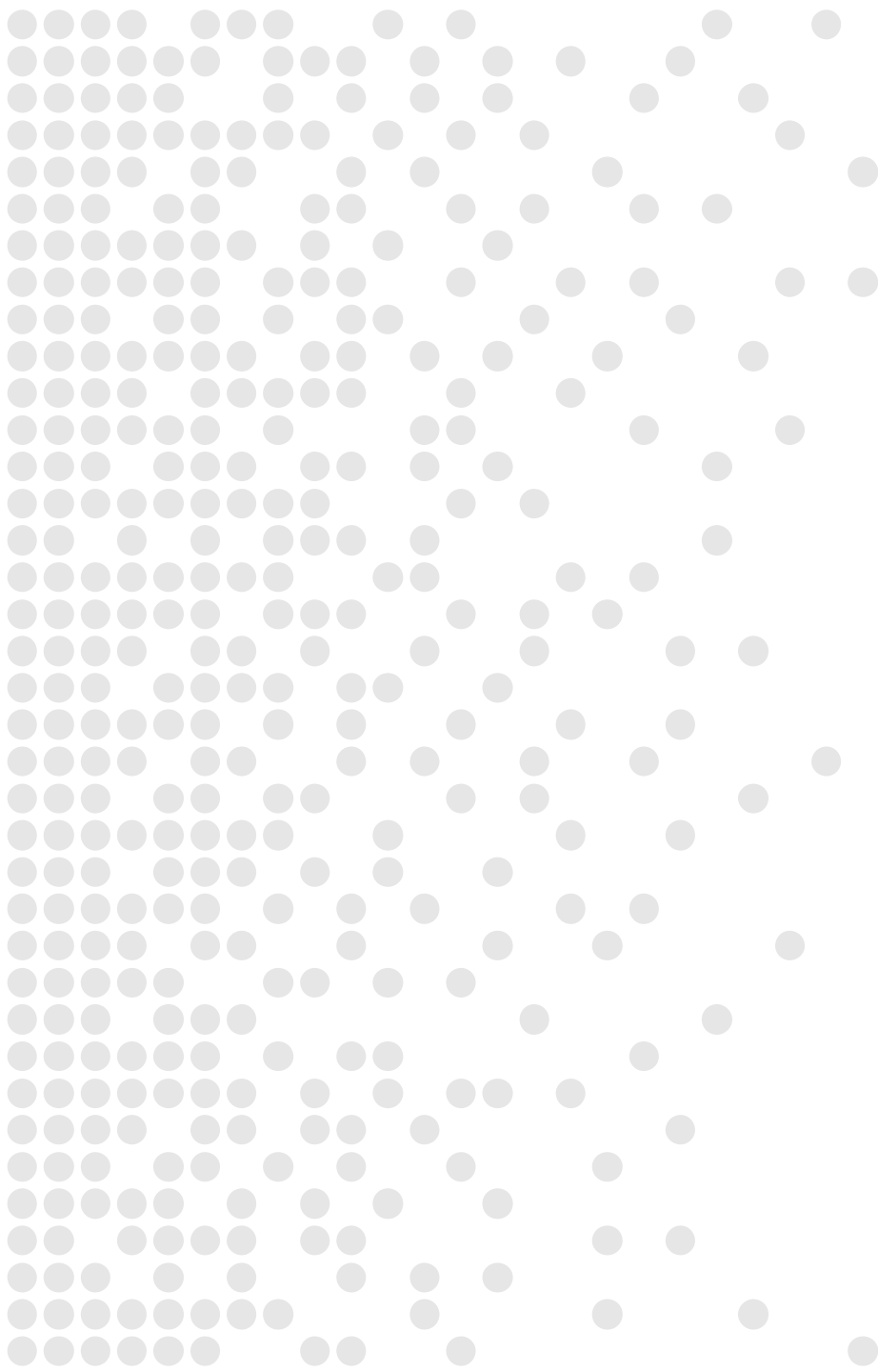
Agenda

- Study Process
- Development Charges Overview
- Development Charges Exemptions
- Summary of Changes – Addendum #1
- Revised Rates
- Questions from Council



Study Process and Timelines

- 1 September 2022 to November 2023**
Data collection, staff review, D.C. calculations and policy work
- 2 April 13, September 18, and November 9, 2023**
Development Charges Stakeholders Sub-Committee Meeting
- 3 December 21, 2023**
Release of Background Study and draft by-laws
- 4 January 23/24, 2024**
Public open house sessions
- 5 February 22, 2024**
Public Meeting at Audit, Finance & Administration Committee
- 6 March 28, 2024**
Release of Addendum Report
- 7 May 2, 2024**
Audit, Finance & Administration Committee considers passage of by-law
- 8 June 1, 2024**
New D.C. By-law in Effect
- 9 June 12, 2024**
Expiry of Existing D.C. By-law (note: existing by-law will be repealed at the time the new by-law comes into effect)

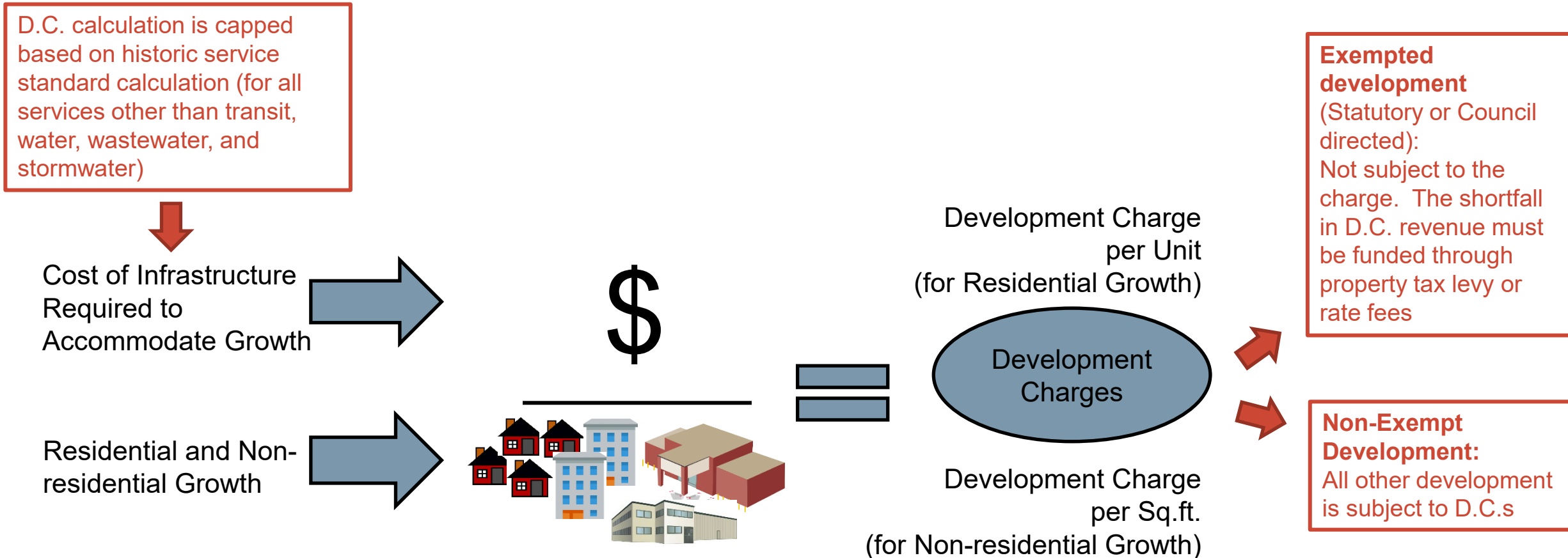


Development Charges Overview

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

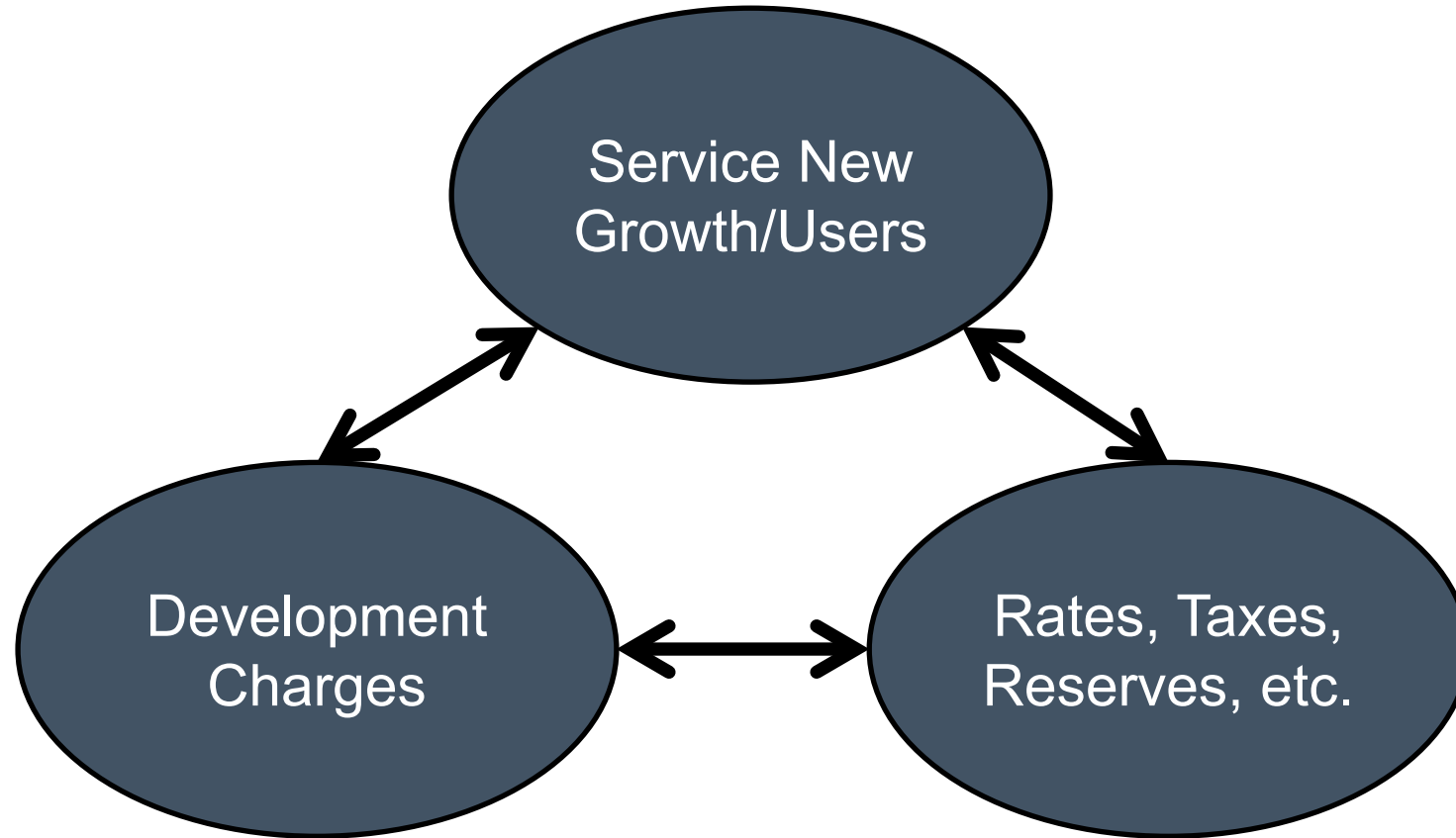


Overview of the D.C. Calculation





Relationship Between Needs to Service Growth vs. Funding





Changes to the D.C.A.

Bill 185: *Cutting Red Tape to Build More Homes Act, 2024*

- Bill 185 was released on April 10, 2024, and proposes the following changes:
 - Removal of the mandatory phase-in of charges
 - Re-inclusion of studies as an eligible capital cost (not included currently)
 - D.C. rate freeze for site plan/zoning by-law amendment applications: reduction from two years to 18 months
 - Introducing process for minor amendments to D.C. by-laws
 - Modernizing public notice requirements (does not impact the City)
- Note: Once Bill 185 receives Royal Assent, it is expected that the City will undertake a minor amendment to the by-law to add studies as a charge
- Implementation of Affordable Residential Unit exemption (June 1, 2024)



Development Charges Exemptions

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



Mandatory D.C. Exemptions/Discounts

- Upper/Lower Tier Governments and School Boards;
- Industrial building expansions (may expand by 50% with no D.C.);
- Development of lands intended for use by a university that receives operating funds from the Government (as per Bill 213);
- Discount for Rental units based on bedroom size;
- May add up to 2 apartments in an existing or new detached, semi-detached, or rowhouse (including in an ancillary structure);
- Add one additional unit or 1% of existing units in an existing rental residential building;
- Affordable inclusionary zoning units
- Non-profit Rental Housing;
- Phase-in of D.C.s;
- Affordable units (Expected to be in force June 1, 2024); and
- Attainable units (to be in force at a later date).

**Amended as per Bill 23*

**Expected to be removed as per Bill 185*



Exemption Analysis

- Watson undertook a discretionary exemptions review
- Feedback was received on initial exemption recommendations related to industrial and downtown CIPA exemptions
- Revised final recommendations from Watson and staff are provided on the following slides
- These exemptions/discounts can be achieved either through an exemption provided in the by-law or through an equivalent grant through a CIP program
- Note: staff's exemption recommendations and analysis related to Councillor Hwang's motion can be found in staff report FCS23103(b)



Recommended Exemption Policies (Watson)

Exemption Provided	Current Policy	Recommended Policy
Heritage Building	Adaptive reuse of Protected Heritage Property – fully exempt	No change
Redevelopment for Residential Facility	50% discount for redevelopment creating residential facilities within existing building envelope	No change
Stepped Non-Industrial Rates	Non-industrial development (excluding medical clinics) within a CIPA or BIA: <ul style="list-style-type: none"> • 1st 5,000 sq.ft.: 50% of charge • 2nd 5,000 sq.ft.: 75% of charge • 10,000+ sq.ft.: 100% of charge 	No change
Non-Industrial Expansion	first 5,000 sq.ft. expansion of office (excluding medical clinic) – fully exempt	No change
Place of Worship	Must be exempt from property tax – fully exempt	No change
Transition Policy	Prior D.C. rates apply if building permit is issued within 6 months of rate increase	No change



Final Staff Recommended Exemption Policies

Exemption Provided	Current Policy	Watson Recommended Policy	Staff Recommended Policy
Downtown CIPA – Non-Residential	70% discount for office development 40% for all other non-residential	No change	No change
Downtown CIPA – Residential	40% discount	20% discount in year 1. Reduce by 5% every year until phased out	40% discount in year 1, 35% year 2, 30% year 3, then reduce by 10% every year until phased out
Industrial Reduced Rate*	~37% discount for all industrial development	37% discount to apply to manufacturing development and Production and Artists Studios only	37% discount to apply to manufacturing development and Production and Artists Studios All other industrial – 37% discount in year 1. Reduce by 5% every year until phased out
Industrial Building Expansion (Detached)	Industrial building on same lot as an existing building – fully exempt up to 50% of existing gross floor area	Exemption to apply to manufacturing development only	Exemption to apply to manufacturing development only
Farm Labour Residence	No exemption	Fully exempt	Fully exempt

*Industrial reduced rate based on imposing rates for the following services: 100% of wastewater charge, 100% of stormwater charge, and reduced roads charge



Mandatory and Discretionary Exemptions Example – Pre Bill 185

2 Bedroom Apartment Unit Outside Downtown CIPA (within Combined Sewer System Area)

	Current D.C.	Proposed D.C.		
		Year 1	Year 3	Year 5
D.C. Rate	\$34,042	\$43,833	\$43,833	\$43,833
Less: D.C. Phase-in (Mandatory)	\$0	-\$8,767	-\$4,383	\$0
Net D.C. Payable for an Owned Unit	\$34,042	\$35,066	\$39,450	\$43,833
Less: Rental Unit Discount (Mandatory)	\$0	-\$7,013	-\$7,890	-\$8,767
Net D.C. Payable for a Rental Unit	\$34,042	\$28,053	\$31,560	\$35,066



Note: additional exemptions may apply if unit meets definition of affordable/attainable



Mandatory and Discretionary Exemptions Example – Post Bill 185

2 Bedroom Apartment Unit Outside Downtown CIPA (within Combined Sewer System Area)

	Current D.C.	Proposed D.C.		
		Year 1	Year 3	Year 5
Net D.C. Payable for a Rental Unit Pre Bill 185	\$34,042	\$28,053	\$31,560	\$35,066
Net D.C. Payable for a Rental Unit Post Bill 185		\$35,066	\$35,066	\$35,066

- Based on Bill 185, the phase-in would be removed, therefore the mandatory rental discount would increase



Note: additional exemptions may apply if unit meets definition of affordable/attainable



Mandatory and Discretionary Exemptions Example – pre Bill 185

2 Bedroom Apartment Unit Within Downtown CIPA (Combined Sewer System Area)

	Current D.C.	Proposed D.C.		
		Year 1	Year 3	Year 5
D.C. Rate	\$34,042	\$43,833	\$43,833	\$43,833
Less: D.C. Phase-in (Mandatory)	\$0	-\$8,767	-\$4,383	\$0
Net D.C.	\$34,042	\$35,066	\$39,450	\$43,833
Less: Rental Unit Discount (Mandatory)	\$0	-\$7,013	-\$7,890	-\$8,767
Net D.C.	\$34,042	\$28,053	\$31,560	\$35,066
Less: Downtown CIPA Discount (Discretionary)*	-\$13,617	-\$11,221	-\$9,468	\$3,507
Net D.C.	\$20,425	\$16,832	\$22,092	\$31,560



Note: additional exemptions may apply if unit meets definition of affordable/attainable.

*Based on staff recommended exemption policy

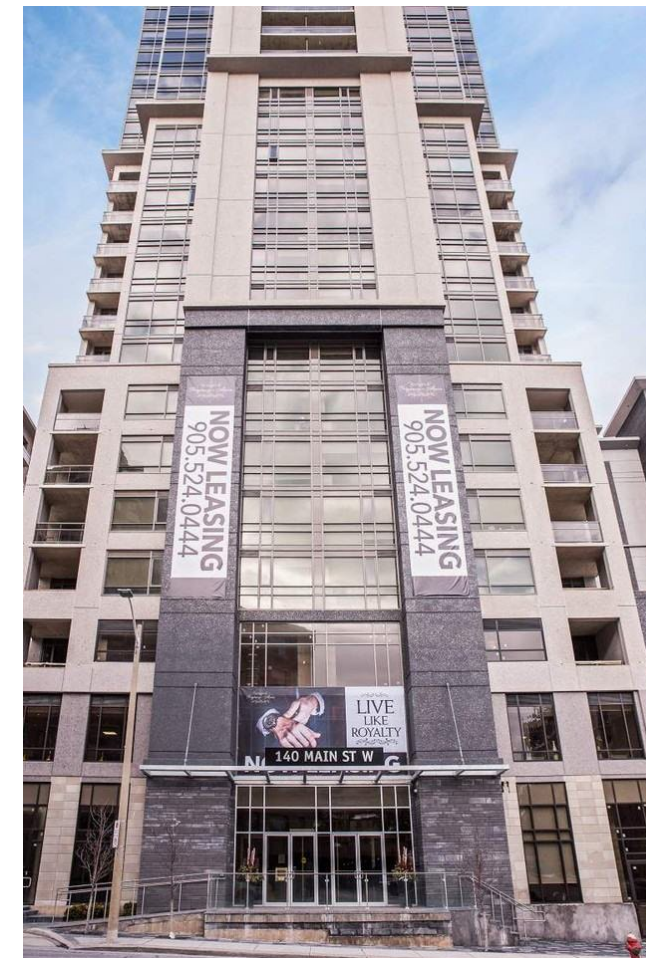


Mandatory and Discretionary Exemptions Example – Post Bill 185

2 Bedroom Apartment Unit Within Downtown CIPA (Combined Sewer System Area)

	Current D.C.	Proposed D.C.		
		Year 1	Year 3	Year 5
Net D.C. Payable for a Rental Unit Pre Bill 185	\$20,425	\$16,832	\$22,092	\$31,560
Net D.C. Payable for a Rental Unit Post Bill 185		\$21,040	\$24,546	\$31,560

- Based on Bill 185, the phase-in would be removed, therefore the mandatory rental discount would increase
- Downtown CIPA discount: 40% discount in year 1, 35% year 2, 30% year 3, then reduce by 10% every year until phased out



Note: additional exemptions may apply if unit meets definition of affordable/attainable



Mandatory and Discretionary Exemptions Example – pre Bill 185

Industrial Development (non-manufacturing) (within Separated Sewer System Area)

	Current D.C. (per sq.ft.)	Proposed D.C. (per sq.ft.)		
		Year 1	Year 3	Year 5
D.C. Rate	\$28.01	\$38.06	\$38.06	\$38.06
Less: D.C. Phase-in (Mandatory)	\$0	-\$7.61	-\$3.81	\$0
Net D.C.	\$28.01	\$30.45	\$34.25	\$38.06
Less: Industrial Reduced Rate (Discretionary)*	-\$11.31	-\$11.27	-\$9.25	-\$6.47
Net D.C. Payable	\$16.70	\$19.18	\$25.01	\$31.59



*Based on staff recommended exemption policy



Mandatory and Discretionary Exemptions Example – post Bill 185

Industrial Development (non-manufacturing) (within Separated Sewer System Area)

	Current D.C.	Proposed D.C. (per sq.ft.)		
		Year 1	Year 3	Year 5
Net D.C. Payable Pre Bill 185	\$16.70	\$19.81	\$25.01	\$31.59
Net D.C. Payable Post Bill 185		\$23.98	\$27.78	\$31.59



- Phase-in no longer applied
- 37% discount reduced by 5% every year until phased out



Mandatory and Discretionary Exemptions Example – pre Bill 185

Industrial Development (manufacturing) (within Separated Sewer System Area)

	Current D.C. (per sq.ft.)	Proposed D.C. (per sq.ft.)		
		Year 1	Year 3	Year 5
D.C. Rate	\$28.01	\$38.06	\$38.06	\$38.06
Less: D.C. Phase-in (Mandatory)	\$0	-\$7.61	-\$3.81	\$0
Net D.C.	\$28.01	\$30.45	\$34.25	\$38.06
Less: Industrial Reduced Rate (Discretionary)*	-\$11.31	-\$11.27	-\$12.67	-\$14.08
Net D.C. Payable	\$16.70	\$19.18	\$21.58	\$23.98



*Based on staff recommended exemption policy



Mandatory and Discretionary Exemptions Example – post Bill 185

Industrial Development (manufacturing) (within Separated Sewer System Area)

	Current D.C.	Proposed D.C. (per sq.ft.)		
		Year 1	Year 3	Year 5
Net D.C. Payable Pre Bill 185	\$16.70	\$19.18	\$21.58	\$23.98
Net D.C. Payable Post Bill 185		\$23.98	\$23.98	\$23.98



- Phase-in no longer applied
- 37% industrial discount applied in all years



Summary of Changes – Addendum Report

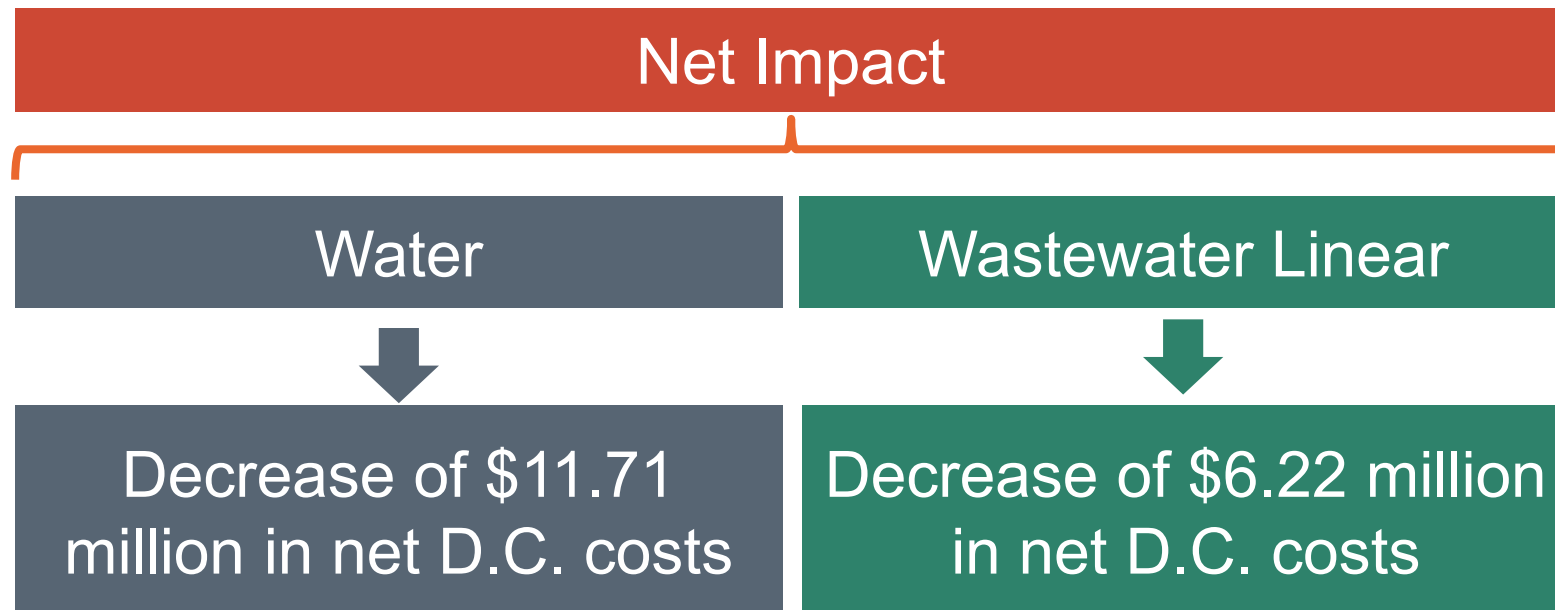
City of Hamilton 2024 Development Charges
Background Study & By-law



Water and Wastewater Linear Services

Changes to Capital Listing

- Addition of L.R.T. related capital projects
- Removal of projects no longer required for growth
- Reductions for local servicing costs in accordance with the City's Financial Policies

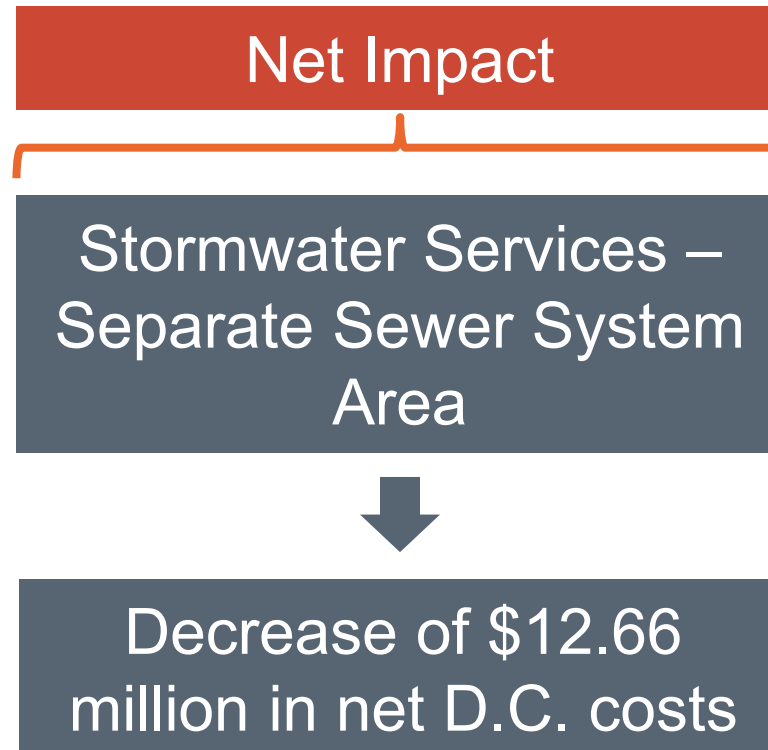




Stormwater Services – Separated Sewer System

Changes to Capital Listing

- Removal of projects that have been funded
- Recalculation of stormwater credits

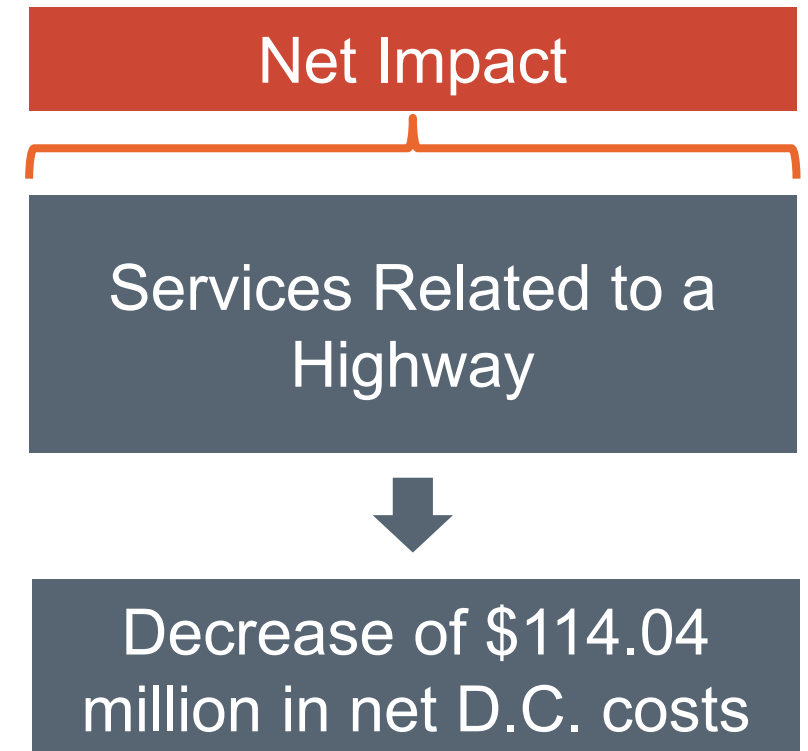




Services Related to a Highway

Changes to Capital Listing

- Removal of non-growth related project
- Timing updates to projects
- Updated future pavement widths
- Revised local service policy (L.S.P.) deductions
 - Future right-of-way width assumptions have been updated to reflect A.E.G.D. transportation master plan (see section on proposed L.S.P. revisions)
- Additional major structures and cost updates
- Removal of duplicate active transportation projects to eliminate overlap with road projects

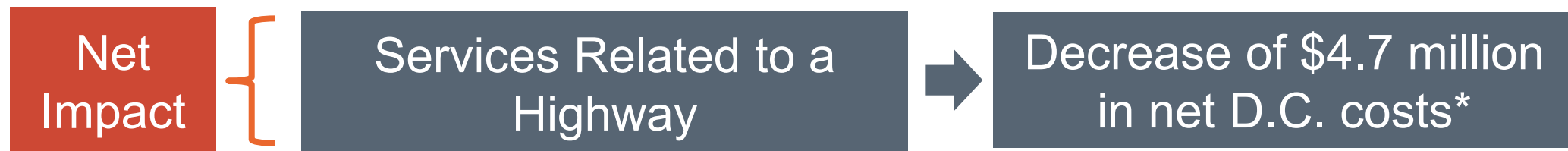




Services Related to a Highway – Local Service Policy

Changes to Policy

- Change to L.S.P. and Financial Policies for Development is proposed to reflect new standards:
 - Complete Streets Guidelines
 - A.E.G.D. TMP Update
- Road allowances for non-residential roads are wider than residential roads
 - Current policies do not distinguish between residential and non-residential roads
- Policy revision proposed non-residential roads include a larger base width as local service
 - Results in increase of local non-residential road width from 26m to 32m road allowance.





Revised D.C. Rates

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

Residential (Single/Semi Detached) Rates – per unit

Service/Class of Service	Current	Calculated (December 21, 2023 Report)	Calculated (Addendum Report)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:								
Services Related to a Highway	14,608	22,539	18,103	14,482	15,388	16,293	17,198	18,103
Public Works	1,092	1,335	1,335	1,068	1,135	1,202	1,268	1,335
Transit Services	2,600	1,601	1,601	1,281	1,361	1,441	1,521	1,601
Fire Protection Services	626	1,151	1,151	921	978	1,036	1,093	1,151
Policing Services	711	1,018	1,018	814	865	916	967	1,018
Parks and Recreation*	3,518	11,065	11,065	8,852	9,405	9,959	10,512	11,065
Library Services	6,695	2,061	2,061	1,649	1,752	1,855	1,958	2,061
Growth Studies**	1,554	-	-	-	-	-	-	-
Long-term Care Services	549	231	231	185	196	208	219	231
Child Care and Early Years Programs	246	-	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	21	52	52	42	44	47	49	52
Public Health Services	55	42	42	34	36	38	40	42
Ambulance	3	325	325	260	276	293	309	325
Waste Diversion	201	346	346	277	294	311	329	346
Total Municipal Wide Services/Classes	33,469	41,766	37,330	29,864	31,731	33,597	35,464	37,330
Water and Wastewater Urban Area Charges								
Wastewater Facilities	5,491	7,125	7,125	5,700	6,056	6,413	6,769	7,125
Wastewater Linear Services	7,346	10,878	10,630	8,504	9,036	9,567	10,099	10,630
Water Services	6,466	7,323	6,856	5,485	5,828	6,170	6,513	6,856
Total Water and Wastewater Urban Area Services	19,303	25,326	24,611	19,689	20,919	22,150	23,380	24,611
Stormwater Services - Combined Sewer System								
Stormwater Drainage and Control Services	5,355	9,553	9,553	7,642	8,120	8,598	9,075	9,553
Stormwater Services - Separate Sewer System								
Stormwater Drainage and Control Services	14,192	23,541	22,741	18,193	19,330	20,467	21,604	22,741
Grand Total - City Wide	33,469	41,766	37,330	29,864	31,731	33,597	35,464	37,330
Grand Total - Urban Area - Combined Sewer Sytem	58,127	76,645	71,494	57,195	60,770	64,345	67,919	71,494
Grand Total - Urban Area - Separate Sewer Sytem	66,964	90,633	84,682	67,746	71,980	76,214	80,448	84,682

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

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

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

Note: Phase-in is expected to be removed as per Bill 185

Residential (Large Apartment) Rates – per unit

Service/Class of Service	Current	Calculated (December 21, 2023 Report)	Calculated (Addendum Report)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:								
Services Related to a Highway	8,555	13,818	11,099	8,879	9,434	9,989	10,544	11,099
Public Works	639	818	818	654	695	736	777	818
Transit Services	1,524	982	982	786	835	884	933	982
Fire Protection Services	367	706	706	565	600	635	671	706
Policing Services	416	624	624	499	530	562	593	624
Parks and Recreation*	2,059	6,784	6,784	5,427	5,766	6,106	6,445	6,784
Library Services	910	1,264	1,264	1,011	1,074	1,138	1,201	1,264
Growth Studies**	322	-	-	-	-	-	-	-
Long-term Care Services	145	142	142	114	121	128	135	142
Child Care and Early Years Programs	13	-	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	31	32	32	26	27	29	30	32
Public Health Services	2	26	26	21	22	23	25	26
Ambulance	119	199	199	159	169	179	189	199
Waste Diversion	579	212	212	170	180	191	201	212
Total Municipal Wide Services/Classes	19,601	25,607	22,888	18,310	19,455	20,599	21,744	22,888
Water and Wastewater Urban Area Charges								
Wastewater Facilities	3,216	4,368	4,368	3,494	3,713	3,931	4,150	4,368
Wastewater Linear Services	4,301	6,669	6,517	5,214	5,539	5,865	6,191	6,517
Water Services	3,787	4,490	4,203	3,362	3,573	3,783	3,993	4,203
Total Water and Wastewater Urban Area Services	11,304	15,527	15,088	12,070	12,825	13,579	14,334	15,088
Stormwater Services - Combined Sewer System								
Stormwater Drainage and Control Services	3,137	5,857	5,857	4,686	4,978	5,271	5,564	5,857
Stormwater Services - Separate Sewer System								
Stormwater Drainage and Control Services	8,312	14,432	13,942	11,154	11,851	12,548	13,245	13,942
Grand Total - City Wide	19,601	25,607	22,888	18,310	19,455	20,599	21,744	22,888
Grand Total - Urban Area - Combined Sewer Sytem	34,042	46,991	43,833	35,066	37,258	39,450	41,641	43,833
Grand Total - Urban Area - Separate Sewer Sytem	39,217	55,566	51,918	41,534	44,130	46,726	49,322	51,918

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

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

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

Note: Phase-in is expected to be removed as per Bill 185

Residential (Small Apartment) Rates – per unit

Service/Class of Service	Current	Calculated (December 21, 2023 Report)	Calculated (Addendum Report)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:								
Services Related to a Highway	5,853	8,561	6,876	5,501	5,845	6,188	6,532	6,876
Public Works	437	507	507	406	431	456	482	507
Transit Services	1,042	608	608	486	517	547	578	608
Fire Protection Services	251	437	437	350	371	393	415	437
Policing Services	285	387	387	310	329	348	368	387
Parks and Recreation*	1,409	4,203	4,203	3,362	3,573	3,783	3,993	4,203
	2,682							
Library Services	622	783	783	626	666	705	744	783
Growth Studies**	220	-	-	-	-	-	-	-
Long-term Care Services	99	88	88	70	75	79	84	88
Child Care and Early Years Programs	8	-	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	22	20	20	16	17	18	19	20
Public Health Services	1	16	16	13	14	14	15	16
Ambulance	80	123	123	98	105	111	117	123
Waste Diversion	396	131	131	105	111	118	124	131
Total Municipal Wide Services/Classes	13,407	15,864	14,179	11,343	12,052	12,761	13,470	14,179
Water and Wastewater Urban Area Charges								
Wastewater Facilities	2,200	2,706	2,706	2,165	2,300	2,435	2,571	2,706
Wastewater Linear Services	2,943	4,132	4,038	3,230	3,432	3,634	3,836	4,038
Water Services	2,592	2,782	2,604	2,083	2,213	2,344	2,474	2,604
Total Water and Wastewater Urban Area Services	7,735	9,620	9,348	7,478	7,946	8,413	8,881	9,348
Stormwater Services - Combined Sewer System								
Stormwater Drainage and Control Services	2,145	3,629	3,629	2,903	3,085	3,266	3,448	3,629
Stormwater Services - Separate Sewer System								
Stormwater Drainage and Control Services	5,685	8,942	8,638	6,910	7,342	7,774	8,206	8,638
Grand Total - City Wide	13,407	15,864	14,179	11,343	12,052	12,761	13,470	14,179
Grand Total - Urban Area - Combined Sewer Sytem	23,287	29,113	27,156	21,725	23,083	24,440	25,798	27,156
Grand Total - Urban Area - Separate Sewer Sytem	26,827	34,426	32,165	25,732	27,340	28,949	30,557	32,165

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

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

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

Note: Phase-in is expected to be removed as per Bill 185

Non-Residential Rates – per sq.ft.

Service/Class of Service	Current	Calculated (December 21, 2023 Report)	Calculated (Addendum Report)	80% Phase-in (Year 1)	85% Phase-in (Year 2)	90% Phase-in (Year 3)	95% Phase-in (Year 4)	100% Phase-in (Years 5-10)
Municipal Wide Services/Classes:								
Services Related to a Highway	10.92	16.28	13.31	10.65	11.31	11.98	12.64	13.31
Public Works	0.56	0.80	0.80	0.64	0.68	0.72	0.76	0.80
Transit Services	1.32	0.96	0.96	0.77	0.82	0.86	0.91	0.96
Fire Protection Services	0.31	0.69	0.69	0.55	0.59	0.62	0.66	0.69
Policing Services	0.36	0.61	0.61	0.49	0.52	0.55	0.58	0.61
Parks and Recreation*	0.16	0.95	0.95	0.76	0.81	0.86	0.90	0.95
	0.30							
Library Services	1.36	0.18	0.18	0.14	0.15	0.16	0.17	0.18
Growth Studies**	0.28	-	-	-	-	-	-	-
Long-term Care Services	0.02	0.04	0.04	0.03	0.03	0.04	0.04	0.04
Child Care and Early Years Programs	-	-	-	-	-	-	-	-
Provincial Offences Act Services including By-Law Enforcement	0.02	0.03	0.03	0.02	0.03	0.03	0.03	0.03
Public Health Services	-	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Ambulance	0.02	0.06	0.06	0.05	0.05	0.05	0.06	0.06
Waste Diversion	0.17	0.03	0.03	0.02	0.03	0.03	0.03	0.03
Total Municipal Wide Services/Classes	15.80	20.64	17.67	14.14	15.02	15.90	16.79	17.67
Water and Wastewater Urban Area Charges								
Wastewater Facilities	2.65	4.53	4.53	3.62	3.85	4.08	4.30	4.53
Wastewater Linear Services	3.53	6.91	6.75	5.40	5.74	6.08	6.41	6.75
Water Services	3.10	4.65	4.36	3.49	3.71	3.92	4.14	4.36
Total Water and Wastewater Urban Area Services	9.28	16.09	15.64	12.51	13.29	14.08	14.86	15.64
Stormwater Services - Combined Sewer System								
Stormwater Drainage and Control Services	-	-	-	-	-	-	-	-
Stormwater Services - Separate Sewer System								
Stormwater Drainage and Control Services	2.93	4.75	4.75	3.80	4.04	4.28	4.51	4.75
Grand Total - City Wide	15.80	20.64	17.67	14.14	15.02	15.90	16.79	17.67
Grand Total - Urban Area - Combined Sewer Sytem	25.08	36.73	33.31	26.65	28.31	29.98	31.64	33.31
Grand Total - Urban Area - Separate Sewer Sytem	28.01	41.48	38.06	30.45	32.35	34.25	36.16	38.06

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

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

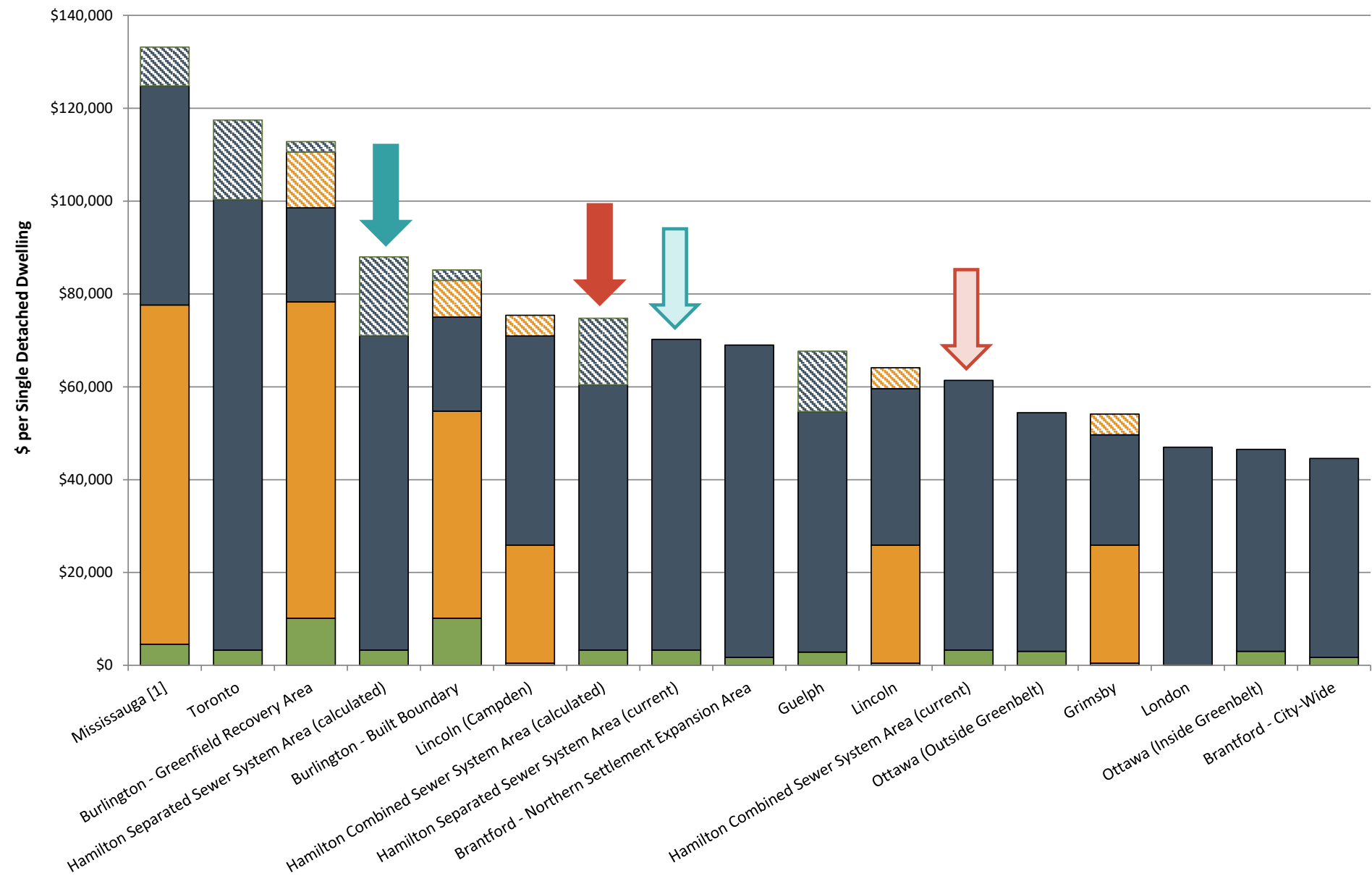
Note: Rates will be indexed at by-law implementation to 2024\$

Note: Phase-in is expected to be removed as per Bill 185

Survey of Comparator Municipalities – Single/Semi Detached



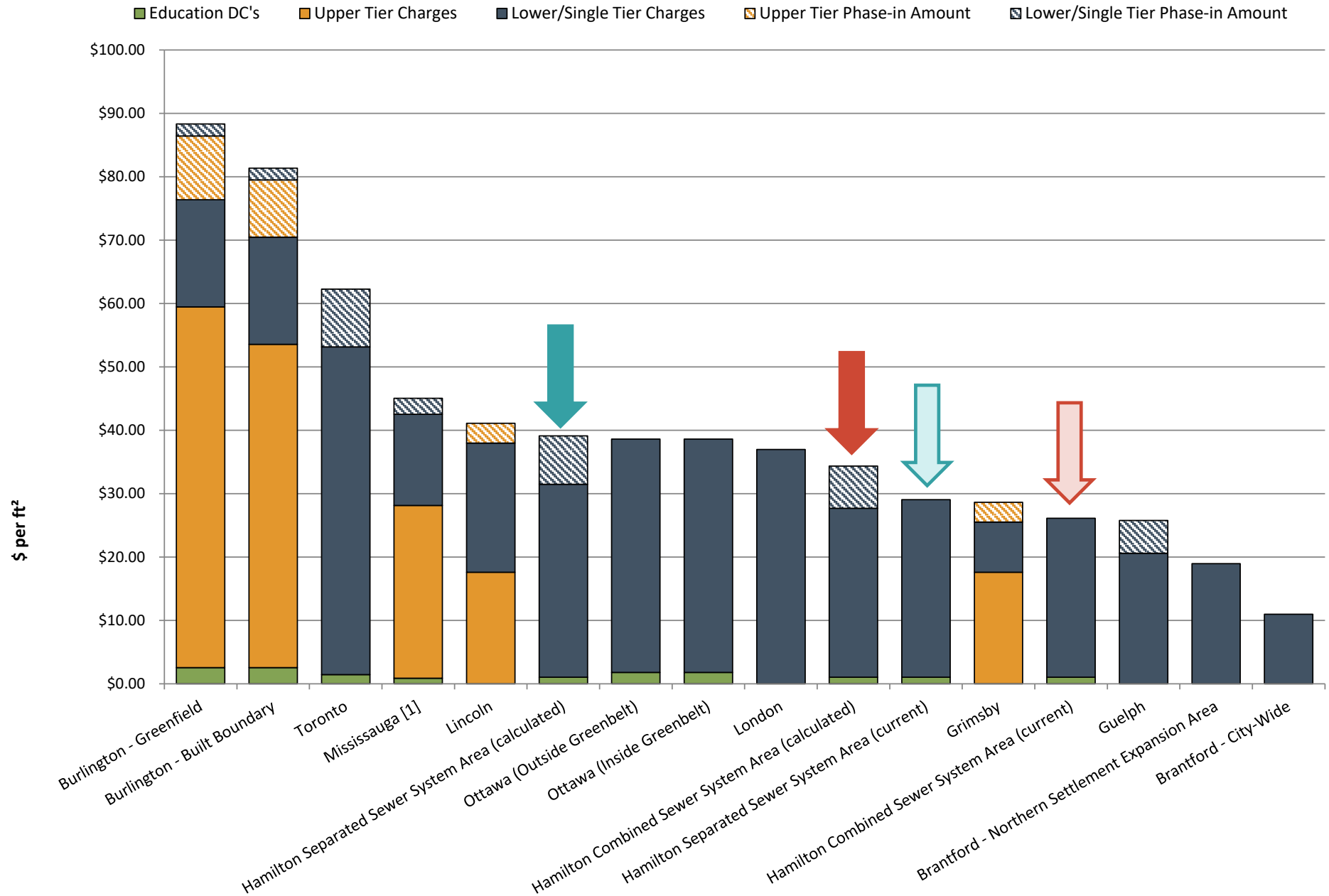
■ Education DC's
 ■ Upper Tier Charges
 ■ Lower/Single Tier Charges
 Upper Tier Phase-in Amount
 Lower/Single Tier Phase-in Amount



**Phase-in
 expected to
 be removed
 as per Bill
 185**

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

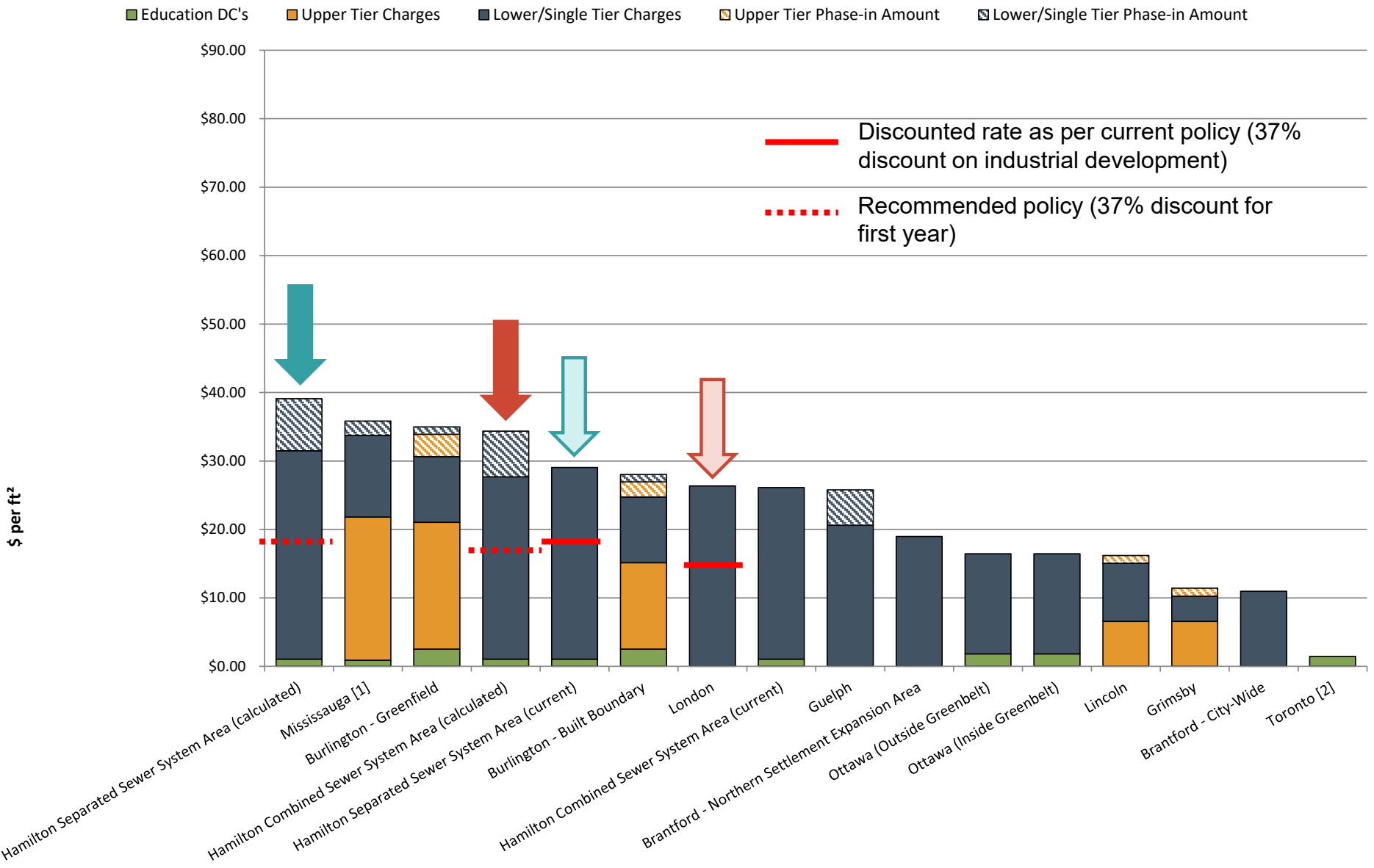
Survey of Comparator Municipalities – Non-Industrial (per sq.ft.)



**Phase-in
expected to
be removed
as per Bill
185**

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

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



Phase-in expected to be removed as per Bill 185

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



Study Process and Timelines

-  **September 2022 to November 2023**
Data collection, staff review, D.C. calculations and policy work
-  **April 13, September 18, and November 9, 2023**
Development Charges Stakeholders Sub-Committee Meeting
-  **December 21, 2023**
Release of Background Study and draft by-laws
-  **January 23/24, 2024**
Public open house sessions
-  **February 22, 2024**
Public Meeting at Audit, Finance & Administration Committee
-  **March 28, 2024**
Release of Addendum Report
-  **May 2, 2024**
Audit, Finance & Administration Committee considers passage of by-law
-  **June 1, 2024**
New D.C. By-law in Effect
-  **June 12, 2024**
Expiry of Existing D.C. By-law (note: existing by-law will be repealed at the time the new by-law comes into effect)

