

**CITY OF HAMILTON**

**CORPORATE SERVICES DEPARTMENT**  
*Financial Planning & Policy Division*

<b>TO:</b> Chair and Members Audit, Finance & Administration Committee	<b>WARD(S) AFFECTED:</b> CITY WIDE
<b>COMMITTEE DATE:</b> November 12, 2012	
<b>SUBJECT/REPORT NO:</b> Municipal Services & Property Taxation on Condominium Properties (FCS12020a) (City Wide) (Outstanding Business List Item)	
<b>SUBMITTED BY:</b> Roberto Rossini, General Manager Finance & Corporate Services Department	<b>PREPARED BY:</b> T. Hewitson (905) 546-2424 ext 4159 M. Di Santo (905) 546-2424 ext 6247
<b>SIGNATURE:</b>	

**RECOMMENDATION**

That, in adherence to the proposed work plan attached as Appendix “A” to Report FCS12020a “Municipal Services & Property Taxation on Condominium Properties”, that staff be directed to report back to their respective Standing Committees on the following:

- (i) potential options and costs involved with maintaining condominium catch basins, fire hydrants, larviciding within common areas of the condominium corporations’ properties and street lighting.

**EXECUTIVE SUMMARY**

This report provides a status update on the Council approved recommendations of staff report FCS12020/PW12011, “Municipal Services and Property Taxation on Condominium Properties”.

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Staff submitted the afore-mentioned report (FCS12020/PW12011) to the April 10, 2012, Audit, Finance & Administration Committee in response to various requests from condominium owners and managers. The request included changes to taxation treatment and potential enhancements to City related services. Council approved a number of resolutions, as outlined below, which essentially asked staff to review the service requests and provide the condominium owners with some cost information. The taxation items were dealt within the original report.

The following update is provided with respect to the Council approved recommendations of staff report FCS12020/PW12011, "Municipal Services and Property Taxation on Condominium Properties".

Items (a) and (b), identified below, are complete.

**(a)** That Report FCS12020/PW12011 "Municipal Services and Property Taxation on Condominium Properties" be received for information;

**(b)** That, in an effort to mitigate the cost of services undertaken by Condominium Corporations, City staff provide the Condominium Corporations with a list of the City's current contractors and their respective pricing.

Items (c), (d) and (e), identified below, remain outstanding. The attached Appendix "A" to Report FCS12020(a) identifies a proposed work plan for these three remaining items.

**(c)** That staff be directed to work with the Chairs of the Board of Health and the Standing Committees, to develop a report outlining the costs involved with maintaining condominium catch basins, fire hydrants, larviciding within common areas of the condominium corporations' properties and street lighting and report back to the Audit, Finance & Administration Committee; [staff recommend to revise to: "their respective Standing Committee"]

**(d)** That staff be directed to evaluate the feasibility of reviewing the Guidelines for Site Plan Reviews with the Condominium Corporation Institute and report to the Planning Committee;

**(e)** That the Solid Waste Management Committee, with the appropriate staff, be directed to further review the condominium properties where the City currently does not provide waste collection services to determine if waste collection services can be provided to these sites on a go forward basis and report back to the Public Works Committee.

In this report (FCS12020(a)), staff are recommending a minor change in process related to recommendation (c) above. The revised work plan, as identified in Appendix "A" to Report FCS12020(a), will allow the process to evolve in a more timely manner, by directing staff to report back to "their respective standing committee" and not to the Audit, Finance & Administration Committee. Doing so, would allow staff to proceed with each service individually, and thus not having one or two services delaying the process.

The standing committee responsible for the specific service (i.e. Public Works Committee responsible for catch basins, fire hydrant testing and street lighting; Board of Health responsible for larviciding) are also in a better position to make recommendations on the provision of these services. Similar to other projects, Finance staff will continue to be a resource for any financial implications.

***Alternatives for Consideration – See Page 5 .***

**FINANCIAL / STAFFING / LEGAL IMPLICATIONS** (for Recommendation(s) only)

**Financial:** N/A.

**Staffing:** N/A.

**Legal:** N/A.

**HISTORICAL BACKGROUND** (Chronology of events)

In March, 2010, representatives from the Canadian Condominium Institute, Golden Horseshoe Chapter advised the former Committee of the Whole of their concerns with respect to the City of Hamilton's policies on condominium properties. In response, the following direction was approved by City of Hamilton Council:

*“Staff were directed to meet with CCI to investigate and report back with a plan for attempting to mitigate the costs of services provided to condominium residences including:*

*Garbage and Recycling collection  
Storm sewer annual cleaning  
Fire hydrant testing  
Parking/signage on roads  
Other related services*

In response to this Council direction, staff subsequently presented report “Municipal Services and Property Taxation on Condominium Properties” (FCS12020/PW12011) to the April 10, 2012, Audit, Finance and Administration Committee. The staff report concluded that the provision of services, as they relate to condominium properties, was consistent to that of any other privately owned property, and thus did not recommend any changes to the existing treatment of condominium properties. Due to the lack of inventory of catch basins, fire hydrants, etc., on private property, the staff report was not able to determine the cost of providing these services to condominiums. Significant liability issues, as well as equity issues as it pertains to other types of private property,

were also identified in the report. Council, however, requested more work/analysis to be done and thus subsequently approved the following:

*(a) That Report FCS12020/PW12011 “Municipal Services and Property Taxation on Condominium Properties” be received for information;*

*(b) That, in an effort to mitigate the cost of services undertaken by Condominium Corporations, City staff provide the Condominium Corporations with a list of the City’s current contractors and their respective pricing;*

*(c) That staff be directed to work with the Chairs of the Board of Health and the Standing Committees, to develop a report outlining the costs involved with maintaining condominium catch basins, fire hydrants, larviciding within common areas of the condominium corporations’ properties, and street lighting, and report back to the Audit, Finance & Administration Committee;*

*(d) That staff be directed to evaluate the feasibility of reviewing the Guidelines for Site Plan Reviews with the Condominium Corporation Institute and report to the Planning Committee; and,*

*(e) That the Solid Waste Management Committee, with the appropriate staff, be directed to further review the condominium properties where the City currently does not provide waste collection services to determine if waste collection services can be provided to these sites on a go forward basis, and report back to the Public Works Committee.*

#### **POLICY IMPLICATIONS**

N/A.

#### **RELEVANT CONSULTATION**

Staff consulted with City departments responsible for reporting back on outstanding items related to Council approved recommendations of staff report “Municipal Services and Property Taxation on Condominium Properties” (FCS12020/PW12011).

**ANALYSIS / RATIONALE FOR RECOMMENDATION**

(include Performance Measurement/Benchmarking Data, if applicable)

The different services under review vary significantly both in terms of complexity and costs. By reporting directly to the respective standing committee, as the information for a specific service is complete, staff anticipate that the process will proceed more efficiently. Council would then be able to make the determination of the merits of proceeding with each specific service on an individual basis. The standing committee responsible for the service would also be in a better position to make recommendations on the provision of that service. Finance staff will continue to be a resource for any financial implications.

**ALTERNATIVES FOR CONSIDERATION**

(include Financial, Staffing, Legal and Policy Implications and pros and cons for each alternative)

Alternatively, Council can maintain its original approved recommendation and report to the Audit, Finance and Administration Committee. This process will potentially take longer, as it is expected that staff will not be reporting back to committee until information is available for all of the services under review.

**CORPORATE STRATEGIC PLAN (Linkage to Desired End Results)**

Focus Areas: 1. Skilled, Innovative and Respectful Organization, 2. Financial Sustainability, 3. Intergovernmental Relationships, 4. Growing Our Economy, 5. Social Development, 6. Environmental Stewardship, 7. Healthy Community

***Skilled, Innovative & Respectful Organization***

- ◆ Council and SMT are recognized for their leadership and integrity

**APPENDICES / SCHEDULES**

Appendix "A": Municipal Services & Property Taxation on Condominium Properties – Proposed Work Plan

## **Municipal Services & Property Taxation on Condominium Properties – Proposed Work Plan**

(a) That Report FCS12020/PW12011 “Municipal Services and Property Taxation on Condominium Properties” be received for information;

- **Complete**

(b) That, in an effort to mitigate the cost of services undertaken by Condominium Corporations, City staff provide the Condominium Corporations with a list of the City’s current contractors and their respective pricing;

- **Complete**
- **Purchasing staff have compiled the information.**
- **The requested information was provided to the Canadian Condominium Institute (CCI) in September, 2012.**

(c) That staff be directed to work with the Chairs of the Board of Health and the Standing Committees, to develop a report outlining the costs involved with maintaining condominium catch basins, fire hydrants, larviciding within common areas of the condominium corporations’ properties and street lighting and report back to the Audit, Finance & Administration Committee; [staff recommend to revise to: “their respective Standing Committee”]

- **Prior to determining the costs of providing these services to condominium properties, staff first need to have an inventory, as well as, information with respect to their current condition.**
- **Staff for each respective service (Public Works: responsible for catch basins, fire hydrant testing and street lighting; Public Health: responsible for larviciding) will determine potential cost of getting the required information (inventory, state of repair, etc) for each individual service and, if applicable, identify alternative ways of proceeding.**
- **As identified in the recommendation, staff will then provide this information (costs of conducting inventory) to the Chairs of the Board of Health and the Standing Committees for information and input.**
- **Staff are recommending that, as information is available for a specific service, that staff report to their respective Standing Committee (and not to the Audit, Finance & Administration Committee). This would potentially accelerate the process.**
- **It is estimated that by Q1 2013, the respective Standing Committee would be provided with the projected costs to complete the required inventory for each service. If approved by Council, staff would then proceed with the inventory.**

- **Once the required information (inventory, state of repair, etc) for each individual service is available (if approved by Council to proceed), staff can then determine the cost of providing these services to condominiums.**
- **With respect to catch basin maintenance, staff is reviewing requests for maintenance activities for private roadways. Further information will be provided to Council in a future report.**

**(d)** That staff be directed to evaluate the feasibility of reviewing the Guidelines for Site Plan Reviews with the Condominium Corporation Institute and report to the Planning Committee;

- **This item has been added to the Planning Committee Outstanding Business List (due date of December 4, 2012).**

**(e)** That the Solid Waste Management Committee, with the appropriate staff, be directed to further review the condominium properties where the City currently does not provide waste collection services to determine if waste collection services can be provided to these sites on a go forward basis and report back to the Public Works Committee.

- **This item will be part of Public Works' larger report on "Multi-Residential Waste Diversion Program" which is already on the Public Works Committee Outstanding Business List (due date of Q1 2013).**