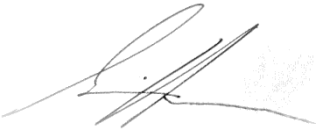




**CITY OF HAMILTON**  
**PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT**  
**Growth Management Division**

<b>TO:</b>	Mayor and Members General Issues Committee
<b>COMMITTEE DATE:</b>	February 16, 2022
<b>SUBJECT/REPORT NO:</b>	Airport Employment Growth District (AEGD) Wastewater System Allocation Policy (PED20040(a)) (Wards 8, 11, 12 and 14)
<b>WARD(S) AFFECTED:</b>	Wards 8, 11, 12 and 14
<b>PREPARED BY:</b>	Mark Inrig (905) 546-2424 Ext. 4303
<b>SUBMITTED BY:</b>	Gavin Norman Acting Director, Growth Management Planning and Economic Development Department
<b>SIGNATURE:</b>	

**RECOMMENDATION**

- (a) That Appendix “A” attached to Report PED20040(a), entitled City of Hamilton Airport Employment Growth District (AEDG) Wastewater System Capacity Allocation Policy, be approved as the City’s policy for allocation of wastewater capacity to lands within the area identified as the AEGD Wastewater Capacity Allocation Area, as shown on Appendix “B” to attached to Report PED20040(a);
- (b) That staff be directed to prepare the appropriate by-law to amend the Prohibition of Use of Land Without Adequate Services By-law 06-038 to include wastewater allocation calculations as a requirement to demonstrate adequate services, for Council approval;
- (c) That a Wastewater System Capacity Allocation fee of \$500.00 be approved and incorporated into the Tariff of Fees and Charges By-law for Planning and Engineering Development Applications and apply to each wastewater allocation request submitted to the City after approval of the Airport Employment Growth District (AEGD) Wastewater System Capacity Allocation Policy.

## **EXECUTIVE SUMMARY**

On September 9, 2020, the General Issues Committee received Report PED20400/PW20055 Airport Employment Growth District (AEGD) Wastewater Servicing Update and Capacity Allocation Policy (the “Policy”), which included a draft policy for the allocation of wastewater capacity for new development in the AEGD. Staff was directed to consult with relevant stakeholders and report back to the General Issues Committee on the implementation of the Policy.

Through internal review, presentations to landowner stakeholder groups and solicitation for feed-back, including a survey of other municipalities which have similar policies, staff have finalized the Policy including a process for the allocation of wastewater capacity for new development in the AEGD sanitary catchment area.

### **Policy Highlights:**

- The Policy applies to:
  - lands within the AEDG sanitary drainage system, including residential land uses north and south of the airport;
  - landowners with *Planning Act* applications that result in physical development of land; and,
  - landowners submitting sewer permit applications and building permit applications where the nature of the application creates an increase in wastewater treatment and capacity requirements.
- As a condition of development approval or permit issuance, landowners will be required to formally request wastewater capacity allocation with supporting technical information prior to proceeding. Staff will assess the request and grant wastewater allocation based on capacity availability measured against the priority criteria included in the policy;
- Wastewater capacity allocation granted by the City will only be valid for the length of approval of a development application or permit but may be extended in conjunction with an extension of approval of an application;
- The allocation of wastewater capacity runs with the land associated with the development application and is non-transferable; and,
- The City will set aside a certain amount of wastewater capacity allocation for public interest projects.

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**Alternatives for Consideration – Not Applicable**

**FINANCIAL – STAFFING – LEGAL IMPLICATIONS**

Financial: There are no financial implications associated with this new policy. An administration fee of \$500.00 will be imposed by the City through the development approval/permitting process to administer the review and allocation of wastewater capacity.

Staffing: There are nominal staffing implications associated with implementation and administration of this new policy. Resources allocated to its administration will be monitored and evaluated as part of the overall program and staff will make any recommendations when it reports back on the implementation of a City-wide allocation policy.

Legal: NA

**HISTORICAL BACKGROUND**

The Airport Employment Growth District (AEGD) is a planned development area of 1,130 hectares (gross) created through an urban boundary expansion and official plan amendment in 2010 to support the economic activity of the John C. Munro Hamilton International Airport. The area is generally bounded by Rymal Road West to the north, Upper James Street to the east, and Highway 6 to the west and south.

A wastewater master servicing plan for the AEGD lands was developed and approved in 2011 (updated in 2017) as part of the approval of the Secondary Plan for this area; however, the current wastewater system capacity is only partially sufficient for the lands within AEGD. Hamilton Water staff completed a review of existing operating conditions in 2018 within the AEGD servicing areas and identified interim infrastructure upgrades and rehabilitation needs to the three existing sanitary pumping stations within the catchment area that would permit development of employment lands to proceed in advance of the Dickenson Road trunk sanitary sewer extending 11km from Regional Road 56 to Upper James Street being completed in late 2026.

On December 19, 2018, City Council approved \$15M as part of the 2019 Rate Budget for the capacity upgrades to the wastewater system at the HC018, HC019 and HC027 pumping stations. The upgrades will be completed in fall 2021 and will provide additional interim capacity to the growth area.

On September 9, 2020, the General Issues Committee received Report PED20040/PW20055 Airport Employment Growth District (AEGD) Wastewater

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Servicing Update and Capacity Allocation Policy which included a draft policy for the allocation of wastewater capacity for new development in the service area. Staff was directed to consult with relevant stakeholders and report back to the General Issues Committee on the implementation of the policy which is the purpose of this Report PED20040(a).

**POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

Development applications under the *Planning Act* for plans of Subdivision, Site Plan, Consent to Sever Land and under the *Building Code Act*, where a change in use results in an increase in demand for wastewater capacity, are subject to the AEGD Wastewater System Allocation Policy. Land owners, not developing land, but intending to connect to the wastewater system under a servicing permit are also subject to the policy. To enforce the policy for applications subject to a servicing permit and the *Building Code Act*, an amendment to the Prohibition of Use of Land Without Adequate Services By-law 06-038 is required. The amendment will require applicants to submit wastewater allocation calculations to demonstrate adequate wastewater capacity is available and require applicants to reserve wastewater capacity prior to proceeding.

**RELEVANT CONSULTATION**

Staff presented the draft policy document to both internal departments and divisions as well as external stakeholder groups to the City; e.g. the West End Hamilton Home Builders Association. In addition, consultation was carried out with other Ontario municipalities that have similar policies.

**Internal Consultation**

On January 18, 2021 the draft policy was presented to Public Works, Finance, Legal, and Planning and Economic Development staff to solicit feedback. Follow-up meetings were held with Public Works staff on March 3, 2021 and April 9, 2021, Building Division staff on April 15, 2021 and Legal Services on April 26, 2021.

**External Stakeholder Group Consultation**

On January 25, 2021 a public meeting was held with external stakeholder groups including land owners and engineering and planning consultants to present the draft policy and solicit feedback. A revised draft of the policy was prepared by staff and presented to the same external stakeholder groups on June 1, 2021 for review and feedback. A final draft of the policy was presented to the external stakeholder group on December 8, 2021 for their input.

**Other Municipalities**

Development of the Policy was carried out in consultation with the following municipalities: Region of Peel, Region of Halton, and City of Brantford who have similar

policies. Consultation included email correspondence, phone interviews and virtual meetings. In addition, wastewater allocation policies from the municipalities of Markham, Haldimand Region, New Market, Niagara on-the Lake, Town of Georgia, Uxbridge and Vaughan were reviewed by staff.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION**

The AEGD wastewater system has limited wastewater capacity available until the Dickenson Road trunk sewer is completed in late 2025. Policies and guidelines for allocation of capacity are necessary to provide a consistent, fair and equitable process in which wastewater capacity can be managed and aligned with the City's growth strategy and priorities.

Through internal and external consultation, the Policy, based on similar policies in other municipalities, has been developed in a way that is simple to administer and effective in being able to monitor wastewater capacity commitments to the development community and ensure compliance with the Environmental Compliance Approval for the recently upgraded Twenty Road sanitary pumping station.

### **Authority to Impose Wastewater Allocation Requirements**

The City will use its authority under the *Planning Act* to impose requirements of the Policy as a condition of approval to subdivide or develop land. For projects subject only to a servicing permit and/or building permit that result in an increased need for sewer capacity, the City will use its authority under By-law 06-038, Prohibition of Use of Land Without Adequate Services By-law (to be amended) to impose requirements of the Policy.

For clarity, the Policy applies only to projects that result in physical development or servicing of land in the AEGD wastewater service area. The Policy is not applicable to *Planning Act* applications or other activities where no development or servicing of land arises out of approval of an application, such as a re-zoning application. Given the limited supply of wastewater capacity, it was deemed unreasonable and not in the best interest of the City or the development community at large to allow land owners to tie-up wastewater capacity without the intent to use it in the short term. Also, to ensure wastewater capacity is not allocated to land that no longer has an active approval status, staff has limited the approval of wastewater allocation to the expiry date of the planning application or sewer/building permit. In this way, the City can ensure that wastewater capacity is available to other projects that are ready to proceed.

Incorporating wastewater allocation as a component of adequate servicing under By-law 06-038 (Adequate Services By-law) will allow staff through applicable law to enforce the requirement for property owners to obtain wastewater allocation in order to connect to the wastewater system under a servicing permit and for building permit applications that

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fall outside a *Planning Act* application and result in a decrease in available wastewater capacity. In order to use the By-law in this way By-law 06-038 must be amended to include reference to the Policy.

**Removal of Requirement for Agreements and Securing Upfront Development Charges from the Draft Policy**

In other municipality's policies, developers must enter into a wastewater allocation agreement and secure fifty percent of their development charges to reserve wastewater allocation. Staff do not support the need for developers and landowners to enter into a formal agreement or prepay development charges as there does not appear to be a clear benefit to the City to implement these requirements in the Hamilton context. As such, these provisions which were included in the draft policy presented to Council in Report PED20400/PW20055 have not been carried forward into the final policy document.

Instead, staff are supportive of a simple permit system whereby wastewater allocation can be granted to a developer through a written request confirming the amount of allocation required for a specific development project to proceed

**ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN**

**Community Engagement and Participation**

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community

**Economic Prosperity and Growth**

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

**Healthy and Safe Communities**

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

**Clean and Green**

Hamilton is environmentally sustainable with a healthy balance of natural and urban spaces.

**Built Environment and Infrastructure**

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

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**Culture and Diversity**

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

**Our People and Performance**

Hamiltonians have a high level of trust and confidence in their City government.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report PED20040(a) – City of Hamilton Airport Employment Growth District (AEDG) Wastewater System Capacity Allocation Policy.

Appendix “B” to Report PED20040(a) – AEGD Wastewater System Capacity Allocation Area

MI/sf