

## **Redeemer University College**

### **Submission to the City of Hamilton Audit, Finance and Administration Committee April 18, 2019**

Redeemer University College is pleased to have the opportunity to provide Hamilton Audit, Finance and Administration Committee with comment related to the Development Charges Background Study and 2019 Development Charges By-law. Within the recommendations from City staff, the study proposed that that post-secondary academic institution exemption be reduced from 100 percent to 0 percent for academic spaces, and from 50 percent to 0 percent for student residences. It is the intention of this submission to demonstrate the considerable value Redeemer, and other post-secondary institutions brings to the City of Hamilton and share with you why we merit continued full exemption.

Redeemer University College is a Christian undergraduate university offering programs leading to Bachelor of Arts, Bachelor of Science and Bachelor of Education degrees. Redeemer has prepared graduating classes for more than 35 years in the Hamilton area. Redeemer is a publicly chartered and privately funded not-for-profit university. Central to this mission is to advance knowledge through excellence in teaching and in scholarship.

Over these years, we have made significant contributions to the health and wellbeing of our community that we believe negates the need for development charges. Our rationale for Redeemer's continued exemption is demonstrated by the following:

- The City's recognition of the importance of post-secondary education in Hamilton, as shared in the Principles of Co-operation document
- The University is a not-for-profit organization and has a core mission of education and knowledge creation
- There should be equity among post-secondary institutions in Hamilton
- The City should continue to support a competitive advantage for Hamilton post-secondary institutions
- Redeemer plays a role in the economic health of the City of Hamilton

#### **Principles of Co-operation**

In 2013, the City of Hamilton, McMaster, Mohawk and Redeemer signed an agreement called the "Principles of Co-operation: Post-Secondary Education" (see *Appendix A*). Within this agreement, many principles were agreed on by all parties and were signed by their respective leaders. Some of the principles agreed on include working in collaboration, access to education, expanding impact, and community building. The City recognized the many opportunities that education creates for individuals and for our community, and they would continue to collaborate to create new pathways, and seek to eliminate barriers to higher education wherever possible. The City also recognized the importance of higher education in Hamilton for the prosperity and vibrancy of our community, as well as the benefits of maintaining a post-secondary presence in a variety of locations throughout the city. It is clear through this document that the City will work to help maintain a vibrant higher education culture in Hamilton, and promises to assist where possible.

### **Redeemer's Mission**

Redeemer advances knowledge through excellence in teaching and in scholarship. The City of Hamilton has a long standing precedent of providing exemptions for post-secondary institutions and not-for-profit educational institutions. Most Ontario municipalities recognize the educational missions of post-secondary institutions and provide full exemption from development charges. As an institution that relies on private donations, development charges would affect the level of resources required to support our core mission.

### **Post-secondary equity**

We believe that colleges and universities should be treated equally in the City of Hamilton. Both Mohawk College and Brock University would continue to be exempt from development charges, while Redeemer and McMaster would have to pay full charges. This disparate treatment contradicts precedence established by other Ontario municipalities that consistently enforce equal exemption, or application of development charges among universities and colleges. We ask that Redeemer and McMaster be treated in the same manner as Mohawk College and Brock University, and all continue to be fully exempt from development charges.

### **Post-secondary competition**

The majority of municipalities with a university or college present do not charge full development fees. As shown in Appendix B, while some municipalities do not have exemptions for post-secondary institutions, many of the universities are still exempt due to articles in their charter. The municipalities included in this chart are similar in size and close in location, which we presume are fair comparators. If the exemptions were taken away, this would put post-secondary institutions in Hamilton at a competitive disadvantage. As other similar institutions across Ontario are exempt from DCs, they are able to use their full resources on constructing the best possible academic spaces for teaching, learning and research.

### **Economic Impact**

Redeemer has a significant economic impact in the City of Hamilton (*see Appendix D*). Redeemer's annual expenditures are around \$20 million. We have approximately 700 students, with 320 living on campus. Our students' estimated yearly expenditures are over \$6.6 million, and we have 300 work study positions for students. We employ 130 individuals, including staff and faculty and directly support over 50 jobs (including contracted work in food services, trades, security, marketing, fundraising and finance). Redeemer is also a critical event space for the community, hosting over 50,000 people in 2018 for conference, sports and cultural events.

Redeemer is involved in a variety of local partnerships that work to better the City of Hamilton. A few examples include our partnerships with CityLAB, Sustainable Hamilton-Burlington, Our Future Hamilton, Ancaster Soccer Club, and work and research on the Chedoke watersheds.

### **Redeemer's Legacy in Hamilton**

Our alumni have a reputation of making Hamilton home. With over 6000 alumni, nearly a quarter have decided to stay in Hamilton after graduation, and get involved in the community.

While Redeemer may be small in size, our alumni have made a significant impact in the City of Hamilton. We have alumni working in a variety of sectors in Hamilton, including health, research, not-for-profit, housing, business, government, and more.

### **Estimated Cost**

Redeemer's existing strategic plan will be completed by the end of 2019. Our next plan is currently under development. We anticipate significant enrolment growth which will require additional residences, academic, innovation, and recreational space. Over the next 5 years, development charges would be over 8 million dollars, which would significantly hinder our ability to fundraise for new facilities on campus. Appendix C lays out the significant development charges that Redeemer would incur over the next five years as our institution continues to grow.

### **Conclusion**

Redeemer continues to work to support community needs and the education of future generations. By imposing development charges, the City of Hamilton will impose additional costs that are unreasonable, and will hinder our ability to keep up with the need for expansion, creating a barrier for students to access an excellent post-secondary education in Hamilton.

### **Request**

Redeemer requests the following:

- 1. That not-for-profit post-secondary institutions continue to be fully exempt from development charges for academic spaces, for the purposes of teaching, learning and research**
- 2. Further, that the 50% exemption for development charges on student residences be grandfathered in for Redeemer for the remainder of any projects started on or before 2021**

## PRINCIPLES OF CO-OPERATION: POST-SECONDARY EDUCATION

The City of Hamilton, McMaster University, Mohawk College and Redeemer University College recognize the importance of post secondary education to our community and share a vision for a long-term relationship that promotes and supports co-operation for the benefit of our citizens and broader society.

To support such co-operation, and recognizing the autonomy of each of the parties, the following principles have been agreed:

- **Working in Collaboration** – While each party has its own goals and priorities, each recognizes the importance of collaborating, understanding the needs of the other parties, and working towards shared goals wherever possible.
- **Access to Education** – Recognizing the many opportunities that education creates for individuals and for our community, the parties will continue to collaborate to create new pathways, offer a variety of educational and training opportunities, and seek to eliminate barriers to higher education wherever possible.
- **Expanding Impact** – Recognizing the importance of post secondary education to the prosperity and vibrancy of our community, the parties will seek opportunities to showcase the diverse research underway, as well as opportunities to apply such research in support of the social and economic betterment of our community.
- **Community Engagement** – Recognizing and appreciating the ongoing support of community partners and local businesses, and the need to establish relationships that are of mutual benefit, the parties will continue to support and promote experiential learning, civic engagement, work experience, and volunteer programs for our students.
- **Community Building** – The parties acknowledge the benefits of maintaining a post secondary presence in a variety of locations throughout the city, and will continue to discuss ongoing space and infrastructure needs, including the need for strong transit connections, and will seek opportunities to expand this presence in ways that serve and support our community.
- **Sustainability** – Appreciating the long-term importance of fostering sustainable practices and technologies, the parties will continue to be leaders in researching, promoting, developing and modeling sustainability within our community.
- **Retaining Local Talent** – Recognizing the important role that graduates can play in the long-term economic and social life of our community, the parties are committed

to encouraging graduates to settle in the City, develop their careers and entrepreneurial capabilities, and raise their families within our community.

The parties intend to work together for the benefit of our community, including engaging in regular discussions and communications, and sign these principles in a spirit of cooperation.



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Dr. Patrick Deane  
President & Vice-Chancellor  
McMaster University



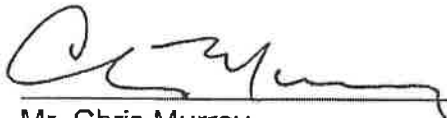
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Ron McKerlie  
President  
Mohawk College of Applied Arts & Sciences



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Dr. Hubert R. Krygsman  
President  
Redeemer University College



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Mr. Chris Murray  
City Manager  
City of Hamilton

**Appendix B**  
**Ontario Post-Secondary Academic Space Comparator Chart\***

Municipality	Exemption	Notes
City of Barrie	100% exemptions for universities	
City of Guelph	100% exemption for universities	
City of Kingston	0% exemption for universities	
City of London	50% exemption for universities	
City of Mississauga	100% exemption for universities	
City of Oakville	100% exemption for universities	
City of Ottawa	0% exemption for universities	Carleton University (Section 10) and the University of Ottawa (Section 21) <b>are exempt</b> through their Charter
City of Toronto	100% exemption for universities	
City of Windsor	100% exemption for universities	
Niagara Region	0% exemption for universities	Brock University (Section 19) is <b>exempt</b> through their Charter
Region of Waterloo	100% municipal exemption (within "academic zones"); 0% regional exemption	

\*Municipalities that were similar in size and close in proximity were used as comparators

## Appendix C

### Planned or potential new facilities at Redeemer University College 2019-2024

New development charges for planned or potential new facilities on campus			
Facility	Year	Size (ft <sup>2</sup> )	New development charges*
Student residence 1	2021	80,000	\$850,800 (50%)**
Academic building	2022	100,000	\$2,127,000
Athletics facility	2022	60,000	\$1,276,200
Health innovation facility	2023	150,000	\$3,190,500
Student residence 2	2024	80,000	\$850,800 (50%)**
<b>Total</b>		<b>470,000</b>	<b>\$8,295,300</b>
<b>*At current rate of \$21.27/ft<sup>2</sup></b>			
<b>**Current student residences have a 50% exemption. This chart recognizes the additional development charges of 50%</b>			

**Appendix D**  
**Economic Impact in Hamilton**

<b>Annual expenditures</b>	<b>\$20 million</b>
<b>Number of students</b> <i>320 on campus; remainder off campus</i>	<b>700+</b>
<b>Estimated annual student expenditures locally</b> <i>Accommodation, food, entertainment, transport, clothing</i>	<b>\$6.6 million</b>
<b>Number of regular employees</b> <i>Staff and faculty</i>	<b>130</b>
<b>Number of work-study employees</b> <i>Student employment - academic year and summer</i>	<b>300</b>
<b>Jobs directly supported</b> <i>Contracted work - food services, trades, security, marketing, fundraising, finance</i>	<b>50</b>
<b>Annual visitors to campus</b> <i>2018 - conferences, sports and cultural events</i>	<b>50,000</b>