

CITY OF HAMILTON

MOTION

General Issues Committee: May 15, 2024

MOVED BY COUNCILLOR M. WILSON.....

SECONDED BY COUNCILLOR C. CASSAR.....

Revenue Sources to fund Council Priorities and Ongoing Operating and Capital Works

WHEREAS the total financial pressures facing the City of Hamilton over the next 10 years is estimated at \$22.8 billion;

WHEREAS the total operating budget pressure facing the City of Hamilton over the next 10 years is \$16.3 billion;

WHEREAS the funded capital needs identified in the asset management plans approved to date are \$4 billion;

WHEREAS, Hamilton City Council has identified a set of priorities to guide its legislative agenda for the 2022-2026 term of Council;

WHEREAS, access to sufficient and sustainable revenue sources is critical to the city's ability to achieve these priorities along with ongoing operating, maintenance and capital programming needs;

WHEREAS, the fiscal framework within which Canadian municipalities work limits opportunities for local government to advance solutions at the scale required to address many of today's challenges, including but not limited to affordable and supportive housing, climate change mitigation, technology and an ageing infrastructure and population;

WHEREAS, Ontario municipalities like Hamilton are heavily reliant on property taxes as a source of revenue;

WHEREAS, property taxes are a regressive form of taxation;

WHEREAS, the City of Hamilton directly invests a significant share of property tax revenues, in extensions of federal and provincial responsibilities, such as housing, social services, and health services;

WHEREAS, in the absence of other non-residential property tax revenue, property taxes will become less affordable for more people over the next few years while the need for local investments will continue to grow;

WHEREAS, staff provided information on revenue tools available to the City of Toronto vis a vis the *City of Toronto Act* through Report FCS24022 including a downtown parking levy, municipal land transfer tax and a sales tax on alcohol and tobacco.

THEREFORE, LET IT BE RESOLVED:

- (a) That staff be directed to report back to the General Issues Committee by the end of Q4-2024 with recommendations on the legislative requirements, framework and implementation plan for the following revenue tools to advance priorities and investment in infrastructure:
 - (i) parking levies in high traffic areas;
 - (ii) a tiered land transfer tax; and,
 - (iii) alcohol and tobacco sales tax.
- (b) That staff be directed to include the following in the report back:
 - (i) the steps necessary to action and implement the models;
 - (ii) the length of time it would take to implement the models;
 - (iii) the estimated amount of revenue that could be generated by implementing these models; and,
 - (iv) What other municipalities are implementing or considering regarding alternative revenue sources.