



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 16, 2019
SUBJECT/REPORT NO:	2019 Proposed Development Charges By-law Revisions (FCS19045) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Lindsay Gillies (905) 546-2424 Ext. 2790
SUBMITTED BY:	Cindy Mercanti Director Customer Service and POA Acting Director, Financial Planning and Policy Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

N/A

INFORMATION

The City of Hamilton's Audit, Finance and Administration Committee (AF&AC) will receive the Proposed 2019 Development Charges (DC) By-law in its entirety for consideration at its scheduled June 6, 2019 meeting.

This Information Report explains three motions dealing with development definitions / built forms contained within the proposed 2019 DC By-law.

The identification of the need for the motions arose during the public consultation period and the motions are being presented to the AF&AC on May 16, 2019 to provide advance notice to the public prior to the DC By-law being considered at the June 6, 2019 AF&AC.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

The three issues which the motions are dealing with are as follows:

1. CityHousing Hamilton – housekeeping.
2. Commercial Greenhouse – Re-title as “Retail Greenhouse” and remove from the definition of industrial development to be consistent with comparator municipalities.
3. Garden Suites – Exempt Garden Suites consistent with the exemption for Laneway Houses. Garden Suites are temporary detached dwellings subject to a maximum 20-year authorization per the *Planning Act, 1990*.

CityHousing Hamilton Motion

In order to support clarity, CityHousing Hamilton will be included to the list of exempted organizations in Section 20 of the proposed 2019 Development Charges By-law. The 2019 Development Charges Background Study includes capital projects by CityHousing Hamilton. Under Section 3 of the *Development Charges Act, 1997* and Section 20 of the proposed 2019 Development Charges By-law, buildings owned and used for the City of Hamilton and Local Boards are exempt from development charges. This amendment is considered a general housekeeping item as there will be no impacts to the amount of exemptions or the proposed developed charges.

Commercial Greenhouse Motion

The proposed 2019 DC By-law defines a Commercial Greenhouse as “a Building, that is made primarily of translucent building material, used, designed or intended to be used for the sale and display of plants products grown or stored therein gardening supplies and equipment, or landscaping supplies and equipment”. In reviewing the nature of these buildings and how comparator municipalities assess these buildings, retail greenhouses are classified and assessed DCs as commercial. However, the proposed 2019 Development Charges By-law lists Commercial Greenhouse within the definition of Industrial Development.

There is an opportunity to align with the City’s municipal comparators by removing Commercial Greenhouse from the definition of Industrial Development, thereby having the use default to the non-industrial DC rates. It is also recommended to re-title the definition, without changing the definition, to “Retail Greenhouse” which is a more descriptive term to ensure that there is no confusion with a wholesale greenhouse, which is an agriculture use.

The impact of this change is an estimated \$34 K annual reduction in the discretionary DC exemptions that the City provides.

During the May 2, 2019 AF&AC meeting, Committee requested that additional clarity be added related to cannabis growing and production facilities. Further discussions yielded that the clarity being sought related to ensuring that the growing of cannabis be explicitly stated within the definition of Cannabis Production Facility. An amendment to the definition of Cannabis Production Facility has been incorporated into the motion addressing Commercial Greenhouses.

Garden Suites

A Garden Suite is a form of temporary housing permitted by the *Planning Act, 1990* and is an alternative form of a detached dwelling that only exists on a lot ancillary to a principal dwelling. This form of housing expands the housing stock on properties with existing single and semi-detached dwellings in a manner similar to Laneway Houses which are exempted under the proposed 2019 DC By-law. Garden Suites are subject to Council passing a by-law and a maximum authorization of 20 years which may be extended through Council approved three-year extensions.

Given the introduction of an exemption for Laneway Houses, there is an opportunity to extend the exemption to development that meet the criteria of a Garden Suite under the *Planning Act, 1990*.

The impact of this change is anticipated to be in-line with the estimate for the laneway housing exemption. Staff has estimated the cost of the Laneway House exemption at \$230 K annually, the addition of exempting Garden Suites is not expected to materially change the annual uptake of building detached second units but rather offer options regarding the form in which they can be permitted and exempted.

APPENDICES AND SCHEDULES ATTACHED

N/A

JS/LG/dt