

City of Hamilton, Office of the Auditor General
50 Main Street East, 3rd Floor
Hamilton, ON
L8N 1E9

May 1, 2024

Chair and Members Audit, Finance and Administration Committee,

Slate Asset Management appreciates the careful consideration of the delegations heard to-date and believes staff's suggested policy revisions to the development charge by-laws proposed are effective in addressing some of the concerns that have been expressed. Slate supports staff's recommendations; however, even as proposed by the latest staff report, the increase to development charges is significant and Slate continues to share concerns with our industry colleagues regarding the quantum of and rationale presented to justify these rates. Once in effect, Hamilton will have some of the highest development charge and property tax rates in Ontario. The impact of these costs on future investment to the City should not be underestimated.

Slate urges the City to consider additional amendments to the proposed policy including:

- Expansion the existing 37% exemption beyond manufacturing strictly outlined in NAICS codes 31 – 33. Specifically, the following NAICS codes should receive the exemption in addition to uses already identified by staff:
 - o 1114 – Greenhouse, Nursery and Floriculture Production.
 - o 2211 – Electric Power Generation, Transmission and Distribution.
 - o Codes 4811-4832, 4851, 4881 – 4883 and 4889 which allow for port, rail, air and highway transportation and logistics related development.
 - o 51 – Information uses which would include a range of media, creative, telecom and data uses.
 - o 5417 – Scientific Research and Development Services.
- Provision for an additional year of 37% exemption for warehousing to support instream projects.

Slate believes the above changes would strike a manageable balance without dramatically stifling growth and development. Furthermore, with diligent consideration of which uses receive an exemption, we can encourage a mix of healthy industries that will make Steelpoint and the surrounding communities more diverse and successful.

Sincerely,



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