

Attention: Angela McRae, Legislative Coordinator
General Issues Committee
City of Hamilton

Re: GIC June 28, 2023, Item 7.2 - Stormwater Funding Review - FCS22043(b)

June 26, 2023

Dear Members of General Issues Committee:

We appreciate this opportunity to comment on the proposed Stormwater Rate Review.

As the staff report notes, “The stormwater charge is premised on the impact properties have on the City’s stormwater management system,” and is intended to be a fair and equitable user-pay system.

The staff report also explains that it is necessary to establish a connection between the amount of the fee and the cost of the service being provided, for the charge not to be considered a tax. As you are aware, in Ontario, a municipal user fee can only be charged in exchange for a specific service offered to the person or entity paying the fee. The fee must be directly related to the cost of providing the service to that user, and the municipality may not charge one user a fee for a service it provides to someone else.

Some Bayfront properties maintain independent stormwater management systems which collect and manage stormwater before discharging to Hamilton Harbour without utilizing the municipal system. These systems provide an equivalent level of service as the municipal systems without any municipal investment. We also note that the bed of the Harbour, where many municipal outfalls discharge, is owned by HOPA, and that sediment discharged from most of these outfalls is dredged at HOPA’s expense.

Accordingly, it is not appropriate for this rate structure to apply to properties that have no interface with the municipal stormwater system, and we would recommend the inclusion of an exemption in the rate structure to address these specific cases.

Other municipalities that have adopted a similar approach to stormwater fees have incorporated such exclusions:

City of Mississauga

“Technical exemptions apply to a property or portion of a property that is not serviced by the City’s Stormwater Management System if the Footprint Area or Impervious Area of that property drains: Directly to land outside of the municipal boundary of the City, or Directly to a waterbody outside the City’s jurisdiction”

Halifax Regional Water Commission

“(5) Properties that are within the Commission’s service boundary and do not receive Stormwater Service from the Commission are exempt from the Site Related Flow Charge.”

With regard to those industrial/commercial properties that are connected to the municipal system, we are generally supportive of a system of incentives for the installation of Low Impact Development technologies such as permeable pavement or rain gardens; however, it is important to note that on some industrial properties especially in the Bayfront area, permeability may be neither practical nor environmentally desirable.

We note that there was very little consultation with industrial/commercial users in the preparation of this proposal. We would encourage further involvement by the business community to ensure that this policy and the fees charged are consistent with Hamilton’s economic development objectives.

Thank you again for the opportunity to share our feedback on the proposed rate structure.

Sincerely,



Larissa Fenn
Vice President, Corporate Affairs
Hamilton Oshawa Port Authority