



City of Hamilton

Report for Consideration

To: Mayor and Members of the General Issues Committee

Date: April 15, 2026

Report No: PED26078

Subject/Title: A By-Law to Authorize the Imposition of a Special Charge under the Better Homes Hamilton Pilot Program – Batch 2

Ward(s) Affected: City Wide

Recommendations

That the by-law as shown in Appendix A to Report PED26078, being a by-law to authorize the imposition of a special charge under the Better Homes Hamilton Pilot Program, **BE APPROVED.**

Key Facts

- The purpose of this report is to request Council approve the by-law, attached as Appendix A, required as per section 36.14 of Ontario Regulation 586/06, in order to add Better Homes Hamilton loans as local improvement charges to the tax roll.
- On November 22, 2023, Council adopted “Better Homes Hamilton” By-Law No. 23-216, Appendix B, to authorize the undertaking of climate change mitigation and adaptation works on private residential property as local improvements under the Better Homes Hamilton Program.
- Schedule A of Appendix B requires in Step 7 of the Better Homes Hamilton Program that the City Treasurer, Deputy Treasurer (or delegated authority) periodically certify the local improvement roll (which occurs after the improvements on a given set of properties are complete and the final amounts of funding are confirmed). Pursuant to this and in order to enable the City of Hamilton to collect repayment of the loans,

section 36.14 of Ontario Regulation 586/06 provides that after the Treasurer has certified the local improvement roll, the City shall by by-law provide that the amount specially charged on the property set out in the roll shall be sufficient to raise the property's share of the cost by a number of equal annual payments and that a special charge shall be imposed in each year on the property equal to the amount of the payment payable in that year.

- The approval of this by-law will allow the loan amounts of ten participants to complete the Better Homes Hamilton program, totalling \$164,940.30 to be added as a special charge to the 2026 tax roll for repayment to the City of Hamilton.

Financial Considerations

There are no new financial considerations for Report PED26078 and corresponding appendices. Previously, Report PED23106, Better Homes Hamilton - Home Energy Retrofit Program, recommended that staff be directed to establish a loan receivable on the City's balance sheet, not exceeding \$1,000,000, to record the corresponding liabilities regarding the long-term financing for the 'Incubation Stage' (pilot stage) of the Better Homes Hamilton program; Council adopted this motion on May 10, 2023.

The ten current loans totalling \$164,940.30 have been issued through the pilot Better Homes Hamilton program. These loans will be repaid with zero-percent interest over 10 or 15 years, as chosen by the participant. Appendix A to Report PED26078 will enable loan repayment to begin in June 2026.

Background

On May 5, 2023, General Issues Committee received Report PED23106, Better Homes Hamilton - Home Energy Retrofit Program, and on May 10, 2023, Council approved the following motions:

- (a) That the "Better Homes Hamilton" program, based on the terms outlined in Appendix A6, and subject to minor revisions authorized by the General Manager of Planning and Economic Development, be approved as the 'Incubation Stage' of Hamilton's first home energy retrofit program;
- (b) That the "Better Homes Hamilton Detailed Study Design" attached as Appendix "B" to Report PED23106 be received;
- (c) That Planning and Economic Development Staff be directed to launch the 'Incubation Stage' of the Better Homes Hamilton program with a target to retrofit up to 50 homes before the end of 2024;

- (d) That staff be directed to establish a loan receivable on the City's balance sheet, not exceeding \$1,000,000, to record the corresponding liabilities regarding the long-term financing for the 'Incubation Stage' of the Better Homes Hamilton program;
- (e) That the costs for program administration, including loan loss provisions for the 'Incubation Stage' of the Better Homes Hamilton program as described in Report PED23106 and in Appendix "A" to Report PED23106 be funded through the Climate Change Reserve Account 108062 with an upset limit of \$275,000 over two years;
- (f) That staff be directed to prepare and bring forward for Council approval a municipal by-law authorizing the Better Homes Hamilton program including the details on eligibility and providing authority to launch the energy efficiency works on private residential property as local improvements under the program; and,
- (g) That Staff be directed to report back to the General Issues Committee within two years of implementation of the 'Incubation Stage' of the Better Homes Hamilton Program with results and feasibility for scaling the program in terms of number of homes and expansion into the high-rise, commercial and/or industrial sectors.

The Better Homes Hamilton Program was designed to extend municipal financing to participating homeowners for the installation of climate mitigation retrofit measures, including building envelope, mechanical systems and supporting energy-efficiency retrofit infrastructure, as well as home energy assessments and permits, as applicable, and to secure payment by imposing a local improvement charge ("LIC") on the property, as authorized by Ontario Regulation 586/06, Local Improvement Charges - Priority Lien Status, enacted under the *Municipal Act, 2001*, S.O. 2001, c. 25.

After significant delays due to the cybersecurity incident and additional delays with the contractor developing the program portal, staff launched the Better Homes Hamilton Program in December 2024 as a pilot, offering a maximum of 50 loans to be provided to homeowners during the pilot program. Loans are a maximum of \$20,000 each over a 10- or 15-year repayment term with zero-percent interest over the term of the loan.

Eligible registered owners of detached houses, semi-detached houses, and townhome properties within the geographic boundaries of the City of Hamilton are participating in the Better Homes Hamilton Pilot Program. All registered owners of the participating properties must consent to participation in the Better Homes Hamilton Program. As per Schedule A of Appendix B to Report PED26078, the properties must have a property tax roll account with the City, and the registered owner(s) are responsible for property tax payments directly to the City. All property taxes and other payment obligations to the City by the homeowners must be confirmed by Taxation to be in good standing.

Analysis

Since Council approved on January 21, 2026, By-Law 2026-009 regarding Report PED26005 for the first ten Better Homes Hamilton participants to complete the Better Homes Hamilton Pilot Program, another ten zero-interest loans totalling \$164,940.30 have been granted. As per the program design approved in Report PED23106, Better Homes Hamilton Pilot Program, the loans will be repaid through a Local Improvement Charge. The attached by-law (Appendix A to Report PED26078), which is required under Ontario Regulation 586/06 – Local Improvement Charges – Priority Lien Status, requires Council's approval to allow the loan amounts from the Better Homes Hamilton Pilot Program to be added as a special charge to the tax roll for repayment commencing in 2026. For each property included in the by-law (Schedule A of Appendix A to Report PED26078), the Treasurer, Deputy Treasurer (or delegated authority) will add the annual loan repayment to the respective tax roll as a special charge.

Appendix A to Report PED26078 currently reflects the next ten participating properties and fulfills the requirements of Ontario Regulation 586/06 – Local Improvement Charges – Priority Lien Status and City of Hamilton By-Law No. 23-216 (Appendix B to Report PED26078).

Staff have consulted with other Ontario municipalities administering similar residential retrofit programs under Ontario Regulation 586/06 – Local Improvement Charges – Priority Lien Status regarding the procedures for authorizing the imposition of special charges on the tax roll of participating properties.

- Staff have consulted with Legal Services on the draft by-law and with Taxation to confirm procedures to apply the loan repayments on the participants' property tax bills. On an annual basis, staff from Taxation will add the loans to the property tax rolls for repayment.

Alternatives

Approval of Appendix A to Report PED26078 is required under Ontario Regulation 586/06 – Local Improvement Charges – Priority Lien Status to add the loans as local improvement charges to the tax roll effective 2026. The by-law in Appendix A to Report PED26078 is the legal mechanism the City of Hamilton must use to impose the special charges on the participating properties and thereby collect repayment of the Better Homes Hamilton loans. Without approval, the City of Hamilton cannot impose the special charges on the participating properties and therefore cannot seek remittance of the loans disbursed.

Relationship to Council Strategic Priorities

Approval of Appendix A to Report PED26078 is required for administration of the Better Homes Hamilton Pilot Program, which supports elements of two of Council's priority focus areas.

The Better Homes Hamilton program plays a role in furthering the Sustainable Economic and Ecological Development priority by "accelerating our response to climate change" by enabling Hamilton homeowners to reduce their greenhouse gas emissions in a more affordable manner.

The Better Homes Hamilton program also contributes to enhancing Responsiveness and Transparency through high quality customer service. This is being achieved through a number of means, including the Better Homes Hamilton program's online portal, which allows participants to access their full files online and easily correspond with the dedicated "Better Homes Hamilton Program Coach" for support via email, Microsoft Teams, by phone, or in person. The Better Homes Hamilton program also empowers Hamilton homeowners to problem solve and enables them to take climate action that they might not otherwise have been able to afford or been motivated to achieve.

Previous Reports Submitted

- [A By-Law to Authorize the Imposition of a Special Charge under the Better Homes Hamilton Pilot Program in Accordance with Ontario Regulation 586/06 for properties in the City of Hamilton](#) (PED26005)
- [Better Homes Hamilton - Home Energy Retrofit Program](#) (PED23106)

Consultation

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Susan Nicholson, Deputy City Solicitor, Municipal Section, Legal and Risk Management Services, Corporate Services

Appendices and Schedules Attached

Appendix A: A By-Law to Authorize the Imposition of a Special Charge under the Better Homes Hamilton Pilot Program in Accordance with Ontario Regulation 586/06 – Batch 2

A By-Law to Authorize Imposition of Charge under Better Homes Hamilton Pilot (City Wide)

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Schedule A to Appendix A

Appendix B: By-law No. 23-216: A By-Law to Authorize the Undertaking of Climate Change Mitigation and Adaptation Works on Private Residential Property as Local Improvements Under the Better Homes Hamilton Program

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Submitted and Recommended by:

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