

CITY OF HAMILTON

AMENDING MOTION

General Issues Committee (Budget): January 30, 2024

MOVED BY COUNCILLOR C. CASSAR.....

SECONDED BY COUNCILLOR.....

2024 Tax Budget Amendments - Discretionary Development Charge Exemptions

WHEREAS, Council recognizes affordability concerns in the community given the recent periods of high inflation and rising interest rates;

WHEREAS, the Mayor directed staff through MDI-2023-02 to reduce the burden on residential property taxes by prioritizing the utilization of debt and emergency reserves while responsibly maintaining the City’s credit rating;

WHEREAS, the proposed 2024 Tax Budget reflects a total Development Charge exemptions expense of \$62 million, a year-over-year increase of 300%

WHEREAS, the proposed 2024 Tax Budget recommends a three-year phase-in strategy for unfunded discretionary development charges exemptions provided under the City’s Development Charges Bylaw with funding from the Unallocated Capital Levy Reserve of \$9.57M;

WHEREAS, the proposed 2024 Tax Budget recommends the continuation of an eight-year phase-in strategy that leverages \$6.50M annually between 2023 to 2030 to cover the shortfall in historical discretionary Tax Supported DC exemptions incurred from 2013 to 2020;

THEREFORE, BE IT RESOLVED:

- (a) That staff be directed to review the phase-in strategy for discretionary development charge exemptions over a longer timeline that is sustainable while reducing the tax impact in 2024 and report back to General Issues Committee (Budget) with a recommended adjustment prior to the conclusion of the 2024 budget process; and
- (b) That staff continue the annual process of reviewing the opportunity to fund discretionary development charges exemptions through the annual budget surplus.