THE GENERAL ISSUES COMMITTEE PRESENTS REPORT 14-004 AND RESPECTFULLY RECOMMENDS:

1. Hamilton Police Service Monthly Report (PSB 14-007) (Item 5.2)
   That Hamilton Police Service Monthly Report PSB 14-007 be received.

2. Ottawa Street Business Improvement Area (B.I.A.) Revised Board of Management (PED10256(a)) (Wards 3 and 4) (Item 5.3)
   That Matthew Green be appointed to the Ottawa Street BIA’s Board of Management.

3. Locke Street Business Improvement Area (B.I.A.) – Proposed Budget and Schedule of Payment for 2014 (PED14029) (Ward 1) (Item 5.4)
   (a) That the 2014 Operating Budget for the Locke Street Business Improvement Area (BIA) (attached as Appendix “A” to Report PED14029) be approved in the amount of $30,000;
   (b) That the levy portion of the Operating Budget for the Locke Street Business Improvement Area (BIA) in the amount of $30,000, be approved;

Council – February 25, 2014
(c) That the General Manager of Finance and Corporate Services be hereby authorized and directed to prepare the requisite by-law pursuant to Section 208, The Municipal Act, 2001, to levy the 2014 Budget as referenced in sub-section (b) of Report PED14029;

(d) That the following schedule of payments for 2014 be approved:

<table>
<thead>
<tr>
<th>Month</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>February</td>
<td>$15,000</td>
</tr>
<tr>
<td>June</td>
<td>$15,000</td>
</tr>
</tbody>
</table>

Note: Assessment appeals may be deducted from the levy payments.

4. Lease Agreement with Winona Peach Festival (Lessee), 1328 Barton Street East (Winona Park), Stoney Creek (PED14030) (Ward 11) (Item 5.5)

(a) That a new lease with Winona Peach Festival be approved, subject to the following terms and conditions:

(i) **Terms:** The lease will cover only the following periods over a 10 year term:

<table>
<thead>
<tr>
<th>Year</th>
<th>Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>August 17 to August 27, 2014, inclusive</td>
</tr>
<tr>
<td>Two</td>
<td>August 21 to August 31, 2015, inclusive</td>
</tr>
<tr>
<td>Three</td>
<td>August 19 to August 29, 2016, inclusive</td>
</tr>
<tr>
<td>Four</td>
<td>August 18 to August 28, 2017, inclusive</td>
</tr>
<tr>
<td>Five</td>
<td>August 17 to August 27, 2018, inclusive</td>
</tr>
<tr>
<td>Six</td>
<td>August 22 to September 1, 2019, inclusive</td>
</tr>
<tr>
<td>Seven</td>
<td>August 21 to August 31, 2020, inclusive</td>
</tr>
<tr>
<td>Eight</td>
<td>August 19 to August 29, 2021, inclusive</td>
</tr>
<tr>
<td>Nine</td>
<td>August 18 to August 28, 2022, inclusive</td>
</tr>
<tr>
<td>Ten</td>
<td>August 17 to August 27, 2023, inclusive</td>
</tr>
</tbody>
</table>

The Lessee has an option to extend the lease for an additional 10 years under the same terms and conditions except for the dates of use, to be determined upon renewal.

(ii) **Property:** Winona Park at 1328 Barton Street, City of Hamilton (formerly Stoney Creek), described as Part of Lots 3 and 4, Concession 2, designated as Parts 2 and 4, Plan 62R-15563 comprising approximately 15.07 acres.

(iii) **Purpose:** For the sole purpose of holding the annual Winona Peach Festival.
(iv) **Rate:** $1 per year plus applicable H.S.T. and any property taxes payable due to the occupation of the subject lands (Winona Park) by the Lessee.

(v) **Expenses:** The Lessee is responsible for all expenses.

(b) That the rent to be credited to Account No. 46084-792485;

(c) That the Real Estate Section of the Economic Development Division of the Planning and Economic Development Department be authorized and directed to complete the Lease Agreement for the subject lands, in accordance with the terms set out in Recommendation (a) of Report PED14030 and with By-law 04-299;

(d) That the Mayor, General Manager of Finance and Corporate Services and City Clerk be authorized and directed to execute the Lease in a form satisfactory to the City Solicitor.

5. **Elfrida Urban Boundary Expansion – Background Studies (PED14011)**

(City Wide) (Item 5.6)

That the correspondence from Susan Rosenthal, Davies Howe Partners LLP, on behalf of “Twenty Road East Landowners” respecting “Elfrida Urban Boundary Expansion – Background Studies” (Report PED14011), attached hereto as Appendix “A”, be received.

6. **Elfrida Urban Boundary Expansion – Background Studies (PED14011)**

(City Wide) (Item 5.6)

That the 2014 Capital Budget submission (Project #8121355605) for $500,000 to undertake studies for the Elfrida Urban Boundary Expansion be removed from its “parked” status and approved.

7. **Administrative Amendments to the Environmental Remediation and Site Enhancement (ERASE) Programming Description and Terms (PED14031)**

(City Wide) (Item 8.1)

(a) That the revised Environmental Remediation and Site Enhancement (ERASE) Redevelopment Grant Program (RGP), Tax Assistance Program (TAP) and Downtown Hamilton/West Harbourfront Remediation Loan Program description and terms, attached hereto as Appendix “B”, Appendix “C” and Appendix “D”, be approved;
8. Redevelopment of 440 Victoria Avenue North (formerly the Studebaker and Otis Elevator Plants)

That the Facility Naming Sub-Committee be requested to consider retaining reference to “Studebaker” in the redevelopment of 440 Victoria Avenue North (formerly the Studebaker and Otis Elevator Plants).

9. The Current and Future State of Hamilton’s Advanced Manufacturing Sector (PED14006) (City Wide) (Deferred from January 22/27 GIC Meeting) (Item 7.1)

That Report PED14006 respecting, "The Current and Future State of Hamilton’s Advanced Manufacturing Sector" be received.

Item 10 was amended with the addition of sub-section (c), as highlighted.

10. Biosolids Management Project – Public Private Partnerships (PPP) Canada Funding (PW11098(c)/FCS11112(c)) (City Wide) (Item 7.2)

(a) That the Mayor and City Clerk be authorized and directed to execute Public Private Partnerships (‘PPP’) Canada’s Conditional Financial Agreement (‘CFA’) as included herein as Appendix “A”, and all necessary associated documents, in a form satisfactory to the City Solicitor and with content acceptable to the General Manager of Public Works, and the General Manager of Finance & Corporate Services;

(b) That the General Manager of Public Works be authorized and directed to proceed with Phase 2 – Transaction Phase of the Biosolids Management Project as follows:

(i) Procurement and award of Transaction Advisors using approved funds from account 5160966910 having a budget of $2,500,000;

(ii) Procurement and award of the Fairness Monitor using approved funds from account 5160966910 having a budget of $500,000;

(iii) Issuing of the Request for Pre-Qualifications for the purpose of short listing qualified Proponents for the Biosolids Management Project;
(iv) Issuing of the Request for Proposal to the pre-qualified proponents resulting from (b)(iii) for the Biosolids Management Project as to identify a Preferred Proponent for Council’s consideration;

(v) Presenting the results of the Request for Proposals from (b)(iv) to Council prior to any award.

(c) That Hamilton's Biosolids program be prohibited from importing or processing sewage sludge or dewatered biosolids generated outside the municipality of Hamilton.

11. Submissions to the Ontario Legislature on Bill 69 – Prompt Payment Act, 2013 (PW14018/LS14004) (City Wide) (Item 8.2)

That the General Manager of Public Works and the City Solicitor and/or his/her delegates, as appropriate, be authorized to:

(a) make oral and/or written submissions to the Ontario Legislature, including any standing committees or other bodies, to express support for the Association of Municipalities of Ontario’s position on Bill 69 - Prompt Payment Act, 2013;

(b) raise the City of Hamilton’s concerns as set out in Report PW14018/LS14004 with respect to Bill 69 - Prompt Payment Act, 2013, and any subsequent bill or regulations dealing with these issues.

Item 12 was deleted in its entirety and replaced with the following in lieu thereof:

12. Labour Relations Matter regarding Carpenters’ Agreement (Item 12.7)

That the staff direction provided in Closed Session with respect to the Labour Relations Matter regarding the Carpenters' Agreement be approved.

That the matter regarding Labour Relations and the Carpenters’ Agreement be tabled to the March 26, 2014 meeting of Council in order that the direction provided in closed session can be executed and reported back at that time.

13. Hamilton Tiger-Cats Football Club 20-Year License Agreement (Item 12.6)

That the staff direction provided in Closed Session with respect to the Hamilton Tiger-Cats Football Club 20-Year License Agreement be approved.
14. Appointment of General Manager of Finance and Corporate Services (Item 12.3)

That Mike Zegarac be appointed to the position of General Manager of Finance and Corporate Services.

The following was added as Item 15:


(a) That the City of Hamilton enter into a 20 Year License Agreement with the Hamilton Tiger-Cats Football Club (2007) Corp. for the use of the new Hamilton Stadium for Football Games and Practices;

(b) That the permanent name recognized by the Federal and Provincial Government, which satisfies the requirements within the 2015 Pan Parapan American Games Multi-Party Agreement that states all permanent facility signage must be bilingual, (English and French) and include a legacy tagline post Games at the Hamilton Stadium be approved as follows:

   TERRAIN Tim Hortons FIELD
   GAMES LEGACY/LEGS DES JEUX
   PAN/PARAPAN AM

(c) That the Hamilton Street Railway (HSR) continue to provide transit service for the Tiger-Cats home games through the "Ticket to Ride" program and the Tiger-Cats express shuttle routes (to/from King and Hughson, Eastgate Square, Limeridge Mall, and University Plaza) through an annual renewable in-kind letter agreement;

(d) That Council suspend enforcement of Commercial Parking Lot uses under Zoning By-laws 05-200 and 6593 as follows:

   • Within the Stadium Precinct boundaries (Sherman Avenue to the West, Glendale Avenue to the East, Cumberland Avenue to the South and Burlington Street to the North);
   • For Football Home Games, Soccer Home Games and Events that exceed the 180 Stadium parking spaces;
   • That the Director, Facilities Management and Capital Programs or designate, evaluate on a yearly basis.

(e) That Council suspend enforcement of licensing Commercial Parking Lots (Public Garages D) under Schedule 16 - Public Garages, Business Licensing By-law 07-170 as follows:
• Within the Stadium Precinct boundaries (Sherman Avenue to the West, Glendale Avenue to the East, Cumberland Avenue to the South and Burlington Street to the North);
• For Football Home Games, Soccer Home Games and Events that exceed the 180 Stadium parking spaces;
• That the Director, Facilities Management and Capital Programs or designate, evaluate on a yearly basis.

(f) That the Mayor and City Clerk, be authorized and directed to sign the 20-Year License Agreement and that the Mayor and City Clerk, and appropriate City staff, as the case may be, be authorized and directed to sign any other ancillary documents between the City and the Hamilton Tiger-Cats Football Club (2007) Corp., in a form acceptable to the City Solicitor, to implement recommendation (a) in Report PW14021 and any other ancillary documents.

FOR THE INFORMATION OF COUNCIL:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised of the following changes:

ADDED CORRESPONDENCE

5.6(a) Correspondence from Susan Rosenthal, Davies Howe Partners LLP, on behalf of “Twenty Road East Landowners”, respecting Elfrida Urban Boundary Expansion – Background Studies (Item 5.6)

PRESENTATIONS

7.3 City Manager’s Annual Update 2013 – Re-scheduled to March 19, 2014 General Issues Committee Meeting

PRIVATE & CONFIDENTIAL

12.5 City Manager’s Performance Review – 2013 – Re-scheduled to March 19, 2014 General Issues Committee Meeting

ADDED PRIVATE & CONFIDENTIAL

12.7 Labour Relations Strategy – Carpenters’ Union

Pursuant to sub-section 8.1(f) of the City’s Procedural By-law and Section 239.2 of the Municipal Act, as amended, as the subject matter pertains to the receiving of advice that is subject to solicitor-client privilege.

Council – February 25, 2014
ADDED CRITERIA NOTED IN BOLD

12.6 Hamilton Tiger-Cats Football Club 20-Year License Agreement

Pursuant to sub-sections 8.1(c) and (f) of the City’s Procedural By-law and Section 239.2 of the Municipal Act, as amended, as the subject matter pertains to (c) a proposed or pending acquisition or disposition of land by the municipality or local board; and (f) the receiving of advice that is subject to solicitor-client privilege.

The agenda was approved as amended.

(b) DECLARATIONS OF INTEREST (Item 2)

None

(c) APPROVAL OF PREVIOUS MINUTES (Item 3.1)

The Minutes of the February 5, 2014 meeting of the General Issues Committee were approved as presented:

(d) CONSENT ITEMS

(i) Minutes of the Business Improvement Area Advisory Committee (For Information Purposes Only) (Items 5.1(a) and (b))

The November 12 and December 10, 2013 Minutes of the Business Improvement Area Advisory Committee meetings were received.

(ii) Elfrida Urban Boundary Expansion – Background Studies (PED14011) (City Wide) (Item 5.6)

The Motion CARRIED on the following Recorded Vote:

Yeas: Pearson, Ferguson, Powers, Bratina, Merulla, Duvall, Jackson, Collins, Morrow, Farr, McHattie

Total Yeas: 11

Nays: Johnson

Total Nays: 1

Absent: Clark, Pasuta, Partridge, Whitehead

Total Absent: 4
(e) PUBLIC HEARINGS/DELEGATIONS

(i) Carol Mitchell, P.Eng., MTE Consultants, and Sergio Manchia, Urban Core Developments, respecting the mandatory Record of Site Condition requirement of the ERASE Redevelopment Grant Program relating to the redevelopment of 440 Victoria Avenue North (formerly the Studebaker and Otis Elevator Plants) (Item 6.1)

Sergio Manchia of Urban Core Developments appeared before the Committee to express his thanks to staff and members of Council for their work and support in bringing forward the amendments to the ERASE program (Item 8.1 in the agenda), and noted that these amendments will have a very positive impact on future developments.

The presentation from Sergio Manchia respecting “the mandatory Record of Site Condition requirement of the ERASE Redevelopment Grant Program relating to the redevelopment of 440 Victoria Avenue North (formerly the Studebaker and Otis Elevator Plants)” was received.

(f) PRESENTATIONS

(i) The Current and Future State of Hamilton’s Advanced Manufacturing Sector (PED14006) (City Wide) (Item 7.1)

Norm Schleehahn, Manager of Business Development, introduced Susan Botting, National Leader and Senior Practice Partner, Deloitte Real Estate.

Ms. Botting presented the findings of a study conducted entitled, “City of Hamilton – The Current and Future State of Hamilton’s Advanced Manufacturing Sector”.

With the assistance of a PowerPoint presentation, Ms. Botting spoke to the following:

- The Shifting Global Manufacturing Landscape
  - The Evolution of Advanced Manufacturing
  - The Third Industrial Revolution
  - Global Future of Manufacturing
  - North American “Re-shoring” Opportunities
  - Global Future of Manufacturing
  - Global Manufacturing Markets
- City of Hamilton Manufacturing
  - Market Strengths/Assets
  - Sector Strengths/Opportunities
  - Market Challenges and Vulnerabilities
- Deloitte – The Future of Productivity
- Recommendations – The Future of Productivity

Council – February 25, 2014
• Recommendations – Hamilton Advanced Manufacturing

A copy of the PowerPoint presentation was distributed to the Committee and is available for viewing on the City of Hamilton website.

The presentation respecting “The Current and Future State of Hamilton’s Advanced Manufacturing Sector” was received.

Staff was directed to prepare a report for the consideration of the General Issues Committee that focuses on the recommendations contained in the presentation provided by Ms. Botting (attached hereto as Appendix “E”).

(ii) Biosolids Management Project – Public Private Partnerships (PPP) Canada Funding (PW11098(c)/FCS11112(c)) (City Wide) (Item 7.2)

Dan McKinnon, Director of Hamilton Water, provided a PowerPoint presentation with respect to the Biosolids Management Project – Public Private Partnerships (PPP) Canada Funding, and spoke to the following issues:

• Background
• Highlights
• Project Schedule
• Key Issues/Considerations
• Proposed Council Report Recommendations
• P3 Canada Funding – Original Workplan.

Mr. McKinnon responded to questions from the Committee.

A copy of the PowerPoint presentation was distributed to the Committee and is available for viewing on the City of Hamilton website.

The presentation respecting “Biosolids Management Project – Public Private Partnerships (PPP) Canada Funding” was received.

The Motion contained in Report PW11098(c)/FCS11112(c) CARRIED on the following Recorded Vote:

Yeas: Bratina, McHattie, Farr, Morrow, Jackson, Duvall, Whitehead, Partridge, Powers, Ferguson, Pearson
Total Yeas: 11
Nays: Collins, Merulla
Total Nays: 2
Absent: Pasuta, Johnson, Clark
Total Absent: 3

(iii) Hamilton Tiger-Cats Football Club 20-Year License Agreement

Council – February 25, 2014
John Frittenburg of JF Group provided an update to the Committee with respect to the 20-Year License Agreement between the City of Hamilton and the Hamilton Tiger-Cats Football Club. With the assistance of a PowerPoint presentation, Mr. Frittenburg spoke to the following:

- Background – MOU; Negotiations; interaction between Negotiating Teams
- Most Recent Progress
- Valuable Community Asset/Wide Range of Benefits
- Oversight and Scheduling
- Tiger-Cats Exclusivity
- Soccer
- Practice Facilities
- Tiger-Cats Facilities
- Permitted Transfer of Ownership
- Concessions
- Naming Rights
- Financial Terms
- Ivor Wynn Recognition
- Other Items
- Projected Annual Value of Agreement

A copy of the PowerPoint presentation was distributed to the Committee and is available for viewing on the City of Hamilton website.

The presentation respecting the “Hamilton Tiger-Cats Football Club 20-Year License Agreement” was received.

(g) DISCUSSION ITEMS

(i) Hamilton Tiger Cats Football Club 20-Year Lease Agreement (PW14021) (Ward 3) (Item 8.3)

Report PW14021 respecting “Hamilton Tiger Cats Football Club 20-Year Lease Agreement” was tabled.

(h) OTHER BUSINESS/GENERAL INFORMATION

(i) Outstanding Business List Items

(aa) Revised Due Dates

The due dates for the following items on the Outstanding Business List were amended accordingly, as follows:
Item II: James Street North Road Closure for Art Crawl
Due Date: February 19, 2014
Revised Due Date: March 19, 2014

Item K: Residential Water/Wastewater Warranty Protection Plan
Due Date: March 19, 2014
Revised Due Date: April 16, 2014

Item U: MOU with Hamilton Port Authority/HPA Land Lease – Parking
Due Date: February 19, 2014
Revised Due Date: March 19, 2014

(bb) Items to be removed from the Outstanding Business List:

The following item was deemed complete and removed from the Outstanding Business List:

Item W: ACPD Report 13-003 – Transportation Sub-Committee Report
ACPD Report 13-002

(i) PRIVATE & CONFIDENTIAL

The Committee moved into Closed Session at 12:53 p.m. pursuant to Sub-section 8.1(f) of the City’s Procedural By-law and Section 239(2) of the Ontario Municipal Act, 2001, as the subject matter pertained to the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose, respecting a Labour Relations matter regarding Carpenters’ Agreement.

The Committee reconvened in Open Session.

(i) Labour Relations Matter regarding Carpenters’ Union (Item 12.7)

See Item 12 for the disposition of this item.

The direction provided to staff in the Closed Session CARRIED on the following Standing Recorded Vote:

Yeas: Bratina, Morrow, Partridge, Pasuta, Ferguson, Pearson
Total Yeas: 6
Nays; Farr, Merulla, Collins, Jackson, Duvall
Total Nays: 5
Absent: McHattie, Whitehead, Powers, Johnson, Clark
Total Absent: 5
(ii) Closed Session Minutes – January 22/27 and February 5, 2014

The Closed Session Minutes from the January 22/27 and February 5, 2014 meetings of the General Issues Committee were approved as presented and will remain confidential and restricted from public disclosure.

The Committee moved into Closed Session at 3:50 p.m. pursuant to Subsections 8.1(b), (c) and (f) of the City’s Procedural By-law and Section 239(2) of the Ontario Municipal Act, 2001, as the subject matters pertained to:

(b) personal matters about an identifiable individual including municipal or local board employees, respecting the appointment of General Manager of Finance and Corporate Services (Item 12.3);

and

(c) a proposed or pending acquisition or disposition of land by the municipality or local board; and

(f) the receiving of advice that is subject to solicitor-client privilege, including communications necessary for that purpose, respecting the Hamilton Tiger-Cats Football Club 20-Year License Agreement (Item 12.6).

The Committee reconvened in Open Session.

(iii) Hamilton Tiger-Cats Football Club 20-Year License Agreement (Item 12.6)

See Item 13 for the disposition of this item.

(iv) Appointment of General Manager of Finance and Corporate Services (Item 12.3)

See Item 14 for the disposition of this item.

(j) PROCEDURAL MATTERS

(i) Administrative Amendments to the Environmental Remediation and Site Enhancement (ERASE) Programming Description and Terms (Item 8.1)

Item 8.1 respecting “Administrative Amendments to the Environmental Remediation and Site Enhancement (ERASE) Programming Description and Terms” was moved up for discussion following the delegation by Sergio Manchia.
(ii) Performance Review – Planning and Economic Development Directors (Item 12.4)

Item 12.4 respecting “Performance Review – Planning and Economic Development Directors” was re-scheduled to the April 16, 2014 meeting of the General Issues Committee.

(iii) Hamilton Tiger-Cats Football Club 20-Year License Agreement (PW14021) (Item 8.3)

A decision on this item was deferred pending discussion of In Camera Item 12.6.

See Information Item (g)(i) for the disposition of this item.

(k) ADJOURNMENT

There being no further business, the Committee adjourned at 5:37 p.m.

Respectfully submitted

Councillor S. Merulla
Deputy Mayor

Carolyn Biggs
Legislative Co-ordinator
Office of the City Clerk
February 18, 2014

By E-Mail Only to clerk@hamilton.ca

Chair and Members of General Issues Committee
City of Hamilton
71 Main Street West
Hamilton, Ontario
L8P 4YK

Dear Chair and Members of General Issues Committee:

Re: Elfreda Urban Boundary Expansion
Background Studies (PED 14011) (City-Wide)

We are counsel to Carmen Chiaravalle, 1694408 Ontario Inc., Demik Brothers Hamilton Ltd., John Edward Demik, Peter Demik and Elaine Vyn on behalf of the Twenty Road East Landowners (collectively known as the "Twenty Road East Landowners"). Our clients own land in the south area of the City of Hamilton, in the Twenty Road area. The lands are centered around the intersection of Twenty Road and Miles Road, located immediately adjacent to the south central urban area of the City of Hamilton, east of the Hamilton International Airport, west of the Glanbrook area business park, and north of Dickenson Road.

We are writing to provide our comments regarding the report submitted by Ms. Joe-Anne Priel to the General Issues Committee, for their meeting on February 19, 2014. In brief, we object to the staff recommendation to remove the Elfreda Urban Boundary Expansion from "parked" status, and to approve the allocation of $500,000 in the 2014 Capital Budget for the completion of various studies regarding this matter. No allocation for these studies should be made while the question of the urban boundary expansion and the designation of the Elfreda Lands as Special Policy Area is under appeal.

Importantly, both the Rural and Urban Hamilton Official Plans have been appealed to the Ontario Municipal Board (the "Board"), following the Province's deletion of any references to the Elfreda area therein. The appeals of the Rural and Urban Hamilton Official Plan by, among others, my clients, the Twenty Road East Landowners, will include consideration by the Board, of the following matters:

(a) Which areas within the City, if any, should be identified as the next residential or mixed use growth area(s);
(b) the appropriateness of applying a Special Policy Area to the Elfrida Lands;
(c) whether my clients' lands should be shown as the/a priority area for growth; and
(d) which lands, if any, including the Twenty Road East Lands and the Elfrida Lands, should be considered for urban expansion.

Until such time as the Board considers the above noted appeals, it cannot be concluded that Elfrida is the next major mixed-use growth area, as set out in the report. Depending on the Board's determination of the appeals, there is the potential that these lands will not be designated as the next growth area or Special Policy Area. There is also the potential that other lands will be so designated or that more than one area will be so identified. Depending on the Board's disposition, a different allocation of funds than proposed in the report may be appropriate. To date, a hearing of these issues has not been scheduled.

As such, we respectfully submit that it is premature, an improper use of public funds and disrespectful of the Board process to undertake any studies in relation to an urban boundary expansion in the Elfrida area, at this time. This matter is properly before the Board, and said process will ultimately determine the appropriateness and/or necessity of proceeding with any studies.

Please feel free to contact the undersigned to discuss this matter further.

Yours sincerely,

DAVIES HOWE PARTNERS LLP

Susan Rosenthal
Professional Corporation

SR:MD

copy: Mayor and Members of Council
Guy Paparella, Director of Growth and Planning
Michal Minkowski and Michael Kovacevic
Clients
Maria Gatzios
8.2 ERASE Redevelopment Grant Program (ERG)

8.2.1 Purpose

The purpose of this program is to alleviate a serious financial impediment to brownfield redevelopment efforts, namely the large tax increase that can result when a brownfield property is redeveloped. The intent of the ERG is to encourage environmental remediation, rehabilitation, redevelopment and adaptive re-use of brownfield sites. Therefore, only those brownfield redevelopment projects that result in an increase in property assessment and taxes will be eligible for funding under the ERG. The ERG also leverages public sector investment and encourages development that would otherwise not take place without this incentive program.

8.2.2 Program Description

The ERG will provide a financial incentive in the form of a grant to help offset the cost of environmental remediation and rehabilitation of brownfield properties where redevelopment results in a re-valuation and tax increase on these properties. The ERG will be offered as a tax-increment grant on a “pay-as-you go” basis. The developer will initially pay for the entire cost of the remediation and redevelopment project. Then, when the municipality receives the incremental property taxes that result from the project, the municipality will reimburse the applicant or assignee in the form of an annual grant equivalent to 80% of the increase in City taxes that result from redevelopment. Each year, the property owner must first pay taxes owing and then the approved applicant or assignee will receive the grant. In no case will the total amount of the grant provided under this program exceed the value of the work done under eligible program costs that resulted in the assessment increase. Also, in no case, will the total amount of the grants provided under this program, the SGP (8.1), and the tax assistance provided under the Tax Assistance Program (TAP) (8.3) exceed the total cost of rehabilitating the land and buildings.

The grant provided under the ERG will equal 80% of the increase in the City portion of property taxes. The remaining 20% of the increase in the City portion of property taxes will be dedicated to the ERASE Municipal Acquisition and Partnership Program (MAPP)

The grants may be received by an owner in conjunction with any other available municipal program except for other tax increment financing programs. The approved grants are assignable by the owner, including to the initial purchaser of any condominium unit. The total of each property’s ten years of approved grants shall not exceed the City’s share of the incremental construction cost.

A limited assignment of the grant under the terms of the Program may be made from a registered or assessed owner of the property to the initial purchaser of each new condominium unit. The assignment of the grant shall not apply to any subsequent resale of any such unit. The assigned grant shall be restricted to the balance of the ten (10) year term following the date of the registration of the condominium. The first year grant is payable during the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis. A one-time administration fee of $340 per unit shall be deducted from the initial grant payment. Fees
will be authorized through a by-law passed by City Council. The rate of the fees may be changed from time to time as approved by City Council.

For applicants who choose not to assign the grant, the grant will be earned by the applicant if they have met all terms and conditions of the Program including payment of taxes during the development stage only. The annual grant to the applicant will be prorated if an appeal has been filed with the Municipal Property Assessment Corporation by any of the condominium unit owners. The grant for condominium units that are under appeal will not be released until the appeals are settled through the Assessment Review Board. The first year grant is payable during the calendar year in which 75% of the condominium units within the project are fully assessed, and is calculated on a rateable per unit basis.

The ERG will commence on or after the date of approval of this CIP, and will continue for a period of approximately 10 years from the date of approval of this CIP by Council. All grant payments will cease:

a) when total grant payments provided under this program equal the total value of work done under “eligible program costs” that resulted in the re-valuation; or,

b) After 10 years; whichever comes first.

The ERG is an application-based program. As early as possible in the development approvals process, a property owner will register their intent to participate in the program by filing an ERG Application with the Economic Development Department. Before accepting this application, the Economic Development Department will screen the application to ensure that it is for a property within the designated Community Improvement Project Area and the application meets the eligibility requirements. Applications that are not within the project area or applications that clearly do not meet the eligibility requirements will not be accepted. Acceptance of the application by the Economic Development Department in no way implies grant approval.

Applications will be processed and approved on a first come, first serve basis. Review and evaluation of the application and supporting materials against program eligibility requirements will be done by City staff. The applicant participating in the ERG must enter into an agreement with the City. This Agreement will specify the terms and conditions of the grant. All ERG applications and agreements will be subject to approval by City Council or Council’s designate.

The amount of City taxes (“base rate”) will be determined before commencement of the project. The increase in the municipal portion of real property taxes (or “municipal tax increment”) will be calculated as the difference between the base rate and the amount of City taxes levied as a result of re-valuation by the Municipal Property Assessment Corporation (MPAC) following project completion. The municipal tax increment will be used to fund the grant. This program does not exempt property owners from an increase/decrease in municipal taxes due to a general tax rate increase/decrease, or a change in assessment for any other reason.

The applicant shall obtain and submit to the City a Phase II ESA and/or risk assessment.
undertaken by a qualified person that:

a) identifies the extent and provides a cost estimate for the environmental remediation of the eligible property; and,

b) Contains a detailed work plan and budget for said environmental remediation.

The applicant will be required to submit a detailed work plan and cost estimate for the demolition and on-site improvement of public works that is eligible for the ERG.

The actual component costs for all eligible cost items will be supplied to the City upon completion of the project. Payment of the grant will be based on the City’s review and satisfaction with all reports and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to audit, at the expense of the property owner. The grant may be reduced or cancelled if the eligible work is not completed, or not completed as approved.

If during the course of the work, the scope of the work changes, or actual costs are greater or less than estimated costs, the City reserves the right to increase or decrease the total amount of the grant. The annual grant payment will be based on the actual increase in property taxes as calculated, based on the actual re-valuation by the MPAC following project completion.

The City may discontinue the ERG at any time. However, participants in the ERG with applications and agreements that were approved prior the closing of the program will continue to receive grant payments as determined through their ERG Agreement with the City. The City is not responsible for any costs incurred by the owner/applicant in any way relating to the program, including without limitation, costs incurred in anticipation of a grant.

8.2.3 Eligibility Requirements

All owners of properties within the ERASE Community Improvement Project Area are eligible to apply for funding under this program, subject to meeting the general program requirements in Section 8.0, the following eligibility requirements, and subject to availability of funding as approved by Council:

a) An application for the ERG must be submitted to the Economic Development Department prior to the commencement of any works and prior to application for building permit;

b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the City with respect to the eligible costs of the project and conformity of the project with the CIP;

c) The applicant shall obtain and submit to the City a Phase II ESA and/or risk assessment undertaken by a qualified person that:
i) identifies the extent and provides a cost estimate for the environmental remediation of the eligible property; and,

ii) Contains a detailed work plan and budget for said environmental remediation.

d) As a condition of the grant application, the City may require the applicant to submit a Business Plan, with said Plan to the City’s satisfaction;

e) The property shall be redeveloped such that the amount of work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;

f) The total value of the grant provided under this program shall not exceed the total value of work done under eligible program costs;

g) Eligible program costs include the costs of:

i) environmental remediation, i.e., the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible property to permit a record of site condition (RSC) to be filed for the proposed use by a qualified person, including costs of preparing the RSC;

ii) Phase II and ESA’s, risk assessments or remedial work plans not covered by the SGP;

iii) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use;

iv) monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use;

v) the following Leadership in Energy and Environmental Design (LEED) Program components up to a maximum of 50% as per the City of Hamilton’s LEED Grant Program (LGP) to achieve LEED certification under the LEED rating system by the Canadian Green Building Council – CaGBC:

   a) incremental construction costs,
   b) consultation costs,
   c) energy modeling, and
   d) certification fees

vi) demolition not covered by demolition charge credits (Areas 2 and 3 only);

vii) removal of existing on-site infrastructure prior to replacement up to a maximum of 25% of construction/improvement costs for of on-site public works (water services, sanitary sewers and storm sewers) (Areas 2 and 3 only); and,
viii) certain relocation/removal costs for existing and operating industrial
manufacturing and transportation uses, where such costs relate to or
contribute directly to the actual remediation and rehabilitation of the site
(Area 3 only).

h) The total of the grant provided under this Program and the SGP (8.1), and the tax
assistance provided under the Tax Assistance Program (TAP) (8.3) and grants or
loans provided under any other applicable Community Improvement Plan shall
not exceed the total cost of rehabilitating the land and buildings;

i) Actual costs for any or all of the items in eligible program costs above may be
subject to audit by the City, at the expense of the property owner;

j) All property owners participating in this program will be required to enter into an
agreement with the City which will specify the terms and conditions of the grant;

k) All RGP applications must be approved by City Council or City Council’s
designate;

l) The owner shall submit to the Environmental Site Registry under section 168.4 of
the Environmental Protection Act, a record of site condition prepared by a
qualified person. The owner shall notify the City when the record of site condition
has been submitted. Where the submission of a signed RSC is not required
under the Environmental Protection Act and the owner of the property within the
ERASE Community Improvement Project Area undertakes a risk assessment
and/or remediates the property to a standard that would enable the owner to
submit a RSC, the owner may instead provide an opinion from a qualified person
(as defined in the Environmental Protection Act and Ontario Regulation 153/04,
as amended), subject to a peer-review by a qualified person as chosen by the
City, that the Property has been remediated to the appropriate levels for the
proposed use to the satisfaction of the City.

m) The City reserves the right to require the submission to the City’s satisfaction, of
environmental reports and documentation showing the subject property has been
remediated to the appropriate levels for the proposed use.

n) If a building(s) erected on a property participating in this Program is demolished
before the grant period expires, the remainder of the monies to be paid out under
the grant shall be forfeited;

o) The improvements made to buildings and/or land shall be made pursuant to a
Building Permit, constructed in accordance with the Ontario Building Code, and
in compliance with all applicable official plan and zoning requirements and
approvals; and,

p) Outstanding work orders and/or orders or requests to comply from the City must
be satisfactorily addressed prior to grant approval.

8.2.4 Administration
The Economic Development Department will be responsible for administering the RGP, in consultation with other departments as necessary. Applications shall be submitted to the Economic Development Department and shall be accompanied by a Phase II ESA and/or risk assessment undertaken by a qualified person that:

i) identifies the extent and provides a cost estimate for the environmental remediation, installation, monitoring, maintaining and operating environmental and/or engineering controls/works of the eligible property; and,

ii) contains a detailed work plan and budget for said environmental remediation, installation, monitoring, maintaining and operating environmental and/or engineering controls/works.

In addition, a cost estimate for all eligible LEED program component costs by a LEED’s certified specialist must be provided.

Applicants will be required to have a pre-application consultation meeting with City staff in order to determine program eligibility, proposed scope of work, project timing, etc.

Applications shall be submitted to the Economic Development Department and shall include a detailed work plan and cost estimate for the proposed eligible works. Said work plan and cost estimate will be supported by a Phase II ESA and/or risk assessment undertaken by a qualified person that identifies the estimated cost of environmental remediation and a written contractor’s estimate for other eligible works. The City may also require a Business Plan.

Before accepting an application, City staff will screen the application. If the application is not within the community improvement project area or the application clearly does not meet the program eligibility requirements, the application will not be accepted. Acceptance of the application by the City in no way implies grant approval.

Program eligibility will be determined by the Economic Development Department, in consultation with other departments as necessary. Applications will be recommended for approval only if they meet the criteria specified in this Plan and any other requirements of the City.

In instances where an applicant cannot satisfy staff with all necessary eligible cost estimates and required back-up documentation, staff reserves the right to consider an application as part of a two step application and approval process, with the ultimate approval residing with City Council.

A recommendation on the ERG Application (including estimated eligible costs) will be forwarded to City Council (or Council’s designate) for consideration. Once City Council (or Council’s designate) approves the ERG Application, the ERG Agreement will be forwarded to the applicant for signature. Once the applicant has signed the agreement, the agreement will then be executed by City officials and a copy will be provided to the applicant. The City may require the applicant to register the agreement on title immediately upon execution of the agreement.
The Owner shall submit to the MOE, a signed record of site condition (RSC) prepared by a qualified person, and the Owner shall submit to the City an acknowledgement of receipt of the RSC by the MOE. The City reserves the right to require the submission to the City’s satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use. Where the submission of a signed RSC is not required under the Environmental Protection Act and the owner of the property within the ERASE Community Improvement Project Area undertakes a risk assessment and/or remediates the property to a standard that would enable the owner to submit a RSC, the owner may instead provide an opinion from a qualified person (as defined in the Environmental Protection Act and Ontario Regulation 153/04, as amended), subject to a peer-review by a qualified person as chosen by the City, that the Property has been remediated to the appropriate levels for the proposed use to the satisfaction of the City.

Once the redevelopment project is complete and the property has been re-valued by the MPAC, the property owner will be sent a new tax bill. After the property owner has paid in full the new taxes for one (1) year, the City will check to see that the property is not in tax arrears and that the property is still in conformity with the terms of the ERG Agreement. The City will calculate the actual tax increment and grant payment. The City will then issue payment of the grant in the form of a cheque in the amount specified as per the calculation of the actual grant payment.
8.3 ERASE Tax Assistance Program (TAP)

8.3.1 Purpose

The purpose of the TAP is similar to the RGP, i.e., to remove a serious financial impediment to brownfield redevelopment efforts, namely the large tax increase that can result when a brownfield property is redeveloped. Specifically, the TAP applies only to the costs of environmental remediation.

The legislative authority for the TAP is established under Sections 365.1(2) and (3) of the Municipal Act which allow municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation period (maximum 18 months from the date that tax assistance begins) and the development period of the property. Matching assistance from the education property tax is subject to approval by the Ministry of Finance.

8.3.2 Program Description

The Tax Assistance Program consists of two stages. In the first stage, taxes may be frozen. In the second stage, the developer will initially pay for the entire cost of the remediation and redevelopment project. When the municipality receives the incremental property taxes that result from the project, the municipality may cancel a portion of the increase in City taxes that result from redevelopment. The tax assistance will continue for a period of up to three years, at which point, if the City so chooses, continued assistance may be offered either through TAP or through the ERASE Redevelopment Grant Program (RGP).

Under the TAP, 80% of the increase in the City and education portion of taxes that results from remediation and rehabilitation of the property will be cancelled. Cancellation of the education portion of taxes will only be undertaken if the City of Hamilton receives the approval of the Minister of Finance. Approval for the education portion of the property tax under the TAP may be provided by the Minister of Finance on a case-by-case basis by means of individual applications. The remaining 20% of the increase in the City portion of property taxes will be dedicated to the ERASE Municipal Acquisition and Partnership Program (MAPP) (see Section 8.4). The remaining 20% of the increase in the education portion of property taxes will be remitted to the Province of Ontario.

The TAP will commence on or after approval of this CIP, and the TAP will continue for a period of approximately 10 years from the date of approval of this CIP by the Minister of Municipal Affairs and Housing. All tax assistance provided under the TAP to a property will cease:

a) when the total tax assistance provided equals the total cost of environmental remediation, i.e., the costs of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act; or,

b) after ten (10) years for the municipal portion of taxes, and after such time period as is approved by the Minister of Finance for the education portion of the taxes; whichever comes first.

If tax assistance is approved by the Minister of Finance, the timing and conditions associated
with matching tax assistance relating to the education portion of taxes may be different from those of the municipality. Education Tax Assistance will be to a maximum of a three year period unless otherwise approved by the Minister of Finance.

The TAP is an application based program. As early as possible in the development approvals process, a property owner will register their intent to participate in the grant program by filing an ERASE TAP Application with the Economic Development Department. Before accepting this application, the Economic Development Department will screen the application to ensure that it is for a property within the designated Community Improvement Project Area and the application meets all of the eligibility requirements. Applications that are not within the Project Area or applications that clearly do not meet the eligibility requirements will not be accepted. Acceptance of the application by the Economic Development Department City in no way implies grant approval.

Applications will be processed and approved on a first come, first serve basis. Review and evaluation of applications and supporting materials against program eligibility requirements will be done by City staff. The applicant participating in the TAP must enter into an agreement with the City. This Agreement will specify the terms and conditions of the tax assistance. All TAP applications and agreements will be subject to approval by City Council or Council’s designate.

The amount of City taxes (“city base rate”) and the amount of education taxes (“education base rate”) will be determined before commencement of the project and before the record of site condition is filed in the Environmental Site Registry. For stage 1 of the TAP, taxes may be frozen at this city base rate and, if approval granted by the Minister of Finance, education base rate. For stage 1 of the TAP, taxes may be frozen. For stage 2 of the TAP, the increase in the City portion of real property taxes (or "municipal tax increment") will be calculated as the difference between the city base rate and the amount of City taxes levied as a result of re-valuation by MPAC following project completion. The increase in the education portion of real property taxes (or "education tax increment") will be calculated as the difference between the education base rate and the amount of education taxes levied as a result of re-valuation by MPAC following project completion. This program does not exempt property owners from an increase/decrease in municipal or education taxes due to a general tax rate increase/decrease, or a change in assessment for any other reason.

The applicant shall obtain and submit to the City a Phase II ESA, risk assessment and/or remedial work plan undertaken by a qualified person that:

a) identifies the extent and provides a cost estimate environmental remediation of the eligible property; and,

b) contains a detailed work plan and budget for said environmental remediation.

To qualify for education tax assistance, the subject property, as of the date of the phase two environmental site assessment was completed, did not meet the standards that must be met under subparagraph 4 i of subsection 168.4 (1) of the Environmental Protection Act to permit a record of site condition to be filed under that subsection in the Environmental Site Registry. The actual component costs of the environmental remediation work done will be supplied to the City upon completion of the project. Provision of the tax assistance will be based on the City’s review and satisfaction with all reports and documentation submitted outlining the full scope and cost of the work completed. Any and all of these costs may be subject to an independent audit, at the
expense of the property owner.

If during the course of the work, the scope of the work changes, or actual costs are greater or less than estimated costs, the municipality reserves the right to increase or decrease the total amount of the tax assistance, subject to any conditions or restrictions with respect to taxes for school purposes as required by the Minister of Finance. The actual amount of the tax assistance will be based on the actual increase in property taxes as calculated based on the actual re-valuation by the MPAC, following project completion.

The City may discontinue the TAP at any time. However, participants in the TAP with applications and agreements that were approved prior the closing of the program will continue to receive tax assistance as determined through their TAP Agreement with the City. No right to any tax assistance until it has been duly authorized by the City. The City is not responsible for any costs incurred by the owner/applicant in any way relating to the program, including without limitation, costs incurred in anticipation of tax assistance in stage two of the TAP (e.g., after project completion).

8.3.3 Eligibility Requirements

All owners of property within the ERASE Community Improvement Project Area are eligible to apply for funding under this tax assistance program, subject to meeting the general program requirements in Section 8.0, the following eligibility requirements, and subject to availability of funding as approved by Council:

a) An application for the TAP must be submitted to the Economic Development Department prior to the filing of a record of site condition in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act*, and prior to the commencement of any works and prior to application for building permit;

b) Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the City with respect to the eligible costs of the project and conformity of the project with the CIP;

c) As soon as possible the applicant shall obtain and submit to the City a Phase II ESA and/or risk assessment undertaken by a qualified person that:
   i) identifies the extent and provides a cost estimate for the environmental remediation of the eligible property; and,
   ii) contains a detailed work plan and budget for said environmental remediation;

d) As a condition of the tax assistance application, the City may require the applicant to submit a Business Plan, with said Plan to the City's satisfaction;

e) The property shall be redeveloped such that the amount of work undertaken is sufficient to at a minimum result in an increase in the assessed value of the property;

f) The total value of the tax assistance provided under this program shall not exceed the total value of work done under eligible program costs;
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g) Eligible program costs include the costs of:

i) environmental remediation, i.e., the cost of any action taken to reduce the concentration of contaminants on, in or under the eligible property to permit a record of site condition (RSC) to be filed for the proposed use by a qualified person, including costs of preparing the RSC;

ii) Phase II ESAs, risk assessments and remedial work plans not covered by the SGP;

iii) installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use;

iv) monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use.

h) The total of the tax assistance provided under this program, and any grants provided under the SGP (8.1) and the RGP (8.2), and grants and loans provided under any other applicable Community Improvement Plan shall not exceed the total cost of rehabilitating the lands and buildings.

i) Actual costs for any or all items in eligible program costs above may be subject to audit by the City, at the expense of the property owner;

j) All property owners participating in this program will be required to enter into an agreement with the City which will specify the terms and conditions of the tax assistance;

k) All TAP applications and agreements must be approved by City Council or City Council’s designate;

l) The owner shall submit to the Environmental Site Registry under section 186.4 of the Environmental Protection Act, a record of site condition prepared by a qualified person. The owner shall notify the City when the record of site condition has been submitted. Where the submission of a signed RSC is not required under the Environmental Protection Act and the owner of the property within the ERASE Community Improvement Project Area undertakes a risk assessment and/or remediates the property to a standard that would enable the owner to submit a RSC, the owner may instead provide an opinion from a qualified person (as defined in the Environmental Protection Act and Ontario Regulation 153/04, as amended), subject to a peer-review by a qualified person as chosen by the City, that the Property has been remediated to the appropriate levels for the proposed use to the satisfaction of the City.

m) The City reserves the right to require the submission to the City’s satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use.
n) If a building(s) erected on a property participating in this program is demolished before the tax assistance period expires, the remainder of the tax assistance shall be forfeited;

o) The improvements made to buildings and/or land shall be made pursuant to a Building Permit, constructed in accordance with the Ontario Building Code, and in compliance with all applicable official plan and zoning requirements and approvals;

p) Outstanding work orders and/or orders or requests to comply from the City must be satisfactorily addressed prior to tax assistance approval;

q) For all applications for the TAP that meet the eligibility requirements for matching tax assistance under the provisions of section 365.1 of the Municipal Act, 2001, the City will forward a separate application to the Minister of Finance in order that the Minister may consider providing matching education property tax assistance.

8.3.4 Administration

The Economic Development Department will be responsible for administering the TAP, in consultation with other departments as necessary.

Applicants will be required to have a pre-application consultation meeting with City staff in order to determine program eligibility, proposed scope of work, project timing, etc.

Applications shall be submitted to the Economic Development Department and shall include a detailed work plan and cost estimate for the proposed eligible works. Said work plan and cost estimate will be supported by a Phase II ESA and/or Phase III ESA/SSRA undertaken by a qualified person that identifies the estimated cost of environmental remediation. The City may also require a Business Plan.

Before accepting an application, City staff will screen the application. If the application is not within the community improvement project area or the application clearly does not meet the program eligibility requirements, the application will not be accepted. Acceptance of the application by the City in no way implies grant approval.

Program eligibility will be determined by the Economic Development Department, in consultation with other departments as necessary. Applications will be recommended for approval only if they meet the criteria specified in this Plan and any other requirements of the City.

A recommendation on the TAP Application and a TAP Agreement will be prepared by City staff. Staff will also prepare a Draft by-law under Section 365.1 of the Municipal Act to effect tax assistance equal to 80% of the increase in taxes levied for City, and taxes levied for school purposes. This Draft by-law will be forwarded to the Minister of Finance for approval of the tax assistance equal to the increase in taxes levied for school purposes. Once written approval of the by-law is received from the Minister of Finance, any conditions or restrictions specified by the Minister will be included in the by-law.

The recommendation on the TAP Application and the TAP Agreement will be forwarded to City Council (or Council’s designate) for consideration. Once City Council (or City Council’s designate) approves the TAP Application and the TAP Agreement, the TAP Agreement will be
forwarded to the applicant for signature. Once the applicant has signed the agreement, the agreement will then be executed by City officials and a copy will be provided to the applicant. The implementing by-law will then be forwarded to Council for adoption. The by-law requesting matching education tax assistance will be forwarded to the Minister of Finance for approval within 30 days of Council’s adoption.

The Owner shall submit to the MOE a signed RSC prepared by a qualified person, and the Owner shall submit to the City an acknowledgement of receipt of the RSC by the MOE. The City reserves the right to require the submission to the City’s satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use. Where the submission of a signed RSC is not required under the Environmental Protection Act and the owner of the property within the ERASE Community Improvement Project Area undertakes a risk assessment and/or remediates the property to a standard that would enable the owner to submit a RSC, the owner may instead provide an opinion from a qualified person (as defined in the Environmental Protection Act and Ontario Regulation 153/04, as amended), subject to a peer-review by a qualified person as chosen by the City, that the Property has been remediated to the appropriate levels for the proposed use to the satisfaction of the City.

Once the redevelopment project is complete and the property has been re-valued by the MPAC, the property owner will be sent a new tax bill from which 80% of the City tax increment and the portion of the education tax increment that will be cancelled. The remaining 20% of the increase in the City portion of property taxes will be dedicated to the ERASE Municipal Acquisition and Partnership Program (MAPP) (see Section 8.4). The remaining portion (if any) of the increase in the education portion of property taxes will be remitted to the Province of Ontario.
8.4 Downtown Hamilton / West Harbourfront Remediation Loan Pilot Program (RLP)

8.4.1 Purpose

The purpose of this program is to help remove a serious financial impediment to brownfield redevelopment efforts. Because it is often difficult to secure traditional financing for the remediation of contaminated properties, the City, by providing a low interest loan, is offering financing assistance and the economic stimulus for the remediation of properties being developed/redeveloped as residential or residential/commercial use within the defined areas of Downtown Hamilton and the West Harbourfront.

8.4.2 Program Description

The Hamilton Downtown/West Harbourfront Remediation Loan Pilot Program (RLP) has been developed to stimulate residential or residential / commercial development/redevelopment on properties requiring remediation (i.e. brownfield properties) that are located within Downtown Hamilton or the West Harbourfront. Downtown Hamilton is defined as the Downtown Hamilton Community Improvement Project Area (as such boundaries are presently defined). The West Harbourfront is defined by the boundaries of the Setting Sail Secondary Plan. The Program is an “add on” to the existing ERASE Community Improvement Plan implemented by the Economic Development Division.

The Program offers a loan for the remediation of properties being developed/redeveloped for residential or residential/commercial use. The Program will provide financial assistance through a low interest loan equal to 80% of the cost of remediating a property within the defined areas to a maximum of $400,000 per property/project. The loan is to be a ‘bridge’ until such time as the property owner receives their ERASE Redevelopment Grant money or the Hamilton Downtown Property Improvement Grant Program.

The development/redevelopment arising from this Pilot Program must be consistent with the policies, principles and design themes contained within the Downtown Hamilton Secondary Plan, the West Harbourfront Secondary Plan, relevant Urban Design Guidelines, and Zoning By-laws as well as any other City Council approved policy/regulation.

The Program is offering financial assistance for qualifying projects through a low interest loan equal to 80% of the remediation costs of the property, up to a maximum loan per property/project of $400,000.

The Program is not intended to provide a loan for the total development/redevelopment of the property but solely for the remediation costs that qualify under the criteria of the ERASE Redevelopment Grant Program, excluding LEED eligible component costs.
Actual costs for which the City loan is being provided may be subject to audit.

Prior to a loan being approved, realty taxes are required to have been paid in full as billed each year and remain in good standing throughout the development/redevelopment of the property.

The loan under this Program, once approved, will be provided to the owner, in progress payments based on 80% of the actual qualifying remediation costs incurred as evidenced by copies of paid invoices. Such progress payments will be advanced within 30 days of submission of the property owner’s request for a loan draw. There will be a limit of six draws, spaced no less than 30 days apart.

The loan provided under this Program will be subject to a Loan Agreement, and will be specifically secured by an assignment of the grant payments under the ERASE Redevelopment Grant Program. Payments under the ERASE Redevelopment Grant will be applied directly to the remediation loan until such time as the loan is repaid, and any balance in the grant will then and only then flow directly to the owner.

The owner has the option of securing the loan by an assignment of the grant payments under the City of Hamilton’s Hamilton Downtown Property Improvement Grant Program if eligible. Note: The ERASE Redevelopment Grant is transferable to new property owners. City Council at its sole discretion may cease grants under the Hamilton Downtown Property Improvement Grant Program if property ownership changes. The Hamilton Downtown Property Improvement Grant Program shall not be transferred if the development/redevelopment of the property is incomplete.

Remediation of the property will commence no longer than one year following City Council’s approval of the loan commitment and be completed no longer than two years following City Council’s approval of the loan commitment. The one and two year periods may be extended by City Council at its absolute discretion.

Redevelopment/development of the property will commence no longer than three years following City Council’s approval of the loan commitment and be completed no longer than four years following City Council’s approval. The three and four year periods may be extended by City Council at its absolute discretion.

The loan, if being repaid through the assignment of grant payments under the ERASE Redevelopment Grant Program, will be fully amortized over a maximum 10 year period calculated from the first full year in which the property is reassessed by MPAC. 100% of the grant amount will be applied to the repayment of the loan until the loan is fully repaid. In the event that the full 10 year grant amount is not sufficient to repay the loan in its entirety, supplemental payments will be a requirement of the applicant in order that each year through the 10 year repayment term, one-tenth of the loan amount is repaid.
The loan, if being repaid through the assignment of grant payments under the Hamilton Downtown Property Improvement Grant Program, will be fully amortized over a maximum five year period calculated from the first full year in which the property is reassessed by MPAC. 100% of the grant amount will be applied to the repayment of the loan until the loan is fully repaid. In the event that the full five year grant amount is not sufficient to repay the loan in its entirety, supplemental payments will be a requirement of the applicant in order that each year through the five year repayment term, one-fifth of the loan amount is repaid.

In the event that the development/redevelopment of the property has not proceeded within one year of the remediation being completed or, the owner invalidates their qualification under the ERASE Redevelopment Grant, the loan will be capped immediately (unless alternate security acceptable to the City is provided) at the drawn amount and shall be repaid in annual installments over no longer than a five year period calculated from the date City Council approved the loan commitment.

Interest on the principal amount only will be repaid annually by the applicant commencing one year following the date of the first advance of the loan until such time as the repayment terms of the principal plus interest are confirmed.

The annual interest rate on the loan will be 1% below the prime rate as established by the Royal Bank of Canada. Such rate shall be established at the time the first installment of the loan is advanced by the City and reset annually on the anniversary date of the first advance.

The loan, together with interest can be prepaid in full by the owner without notice, penalty or bonus at any time.

Approval of loan applications is at the absolute discretion of City Council and subject to availability of funds.

In order to support the redevelopment/development within the defined areas, the remediation loan may be received by an owner in conjunction with any other available municipal incentive program.

In the event of the sale, conveyance, transfer or entering into of any agreement of sale or transfer of the title of the property by the Owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with interest accrued to date.

In the case where the owner is a corporation, the owner covenants and agrees that in the event that there is a change in the effective control of the majority of the voting shares of the owner, the City shall have absolute discretion to request the full repayment of any outstanding loan under this Program together with interest accrued to date.
Regardless of whether or not an Applicant otherwise satisfies the requirements of the Program, the City may reject any application received from an applicant where, in the opinion of Council, the commercial relationship between the City and the Applicant has been impaired by, but not limited to, the applicant being involved in litigation with the City. Applicants are individuals; corporate entities and individuals behind the corporation (Officers/Directors/Shareholders).

8.4.3 Eligibility Requirements

Qualifying owners are owners of properties who qualify for financing under the ERASE Redevelopment Grant Program and/or the Enterprise Zone Grant Program.

Qualifying properties are properties that fall within the Downtown Hamilton or West Harbourfront as defined by the Downtown Hamilton Community Improvement Project Area or the boundaries of the Setting Sail Secondary Plan.

Eligible program costs are the same as those established for the ERASE Redevelopment Grant Program excluding LEED eligible component costs. Eligible costs include:

- The cost of any action taken to reduce the concentration of contaminants on, in or under the eligible property to permit a record of site condition (RSC) to be filed for the proposed use by a qualified person, including costs of preparing the RSC;
- Phase II and Environment Site Assessments (ESA’s), risk assessments or remedial work plans not covered by the ERASE Study Grant Program;
- Installing environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use;
- Monitoring, maintaining and operating environmental and/or engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment and/or Certificate of Property Use;
- Demolition not covered by demolition charge credits (Area 3 only);
- Removal of existing on-site infrastructure prior to replacement up to a minimum of 25% of construction/improvement costs for on-site public works (water services, sanitary sewers and storm sewers) (Area 3 only);
- Certain relocation/removal costs for existing and operating industrial manufacturing and transportation uses, where such costs relate to or contribute directly to the actual remediation and rehabilitation of the site (Area 3 only).

The following terms specifically apply:

a) The improvements made to buildings and/or land shall be in accordance with the Ontario Building Code and in compliance with all applicable City by-laws, official plans, zoning requirements and site plan approvals.
b) All owners receiving approval for a City loan under this Program shall be required to enter into a Loan Agreement with the City.

8.4.4 Administration

The Economic Development Department will be responsible for administering the Loan, in consultation with other departments as necessary, specifically the Downtown and Community Renewal Division. Applications shall be submitted to the Economic Development Department and shall be accompanied by a Phase II ESA and/or risk assessment undertaken by a qualified person that:

i) identifies the extent and provides a cost estimate for the environmental remediation, installation, monitoring, maintaining and operating environmental and/or engineering controls/works of the eligible property; and,

ii) contains a detailed work plan and budget for said environmental remediation, installation, monitoring, maintaining and operating environmental and/or engineering controls/works.

Applicants will be required to have a pre-application consultation meeting with City staff in order to determine program eligibility, proposed scope of work, project timing, etc.

Applications shall be submitted to the Economic Development Department and shall include a detailed work plan and cost estimate for the proposed eligible works. Said work plan and cost estimate will be supported by a Phase II ESA and/or risk assessment undertaken by a qualified person that identifies the estimated cost of environmental remediation and a written contractor’s estimate for other eligible works. The City may also require a Business Plan.

Before accepting an application, City staff will screen the application. If the application is not within the community improvement project area or the application clearly does not meet the program eligibility requirements, the application will not be accepted. Acceptance of the application by the City in no way implies loan approval.

Program eligibility will be determined by the Economic Development Department, in consultation with other departments as necessary. Applications will be recommended for approval only if they meet the criteria specified in this Plan and any other requirements of the City.

An application fee of $250.00.00 must accompany the application. All fees will be authorized through a user-fee by-law passed by City Council. The rate of the fees may be changed from time to time as approved by City Council.
A recommendation on the application (including estimated eligible costs) and RLP Agreement will be forwarded to City Council (or Council’s designate) for consideration. Once City Council (or Council’s designate) approves the RLP Application, the RLP Agreement will be forwarded to the applicant for signature. Once the applicant has signed the agreement, the agreement will then be executed by City officials and a copy will be provided to the applicant. The City may require the applicant to register the agreement on title immediately upon execution of the agreement.

The Owner shall submit to the MOE a signed record of site condition (RSC) prepared by a qualified person, and the Owner shall submit to the City an acknowledgement of receipt of the RSC by the MOE. The City reserves the right to require the submission to the City’s satisfaction, of environmental reports and documentation showing the subject property has been remediated to the appropriate levels for the proposed use. Where the submission of a signed RSC is not required under the Environmental Protection Act and the owner of the property within the ERASE Community Improvement Project Area undertakes a risk assessment and/or remediates the property to a standard that would enable the owner to submit a RSC, the owner may instead provide an opinion from a qualified person (as defined in the Environmental Protection Act and Ontario Regulation 153/04, as amended), subject to a peer-review by a qualified person as chosen by the City, that the Property has been remediated to the appropriate levels for the proposed use to the satisfaction of the City.

The Program is being introduced as a pilot program. Staff will review the success of the pilot program and report back to the Economic Development and Planning Committee recommending its continuance or expansion in Q2/13.
The Future of Productivity
Recommendations

Business
- Real estate: enhance opportunities for development and occupancy
- Move beyond "status quo"
- Build national and multinational business
- Leverage new capital equipment
- Invest in talented minds
- Create more clusters
- Invest and then reinvest

Government
- Encourage foreign direct investment
- Continue to improve Canada's immigration system
- Provide incentives for growth rather than remaining small
- Remove barriers and red tape for growth
- Expand trade inflows and outflows
- Foster fact-based decision making

Academia
- Create the curriculum to support productivity

Hamilton Advanced Manufacturing Recommendations

Update Marketing and Branding
- Showcase City's advanced manufacturing sector
- Update City's advanced manufacturing sector's marketing materials
- Position Hamilton as part of broader GTA and beyond
- Market Hamilton as a top location to live, work and play

Enhance Business Retention
- Understand needs of large and strategic advanced manufacturing firms
- Identify key service providers and supply chain linkages
- Identify opportunities to assist existing businesses
- Maintain regular contact with key industry leaders

Develop Investment Attraction Strategy
- Assess opportunity for targeted financial incentives
- Lead tours of the City's advanced manufacturing facilities
- Regularly monitor FDI opportunities
- Aggressively pursue high profile investments with tools and local leadership
- Aggressively engage in industry events including CORENET, NAIOP etc

Develop Strategy to Enhance Talent & Skills
- Identify gaps in local demand and supply of advanced manufacturing talent
- Support and expand education and technical training programs
- Encourage local entrepreneurship and innovation