



Hamilton

City of Hamilton

*Area Rating Options -
Update
FCS09087a*

*General Issues Committee
April 8th, 2011*



Council Direction

1. Update financial impacts of staff's previous recommended urban/rural model (Nov. 2009 report)
2. Identify financial impacts of Citizens' Forum recommended area rating model
3. Provide alternatives
4. High level overview and assessment of Chamber's proposal



- Today's report (Area Rating Options – Update FCS09087a) is for information only
- Staff still reviewing if any change to the previously recommended urban/rural model is warranted
- Based on today's discussions, staff to come back to GIC April 14th or 15th with final area rating recommendations



Hamilton

City of Hamilton

*Previous Staff
Recommendation
(FCS09087; November 2009)*

*Updated to reflect 2011 Budget at 1% Average
Residential Tax Impact*

Previous Staff Recommended Urban/Rural Model (FCS09087)

- Elimination of area rating Culture
- Elimination of area rating Recreation
- Urban / Rural area rating for Transit (except Waterdown), Fire, Sidewalks & Streetlights
- Status quo for Ancaster Sidewalk Snow Removal
- Phased-in over 7 years; Stage 1 (2011-2014) + Stage 2 (2014-2017)

Previous Staff Recommended Urban/Rural Model (FCS09087)

Total Residential Tax Impact
(based on a \$245,100 home)

Properties within URBAN / TRANSIT service area

Urban	2011 Total Taxes	New Total Taxes	Change in Total Taxes	
			\$	%
Stoney Creek	3,198	3,475	278	8.7%
Glanbrook	2,995	3,475	481	16.0%
Ancaster	3,267	3,480	213	6.5%
Hamilton	3,630	3,475	(154)	-4.3%
Dundas	3,248	3,475	228	7.0%
Flamborough	3,129	3,358	229	7.3%

Properties within RURAL / NON TRANSIT service area

Rural	2011 Total Taxes	New Total Taxes	Change in Total Taxes	
			\$	%
Stoney Creek	3,138	3,133	(5)	-0.1%
Glanbrook	2,927	3,133	206	7.0%
Ancaster	3,210	3,133	(77)	-2.4%
Hamilton	N/A	N/A	N/A	N/A
Dundas	3,203	3,133	(70)	-2.2%
Flamborough	3,092	3,133	41	1.3%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)

Previous Staff Recommended Urban/Rural Model (FCS09087)

2009 vs 2011

Staff previous recommended urban/rural model (FCS09087) - Difference between 2009 and 2011 impacts

	URBAN		RURAL	
	\$	%	\$	%
Stoney Creek	8	-0.1%	(20)	-0.7%
Glanbrook	56	1.5%	15	0.3%
Ancaster	11	0.1%	(4)	0.0%
Hamilton	(13)	-0.2%	N/A	N/A
Dundas	0	-0.3%	(26)	-0.8%
Flamborough	21	0.5%	2	0.0%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)



Previous Staff Recommended Urban/Rural Model (FCS09087)

Stage 1 (Culture, Recreation, Fire, Sidewalks & Streetlights) + Stage 2 (Transit) = Total Impact

Total Residential Tax Impact
(based on a \$245,100 home)

Properties within URBAN / TRANSIT service area

URBAN	2011 Total Taxes	STAGE 1			+	STAGE 2		
		New Total Taxes	\$ Change in Total Taxes	% Change in Total Taxes		New Total Taxes	\$ Change in Total Taxes	% Change in Total Taxes
Stoney Creek	3,198	3,381	184	5.7%		3,475	94	3.0%
Glanbrook	2,995	3,389	394	13.2%		3,475	87	2.9%
Ancaster	3,267	3,378	111	3.4%		3,480	102	3.1%
Hamilton	3,630	3,527	(103)	-2.8%		3,475	(51)	-1.4%
Dundas	3,248	3,366	118	3.6%		3,475	109	3.4%
Flamborough	3,129	3,358	229	7.3%		3,358	-	0.0%

Properties within RURAL / NON TRANSIT service area

RURAL	2011 Total Taxes	STAGE 1			+	STAGE 2		
		New Total Taxes	\$ Change in Total Taxes	% Change in Total Taxes		New Total Taxes	\$ Change in Total Taxes	% Change in Total Taxes
Stoney Creek	3,138	3,133	(5)	-0.1%		3,133	-	0.0%
Glanbrook	2,927	3,133	206	7.0%		3,133	-	0.0%
Ancaster	3,210	3,133	(77)	-2.4%		3,133	-	0.0%
Hamilton	N/A	N/A	N/A	N/A		N/A	N/A	N/A
Dundas	3,203	3,133	(70)	-2.2%		3,133	-	0.0%
Flamborough	3,092	3,133	41	1.3%		3,133	-	0.0%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)

Previous Staff Recommended Urban/Rural Model (FCS09087)

Phase-in Plan – Annual % Impacts

URBAN

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

RURAL

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

STAGE 1

% Increase			
2011	2012	2013	2014
1.4%	1.4%	1.4%	1.4%
3.3%	3.3%	3.3%	3.3%
0.9%	0.9%	0.9%	0.9%
-0.7%	-0.7%	-0.7%	-0.7%
0.9%	0.9%	0.9%	0.9%
1.8%	1.8%	1.8%	1.8%

% Increase			
2011	2012	2013	2014
0.0%	0.0%	0.0%	0.0%
1.8%	1.8%	1.8%	1.8%
-0.6%	-0.6%	-0.6%	-0.6%
N/A	N/A	N/A	N/A
-0.5%	-0.5%	-0.5%	-0.5%
0.3%	0.3%	0.3%	0.3%

STAGE 2

% Increase		
2015	2016	2017
1.0%	1.0%	1.0%
1.0%	1.0%	1.0%
1.0%	1.0%	1.0%
-0.5%	-0.5%	-0.5%
1.1%	1.1%	1.1%
0.0%	0.0%	0.0%

% Increase		
2015	2016	2017
0.0%	0.0%	0.0%
0.0%	0.0%	0.0%
0.0%	0.0%	0.0%
0.0%	0.0%	0.0%
N/A	N/A	N/A
0.0%	0.0%	0.0%
0.0%	0.0%	0.0%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)

Previous Staff Recommended Urban/Rural Model (FCS09087)

Phase-in Plan – Annual \$ Impacts (based on \$245,100 home)

URBAN

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

RURAL

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

STAGE 1

\$ Increase			
2011	2012	2013	2014
\$ 46	\$ 46	\$ 46	\$ 46
\$ 98	\$ 98	\$ 98	\$ 98
\$ 28	\$ 28	\$ 28	\$ 28
\$ (26)	\$ (26)	\$ (26)	\$ (26)
\$ 30	\$ 30	\$ 30	\$ 30
\$ 57	\$ 57	\$ 57	\$ 57

\$ Increase			
2011	2012	2013	2014
\$ (1)	\$ (1)	\$ (1)	\$ (1)
\$ 51	\$ 51	\$ 51	\$ 51
\$ (19)	\$ (19)	\$ (19)	\$ (19)
N/A	N/A	N/A	N/A
\$ (17)	\$ (17)	\$ (17)	\$ (17)
\$ 10	\$ 10	\$ 10	\$ 10

STAGE 2

\$ Increase		
2015	2016	2017
\$ 31	\$ 31	\$ 31
\$ 29	\$ 29	\$ 29
\$ 34	\$ 34	\$ 34
\$ (17)	\$ (17)	\$ (17)
\$ 36	\$ 36	\$ 36
\$ -	\$ -	\$ -

\$ Increase		
2015	2016	2017
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -
N/A	N/A	N/A
\$ -	\$ -	\$ -
\$ -	\$ -	\$ -

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)

Previous Staff Recommended Urban/Rural Model (FCS09087)

CULTURE – eliminate from area rating (based on \$245,100 home)

	Culture				\$ change in Culture		% change in Total Taxes	
	2011 DRAFT		Eliminate		Urban / Transit	Rural / No Transit	Urban / Transit	Rural / No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	23	23	24	24	0	0	0.0%	0.0%
Glanbrook	-	-	24	24	24	24	0.8%	0.8%
Ancaster	22	22	24	24	2	2	0.1%	0.1%
Hamilton	32	N/A	24	N/A	(8)	N/A	-0.2%	N/A
Dundas	4	4	24	24	20	20	0.6%	0.6%
Flamborough	-	-	24	24	24	24	0.8%	0.8%

Previous Staff Recommended Urban/Rural Model (FCS09087)

RECREATION – eliminate from area rating (based on \$245,100 home)

	Recreation				\$ change in Rec		% change in Total Taxes	
	2011 DRAFT		Eliminate		Urban / Transit	Rural / No	Urban / Transit	Rural / No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	81	81	133	133	52	52	1.6%	1.7%
Glanbrook	39	39	133	133	94	94	3.1%	3.2%
Ancaster	87	87	133	133	46	46	1.4%	1.4%
Hamilton	174	N/A	133	N/A	(41)	N/A	-1.1%	N/A
Dundas	125	125	133	133	8	8	0.2%	0.2%
Flamborough	64	64	133	133	69	69	2.2%	2.2%

Previous Staff Recommended Urban/Rural Model (FCS09087)

TRANSIT – Area Rate Urban/Rural (based on \$245,100 home)

	Transit				\$ change in Transit		% change in Total Taxes	
	2011 DRAFT		Urban/Rural		Urban / Transit	Rural / No Transit	Urban / Transit	Rural / No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	60	-	154	-	94	-	3.0%	0.0%
Glanbrook	68	-	154	-	87	-	2.9%	0.0%
Ancaster	53	-	154	-	102	-	3.1%	0.0%
Hamilton	205	N/A	154	N/A	(51)	N/A	-1.4%	N/A
Dundas	45	-	154	-	109	-	3.4%	0.0%
Flamborough	37	-	37	-	-	-	0.0%	0.0%

Previous Staff Recommended Urban/Rural Model (FCS09087)

FIRE – Area Rate Urban/Rural (based on \$245,100 home)

	Fire				\$ change in Fire		% change in Total Taxes			
	2011 DRAFT		Urban/Rural		Urban Fire	Rural Fire	Urban / Transit		Rural / No Transit	
	U/T	R/nT	U/F	R/F			Urban Fire	Rural Fire	Urban Fire	Rural Fire
Stoney Creek	205	205	335	165	130	(40)	4.1%	-1.3%	N/A	-1.3%
Glanbrook	60	60	335	165	275	105	9.2%	3.5%	9.4%	3.6%
Ancaster	273	273	335	165	61	(108)	1.9%	-3.3%	1.9%	-3.4%
Hamilton	391	N/A	335	N/A	(56)	N/A	-1.5%	N/A	N/A	N/A
Dundas	246	246	335	165	89	(81)	2.7%	N/A	2.8%	-2.5%
Flamborough	200	200	335	165	135	(35)	4.3%	N/A	N/A	-1.1%

U/F = Properties located within Urban/Fire service area; R/F = Properties located within Rural/Fire service area

U/T = Properties located within Urban/Transit service area; R/nT = Properties located within Rural/No Transit service area

Previous Staff Recommended Urban/Rural Model (FCS09087)

SIDEWALK – Area Rate Urban/Rural

(based on \$245,100 home)

	Sidewalks				\$ change in SW		% change in Total Taxes	
	2011 DRAFT		Urban / Rural		Urban Sidewalk	Rural Sidewalk	Urban / Transit	Rural / No Transit
	U/T	R/nT	U/SW	R/SW				
Stoney Creek	9	9	10	1	1	(8)	0.0%	-0.2%
Glanbrook	9	9	10	1	1	(8)	0.0%	-0.3%
Ancaster	9	9	10	1	1	(8)	0.0%	-0.2%
Hamilton	9	N/A	10	N/A	1	N/A	0.0%	N/A
Dundas	9	9	10	1	1	(8)	0.0%	-0.2%
Flamborough	9	9	10	1	1	(8)	0.0%	-0.3%

U/SW = Properties located within Urban/Sidewalks service area; R/SW = Properties located within Rural/Sidewalks service area

U/T = Properties located within Urban/Transit service area; R/nT = Properties located within Rural/No Transit service area

Previous Staff Recommended Urban/Rural Model (FCS09087)

STREETLIGHTS – Area Rate Urban/Rural (based on \$245,100 home)

	Streetlights				\$ change in SL		% change in Total Taxes	
	2011 DRAFT		Urban / Rural		Urban Streetlight	Rural Streetlight	Urban / Transit	Rural / No Transit
	U/T	R/nT	U/SL	R/SL				
Stoney Creek	21	21	22	12	1	(9)	0.0%	-0.3%
Glanbrook	21	21	22	12	1	(9)	0.0%	-0.3%
Ancaster	21	21	22	12	1	(9)	0.0%	-0.3%
Hamilton	21	N/A	22	N/A	1	N/A	0.0%	N/A
Dundas	21	21	22	12	1	(9)	0.0%	-0.3%
Flamborough	21	21	22	12	1	(9)	0.0%	-0.3%

U/SL = Properties located within Urban/Streetlights service area; R/SL = Properties located within Rural/Streetlights service area

U/T = Properties located within Urban/Transit service area; R/nT = Properties located within Rural/No Transit service area



Hamilton

City of Hamilton

*Citizens' Forum
Recommendation
(CM11004; February 2011)*

*Financial Impacts using 2011 Budget at 1%
Average Residential Tax Impact*



Citizens' Forum Recommended Model

- For the most part endorsed staff's previous recommendations (2009 staff report FCS09097)
- Only exceptions:
 - Ancaster Sidewalk Snow Removal: no longer area rate
 - Fire: proposed a 3-tier model, splitting up the rural area depending on the presence of fire hydrants
 - Phase-in Plan: not to exceed 4 years (may be extended if total tax increase exceeds 5% in one year)



Citizens' Forum Recommended Model: Ancaster Sidewalk Snow Removal

- No longer area rating Sidewalk Snow Removal only impacts Ancaster (Transit / Urban area of Ward 12)
- Results in a -0.1% reduction to Ancaster, which equates to approximately -\$4 / household (CVA of 245,100)



Citizens' Forum Recommended Model: Fire

- Split Rural area depending on the presence of fire hydrants
 - staff report treated all rural areas (primarily serviced by volunteers) equally, regardless of the presence of hydrants)
- Rural with hydrants = mainly Winona, Binbrook, Mount Hope (exclusive of Airport), Freelon & Carlisle
- Fire hydrants and better proximity to a fire station = perceived better service level



Citizens' Forum Recommended Model: Fire cont'd

- However, response times and hydrants do not necessarily impact area rated costs
 - Costs are actually higher in the rural without hydrants than in rural with hydrants
 - Require more resources (i.e. tankers)
 - Higher frequency of career arriving on-scene sooner than volunteers (primarily weekdays from 9-5)
 - Less assessment base relative to land size (i.e rural without hydrants is about 25 times the size of rural with hydrants, yet accounts for just over half of the assessment)
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Citizens' Forum

Recommended Model

FIRE – Area Rate Urban/Rural

(based on \$245,100 home)

	Fire					\$ change in Fire			% change in Total Taxes					
	2011 DRAFT		Urban/Rural			Urban Fire	Rural Fire		Urban / Transit			Rural / No Transit		
	U/T	R/nT	U/F	R/F			H	noH	Urban Fire	Rural Fire		Urban Fire	Rural Fire	
				H	noH	H				noH	H		noH	
Stoney Creek	205	205	335	144	181	130	(61)	(24)	4.1%	-1.9%	-0.8%	N/A	-1.9%	-0.8%
Glanbrook	60	60	335	144	181	275	85	121	9.2%	2.8%	4.0%	9.4%	2.9%	4.1%
Ancaster	273	273	335	144	181	61	N/A	(92)	1.9%	N/A	-2.8%	1.9%	N/A	-2.9%
Hamilton	391	N/A	335	144	N/A	(56)	N/A	N/A	-1.5%	N/A	N/A	N/A	N/A	N/A
Dundas	246	246	335	144	181	89	N/A	(65)	2.7%	N/A	N/A	2.8%	N/A	-2.0%
Flamborough	200	200	335	144	181	135	(55)	(19)	4.3%	N/A	N/A	N/A	-1.8%	-0.6%

Staff's previous recommendation = \$165 for Rural Fire (regardless of hydrants)

H = hydrants; noH = no hydrants

U/F = Properties located within Urban/Fire service area; R/F = Properties located within Rural/Fire service area

U/T = Properties located within Urban/Transit service area; R/nT = Properties located within Rural/No Transit service area

Citizens' Forum Recommended Model

As per Staff Report FCS09087 vs Citizens' Forum Recommended

(based on \$245,100 home)

Difference between staff previous recommended urban/rural model (FCS09087) and Citizens' Forum Recommended:

	URBAN	
	\$	%
Stoney Creek	-	0.0%
Glanbrook	-	0.0%
Ancaster	(4)	-0.1%
Hamilton	-	0.0%
Dundas	-	0.0%
Flamborough	-	0.0%

RURAL			
Hydrants		No Hydrants	
\$	%	\$	%
(21)	-0.7%	16	0.5%
(21)	-0.7%	16	0.5%
N/A	N/A	16	0.5%
N/A	N/A	N/A	N/A
N/A	N/A	16	0.5%
(21)	-0.7%	16	0.5%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

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Rural = No Transit + Rural Fire (with and without hydrants) + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)

Citizens' Forum Recommended Model

Phase-in Plan – Annual % Impacts

URBAN

	% Increase			
	2011	2012	2013	2014
Stoney Creek	2.2%	2.2%	2.2%	2.2%
Glanbrook	4.0%	4.0%	4.0%	4.0%
Ancaster	1.6%	1.6%	1.6%	1.6%
Hamilton	-1.1%	-1.1%	-1.1%	-1.1%
Dundas	1.8%	1.8%	1.8%	1.8%
Flamborough	1.8%	1.8%	1.8%	1.8%

RURAL (No Hydrants)

	% Increase			
	2011	2012	2013	2014
Stoney Creek	0.1%	0.1%	0.1%	0.1%
Glanbrook	1.9%	1.9%	1.9%	1.9%
Ancaster	-0.5%	-0.5%	-0.5%	-0.5%
Hamilton	N/A	N/A	N/A	N/A
Dundas	-0.4%	-0.4%	-0.4%	-0.4%
Flamborough	0.5%	0.5%	0.5%	0.5%

RURAL (Hydrants)

	% Increase			
	2011	2012	2013	2014
Stoney Creek	-0.2%	-0.2%	-0.2%	-0.2%
Glanbrook	1.6%	1.6%	1.6%	1.6%
Ancaster	N/A	N/A	N/A	N/A
Hamilton	N/A	N/A	N/A	N/A
Dundas	N/A	N/A	N/A	N/A
Flamborough	0.2%	0.2%	0.2%	0.2%

*** Based on 2011 draft average budget impacts by former area municipality, would not exceed 5% in 2011**

Citizens' Forum

Recommended Model

Phase-in Plan – Annual \$ Impacts

(based on \$245,100 home)

URBAN

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

\$ Increase				
2011	2012	2013	2014	
\$ 70	\$ 70	\$ 70	\$ 70	
\$ 120	\$ 120	\$ 120	\$ 120	
\$ 52	\$ 52	\$ 52	\$ 52	
\$ (39)	\$ (39)	\$ (39)	\$ (39)	
\$ 57	\$ 57	\$ 57	\$ 57	
\$ 57	\$ 57	\$ 57	\$ 57	

RURAL (No Hydrants)

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

\$ Increase				
2011	2012	2013	2014	
\$ 3	\$ 3	\$ 3	\$ 3	
\$ 55	\$ 55	\$ 55	\$ 55	
\$ (15)	\$ (15)	\$ (15)	\$ (15)	
N/A	N/A	N/A	N/A	
\$ (13)	\$ (13)	\$ (13)	\$ (13)	
\$ 14	\$ 14	\$ 14	\$ 14	

RURAL (Hydrants)

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

\$ Increase				
2011	2012	2013	2014	
\$ (6)	\$ (6)	\$ (6)	\$ (6)	
\$ 46	\$ 46	\$ 46	\$ 46	
N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	
\$ 5	\$ 5	\$ 5	\$ 5	

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire (with and without hydrants) + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)



Hamilton

City of Hamilton

Alternatives

Alternative: Urban/Rural Area Rating for Recreation

RECREATION – Urban/Rural Area Rating

(based on \$245,100 home)

	Recreation				\$ change in Rec		% change in Total Taxes	
	2011 DRAFT		Urban/Rural		Urban /	Rural /	Urban /	Rural / No
	U/T	R/nT	U/T	R/nT	Transit	No	Transit	Transit
Stoney Creek	81	81	138	88	57	7	1.8%	0.2%
Glanbrook	39	39	138	88	99	49	3.3%	1.7%
Ancaster	87	87	138	88	51	1	1.6%	0.0%
Hamilton	174	N/A	138	N/A	(36)	N/A	-1.0%	N/A
Dundas	125	125	138	88	13	(37)	0.4%	-1.1%
Flamborough	64	64	138	88	74	24	2.4%	0.8%

- Full elimination = \$133 (Alternative: Urban = \$138; Rural = \$88)
- Mitigates / lowers impact in Rural by \$45
- Higher impact in Urban (including former suburban area muni.) by \$5
- Does not take into account that facilities/programs are open to all, stats show residents do use facilities/programs outside of their neighbourhood
- Does account for less facilities in rural area + more volunteers

Urban / Rural assumes Ivor Wynne is not area rated (on General Levy)

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U/T = Properties located within Urban/Transit service area; R/nT = Properties located within Rural/No Transit service area



Alternative: Transit – Additional \$10.6M for Re-investment

TRANSIT

(based on \$245,100 home)

	Transit				\$ change in Transit		% change in Total Taxes	
	2011		Urban / Rural		Urban/ Transit	Rural/No Transit	Urban/ Transit	Rural/No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	60	-	205	-	146	-	4.6%	0.0%
Glanbrook	68	-	205	-	138	-	4.6%	0.0%
Ancaster	53	-	205	-	153	-	4.7%	0.0%
Hamilton	205	N/A	205	N/A	-	N/A	0.0%	N/A
Dundas	45	-	205	-	160	-	4.9%	0.0%
Flamborough	37	-	37	-	-	-	0.0%	0.0%

- Previous staff recommended Urban = \$154 (excluding Waterdown)
- Alternative: increase urban (excluding Waterdown) to former City of Hamilton rate of \$205 = additional \$10.6M for re-investment
- Results in higher tax increases (about 1.6%) in the urban areas of the former suburban area municipalities (excluding Waterdown)
- Results in no decrease for Hamilton



Alternative: Transit (cont'd) – Additional \$7.0M for Re-investment

TRANSIT

(based on \$245,100 home)

Alternative: urban (excluding Waterdown) @ \$154, Hamilton maintained at \$205 = additional \$7.0M for re-investment

	Transit				\$ change in Transit		% change in Total Taxes	
	2011		Urban / Rural		Urban/ Transit	Rural/No Transit	Urban/ Transit	Rural/No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	60	-	154	-	94	-	3.0%	0.0%
Glanbrook	68	-	154	-	87	-	2.9%	0.0%
Ancaster	53	-	154	-	102	-	3.1%	0.0%
Hamilton	205	N/A	205	N/A	-	N/A	0.0%	N/A
Dundas	45	-	154	-	109	-	3.4%	0.0%
Flamborough	37	-	37	-	-	-	0.0%	0.0%

Note: this alternative may not adhere to legislation; still under review



Alternative: Transit (cont'd) – Additional \$5.3M for Re-investment

TRANSIT

(based on \$245,100 home)

Alternative: urban (excluding Waterdown) @ \$180= additional \$5.3M for re-investment

	Transit				\$ change in Transit		% change in Total Taxes	
	2011		Urban / Rural		Urban/ Transit	Rural/No Transit	Urban/ Transit	Rural/No Transit
	U/T	R/nT	U/T	R/nT				
Stoney Creek	60	-	180	-	120	-	3.8%	0.0%
Glanbrook	68	-	180	-	112	-	3.7%	0.0%
Ancaster	53	-	180	-	127	-	3.9%	0.0%
Hamilton	205	N/A	180	N/A	(26)	N/A	-0.7%	N/A
Dundas	45	-	180	-	135	-	4.1%	0.0%
Flamborough	37	-	37	-	-	-	0.0%	0.0%

- Previous staff recommended Urban = \$154 (excluding Waterdown)
- Results in lower decrease to former City of Hamilton and higher increase in urban area of former suburban municipalities (about 0.8%)

Alternative: Area Rating Parking based on Former Muni

PARKING – Area Rate by former Area Municipality

(based on \$245,100 home)

	Parking				\$ change in Parking		% change in Total Taxes	
	2011 DRAFT		A/R by former muni		Urban /	Rural / No	Urban /	Rural / No
	U/T	R/nT	U/T	R/nT	Transit	Transit	Transit	Transit
Stoney Creek	(8)	(8)	(9)	(9)	(1)	(1)	0.0%	0.0%
Glanbrook	(8)	(8)	3	3	11	11	0.4%	0.4%
Ancaster	(8)	(8)	(1)	(1)	7	7	0.2%	0.2%
Hamilton	(8)	N/A	(12)	N/A	(4)	N/A	-0.1%	N/A
Dundas	(8)	(8)	3	3	11	11	0.3%	0.3%
Flamborough	(8)	(8)	(1)	(1)	7	7	0.2%	0.2%

- Currently on General Levy = benefit of -\$8
- Impacts range from +\$11 in Glanbrook and Dundas, to-\$4 in Hamilton
- Allows area municipalities to not charge for paid parking in their respective downtowns, if desired
- However, inconsistent with moving away from taxing based on former municipal boundaries

Assumes paid parking is maintained in all areas including Stoney Creek, Ancaster and Flamborough



Alternative to Previous Recommended Model: 8 Year Phase-in (No Stages)

Phase-in Plan – Annual % Impacts

URBAN

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

% Increase							
2011	2012	2013	2014	2015	2016	2017	2018
1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%	1.1%
2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%	0.8%
-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%	-0.5%
0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%

RURAL

Stoney Creek
Glanbrook
Ancaster
Hamilton
Dundas
Flamborough

% Increase							
2011	2012	2013	2014	2015	2016	2017	2018
0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%	0.9%
-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%
0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)



Hamilton

City of Hamilton

Chamber of Commerce Proposal: Geographic Service Zones

High level overview and assessment



Response to Chamber Proposal

- Very high level and requires additional analysis to identify the proposed area rated services or the geographic service zones
- **“Significant differences in service levels”** - agreement that services with significant differences in service levels may be potential candidates for area rating
- Area rating on an urban/rural basis could be viewed as a form of Geographic Service Rating
- **“Major services should be considered for service rating”** - Police, Land Ambulance and Social Services (including Social Housing) have city-wide public benefits and / or are income re-distribution in nature and therefore are fundamentally inappropriate for any type of area rating



Response to Chamber Proposal (cont'd)

- “**Significant differences in usage**” - property taxes are not a user fee, but rather a way of distributing the cost for local public services and programs throughout the municipality
- “**Accessibility to services**” - does accessibility mean the service/program has to be within walking distance, within x km radius, open to all regardless of distance, etc ?
- Urban/rural model incorporates an element of consideration for accessibility
- “**Taxing based on services required**” - most municipal services have a varying range of suitability to being user pay / opt out. Most public services have an element of public good and, therefore, a contribution from all taxpayers is desirable



Response to Chamber Proposal (cont'd)

- History of taxation in Ontario and Canada is one of public revenues (i.e. taxes) being used to support public services and goals
- Legislatively, all services, except for Public Health, can be area rated, therefore Geographic Service Rating legally possible
- Likely difficult process to determine the appropriate geographic boundary for each particular service
- To the best of staff's knowledge, no municipality in Ontario or Canada uses a Geographic Service Rating approach to taxation



Response to Chamber Proposal (cont'd)

- Chamber believes if move forward with staff previous recommendation or Citizens' Forum report, will be very divisive
- Chamber believes more study and analysis of Geographic Service model needed



Hamilton

City of Hamilton

Additional Information



Hamilton

Average Residential Assessment by former Area Municipality

	2009	2011
Stoney Creek	240,900	269,500
Glanbrook	231,300	264,300
Ancaster	333,500	363,700
Hamilton	183,000	203,000
Dundas	271,200	307,500
Flamborough	310,000	346,700
City-Wide	219,600	245,100

Average for all assessment coded as "RT" (residential)

Previous Staff Recommended Urban/Rural Model (FCS09087)

City-wide Average vs Respective Municipal Average

Properties within URBAN / TRANSIT service area

URBAN	City-wide Average CVA	Using City-Wide Average Residential CVA	
		Change in Total Taxes	
		\$	%
Stoney Creek	245,100	278	8.7%
Glanbrook	245,100	481	16.0%
Ancaster	245,100	213	6.5%
Hamilton	245,100	(154)	-4.3%
Dundas	245,100	228	7.0%
Flamborough	245,100	229	7.3%

Area Muni Average CVA	Using Former Area Muni Average Residential CVA	
	Change in Total Taxes	
	\$	%
269,500	306	8.7%
264,300	518	16.0%
363,700	316	6.5%
203,000	(128)	-4.3%
307,500	286	7.0%
346,700	325	7.3%

Properties within RURAL / NON TRANSIT service area

RURAL	City-wide Average CVA	Using City-Wide Average Residential CVA	
		Change in Total Taxes	
		\$	%
Stoney Creek	245,100	(5)	-0.1%
Glanbrook	245,100	206	7.0%
Ancaster	245,100	(77)	-2.4%
Hamilton	245,100	N/A	N/A
Dundas	245,100	(70)	-2.2%
Flamborough	245,100	41	1.3%

Area Muni Average CVA	Using Former Area Muni Average Residential CVA	
	Change in Total Taxes	
	\$	%
269,500	(5)	-0.1%
264,300	222	7.0%
363,700	(114)	-2.4%
203,000	N/A	N/A
307,500	(88)	-2.2%
346,700	58	1.3%

Urban = Transit + Urban Fire + Urban Sidewalk + Urban Streetlights (87.2% of Residential Properties)

40

Rural = No Transit + Rural Fire + Rural Sidewalk + Rural Streetlights (9.4% of Residential Properties)



Total Average Residential Tax Impacts: 2001 to 2011

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	DRAFT 2011 *	Average
Stoney Creek	0.1%	4.3%	2.6%	3.9%	3.4%	2.9%	3.3%	2.5%	1.3%	2.1%	1.0%	2.5%
Glanbrook	1.6%	6.0%	6.7%	6.2%	3.4%	0.6%	1.9%	2.3%	0.5%	1.4%	-0.1%	2.8%
Ancaster	1.9%	6.1%	7.9%	8.8%	3.8%	2.2%	3.8%	4.8%	2.6%	2.0%	0.5%	4.0%
Hamilton	0.1%	4.7%	2.0%	5.6%	2.5%	2.3%	3.5%	3.1%	1.7%	1.9%	1.1%	2.6%
Dundas	0.1%	4.9%	3.8%	5.4%	4.9%	3.6%	3.5%	2.6%	2.4%	3.0%	2.1%	3.3%
Flamborough	2.4%	6.9%	9.6%	6.3%	4.8%	1.2%	3.7%	9.1%	1.7%	2.4%	0.6%	4.4%
City-wide Average	0.5%	4.6%	3.6%	5.9%	3.2%	2.3%	3.4%	3.8%	1.7%	2.0%	1.0%	2.9%

* Status Quo area rating in 2011

(Inclusive of budget, reassessment, area-rating, education and tax policies)

Total 2011 Average Residential Tax Impacts: Budget + Reassessment + Area Rating

URBAN	2011 Draft Budget	Changes in Area Rating *	Total 2011 Impact
Stoney Creek	1.0%	1.4%	2.5%
Glanbrook	-0.2%	3.3%	3.1%
Ancaster	0.5%	0.9%	1.3%
Hamilton	1.1%	-0.7%	0.3%
Dundas	2.1%	0.9%	3.1%
Flamborough	0.6%	1.8%	2.5%

URBAN with Rural Fire	2011 Draft Budget	Changes in Area Rating *	Total 2011 Impact
Stoney Creek	1.0%	0.1%	1.2%
Glanbrook	-0.2%	1.9%	1.7%
Ancaster	0.5%	-0.4%	0.0%
Hamilton	N/A	N/A	N/A
Dundas	N/A	N/A	N/A
Flamborough	N/A	N/A	N/A

RURAL	2011 Draft Budget	Changes in Area Rating *	Total 2011 Impact
Stoney Creek	1.0%	0.0%	1.0%
Glanbrook	0.0%	1.8%	1.7%
Ancaster	0.5%	-0.6%	-0.1%
Hamilton	N/A	N/A	N/A
Dundas	2.1%	-0.5%	1.6%
Flamborough	0.6%	0.3%	1.0%

RURAL with Urban Fire	2011 Draft Budget	Changes in Area Rating *	Total 2011 Impact
Stoney Creek	N/A	N/A	N/A
Glanbrook	0.0%	3.2%	3.2%
Ancaster	0.5%	0.7%	1.2%
Hamilton	N/A	N/A	N/A
Dundas	2.1%	0.8%	2.9%
Flamborough	N/A	N/A	N/A

* Year 1 of Previously Recommended Urban/Rural Model

(2011 Draft budget inclusive of reassessment and education taxes)



- Today's report (Area Rating Options – Update FCS09087a) is for information only
- Staff still reviewing if any change to the previously recommended urban/rural model is warranted
- Based on today's discussions, staff to come back to GIC April 14th or 15th with final area rating recommendations