



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 24-009

9:30 a.m.
May 2, 2024
Council Chambers
Hamilton City Hall

Present: Councillors T. Hwang (Chair), J. Beattie, B. Clark C. Kroetsch, M. Spadafora, M. Tadeson, A. Wilson and M. Wilson

Also

Present: Councillors C. Cassar, J.P. Danko, and N. Nann

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) - REVISED (Added Item 8.1(a))

(A. Wilson/Beattie)

- (a) That the 2024 City of Hamilton Development Charges Study, as amended, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved;
- (b) That, whenever appropriate, the City of Hamilton requests that grants, subsidies and other contributions be clearly designated by the provider as being to the benefit of existing development (or new development, as applicable);
- (c) That all the growth capital projects listed in the City of Hamilton Development Charges Background Study, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved, in principle, subject to annual capital budget approvals;
- (d) That, having considered the matters in Report FCS23103(b) including the changes incorporated into the 2024 Development Charges By-law, attached hereto as Appendix "A" of Report FCS23103(b), no further meeting under s.12 of the Development Charges Act, 1997 is required;
- (e) That Appendix "A" **as amended, by adding a new Section 34 and amending all references in Sections 1(iii) and 35 from "Previous Use" to "Current Use"** attached to Report FCS23103(b) respecting a single

2024 Development Charges By-law, prepared in a form satisfactory to the City Solicitor and including the following discretionary exemption policies, be passed and enacted:

- (i) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for residential development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40% in year one (June 1, 2024 to May 31, 2025); 35% in year two (June 1, 2025 to May 31, 2026); 30% in year three (June 1, 2026 to May 31, 2027); 20% in year four (June 1, 2027 to May 31, 2028); 10% in year five (June 1, 2028 to May 31, 2029); and 0% thereafter;
- (ii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for non-industrial development (other than Class A Office) industrial development and the non-residential component of mixed use development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40%;
- (iii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for Class A Office, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 70%;
- (iv) A reduced rate discretionary exemption be provided for manufacturing (Employment North American Industry Classification System (code 31-33), as well as, for production and artists' studios at a 37% discount;
- (v) A reduced rate discretionary exemption be provided for industrial development (other than manufacturing) at a 37% discount in Year 1 (June 1, 2024 to May 31, 2025) with a reduction in the exemption of 5% per year until completely phased out;
- (vi) An industrial expansion (detached building), 50% expansion of existing gross floor area exemption, be applied only to industrial businesses with primary economic activity identified as manufacturing (employment North American Industry Classification System (N.A.I.C.S.) code 31 33);
- (vii) A 100% Development Charge discretionary exemption for adaptive re-use of a protected heritage property;
- (viii) A 50% Development Charge discretionary exemption for redevelopment of an existing residential development for the purpose of creating residential facilities within an existing building and that the credit applicable, when the original building was a Residential Facility or Lodging house, be 100% of the applicable Residential Facility Rate or Lodging House Rate;

- (ix) A discretionary exemption for non-industrial developments included within a Community Improvement Project Area (CIPA) or Business Improvement Area (BIA) and for office developments (excluding medical clinics) as follows:
 - (i) 1st 5,000 square feet at 50% of the non-industrial charge;
 - (ii) 2nd 5,000 square feet at 75% of the non-industrial charge;
and
 - (iii) 10,000 square feet or larger at 100% of the non-industrial charge;
- (x) A 100% discretionary Development Charge exemption for bona fide farming / agricultural use;
- (xi) A 100% discretionary Development Charge exemption for places of worship exempt from property taxes;
- (xii) A discretionary transition policy in which the Development Charge Rate at the time of a complete building permit application apply if the building permit is issued within six months of the next rate increase;
- (xiii) A 100% discretionary Development Charge exemption for Farm Labour Residences;
- (xiv) A 100% discretionary Development Charge Exemption for City Housing Hamilton;
- (xv) A 100% discretionary Development Charge Exemption for Parking, other than Commercial Parking;
- (xvi) A Temporary Building or Structure Exemption;
- (xvii) A discretionary Deferral Policy for Non-residential Development, a Mixed Use Development, a Residential Facility, a Lodging House or an Apartment Dwelling only;
- (xviii) A discretionary Environmental Remediation and Site Enhancement (ERASE) Deferral Agreement Policy;
- (xix) A discretionary Public Hospitals Deferral Policy;
- (xx) A discretionary Post-Secondary Deferral Policy;
- (f) That the Local Service Policy, as included in the 2024 City of Hamilton Development Charges Background Study, as amended, be approved, adopted and implemented effective June 1, 2024;
- (g) That revisions to Section L.2.4 of the Comprehensive Development Guidelines and Financial Policies, to align with the Local Service Policy, attached as Appendix "C" be adopted and approved; and

- (h) That, where public stormwater management facilities have been provided at the cost of a developer, as a condition of development approval and the said facilities are deemed to be permanent and part of an ultimate solution, “credits for services in-lieu” for the related stormwater component of the Development Charge will be applied for any unbuilt units upon the said facilities being included in the Development Charge Background Study and any applicable addendum(s).

Result: Main Motion, As Amended, CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

2. Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* as it Relates to the *Development Charges Act, 1997* (FCS24034) (City Wide) (Item 10.1)

(A. Wilson/Kroetsch)

- (a) That Council endorse the proposed submissions and recommendations as provided in Appendix “B” to Report FCS24034 regarding Schedule 6 to proposed Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*; and
- (b) That the General Manager, Finance and Corporate Services, be authorized to make further submissions on Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* and any associated regulations consistent with the comments and concerns raised in Report FCS24034, as opportunities are provided for comments.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

3. Capital Project Closing Report as of September 30, 2023 (FCS23095(a)) (City Wide) (Item 10.3)

(Beattie/Tadeson)

- (a) That the General Manager, Finance and Corporate Services, be authorized to fund a net amount of \$80,805.96 from the Unallocated Capital Levy

Reserve (108020) and transfer a net amount of \$2,795,802.34 to other reserves as outlined in Appendix “A” to Report FCS23095(a);

- (b) That the General Manager, Finance and Corporate Services, be directed to close the completed and / or cancelled capital projects listed in Appendix “B” to Report FCS23095(a) in accordance with the Capital Projects Closing and Monitoring Policy;
- (c) That Appendix “C” to Report FCS23095(a), Capital Projects Budget Appropriations for the period covering July 1, 2023 through September 30, 2023, be received as information; and
- (d) That Appendix “D” to Report FCS23095(a), Capital Projects Budget Appropriations of \$250,000 or greater and Capital Project Reserve Funding Requiring Council Approval, be approved.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

FOR INFORMATION:

(a) CHANGES TO THE AGENDA (Item 2)

The Committee Clerk advised of the following changes to the agenda:

5. COMMUNICATIONS

5.1 Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*

5.1(a) Watson & Associates Economists Ltd. respecting the Assessment of Bill 185, *Cutting Red Tape to Build More Homes Act, 2024*.

Referred from Council, April 24, 2024

5.1(b) Watson & Associates Economists Ltd. respecting the Assessment of Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* and the Proposed Provincial Planning Statement, 2024

Recommendation: Be received and referred to the consideration of Item 10.1, Bill 185, *Cutting Red Tape to Build*

*More Homes Act, 2024 as it relates to the Development
Charges Act, 1997 (FCS24034) (City Wide)*

5.2 Development Charges By-Law

- 5.2(a) Colleen Wicken
- 5.2(b) Christiane de Savigny
- 5.2(c) Rose Janson and Family
- 5.2(d) Marie Covert
- 5.2(e) Elizabeth Watson-Morlog
- 5.2(f) Mary Love
- 5.2(g) Heather Vaughan
- 5.2(h) J. Williams
- 5.2(i) Catherine Thomas
- 5.2(j) Verena Walter
- 5.2(k) Lyn Folkes
- 5.2(l) Steve Chalastra
- 5.2(m) Jan W. Jansen
- 5.2(n) Don Brown
- 5.2(o) Candy Venning
- 5.2(p) Monica McCrory
- 5.2(q) Jane Wright
- 5.2(r) Bernice McRae
- 5.2(s) Patricia (Pat) Wilson, The Wilson Financial Group
- 5.2(t) Karijn de Jong
- 5.2(u) Luigia DeDivitiis and Allan Buck
- 5.2(v) Wendy Leigh-Bell and E. Robert Ross
- 5.2(w) Nonni Iler
- 5.2(x) Theresa McQuaig
- 5.2(y) Teresa Gregorio
- 5.2(z) Erica Hall
- 5.2(aa) Elizabeth Knight
- 5.2(ab) Steven Dejonckheere, Slate Asset Management
- 5.2(ac) Toni Wodzicki, Broccolini
- 5.2(ad) Robert Howe, Goodmans LLP

Recommendation: Be received and referred to consideration
of Item 8.1, Development Charges Background Study,
Policies and By-Laws

6. DELEGATION REQUESTS

6.1 2024 Development Charges Background Study, Policies and
By-laws - Final Report (for today's meeting):

- 6.1(a) Michelle Diplock, West End Home Builders'
Association
- 6.1(b) Amanda C. Stringer, Realtors Association of
Hamilton Burlington
- 6.1(c) Greg Dunnett, Hamilton Chamber of Commerce

- 6.1(d) Veronica Green, Slate Asset Management
- 6.1(e) Steven Dejonckheere, Slate Asset Management

8. STAFF PRESENTATIONS

- 8.1 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) - *WITHDRAWN*
 - 8.1(a) 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) – *REVISED*

CHANGE TO THE ORDER OF THE AGENDA

Consideration of Report FCS23103(b), respecting 2024 Development Charges Background Study, Policies and By-laws - Final Report (City Wide) (Item 8.1(a) to be considered immediately following the consideration of Item 10.1, Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* as it Relates to the *Development Charges Act, 1997* (FCS24034) (City Wide)

(Tadeson/Beattie)

That the agenda for the May 2, 2024 Audit, Finance and Administration Committee meeting, be approved, as amended.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

ABSENT - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(b) DECLARATIONS OF INTEREST (Item 3)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 4)

(i) April 18, 2024 (Item 4.1)

(Kroetsch/Beattie)

That the following Minutes of April 18, 2024 be approved, as presented:

Result: Motion CARRIED by a vote of 7 to 0, as follows:

ABSENT - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(d) COMMUNICATIONS (Item 5)

(i) Various Communications (Added Items 5.1 (a)-(b) and 5.2 (a)-(ad))

(Kroetsch/Clark)

That the following Communications Items, be approved, as presented:

(1) Bill 185, *Cutting Red Tape to Build More Homes Act, 2024* (Added Item 5.1)

(i) Watson & Associates Economists Ltd. respecting the Assessment of *Bill 185, Cutting Red Tape to Build More Homes Act, 2024*. (Added Item 5.1(a))

Referred from Council - April 24, 2024

(ii) Watson & Associates Economists Ltd. respecting the Assessment of *Bill 185, Cutting Red Tape to Build More Homes Act, 2024* and the Proposed Provincial Planning Statement, 2024 (Added Item 5.1(b))

Recommendation: Be received and referred to the consideration of Item 10.1, *Bill 185, Cutting Red Tape to Build More Homes Act, 2024* as it relates to the *Development Charges Act, 1997* (FCS24034) (City Wide)

(2) Development Charges By-Law (Added Item 5.2)

- (i) Colleen Wicken (Added Item 5.2(a))
- (ii) Christiane de Savigny (Added Item 5.2(b))
- (iii) Rose Janson and Family (Added Item 5.2(c))
- (iv) Marie Covert (Added Item 5.2(d))
- (v) Elizabeth Watson-Morlog (Added Item 5.2(e))
- (vi) Mary Love (Added Item 5.2(f))
- (vii) Heather Vaughan (Added Item 5.2(g))
- (viii) J. Williams (Added Item 5.2(h))
- (ix) Catherine Thomas (Added Item 5.2(i))
- (x) Verena Walter (Added Item 5.2(j))
- (xi) Lyn Folkes (Added Item 5.2(k))

- (xii) Steve Chalastra (Added Item 5.2(l))
- (xiii) Jan W. Jansen (Added Item 5.2(m))
- (xiv) Don Brown (Added Item 5.2(n))
- (xv) Candy Venning (Added Item 5.2(o))
- (xvi) Monica McCrory (Added Item 5.2(p))
- (xvii) Jane Wright (Added Item 5.2(q))
- (xviii) Bernice McRae (Added Item 5.2(r))
- (xix) Patricia (Pat) Wilson, The Wilson Financial Group (Added Item 5.2(s))
- (xx) Karijn de Jong (Added Item 5.2(t))
- (xxi) Luigia DeDivitiis and Allan Buck (Added Item 5.2(u))
- (xxii) Wendy Leigh-Bell and E. Robert Ross (Added Item 5.2(v))
- (xxiii) Nonni Iler (Added Item 5.2(w))
- (xxiv) Theresa McQuaig (Added Item 5.2(x))
- (xxv) Teresa Gregorio (Added Item 5.2(y))
- (xxvi) Erica Hall (Added Item 5.2(z))
- (xxvii) Elizabeth Knight (Added Item 5.2(aa))
- (xxviii) Steven Dejonckheere, Slate Asset Management (Added Item 5.2(ab))
- (xxix) Toni Wodzicki, Broccolini (Added Item 5.2(ac))
- (xxx) Robert Howe, Goodmans LLP (Added Item 5.2(ad))

Recommendation: Be received and referred to consideration of Item 8.1, Development Charges Background Study, Policies and By-Laws

Result: Motion CARRIED by a vote of 7 to 0, as follows:

ABSENT - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(e) DELEGATION REQUESTS (Item 6)

(i) 2024 Development Charges Background Study, Policies and By-laws - Final Report (for today's meeting) (Added Items 6.1 (a)-(e))

(Tadeson/A. Wilson)

That the following Delegation Requests, be approved, for today's meeting.

- (1) Michelle Diplock, West End Home Builders' Association (Added Item 6.1(a))
- (2) Amanda C. Stringer, Realtors Association of Hamilton Burlington (Added Item 6.1(b))
- (3) Greg Dunnett, Hamilton Chamber of Commerce (Added Item 6.1(c))
- (4) Veronica Green, Slate Asset Management (Added Item 6.1(d))

- (5) Steven Dejonckheere, Slate Asset Management (Added Item 6.1(e))

Result: Motion CARRIED by a vote of 7 to 0, as follows:

ABSENT - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(f) DELEGATIONS (Item 7)

(i) 2024 Development Charges Background Study, Policies and By-laws - Final Report (for today's meeting) (Added Items 7.1 (a)-(e))

The following Delegations addressed the Committee respecting the 2024 Development Charges Background Study, Policies and By-laws - Final Report:

- (1) Michelle Diplock, West End Home Builders' Association (Added Item 7.1(a))
- (2) Amanda C. Stringer, Realtors Association of Hamilton Burlington (Added Item 7.1(b))
- (3) Greg Dunnett, Hamilton Chamber of Commerce (Added Item 7.1(c))
- (4) Veronica Green, Slate Asset Management (Added Item 7.1(d))
- (5) Steven Dejonckheere, Slate Asset Management (Added Item 7.1(e))

(Kroetsch/A. Wilson)

That the following Delegations, be received and referred to the consideration of Report FCS23103(b), respecting 2024 Development Charges Background Study, Policies and By-laws - Final Report (City Wide) – REVISED:

- (1) Michelle Diplock, West End Home Builders' Association (Added Item 7.1(a))
- (2) Amanda C. Stringer, Realtors Association of Hamilton Burlington (Added Item 7.1(b))
- (3) Greg Dunnett, Hamilton Chamber of Commerce (Added Item 7.1(c))
- (4) Veronica Green, Slate Asset Management (Added Item 7.1(d))
- (5) Steven Dejonckheere, Slate Asset Management (Added Item 7.1(e))

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

For further disposition of this matter, refer to Item 1.

(g) STAFF PRESENTATIONS (Item 8)

(i) 2024 Development Charges Background Study, Policies and By-laws - Final Report (FCS23103(b)) (City Wide) - REVISED (Added Item 8.1 (a))

- (a) Gary Scandlan and Erik Karvinen, Watson and Associates, provided the Committee with an overview of the 2024 Development Charges Background Study, Policies and By-laws - Final Report – REVISED.

(Kroetsch/A. Wilson)

That the presentation from Gary Scandlan and Erik Karvinen, Watson and Associates, respecting the 2024 Development Charges Background Study, Policies and By-laws - Final Report– REVISED, be received.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(Kroetsch/Tadeson)

That the Audit, Finance and Administration Committee recess from 12:55 p.m. to 1:30 p.m.

Result: Motion CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie

YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

(Kroetsch/Beattie)

That the Audit, Finance and Administration Committee recess at 3:03 p.m. due to a fire alarm.

CARRIED

The meeting resumed at 3:26 p.m.

(b) (A. Wilson/Beattie)

- (a) That the 2024 City of Hamilton Development Charges Study, as amended, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved;
- (b) That, whenever appropriate, the City of Hamilton requests that grants, subsidies and other contributions be clearly designated by the provider as being to the benefit of existing development (or new development, as applicable);
- (c) That all the growth capital projects listed in the City of Hamilton Development Charges Background Study, prepared by Watson & Associates Economists Ltd., and dated December 21, 2023, amended March 28, 2024, be approved, in principle, subject to annual capital budget approvals;
- (d) That, having considered the matters in Report FCS23103(b) including the changes incorporated into the 2024 Development Charges By-law, attached hereto as Appendix "A" of Report FCS23103(b), no further meeting under s.12 of the Development Charges Act, 1997 is required;
- (e) That Appendix "A" attached to Report FCS23103(b) respecting a single 2024 Development Charges By-law, prepared in a form satisfactory to the City Solicitor and including the following discretionary exemption policies, be passed and enacted:
 - (i) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for residential development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40% in year one (June 1, 2024 to May 31, 2025); 35% in year two (June 1, 2025 to May 31, 2026); 30% in year three (June 1, 2026 to May 31, 2027); 20% in year four (June 1, 2027 to May 31, 2028); 10% in year five (June 1, 2028 to May 31, 2029); and 0% thereafter;

- (ii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for non-industrial development (other than Class A Office) industrial development and the non-residential component of mixed-use development, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 40%;
- (iii) A Downtown Hamilton Community Improvement Project Area (CIPA) discretionary exemption for Class A Office, limited to the height restrictions Council approved through the Downtown Secondary Plan, be 70%;
- (iv) A reduced rate discretionary exemption be provided for manufacturing (Employment North American Industry Classification System (code 31-33), as well as, for production and artists' studios at a 37% discount;
- (v) A reduced rate discretionary exemption be provided for industrial development (other than manufacturing) at a 37% discount in Year 1 (June 1, 2024 to May 31, 2025) with a reduction in the exemption of 5% per year until completely phased out;
- (vi) An industrial expansion (detached building), 50% expansion of existing gross floor area exemption, be applied only to industrial businesses with primary economic activity identified as manufacturing (employment North American Industry Classification System (N.A.I.C.S.) code 31-33);
- (vii) A 100% Development Charge discretionary exemption for adaptive re-use of a protected heritage property;
- (viii) A 50% Development Charge discretionary exemption for redevelopment of an existing residential development for the purpose of creating residential facilities within an existing building and that the credit applicable, when the original building was a Residential Facility or Lodging house, be 100% of the applicable Residential Facility Rate or Lodging House Rate;
- (ix) A discretionary exemption for non-industrial developments included within a Community Improvement Project Area (CIPA) or Business Improvement Area (BIA) and for office developments (excluding medical clinics) as follows:

- (i) 1st 5,000 square feet at 50% of the non-industrial charge;
 - (ii) 2nd 5,000 square feet at 75% of the non-industrial charge; and
 - (iii) 10,000 square feet or larger at 100% of the non-industrial charge;
 - (x) A 100% discretionary Development Charge exemption for bona fide farming / agricultural use;
 - (xi) A 100% discretionary Development Charge exemption for places of worship exempt from property taxes;
 - (xii) A discretionary transition policy in which the Development Charge Rate at the time of a complete building permit application apply if the building permit is issued within six months of the next rate increase;
 - (xiii) A 100% discretionary Development Charge exemption for Farm Labour Residences;
 - (xiv) A 100% discretionary Development Charge Exemption for City Housing Hamilton;
 - (xv) A 100% discretionary Development Charge Exemption for Parking, other than Commercial Parking;
 - (xvi) A Temporary Building or Structure Exemption;
 - (xvii) A discretionary Deferral Policy for Non-residential Development, a Mixed Use Development, a Residential Facility, a Lodging House or an Apartment Dwelling only;
 - (xviii) A discretionary Environmental Remediation and Site Enhancement (ERASE) Deferral Agreement Policy;
 - (xix) A discretionary Public Hospitals Deferral Policy;
 - (xx) A discretionary Post-Secondary Deferral Policy;
- (f) That the Local Service Policy, as included in the 2024 City of Hamilton Development Charges Background Study, as amended, be approved, adopted and implemented effective June 1, 2024;
- (g) That revisions to Section L.2.4 of the Comprehensive Development Guidelines and Financial Policies, to align with the Local Service Policy, attached as Appendix "C" be adopted and approved; and

- (h) That, where public stormwater management facilities have been provided at the cost of a developer, as a condition of development approval and the said facilities are deemed to be permanent and part of an ultimate solution, “credits for services in-lieu” for the related stormwater component of the Development Charge will be applied for any unbuilt units upon the said facilities being included in the Development Charge Background Study and any applicable addendum(s).
- (c) **(Kroetsch/A. Wilson)**
 - (a) That staff be directed to ***amend*** Appendix ‘A’ to Report FCS23103(b), respecting 2024 Development Charges Background Study, Policies and By-laws - Final Report being the proposed By-Law Respecting Development Charges on Lands within the City of Hamilton, as follows:
 - (i) To ***amend*** Section 1(iii) to ***delete the term “Previous Use”*** and replace it with ***“Current Use”*** as follows:
 - (iii) ***“~~Previous Use~~ Current Use”*** has the meaning ascribed to it in section 34.
 - (ii) To add the following, as Section 34, and renumber the existing Section 34 as Section 35:
 - 34. *When Redevelopment involves the conversion of the use of an existing Building from one use to another use the existing use of the Building preceding the conversion (the “Current Use”) shall be determined as follows:***
 - (a) ***If the existing use is subject to the payment of Development Charges under this By-law it shall be deemed to be the Current Use;***
 - (b) ***If the existing use is a use fully exempt from the payment of Development Charges but was preceded by a use of the existing Building that is subject to the payment of Development Charges under this By-law the preceding use of the Building shall be deemed to be the Current Use of the Building and any additions to the Building during its time of use as a use fully exempt from Development Charges under this By-***

law shall not be considered to be part of the Current Use of the Building; or,

- (c) *If the existing use is a use fully exempt from the payment of Development Charges and there was no preceding use of the existing Building it shall be deemed to be the Current Use.*

(iii) To **amend** Section 35 as follows:

35. Where an existing Building is converted in whole or in part from one ~~use (hereinafter referred to in this section as the "Previous Use")~~ its **Current Use** to ~~another a different~~ use,

- (a) the amount of Development Charges payable shall be reduced by the amount, calculated pursuant to this By-law at the current Development Charges rates in respect of the ~~Previous Use~~ **Current Use**;
- (b) the ~~Previous Use~~ **Current Use** shall be the use as confirmed through the City's Building Division and related permit records. If such records are not available, the ~~Previous Use~~ **Current Use** shall be determined using property tax records or such other City records as may be available;
- (c) for greater certainty, and without limiting the generality of the foregoing, the credit for the converted building shall be reduced or eliminated by the amount of any exemption, partial exemption or other reduction provided under this By-law applicable to the ~~Previous Use~~ **Current Use** as if the converted Building were being assessed as new development under this By-law; and
- (d) the amount of any credit pursuant to this section shall not exceed, in total, the amount of the Development Charges otherwise payable pursuant to this By-law with respect to the Redevelopment.

- (iv) To renumber the remaining Sections, accordingly.

Result: Amendment, CARRIED by a vote of 7 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
ABSENT - Ward 14 Councillor Mike Spadafora

For further disposition of this matter, refer to Item 1.

(h) DISCUSSION ITEMS (Item 10)

(i) Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (FCS24008/HUR24002) (City Wide) (Outstanding Business List Item) (Item 10.2)

(1) (A. Wilson/Beattie)

- (a) That the Fair Wage Policy and Fair Wage Schedule, attached as Appendix "A" and Appendix "C" to Report FCS24008/HUR24002, be approved;
- (b) That staff be directed to automatically update the Fair Wage Schedule every two years, in a manner consistent with Report FCS24008/HUR24002; and
- (c) That staff be directed to report back any updates to the Fair Wage Policy every four years to the Audit, Finance and Administration Committee for consideration.

(2) (Kroetsch/A. Wilson)

- (a) That consideration of the following items be DEFERRED until the end of Q3 2024 to allow the stakeholders the opportunity to review the Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (FCS24008/HUR24002) (City Wide) and provide comment:
 - (i) Proposed Amendments to Fair Wage Policy and Fair Wage Schedule (FCS24008/HUR24002) (City Wide) (Outstanding Business List Item) (Item 10.2)
 - (ii) Amendments to the Outstanding Business List (Item 13.1)
 - (1) Items Considered Completed and To Be Removed (Item 13.1(a))

(a) Fair Wage Policy Review (Item 13.1(a)(i))

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(i) PRIVATE AND CONFIDENTIAL (Item 14)

(i) Closed Minutes – April 18, 2024

(Kroetsch/Beattie)

- (a) That the Closed Minutes of the April 18, 2024 meeting be approved, as presented; and
- (b) That the Closed Minutes of the April 18, 2024 meeting remain confidential.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson
YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

(j) ADJOURNMENT (Item 15)

(Tadeson/M. Wilson)

That, there being no further business, the Audit, Finance and Administration Committee, be adjourned at 3:46 p.m.

Result: Motion CARRIED by a vote of 8 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Cameron Kroetsch
YES - CHAIR - Ward 4 Councillor Tammy Hwang
YES - Ward 9 Councillor Brad Clark
YES - Ward 10 Councillor Jeff Beattie
YES - Ward 11 Councillor Mark Tadeson

YES - Ward 13 Councillor Alex Wilson
YES - Ward 14 Councillor Mike Spadafora

Respectfully submitted,

Councillor Tammy Hwang, Chair
Audit, Finance and Administration
Committee

Tamara Bates
Legislative Coordinator
Office of the City Clerk