



**Growing a Resilient and Environmentally
Sustainable Hamilton
Community Improvement Plan
PED25105
(City Wide)**

General Issues Committee – April 30, 2025

What is a Community Improvement Plan?

- Community Improvement Plan (CIP) is a tool under the *Planning Act* that allow municipalities to provide incentives not otherwise permitted under the *Municipal Act*
- Defined geographic areas or “Community Improvement Project Areas” (CIPAs) accompany CIPs to delineate where programs are offered
- CIPs and CIPAs are implemented as by-laws and must be undertaken in accordance with requirements of the *Planning Act* (s.28)
- The City’s practice is to review CIPs and their programs every five years
- These reviews are necessary to evaluate, amend or propose new programs (or a new CIP) and ensure City priorities, strategies and policies continue to be aligned with the CIP

What is being proposed?

- Staff have undertaken a review of the current Hamilton LEED'ing the Way (LEED) CIP and conducted consultation and are recommending a new CIP referred to as
 - The Growing a Resilient and Environmentally Sustainable Hamilton CIP as its replacement (the GREEN Hamilton CIP)
- The CIP document has been rewritten, and new programs have been proposed with the goal of continuing to support the planning, development and redevelopment of “green” buildings
- As part of this review, staff had the following review goals:
 - Maintain financially responsible and sustainable programs for the City
 - Realign the CIP and programs with any changes arising from consultation and Council priorities
 - Provide effective and meaningful financial incentives
 - Ensure that these programs are also economic catalysts

Background: Hamilton LEED'ing the Way CIP

- This CIP and the grant program supported the development of sustainable buildings that were seeking a LEED certification
- This CIP was adopted by By-law 08-214 and included a single incentive program referred to as the LEED Grant Program.
- Why the review?
 - Interest but little uptake to date
 - Created in 2010 and a lot has changed since then
 - City Council declared a Climate Change Emergency
 - The program can be expanded to capture other initiatives and goals
 - Goal of getting to Net Zero
- There are currently three additional applications either recently approved by Council and going through the legal agreement phase or being reviewed

Outcome of Consultation

- Staff undertook a public consultation open house on June 18, 2024
- One of the early considerations was increasing the requirements for eligibility for a grant (i.e. more sustainable building measures and/or other certifications outside of LEED)
- What we learned:
 - Other municipalities are looking for ways to incentivize the voluntary aspects of their respective Green Building Standards
 - There are still financial hurdles (risk) for developers to go “green”
 - There could be benefit to the promotions of specific sustainability programs in particular geographies of the city
 - This CIP is an opportunity to support the voluntary metrics of the City’s Green Building Standard tiers
 - Unclear if there is a “green” premium
 - This CIP is an opportunity to support the ultimate goal of reducing GHG emissions

Outcome of Consultation (cont'd)

- There are two development pieces to tackle:
 - Retrofits and the challenges/barriers
 - New development
- With CIPs, the City also considers the economic impact and some of the benefits of the CIP and program changes can be:
 - Increasing building value
 - Reshaping neighbourhoods
 - Potential to attract different businesses and tenants
 - Incentivize building ASAP to avoid delays in building toward net zero – cost of building will be more expensive the longer you wait

New GREEN Hamilton CIP Incentive Programs

GREEN Hamilton Study Grant Program

- This Program is intended to support the undertaking of a sustainability related study (e.g. an energy modelling report)
- It will be available city-wide for sites that are not subject to the City's Green Building Standards for commercial, industrial and multiple dwelling developments
- The incentive includes 50% of the cost of an eligible study to a maximum of \$10,000. Where this work is being completed for the purpose of a not-for-profit housing development, the grant will cover a 100% of the costs to a maximum of \$20,000.
- The studies may show metrics relating to things like operational energy use, life cycle assessment (embodied carbon) and operational cost savings.

New GREEN Hamilton CIP Incentive Programs

GREEN Hamilton Bayfront Industrial Area Retrofit Grant Program

- This Program is intended to provide grants that will support the physical improvements to existing industrial and commercial buildings within the Bayfront Industrial Area
- The incentive is only available in a specified geographic area, referred to as Sub-Area 1: Bayfront Industrial Area
- The incentive includes 50% of the cost up to the Program's maximums to achieve the GHGI metric below:
 - \$150,000 for a minimum 25% GHGI reduction
 - \$400,000 for a minimum 50% GHGI reduction
- The works eligible include any directly related and required costs (installation, labour and/or structural improvements) for things like solar panels, heat pumps, geothermal system etc.
- Recommending delegated authority to the GM up to the program maximums (by-law will be prepared to this effect)

New GREEN Hamilton CIP Incentive Programs

GREEN Hamilton Development Tax Increment Grant Program

- This Program provides grants for developments that are subject to the City's Green Building Standards. The incentive is available city wide.
- This is a tax increment-based grant, so the grant provided is relative to the actual increase in municipal property taxes generated as a result of a site's development.
- The Programs maximum incentive is dependent on achieving one of the three Grant Levels in the program

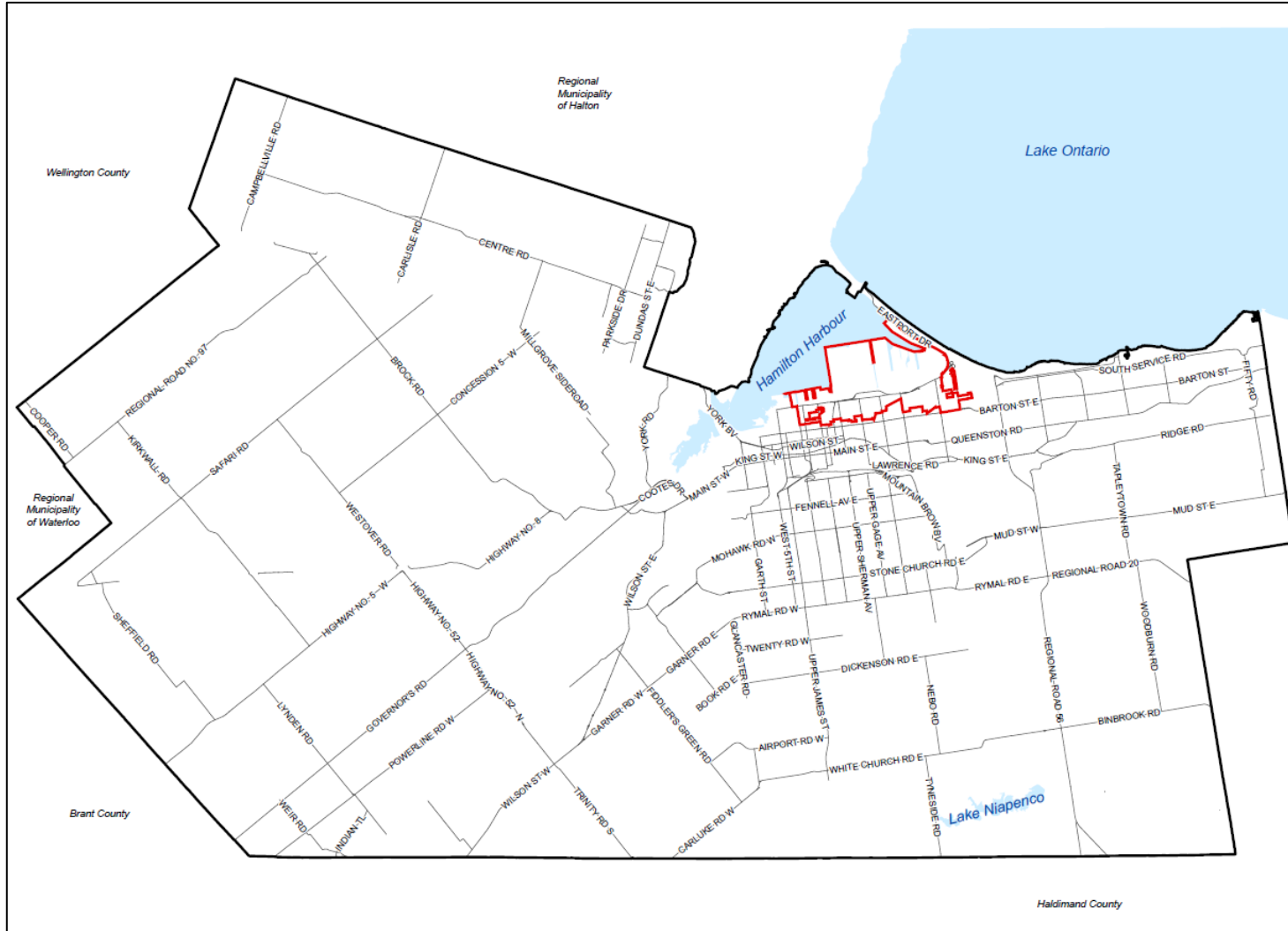
New GREEN Hamilton CIP Incentive Programs

GREEN Hamilton Development Tax Increment Grant Program



- This table shows the grant levels offered in the program. At a minimum, the voluntary metrics of the Green Building Standards must be met.
- “Tier 2” Building is a building that is subject to the City of Hamilton’s Green Building Standards and, at a minimum, meets the applicable “Tier 2” metrics found in the Energy and Carbon Impact Category, where applicable, and one (1) other “Tier 2” metric, at the applicant’s discretion, from each of the remaining Impact Categories.
- A building is certified as “Tier 2” through the submission of the Post Construction Submission requirements or a third-party review by Qualified Professionals, at the Applicant’s expense.

	Grant Level 1	Grant Level 2	Grant Level 3
Number of Annual Grant Payments	3	4	5
Annual Grant as a Percentage of Actual Municipal Property Tax Increment	80%*	90%*	100%*
Performance Standard	Meets the definition of a “Tier 2 Building”	Meets the Grant Level 1 requirements and the requirements of Tier 3 in the City of Hamilton’s Green Building Standards Guide Book	Meets the Grant Level 2 requirements, and reduces the embodied carbon by a minimum of 20%

New GREEN Hamilton CIPA



Legend

-  GREEN Community Improvement Project Area
-  Sub-Area 1: Bayfront Industrial Area

Conclusion/Next Steps

- The proposed programs will fulfill City priorities and commitments
- If the recommendations are supported, staff will:
 - prepare the required by-laws (CIP, CIPA and delegation authority) to implement
 - provide the public notice of the proposed Plan and new programs as required under the *Planning Act*
 - bring the proposed by-laws to a statutory public meeting of the Planning Committee for public comment and Committee consideration in Q2 2025 (targeting June 10, 2025)
- Staff are currently expediting the review and recommendation of existing applications under the LEED Grant Program in anticipation of the above Planning Committee date



Hamilton

THANK YOU