



City of Hamilton
AUDIT, FINANCE AND ADMINISTRATION COMMITTEE
AGENDA

Meeting #: 25-008
Date: June 12, 2025
Time: 9:30 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

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

1. **CALL TO ORDER**
2. **CEREMONIAL ACTIVITIES**
3. **APPROVAL OF AGENDA**
(Added Items, if applicable, will be noted with *)
4. **DECLARATIONS OF INTEREST**
5. **APPROVAL OF MINUTES OF PREVIOUS MEETING**
 - 5.1 May 22, 2025
 - 5.2 May 26 (Special - Development Charges Hearing)
6. **DELEGATIONS**
7. **PUBLIC HEARINGS**
 - 7.1 FCS25026(a)
Review of Development Charges and Developer Incentives - Update
 - 7.1.a Registered Delegations

8. ITEMS FOR INFORMATION

9. ITEMS FOR CONSIDERATION

9.1 FCS25033(a)

Comments on Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 as it Relates to the *Development Charges Act, 1997* (City Wide)

9.2 FCS25029

City of Hamilton / Ministry of Transportation 2024-25 Dedicated Gas Tax Funding Agreement (City Wide)

9.3 PW23007(d)/FCS23011(d)

Grightmire Arena Lessons Learned Audit (AUD22004) – Final Management Responses Status Report
(Outstanding Business List) (City Wide)

9.4 Amendments to the Outstanding Business List

9.4.a Items Considered Complete and to be Removed

9.4.a.a Grightmire Arena Lessons Learned Audit (AUD22004) (City Wide) Audit, Finance and Administration Committee Item 14.2

Added: April 7, 2022

Addressed as Item 9.3 on today's agenda

10. MOTIONS

10.1 Supporting Steeltown Athletics Club (STAC) Hamilton's Basketball Program for Hamilton Youth

10.2 Supporting Rental of a Portable Toilet for McQuesten Urban Farm During the Demolition and Construction at 785 Britannia Ave

10.3 Improved Signage for One Hour Free Market Parking at York Parkade (Ward 2)

10.4 Ward 2 Community Grants - Q2 2025 (Ward2)

10.5 Ward 13 Community Grants – Rockton Lions Club, Dundas Community Services, & Halton Food for Life

10.6 Review of Prolonged Acting Management Assignments

10.7 Festitalia Soccer Tournament Sponsorship

11. NOTICES OF MOTION

12. PRIVATE AND CONFIDENTIAL

13. ADJOURNMENT



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE

MINUTES AFA 25-007

9:30 a.m.

May 22, 2025

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

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

1. CALL TO ORDER

Chair Spadafora called the meeting to order at 9:30 a.m.

2. CEREMONIAL ACTIVITIES

There were no ceremonial activities.

3. APPROVAL OF AGENDA

(Beattie/Tadeson)

That the agenda for the May 22, 2025, Audit, Finance and Administration Committee meeting, be approved, as presented.

CARRIED

4. DECLARATIONS OF INTEREST

There were no Declarations of Interest.

5. APPROVAL OF MINUTES OF PREVIOUS MEETINGS

(Kroetsch/Hwang)

That the Minutes of the May 1, 2025 meeting, be adopted, as presented.

CARRIED

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

6. DELEGATIONS**6.1 Mike Collins-Williams, West End Homebuilders' Association, respecting Item 8.5 – FCS25028, Review of Community Benefits Charges**

Mike Collins-Williams, West End Homebuilders' Association, addressed Committee respecting Item 8.5 – FCS25028, Review of Community Benefits Charges.

(A. Wilson/Beattie)

That the delegation from Mike Collins-Williams, West End Homebuilders' Association, respecting Item 8.5 – FCS25028, Review of Community Benefits Charges, be received and referred to the consideration of Report FCS25028, respecting Review of Community Benefits Charges (Item 8.5).

CARRIED**7. ITEMS FOR INFORMATION**

There were no Items for Information.

8. ITEMS FOR CONSIDERATION**8.1 AUD25005****Accounts Payable Special Investigation #2 (Fraud and Waste Report #71958)**

Charles Brown, Auditor General, and Ken Froese, Delta Consulting Group, addressed Committee respecting Accounts Payable Special Investigation #2 (Fraud and Waste Report #71958), with the aid of a presentation.

(Kroetsch/Hwang)

- (i) That the Presentation from Charles Brown, Auditor General, and Ken Froese, Delta Consulting Group, respecting Accounts Payable Special Investigation #2 (Fraud and Waste Report #71958), be received; and
- (ii) That Report AUD25005, dated May 22, 2025, respecting Accounts Payable Special Investigation #2 (Fraud and Waste Report #71958), be received and the following recommendations be approved:
 - (a) That the Management Responses as detailed in Appendix "A" to Report AUD25005 BE APPROVED; and
 - (b) That the General Manager of Finance and Corporate Services BE DIRECTED to implement the management responses (attached as Appendix "A" to Report AUD25005) and report back to the Audit, Finance and Administration Committee by

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

November 2025 on the nature and status of actions taken in response to the special investigation report.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

8.2 AUD25006
Fraud, Waste, and Whistleblower Semi-Annual Update

(Clark/A. Wilson)

That Report AUD25006, dated May 22, 2025, respecting Fraud, Waste, and Whistleblower Semi-Annual Update, be received, and the following recommendation be approved:

- (a) That Appendix "A" respecting revisions to the Fraud Policy and Protocol (to be known as the Fraud and Waste Policy and Protocol), BE APPROVED.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

8.3 FCS25021
Proposed Write-off for Provincial Offences

(i) (Hwang/Tadeson)

That Report FCS25021, dated May 22, 2025, respecting Proposed Write-off for Provincial Offences, be received, and the following recommendations be approved:

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

- (a) That staff BE AUTHORIZED AND DIRECTED to write-off the following outstanding Provincial Offences fines deemed uncollectible, in the total amount of \$2,665,794.51:
 - (1) \$2,160,261 in uncollectible fines with a default date of December 31, 2017, and prior;
 - (2) \$1,422.08 in underpayments from April 1, 2023, through March 31, 2025; and
 - (3) \$504,111.43 in fines held by persons deceased in 2023 and 2024.
- (ii) **(Kroetsch/Clark)**
That Report FCS25021 respecting Proposed Write-off for Provincial Offences, ***be amended***, as follows:
 - (b) ***That the next Proposed Write-off for Provincial Offenses Report, expected in May 2026, include a section showing comparators to other municipalities and a chart showing arrears and collections.***

Result: Amendment CARRIED by a vote of 8 to 0, as follows:

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

Result: Main Motion as Amended CARRIED by a vote of 8 to 0, as follows:

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

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

**8.4 FCS25022
Binbrook Conservation Area Capital Funding Plan**

(i) (Tadeson/Beattie)

That Report FCS25022, dated May 22, 2025, respecting Binbrook Conservation Area Capital Funding Plan, be received, and the following recommendations be approved:

- (a) That the Niagara Peninsula Conservation Authority's special benefitting capital levy request related to the new washroom facility (Comfort Station) at Binbrook Conservation Area (Binbrook CA) of up to \$500 K be funded from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over five years at an interest rate of 3.02% for an annual payment of \$109,234.64 as outlined in Appendix "B" of Report FCS25022, BE APPROVED; and
- (b) That the Niagara Peninsula Conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of funds for the capital projects of up to \$500 K, BE APPROVED.

(ii) (Tadeson/Beattie)

That the recommendations in Report FCS25022, ***be amended*** to reduce the interest rate for the loan to 0%, as follows:

- (a) That the Niagara Peninsula Conservation Authority's special benefitting capital levy request related to the new washroom facility (Comfort Station) at Binbrook Conservation Area (Binbrook CA) of up to \$500 K be funded from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over five years at an interest rate of ***0% 3.02%*** for an annual payment of ***\$100,000 \$109,234.64*** as outlined in Appendix "B" of Report FCS25022, BE APPROVED; and
- (b) That the Niagara Peninsula Conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of funds for the capital projects of up to \$500 K, BE APPROVED.

Result: Amendment DEFEATED by a vote of 4 to 4, as follows:

NO - Ward 1 Councillor Maureen Wilson
NO - Ward 2 Councillor Cameron Kroetsch
NO - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 NO - CHAIR - Ward 14 Councillor Mike Spadafora

Result: Main Motion CARRIED by a vote of 8 to 0, as follows:

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

8.5 FCS25028
Review of Community Benefits Charges

(Beattie/M. Wilson)

That Report FCS25028, dated May 22, 2025, respecting Review of Community Benefits Charges, be received, and the following recommendations be approved:

- (a) That the repeal of Community Benefits Charges By-Law 22-158, Appendix "A" to Report FCS25028, BE PASSED AND ENACTED effective June 1, 2025; and
- (b) That staff BE DIRECTED to report back to the Audit, Finance & Administration Committee whether to introduce a new Community Benefits Charges Study and By-Law in conjunction with the next Development Charges Background Study Process required to enact a new Development Charges By-Law.

Result: Motion CARRIED by a vote of 7 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
 NO - Ward 2 Councillor Cameron Kroetsch
 YES - Ward 4 Councillor Tammy Hwang
 YES - Ward 9 Councillor Brad Clark
 YES - Ward 10 Councillor Jeff Beattie
 YES - Ward 11 Councillor Mark Tadeson
 YES - Ward 13 Councillor Alex Wilson
 YES - CHAIR - Ward 14 Councillor Mike Spadafora

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

8.5(a) Correspondence from Mike Collins-Williams, West End Home Builders' Association, respecting Report FCS25028, Review of Community Benefits Charges (Item 8.5)

(Clark/Beattie)

That the correspondence from respecting Mike Collins-Williams, West End Home Builders' Association, respecting Report FCS25028, Review of Community Benefits Charges, be received.

CARRIED

8.6 Grants Sub-Committee Minutes GSCC 25-002 (May 14, 2025)

(Tadeson/Hwang)

That the Minutes GSCC 25-001, being the Minutes of the Grants Sub-Committee meeting held on May 14, 2025, be received and the recommendations therein be approved.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

8.7 FCS25033

Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 as it relates to the *Development Charges Act, 1997*

(Hwang/Beattie)

That Report FCS25033, dated May 22, 2025, respecting Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 as it relates to the *Development Charges Act, 1997*, be received, and the following recommendation be approved:

- (a) That in the event the Province undertakes consultation as it relates to the proposed *Development Charges Act* changes, the General Manager, Finance and Corporate Services BE AUTHORIZED to make submissions on Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 and any associated regulations and BE DIRECTED to provide a copy of the submissions to Council for endorsement.

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

8.8 Amendment to the Outstanding Business List

(Kroetsch/Hwang

That the following Amendment to the Outstanding Business List be approved:

8.8(a) Items Requiring a New Due Date:

8.8(a)(a) Feasibility of Bring Your Own Device Policy
Added March 23, 2023
Current Due Date: March 31, 2025
Proposed New Due Date: July 31, 2025

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

9. MOTIONS

9.1 Ward 13 Community Grants – Hamilton Conservation Authority and Hamilton Public Library, Dundas Branch

(A. Wilson/Clark)

WHEREAS, the Ward 13 Community Grants program exists to financially support community projects which substantially improve the communities of Ward 13 in areas relating to social services, biodiversity and climate action, community development, the arts, and recreation;

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

WHEREAS, the Hamilton Public Library, Dundas Branch, has partnered with Ward 13 community organizations to coordinate and host a community planting on site;

WHEREAS, the Hamilton Conservation Authority has committed to partnering with Ward 13 community groups and residents to improve their ability to combat invasive species in West Flamborough;

THEREFORE, BE IT RESOLVED:

- (a) That reimbursement to Hamilton Public Library (Dundas Branch) for costs incurred in partnering with local residents and community members in activating and programming a new garden space at the rear of the Library be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$5,000;
- (b) That a grant to the Hamilton Conservation Authority to enhance the 2025 and 2026 Water Quality and Habitat Improvement Program (WQHIP) to allow for an increased intake to meet the demand from Ward 13 residents in participating be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$15,000;
- (c) That any funds allocated and distributed through the Ward 13 Community Grants Program be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund or the One-Time Enhancement Grant (e.g. the City's 30% formula); and
- (d) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

9.2 Ward 13 Community Grants – Q1/Q2 2025**(A. Wilson/Hwang)**

WHEREAS, the Ward 13 Community Grants program closed for Q1/Q2 on May 9, 2025 with a total of 10 applications;

WHEREAS, City staff in Financial Planning, Administration and Policy, and Community Engagement - Grants reviewed the recommendations from the Ward 13 Community Grants program and found that nine (9) applications were eligible and approved for Q1/Q2 2025; and

WHEREAS, the following \$ 21,481.344 constitutes the complete issuance of community grants for Q1/Q2 2025;

THEREFORE, BE IT RESOLVED:

- (a) That a grant to Dundas 55+ Group, for costs associated with their Sustainable Infrastructure Development Project, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$1710.00;
- (b) That a grant to Dundas Driving Park Garden Rock Stars, for costs associated with maintenance of their community garden project be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$1076.00;
- (c) That a grant to UTM Hamilton Ignite, for costs associated with their Skills and Leadership Development Program be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$1000.00;
- (d) That a grant to the Hamilton Naturalists' Club, acting as fundholder for community initiatives for native plant restoration, for costs associated with native plant restoration in Johnson Tew Park, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$2475.00;
- (e) That Dundas Valley School of Art, for costs associated with their Community Youth Art Exhibition, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$3346.50;
- (f) That The Salvation Army Hamilton and Dundas Community and Family Services, for costs associated with their Café 55+ initiative be funded from the Ward 13 Non-Property Tax Revenue Account

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

3301609613 at an upset limit, including contingency, not to exceed \$5000;

- (g) That Action Thirteen, for costs associated with their EcoArt Hub Project, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$900;
- (h) That Flamborough Information and Community Services, for costs associated with their Community Information and Involvement Project 2025, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$4973.84;
- (i) That the Dundas Rock Garden, for costs associated with the maintenance of the Children's Garden, be funded from the Ward 13 Non-Property Tax Revenue Account 3301609613 at an upset limit, including contingency, not to exceed \$1000;
- (j) That any funds allocated and distributed through the Ward 13 Community Grants Program be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund or the One-Time Enhancement Grant (e.g. the City's 30% formula); and
- (k) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

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

10. NOTICES OF MOTION

There were no Notices of Motion.

11. PRIVATE AND CONFIDENTIAL

There were no Private and Confidential Items

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.

12. ADJOURNMENT

There being no further business, the Audit, Finance and Administration Committee, adjourned at 12:04 p.m.

Respectfully submitted,

Tamara Bates
Legislative Coordinator
Office of the City Clerk

Councillor M. Spadafora,
Chair, Audit, Finance and Administration
Committee

Refer to the May 28, 2025 Council Minutes for the disposition of these matters.



AUDIT, FINANCE & ADMINISTRATION COMMITTEE DEVELOPMENT CHARGES HEARING

MINUTES AFA-DC 25-004

9:30 a.m.

May 26, 2025

Room 264, 2nd Floor (Hybrid)

Hamilton City Hall

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

Tribunal Chair M. Spadafora called the hearing to order at 9:30 a.m.

1. APPROVAL OF AGENDA

Chair Spadafora advised that the agenda be amended to include an opportunity to retire to obtain legal advice respecting an item not on the agenda, if deemed necessary.

(Beattie/Clark)

That the agenda for the May 26, 2025 Audit, Finance and Administration Committee Development Charges Hearing, be approved, as amended.

CARRIED

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. DEVELOPMENT CHARGES HEARING

3.1 Development Charges Complaint – 56 St. Matthews Avenue

The parties presented their opening statements.

The parties presented their closing statements.

(Hwang/A. Wilson)

That the Audit, Finance and Administration Committee retire to deliberate at 11:33 a.m.

CARRIED

The Audit, Finance and Administration Committee reconvened the hearing following private deliberations at 12:01 p.m.

The opportunity to retire to obtain legal advice respecting an item not on the agenda was deemed unnecessary.

Having heard and considered the evidence and submissions of the parties, respecting Development Charges Complaint – 56 St. Matthews Avenue, the Audit, Finance and Administration Committee's decision is that the Complaint as presented to Tribunal does not fall within any of the three categories in Section 20 (1) of the *Development Charges Act*, and therefore this Development Charges Complaint has been DISMISSED. This decision is effective today. A final written decision including a summary of the evidence and submissions, as well as the Tribunal's reasons will be forwarded to the parties shortly.

For further information respecting the outcome of this matter, refer to the Notice of Decision.

4. ADJOURNMENT

There being no further business, the Audit, Finance and Administration Committee Development Charges Hearing adjourned at 12:02 p.m.

Respectfully submitted,

Tamara Bates
Legislative Coordinator
Office of the City Clerk

Councillor Mike Spadafora, Chair
Audit, Finance and Administration
Committee



City of Hamilton Report for Information

To: Chair and Members
Audit, Finance & Administration Committee

Date: June 12, 2025

Report No: FCS25026(a)

Subject/Title: Review of Development Charges and Developer Incentives - Update

Ward(s) Affected: City Wide

Recommendations

That Report FCS25026(a) respecting “Review of Development Charges and Developer Incentives – Update” **BE RECEIVED** for information.

Key Facts

- The purpose of Report FCS25026(a) is to provide an update on the Development Charges By-law Amendment process, including a summary of public and stakeholder consultation to date, an overview of the potential implications of Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* and an outline of next steps.
- Based on the preliminary feedback received, a temporary percentage based general exemption for a period of two years has the highest potential to provide meaningful support to encourage development and protect the construction industry labour market while also reducing administrative complexity and associated burdens.
- Report FCS25026(a) is for information only. Staff will present a final recommendation for a Development Charges By-law Amendment to the Audit, Finance & Administration Committee on July 10, 2025 considering the public input received at the June 12, 2025 Public Meeting and the status of Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*.

Financial Considerations

There are no financial considerations associated with the receipt of Report FCS25026(a). However, the proposed amendments to the discretionary Development Charges (“DC”) policies and exemptions contained in the City of Hamilton’s Development Charges By-law, 24-072, as amended (“DC By-law”) and permitted under the *Development Charges Act, 1997, as amended* (“DC Act”) carry potentially significant financial implications to the City without offsetting financial support from senior levels of government. Estimated financial implications of the final version of the proposed DC By-law Amendment will be outlined through the July 10, 2025 report to the Audit, Finance & Administration Committee.

As required by the DC Act, any exemptions or reductions in DCs provided through a DC By-law cannot be made up through higher DCs for other development types and, therefore, must be funded through other sources such as offsetting Federal and Provincial financial support, the property taxes and water and wastewater user rates. Strategies for financing these costs will be included in the 2026 Budget Outlook report later this year.

Background

DCs are a development fee collected by the City of Hamilton to help fund the capital costs associated with new growth. These funds contribute significantly to the expansion of infrastructure services such as roads, water and wastewater systems, parks and emergency services which are required to support growth. DCs are typically payable at the time of building permit issuance and are calculated in accordance with the DC Act and the DC By-law. Through the DC By-law, the City outlines numerous discretionary DC policies and exemptions. While the calculation of the DC amount is highly prescribed, Council may use discretion to reduce the amount charged. However, any reduction may not be made up through higher DCs for other development types.

At its meeting of April 16, 2025 Council approved the following motion:

- (a) That Finance staff be directed to report back to the May 1, 2025 Audit, Finance & Administration Committee on the following:
 - (i) A draft by-law with a financing strategy and accompanying background study providing staff recommendations for the City of Hamilton Development Charges By-law 24-072 and/or 11-174 to support development through mechanisms such as:
 - Deferral of the collection of Development Charges from building permit to occupancy;
 - Deferral of the 2025 Development Charges indexing;
 - Exemption of Development Charges for 2- and 3-bedroom housing development units;
 - Implementing a pause of the phase-out of the Downtown CIPA partial exemption;

-
- Implementing a pause of the phase-out of the industrial rate reduction for non-manufacturing developments;
 - Extending the transition period by an additional 6 months to a total of 12 months;
 - (ii) An assessment of the risks associated with each amendment;
 - (iii) Estimated financial impacts associated with each amendment;
 - (iv) With updated residential and non-residential building starts forecasted based on the current market conditions and financial impacts to the City and the local economy associated with declining housing starts and associated lower expected levels of permit activity;
 - (v) Projected impact on Development Charges revenues and Community Benefits Charges municipal revenue for 2025 and 2026;
 - (b) That Finance staff be directed to report back to the Audit, Finance & Administration Committee exploring the option to discontinue the City of Hamilton's Community Benefits Charges By-law 22-158 inclusive of an assessment of the required process, risks and financial impacts;
 - (c) That the Mayor be requested to advocate to the Province for changes to the Development Charges Act to allow for a more streamlined process to make administrative changes to Development Charges By-laws to better respond to changing economic conditions;
 - (d) That staff be directed to report back through annual Housing secretariat reporting on outcomes.

To fulfil section (a) of the Council direction, [Report FCS25026: Review of Development Charges and Developer Incentives](#) was presented to the Audit, Finance & Administration Committee on May 1, 2025, which initiated the legislatively required 60-day notice period prior to the passage of a DC By-law Amendment. The DC By-law amendments proposed were intended to serve as a starting point for public consultation.

On May 12, 2025, the Minister of Municipal Affairs and Housing introduced Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* ("Bill 17") which proposes to amend eight pieces of legislation which directly impact municipalities, including the DC Act. The proposed DC Act changes include:

- Exemption for Long-Term Care Homes
- Regulation-Making Authority to Impose Limits on Eligible Capital Costs
- Simplified DC By-law Amendment Process
- Deferral of DCs for Residential Developments to Occupancy
- Removal of Interest on Instalments
- Permit Early Payment for Institutional, Rental Housing and Residential Developments
- Mandate Lowest DC Rate for Lock-In Developments
- Regulation-Making Authority to Combine DC Services for Credit Purposes
- Regulation-Making Authority to Determine What Constitutes a Local Service

[Report FCS25033: Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* as it relates to the *Development Charges Act, 1997*](#) provides a detailed summary of the proposed amendments to the DC Act.

Analysis

Bill 17

At the time of writing, Bill 17 has not yet been enacted. However, it is possible that the legislation may be passed prior to Council's consideration of Report FCS25026(a), which could have implications for the City's ongoing Development Charges By-law Amendment process and related financial planning. The anticipated Bill 17 impact of each recommended amendment has been assessed and is detailed in the corresponding sub-sections of the Analysis within Report FCS25026(a).

DC By-law Amendment Procedure Update

The process to amend the City's existing DC By-law is legislated through the DC Act. Table 1 sets out the required activities, the estimated date of occurrence and the status of each activity.

Table 1: Schedule of Required Development Charges By-law Amendment Dates

Required Activity	Estimated Date	Status
Background Study & draft By-law to be made available to the public Must occur at least 60 days prior to passage of the By-law	May 1, 2025	Complete
Notice of Public Meeting placed in the Hamilton Spectator	At least 20 days prior to Public Meeting	Complete
Public Meeting	June 12, 2025	Concurrent to Report FCS25026(a)
Council to consider passage of By-law	AF&A: July 10, 2025 Council: July 16, 2025	Future
Newspaper and written notice given of By-law passage	Within 20 days of By-law passage	Future
By-law appeal period	40 days from passage of By-law	Future

Public Consultation

Finance staff has collaborated with Communications and Public Engagement staff to develop updated communications materials that incorporate plain language and educational content, along with a plan to solicit feedback on the proposed DC By-law Amendments within the limited timelines currently established for this work. Should Council wish to pursue additional public engagement, further direction and an extension of the timeline for a DC By-Law Amendment would be necessary.

Staff from Finance and Planning & Economic Development have engaged directly with the development community through a workshop discussion with the non-residential development community on May 14, 2025 and with the residential development community as a special session of the Development Industry Liaison Group ("DILG") on May 16, 2025. Staff also participated in the May 15, 2025 meeting of the Agriculture & Rural Affairs Sub-Committee, the June 3, 2025 meeting of the Open for Business Sub-Committee and the June 3, 2025 Mayor's Roundtable on Trade and Tariffs, where they provided information and gathered feedback on the proposed DC by-law amendments.

These meetings provided valuable insights into the challenges facing the development industry. There was an overwhelming consensus that while DCs are a factor, amendment to DC policy alone would be insufficient to stimulate growth or resolve the broader market challenges. However, reducing DCs was recognized as a meaningful municipal action that, when combined with other initiatives at the federal and provincial levels, could spur increased development activity.

Members of the public have been invited to register as a delegate or submit comments to be included as a part of the public record for the June 12, 2025 Public Meeting via clerk@hamilton.ca. Following the Public Meeting on June 12, 2025 members of the public are encouraged to continue submitting general inquiries or comments to DCBackgroundStudy@hamilton.ca.

The preliminary feedback received in relation to each amendment has been summarized in the corresponding sub-sections of the Analysis within Report FCS25026(a).

Annual Indexing

DC rates are adjusted annually based on Statistics Canada's Building Construction Price Index, as required by the City's DC By-law. DC rates increased by 4.2% on June 1, 2025 per [Report FCS25016: Development Charges Indexing](#). The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed an amendment to allow Council to waive indexing in future years as an amendment cannot be applied retroactively.

Bill 17 Impact: Bill 17 introduces a simplified by-law amendment process for DC by-laws when the purpose of the amendment is to decrease rates through discretionary policies, including annual indexing adjustments. This change means the City would be able to utilize the simplified process to amend the DC By-law to reduce rates. However, integrating Council's authority to waive annual indexing within the by-law itself is expected to be more streamlined and administratively efficient over the long term.

Preliminary Public Consultation Feedback: Through the above noted consultation, there has been strong support for the immediate cancellation / reversal of DC rates indexing to reflect current economic conditions. Specifically, the development community stated a desire for the City to reverse the June 1, 2025 rate increase. However, as amendments to the DC By-law cannot be applied retroactively, it is not possible to incorporate this feedback into the proposed amendments and any change to the indexing approach would only affect future years. An alternative to achieve the same outcome is a general temporary reduction to DC rates in an amount equal to the indexing percentage (4.2%)

Transition Policy

The DC By-law includes a six-month transition period, allowing building permits not subject to the DC rate lock-in to be charged the rates in effect at the time of application for six months from the date of the first rate increase following application. The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed amendment to extend this period to 12 months for building permit applications submitted between December 1, 2024 and May 31, 2025.

Bill 17 Impact: Bill 17 does not introduce any changes which would impact the City's existing transition policy. The current provisions, without further amendment, would remain unchanged.

Preliminary Public Consultation Feedback: Feedback on the transition policy extension has been limited. However, there has been broad support and no concerns have been raised regarding the proposed extension of the existing policy.

Downtown CIPA Partial Exemption

Council previously approved a gradual phase-out of the Downtown Community Improvement Plan Area ("CIPA") partial exemption for residential developments, with complete removal effective June 1, 2029 through the current DC By-law. The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed amendment to pause the phase-out for two years, maintaining current exemption levels until May 31, 2027, with full removal delayed to June 1, 2031.

Bill 17 Impact: Bill 17 does not introduce any changes which would impact the City's existing Downtown CIPA partial exemption. The current provisions, without further amendment, would remain unchanged.

Preliminary Public Consultation Feedback: Feedback on the proposed amendment related to the Downtown CIPA was broadly supportive, though it has not prompted extensive discussion through public consultations to date. Stakeholders generally viewed the measure as a positive step aligned with broader objectives of intensification and downtown revitalization.

Industrial Development Partial Exemption

Council previously approved a gradual phase-out of the industrial development partial exemption for non-manufacturing developments, with complete removal effective June 1, 2032 through the current DC By-law. The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed amendment to pause the phase-out for two years, maintaining current exemption levels until May 31, 2027, with full removal delayed beyond the expiry of the current by-law (May 31, 2034).

Bill 17 Impact: Bill 17 does not introduce any changes which would impact the City's existing industrial development partial exemption for non-manufacturing developments. The current provisions, without further amendment, would remain unchanged.

Preliminary Public Consultation Feedback: Feedback on the proposed partial exemption for non-manufacturing industrial developments did not generate significant discussion during public consultations to date. The non-residential development group, in particular, emphasized that DCs alone are not a determining factor in whether projects proceed. While the measure was not opposed, it was generally viewed as having limited impact on development feasibility given the current market uncertainty.

Deferral of Payment

DCs are typically payable at building permit issuance, with statutory exceptions for rental housing and institutional developments and discretionary exceptions for eligible high-density residential, non-residential and mixed-use developments. Through [Report FCS25026: Review of Development Charges and Developer Incentives](#) staff reviewed options to extend deferral of payment more broadly but advised against doing so due to administrative complexity and associated risks.

Bill 17 Impact: Bill 17 proposes to delay the payment of DCs for residential developments from the time of building permit issuance to occupancy without interest. Rental Housing Developments would continue to pay DCs through legislated instalments over six years beginning at occupancy. If Bill 17 is enacted as published at the time of writing, staff's earlier recommendation and any discussion regarding deferral options is effectively superseded. To ensure a transparent and accountable process, this option will be reflected in the July 10, 2025 Report back to AF&A either as a statutory requirement or alternative.

Preliminary Public Consultation Feedback: Feedback on the deferral of DC payments received interest from the development community in seeing deferral options extended to both residential and non-residential developments. However, discussion during consultations was somewhat muted due to the Province's proposed changes under Bill 17, which would mandate deferral to occupancy for non-rental residential developments. As a result, the public consultation discussions, to date, have operated under the assumption that residential deferrals are already imminent, shifting the focus of feedback toward the potential for expanding similar considerations to non-residential developments.

2+ Bedroom Apartment Units Partial Exemption

DC rates for apartment units are determined based on the number of bedrooms, with increased DC rates applying to units with 2+ bedrooms. The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed amendment to provide a temporary partial exemption to align DC rates for 2+ bedroom apartment units with the 1-bedroom rate for two years, to support housing affordability and family-sized units with a gradual return to the full differential as of June 1, 2031.

Bill 17 Impact: Bill 17 does not directly impact the proposed partial exemption for 2+ bedroom apartment units. However, Bill 17's broader support for residential development through deferral of payment from building permit issuance to occupancy aligns with the intent of this exemption to encourage family-sized housing.

Preliminary Public Consultation Feedback: Feedback on the proposed partial exemption for apartment units with 2+ bedrooms has been that the measure, while helpful, is not sufficiently broad. The residential development community emphasized that other forms of family-oriented housing (i.e. single detached dwellings and townhouses) also play a critical role in addressing housing needs. As such, there was a call to expand the scope of the exemption to ensure support for a wider range of residential housing types that accommodate families.

Demolition Credit Extension

Demolition credits offset DCs if redevelopment occurs within five years of demolition permit issuance, with limited extensions granted under certain conditions. The draft by-law amendment presented through [Report FCS25026: Review of Development Charges and Developer Incentives](#), proposed amendment to extend the DC demolition credit eligibility period to 10 years.

Bill 17 Impact: Bill 17 does not introduce any changes which would impact the City's existing demolition credit period. The current provisions, without further amendment, would remain unchanged.

Preliminary Public Consultation Feedback: Feedback on the proposed demolition credit extension has been generally supportive, though it did not generate significant discussion during consultations to date. While not a central focus of engagement, the proposal was viewed positively as a reasonable measure to support long-term project planning.

Anticipated Direction for DC By-law Amendments

Based on the feedback received through public consultations, there was strong support for implementing a temporary percentage based general exemption for a period of up to two years, having the highest potential to provide meaningful support to encourage development and protect the construction industry labour market while also reducing administrative complexity and associated burdens. The development industry stated that this measure alone may not fully address the broader challenges facing the housing market. Consequently, staff intends to recommend further calls upon the provincial and federal governments to engage collaboratively in addressing these issues, with the objective of minimizing the financial impact on property tax and rate payers. Public consultation remains ongoing and a final recommendation will be brought forward for consideration at the July 10, 2025 meeting of the Audit, Finance & Administration Committee.

Alternatives

Not Applicable

Relationship to Council Strategic Priorities

Report FCS25026(a) is being presented to the Audit, Finance & Administration Committee by staff as directed through item 10.1 of the April 16, 2025 meeting of Council in order to support the following council priorities:

- Council Priority 1: Sustainable Economic & Ecological Development, and;
- Council Priority 3: Responsiveness & Transparency.

Previous Reports Submitted

- Audit, Finance and Administration Committee, May 22, 2025: [FCS25033: Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025 as it relates to the Development Charges Act, 1997](#)
- Audit, Finance and Administration Committee, May 22, 2025: [FCS25028: Review of Community Benefits Charges](#)
- Audit, Finance and Administration Committee, May 01, 2025: [FCS25026: Review of Development Charges and Developer Incentives](#)
- Audit, Finance and Administration Committee, April 10, 2025: [FCS25016: Development Charges Indexing](#)
- Audit, Finance and Administration Committee, November 21, 2024: [FCS24051: Inclusion of Studies in the 2024 Development Charges By-law](#)

- Audit, Finance and Administration Committee, May 02, 2024: FCS23103(b): [2024 Development Charges Background Study, Policies and By-laws – Final Report](#)
- Audit, Finance and Administration Committee, February 22, 2024: [FCS23103\(a\): 2024 Development Charges Background Study and By-law Feedback](#)
- Communication Update, January 08, 2024: [UPDATE – 2024 Development Charges Background Study and Draft By-laws](#)
- Development Charges Stakeholders Sub-Committee, November 09, 2023: [FCS23040\(a\): 2024 Development Charges Background Study and By-law Update](#)

Consultation

Internal

- Communications, City Manager's Office
- Economic Development, Planning & Economic Development
- Public Engagement, Community Initiatives, City Manager's Office
- Legal Services, Corporate Services

External

- Members of the non-residential development community
- Members of the residential development community through the DILG

Appendices and Schedules Attached

Not Applicable

Prepared by: Ailish Brooke, Senior Financial Analyst,
Development Charges, Programs & Policies,
Financial Planning, Administration & Policy,
Corporate Services Department

Submitted and recommended by: Kirk Weaver, Acting Director,
Financial Planning, Administration & Policy,
Corporate Services Department

Bates, Tamara

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

Submitted on Tue, 05/20/2025 - 11:46

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
Mike Collins-Williams
West End Home Builders' Association
1112 Rymal Rd E
Hamilton, Ontario. L8W 3N7
mikecw@westendhba.ca


Preferred Pronoun
he/him

Reason(s) for delegation request
Delegation to June 12th AF&A Development Charge By-law Public Meeting

Will you be requesting funds from the City?
No

Will you be submitting a formal presentation?
No



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance & Administration Committee

Date: June 12, 2025

Report No: FCS25033(a)

Subject/Title: Comments on Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* as it Relates to the *Development Charges Act, 1997*

Ward(s) Affected: City Wide

Recommendations

That Council **ENDORSE** the staff submission and recommendations to the Province of Ontario, as outlined in Appendix "A" to Report FCS25033(a), regarding Schedule 4 of the proposed Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*, submitted through Regulatory Registry 25-MMAH003.

Key Facts

- The purpose of Report FCS25033(a) is to present staff comments on the proposed changes to the *Development Charges Act, 1997* under Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* and to seek Council endorsement for submission to the Province through Regulatory Registry 25-MMAH003.
- These comments build on the City's ongoing work to amend the Development Charges By-Law, 24-072, as amended, as initiated through Report FCS25026 and currently under public consultation.
- At the time of writing, Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* has not yet been enacted. However, it is possible that the legislation may be passed prior to Council's consideration of Report FCS25033(a), which could have implications for the City's ongoing Development Charges By-Law Amendment process and related financial planning.

Financial Considerations

Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* ("Bill 17") would impact the City's ability to collect Development Charges ("DC"). A full overview of the financial implications of Bill 17, if enacted, and impacts on the City of Hamilton's financing strategy, will be included in the 2026 Budget Outlook Report.

As required by the *Development Charges Act, 1997, as amended* ("DC Act"), any legislatively required exemptions or reductions in DCs cannot be made up through higher DCs for other development types and, therefore, must be funded through other sources such as the property tax levy or user rates.

Background

DCs are a development fee collected by the City of Hamilton to help fund the capital costs associated with new growth. These funds contribute significantly to the expansion of infrastructure services such as roads, water and wastewater systems, parks and emergency services which are required to support growth. DCs are typically payable at the time of building permit issuance and are calculated in accordance with the DC Act and the City of Hamilton Development Charges By-law, 24-072, as amended ("DC By-law").

In the last five years, the Province has enacted various pieces of legislation amending the DC Act (including Bill 108, *More Homes, More Choice Act, 2019*; Bill 138, *Plan to Build Ontario Together Act, 2019*; Bill 197, *COVID-19 Economic Recovery Act, 2020*; Bill 109, *More Homes for Everyone Act, 2022*; Bill 23, *More Homes, Built Faster Act, 2022*; Bill 134, *Affordable Homes and Good Jobs Act, 2023*; and Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*) with the intent of facilitating the construction of 1.5 million new homes in Ontario by 2031. The objective of increasing housing availability is shared by the City.

These legislative changes have rapidly altered the regulatory landscape of DCs and generally decreased the ability of municipalities to fund growth-related costs while increasing the administrative burden of collecting DCs. Bill 17 represents another significant modification to the DC Act. These significant and frequent changes have increased the complexity of applying and interpreting the DC Act.

On April 16, 2025, Council directed staff to begin the process of amending the DC By-law and to prepare draft amendments. On May 1, 2025, [Report FCS25026: Review of Development Charges and Developer Incentives](#) was presented to the Audit, Finance and Administration Committee, and subsequently approved by Council, to initiate the legislatively required 60-day notice period prior to the passage of a DC By-law Amendment. The proposed amendments are the subject of ongoing public consultation and remain open to refinement from further Council and public consultation before a final By-law Amendment is recommended for adoption.

Comments on Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*
as it Relates to the *Development Charges Act, 1997* (FCS25033(a)) (City Wide)

Page 3 of 5

On May 12, 2025, the Minister of Municipal Affairs and Housing introduced Bill 17, which proposes to amend eight pieces of legislation which directly impact municipalities. Schedule 4 to Bill 17 pertains to proposed amendments of the DC Act. On May 22, 2025, [Report FCS25033: Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025](#) as it relates to the *Development Charges Act, 1997* was presented to the Audit, Finance and Administration Committee to provide an overview of the proposed changes to the DC Act through Bill 17. The proposed changes include:

- Exemption for Long-Term Care Homes
- Regulation-Making Authority to Impose Limits on Eligible Capital Costs
- Simplified DC By-law Amendment Process
- Deferral of DCs for Residential Developments to Occupancy
- Removal of Interest on Instalments
- Permit Early Payment for Institutional, Rental Housing and Residential Developments
- Mandate Lowest DC Rate for Lock-In Developments
- Regulation-Making Authority to Combine DC Services for Credit Purposes
- Regulation-Making Authority to Determine What Constitutes a Local Service

Analysis

In accordance with the Council direction provided through [Report FCS25033: Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025](#), staff submitted formal comments on Schedule 4 of Bill 17 to the Province on May 29, 2025 through Regulatory Registry 25-MMAH003. Staff comments, as submitted, are provided as Appendix “A” to Report FCS25033(a) for Council endorsement. Submitted staff comments are based on a comprehensive review of the proposed amendments to the DC Act and identify key opportunities for enhancement of Bill 17 and potential impacts to the City’s ability to plan for and fund growth-related infrastructure. While the City supports the Province’s goal of increasing housing supply, the proposed changes raise significant concerns regarding the financial sustainability of municipal growth and the administrative feasibility of implementing the proposed amendments.

DC Funding: A central theme of the staff comments is the continued shift away from the foundational principle of the DC Act that growth should pay for growth. Several of the proposed amendments, such as new statutory exemptions, interest-free deferrals and limitations on eligible capital costs would reduce the City’s ability to recover infrastructure costs from developers. Staff emphasized the City’s request for a provincial funding mechanism to offset revenue losses resulting from mandated DC exemptions and reductions to avoid placing additional burden on tax payers and rate payers.

Comments on Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*
as it Relates to the *Development Charges Act, 1997* (FCS25033(a)) (City Wide)

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Administrative Complexity: The proposed amendments introduce increased administrative complexity to DCs, including the need to manage high volumes of residential deferrals, compare DC rate calculations where lock-in provisions apply and revise City policies and procedures accordingly. While some of the proposed amendments, such as permitting early payment without requiring early payment agreements may reduce administrative burden, others will require significant internal adjustments.

Lack of Clarity: Several of the proposed amendments relate to new regulation-making authorities for the Province, including the ability to limit eligible capital costs, define local services and combine DC service categories for credit purposes. However, the Province has not released any draft regulations and municipalities are unable to fully assess the financial and operational implications or provide meaningful feedback. Staff emphasizes the importance of timely access to draft regulations and continued consultation with municipalities to ensure practical and effective implementation.

The City remains committed to supporting the Province's housing objectives but emphasizes that any legislative changes to the DC Act must be accompanied by clear guidance, adequate transition periods and financial support to ensure municipalities can continue to deliver complete, sustainable communities. Council's endorsement will strengthen the City's advocacy efforts and reinforce its position on the proposed legislative changes.

Alternatives

Not Applicable

Relationship to Council Strategic Priorities

Report FCS25033(a) is being presented to the Audit, Finance & Administration Committee by staff in order to support Council Priority 3: Responsiveness & Transparency.

Previous Reports Submitted

- Audit, Finance and Administration Committee, May 22, 2025: [FCS25033: Comments on Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* as it relates to the *Development Charges Act, 1997*](#)
- Audit, Finance and Administration Committee, May 01, 2025: [FCS25026: Review of Development Charges and Developer Incentives](#)
- Audit, Finance and Administration Committee, October 19, 2023: [FCS23087: Development Charges Interest Policy Update](#)

Consultation

Not Applicable

Appendices and Schedules Attached

Appendix “A” to Report FCS25033(a) – City of Hamilton Staff Submission on the Proposed Changes to the *Development Charges Act, 1997* through Schedule 4 to the *Protect Ontario by Building Faster and Smarter Act, 2025* (Bill 17)

Prepared by: Ailish Brooke, Senior Financial Analyst
Development Charges, Programs & Policies,
Financial Planning, Administration & Policy Division,
Corporate Services

Submitted and recommended by: Kirk Weaver, Acting Director
Financial Planning, Administration & Policy Division
Corporate Services

Appendix “A” to Report FCS25033(a)
Page 1 of 5



City of Hamilton
 71 Main Street West
 Hamilton, Ontario
 L8P 4Y5
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General Manager, Finance and Corporate Services
 Corporate Services Department
 1st Floor, 71 Main Street West

May 29, 2025

Regulatory Registry Number: 25-MMAH003

Minister Robert Flack
 Ministry of Municipal Affairs and Housing
 17th Floor, 777 Bay Street
 Toronto, ON M7A 2J3

Dear Minister Flack:

Subject: City of Hamilton Submission on Proposed *Development Charges Act, 1997* Changes through Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025*

Thank you for the opportunity to provide comments on Bill 17, *Protect Ontario by Building Faster and Smarter Act, 2025* (“Bill 17”). The City of Hamilton is submitting the following staff comments to be considered for endorsement by City Council on June 18, 2025 in relation to Schedule 4 to Bill 17 which proposes amendments to the *Development Charges Act, 1997* (“DC Act”) through Regulatory Registry 25-MMAH003. Comments pertaining to the remaining Schedules to Bill 17 will be submitted under separate letters through the appropriate channels.

The City is working alongside the Province to increase housing and infrastructure development with the intent of facilitating the construction of 1.5 million new homes in Ontario by 2031. Hamilton City Council has echoed the importance of responsible development and growth through the [City of Hamilton’s 2022-2026 Council Priorities](#). Council Priority 1 promotes “Sustainable Economic and Ecological Development” and aims to reduce the burden on residential taxpayers, while Council Priority 2 is to create “Safe & Thriving Neighbourhoods” as measured by increasing the supply of affordable and supportive housing.

The City supports the Province’s continued focus on addressing housing supply challenges and appreciates the opportunity to comment on proposed legislative changes that will significantly impact how municipalities plan for and fund growth. While the proposed amendments to the DC Act through Bill 17 appear to aim for greater flexibility and affordability in housing delivery, they would also result in a further reduction in DC collections and a corresponding increase in administrative burden for municipalities.

City of Hamilton
 RR: 25-MMAH003

These changes, if implemented without the corresponding financial support from senior levels of government, may compromise the City’s ability to deliver critical infrastructure and services needed to support complete communities or result in further burden on the City’s taxpayers and rate payers who, themselves, are navigating the increased costs of living. Therefore, **the City requests that the Province develop a funding program to ensure municipalities receive an inflow of funds equivalent to any required DC exemptions / reductions.**

In the absence of draft regulations, it is difficult to fully assess the financial and operational implications of these proposals. The City encourages the Province to release draft regulations in advance of enactment to enable informed feedback and meaningful dialogue and to ensure municipalities are equipped to continue to support responsible and sustainable growth.

The City’s comments have been grouped into seven categories:

1. Exemption for long-term care homes
2. Regulation-making authorities
3. DC by-law amendments
4. Deferrals
5. Lowest DC rate for lock-in developments
6. Other amendments
7. Concluding comments

Exemption for Long-Term Care Homes

Bill 17 proposes to amend the DC Act by introducing an exemption from DCs for long-term care homes. This exemption would apply to all DCs payable after the legislation comes into force, including any future instalments under Section 26.1 of the Act. The City would be required to fund the exemption through other sources, including property tax and water fees. **The City identifies that any DCs that are reduced through this amendment process will cause a pressure on property tax and / or water fees and, therefore, requests the Province develop a funding program to ensure municipalities receive an inflow of funds equivalent to any required exemption.** This offset is necessary to construct the infrastructure required to support growth.

Regulation-Making Authorities

Bill 17 proposes three new regulation-making authorities for the Province, including to impose limits on eligible capital costs, combine DC services for credit purposes and to determine what constitutes a local service. The City would be required to fund any resulting costs through property taxes or user rates. **The impact to the City can only be assessed once the regulation details are released and, therefore, urges the Province to release the draft regulations in advance of enactment to enable the opportunity for municipalities to provide informed feedback.**

DC By-Law Amendments

Bill 17 proposes a simplified process for amending DC by-laws for the purpose of reducing DC rates. Based on the Province’s Technical Briefing on Bill 17, it appears the intent is to broaden this process to also permit the removal of indexing provisions and revisions to discretionary policies that would result in lower charges for the development community. However, as currently drafted, the proposed legislative language does not clearly enable these additional amendments and appears limited to reductions in the DC rates as calculated through the Background Study. **The City recommends that the amendment language be revised to explicitly identify the types of by-law changes that may utilize the simplified process.** In addition, **the City recommends expanding the scope of the simplified process to include minor housekeeping amendments that provide clarification or ensure internal consistency within the by-law.**

In order for DCs to be reduced, municipalities would need to amend their DC by-laws under the revised amendment process. **The City identifies that any DCs that are reduced through this amendment process will cause a pressure on tax payers and / or rate payers and, therefore, requests the Province develop a funding program to ensure municipalities receive an inflow of funds equivalent to any reduction.** This offset is necessary to construct the infrastructure required to support growth.

Deferrals

Bill 17 proposes to amend the DC Act in several key ways as it relates to deferral of DCs for rental-housing, institutional and residential developments. The amendments include:

- Delaying payment of DCs to occupancy for residential developments
- Permit a municipality to require a financial instrument as security for deferred DCs
- Removal of a municipality’s authority to collect interest on DCs deferred through Section 26.1
- Allowing early payment for institutional, rental-housing and residential developments
- Removal of a municipality’s authority to monitor for changes to the development type

This change exposes the City to a risk of non-payment that did not exist previously and to a required overhaul of administrative processes. **The City Requests a minimum 6-month notice period in order to adjust administrative processes to accommodate this change.** The City acknowledges the desire to assist with developer cash flow and **requests that a maximum time frame, e.g. two years for low density and five years for medium and high-density developments be established.**

The **City supports the ability for developers to make early payments for rental, institutional and residential developments**. These changes will reduce the need for Section 27 agreements and ease some administrative burden. However, **the City is concerned about the removal of key protections surrounding a change in the type of development and the lack of clarity in the proposed language**.

The removal of Section 26.1(9) means the City would no longer have the authority to require a rental housing development to remain as rental beyond permit issuance, despite receiving both a rental discount and the option to pay in instalments. In addition, the proposed security provisions are unclear and appear to only apply at occupancy. **The City recommends revising the language to clarify that municipalities may require financial security at the time of building permit issuance and that no building permit is required to be issued until this security is in place**. The City also **does not support the removal of interest charges on deferred DCs**.

Lowest DC Rate for Lock-In Developments

Bill 17 proposes to amend the DC Act to require that, in cases where DC rates are locked-in through a site-plan application or zoning by-law amendment, the amount payable must be the lesser of: (1) the locked-in DC rate plus any accrued interest, or (2) the prevailing DC rate at the time of payment. This change will require the City to calculate and compare both rates in applicable cases, increasing administrative effort to ensure the correct, lower rate is applied. Despite the associated increase in administrative burden, **the City supports this measure as a means to encourage developers subject to the rate lock-in to proceed with developments that are being incentivized through current legislation and recent amendments to the DC by-laws**, which they would not have otherwise benefited from. **The City reiterates a request for the Province to develop a funding program to ensure that municipalities receive an equivalent inflow of funds necessary to construct the infrastructure required to support growth**.

Other Amendments

In addition to the above changes as proposed through Bill 17, the Province released a Technical Briefing on May 12, 2025 which indicated further changes that the Province intends to move forward with. The additional proposed changes included:

- Enabling the use of the Non-residential Building Construction Price Index (BCPI) for London
- Prescribing methodologies for calculating the benefit of new infrastructure to existing development (Benefit to Existing)
- Increasing the requirement to annually allocate 60% of the service specific balance in DC reserves from select services to all services


These changes were not addressed through Bill 17. **The City encourages the Province to release any applicable draft regulations in order to solicit meaningful feedback.**

Closing Comments

The City remains committed to supporting the Province's goal of building 1.5 million homes by 2031 and addressing housing affordability for Ontarians. However, the proposed amendments to the DC Act under Bill 17 represent a continued shift away from growth paying for growth, with anticipated reductions in DC collections and increased administrative complexity. Without clarity on the accompanying regulations, it is challenging for municipalities to fully understand and plan for the operational and financial impacts of the proposed changes. The City encourages the Province to engage in ongoing consultation with all municipalities and to provide timely access to draft regulations to support effective implementation. Additional amendments that prioritize funding certainty and administrative feasibility would strengthen the ability of municipalities to deliver the infrastructure and services needed to support complete, sustainable and growing communities.

Please Note: The City of Hamilton has submitted the above staff comments which will be considered for endorsement by Council on June 18, 2025.

Yours truly,



Mike Zegarac
General Manager, Finance & Corporate Services
City of Hamilton



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance and Administration Committee

Date: June 12, 2025

Report No: FCS25029

Subject/Title: City of Hamilton / Ministry of Transportation 2024-25
Dedicated Gas Tax Funding Agreement

Ward(s) Affected: City Wide

Recommendations

- (a) That Appendix “C” to Report FCS25029, being a By-law To Authorize the Signing of an Agreement between the City of Hamilton and the Ministry of Transportation Related to Funding Provided Under the Dedicated Gas Tax Funds for Public Transportation Program, **BE APPROVED**; and
- (b) That upon the passing of Appendix “C” to Report FCS25029, being a By-law To Authorize the Signing of an Agreement between the City of Hamilton and the Ministry of Transportation Related to Funding Provided Under the Dedicated Gas Tax Funds for Public Transportation Program, staff **BE DIRECTED** to forward a certified copy of the By-law, together with two copies of the signed Letter of Agreement, to the Ministry of Transportation.

Key Facts

- The City of Hamilton is eligible to receive \$12,389,845 in provincial funding as part of the 2024-25 Dedicated Gas Tax Funds for Public Transportation Program (PGT).
- The 2024-25 PGT amount is the same amount that was provided to the City in the previous 12-month period.
- Payments of dedicated gas tax funds will only be made after receipt of the letter of agreement, provided by the Ministry to the municipality, signed in accordance with the by-law(s) and a copy of the by-law(s).
- The City of Hamilton uses PGT to offset operating costs in the Transit budget.

Financial Considerations

Ratification of the Letter of Agreement is a condition of the City of Hamilton becoming eligible for an estimated \$12,389,845 in provincial funding relating to 2024-25 as part of the 2024-25 Dedicated Gas Tax Funding program. In 2025, \$19,041,000 in Provincial Gas Tax funds are being utilized to offset increased operating costs in the Transit budget.

Background

In 2013, the Province of Ontario moved forward with its commitment to make Gas Tax funding permanent. A portion (2 cents per litre) of the provincial gasoline tax revenue is dedicated to municipalities for public transportation. The 2024-25 Program year runs from April 1, 2024 to March 31, 2025. The Ontario government is investing over \$380 M to help 148 municipalities improve local transit through the 2024-25 Gas Tax program. For 2024-25, municipal allocations have been maintained at 2023-24 levels. The funding can be used to expand service hours, increase routes, purchase new vehicles and improve accessibility to increase transit ridership. As part of that commitment, the Province of Ontario, under the Dedicated Gas Tax Funds for the Public Transportation Program, is providing funding in the amount of \$12,389,845 to the City of Hamilton for 2024-25 as per the Letter of Agreement attached as Appendix "A" to Report FCS25029.

Analysis

Under the Dedicated Gas Tax Funds for the Public Transportation Program, funding allocated is based on 70% transit ridership and 30% municipal population with the requirement that funding received be deposited into a dedicated reserve.

The purpose of the Program is to provide dedicated gas tax funds to Ontario municipalities to support local public transportation services and to increase overall ridership through the expansion of public transportation capital infrastructure and levels of service.

Under the terms and conditions of the attached Agreement, a by-law is required to authorize the Mayor and City Treasurer to sign the "Letter of Agreement between the City of Hamilton (the "Municipality") and His Majesty the King in right of the Province of Ontario, as represented by the Minister of Transportation for the Province of Ontario (the "Ministry"), sets out the terms and conditions for the provision and use of dedicated gas tax funds under the Dedicated Gas Tax Funds for Public Transportation Program (the "Program")".

Alternatives

None.

Relationship to Council Strategic Priorities

The dedicated gas tax funds from MTO received through Report FCS25029 support public transportation and directly or indirectly the following Council Strategic Priorities:

1. Sustainable Economic & Ecological Development
 - 1.1. Reduce the burden on residential taxpayers
 - 1.2. Facilitate the growth of key sectors
 - 1.3. Accelerate our response to climate change
2. Safe & Thriving Neighbourhoods
 - 2.2 Make sure people can safely and efficiently move around by foot, bike, transit or car

Previous Reports Submitted

Two recent annual reports include:

- FCS23043 - [City of Hamilton / Ministry of Transportation 2022-23 Dedicated Gas Tax Funding Agreement](#) – March 22, 2023 General Issues Committee
- FCS24032 - [City of Hamilton / Ministry of Transportation 2023-24 Dedicated Gas Tax Funding Agreement](#) – May 1, 2024 General Issues Committee

Consultation

None.

Appendices and Schedules Attached

Appendix “A” to Report FCS25029 – Letter of Agreement between the City of Hamilton and the Province of Ontario

Appendix “B” to Report FCS25029 – 2024/25 Guidelines and Requirements

Appendix “C” to Report FCS25029 – 2025 City of Hamilton / Ministry of Transportation Gas Tax Funding Agreement By-law

Prepared by:	Craig Webb, Business Administrator Financial Planning, Administration and Policy Division Corporate Service Department
Submitted and recommended by:	Brian McMullen, Director Finance / Administration, Investments and Special Projects Corporate Services Department

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March 31, 2025

107-2025-148

Mayor Andrea Horwath
City of Hamilton
City Hall, 71 Main Street West
Hamilton ON L8P 4Y5

Dear Mayor Horwath:

RE: Dedicated Gas Tax Funds for Public Transportation Program Letter of Agreement

This Letter of Agreement between the **City of Hamilton** (the "Municipality") and His Majesty the King in right of the Province of Ontario, as represented by the Minister of Transportation (the "Ministry"), sets out the terms and conditions for the provision and use of dedicated gas tax funds under the Dedicated Gas Tax Funds for Public Transportation Program (the "Program").

Under the Program, the Ministry provides two cents out of the revenue from each litre of gasoline sold in Ontario, in accordance with provincial gas tax statutory requirements, to municipalities to fund improvements to Ontario's transportation network and supporting economic development in communities for public transportation expenditures.

The Ministry intends to provide dedicated gas tax funds to the Municipality in accordance with the terms and conditions set out in this Letter of Agreement and the enclosed Dedicated Gas Tax Funds for Public Transportation Program 2024-25 Guidelines and Requirements (the "Guidelines and Requirements").

In consideration of the mutual covenants contained in this Letter of Agreement and the Guidelines and Requirements, which the Municipality has reviewed and understands and are hereby incorporated by reference, and other good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged, the Ministry and the Municipality agree as follows:

1. To support local public transportation services in the Municipality, the Ministry agrees to provide funding to the Municipality under the Program to a maximum amount of up to **\$12,389,845** ("the "Maximum Funds") in accordance with, and subject to, the terms and conditions set out in this Letter of Agreement and the Guidelines and Requirements.
2. The Municipality will provide to the Ministry a fully signed copy of this Letter of Agreement and a copy of the authorizing municipal by-law(s) and, if applicable, resolution(s) for the Municipality to enter into this Letter of Agreement no later than **April 30, 2025**.

3. Upon receipt of the documentation identified in Section 2 above, the Ministry will provide the Municipality with 75% of its Maximum Funds. Reporting forms are due for submission by **June 30, 2025**. Upon approval of the reporting forms, the Ministry will provide the Municipality with any remaining payment(s). Any outstanding reporting requirements from previous years of the Program will need to be submitted and approved prior to receiving 2024-25 Gas Tax funding.
4. If another municipality authorizes the Municipality to provide local public transportation services on its behalf and authorizes the Municipality to request and receive dedicated gas tax funds for those services also on its behalf, the Municipality will in the by-law(s) and, if applicable, resolution(s) described in Section 2 confirm that the Municipality has the authority to provide those services and request and receive those funds on behalf of the other municipality.
5. The Municipality agrees that any amount payable under this Letter of Agreement and the Program may be subject, at the Ministry's sole discretion, to any other adjustments as set out in the Guidelines and Requirements.
6. The Municipality will deposit the Maximum Funds received in accordance with the Program into a dedicated gas tax funds reserve bank account and use the Maximum Funds, and any related interest, only in accordance with the Guidelines and Requirements.
7. The Municipality will adhere to all requirements set out in the Guidelines and Requirements, including, but not limited to, reporting and accountability measures. The Municipality will also provide all requested documentation to the Ministry in accordance with the Guidelines and Requirements.
8. The Municipality agrees that the Maximum Funds represent the full extent of the financial contribution from the Ministry and the Province of Ontario under the Program for the 2024-25 Program year.
9. The Ministry may terminate this Letter of Agreement at any time, without liability, penalty or costs upon giving at least thirty (30) days written notice to the Municipality. If the Ministry terminates this Letter of Agreement, the Ministry may take one or more of the following actions: (a) cancel all further payments of dedicated gas tax funds; (b) demand the return of any dedicated gas tax funds remaining in the possession or under the control of the Municipality; and (c) determine the reasonable costs for the Municipality to terminate any binding agreement(s) for the acquisition of eligible public transportation services acquired, or to be acquired, with dedicated gas tax funds provided under this Letter of Agreement, and do either or both of the following: (i) permit the Municipality to offset such costs against the amount the Municipality owes pursuant to paragraph 8(b) of this LOA; and (ii) subject to Section 1, provide the Municipality with funding to cover, in whole or in part, such costs. The funding may be provided only if there is an appropriation for this purpose, and in no event will the funding result in the Maximum Funding exceeding the amount specified under Section 1.
10. Any provisions which by their nature are intended to survive the termination or expiration of this Letter of Agreement including, without limitation, those related to disposition, accountability, records, audit, inspection, reporting, communication, liability, indemnity, and rights and remedies, will survive its termination or expiration.

11. This Letter of Agreement may only be amended by a written agreement duly executed by the Ministry and the Municipality.
12. The Municipality agrees that it will not assign any of its rights or obligations, or both, under this Letter of Agreement.
13. The invalidity or unenforceability of any provision of this Letter of Agreement will not affect the validity or enforceability of any other provision of this Letter of Agreement. Any invalid or unenforceable provision will be deemed to be severed.
14. The term of this Letter of Agreement will commence on the date of the last signature of this Letter of Agreement and shall remain in force and effect until the completion of the 2024-25 Program in accordance with the Guidelines and Requirements.
15. The parties hereby consent to the execution of this Letter of Agreement by means of an electronic signature.

If the Municipality is satisfied with and accepts the terms and conditions of this Letter of Agreement, please print and secure the required signatures, and then deliver a fully signed pdf copy to the Ministry through Transfer Payment Ontario (TPON). Subject to the province's prior written consent, including any terms and conditions the Ministry may attach to the consent, the Municipality may execute and deliver the Letter of Agreement to the Ministry electronically. In addition, all program documents are also to be sent through TPON.

Ministry of Transportation

March 31, 2025



Date

Name: Prabmeet Singh Sarkaria
Title: Minister

I have authority to bind the Ministry.

I have read and understand the terms and conditions of this Letter of Agreement, as set out above, and, by signing below, I am signifying the Municipality's consent to be bound by these terms and conditions.

Municipality

Date

Name (print):
Title (head of council or
authorized delegate):

I have authority to bind the Municipality.

Date:

Name (print):

Title (clerk or authorized delegate):

I have authority to bind the Municipality.



MINISTRY OF TRANSPORTATION

Dedicated Gas Tax Funds For Public Transportation Program

2024-25 Guidelines and Requirements

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Definitions

When used in these guidelines and requirements, the words set out below that import the singular include the plural and vice versa:

Canadian Content Policy: means the Canadian Content for Transit Vehicle Procurement Policy, which the Ministry may amend from time to time.

Dedicated gas tax funds: means the money provided by the Ministry to a municipality to be used strictly towards eligible expenditures that are reasonable, in the opinion of the Ministry, and related directly to the provision of public transportation services, and “dedicated gas tax funding” has the same meaning.

Dedicated gas tax funds reserve account: means an interest bearing account set up by a municipality, under its name and in a Canadian financial institution, where dedicated gas tax funds are deposited and can be tracked separately from any other funds that may be in the account. This does not need to be a separate account, so long as the dedicated gas tax funds can be tracked separately.

DFPTA: means the *Dedicated Funding for Public Transportation Act, 2013*, S.O. 2013, c. 2, Sched. 3.

Eligible expenditures: means expenditures made by a municipality in direct support of public transportation operating or capital, or both, costs in accordance with these Guidelines and Requirements.

Guidelines and requirements: means these guidelines and requirements entitled “Dedicated Gas Tax Funds for Public Transportation Program – 2024-25 Guidelines and Requirements”, including Appendices A, B and C to these guidelines and requirements, which the Ministry may amend from time to time.

Host municipality: means a municipality that agrees to provide public transportation services for another municipality.

Indemnified parties: means His Majesty the King in right of Ontario, His ministers, agents, appointees, and employees.

Letter of agreement: means an agreement entered into between the Ministry and a municipality, including a host municipality, that sets out the terms and conditions under which the Ministry agrees to provide dedicated gas tax funds to the municipality, including those under these guidelines and requirements, and any amendments to the letter of agreement.

Losses: means any and all liability, loss, costs, damages or expenses (including legal, expert and consultant fees).

Major refurbishment: means (a) for a subway car, light rail car, streetcar or trolley bus, the refurbishment where the life cycle is extended for a minimum of six years beyond the designed life cycle set out by the manufacturer; and (b) for a bus thirty feet in length or over, the refurbishment where, when the bus reaches a minimum age of nine years, the life cycle of the bus is extended for a minimum of six years.

Ministry and Minister, respectively: means the Ministry of Transportation, which is responsible for the administration of the Program and the Minister responsible for the Ministry.

Municipal own spending on public transportation: means the funds, including those received from total operating revenue and local public donations, that a municipality contributes towards public transportation expenditures, including funds it contributes for operating and capital expenditures.

Personnel: means the advisors, appointees, directors, officers, employees, agents, partners, affiliates, volunteers or subcontractors of a municipality.

Proceeding: means any and all causes of action, actions, claims, demands, lawsuits or other proceedings.

Program: means the Dedicated Gas Tax Funds for Public Transportation Program set up by the Ministry to provide municipalities with dedicated gas tax funds subject to and in accordance with a letter of agreement.

PRESTO: means the fare payment system for which Metrolinx is responsible.

Public transportation: means any service for which a fare is charged for transporting the public by vehicles operated by or on behalf of a municipality or local board as defined in the *Municipal Affairs Act*, R.S.O. 1990, c. M. 46, as amended, or under an agreement between a municipality or local board, and a person, firm or corporation, and includes special transportation facilities for transporting persons with disabilities but does not include transportation by special purpose facilities, such as marine vessels, school buses or ambulances.

Public transportation vehicle: means a streetcar, bus, subway car, light rail car, specialized vehicles for transporting persons with disabilities or trolley bus used for public transportation.

Reporting forms: means the form "2024-25 Dedicated Gas Tax Funds for Public Transportation (Gas Tax) Program" to be provided by the Ministry.

Subcontractor: means any contractor of a municipality or any of its subcontractors at any tier of subcontracting.

Introduction

The Program is an important element of the ongoing relationship between the Province of Ontario and Ontario municipalities. Municipalities receiving dedicated gas tax funds must meet the requirements set out in these guidelines and requirements.

As of 2013 and pursuant to the *Dedicated Funding for Public Transportation Act, 2013*, S.O. 2013, c. 2, Sched. 3 ("DFPTA"), a portion, (2 cents per litre), of the provincial gasoline tax revenue is dedicated to the provision of grants to municipalities for public transportation, including those pursuant to the Program. The portion of the gas tax that is dedicated in each fiscal year is an amount determined using a formula set out in the DFPTA.

The 2024-25 Program year runs from April 1, 2024 to March 31, 2025. The total funding envelope for the 2024-25 Program is \$380.2 million which will go to 106 public transit systems serving 148 municipalities.

General Eligibility Requirements and Conditions

The purpose of the Program is to provide dedicated gas tax funds to Ontario municipalities to support local public transportation services, and to increase overall ridership through the expansion of public transportation capital infrastructure and levels of service. To be eligible to receive dedicated gas tax funds, a municipality must contribute financially towards its public transportation services.

For 2024-25, and unless otherwise approved in writing by the Ministry, only municipalities that have submitted their 2023 annual data survey to the Canadian Urban Transit Association (CUTA), and their 2023-24 Gas Tax reporting forms to the Ministry, will be eligible to receive dedicated gas tax funds.

Subject to the provision of a municipal by-law indicating its intent to provide public transportation services, a municipality that is not currently providing public transportation services, but decides to begin providing such services, may be eligible for funding. Notification of the municipality's intent to provide public transportation services and specific commitment to annually fund such public transportation services is required. Municipalities are encouraged to contact ministry staff early in their decision making process for providing services. After the new public transportation services have been implemented, and at the Ministry's sole discretion, dedicated gas tax funding may then be available.

A municipality receiving dedicated gas tax funds must ensure that all funds received and any related interest are used exclusively towards eligible expenditures and, unless otherwise approved in writing by the Ministry, disbursement of dedicated gas tax funds and any related interest must be net of any rebate, credit or refund, for which the municipality has received, will receive, or is eligible to receive.

All public transportation services and public transportation vehicles must be fully accessible in accordance with the requirements set out under the following statutes and regulations, as may be amended from time to time: the *Accessibility for Ontarians with Disabilities Act, 2005*, S.O. 2005, c. 11 and the *Integrated Accessibility Standards*, O. Reg. 191/11 made under that Act; the *Highway Traffic Act*, R.S.O. 1990, c. H.8 and the *Accessible Vehicles*, R.R.O. 1990, Reg. 629 made under that Act; and the *Public Vehicles Act*, R.S.O. 1990, c. P. 54. In addition to the above, the acquisition of public transportation vehicles must comply with the Canadian Content Policy requirements.

Unless the Ministry otherwise approves in writing, in 2024-25, dedicated gas tax funds and any related interest can only be used to support municipal public transportation expenditures and not to reduce or replace current levels of municipal public transportation funding. External audit and financial reporting costs are not eligible expenditures which the Ministry may reimburse or to which dedicated gas tax funding can be applied.

(a) Requirements for All Dedicated Gas Tax Funds Received in 2024-25

Dedicated gas tax funds and any related interest must be spent on one or more of the following:

- Public transportation capital expenditures that promote increased transit ridership;
- Public transportation operating expenditures;
- Capital expenditures for the replacement of any public transportation vehicles;
- Capital expenditures that provide improvements to public transportation security and passenger safety;
- Expenditures for major refurbishment on any fully accessible, or to be made fully accessible, public transportation vehicle, with the exception of specialized vehicles used for the transportation of persons with disabilities, and
- Expenditures which enhance connections or access to and from transit ("First Mile/Last Mile" initiatives).
- Such initiatives must directly support ridership growth.

Municipalities are encouraged to consult Ministry staff for guidance or advice on whether a specific initiative would qualify as an eligible expenditure for the purpose of the dedicated gas tax funds.

For municipalities that provide only specialized transit for persons with disabilities, dedicated gas tax funds can be spent on public transit initiatives that may not initially result in ridership growth but will provide increased accessibility.

(b) Additional Requirements for the following Municipalities: Regions of Durham and York, the Cities of Brampton, Burlington, Hamilton, Mississauga, Ottawa and Toronto, and the Town of Oakville.

Prior to the release of any dedicated gas tax funds, the municipalities listed under (b) above will, in addition to any other requirements in these Guidelines and Requirements, be required

to:

- Participate in PRESTO and, as participants, will be required to meet their financial obligations for that system.

(c) Additional Requirements for GTA Municipalities: Regions of Durham, Halton, Peel and York, and Cities of Hamilton and Toronto.

Prior to the release of any dedicated gas tax funds, the municipalities listed under (c) above will, in addition to any other requirements in these Guidelines and Requirements, be required to:

- Demonstrate that they have met their responsibility for the payment of the growth and expansion capital costs of Metrolinx pursuant to the Amendment to Greater Toronto Services Board By-law No. 40, O. Reg. 446/04, made under the Metrolinx Act, 2006, S.O. 2006, c. 16, as amended.

(d) Additional Requirements for the following Municipalities: Regions of Durham, Peel, Niagara, Waterloo and York, the Cities of Barrie, Brampton, Burlington, Guelph, Hamilton, Mississauga, and Toronto, and the Towns of Caledon, Halton Hills, Milton and Oakville.

Prior to the release of any dedicated gas tax funds, the municipalities listed under (d) above will, in addition to any other requirements in these Guidelines and Requirements, be required to:

- As requested by the Province, participate in an engagement process led by the Province or Metrolinx, or both, to enable regional fare and service integration.
- As requested by the Province, share information and data to support analysis on regional fare and service integration.

The eligibility requirements for dedicated gas tax funds will be determined in accordance with these guidelines and requirements. The eligibility for any dedicated gas tax funds is at the sole discretion of the Ministry. Municipalities should consider consulting with Ministry staff to determine whether a proposed expenditure is an eligible expenditure for the purpose of dedicated gas tax funds.

Payment Process

(a) Payment Process

The Minister, or designate, will advise each municipality that provides public transportation services of the amount of dedicated gas tax funds it is eligible to receive. The Minister, or designate, will send a letter of agreement to each of these municipalities. The letter of

agreement will set out the terms and conditions upon which the dedicated gas tax funds will be released to the municipality, and by which the municipality will have to agree to be bound.

The Ministry may, on a quarterly basis (or other basis, as the Ministry may decide from time to time), make payments of dedicated gas tax funds only after receipt of the following documents:

- i) the letter of agreement, provided by the Ministry to the municipality, signed in accordance with the by-law(s) and, if applicable, the resolution(s) described below; and
- ii) a scanned copy of the by-law(s) and, if applicable, any resolution(s) authorizing the letter of agreement and naming municipal signing officers for the letter of agreement. A fully signed copy of this Letter of Agreement and a copy of the authorizing municipal by-law(s), if applicable, must be submitted to the Ministry no later than **April 30, 2025**.

The Ministry may withhold payment of dedicated gas tax funds until these reporting requirements are met. Reporting requirements are due for submission by **June 30, 2025**. Any outstanding reporting requirements from previous years will need to be submitted and approved prior to receiving 2024-25 Gas Tax funding.

Any amount of dedicated gas tax funds provided to the municipality under the Program will be subject to the remedies set out under Article 8 of the LOA.

Any dedicated gas tax funds the Ministry provides to a municipality and any related interest, including those kept by the municipality in a dedicated gas tax funds reserve account, will have to be used by the municipality exclusively towards public transportation services and in accordance with the requirements set out in these guidelines and requirements including, without limitation, those related to eligibility and related conditions, acquisition, disposition, accountability, records, audit, reporting, liability, and indemnity requirements.

If a municipality agrees to provide public transportation services (a "host municipality") for another municipality, the Ministry, at its sole discretion, may only provide the host municipality with dedicated gas tax funds. Prior to the Ministry making any payment of dedicated gas tax funds to the host municipality, the host municipality and the municipality on whose behalf the host municipality is providing transportation services will be required to provide the Ministry with copies of their respective by-law(s) and, if applicable, resolution(s), designating the host municipality as a public transportation service provider for the municipality or authorizing the host municipality to provide public transportation services to the municipality, as applicable. The contributing municipality, on whose behalf the host municipality is providing transportation services, will be required to provide the Ministry with a copy of their by-law(s) and, if applicable, resolution(s), in the year that this arrangement is initiated, and will be required annually to confirm with the Ministry in writing that the arrangement is still in effect. The host municipality will be required to enter into a dedicated gas tax funds letter of agreement with the Ministry and be in compliance with the terms and conditions set out in these guidelines and requirements.

In addition, the host municipality must promptly advise the Ministry of any change in arrangements between the host and contributing municipalities, such as decisions to cease

contributions. The Ministry may then, at its sole discretion, make any necessary adjustment to its contribution of dedicated gas tax funds to the host municipality.

Dedicated Gas Tax Funds Reserve Account, Amalgamation, and Interest

(a) Dedicated Gas Tax Funds Reserve Account

Dedicated gas tax funds must be used only towards the eligible expenditures for public transportation listed in these Guidelines and Requirements.

If the Ministry provides dedicated gas tax funds to a municipality before the municipality's immediate need for the funds, the municipality will be required to keep the funds, and all interest earned on such funds, in a dedicated gas tax funds reserve account. Dedicated gas tax funds received, and any related interest earned on such funds, must be reported annually, using the reporting forms, on a cash basis. At no time should a municipality report a negative reserve account balance.

(b) Amalgamation

In the event of a merger, amalgamation of transit systems, or where the transit system in one municipality is taken over by another municipality, and the municipality originally operating the transit system has unused dedicated gas tax reserve funds when it ceases to provide the transit system, the Ministry may, in its sole and absolute discretion, allow for the transfer of unused dedicated gas tax reserve funds to the municipality that is assuming the transit system. Approval must be obtained by the municipality from the Ministry in writing prior to the transfer. Such dedicated gas tax reserve account funds must be deposited in a dedicated gas tax funds reserve account for the municipality assuming the transit system. The Ministry may, in its sole discretion, impose any other requirements appropriate under the circumstances. The municipality/municipalities shall provide the Ministry with written notice of their request, as soon as practicable.

The municipality assuming the transit system must be a Gas Tax Program participant. It must have an executed Letter of Agreement with the Ministry (either an existing Letter of Agreement if already a Gas Tax Program participant or a new Letter of Agreement if joining the Gas Tax Program as a result of the amalgamation), and must remain in compliance with all other terms and conditions set out in these Guidelines. For further clarity, funds may **not** be transferred to a municipality which does not participate in the Gas Tax Program. This shall not be interpreted, however, as preventing a municipality from applying and becoming a participant in the Gas Tax Program in accordance with any requirements in these Guidelines.

If the Ministry for any reason declines to permit the type of transfer described above, the Ministry may demand the repayment of any unused dedicated gas tax reserve funds, as a debt owing and due to the Crown, as per these Guidelines.

(c) Interest

Interest must accrue on funds carried over the course of the Program reporting period in a dedicated gas tax funds reserve account. A municipality must calculate interest on its average annual balance of funds. The interest must also be reported annually, using the reporting forms, and can only be applied towards eligible expenditures.

Acquisition of Goods or Services, and Disposal of Assets

If a municipality acquires goods, including supplies, materials, vehicles, equipment or services, or both, with dedicated gas tax funds, it must do so through a process that promotes the best value (with due regard for economy, efficiency and effectiveness) for the dedicated gas tax funds it spends.

The municipality must report, in writing, to the Ministry any funds accrued from the sale, lease or disposal of assets purchased with dedicated gas tax funds, and return such funds to a dedicated gas tax funds reserve account, with the exception that funds accrued from the sale, lease or disposal of transit buses beyond their useful economic life (12 years for conventional and 5 years for specialized), will not be required to be returned to a dedicated reserve account.

Event of Default: Adjustment, Withholding and Payment of Dedicated Gas Tax Funds and Other Remedies

The following will be considered an Event of Default if, in the opinion of the Ministry, a municipality:

- i) fails to comply with any term, condition or obligation set out in a letter of agreement, including these guidelines and requirements;
- ii) uses any of the dedicated gas tax funds or any related interest for a purpose not authorized without the prior written consent of the Ministry;
- iii) provides erroneous or misleading information;
- iv) fails to provide information, including requested audit information and required reports, to the Ministry for any reason whatsoever; or
- v) is unable to provide or acquire or has discontinued the provision or acquisition of any service or asset for which dedicated gas tax funds have been provided, or it is not reasonable for the municipality to continue to provide or acquire any service or asset for which such funds have been provided.

Where there is, in the opinion of the Ministry, an Event of Default, the Ministry may, unless the Ministry provides the municipality with written notice of an opportunity to remedy the Event of Default, take one or more of the following actions:

- i) initiate any action the Ministry considers necessary in order to facilitate the successful provision or acquisition of any service or asset provided or acquired with dedicated gas tax funds;
- ii) suspend the payment of dedicated gas tax funds for such period as the Ministry determines appropriate;
- iii) reduce the amount of the dedicated gas tax funds;
- iv) cancel further payments of dedicated gas tax funds;
- v) demand from the municipality the return of any dedicated gas tax funds remaining in the possession or under the control of the municipality;
- vi) demand from the municipality the payment of an amount equal to any dedicated gas tax funds the municipality used, but did not use in accordance with the letter of agreement;
- vii) demand from the municipality the payment of an amount equal to any dedicated gas tax funds the Ministry provided to the municipality; and
- viii) terminate the Letter of Agreement at any time, including immediately, without liability, penalty or costs to the Ministry upon giving notice to the municipality.

Where the Ministry gives the municipality an opportunity to remedy an Event of Default by giving the municipality notice of the particulars of the Event of Default and the date by which the municipality is required to remedy it, and: i) the municipality does not remedy the Event of Default by the date specified in the notice; ii) it becomes apparent to the Ministry that the municipality cannot completely remedy the Event of Default by the date specified in the notice; or iii) the municipality is not proceeding to remedy the Event of Default in a way that is satisfactory to the Ministry, the Ministry may extend the date by which the municipality is required to remedy , or initiate any of the remedies for Event of Default available to it under as outlined in these Guidelines and Requirements.

Upon termination of the Letter of Agreement pursuant to these Guidelines and Requirements, the Ministry may take one or more of the actions listed for in the first paragraph of this section. In regards to any demand for repayment, the Minister may not demand repayment of an aggregate amount greater than the dedicated gas tax funds that were received by the municipality.

Upon the Minister providing a municipality a written demand for repayment of dedicated gas tax funds, any related interest, or both, the amount of the demand will be deemed to be a debt due and owing to the Crown of the Province of Ontario and may be recovered as such under applicable law, including, without limitation, the *Financial Administration Act*, R.S.O. 1990, c. F.12, as amended, ("FAA"). In addition to any remedy the Crown may have under the FAA, the Ministry may decide to withhold or adjust the amount of any current or future dedicated gas tax funding, or any other funding program, that may be provided to the municipality in an amount equal to such debt or have the amount of such debt deducted from financial assistance payable on any other project(s) of the municipality under any other initiative in which the Ministry is involved (either current or future).

The Ministry may charge the municipality interest on any money owing by the municipality at the then current rate charged by the Province of Ontario on accounts receivable.

The municipality will pay any money owing to the Ministry by cheque payable to the "Ontario Minister of Finance" and delivered to the Ministry as the Ministry may require.

If a municipality: i) has failed to comply with any term, condition or obligation under any other agreement with His Majesty the King in right of Ontario or one of His Agencies (a "failure"); ii) has been provided with notice of such failure in accordance with the requirements of such other agreement; iii) has, if applicable, failed to rectify such failure in accordance with the requirements of such other agreement; and iv) such failure is continuing, the Ministry may suspend the payment of dedicated gas tax funds for such period as the Ministry determines appropriate.

When the Ministry provides its consent pursuant to a Letter of Agreement, including these guidelines and requirements, it may impose any terms and conditions on such consent and the municipality will comply with such terms and conditions.

If a municipality fails to comply with any term of a Letter of Agreement, including these guidelines and requirements, the municipality could only rely on a waiver of the Ministry if the waiver was in writing and refers to the specific failure to comply. A waiver will not have the effect of waiving any subsequent failures to comply.

Any decision made by the Minister regarding funding under the Program is final.

Expenditure, Records, Audit and Reporting Requirements

(a) Expenditure

A municipality receiving dedicated gas tax funds must use such funds, and any interest earned on such funds, exclusively towards public transportation service eligible expenditures and in accordance with these guidelines and requirements. The municipality will not be allowed to use dedicated gas tax funds and related interest to offset other municipal expenditures.

The municipality will also be required to provide such further assurances as the Ministry may request from time to time with respect to any matter to which a letter of agreement, including these guidelines and requirements, pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of these documents to their full extent.

Furthermore, the municipality must ensure any information the municipality provides to the Ministry under the Program is true and complete at the time provided and will continue to be true and complete.

(b) Records

A municipality receiving dedicated gas tax funds must keep and maintain separate records and documentation related to any dedicated gas tax funds and any related interest, including invoices and any other financially-related documents relating to the provision or acquisition of

public transportation services for which dedicated gas tax funds and any related interest have been used. The records and documentation must be kept and maintained in accordance with generally accepted accounting principles. Records containing confidential information must be kept in accordance with all applicable legislation. No provision of these guidelines and requirements shall be construed so as to give the Ministry any control whatsoever over the municipality's records.

(c) Audit

A municipality receiving dedicated gas tax funds may be subject to audit. The Ministry may, at its sole discretion, audit or have audited by any third party, any records and documentation of the municipality related to any public transportation services provided or acquired with dedicated gas tax funds or any related interest, and such funds. Such audit may require the Ministry, at the municipality's expense (except as provided in the Canadian Content Policy), to retain external auditors. In addition, the Auditor General may, pursuant to the *Auditor General Act*, R.S.O. 1990, c. A. 35, as amended, audit the accounts and records of the municipality relating to any expenditure of dedicated gas tax funds.

To assist in respect of the rights set out above, a municipality will be required to disclose any information requested by the Ministry, its authorized representatives or an independent auditor identified by the Ministry, and will do so in the form requested by the Ministry, its authorized representatives or an independent auditor.

In addition to any adjustments the Ministry may make to dedicated gas tax funding under these Guidelines and Requirements, the Ministry may, upon recommendation in an audit report, adjust future dedicated gas tax fund payments or other payments the Ministry may make to the municipality under any other program.

(d) Reporting

Accuracy in the calculation and reporting of municipal transit ridership and dedicated gas tax funds and any related interest is paramount. When calculating ridership, municipalities must use one of the acceptable best practices identified in the 2008 Ontario Ridership Data Collection Review Report, published jointly by CUTA and iTrans Consultants (retained by CUTA).

A municipality will be accountable to use dedicated gas tax funds and any related interest towards public transportation expenditures that meet the Program eligibility requirements. Each municipality will be required to report on how dedicated gas tax funds and any related interest are spent on an annual basis, including the provision of its Canadian Content Policy declaration form(s), in accordance with the Canadian Content Policy, for any public transportation vehicle funded with dedicated gas tax funds. The Canadian Content Policy was amended effective September 21, 2017 to be aligned with government procurement commitments under the Comprehensive Economic Trade Agreement (CETA) between Canada and the European Union (EU). As of September 21, 2017, municipalities are to comply with the amended policy for all transit procurements.

For the purpose of the above reporting, **municipalities will be required** to use the reporting forms that have been developed in consultation with municipal public transportation stakeholders, and **submit these reporting forms to the Ministry prior to June 30, 2025**.

Municipalities are strongly advised to carefully verify all data before submitting their reporting forms, to ensure that all information provided is accurate. Municipalities are also encouraged to contact the Ministry if they require any guidance or assistance in completing these reports.

Communications

Unless the Ministry otherwise approves in writing, a municipality receiving dedicated gas tax funds will be required to acknowledge the support of the Ministry in a form and manner as directed by the Ministry.

A municipality will be required to give a minimum of thirty (30) days written notice to the Ministry regarding any planned local dedicated gas tax funding communication or recognition event, or both. The municipality will also be required to provide the Ministry with detailed information regarding such communication or event, or both.

The Ministry and a municipality receiving dedicated gas tax funds will, at all times, remain independent of each other and will not represent themselves to be the agent, joint venturer, partner or employee of the other. Neither the municipality nor the Ministry will be allowed to make representations or take actions that could establish or imply any apparent relationship of agency, joint venture, partnership or employment. In addition, neither the municipality nor the Ministry will be bound in any manner whatsoever by any agreements, warranties or representations made by any of them to any other person or entity, with respect to any other action of the other.

If the municipality publishes any material of any kind, written or oral, relating to public transportation services provided or acquired with dedicated gas tax funds, the municipality will indicate in the material that the views expressed in the material are the views of the municipality and do not necessarily reflect those of the Ministry.

A municipality receiving dedicated gas tax funding must comply with the requirements for the installation and maintenance of visual identity signage set out below:

- The municipality will install and maintain the exterior and interior visual identity signage on each public transportation vehicles for which dedicated gas tax funds were provided.
- External visual identity signage must be located immediately to the left of the front passenger entrance doors of the vehicle. Internal visual identity signage should be placed on an interior wall in a location and height that will be convenient for passengers to read.

- Recognition stickers approximate size — 10" x 3.4".

Conflict of Interest

A municipality and its subcontractors and any of their respective personnel must use dedicated gas tax funds and provide and acquire services and assets with such funds without an actual, potential, or perceived conflict of interest.

A conflict of interest includes any circumstances where a municipality or any person who has the capacity to influence the municipality's decisions has outside commitments, relationships or financial interests that could, or could be seen to, interfere with the municipality's objective, unbiased, and impartial judgment relating to the provision or acquisition of services or assets provided or acquired with dedicated gas tax funds, the use of such funds, or both.

A municipality will disclose to the Ministry, immediately and without delay, any situation that a reasonable person would interpret as an actual, potential, or perceived conflict of interest, and comply with any terms and conditions that the Ministry may prescribe as a result of the disclosure.

Freedom of Information and Protection of Privacy Act

All applications submitted to the Ministry are subject to the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, c. F. 31, as amended ("FIPPA"). FIPPA provides every person with a right of access to information in the custody or under the control of the Ministry, subject to a limited set of exemptions.

Municipalities are advised that the names of municipalities receiving dedicated gas tax funds, the amount of funds provided, and the purpose for which dedicated gas tax funds are provided, is information the Ministry may be required by law to make available to the public.

Liabilities, Indemnities and Insurance Requirements

A municipality receiving dedicated gas tax funds must agree that it is responsible for anything that may arise, directly or indirectly, in connection with the Program, including, without limitation, any activity under it such as the provision and acquisition of services and assets with dedicated gas tax funds. The Ministry's involvement under the Program is for the sole purpose of, and is limited to, the provision of dedicated gas tax funds.

Furthermore, a municipality receiving dedicated gas tax funds must agree to indemnify and hold harmless the Indemnified Parties from and against any and all losses or proceedings, by

whomever made, sustained, incurred, brought, or prosecuted, in any way arising out of, or in connection with anything done or omitted to be done by the municipality or any municipality on behalf of which the municipality receives dedicated gas tax funds, or any of their respective personnel, the Program, any activity under it, or the letter of agreement, unless the loss or proceeding is solely caused by the negligence or willful misconduct of the Indemnified Parties.

A municipality receiving dedicated gas tax funds is responsible for its own insurance and must carry, at its own costs and expense, and require the same from its subcontractors and any municipality on behalf of which it receives dedicated gas tax funds, all the necessary and appropriate insurance that a prudent municipality in similar circumstances would maintain in order to protect itself and the Ministry and sufficient to support the indemnification, as set out above.

The municipality is not covered by the Province of Ontario's insurance program and no protection will be afforded to the municipality by the Government of Ontario for any losses or proceedings that may arise out of the Program or Letter of Agreement, for which the municipality is responsible for pursuant to the indemnification above.

For greater certainty, the rights and remedies of the Ministry under a Letter of Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity.

Compliance with the Law

A municipality receiving dedicated gas tax funds must comply with all federal and provincial laws and regulations, all municipal by-laws, and any other orders, rules and by-laws related to any aspect of the services or assets provided or acquired with the dedicated gas tax funds and the dedicated gas tax funds.

For greater clarity, by receiving dedicated gas tax funds, a municipality may become subject to legislation applicable to organizations that receive funding from the Government of Ontario, including the *Public Sector Salary Disclosure Act, 1996*, S.O. 1996, c. 1, Sched. A and the *Auditor General Act*, R.S.O. 1990, c. A.35.

Where to Request or Provide Information

All forms, agreements, supporting documentation as well as any questions regarding the Program are to be directed to the Strategic Investments Office of the Ministry of Transportation at MTO-PGT@ontario.ca.

Authority: Item ____, Audit, Finance and Administration Committee Minutes ____
(FCS25028)
CM: _____ Ward: City Wide

Bill No. XXX

CITY OF HAMILTON
BY-LAW NO. _____

**To Authorize the Signing of an Agreement between the City of Hamilton and the
Ministry of Transportation Related to Funding Provided Under the Dedicated Gas
Tax Funds for Public Transportation Program.**

WHEREAS the Council of the City of Hamilton deems it advisable to enter into an agreement with His Majesty the King in right of Ontario, as represented by the Minister of Transportation related to funding provided by the Province of Ontario to the Municipality under the Dedicated Gas Tax Funds for Public Transportation Program;

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

1. The Mayor and General Manager, Finance & Corporate Services are authorized and directed to sign the Letter of Agreement between the City of Hamilton and His Majesty the King in right of Ontario, as represented by the Minister of Transportation which is attached Schedule A and forms part of this By-law.
2. This By-law may be cited for all purposes as the 2024/2025 City of Hamilton/Ministry of Transportation Gas Tax Funding Agreement Bylaw.
3. This By-law is deemed to have come into force on _____, 2025.

PASSED this ____ day of _____, 2025.

Andrea Horwath
MAYOR

Matthew Trennum
CLERK



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance and Administration Committee

Date: June 12, 2025

Report No: PW23007(d)/FCS23011(d)

Subject/Title: Grightmire Arena Lessons Learned Audit (AUD22004) –
Final Management Responses Status Report
(**Outstanding Business List**)

Ward(s) Affected: City Wide

Recommendations

- 1) That Report PW23007(d)/FCS23011(d) Grightmire Arena Lessons Learned Audit (AUD22004) – Final Management Responses Status Report **BE RECEIVED** as the final report on this subject.
- 2) That Outstanding Business List Item respecting Grightmire Arena Lessons Learned Audit (AUD22004) (City Wide) Audit, Finance & Administration Committee Item 14.2, be considered completed and Clerks staff **BE DIRECTED** to remove it from the Outstanding Business List.

Key Facts

The purpose of this Consideration Report is to provide Council with the final management responses to the Grightmire Arena Lessons Learned Audit (AUD22004) and remove this item from the Outstanding Business List.

Financial Considerations

Not applicable

Background

This Final Management Responses Status Report is in response to the Recommendations (Open Session) issued as part of the J.L. Grightmire Arena Lessons Learned Audit (AUD22004) presented at the Audit, Finance and Administration Committee on April 7, 2022, included the following:

- (c) That the General Manager of Public Works and the General Manager of Finance and Corporate Services be directed to implement the Management Responses (attached as Confidential Appendices “A” and “C” to Report AUD22004) and report back to the Audit, Finance and Administration Committee on a quarterly basis on the nature and status of actions taken in response to the audit report.

Analysis

This Consideration Report is to provide the final update on the progress made by all the responsible divisions in addressing the recommendations included as part of the J.L. Grightmire Arena Lessons Learned Audit (AUD22004).

Updates on action items in response to the recommendations are included in Appendix “A” to Report PW23007(d)/FCS23011(d). The status updates were prepared in consultation with staff from the Corporate Facilities & Energy Management Division and the Finance and Corporate Services Department (Procurement, Legal Services and Risk Management Services Divisions).

An implementation plan for the 15 audit recommendations was developed and work is now complete on all the action items. This is the final report from staff to complete the recommendations from the Grightmire Arena Lessons Learned Audit (AUD22004).

Alternatives

Not applicable

Relationship to Council Strategic Priorities

Council’s Strategic Priorities are part of our ongoing commitment to responsiveness and transparency. The process improvements implemented through the recommendations of this audit enhance service delivery, proactive decision making, and result in high performing public service across the organization.

Previous Reports Submitted

- [Grightmire Arena Lessons Learned Audit \(AUD22004\) – Management Responses Status Report \(PW23007\(c\)/FCS23011\(c\)\) \(City Wide\)](#), Audit, Finance & Administration Committee – November 7, 2024.
- [Grightmire Arena Lessons Learned Audit \(AUD22004\) – Management Responses Status Report-PW23007\(b\) FCS23011\(b\)](#), Audit, Finance & Administration Committee – May 16, 2024.
- [Grightmire Arena Lessons Learned Audit \(AUD22004\) – Management Responses Status Report \(PW23007\(a\)/FCS23011\(a\)\) \(City Wide\) \(Outstanding Business List Item\)](#), Audit, Finance & Administration Committee – October 5, 2023.

Grighthouse Arena Lessons Learned Audit (AUD22004) – Final Management Responses
Status Report (PW23007(d)/FCS23011(d)) (City Wide)

Page 3 of 3

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- [Grighthouse Arena Lessons Learned – Management Responses Status Report \(PW23007/FCS23011\) Outstanding Business List](#), Audit, Finance & Administration Committee – February 2, 2023.
 - [Confidential AUD22004 - JL Grighthouse Arena Lessons Learned](#), Audit, Finance & Administration Committee – April 7, 2022.

Consultation

Rob Gatto, Manager of Sports & Entertainment Facilities – Public Works, Corporate Facilities & Energy Management.

Tina Iacoe, Director – Procurement, Corporate Services

Appendices and Schedules Attached

Appendix A: Grighthouse Arena Lessons Learned – Management Responses Status Report PW23007(d)/FCS23011(d)

Prepared by:





Shaba Shringi, Program Manager, Quality Management Office, Public Works, Corporate Facilities & Energy Management

Tina Iacoe, Director, Procurement, Corporate Services

Submitted and recommended by:





Chris Herstek, Acting Director, Public Works, Corporate Facilities & Energy Management

Mike Zegarac, General Manager, Finance and Corporate Services

Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete





Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025

Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
Corporate Facilities & Energy Management (CFEM) Division								
1	Corporate Facilities and Energy Management Division	We recommend that management develop a risk assessment framework and process, and that formal evaluation of risk be conducted as part of the project planning for each capital project. This would inform and identify the project management approach to be taken, resources that should be allocated, as well as the issues and mitigations that need to be tracked and reviewed on an ongoing basis.	A risk assessment framework and process are planned for development as part of the continued implementation of the Quality Management System (QMS) in Public Works in 2022. The PW QMS team has developed and implemented project management documents (including a PM manual, project charter template, project transition checklist and closing report template) working with a cross-divisional team across the City. Energy, Fleet and Facilities Management Division (EFFM) has further developed project initiation and close-out checklists, a project budget template and communications plan for capital projects to continually improve project management processes and mitigate risk. EFFM's 2022-2023 initiatives include further development of planning/ design and implementation/ construction phase checklists.	Risk Assessment Process	Complete	☑	Recommendation Completed in Q3-2023.	<u>Q3 2023 – CFEM Update:</u> The PW QMS team developed and released a Risk Management Procedure in March 2023, which has been reviewed and is being implemented by CFEM. Risks are identified with mitigation mechanisms in the Project Charter as part of every capital project. <u>Q4 2022 – EFFM Update:</u> EFFM has developed internal working committees for various continuous improvement initiatives. EFFM has also recently completed the recruitment for the Sr. Project Manager of the EFFM Quality Management Office, which will be in place by the end Q1 2023, following which new template documents will be prepared.
3	Corporate Facilities and Energy Management Division	We recommend that contract management training be provided to project managers to ensure the City's rights under contract are protected and timely remedies can be implemented during the capital project process.	Contract management training will be provided to Project Managers involved in the planning and delivery of construction projects to ensure the City's rights are protected and timely remedies are implemented. Training will be provided once Legal and Procurement have confirmed delegated authority and available support.	Contract Management Training	Complete	☑	Recommendation Completed in Q3-2023.	<u>Q3 2023 – CFEM Update:</u> CFEM staff participated in contract management training in April 2023. <u>Q4 2022 – EFFM Update:</u> Contract Management Training is being organized by the Corporate Asset Management office on the new CCDC 2-2020 contract for all departments across Public Works. Training sessions will be scheduled in Q1-2023.
4	Corporate Facilities and Energy Management Division	We recommend that management consider separating the roles of project management and contract management for capital projects in general, or alternatively with those that reach a pre-determined level of risk.	Current practices will be reviewed with Legal and Procurement to determine the changes necessary related to the roles of project and contract management in general, or when a pre-determined level of risk is reached. As defined by the Office of the City Auditor (OCA), contract management for capital projects (in comparison to contract administration), is strictly concerned with contract delivery/ adherence to the contract terms (i.e., role of a contract compliance specialist). As such, EFFM will review the existing Service Level Agreement (SLA) with Legal Services with regards to the requirement to engage an experienced Legal representative knowledgeable in construction contract law to enforce contract management practices for applicable high-risk projects. EFFM will undertake a municipal scan to explore models for construction contract management successfully implemented by other municipalities in Ontario for multidisciplinary construction projects. Understanding that the City is bound by existing Legal and Procurement policies, and have limited ability/ flexibility to change processes, EFFM relies on the subject matter experts in these support divisions/department to provide guidance on contract management practices.	Municipal Scan - Roles of Project and Contract Management	Complete	☑	Recommendation Completed in Q2-2024.	<u>Q2 2024 – CFEM Update:</u> Following the municipal scan and internal discussions with Procurement and Legal Services, staff will continue to utilize the most appropriate contract type for project delivery between those currently developed and available in the City. This includes Construction Management (CM/CCDC 5B) as an alternate contract delivery models utilized by various municipalities which mitigates risk and adversity in relationships between the consultant and contractor. <u>Q3 2023 – CFEM Update:</u> A municipal scan was completed through the CFEM Director's Office in Q3 2023. Construction Management (CM/CCDC 5B) is one of the alternate contract delivery models utilized by various municipalities which mitigates risk and adversity in relationships between the consultant and contractor. Other municipalities have also expressed success with this model. CFEM & Procurement have collaborated on a CCDC 5B contract template for Facilities projects, and this has been implemented on a number of CFEM projects in 2023. All the findings will be reviewed with Procurement and Legal Services to determine if there are any opportunities to separate the project management and contract management roles. This is on track to be completed by the Q4 2023 deadline. <u>Q4 2022 – EFFM Update:</u> EFFM is on target to complete a municipal scan and working with Legal Services will initiate this in Q2 2023 once the EFFM Quality Management Office is in place, to be completed by the end of Q4 2023.



Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete





Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025

Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
7	Corporate Facilities and Energy Management Division	We recommend that project management processes be improved to ensure adequate project documentation is maintained by the City, including delays and deficiencies, ensuring that contract management administrative requirements are strictly adhered to, and formal communications with the contractor are timely, effective and sufficient.	Project management processes will be improved with the planned introduction of a central filing system through the Enterprise Asset Management (EAM) project for all required project documentation, including delays and deficiencies. The EAM project is the medium-term solution to ensure adequate project documentation is always maintained. Implementation is expected by 2025. The existing EFFM Contract Analyst position along with a new Quality Management Office within EFFM will be redefined to add duties related to quality management and project record retention. A standard operating procedure detailing project management processes will also be introduced related to ensuring contract management and contract administrative requirements are strictly followed for timely and effective contractor communications.	Project Documentation - Management and Control (EAM)	Complete	<input checked="" type="checkbox"/>	Recommendation Completed in Q3-2023.	<u>Q3 2023 – CFEM Update:</u> CFEM has reviewed the PW Project Management SOP and will follow the record retention requirements per the SOP as well as the new EAM system (once implemented). Project files for capital projects are currently maintained following the Divisional capital project folder template in alignment with Project Management principles. Future improvements will be made to incorporate document control through EAM once it is implemented for the Division. <u>Q4 2022 – EFFM Update:</u> EFFM continues to collaborate with the departmental Public Works Quality Management System (PWQMS) and EAM project teams in the development of project management processes. EFFM has also recently completed the recruitment for the Sr. Project Manager of the EFFM Quality Management Office, which will be in place by the end of Q1 2023. Estimated Completion: Q4 2022 for Quality Management Office (QMO) and EAM implementation by 2025
8	Corporate Facilities and Energy Management Division	We recommend that special contingency procedures and guidelines be developed for enhancing the oversight and contract management practices for projects in difficulty.	A standard operating procedure will be developed for the management of contingency in order to enhance the oversight and contract management practices for projects in difficulty. This procedure will define roles and responsibilities, as well as ensure updates for all projects on a routine basis through a project tracker or similar mechanism while incorporating an existing escalation protocol. Since 2020, EFFM has implemented an escalation protocol through bi-monthly project status updates on significant/major capital projects, which allows senior management to be notified of any project issues.	Critical Project Communications SOP	Complete	<input checked="" type="checkbox"/>	Recommendation Completed in Q2-2024.	<u>Q2 2024 – CFEM Update:</u> CFEM staff are following the recently released Public Works standard operating procedure for Communications, which was developed in collaboration with the CFEM QMO. Additionally, as mentioned in the previous Q3 2023 update, project management staff continue to utilize the Key Projects tracker for enhanced oversight of key projects. <u>Q3 2023 – CFEM Update:</u> The PWQMS team has developed a Level II Communications SOP in collaboration with the CFEM QMO for the Public Works department. The SOP is currently in its review phase and will be released before the end of Q4 2023. This will be adopted and implemented by CFEM project management staff. Additionally, for enhanced oversight of key projects - CFEM has implemented a Key Projects tracker which is updated weekly and shared with CFEM's management team, as well as the GM of PW and his Administrative Coordinator. Divisional tracking includes key project, litigation files, HR requests, as well as Councillor and media requests. Updates are shared by CFEM's Director with the GM, who escalates critical items to Council through variance reporting, etc. <u>Q4 2022 – EFFM Update:</u> EFFM has kept senior management and Council apprised of project status updates and will continue to do so. The standard operating procedure will be developed in 2023 once the EFFM Quality Management Office is in place.
9	Corporate Facilities and Energy Management Division	We recommend that Public Works implement a process to share critical capital project information such as cost estimates with Procurement to ensure the procurement team has all relevant information for a capital project.	A standard operating procedure will be developed to document the process to share critical capital project information with Procurement to ensure the Procurement team has all relevant information for a capital project e.g. cost estimates tracked in advance of tender issuance. This information could be attached as supporting documentation to the existing project budget template, RFCTA form and Project Charter submitted at the time of tender.	Share Critical Capital Project Estimates with Procurement	Complete	<input checked="" type="checkbox"/>	Recommendation Completed in Q3-2023.	<u>Q3 2023 – CFEM Update:</u> Including the project budget as part of the Request for Contract/Tender Approval (RFCTA) form has met this recommendation and complies with the Procurement Policy. An additional SOP is not required in addition to following the Procurement forms. <u>Q4 2022 – EFFM Update:</u> EFFM has started including the completed project budget as part of the Request for Contract/Tender Approval (RFCTA) package. The standard operating procedure will be developed in 2023 to document the process.
12	Corporate Facilities and Energy Management Division	We recommend that communication with Council regarding projects in difficulty be timely and forthright, and that the risk assessment process (see Recommendation 1) be utilized to bring potentially unfavorable conditions and negative community impact to Council's attention in a proactive manner.	A standard operating procedure will be developed to document the procedure for timely and forthright communication of projects in difficulty to Council. This procedure will incorporate the output of the risk assessment process to ensure that potentially unfavorable conditions and negative community impact are proactively brought to Council's attention.	Critical Project Communications SOP	Complete	<input checked="" type="checkbox"/>	<u>Q2 2024 – CFEM Update:</u> Complete as noted in the response for recommendation #8.	<u>Q3 2023 – CFEM Update:</u> Please refer to the response for recommendation #8. <u>Q4 2022 – EFFM Update:</u> EFFM has continued to keep Council and senior management apprised of project updates since the completion of this audit. The standard operating procedure will be developed in 2023.

Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete

Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025





Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
13	Corporate Facilities and Energy Management Division	We recommend that the budget for the capital projects portfolio include sufficient funding for necessary corporate services, such as legal, financial, and contract management expertise, in order to ensure that they City's interests are protected during the completion of capital projects.	Corporate Services Financial Planning, Administration and Policy staff will work with the Corporate Asset Management team and the asset owners to assess the type of costs charged to Capital Projects and assess resources needed to support Capital Projects. Under the Asset Management framework, staff will develop a definition of the cost of a Capital Asset including a review of operating costs recovered from Capital Projects. Staff will be looking to change our approach for costs that are recovered from Capital Projects, such that, capital projects may only include costs that are directly attributable to a capital project. Therefore, we will be reviewing costs for City project management, City contract management, other City overhead, City financial services, City and external legal services, etc. It is expected that the impact of any change will be assessed, and the pros and cons of alternatives will be provided. (Operating budget, capital financing costs, i.e. transfers to capital, may be needed to offset operating budget capital cost recoveries).	Capital Projects Portfolio Funding	Complete		Recommendation Completed in Q3-2023.	<p><u>Q3 2023 – FPAP Update:</u> A revised process to allocate operating costs in the budget and actuals to CFEM capital projects was implemented in 2019 and reviewed in Q3 2023. Costs directly attributable to capital projects are charged to CFEM capital projects. When unexpected project costs arise, financing sources are sought and the Capital Projects' Budget Appropriation and Work-in-Progress Transfer Policy is followed. In addition, Corporate Services Financial Planning, Administration and Policy (FPAP) staff are working with all assets owners to develop consistent processes to allocate all costs directly attributable to capital projects in the budget development and in the actuals as Asset Management Plans are developed.</p> <p>→ <u>CFEM Supplemental Comment:</u> CFEM's project budget template is required to be completed for all large capital projects and includes an estimate for operating fee recoveries as a percentage of the project budget. Budget overage requests associated with unplanned project issues during the closing phase (such as litigation) would follow FPAP processes for additional funding requests.</p> <p><u>Q4 2022 – EFFM Update:</u> EFFM is continuing to work on this item. EFFM's project budget template includes an estimate for internal fee recoveries as a percentage of the project costs. This will be reviewed along with the costs of other stakeholders mentioned in the recommendation column. As noted in the update to Recommendation #7, EFFM's QMO office will be operational by the end of Q1 2023, and meeting the expected completion target will be part of its mandate.</p>
14	Corporate Facilities and Energy Management Division	We recommend that management implement and/or strengthen processes to ensure that when faced with contractor claims for cost increases or time extensions due to alleged design issues, that these alleged design flaws are rigorously and independently evaluated, commensurate with their seriousness. In particular, design flaws that potentially impact safety should be promptly addressed and accountability/ liability for actual design flaws is assured.	<p>The EFFM Capital team through its new Quality Management Office, in collaboration with Legal Services & Procurement will explore means of strengthening current process that is currently governed by both (i) CCDC-2 design-bid-build contract, which defines the role of the Consultant as the contract administrator (i.e. The Consultant will provide administration of the Contract as described in the Contract Documents), & (ii) the Ontario Building Code (OBC), whereby, the capital construction projects delivered by EFFM require building permits in compliance with the OBC, which include a Commitment to General Review signed by the Prime Design Consultant and/or design Engineers to complete construction documentation, field inspections, review of shop drawings & testing reports, & contract administration services to ensure compliance with the design.</p> <p>Additionally, CCDC-2 also includes mechanisms for conflict resolution. EFFM will review the existing Service Level Agreement (SLA) with Legal Services with regards to the requirement to engage an experienced Legal representative knowledgeable in construction contract law to enforce contract management practices for applicable high-risk projects.</p> <p>This will allow the City to act promptly to enforce our contractual rights going forward in situations where alleged design flaws are raised during the construction phase.</p>	Strengthen Contract Claim Review Process & Revise SLA between Legal & CFEM	Complete		Recommendation Completed in Q2-2024.	<p><u>Q2 2024 – CFEM Update:</u> CFEM and Legal services have been working collaboratively to identify potential contractual concerns for construction projects for adherence to our contracts. Additionally, as noted in Legal Service's response to Recommendation #15, they have completed a review of the City's litigation process and all settlements over and above approved limits for staff will be presented to Council for approval. CFEM will work with Legal Services and comply with this improved process going forward.</p> <p><u>Q3 2023 – CFEM Update:</u> CFEM is in discussion with our colleagues in Legal Services to review revisions to the SLA, including engagement of an experienced Legal representative knowledgeable in construction contract law to enforce contract management practices for applicable high risk projects. Legal is also reviewing the settlement process for litigation as part of Recommendation #15 assigned to them.</p> <p><u>Q4 2022 – EFFM Update:</u> EFFM will formalise a process in consultation with Legal Services, Risk Management and the Procurement Section, once the EFFM QMO office is operational in Q1 2023 (as noted in the update to Recommendation #7). Limited staffing resources have resulted in requiring an extension. EFFM will collaborate with Legal Services to review the Service Level Agreement in 2023.</p>

Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete

Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025





Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
Finance and Corporate Services Department (Procurement, Legal Services and Risk Management Services Divisions)								
2	Procurement Section and Legal and Risk Management Services Division	We recommend that when using a CCDC 2 Stipulated Price contract for construction projects, that the current version be used and that the contract conforms with the changes introduced by recent changes to the <i>Construction Act</i> .	All construction contracts utilized through a procurement process are current with respect to the <i>Construction Act</i> . A working group of staff has been tasked with updating supplemental conditions to be used with the new CCDC 2-2020 Stipulated Price contract for implementation in June 2022.	CCDC 2-2020 Stipulated Price Contract	Complete	☑	Recommendation Completed in Q3-2023.	<u>Q4 2022 – Procurement Update:</u> As of June 30, 2022, the updated CCDC 2-2020 is in effect and staff are using it as required. Staff has completed its review of the supplemental conditions to the contract and these are currently being used as well.
5	Procurement Section	We recommend that contractor performance for each contract be tracked and formally evaluated using a consistent and robust process, and that the use of contractor ratings from previous performance be considered for implementation as a procurement criterion in order to mitigate the risk of poor results.	It is within Procurement’s workplan to research and develop a more robust Vendor Performance Program. The context of this program has yet to be determined however, Procurement will investigate the potential to use contractor ratings from previous contract performance as a procurement criterion in order to mitigate the risk of poor results. Procurement also recognizes that significant consultation is required with both internal and external stakeholders in order for this program to be successful. EFFM Supplemental Comment: In discussions with Procurement, EFFM will participate in this initiative to develop a more robust Vendor Performance Program.	Robust Vendor Performance Program	Complete	☑	<u>Q1 2025 – Procurement Update</u> : Procurement received approval on the new Vendor Performance Management Program (VPMP) at the March 26, 2025 Council meeting. Staff has launched the program and continue to hold training sessions for both internal staff and external vendors.	<u>Q4 2024 – Procurement Update:</u> Procurement is finalizing the Vendor Performance Program and implementation is scheduled for the end of 2024. <u>Q2 2024 – Procurement Update:</u> Staff continues to work on the development and implementation of the Vendor Performance Program with the anticipation of its completion by end of Q2 2024. <u>Q3 2023 – Procurement Update:</u> A Project Manager has been recruited to review and improve the City’s Vendor Performance Program and work has been initiated. Development of the new the Vendor Performance (VP) Program is ongoing, and is on track to be completed by the Q2 2024 deadline. → <u>CFEM Supplemental Comment:</u> CFEM are keeping Procurement apprised of vendor issues and completing the current VP form as required. We will also continue to participate in this initiative with Procurement to develop a more robust Vendor Performance Program. <u>Q4 2022 – Procurement Update:</u> Procurement is still experiencing a shortage of staffing resources to complete this work. A recruitment is under way for a project manager to develop and implement. This is a priority for Procurement Staff to complete.
6	Legal and Risk Management Services Division with Procurement Section	We recommend that the values used for liquidated damages be reviewed to ensure they adequately compensate the City for the damages of late delivery and daily costs incurred, and to motivate contractors to take prompt action to cure project delays/deficiencies. Where liquidated damages would likely fall short of what is necessary to motivate Contractors to meet schedule requirements, we also would recommend the use of bonus/penalty clauses and earn-backs in the Contract.	Staff will investigate and pursue best practices including discussion with other municipalities, on the approach to liquidated damages, bonus and penalty provisions pertaining to contractual dealings. Legal Services will aid Procurement in updating the approach to appropriately amending contracts arising from this investigation in order to best protect the City’s interests as permitted by these measures. Further, Procurement staff will engage and consult with client staff to assess consequences and controls in order to ensure appropriate application of the changes involved.	Contract Penalties & Bonuses Process Review	Complete	☑	Recommendation Completed in Q2-2024.	<u>Q2 2024 – Legal Services Update:</u> Legal Services has incorporated updated liquidated damages language in capital construction contracts. <u>Q3 2023 – Legal Services Update:</u> Legal Services is developing an updated process for liquidated damages, including standard clauses to be included in capital construction contracts. The process will also include references to the relevant sections of the Construction Act for staff reference. This is on track to be completed by the Q4 2023 deadline. → <u>Q3 2023 – CFEM Supplemental Comment:</u> CFEM has provided assistance to Legal Services by sharing information received from other municipalities with respect to bonus/penalty clauses as part of the municipal scan completed per Recommendation #4. <u>Q4 2022 – Procurement Update:</u> Procurement staff has had preliminary discussions with both internal staff (including Facilities, Hamilton Water, Legal Services) and external municipalities within Ontario. Limited staffing resources are such that an extension is required.
10	Procurement Section	We recommend that the practice of single sourcing of professional consulting firms be reviewed and be utilized only during exceptional circumstances. Professional consulting services generally should only be retained through a competitive process as outlined in the City of Hamilton’s Procurement By law.	The City’s Procurement Policy sets out the requirements for awarding contracts to vendors. Staff agree that the most prudent mechanism to select a vendor is through a competitive process. However, where exceptional circumstances exist and a competitive process is not recommended, the appropriate approval to single source must be obtained either by the General Manager or Council.	Single-Source Contract Process Review	Complete	☑	Recommendation Completed in Q3-2023.	<u>Q4 2022 – Procurement Update:</u> Procurement Section has developed and implemented a revised Policy 11 approval form specifically for consultants. The new form requests additional information to support the Policy 11 request as well as includes an acknowledgement by the client department that, pending the dollar value of the services, a formal contract with the vendor will be required.

Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025

Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete

Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
11	Procurement Section	We recommend that a standard form of contract be developed and used for the procurement of architectural consulting as well as for contract administration services including terms and conditions specific to each type of service. Furthermore, we recommend contract management techniques be utilized to manage the consultant's performance based on these agreements.	Procurement has developed and currently utilizes various templated competitive procurement documents for the engagement of contract administration and architectural consulting services. For those circumstances where architectural or contract administration services are not procured through a competitive process, staff will ensure that a formal contract is to be executed with the vendor prior to any work being carried out. The next revision of the Procurement Policy will be amended to include this requirement.	Prime Design Consultant Standard Form of Contract	Complete	<input checked="" type="checkbox"/>	Recommendation Completed in Q3-2023.	Q4 2022 – Procurement Update: As noted in the update to Recommendation #10, the new Policy 11 form requires a formal contract with the vendor based on the value of services. Procurement has a standard form of contract for a Prime Consultant in place. Any standard terms of reference or scope of work required under the contract shall be created and maintained by Facilities and modified on a case by case basis to reflect project specific requirements.

Grightmire Arena Lessons Learned Audit (AUD22004)
Management Responses Status Report as of April 2025

Completion Status Legend:
 Ongoing/ On Target
 Progressing but delayed
 Complete
 Incomplete

Recom. No.	Responsible Division	Audit AUD22004 Recommendation	Management Response (AUD22004)	Recommendation Action Plan	Expected Completion Date	Completion Status	Status Update	
							Q2 2025 PW23007(d)/FCS23011(d)	Q4 2024 PW23007(c)/FCS23011(c) Q2 2024 PW23007(b)/FCS23011(b) Q3 2023 PW23007(a)-FCS23011(a) Q4 2022 (PW23007-FCS23011)
15	Legal Division	We recommend that management review its process for approving settlements that exceed a predetermined threshold to ensure appropriate due diligence is being exercised over the proposed settlement amounts. Such process should be designed to provide Council with assurances that proposed settlements of significant cost were being subjected to the necessary scrutiny and validation and were properly supported.	Management supports reviewing its process to approve settlements to ensure appropriate checks and balances are in place before recommendations are made to Council. Staff will target completion of this review Q3, 2022, in advance of 2023 budget deliberations.	Settlement Review and Approval Process Review	Complete	<input checked="" type="checkbox"/>	Recommendation Completed in Q2-2024.	<p><u>Q2 2024 – Legal Services Update:</u> Legal Services presents all settlements over and above approved limits for staff to Council for approval. This is based on a legal analysis of the facts and issues related to the claim and what is in the best interest of the City.</p> <p><u>Q3 2023 – Legal Services Update:</u> Legal Services is reviewing and revising the settlement process for litigation in alignment with the Delegation of Authority By-Law, which is under development. The City Solicitor has directed that litigation files will be reported to Council on a quarterly or semi- annual basis, and proposed settlements that are beyond the authority of the City Manager and or where there is some significance will be provided to Council for instructions. This is in progress and to be implemented by Q4 2023, however the Delegation of Authority By-Law is a large initiative being led by the City Manager's office and therefore the timeline may be impacted during their consultation and implementation phases.</p> <p><u>Q4 2022 – Legal Update:</u> A new City Solicitor joined the City in mid- October 2022 and as such, the timing of implementation of this review is deferred until the new City Solicitor has been given the opportunity to review.</p>

Links to Previous Reports:

- 1 [AFA - April 7, 2022 - Confidential AUD22004 - JL Grightmire Arena Lessons Learned Audit](#)
- 2 [AFA Committee - February 2, 2023 - Report PW23007 FCS23011 Grightmire Arena Lessons Learned – Management Responses Status Report](#)
- 3 [AFA Committee - October 5, 2023 - Report PW23007\(a\)/FCS23011\(a\) Grightmire Arena Lessons Learned – Management Responses Status Report](#)
- 4 [AFA Committee - May 16, 2024 - Report PW23007\(b\)/FCS23011\(b\) Grightmire Arena Lessons Learned – Management Responses Status Report](#)
- 5 [AFA Committee - November 7, 2024 - Report PW23007\(c\)/FCS23011\(c\) Grightmire Arena Lessons Learned – Management Responses Status Report](#)

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR T. HWANG

SECONDED BY COUNCILLOR

Supporting Steeltown Athletics Club (STAC) Hamilton's Basketball Program for Hamilton Youth

WHEREAS, Steeltown Athletics Club (STAC) Hamilton is a non-profit organization dedicated to elevating youth from equity-deserving communities through athletic, academic, and life-skill opportunities. It breaks down barriers to high-quality athletics and education and builds inclusive communities in the heart of Hamilton;

WHEREAS, STAC Hamilton's youth programming reinforces social connection by supporting youth from Wards 2, 3, and 4, including 200 youth from Ward 4 alone;

WHEREAS, STAC Hamilton's youth mentor works closely with youth aged 12+ to ensure they have all of the proper information, guidance and accessibility to apply to post-secondary education;

WHEREAS, in the last two years, 17 youth who participated in STAC Hamilton's basketball program were signed to a college or university on a full-scholarship, unlocking access to post-secondary education and bridging the gap between the equity-deserving youth and education; and

WHEREAS, STAC was recently informed that one of their consistent lines of funding was not renewed and they are well into the planning and execution the 2025 summer camp season and need funding to keep their programming on target;

THEREFORE, BE IT RESOLVED:

- (a) That a grant to Steeltown Athletics Club (STAC) Hamilton to subsidize costs of registration for low-income youth for its basketball program be funded from the Ward 4 Capital Discretionary Account #3302309400 at an upset limit, including contingency, not to exceed \$5,000;
- (b) That any funds allocated and distributed to Steeltown Athletics Club (STAC) Hamilton to subsidize costs of registration for low-income youth for its basketball program be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund for the years 2025 and 2026; and

- (c) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents associated with the allocation of funds to Steeltown Athletics Club (STAC) Hamilton to subsidize costs of registration for low-income youth for its basketball program, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR T. HWANG

SECONDED BY COUNCILLOR

Supporting Rental of a Portable Toilet for McQuesten Urban Farm During the Demolition and Construction at 785 Britannia Ave

WHEREAS, the McQuesten Urban Farm is a result of the McQuesten Neighbourhood Action Plan as a means to address food insecurity and healthy eating in the neighbourhood;

WHEREAS, the McQuesten Urban Farm provides valuable programming focused on food security and healthy eating for families and youth as well as volunteering and community building opportunities for residents;

WHEREAS, the McQuesten Urban Farm is operated by Niwasa Kendaaswin Teg which is a non-profit charitable Indigenous organization that provides programs and services across the entire life cycle to the Indigenous population in Hamilton, and operates from the building at 785 Britannia Ave;

WHEREAS, the McQuesten Urban Farm relied on the building 785 Britannia Ave for access to washrooms but the development of the Biindigen Well-Being Centre at 785 Britannia Ave is underway, which includes the demolition of the building;

WHEREAS, the McQuesten Urban Farm has four full-time employees, two part-time student employees, and more than 20 volunteers each week, as well as hosting larger volunteer groups including school visits, corporate volunteer days, and community events; and

WHEREAS, employers in Ontario must provide washroom facilities for its workers;

THEREFORE, BE IT RESOLVED:

- (a) That a grant to Niwasa Kendaaswin Teg to subsidize the cost of a portable toilet for the McQuesten Urban Farm be funded from the Ward 4 Capital Discretionary Account #3302309400 at an upset limit, including contingency, not to exceed \$900;
- (b) That any funds allocated and distributed to Niwasa Kendaaswin Teg to subsidize the cost of a portable toilet for the McQuesten Urban Farm be exempt on a one-

time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund for the years 2025 and 2026; and

- (c) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents associated with the grant to Niwasa Kendaaswin Teg to subsidize the cost of a portable toilet for the McQuesten Urban Farm, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR C. KROETSCH

SECONDED BY COUNCILLOR T. HWANG

Improved Signage for One Hour Free Market Parking at York Parkade (Ward 2)

WHEREAS, the Ward 2 office has received concerns about clarity and visibility of the process for receiving a free hour to park at the York Parkade while shopping at the Hamilton Farmers Market;

WHEREAS, City Parking and Hamilton Farmers Market staff agreed that improved signage would assist people in navigating the lot and receiving their one free hour; and

WHEREAS, the agreed upon signage was quoted at \$4,068 with a 10% contingency for any necessary adjustments to the order;

THEREFORE, BE IT RESOLVED:

- (a) That costs associated with improved signage to the Hamilton Farmers Market be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$4,500; and
- (b) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR C. KROETSCH

SECONDED BY COUNCILLOR A. WILSON

Ward 2 Community Grants – Q2 2025 (Ward 2)

WHEREAS, the Ward 2 Community Grants program closed for Q2 on May 3, 2025 with a total of 22 applications;

WHEREAS, City staff in Financial Planning, Administration and Policy and Community Engagement - Grants reviewed the recommendations from the Ward 2 Community Grants program and found that the following were eligible;

WHEREAS, grants that are for capital infrastructure projects and are within the policy shall be funded from the Ward 2 Capital Re-investment (Area Rating) Reserve Account #108052;

WHEREAS, grants that are for programming that addresses food insecurity or student supports in Ward 2 shall be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602, when possible;

WHEREAS, all remaining grants shall be funded from the Ward 2 Capital Discretionary Account #3302309200; and

WHEREAS, the following \$40,625 in 16 individual grants represents the fulfillment of Q2 - 2025 of the Ward 2 Community Grants program, with \$23,750 from the Ward 2 Capital Discretionary Account #3302309200, \$13,375 from the Ward 2 Non-Property Tax Revenue Account #3301609602, and \$3,500 from the Ward 2 Capital Re-investment (Area Rating) Reserve Account #108052.

THEREFORE, BE IT RESOLVED:

- (a) That artist fees for the 2nd Annual Hamilton Plein Air Festival to event organizer Cheryl-Ann Hills be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$3,250;
- (b) That costs associated with public consultation, workshops, pop-ups, and surveys about art activations on the roof of Jackson Square to Cobalt Connects Creativity be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$2,125;

- (c) That gardening tools for garden programming at their main program area to Compass Community Health be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$2,000;
- (d) That costs associated with the perinatal navigator program serving Ward 2 residents to Family Rootz Alliance be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$3,250;
- (e) That bussing, snacks, insurance, coaching materials, and program equipment for the FAB 5k Challenge to Fit Active Beautiful Foundation be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$2,125;
- (f) That electrical infrastructure, sound equipment, and a technician for the Hamilton Italian Heritage Festival to Fratellanza Racalmutese Italian Club be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$2,125;
- (g) That program facilitator, workshop, and artist-in-residence honorariums to Garden of Repairs be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$3,250;
- (h) That field equipment, park permits, field rental, team supplies, engagement materials, and tent, tables, chairs, and water station rentals to Hamilton Anti-Racism Resource Centre be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$3,250;
- (i) That performance fees for My Friend Christopher to play at the Hamilton Farmers Market to Hamilton Farmers Market be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, including contingency, not to exceed \$1,800;
- (j) That materials and artist fees for "For the Birds," an artistic and educational mural in Ward 2 by Bird Friendly Hamilton Burlington to Hobbitstee Wildlife Refuge be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$4,500;
- (k) That costs associated with the Open Homes Challenge, an annual fundraiser in Bayfront Park for Open Homes Hamilton, to IAFR Canada be funded from the Ward 2 Non-Property Tax Revenue Account #3301609602 at an upset limit, not to exceed \$950;
- (l) That a RE-create community mural project at Gasworks to Shalem Mental Health Network be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$2,125;
- (m) That field rentals to Steel City Inclusive Softball Association be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$2,125;

- (n) That the production, promotion, and distribution of a harm reduction information zine to Substance Overdose Prevention and Education Network (SOPEN) be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, not to exceed \$2,125;
- (o) That Inclusivity, Diversity, Equity, and Accessibility (IDEA) surveys to Theatre Aquarius be funded from the Ward 2 Capital Discretionary Account #3302309200 at an upset limit, including contingency, not to exceed \$2,125;
- (p) That Wesley Supportive Housing capital costs like appliances and furnishings be funded to Wesley Urban Ministries from the Ward 2 Capital Re-investment (Area Rating) Reserve Account #108052 at an upset limit, including contingency, not to exceed \$3,500;
- (q) That any funds allocated and distributed through the Ward 2 Community Grants Program be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund (e.g. the City's 30% formula); and
- (r) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR A. WILSON

SECONDED BY COUNCILLOR

Ward 13 Community Grants – Rockton Lions Club, Dundas Community Services, & Halton Food for Life

WHEREAS, the Ward 13 Community Grants program exists to financially support community projects which substantially improve the communities of Ward 13 in areas relating to social services, biodiversity and climate action, community development, the arts, and recreation;

WHEREAS, the following three grantees have worked in collaboration with the City and other Hamilton organizations to develop new accessible trails and address food insecurity in low-income seniors in the City of Hamilton;

THEREFORE, BE IT RESOLVED:

- (a) That reimbursement to Rockton Lions Club for costs incurred in the construction of the Rockton Lions Community P.A.T.H. project be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$18,000;
- (b) That reimbursement to Dundas Community and Social Services (DCS) for costs incurred from increased prices for their subsidized Meals on Wheels program, as well as a program review, be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$3,000;
- (c) That reimbursement to Dundas Community and Social Services (DCS) for costs incurred related to their portion of the Seniors Pop-Up Market Program be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$2,500;
- (d) That reimbursement to Halton Food For Life, for costs incurred related to their portion of the Seniors Pop-Up Market Program be funded from the Ward 13 Non-Property Tax Revenue Account #3301609613 at an upset limit, including contingency, not to exceed \$2,500;
- (e) That any funds allocated and distributed through the Ward 13 Community Grants Program be exempt on a one-time basis and not be counted toward any formula

that restricts regular funding from the City including the City Enrichment Fund or the One-Time Enhancement Grant (e.g. the City's 30% formula); and

- (f) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents, with such terms and conditions in a form satisfactory to the City Solicitor.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR M. SPADAFORA

SECONDED BY COUNCILLOR

Review of Prolonged Acting Management Assignments

WHEREAS, prolonged acting management assignments can lead to uncertainty among staff, hinder long-term planning, and negatively impact productivity and morale; and

WHEREAS, permanently filling leadership positions is essential to ensure organizational stability, clarity in decision-making, and accountability across departments;

THEREFORE, BE IT RESOLVED:

- (a) That the City Manager be directed to report back to the Audit, Finance and Administration Committee by September 11, 2025 with a list of all current management positions across the organization that are not permanently filled and are being covered through acting assignments, such report to include:
 - (i) The title of the positions, the departments or divisions, and the duration of the acting assignments to date; and
 - (ii) a summary of any current acting assignments that have exceeded six months, along with an explanation of the reason(s) the position has not been filled permanently, and anticipated timelines for permanent recruitment, if applicable.

CITY OF HAMILTON M O T I O N

Audit, Finance and Administration Committee: June 12, 2025

MOVED BY COUNCILLOR M. SPADAFORA

SECONDED BY COUNCILLOR J. BEATTIE

Festitalia Soccer Tournament Sponsorship

WHEREAS, the 50th Anniversary of Festitalia will be celebrated in 2025, featuring a variety of cultural and community events, including a soccer tournament that promotes youth participation and community pride; and

WHEREAS, the Festitalia Soccer Tournament brings together teams from across the city and fosters cross-cultural understanding, teamwork, and active living;

THEREFORE, BE IT RESOLVED:

- (a) That a one-time exception to the Area Rating Special Capital Re-Investment Discretionary Fund Policy be approved to allow Ward 14 to provide a grant to the Festitalia Corporation to support costs associated with the Festitalia Soccer Tournament, to be funded from the Ward 14 Capital Discretionary Account (3302309014) at an upset limit, including contingency, not to exceed \$4,500;
- (b) That all funds allocated for this initiative be contingent upon the submission of appropriate supporting documentation, including receipts or paid invoices, to the satisfaction of the General Manager of Finance and Corporate Services;
- (c) That any funds allocated and distributed to Festitalia Corporation to support costs associated with the Festitalia Soccer Tournament be exempt on a one-time basis and not be counted toward any formula that restricts regular funding from the City including the City Enrichment Fund; and
- (d) That the Mayor and City Clerk be authorized and directed to execute any required agreement(s) and ancillary documents associated with the Festitalia Soccer Tournament, with such terms and conditions in a form satisfactory to the City Solicitor.