

December 17, 2020

The Honourable Doug Ford
Premier of Ontario
Legislative Building Queen's Park
Toronto, ON M7A 1A1

Honourable Steve Clark
Minister of Municipal Affairs and Housing
17th Floor, 777 Bay Street
Toronto, ON MSG 2E5

Dear Premier Ford and Honourable Steve Clark:

City Council, at its meeting held on December 16, 2020, approved Item 12 of General Issues Committee Report 20-023 which reads as follows:

12. Stimulating Local Development - Affordable Housing Projects - Cash-in-lieu Parking Policy – Downtown Secondary Plan Area -Temporary Period

(b) That the Mayor be authorized and directed to write to the Premier of Ontario, the Minister of Municipal Affairs and Housing, and the local MPPs to request that the Province amend the Ontario Building Code Act to permit municipalities to utilize Building Permit Reserve funds to offset the cost of waiving Building Permit fees for affordable housing projects;

The City of Hamilton believes that municipal Building Permit Reserve Funds provide a potential funding source that could be used to reduce the cost of development for affordable housing projects.

Since 2018, the City of Hamilton has waived various application fees for planning approvals for affordable housing projects, such as zoning by-law amendments, minor variances, and site plan applications. This policy, which is entirely funded by the City of Hamilton, has saved affordable housing projects thousands of dollars over the past two years.

Waiving Building Permit fees could further reduce the costs of delivering affordable housing. Building Permit fees for some recent affordable housing projects in Hamilton include Parkdale Landing (\$46k), North End Landing (\$118k); Ken Soble Tower (\$129k); and Good Shephard (\$56k).

The Building Permit process is regulated by the Province under the Ontario Building Code Act. Under that Act, the City of Hamilton, like all municipalities, is authorized to maintain a Building Permit Reserve Fund. Hamilton's Building Permit Reserve Fund currently has a balance of approximately \$22 million. A small portion of these funds could be used to offset the cost of waiving Building Permit fees for future affordable

housing projects; however, the Ontario Building Code Act does not currently permit the use of these funds for that purpose.

The City of Hamilton is requesting the Ontario Government to support affordable housing in the Province by amending the Ontario Building Code Act to permit municipalities to utilize Building Permit Reserve Funds to offset the cost of waiving Building Permit fees for affordable housing projects. Your consideration of Council's request is appreciated.

Sincerely,

Mayor Fred Eisenberger

cc. Hon. Andrea Horwath, Leader of the Official Opposition, MPP, Hamilton Centre
Hon. Donna Skelly, MPP, Flamborough-Glanbrook
Hon. Paul Miller, MPP, Hamilton East-Stoney Creek
Hon. Monique Taylor, MPP, Hamilton Mountain
Hon. Sandy Shaw, MPP, Hamilton West-Ancaster-Dundas
Jason Thorne, General Manager, Planning and Economic Development, City of
Hamilton



OFFICE OF THE MAYOR
CITY OF HAMILTON

January 25, 2021

The Honourable Justin Trudeau
Prime Minister of Canada
Office of the Prime Minister
80 Wellington Street
Ottawa, ON K1A 0A2

The Honourable Chrystia Freeland
Deputy Prime Minister and Minister of Finance
Department of Finance
90 Elgin Street
Ottawa, ON K1A 0G5

The Honourable Mona Fortier
Minister of Middle-Class Prosperity and Associate Minister of Finance
Department of Finance
90 Elgin Street
Ottawa, ON K1A 0G5

Dear Prime Minister Trudeau, Minister Freeland and Minister Fortier:

The City of Hamilton is requesting that the Government of Canada support the requests enclosed within this correspondence to further support of small businesses within Hamilton. This partnership and support will be critical to the continued success of the small businesses who have been significantly impacted by the restrictions imposed due to the COVID-19 pandemic.

We appreciate and thank you for the programs provided through the Federal Government, both the Canada Emergency Wage Subsidy and the Canada Emergency Rent Subsidy, as they are instrumental in providing assistance to the small businesses across the country. The formulas used to calculate the allocations under these programs, take into consideration the year over year comparisons of revenues and business levels (2019 and 2020) to come up with the eligible subsidy amount for a business. There are business districts that may be disproportionately impacted by this specific formula because of major capital infrastructure projects that disrupted their businesses in the 2019 calendar year. This would cause the comparative revenue numbers to be used in the calculation to be lower than years without disruption. The City of Hamilton is requesting the Government

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of Canada consider situations such as this and deliberate expanding the eligibility criteria and comparative dates to provide support to businesses who may have been disenfranchised due to previous construction projects causing disruptions.

Hamilton City Council, at its meeting held on December 16, 2020, approved Item 33 of General Issues Committee Report 20-023 which reads as follows:

33. Major Construction Project Disruptions Impacting the Eligibility for Affected Businesses under the Canada Emergency Rent Subsidy Program (Item 10.1)

WHEREAS, on October 9, 2020, the Government of Canada proposed the new Canada Emergency Rent Subsidy (CERS) to provide direct relief to businesses, non-profits and charities that continue to be economically impacted from the COVID-19 pandemic;

WHEREAS, the Canada Emergency Rent Subsidy mirrors the calculation of the Canada Emergency Wage Subsidy (CEWS), providing benefits directly to qualifying renters and property owners, without requiring the participation of landlords;

WHEREAS, the Canada Emergency Rent Subsidy provides a subsidy on eligible expenses for qualifying organizations that have experienced a revenue decline due to the impacts of COVID-19;

WHEREAS, the Canada Emergency Wage Subsidy provides a subsidy on eligible expenses for qualifying organizations that have experienced a revenue decline due to the impacts of COVID-19;

WHEREAS, the eligibility will generally be determined by the reduction in an eligible entity's monthly revenues, year-over-year, for the applicable calendar month;

WHEREAS, major construction and capital projects, such as the Locke Street Business Improvement Area road reconstructions located between Main Street West and Herkimer Street (Hamilton), caused considerable disruption to vehicular and pedestrian traffic resulting in significant declines in business levels and revenues for impacted businesses;

WHEREAS, using the 2019 base to calculate the percentage revenue decline for the current qualifying period of 2020 in determining the subsidy rate will not reflect an accurate representation of year-over-year lost revenue decline, due to the lowered revenues in 2019 due to road reconstruction; and,

WHEREAS, small businesses and commercial districts are the lifeline of not only Hamilton's, but also to the Canadian economy, and they have been devastated by the impacts of the COVID-19 pandemic;

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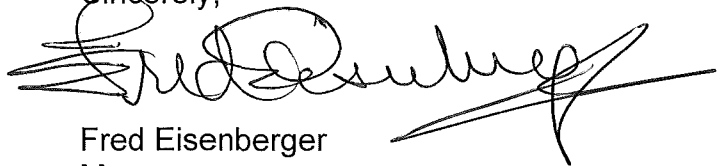
THEREFORE, BE IT RESOLVED:

That the Mayor correspond with the Prime Minister, the Minister of Finance, the Minister of Middle-Class Prosperity and Associate Minister of Finance and, the local MPs to request that:

- (i) The reference periods for the drop-in-revenues, used for calculating the eligible payment amount under the Canada Emergency Rent Subsidy and Canada Emergency Wage Subsidy, be expanded to support businesses who were disproportionately affected by major construction and capital projects, such as the Locke Street Business Improvement Area road reconstruction, located between Main Street West and Herkimer Street (Hamilton), caused considerable disruption to vehicular and pedestrian traffic resulting in significant declines in business levels and revenues for impacted businesses; and,
- (ii) The rate of revenue drop used in the calculation of the subsidy drop in both the Canada Emergency Rent Subsidy and the Canada Emergency Wage Subsidy be more flexible to allow a base year to include a year that is most representative of a normal year's revenue, especially in situations where 2019 is not representative of a normal year's revenue.

In summary, in supporting small businesses that have been negatively impacted by the pandemic, but do not qualify using the strict formula, we ask that consideration be made to expand the eligibility criteria.

Sincerely,

A handwritten signature in black ink, appearing to read 'Fred Eisenberger', with a long horizontal stroke extending to the right.

Fred Eisenberger
Mayor

- cc. The Honourable Filomena Tassi, M.P., Hamilton West, Ancaster, Dundas
Scott Duvall, M.P., Hamilton Mountain
Bob Bratina, M.P., Hamilton East-Stoney Creek
David Sweet, M.P., Flamborough – Glanbrook
Matthew Green, M.P., Hamilton Centre

