

# CITY OF HAMILTON

## MOTION

Council: May 8, 2019

**MOVED BY COUNCILLOR T. WHITEHEAD.....**

**SECONDED BY MAYOR / COUNCILLOR .....**

### **2019 Development Charges By-law – Deferral Agreement**

WHEREAS the City has established a cap on the total dollar value allowed for non-industrial Development Charges (DC) Deferral agreements at any point in time equal to 50% of the previous three years DC collections (2019 cap = \$32M);

WHEREAS, once the cap has been reached, all requests to apply for a non-industrial DC Deferral agreement are suspended until payments on the outstanding agreements bring the total value below the cap amount.

WHEREAS there is no cap regarding industrial DC Deferral Agreements and the interest rate to be used as an incentive for industrial development (per economic development staff and GM of Planning recommendation) is the City’s 5-yr debenture rate + 0.25 admin fee + 0.75% (therefore approximately 3.3% all in based on the April 2019 cost of borrowing),

WHEREAS the non-industrial DC Deferral program has reached the established cap and requests for DC Deferrals are being received and turned away on a regular basis; and,

WHEREAS the City’s DC By-law 14-153 provides the General Manager of Finance and Corporate Services the discretion to enter into DC Deferral Agreements for non-residential, apartment and residential facility developments and the authority to set the terms of the City’s DC Deferral Program;

**THEREFORE BE IT RESOLVED:**

That pursuant with the City’s Development Charges By-law 14-153, the General Manager of Finance and Corporate Services, be directed to review the feasibility of amending the current non-industrial Development Charges Deferral Agreement cap, along with the introduction of required controls and provisions, to allow for enhanced capacity to enter into additional agreements.