



**GENERAL ISSUES COMMITTEE
2015 BUDGET
MINUTES 15-004(g)**

9:30 a.m.

Friday, March 6, 2015

Council Chambers

Hamilton City Hall

71 Main Street West

Present: Mayor F. Eisenberger, Deputy Mayor J. Farr (Chair)
Councillors A. Johnson, M. Green, S. Merulla, C. Collins, T. Jackson, S. Duvall, T. Whitehead, D. Conley, M. Pearson, B. Johnson, L. Ferguson, A. VanderBeek, J. Partridge

**Absent
with Regrets:** Councillor R. Pasuta – Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. 2014 Assessment Growth (FCS15024) (City Wide)

(Pearson/VanderBeek)

That Report FCS15024, respecting the 2014 Assessment Growth, be received.

CARRIED

2. New Service Standards – 10 Year Local Transit Strategy (Item 9.2)

(Collins/Whitehead)

That the New Service Standards, outlined in the 10 Year Local Transit Strategy, recommendations (c) and (d) of Report PW14051(a), be referred to the transit community engagement process.

CARRIED

FOR THE INFORMATION OF COMMITTEE:

(a) CHANGES TO THE AGENDA (Item 1)

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

- (i) That Item 3.5 – the Minutes of the February 27, 2015 meeting of the General Issues Committee, be TABLED.

- (ii) Staff has requested that Item 7.1, the presentation respecting the 2015 Tax Budget Update, be heard before Item 5.1, as that presentation also addresses that matter.

(Pearson/VanderBeek)

That the agenda for the March 6, 2015 General Issues Committee Budget meeting be approved, as amended.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETINGS (Item 3)

(i) February 6, 2015 (Item 3.1)

(B. Johnson/A. Johnson)

That the Minutes of the February 6, 2015 General Issues Committee budget meeting be approved, as presented.

CARRIED

(ii) February 10, 2015 (Item 3.2)

(B. Johnson/A. Johnson)

That the Minutes of the February 10, 2015 General Issues Committee budget meeting be approved, as presented.

CARRIED

(iii) February 13, 2015 (Item 3.3)

(B. Johnson/A. Johnson)

That the Minutes of the February 13, 2015 General Issues Committee budget meeting be approved, as presented.

CARRIED

(iv) February 24, 2015 (Item 3.4)

(B. Johnson/A. Johnson)

That the Minutes of the February 24, 2015 General Issues Committee budget meeting be approved, as presented.

CARRIED

(v) February 27, 2015 (Item 3.5)

(Partridge/B. Johnson)

That the Minutes of the February 27, 2015 General Issues Committee budget meeting, be TABLED to the next GIC meeting.

CARRIED

(d) PRESENTATIONS (Item 7)

(i) 2015 Tax Budget Update (Item 7.1)

Mike Zegarac, General Manager of Finance & Corporate Services provided a PowerPoint presentation respecting the 2015 Tax Budget Update. The presentation included, but was not limited to, the following:

Assessment Growth:

- Final 2014 net growth = 1.3% or \$9.7M in tax revenue:
 - Includes both new construction / supplementary taxes (increase in assessment) and write-offs/successful appeals (decrease in assessment).
- The net growth is comprised of 1.7% assessment increases offset by -0.4% in assessment decreases.
- Assessment growth is the result of the strong permit activity.
- 2014 Assessment Growth by Property Class
- 2014 Assessment Growth Increases:
 - Growth is primarily driven by the Residential property class (1.0%).
 - Growth of 0.2% in the Industrial property class is a significant change from previous years: -0.4% in 2013 and 0.0% in 2012.
 - Maple Leaf Foods is the most significant component of the industrial growth with assessment increase of \$35 million and additional \$1.4 million in tax revenue.
 - Commercial developments include Mountain Plaza Mall, Navistar, Homewood Suites by Hilton, Gateway Ice Centre, Centre Mall and Eastgate Mall.

- 2014 Assessment Growth Decreases:
 - Decreases are primarily due to successful appeals in the non residential property classes
 - Examples of large appeals in 2014 include ArcelorMittal Dofasco, the Robert Thomson Building and the Good Shepperd Centre.
 - Multi-Residential properties converted to condominiums are also a contributing factor of reduced tax revenue.

Budget Update:

- Recommended Enhancements (Appendix “A” to FCS15010):
 - 28 Recommended Enhancements remain for consideration in the 2015 budget process.
 - 7 Recommended Enhancements were removed or revised; an additional 2 have been added by Standing Committees.
 - Total change since submission = -\$1,059,360 and -4.8 FTEs.
 - Remaining represents \$5,318,970 gross, \$3,421,380 net, 46.25 FTEs.
 - Recommended Enhancements referred to March 10, 2015 meeting of the General Issues Committee represents a tax impact of 0.5%.
- Enhancements – Other Priorities (Appendix “B” to FCS15010) (In addition to recommended enhancements.):
 - 18 Enhancements – Other Priorities submitted to the 2015 budget process remain for consideration.
 - 20 Enhancements – Other Priorities were removed or revised; Total reduction since submission = -\$9,651,900 and -13.0 FTEs.
 - Remaining represents \$4,534,790 gross, \$3,384,410 net, 42.66 FTEs.
 - Items not included in the draft budget pending Council’s consideration.

- If all approved, would increase total tax impact by an additional 0.5%.

Additional Information:

- Staff have committed to posting previous Committee reports relating to remaining Council referred items.
- Departments will be providing additional supporting reports as requested at the February 27, 2015 General Issues Committee, which are available on the S Drive (Item 20): S:\Councillor Information\Committee Request\2015 Requests\Outstanding Committee Requests - 2015.xlsx
- Twelve reports are now available for review.
- 2015 Budget Amendments to-date:
 - As approved at the February 19, 2015 Board of Health:
 - One-time Smoke-Free Ontario Strategy - \$45k gross, \$0 net.
 - Seniors' Oral Health - \$251k gross, \$0 net.
 - As approved at the February 23, 2015 Emergency & Community Services Committee:
 - Ontario Works Temporary Staff – 50% subsidy/50% reserve, \$0 net.
 - As approved at the February 27, 2015 General Issues Committee:
 - Planning & Economic Development: Human Resources enhancement removed -\$76k net.
 - Public Health Services - Festival Inspections enhancement removed -\$23k net.
 - Public Health Services Action Plan for climate change/extreme weather -\$96k net.
 - Public Health Services: Community Health Educator/Navigator team -\$97k net.

- Recommended Budget Amendments
- 2015 Municipal Preliminary Impact for the Average Residential Tax Bill
- Reducing the Tax Impact
- 2014 Year-End Forecast
- Major City variances include:
 - Hamilton Utilities Corporation Dividend \$4.1M
 - Ice Storm Grant \$1.4M
 - Social Housing \$1.3M
 - Recycling Revenues \$1.2M
 - Winter Activities (\$8.8M)
- The final variance report to Committee is expected in Mid-April.
- Process Dates:
 - March 10, 2015 – Recommendation Report
 - March 24 and March 26, 2015 – Continue Deliberations
 - April 8, 2015 – Council Approval
 - April – Tax Policies (April 22, 2015 Council)

(Pearson/Conley)

That the presentation, respecting the 2015 Tax Budget Update, be received.

CARRIED

A full copy of the presentation is available on the City's website at www.hamilton.ca or through the Office of the City Clerk.

NOTE: The following item was put before Council for consideration, in the form of a separate motion, on March 11, 2015:

(e) Ten Year (2015-2024) Local Transit Strategy (PW14015(a)) (City Wide) (Item 8.1)

(Collins/Whitehead)

- (a) That the Ten Year (2015 to 2024) Local Transit Strategy, as outlined in Report PW14015(a) be approved, including the following approvals for 2015 and 2016 to address system deficiencies:
 - (i) \$6M dollars annualized to be phased in over two years;
 - (ii) An additional 50 FTEs with recruitment to be phased in over two years;
 - (iii) The addition of 25 buses to the fleet in 2015 at a capital cost of \$15.6M to be funded as follows:
 - (1) \$3M from development charges;
 - (2) \$5.7M from transit vehicle replacement reserve;
 - (3) \$6.9M unfunded capital to be requested from Metrolinx as part of recommendation (d) in Report PW14015(a);
 - (iv) Delay the retirement of 10 buses at a capital cost of \$0.5M to be funded from the transit vehicle replacement reserve; and,
- (b) That the base fare increases, as outlined in Report PW14015(a) be approved, including the following:
 - (i) 15 cents in September, 2015 and 15 cents in September, 2016 to align with the service improvements in recommendation (a) of Report PW14015(a);
 - (ii) 10 cents in September, 2017 and 2018, also to align with service improvements;
 - (iii) Annual fare increases of at least the consumer price index thereafter;
 - (iv) That the Seniors Monthly Transit Pass be increased by \$3.00 each year until it reaches \$50.50 per month;
 - (v) That, in future years, the fare be adjusted by the Cost of Living Index;

- (vi) That the free Golden Age Pass be maintained for those 80 and older; and,
- (vii) That any senior in hardship would be encouraged to apply to our Existing Affordable Transit Pass Program if necessary;
- (c) That new Service Standards, as outlined in Report PW14015(a) be approved for the objective implementation of service;
- (d) That the City Manager be directed to develop an updated submission to Metrolinx further to what has already been submitted to the Province of Ontario in the Rapid Ready report for the unfunded capital requirements contained in the Ten Year Local Transit Strategy;
- (e) That the Outstanding Business List item related to Transit on the Hamilton Mountain be identified as complete and removed from the list; and,
- (f) That the Outstanding Business List item related to HSR Low Performing Routes be identified as complete and removed from the list.

The above motion CARRIED, as amended, on the following Standing Recorded Votes:

Sub-section (a):

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green, Farr, A. Johnson, Conley, Pearson, B. Johnson, Ferguson, VanderBeek, Partridge
Total: 15
Absent: Pasuta
Total: 1

Sub-section (b), as amended:

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green, Farr, A. Johnson, Conley, Ferguson, VanderBeek, Partridge
Total: 13
Nays: Pearson, B. Johnson
Total: 2
Absent: Pasuta
Total: 1

Sub-section (c):

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green,
Farr, A. Johnson, Conley, Pearson, B. Johnson, Ferguson,
VanderBeek, Partridge

Total: 15

Absent: Pasuta

Total: 1

Sub-section (d):

Yeas: Whitehead, Duvall, Jackson, Collins, Merulla, Conley, Pearson, B.
Johnson, Ferguson, VanderBeek, Partridge

Total: 11

Nays: Eisenberger, Green, Farr, A. Johnson

Total: 4

Absent: Pasuta

Total: 1

Sub-section (e):

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green,
Farr, A. Johnson, Conley, Pearson, B. Johnson, Ferguson,
VanderBeek, Partridge

Total: 15

Absent: Pasuta

Total: 1

Sub-section (f):

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green,
Farr, A. Johnson, Conley, Pearson, B. Johnson, Ferguson,
VanderBeek, Partridge

Total: 15

Absent: Pasuta

Total: 1

(Eisenberger/Green)

That sub-section (d) of Report PW14015(a), respecting the Ten Year (2015-2024) Local Transit Strategy, be deleted in its entirety and replaced with the following in lieu thereof:

- ~~(d) That the City Manager be directed to develop an updated submission to Metrolinx further to what has already been submitted to the Province of Ontario in the Rapid Ready report for the unfunded capital requirements contained in the Ten Year Local Transit Strategy;~~
- (d) That the City Manager be directed to update pages 43 and 44 of Appendix "A" to Report PW13014, respecting Rapid Ready – Expanding Mobility Choices in Hamilton, already submitted to the Province of Ontario, with the unfunded capital requirements identified in the Ten Year Local Transit Strategy.

The above motion was DEFEATED on the following Standing Recorded vote:

Yeas: Eisenberger, Green, Farr, A. Johnson
Total: 4
Nays: Whitehead, Duvall, Jackson, Collins, Merulla, Conley, Pearson, B. Johnson, Ferguson, VanderBeek, Partridge
Total: 11
Absent: Pasuta
Total: 1

(Jackson/Duvall)

That sub-section (b) of Report PW14015(a), respecting the Ten Year (2015-2024) Local Transit Strategy, be amended by adding sub-sections (iv) through (vii), to read as follows:

- (b) That the base fare increases, as outlined in Report PW14015(a) be approved, including the following:
- (i) 15 cents in September, 2015 and 15 cents in September, 2016 to align with the service improvements in recommendation (a) of Report PW14015(a);
 - (ii) 10 cents in September, 2017 and 2018, also to align with service improvements;
 - (iii) Annual fare increases of at least the consumer price index thereafter;
 - (iv) That the Seniors Monthly Transit Pass be increased by \$3.00 each year until it reaches \$50.50 per month;**
 - (v) That, in future years, the fare be adjusted by the Cost of Living Index;**

- (vi) That the free Golden Age Pass be maintained for those 80 and older; and,
- (vii) That any senior in hardship would be encouraged to apply to our Existing Affordable Transit Pass Program if necessary;

The above motion CARRIED on the following vote:

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green, Farr, A. Johnson, B. Johnson, Ferguson, VanderBeek, Partridge
Total: 13
Nays: Conley, Pearson
Total: 2
Absent: Pasuta
Total: 1

(f) MOTIONS (Item 9)

NOTE: The following item was put before Council for consideration, in the form of a separate motion, on March 11, 2015:

(i) A Citizen's Panel to Study and Report on Transit Options (Item 9.1)

(Eisenberger/Green)

WHEREAS, the City of Hamilton is committed to enhanced citizen engagement;

WHEREAS, investments in public transit will both move people and build community;

THEREFORE BE IT RESOLVED:

- (a) That Council establish a meaningful community dialogue with the people of Hamilton to discuss all higher order transit options outlined in the 10 Year Transit Plan, the Rapid Ready Report and the Transportation Master Plan along with any and all other documents related to transit in the City of Hamilton;
- (b) That Council establish a transit community engagement process based on the Citizen Forum Model of randomly selected citizens;
- (c) That staff be directed to develop the terms of reference, including and not limited to: an independent steering committee, project team, reporting mechanism, schedule, estimated cost and report back to the General Issues Committee by March 30, 2015;

- (d) That membership composition be based on 1 person from each ward for a total of 15 members, and employ the same method as the Citizen's Forum on Area Rating selection process;
- (e) That, once individual citizens are selected, the list be presented to the General Issues Committee for consideration no later than May 6, 2015.

The above motion CARRIED, as amended, on the following Standing Recorded vote:

Yeas: Eisenberger, Whitehead, Duvall, Jackson, Collins, Merulla, Green, Farr, A. Johnson, L. Ferguson
Total: 10
Nays: Conley, Pearson, B. Johnson, VanderBeek, Partridge
Total: 5
Absent: R. Pastua
Total: 1

(ii) New Service Standards – 10 Year Local Transit Strategy (Item 9.2)

That the New Service Standards, outlined in the 10 Year Local Transit Strategy, recommendations (c) and (d) of Report PW14051(a), be referred to the transit community engagement process.

The above motion CARRIED on the following vote:

Yeas: Whitehead, Duvall, Jackson, Collins, Merulla, Green, Farr, A. Johnson, Conley, B. Johnson, VanderBeek, Partridge
Total: 12
Nays: Pearson, Ferguson
Total: 2
Absent: Eisenberger, Pastua
Total: 2

(iii) Potential Revised Capital, Operating and Financing Plan (Item 9.3)

(Collins/Ferguson)

That, in the event that the City of Hamilton does not receive the entire \$302,000,000 funding request from the Province with respect to transit, staff be directed to report to the General Issues Committee with a revised capital, operating and financing plan.

CARRIED

NOTE: The following item was put before Council for consideration, in the form of a separate motion, on March 11, 2015:

(iv) Construction of the Confederation GO Station (Item 9.4)

(Collins/Merulla)

WHEREAS, the expansion of GO train service in Hamilton to the Confederation Station is an integral part of the City's long-term transit strategy;

AND WHEREAS, the Province of Ontario has reaffirmed their focus and priority on Regional Express Rail (RER) and GO electrification;

AND WHEREAS, the Province of Ontario has purchased property within the vicinity of a proposed GO station at Confederation Park;

AND WHEREAS, Metrolinx has informed the City that as an interim measure a park and ride and GO bus terminal will be constructed until train service is operational;

AND WHEREAS, Metrolinx has indicated that construction is scheduled to begin in the Spring of 2016 for the park and ride and GO bus terminal;

THEREFORE BE IT RESOLVED:

- (a) That the City of Hamilton request that the Province of Ontario move the construction of the Confederation GO station to its 10 year capital plan;
- (b) That staff be directed to study the feasibility of additional land purchase within the vicinity in partnership with the Province of Ontario and Metrolinx; and,
- (c) That staff be directed to begin examining the required design work and planning of a GO station on Centennial Parkway in consultation with the Province of Ontario and Metrolinx.
- (d) That staff be directed to request that the Province of Ontario also include in the 10 year capital plan a rail/rail grade separation in the vicinity of the Hamilton Junction to facilitate increased GO commuter train service to Hamilton as part of the Regional Express Rail initiative.

CARRIED

(g) NOTICES OF MOTION (Item 10)

Councillor Collins introduced the following Notice of Motion:

(i) Construction of the Confederation GO Station (Item 10.1)

WHEREAS, the expansion of GO train service in Hamilton to the Confederation Station is an integral part of the City's long-term transit strategy;

AND WHEREAS, the Province of Ontario has reaffirmed their focus and priority on Regional Express Rail (RER) and GO electrification;

AND WHEREAS, the Province of Ontario has purchased property within the vicinity of a proposed GO station at Confederation Park;

AND WHEREAS, Metrolinx has informed the City that as an interim measure a park and ride and GO bus terminal will be constructed until train service is operational;

AND WHEREAS, Metrolinx has indicated that construction is scheduled to begin in the Spring of 2016 for the park and ride and GO bus terminal;

THEREFORE BE IT RESOLVED:

- (a) That the City of Hamilton request that the Province of Ontario move the construction of the Confederation GO station to its 10 year capital plan;
- (b) That staff be directed to study the feasibility of additional land purchase within the vicinity in partnership with the Province of Ontario and Metrolinx; and,
- (c) That staff be directed to begin examining the required design work and planning of a GO station on Centennial Parkway in consultation with the Province of Ontario and Metrolinx.
- (d) That staff be directed to request that the Province of Ontario also include in the 10 year capital plan a rail/rail grade separation in the vicinity of the Hamilton Junction to facilitate increased GO commuter train service to Hamilton as part of the Regional Express Rail initiative.

(Collins/Merulla)

That the Rules of Order be waived in allow for the introduction of a motion respecting the Construction of the Confederation GO Station.

CARRIED

(h) PRIVATE & CONFIDENTIAL (Item 12)

(i) Closed Session Minutes – February 6, 2015 (Item 12.1)

As the General Issues Committee determined that no discussion, respecting the Closed Session Minutes of February 6, 2015, meeting of the General Issues Committee was required, the Minutes were approved in Open Session, as shown below:

(Merulla/Whitehead)

- (a) That the Closed Session Minutes of the February 6, 2015, meeting of the General Issues Committee be approved, as presented.
- (b) That the Closed Session Minutes of the February 6, 2015 meeting of the General Issues Committee, remain confidential and restricted from public disclosure.

CARRIED

(i) ADJOURNMENT (Item 13)

(Pearson/VanderBeek)

That, there being no further business, the General Issues Committee, be adjourned at 5:02 p.m.

CARRIED

Respectfully submitted,

Councillor J. Farr, Deputy Mayor
Chair, General Issues Committee

Stephanie Paparella
Legislative Coordinator
Office of the City Clerk