



**General Issues Committee
MINUTES
(AREA RATING)
9:30 a.m.
Thursday, April 14, 2011
Council Chambers
Hamilton City Hall
71 Main Street West**

Present: Deputy Mayor L. Ferguson (Chair)
Mayor B. Bratina
Councillors B. Clark, C. Collins, S. Duvall, J. Farr, T. Jackson,
B. Johnson, B. McHattie, S. Merulla, B. Morelli, R. Pasuta,
J. Partridge, M. Pearson, R. Powers, T. Whitehead

Also Present: C. Murray, City Manager
R. Rossini, General Manager, Finance and Corporate Services
B. Goodger, A/General Manager, Public Works
T. McCabe, General Manager, Planning & Economic Development
J. A. Priel, General Manager, Community Services
Dr. E. Richardson, Medical Officer of Health
D. Cunliffe, Director, Fire Operations/Deputy Chief
B. Browett, Director, EMS/Deputy
C. Biggs, Co-ordinator, Committee Services/Council/Budgets

**THE FOLLOWING ITEMS WERE REPORTED TO CITY COUNCIL FOR
CONSIDERATION:**

1. CHANGES TO THE AGENDA

The Clerk advised that there were no changes to the agenda.

(Pearson/Johnson)

That the agenda be approved, as presented..

CARRIED

2. DECLARATIONS OF INTEREST

None declared.

3. APPROVAL OF MINUTES OF PREVIOUS MEETING

None.

4. DELEGATION REQUESTS

None.

5. CONSENT ITEMS

None

6. PUBLIC HEARINGS/DELEGATIONS

None

7. STAFF PRESENTATIONS

- 7.1 Update – 2011 Tax-Supported Operating Budget**
- 7.2 Update – Area Rating Update**
- 7.3 Area Rating Scenarios**

Rob Rossini advised that his presentation would include an update of the 2011 budget, and update on area rating and scenarios of the various options for various services as outlined at the April 8 meeting for the Committee's consideration. Mr. Rossini also advised that the Information Report distributed for Item 8.1 responds to questions raised by the Committee at the April 8 meeting.

The presentation included the following:

- Average residential impact by former Area Municipality
(NOTE: Correction in Stage 2: Phased-in over 3 years (2014-2016))
- Average residential assessment by Ward
- Area Rating Update: Scenarios
 - Option 1: Staff's previous recommended urban/rural model
 - Stage 1: Phased in over 4 years (2011 to 2014)
 - Stage 2: Phased in over 3 years (2014 to 2016)
 - Previous Staff Recommended Urban/Rural Model (FCS09087)
 - Phase-in Plan – Annual % Impacts
 - Phase-in Plan – Annual 4 Impacts (based on \$245,100 home)
 - Phase-in Plan – Annual \$ Impacts (based on average by former area municipality)

- Tax Shifts between former Area Municipality
- Option 2(a): Phased-in over 4 years (2011-2014)
- Urban/Rural Recreation, Defer Transit
 - Phase-in Plan Annual % Impacts
 - Phase-in Plan – Annual \$ Impacts (base don \$245,100 home)
 - Phase-in Plan – Annual \$ Impacts (based on average by former Area Municipality)
 - Tax Shifts between former Area Municipality
- Option 2(b): Special Capital Levy - \$13.4M reduction in former City of Hamilton may be redirected to a “special capital levy” to address infrastructure deficit in former City of Hailton (\$3.34M/year over 4 years)
- Total Residential Tax Impacts (Budget + Reassessment + Area Rating)
- Maps: Transit/Sidewalk & Streetlight Service Area; Urban/Rural Fire Areas

The presentation concluded with the following proposed resolutions on Area Rating put before the Committee for consideration:

- (a) That the following amendments to the current method of area rating, constituting an “Urban/Rural” model of area rating, be approved:
 - (i) Elimination of Culture from area rating;
 - (ii) Area rating of Recreation based on the urban/rural model;
 - (iii) Continuation of Area Rating of Parkland purchases by former area municipality;
 - (iv) Area rating of Fire services based on an urban/rural model to align to the Fire primary response area;
 - (v) Continuation of area rating Sidewalk Snow Clearing within the transit area of Ward 12;
 - (vi) Area rating of Sidewalks and Street Lighting based on an urban/rural model to align to the service area;
- (b) That the proposed urban/rural method of area rating, as identified in Recommendation (a), be phased-in over four years;
- (c) That changes to the area rating of Transit be deferred until completion of an approved implementation plan for Transit service improvements in response to the recently completed IBI Study;
- (d) That the tax shift variance be phased-in and reinvested into the former City of Hamilton to address its infrastructure deficit.

Members of the Committee extended their appreciation to Rob Rossini and members of his staff, specifically Mike Zegarac, Tom Hewitson and Maria DiSanto for all of their efforts in gathering and analyzing the data required to provide the required information to the Committee. Special thanks was also extended to Councillors Russ Powers and Chad Collins for their initiatives to speak with the members of the Committee to get their input on this issue and work with staff to present a resolution which would address the concerns put forward during previous discussion of area rating.

(Powers/Jackson)

- (a) That the following proposed amendments to the current method of area rating, constituting an "Urban/Rural" model of area rating, be approved:
 - (i) Elimination of Culture from area rating;
 - (ii) Area rating of Recreation based on the urban/rural model;
 - (iii) Continuation of Area Rating of Parkland purchases by former area municipality;
 - (iv) Area rating of Fire services based on an urban/rural model to align to the Fire primary response area;
 - (v) Continuation of area rating Sidewalk Snow Clearing within the transit area of Ward 12;
 - (vi) Area rating of Sidewalks and Street Lighting based on an urban/rural model to align to the service area;
- (b) That the proposed urban/rural method of area rating, as identified in Recommendation (a), be phased-in over four years;
- (c) That changes to the area rating of Transit be deferred until completion of an approved implementation plan for Transit service improvements in response to the recently completed IBI Study;
- (d) That the tax shift variance be phased-in and reinvested into the former City of Hamilton to address its infrastructure deficit.

(Collins/Merulla)

That sub-section (a) be amended by deleting the word, "proposed".

Amendment CARRIED

The Main Motion, as amended, **CARRIED** on the following unanimous Standing Recorded Vote:

Yeas: Bratina, McHattie, Farr, Morelli, Merulla, Collins, Jackson, Duvall, Whitehead, Clark, Pearson, Johnson, Powers, Ferguson, Pasuta, Partridge
Total Yeas: 16
Nays:
Total Nays 0

8. DISCUSSION ITEMS

8.1 Additional Information on Area Rating as Requested at April 8th, 2011 GIC Meeting (City Wide) (FCS11042)

(Whitehead/Partridge)

That Report FCS11042 respecting Additional Information on Area Rating, as requested at the April 8, 2011 GIC meeting, be received. **CARRIED**

There being no further business, the Committee adjourned at 11:02 a.m.

Respectfully submitted

Councillor L. Ferguson
Deputy Mayor

Carolyn Biggs, Co-ordinator
Committee Services/Council/Budgets
April 14, 2011