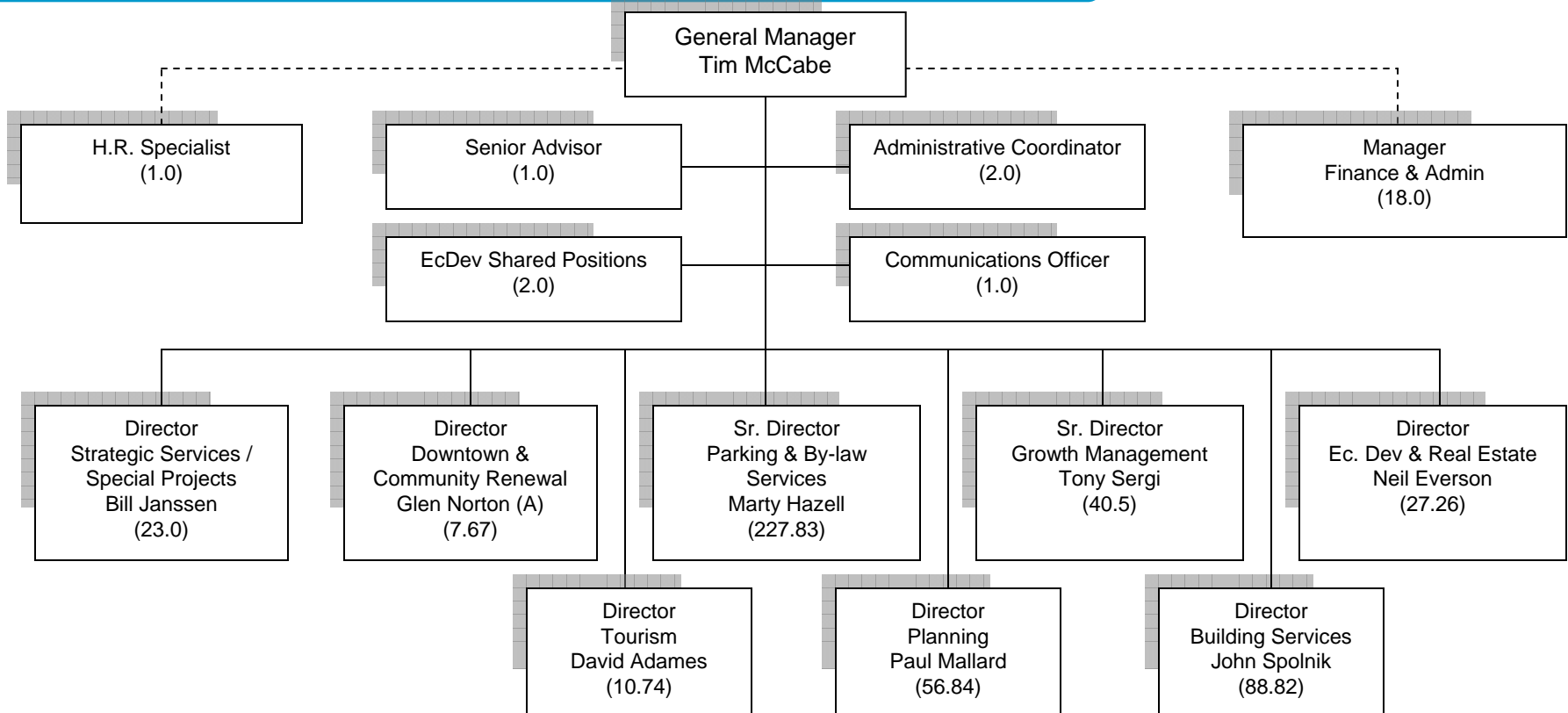


# Planning & Economic Development Department



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	28	485.28	513.28	17.3:1
2011	28	483.66	511.66	17.3:1
Change	0	(1.62)	(1.62)	

**2011 NET OPERATING BUDGET BY DIVISION**

**Planning & Economic Development**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Savings Options	2011 Draft Budget	2010 Budget / 2011 Draft	
						\$	%
Building Services	1,095,160	772,467	969,639	0	969,639	(125,522)	(11.5)%
Downtown & Community Renewal	1,110,729	1,133,218	1,093,186	0	1,093,186	(17,543)	(1.6)%
Economic Development & Real Estate	2,313,904	2,373,704	2,204,473	0	2,204,473	(109,431)	(4.7)%
GM, Finance & Support Services	2,851,030	2,891,153	2,923,630	0	2,923,630	72,599	2.5%
Growth Management	(812,513)	(629,286)	(821,726)	0	(821,726)	(9,213)	(1.1)%
Parking & By-law Services	4,971,520	4,885,031	5,028,586	(31,165)	4,997,421	25,901	0.5%
Planning	2,590,622	2,297,023	2,590,622	0	2,590,622	(0)	(0.0)%
Regional Tourism Organization	0	0	0	0	0	0	0.0%
Strategic Services/Special Projects	1,250,302	1,520,504	1,309,042	0	1,309,042	58,739	4.7%
Tourism – Pan Am Games	110	110	0	0	0	(110)	(99.5)%
Tourism Hamilton	1,448,030	1,421,075	1,461,391	0	1,461,391	13,361	0.9%
<b>NET LEVY</b>	<b>16,818,896</b>	<b>16,665,000</b>	<b>16,758,842</b>	<b>(31,165)</b>	<b>16,727,677</b>	<b>(91,219)</b>	<b>-0.5%</b>

**2011 NET OPERATING BUDGET BY DIVISION**

**Planning & Economic Development**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Savings Options	2011 Draft Budget	2010 Budget / 2011 Draft	
						\$	%
<i>EMPLOYEE RELATED COST</i>	39,754,706	38,783,110	41,074,891	0	41,074,891	1,320,185	3.3%
<i>MATERIAL AND SUPPLY</i>	1,390,366	1,576,542	1,529,816	0	1,529,816	139,450	10.0%
<i>VEHICLE EXPENSES</i>	597,100	493,185	631,300	0	631,300	34,200	5.7%
<i>BUILDING AND GROUND</i>	848,319	971,543	845,022	0	845,022	(3,297)	(0.4)%
<i>CONSULTING</i>	243,730	205,176	230,076	0	230,076	(13,654)	(5.6)%
<i>CONTRACTUAL</i>	4,038,372	4,071,571	4,088,475	0	4,088,475	50,103	1.2%
<i>AGENCIES &amp; SUPPORT PYMNTS</i>	805,720	308,960	441,720	0	441,720	(364,000)	(45.2)%
<i>RESERVES / RECOVERIES</i>	2,349,920	7,491,457	2,431,548	0	2,431,548	81,628	3.5%
<i>COST ALLOCATIONS</i>	900,997	625,510	1,089,874	0	1,089,874	188,877	21.0%
<i>FINANCIAL</i>	1,684,688	1,438,808	1,987,199	0	1,987,199	302,511	18.0%
<i>CAPITAL EXPENDITURES</i>	0	154	0	0	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>52,613,918</b>	<b>55,966,015</b>	<b>54,349,921</b>	<b>0</b>	<b>54,349,921</b>	<b>1,736,003</b>	<b>3.3%</b>
<i>FEES AND GENERAL</i>	(29,216,834)	(34,654,754)	(30,538,079)	(31,165)	(30,569,244)	(1,352,410)	(4.6)%
<i>GRANTS AND SUBSIDIES</i>	(134,500)	(548,059)	(500,750)	0	(500,750)	(366,250)	(272.3)%
<i>RESERVES</i>	(6,443,688)	(4,098,203)	(6,552,250)	0	(6,552,250)	(108,562)	(1.7)%
<b>TOTAL REVENUES</b>	<b>(35,795,022)</b>	<b>(39,301,016)</b>	<b>(37,591,079)</b>	<b>(31,165)</b>	<b>(37,622,244)</b>	<b>(1,827,222)</b>	<b>(5.1)%</b>
<b>NET LEVY</b>	<b>16,818,896</b>	<b>16,665,000</b>	<b>16,758,842</b>	<b>(31,165)</b>	<b>16,727,677</b>	<b>(91,219)</b>	<b>(0.5)%</b>

## 2011 MAJOR COST DRIVERS

- **Employee Related – merit increases, benefit increases - \$ 1.3 million**
- **P& BLS - Loss of fine revenues due to Impark opting out of enforcement of private lots - \$ 300K**
- **P& BLS - In-Year Council approval of revenue sharing with BIA's - \$167K**
- **P& BLS - Council approved free permits for war vets - \$75K**

## 2011 BASE BUDGET SAVINGS

- **P& BLS - Reduced contractual services for Flamborough & Glanbrook Animal Care Services - \$ 100k**
- **P& BLS – Increase in general licence revenues by doing more blitz's - \$ 100k**
- **BS - Applicable Law Review Fee - This revenue is now being allocated to the levy - \$130k**
- **Planning revenues including Site Plan Control, Zoning Application Fees, Tree Protection and General Vegetation Inventory fees - \$ 144K**

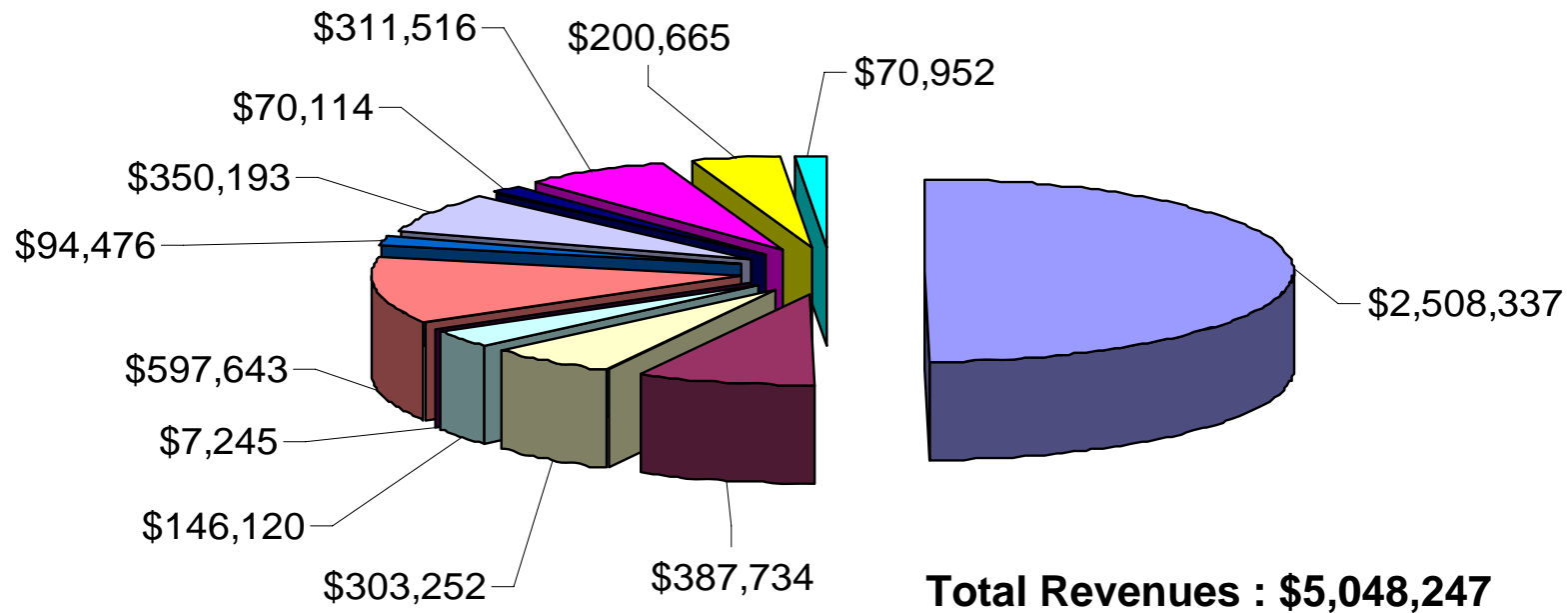


**2011 REDUCTION / SAVINGS OPTIONS**

- MLE – New sign permit fees of \$125 for any new permanent signs/property/occasion and \$195 for changes to existing ones. As per report PED05172(j) approved by Council Dec. 15, 2010
- 2011 Budgeted Revenue - \$ 23K
- Annualized amount - \$ 40K
  
- MLE – New annual spare taxicab & meter seal inspection fee of \$145 and new \$20 daily fee fore spare taxicabs
- 2011 Budgeted Revenue - \$8K
- Annualized amount - \$13K



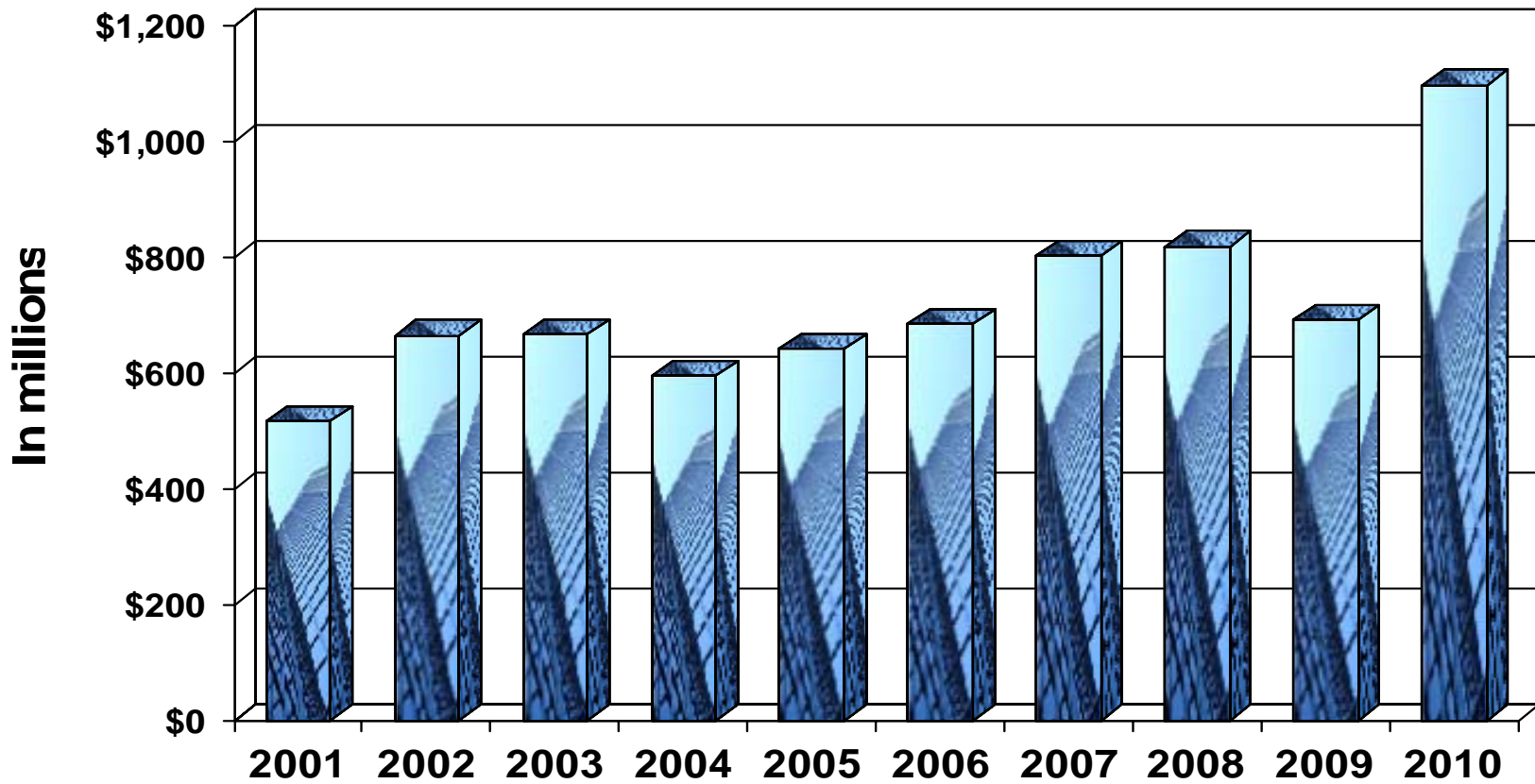
### 2010 Development Revenues



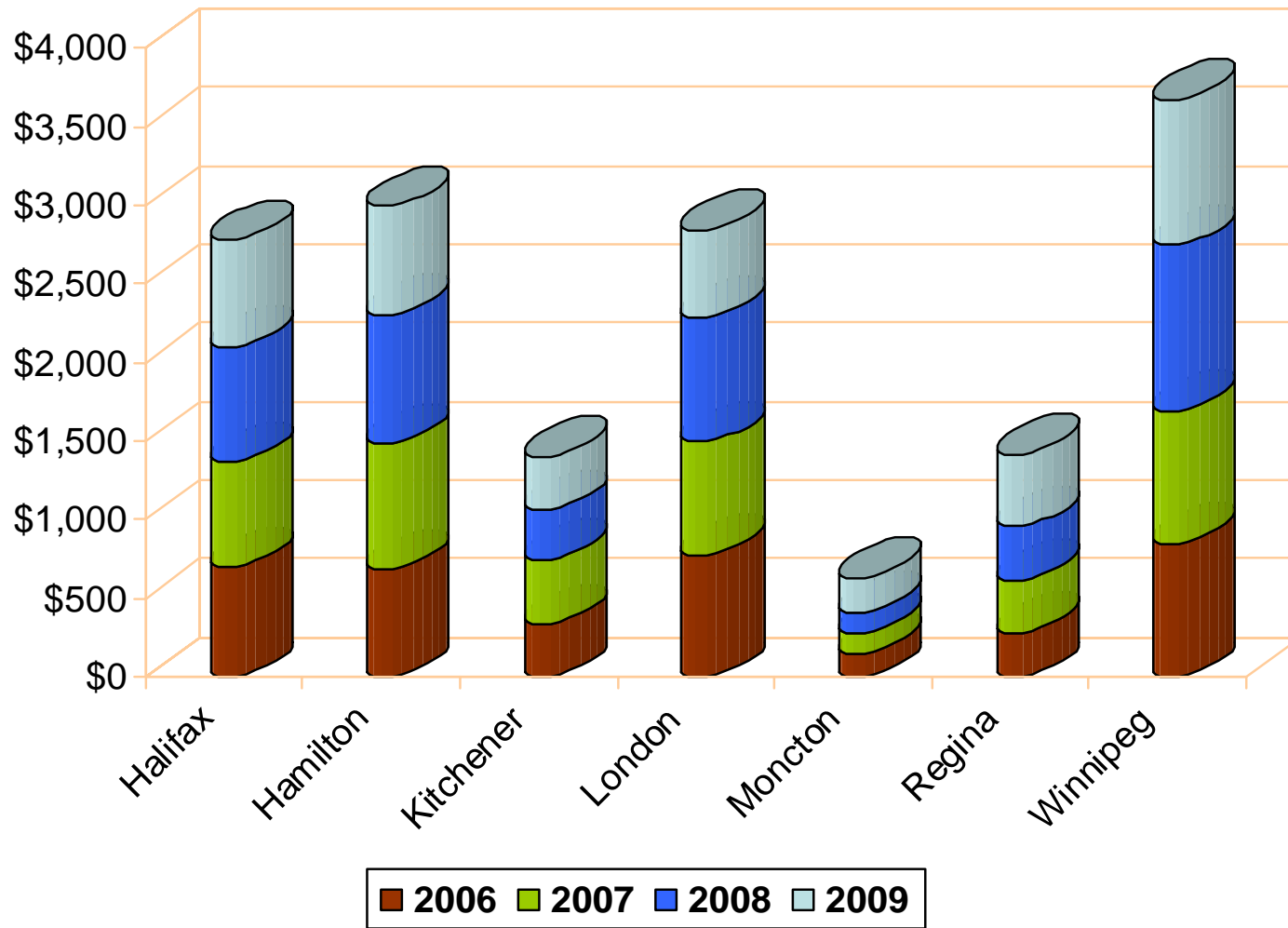
- |                           |                             |                           |
|---------------------------|-----------------------------|---------------------------|
| ■ Subprocessing fees      | ■ Sewer/Water fees          | ■ C of A Fees             |
| ■ Part Lot Control Fee    | ■ ROPAs Fees                | ■ Site Plan Control Fee   |
| ■ Plan of Subdivision Fee | ■ Land Division Consent Fee | ■ Official Plan Appl Fees |
| ■ Zoning Application Fees | ■ Condominium Fees          | ■ Miscellaneous Revenues  |



### City of Hamilton Building Permits 2001 to 2010



# Building Permit Comparison (2006 to 2009)



**BUILDING STABILIZATION RESERVE ( 104050 )**

**Purpose:** To address fluctuations in permit revenue in future years. To establish full cost recovery for Building Code Administration.

2007 BMA report recommended a healthy reserve should be at \$ 10 million

**The Reserve maximum should be \$11.7 million which is based on 1.5 times the gross 2011 Requested operating budget of \$7.8 million**



**BUILDING PERMIT STABILIZATION RESERVE ( 104050 )**

(\$ millions)

	<b>2008 Actuals</b>	<b>2009 Actuals</b>	<b>2010 Budget</b>	<b>2010 Projected</b>	<b>2011 Projected</b>
Opening Balance	(5.4)	(3.8)	(3.3)	(3.3)	(8.0)
Funding of positions from Reserve	0.0	0.0	0.0	0.0	0.0
Tsf to Capital from Reserve	0.1	0.1	0.1	0.1	0.0
Transfer (Surplus)/Deficit to/fr Reserve	1.7	0.5	1.0	(4.7)	0.2
Investment Income	(0.2)	(0.1)	(0.1)	(0.1)	(0.2)
Year End Balance	(3.8)	(3.3)	(2.3)	(8.0)	(8.0)

***DEVELOPMENT STABILIZATION RESERVE (110086)***

***Date Established by Council:*** November 21, 2001

***Purpose:*** This reserve was established in order to minimize the impact of development fee fluctuations due to changes in the economy and construction activity



**DEVELOPMENT FEES STABILIZATION RESERVE (110086)**

(\$ millions)

	<b>2008 Actuals</b>	<b>2009 Actuals</b>	<b>2010 Budget</b>	<b>2010 Actual</b>	<b>2011 Projected</b>
Opening Balance	(4.8)	(4.3)	(2.2)	(2.2)	(1.8)
Funding of positions from Reserve	0.1	0.8	1.2	0.2	0.6
Transfer (Surplus)/Deficit to/fr Res	0.6	1.1	1.2	0.3	0.6
Investment Income	(0.2)	(0.1)	(0.1)	(0.1)	0.0
Tsf to Bldg Res. Prior Period adj.	0.0	0.3	0.0	0.0	0.0
Year End Balance	(4.3)	(2.2)	0.1	(1.8)	(0.6)

**Economic Development Investment Reserve Fund**

	<b>2009 Actuals</b>	<b>2010 Projected</b>	<b>2011 Projected</b>
Opening Balance	(1,133,045)	(1,324,065)	(1,500,065)
Transfer (Surplus)/Deficit to/from Reserve	(311,960)	(215,000)	9,800
Pan Am Games Bid	163,700		
Creative Catalyst (PED08258)		74,000	
Investment Income	(42,760)	(35,000)	(35,000)
Year End Balance	(1,324,065)	(1,500,065)	(1,525,265)

**Vacancies, Gapping & OT Costs**

Division	F/T Vacancies	P/T Vacancies	Total Vacancies	2010 Gross Gapping	2010 Net Gapping	2010 Approved OT Budget	2010 Gross Actual OT Costs	2010 Net Actual OT Costs
GM, Finance & Support Services	0.00	0.00	0.00	(\$185,121)	(\$185,121)	\$0	\$8,452	\$8,452
Building Services	3.50	1.32	4.82	\$469,772	\$94,000	\$0	\$128,803	\$39,592
Growth Management	7.00	1.00	8.00	\$144,244	\$0	\$15,000	\$46,206	\$0
Planning	8.00	0.00	8.00	\$797,817	\$0	\$1,800	\$18,208	\$0
Strategic Services/Special Projects	6.00	0.00	6.00	\$424,422	\$0	\$0	\$8,779	\$1,241
Downtown & Community Renewal	1.00	0.44	1.44	\$6,433	\$6,433	\$500	\$24,240	\$3,570
Parking & By-Law Services	9.00	6.53	15.53	(\$124,076)	\$76,485	\$46,510	\$137,164	\$136,339
Economic Development & Real Estate	0.00	1.26	1.26	\$200,876	\$72,900	\$0	\$6,143	\$6,143
Tourism	2.00	0.00	2.00	\$114,377	\$285,515	\$0	\$13,772	\$13,766
<b>Grand Total</b>	<b>36.50</b>	<b>10.55</b>	<b>47.05</b>	<b>\$1,848,744</b>	<b>\$350,212</b>	<b>\$63,810</b>	<b>\$391,767</b>	<b>\$209,103</b>

- Vacant positions as of Jan. 31, 2011
- Only net gapping will result in levy savings as some positions are fully funded from Capital or Reserves
- 2010 Actual OT costs includes Salaries-OT, Wages-OT & OT Bank Paid



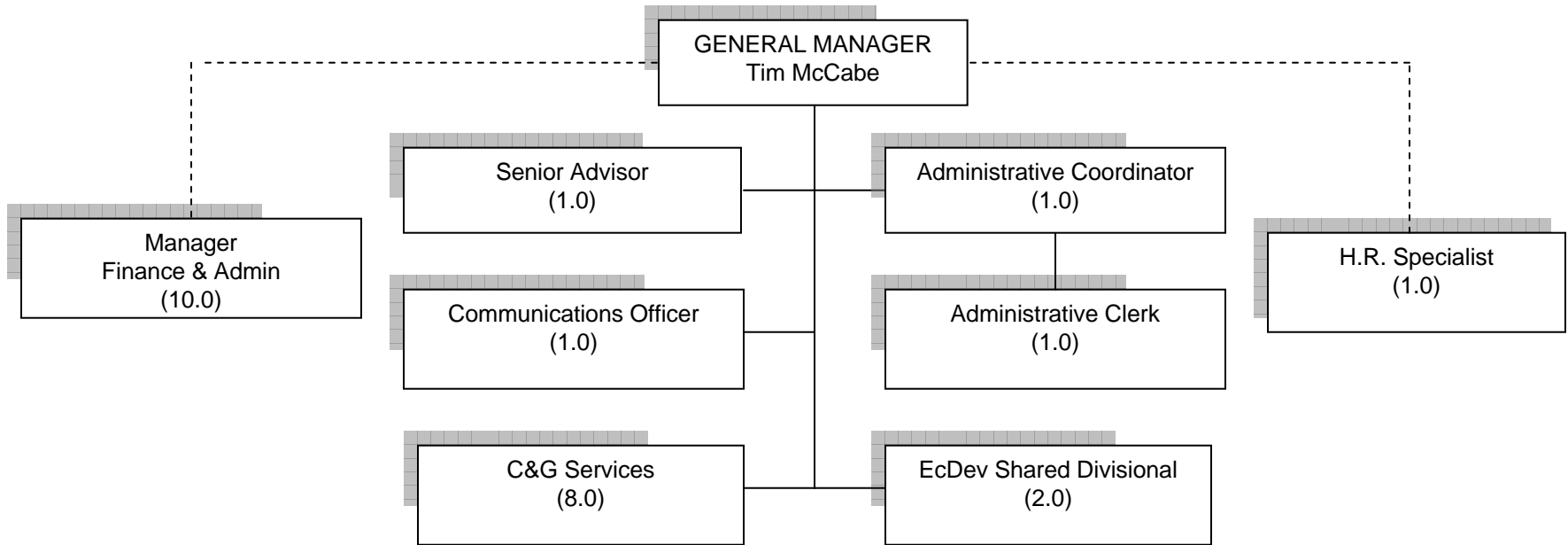
# 2011 Draft Budget by Division



# GM, Finance & Support Services



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	2.0	23.92	25.92	12.0:1
2011	2.0	24.00	26.00	12.0:1
Change	0.0	0.08	0.08	

**2011 NET OPERATING BUDGET BY SECTION**

**GM, Finance & Support Services**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Draft Budget	2010 Budget / 2011 Draft	
					\$	%
Cartographic & Graphic Services	574,287	630,998	626,945	626,945	52,658	9.2%
Finance & Support Services	550,222	563,895	541,258	541,258	(8,964)	(1.6)%
GM Office	1,726,521	1,696,260	1,755,427	1,755,427	28,906	1.7%
<b>NET LEVY</b>	<b>2,851,030</b>	<b>2,891,153</b>	<b>2,923,630</b>	<b>2,923,630</b>	<b>72,599</b>	<b>2.5%</b>

**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>GM, Finance &amp; Support Services</b>							
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Savings Options</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
						<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	2,201,292	2,238,998	2,289,815	0	2,289,815	88,523	4.0%
<i>MATERIAL AND SUPPLY</i>	105,303	133,517	105,583	0	105,583	280	0.3%
<i>BUILDING AND GROUND</i>	8,801	6,729	5,370	0	5,370	(3,431)	(39.0)%
<i>CONSULTING</i>	15,000	44,945	15,000	0	15,000	0	0.0%
<i>CONTRACTUAL</i>	357,407	235,908	346,097	0	346,097	(11,310)	(3.2)%
<i>RESERVES / RECOVERIES</i>	109,722	255,170	28,673	0	28,673	(81,049)	(73.9)%
<i>COST ALLOCATIONS</i>	171,727	143,275	219,278	0	219,278	47,551	27.7%
<i>FINANCIAL</i>	0	673	0	0	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>2,969,251</b>	<b>3,059,214</b>	<b>3,009,816</b>	<b>0</b>	<b>3,009,816</b>	<b>40,564</b>	<b>1.4%</b>
<i>FEES AND GENERAL</i>	(46,000)	(22,489)	(4,000)	0	(4,000)	42,000	91.3%
<i>RESERVES</i>	(72,221)	(145,572)	(82,186)	0	(82,186)	(9,965)	(13.8)%
<b>TOTAL REVENUES</b>	<b>(118,221)</b>	<b>(168,061)</b>	<b>(86,186)</b>	<b>0</b>	<b>(86,186)</b>	<b>32,035</b>	<b>27.1%</b>
<b>NET LEVY</b>	<b>2,851,030</b>	<b>2,891,153</b>	<b>2,923,630</b>	<b>0</b>	<b>2,923,630</b>	<b>72,599</b>	<b>2.5%</b>

## 2011 MAJOR COST DRIVERS

- Employee related costs (merit increases and increases in OMERS, Gov't benefits and employer benefits) - \$88K
- Eliminate recoveries from Sale of Service in C&G - \$42K



# Building Services



**PROFILE**

Ensure the safety of buildings with reference to public health, fire protection, accessibility and structural sufficiency through permitting and inspections pursuant to the O.B.C. and related By-laws.

- Issue permits (6,782)
- Conduct inspections – new construction permits and enforcement (75,156)
- Respond to complaints (Building/pool enclosure/site alteration) (1,659)
- Investigate unsafe/damaged buildings
- Carry out zoning examination and provide interpretations
- Issue Property Reports (2,206)
- Support City's Loan Initiatives – (Estimating, contract approvals, inspections)
- Enforce
  - Marijuana Grow-op By-law
  - Swimming Pool Enclosure By-law
  - Site Alteration By-law



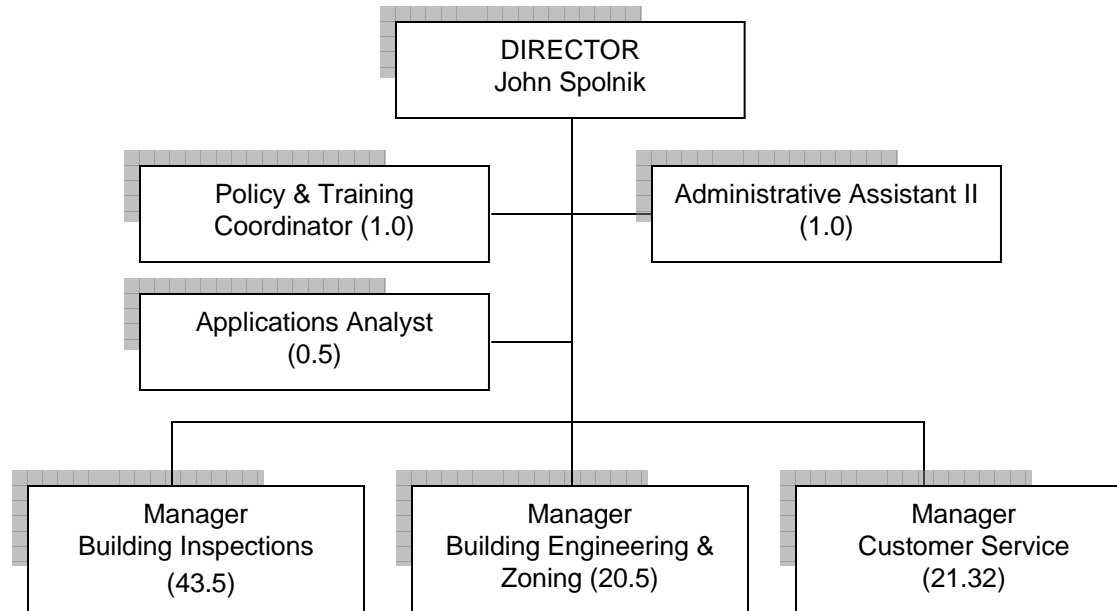


**PROFILE****Building Enterprise Model**

- Initiated in 2001
- All costs (direct/indirect) associated with administering and enforcing the Ontario Building Code Act are recovered through fees (permits)
- No tax levy support
- Approximately 80% Enterprise 20% Levy

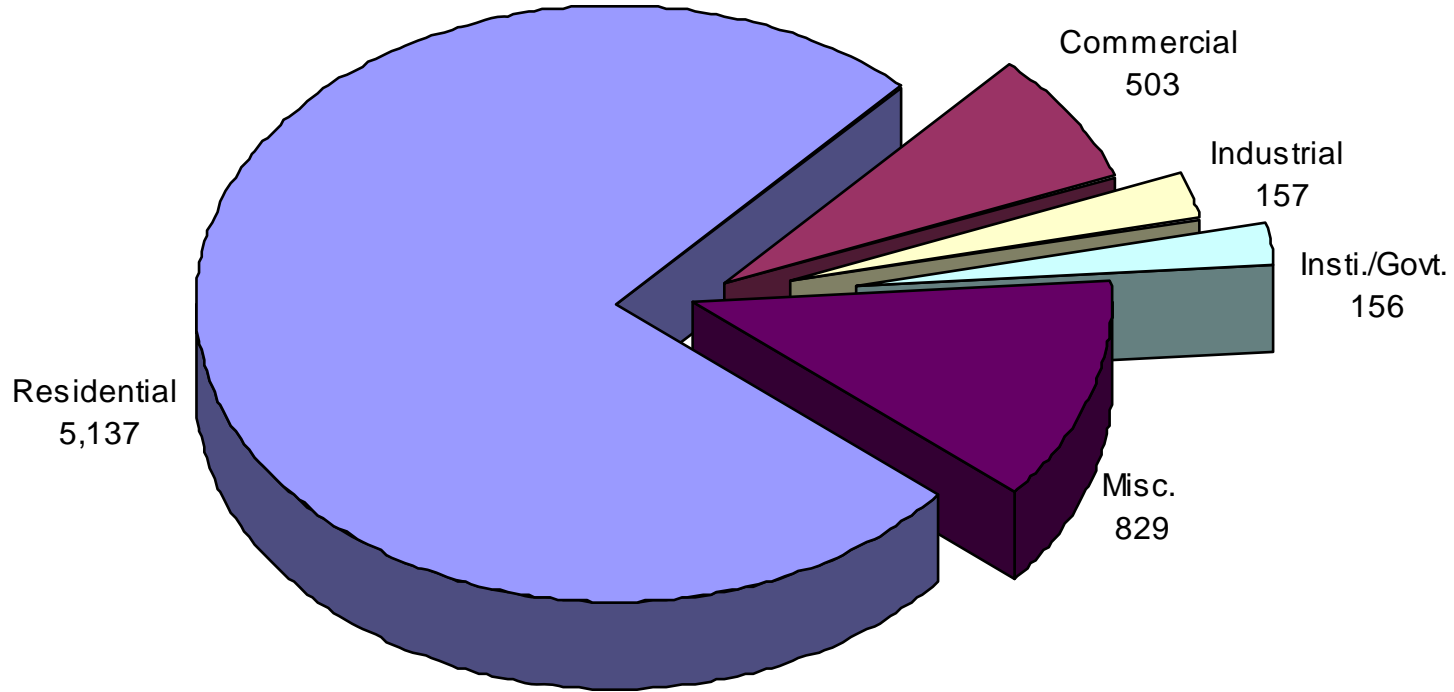


**OVERVIEW**



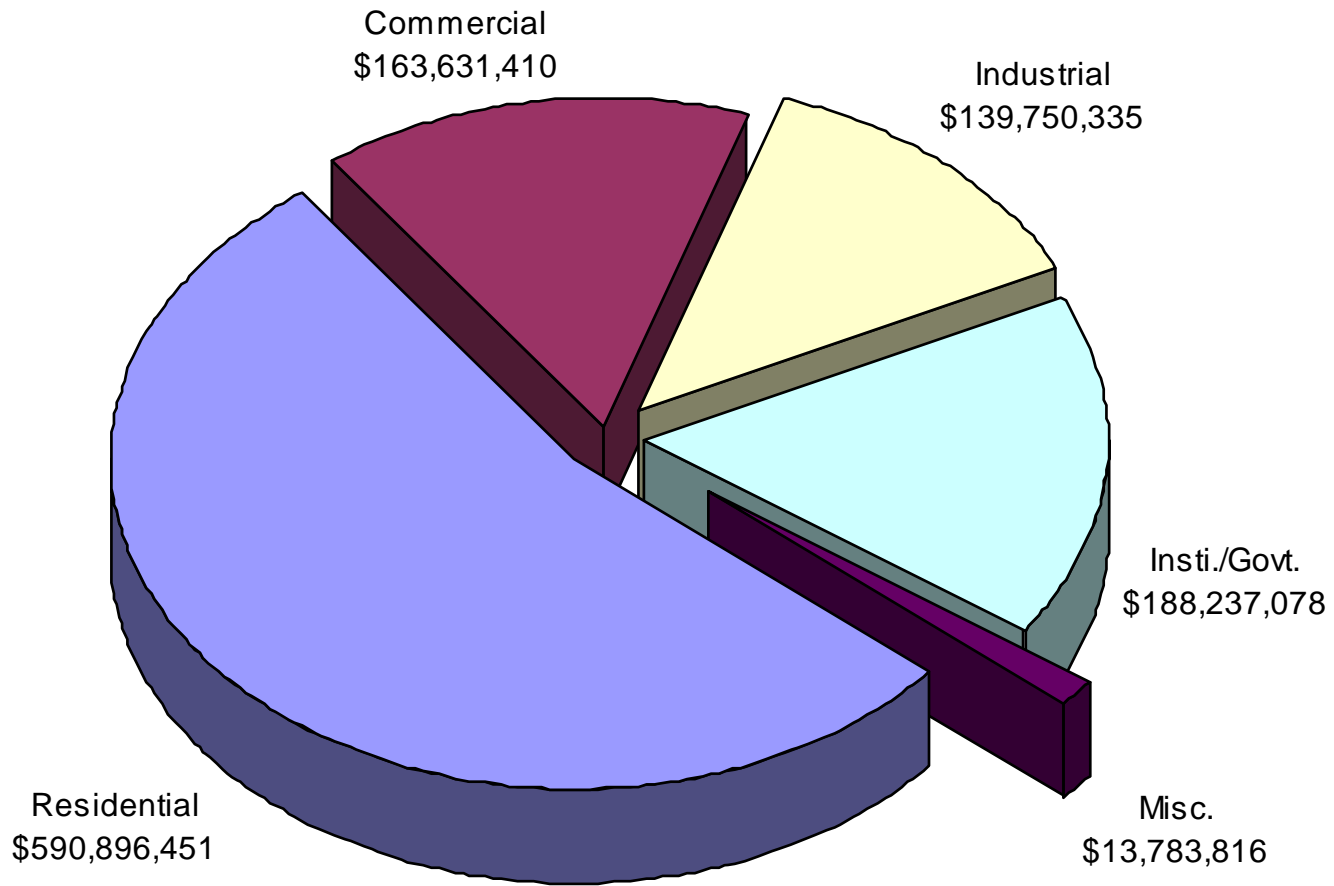
Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	4.0	84.72	88.72	21.2:1
2011	4.0	84.82	88.82	21.2:1
Change	0.0	0.10	0.10	

Number of Building Permits Issued in 2010



Total Permits Issued: 6,782

**Value of Building Permits Issued in 2010**



**Total YTD Value: \$ 1.096 Billion**



## WORKLOAD CHALLENGES

- Increase in workload associated with permit issuance, inspection and enforcement related to new installations of Backflow Prevention Devices (up to 8,000 devices at 4,000 properties)
- Workload as a result of record breaking permit numbers in 2010 (inspections).
- Increased pressure on training and recertification associated with new Building Code (2012).



**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Building Services</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	8,201,241	7,723,103	8,256,129	8,256,129	54,888	0.7%
<i>MATERIAL AND SUPPLY</i>	153,340	141,379	129,300	129,300	(24,040)	(15.7)%
<i>VEHICLE EXPENSES</i>	150,800	116,319	132,590	132,590	(18,210)	(12.1)%
<i>BUILDING AND GROUND</i>	22,290	12,729	15,400	15,400	(6,890)	(30.9)%
<i>CONSULTING</i>	0	10,644	0	0	0	0.0%
<i>CONTRACTUAL</i>	177,490	180,761	177,829	177,829	339	0.2%
<i>RESERVES / RECOVERIES</i>	397,178	4,769,704	476,456	476,456	79,278	20.0%
<i>COST ALLOCATIONS</i>	321,332	291,736	373,848	373,848	52,516	16.3%
<i>FINANCIAL</i>	14,000	21,163	14,000	14,000	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>9,437,670</b>	<b>13,267,539</b>	<b>9,575,552</b>	<b>9,575,552</b>	<b>137,881</b>	<b>1.5%</b>
<i>FEES AND GENERAL RESERVES</i>	(8,231,900)	(12,387,762)	(8,529,485)	(8,529,485)	(297,585)	(3.6)%
<i>RESERVES</i>	(110,610)	(107,310)	(76,428)	(76,428)	34,182	30.9%
<b>TOTAL REVENUES</b>	<b>(8,342,510)</b>	<b>(12,495,072)</b>	<b>(8,605,913)</b>	<b>(8,605,913)</b>	<b>(263,403)</b>	<b>(3.2)%</b>
<b>NET LEVY</b>	<b>1,095,160</b>	<b>772,467</b>	<b>969,639</b>	<b>969,639</b>	<b>(125,522)</b>	<b>(11.5)%</b>

## 2011 MAJOR COST DRIVERS

- Employee related costs (increases in OMERS, Gov't benefits and employer benefits) - \$100K (gross)
- Increase in insurance, fuel and funding to vehicle reserve due to purchase of 9 hybrid vehicles for Building Inspectors - \$72K (gross) Offset by decreased mileage costs



# Downtown & Community Renewal





## Downtown & Community Renewal Profile

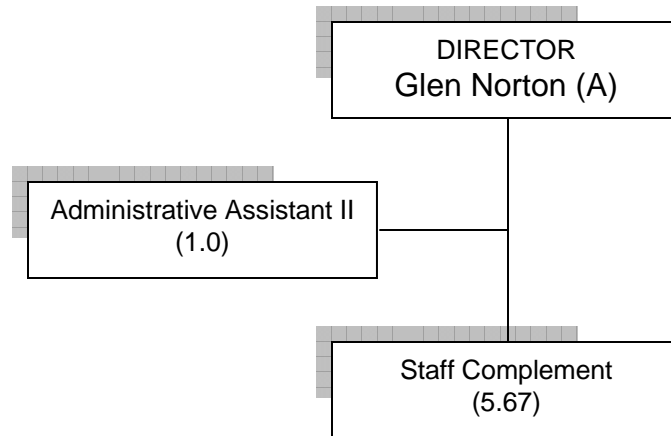
**“ To provide the public, business improvement areas (BIAs), businesses, developers and City departments with a one-window approach to various programs and incentives for the renewal and regeneration of our downtowns, BIAs and selected historic corridors and, promoting implementation of approved Waterfront plans through incentives, development engagement and facilitation.”**

***This mandate is under review currently and the Division is being integrated into Economic Development.***

Function:

- Financial Incentive Programs  
*(Housing loans: \$13,594,000 in loans - \$8,985,000 repaid to date;  
 Façade grants: \$1,651,730 granted to date - leveraged \$3,804,535 in property investment)*
- Hamilton Realty Capital Corporation
- Studies and plans for specific geographic areas  
*(DT Employment Survey, DT Office Strategy, DT Profile)*
- Implementation of plans for Downtown, BIAs and the Waterfront  
*(DSP, BIA Commercial Assessments)*
- Design and project manage capital projects for community downtowns and BIAs  
*(BIA gateways, Binbrook Parkette, Ancaster Square, Dundas Memorial Square)*
- Facilitates real estate transactions in designated areas

**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff/Mgt Ratio
<b>2010</b>	1.0	8.47	9.47	8.47:1
<b>2011</b>	1.0	6.67	7.67	6.67:1
<b>Change</b>	0.0	(1.80)	(1.80)	

**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Downtown &amp; Community Renewal</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	960,354	894,254	821,908	821,908	(138,445)	(14.4)%
<i>MATERIAL AND SUPPLY</i>	12,980	24,025	11,550	11,550	(1,430)	(11.0)%
<i>BUILDING AND GROUND</i>	2,070	4,057	2,040	2,040	(30)	(1.4)%
<i>CONSULTING</i>	51,570	35,000	42,930	42,930	(8,640)	(16.8)%
<i>CONTRACTUAL</i>	39,316	80,928	30,790	30,790	(8,526)	(21.7)%
<i>AGENCIES and SUPPORT PYMNTS</i>	755,720	185,455	391,720	391,720	(364,000)	(48.2)%
<i>RESERVES / RECOVERIES</i>	8,160	9,093	15,590	15,590	7,430	91.1%
<i>COST ALLOCATIONS</i>	(104,960)	(107,990)	(273,193)	(273,193)	(168,233)	(160.3)%
<i>FINANCIAL</i>	370,760	151,049	520,569	520,569	149,809	40.4%
<b>TOTAL EXPENDITURES</b>	<b>2,095,969</b>	<b>1,275,870</b>	<b>1,563,904</b>	<b>1,563,904</b>	<b>(532,065)</b>	<b>(25.4)%</b>
<i>FEES AND GENERAL</i>	(101,830)	(25,918)	(76,018)	(76,018)	25,812	25.3%
<i>RESERVES</i>	(883,410)	(116,735)	(394,700)	(394,700)	488,710	55.3%
<b>TOTAL REVENUES</b>	<b>(985,240)</b>	<b>(142,653)</b>	<b>(470,718)</b>	<b>(470,718)</b>	<b>514,522</b>	<b>52.2%</b>
<b>NET LEVY</b>	<b>1,110,729</b>	<b>1,133,218</b>	<b>1,093,186</b>	<b>1,093,186</b>	<b>(17,543)</b>	<b>(1.6)%</b>

## 2011 MAJOR COST DRIVERS

- Reduction in application fees anticipated for 60% completion of development projects under the Hamilton Downtown Multi-Residential Loan Program and Commercial Corridor Housing Loan and Grant Program
- BIA Charge-backs (parking surplus revenue sharing)



# Economic Development & Real Estate



## PRIMARY FUNCTIONS & RESPONSIBILITIES

- ***Business Development***
  - Business Retention & Expansion
  - Business Attraction
  - Small Business Development (SBEC)
  - Hamilton Technology Centre
  - Hamilton Film Office
  - Hamilton Brownfields Office
  - Marketing & Promotion
  - Economic Statistics & Research

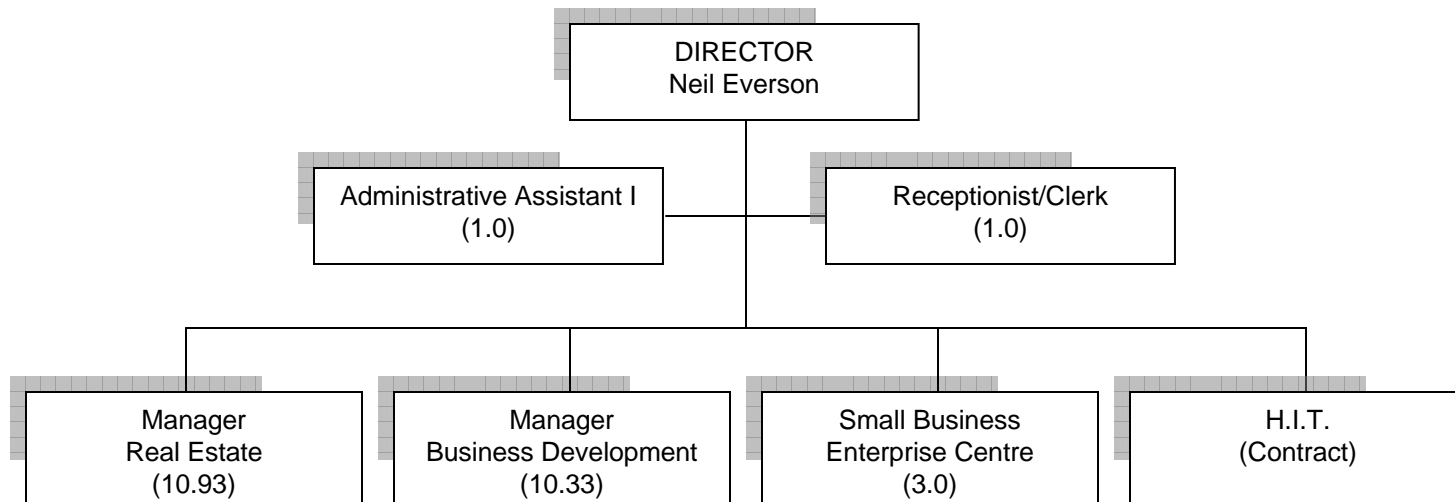


## PRIMARY FUNCTIONS & RESPONSIBILITIES

- ***Real Estate***
  - All land & property acquisitions for the City
  - Disposition (sale/lease) of all City surplus assets
  - Negotiation of major leases for accommodations and other purposes
  - Internal appraisals required for all property related matters
  - Provide real estate service to client departments (i.e. advice & input on capital budgets)
  - Undertake revenue maximization strategy on disposition of City land holdings (i.e. Grange School)
  - Municipal expropriations
  - Cash-in-lieu of all parkland dedications



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	3.0	24.26	27.26	8.09:1
2011	3.0	24.26	27.26	8.09:1
Change	0.0	0.0	0.0	



## 2011 STAFFING – REAL ESTATE

- ***REAL ESTATE***

- Total Complement = 10.93
- Vacant & Student = 2 PT
- # of positions funded by “levy” = 5
- # of positions “non-levy “ funded = 6 \*

*(\*including a Senior Planner & Solicitor that do not appear in Division org charts)*



**2011 NET OPERATING BUDGET BY SECTION**

**Economic Development & Real Estate**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Draft Budget	2010 Budget / 2011 Draft	
					\$	%
Business Development	1,533,765	1,615,111	1,461,392	1,461,392	(72,373)	(4.7)%
HIT Operations	43,045	2,762	50,158	50,158	7,113	16.5%
Real Estate	607,681	667,997	597,189	597,189	(10,492)	(1.7)%
SBEC	129,413	87,835	95,733	95,733	(33,680)	(26.0)%
<b>NET LEVY</b>	<b>2,313,904</b>	<b>2,373,704</b>	<b>2,204,473</b>	<b>2,204,473</b>	<b>(109,431)</b>	<b>-4.7%</b>

**2011 NET OPERATING BUDGET BY COST CATEGORY**

**Economic Development & Real Estate**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Draft Budget	2010 Budget / 2011 Draft	
					\$	%
<i>EMPLOYEE RELATED COST</i>	2,630,134	2,593,762	2,692,103	2,692,103	61,969	2.4%
<i>MATERIAL AND SUPPLY</i>	162,135	218,294	183,065	183,065	20,930	12.9%
<i>BUILDING AND GROUND</i>	102,720	103,984	104,970	104,970	2,250	2.2%
<i>CONTRACTUAL</i>	488,018	565,771	403,285	403,285	(84,733)	(17.4)%
<i>RESERVES / RECOVERIES</i>	128,752	135,797	123,171	123,171	(5,581)	(4.3)%
<i>COST ALLOCATIONS</i>	(265,452)	(281,703)	(329,717)	(329,717)	(64,265)	(24.2)%
<i>FINANCIAL</i>	91,760	88,849	91,760	91,760	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>3,338,067</b>	<b>3,424,754</b>	<b>3,268,637</b>	<b>3,268,637</b>	<b>(69,430)</b>	<b>(2.1)%</b>
<i>FEES AND GENERAL</i>	(507,933)	(595,244)	(513,683)	(513,683)	(5,750)	(1.1)%
<i>GRANTS AND SUBSIDIES</i>	(102,750)	(160,869)	(112,750)	(112,750)	(10,000)	(9.7)%
<i>RESERVES</i>	(413,480)	(294,938)	(437,731)	(437,731)	(24,251)	(5.9)%
<b>TOTAL REVENUES</b>	<b>(1,024,163)</b>	<b>(1,051,050)</b>	<b>(1,064,164)</b>	<b>(1,064,164)</b>	<b>(40,001)</b>	<b>(3.9)%</b>
<b>NET LEVY</b>	<b>2,313,904</b>	<b>2,373,704</b>	<b>2,204,473</b>	<b>2,204,473</b>	<b>(109,431)</b>	<b>(4.7)%</b>

## 2011 MAJOR CHALLENGES & COST DRIVERS

- ***Challenges***

- Staff resources (1 FTE) for LRT related property negotiations, acquisitions and expropriations
- Succession Planning in Real Estate in next 1 – 3 years
- Requirement for 1 additional FTE to handle volume at relocated SBEC

- ***Cost Drivers***

- Energy & Maintenance Costs Hamilton Technology Centre



**DIVISION REVENUES & SAVINGS****• SMALL BUSINESS ENTERPRISE CENTRE**

- Province : MEDT = \$110,000
- Federal: CBO = \$ 2,750
- Self Employment Training = \$ 52,360
- Royal Bank = \$ 7,500
- Others = \$ 9,550
- ***Sub-Total*** = **\$ 182,160**



**DIVISION REVENUES & SAVINGS**

- ***HAMILTON TECHNOLOGY CENTRE***
  - Fees and Lease Revenues per year = **\$296,405**
  
- ***BUSINESS DEVELOPMENT***
  - Estimated Property Taxes Generated in 2010
  - **\$4,633,198 \* (\$1,926,303 – Existing Buildings)**
  - *\* denotes estimate only, many of these developments have yet to be assessed by MPAC*



**DIVISION REVENUES & SAVINGS****• REAL ESTATE**

- Commission saved on leases/licenses = \$ 425,387\*
- Commission saved on Land purchases = \$ 672,931
- Commission saved on Land Sales = \$ 275,540
- Savings on Internal Appraisals = \$ 80,000
- ***Sub-Total*** = **\$1,453,858**



# Growth Management





Profile

- We coordinate the orderly development of land ensuring the city receives timely and effective assessment growth.

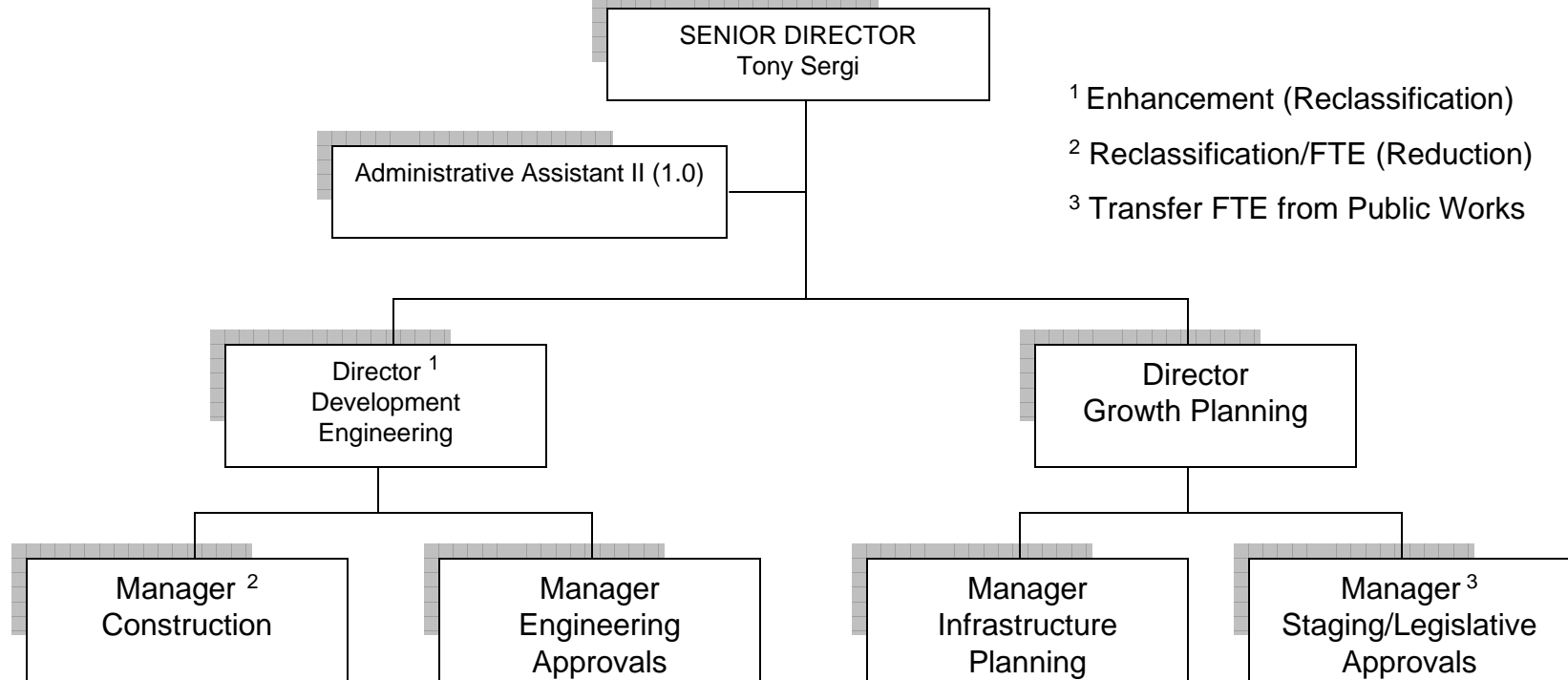


## Major Services Provided:

- Staging of development program
- Budgeting for growth related projects
- DC background study
- Engineering approvals
- Construction management
- Shovel ready initiatives – industrial parks
- Legislative approvals
- Infrastructure planning and environmental assessments
- Airport lease Administration



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	4.0	36.5	40.5	9.12:1
2011	4.0	36.5	40.5	9.12:1
Change	0.0	36.5	40.5	
Transition	7.0	37.5	44.5	5.35:1

**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Growth Management</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	3,764,320	3,492,948	3,827,669	3,827,669	63,350	1.7%
<i>MATERIAL AND SUPPLY</i>	76,310	77,179	76,310	76,310	(0)	(0.0)%
<i>VEHICLE EXPENSES</i>	34,100	28,938	35,970	35,970	1,870	5.5%
<i>BUILDING AND GROUND</i>	11,180	10,957	8,150	8,150	(3,030)	(27.1)%
<i>CONSULTING</i>	70,000	19,625	70,000	70,000	0	0.0%
<i>CONTRACTUAL</i>	5,373	11,569	5,406	5,406	33	0.6%
<i>RESERVES / RECOVERIES</i>	92,762	87,325	90,994	90,994	(1,768)	(1.9)%
<i>COST ALLOCATIONS</i>	(459,312)	(288,852)	(462,908)	(462,908)	(3,596)	(0.8)%
<i>FINANCIAL</i>	22,540	7,065	7,300	7,300	(15,240)	(67.6)%
<b>TOTAL EXPENDITURES</b>	<b>3,617,272</b>	<b>3,446,753</b>	<b>3,658,891</b>	<b>3,658,891</b>	<b>41,619</b>	<b>1.2%</b>
<i>FEES AND GENERAL</i>	(1,893,760)	(3,073,813)	(2,136,820)	(2,136,820)	(243,060)	(12.8)%
<i>RESERVES</i>	(2,536,025)	(1,002,226)	(2,343,797)	(2,343,797)	192,228	7.6%
<b>TOTAL REVENUES</b>	<b>(4,429,785)</b>	<b>(4,076,038)</b>	<b>(4,480,617)</b>	<b>(4,480,617)</b>	<b>(50,832)</b>	<b>(1.1)%</b>
<b>NET LEVY</b>	<b>(812,513)</b>	<b>(629,286)</b>	<b>(821,726)</b>	<b>(821,726)</b>	<b>(9,213)</b>	<b>(1.1)%</b>

## Challenges for 2011

- 3 – 5 yrs project life span from design approval to final acceptance. No new fees.
- Economy – shift in type of activity – slow economy focus on LCs, acceptance and approvals – no construction activity – major reduction in fees
- Staffing and succession planning
- Transfer of Grading and Site Plan Acceptance



Challenges continued

- Training (MOE) – required 50 hrs/year/person
- Complexity of process/project – iterative and duration – need of specialists
- OMB appeals



Challenges continued

- Sustainability of the reserve
- Capital cost recovery for new staff transfer from PW
- User fees vs. type of application vs. staffing requirements
- Activity level vs. available DC capital



## Moving forward - Options

- Comprehensive user fee review including process review
- Integration of skill sets  
EA/SWM/Transportation
- Coordinated works with development
- Diversification of funding sources based on economy
- Flexibility to shift staff to high demand areas
- Move to sustainable business units model





Funding Sources

- User Fees
- Rates
- Capital cost recoveries
- Reserve



# Parking & By-law Services



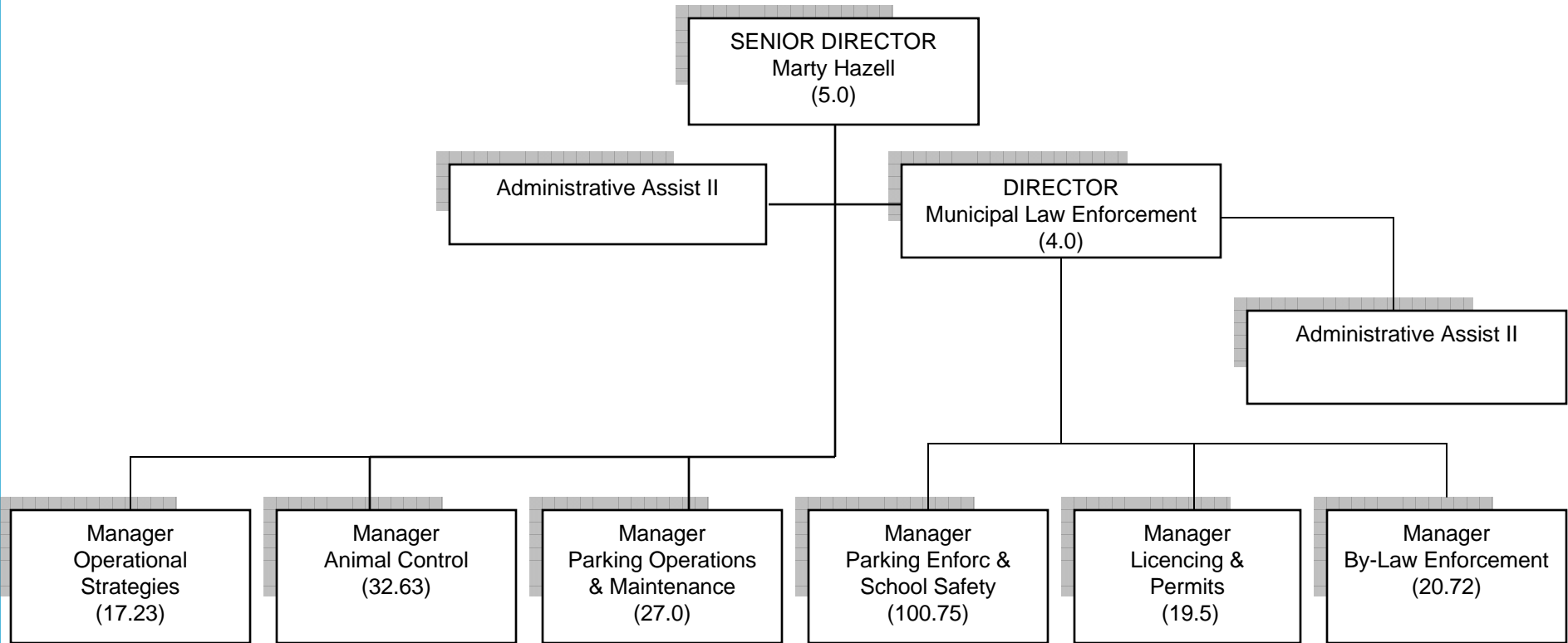
### PURPOSE

#### **Directly affect Community quality of life/health & safety:**

- **municipal law enforcement** (50+ By-laws)
- **parking enforcement & towing operations** (180,000 tags/500+ tows)
- **First Attendance Facility** (parking tag adjudication/prosecution - POA)
- **parking operations & maintenance** (on-street/off-street parking)
- **business & taxi licensing** (7,980 licenses)
- **property standards/maintenance** (10,500 complaints)
- **school crossing guards** (247)
- **animal control** (licensing/enforcement/shelter)



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff/Mgt Ratio
2010	8.0	219.83	227.83	27.5:1
2011	8.0	219.83	227.83	27.5:1
Change	0.0	0.0	0.0	

### PROFILE

- **multi-functional workforce (406 full/pt-time)**  
(inspection, enforcement, technical, prosecutorial, administrative, customer service, crossing guards, etc)
- **5 workplaces** (City Hall, Summers Lane, City Center, Dartnall, Wentworth)
- **Hamilton Municipal Parking System self-sustaining** (no levy funding)
- **65 parking lots/structures; asset mgmt \$20m property values**
- **\$15m annually cash collection/handling**



## Parking & By-Law Services

### PROFILE

#### Contractual Service Providers:

- Animal Control = **\$109,885** (reduced \$100,000)
- Commissionaires = **\$630,000** (\$1.5+m revenues)
- Parking Security/Cashiering = **\$319,200** (reduced \$14,500)



## 2011 MAJOR COST DRIVERS

- **employee costs - \$315k**
- **lost fines - private lot enforcement - \$300k**
- **BIA's revenue sharing initiative - \$167k**
- **"free" Veteran parking - \$75k**
- **technology updates - \$59k**
- **PW chargebacks (signage) - \$50k**
- **lost meter revenue - York Blvd two-way conversion - \$40k**

**2011 → \$1 million+ pressures**



**2011 NET OPERATING BUDGET BY SECTION**

**Parking & By-law Services**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Savings Options	2011 Draft Budget	2010 Budget / 2011 Draft	
						\$	%
Animal Control	2,474,954	2,625,128	2,342,404	0	2,342,404	(132,550)	(5.4)%
Director	756,073	463,045	806,012	0	806,012	49,939	6.6%
Ham Municipal Parking System	(1,924,934)	(2,072,387)	(1,926,158)	0	(1,926,158)	(1,223)	(0.1)%
Municipal Law Enforcement	1,661,773	1,841,951	1,765,915	(31,165)	1,734,750	72,977	4.4%
School Crossing	2,003,655	2,027,295	2,040,413	0	2,040,413	36,759	1.8%
<b>NET LEVY</b>	<b>4,971,520</b>	<b>4,885,031</b>	<b>5,028,586</b>	<b>(31,165)</b>	<b>4,997,421</b>	<b>25,901</b>	<b>0.5%</b>



**2011 NET OPERATING BUDGET BY COST CATEGORY**

**Parking & By-law Services**

	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Savings Options	2011 Draft Budget	2010 Budget / 2011 Draft	
						\$	%
<i>EMPLOYEE RELATED COST</i>	13,945,795	14,398,107	14,729,078	0	14,729,078	783,283	5.6%
<i>MATERIAL AND SUPPLY</i>	582,350	618,772	608,520	0	608,520	26,170	4.5%
<i>VEHICLE EXPENSES</i>	412,200	347,928	462,740	0	462,740	50,540	12.3%
<i>BUILDING AND GROUND</i>	676,398	791,057	691,236	0	691,236	14,838	2.2%
<i>CONSULTING</i>	15,730	27,392	15,730	0	15,730	0	0.0%
<i>CONTRACTUAL</i>	2,078,758	1,595,559	2,071,757	0	2,071,757	(7,001)	(0.3)%
<i>RESERVES / RECOVERIES</i>	1,458,874	1,898,680	1,535,685	0	1,535,685	76,811	5.3%
<i>COST ALLOCATIONS</i>	831,806	864,042	1,108,903	0	1,108,903	277,097	33.3%
<i>FINANCIAL</i>	1,072,970	1,072,359	1,248,597	0	1,248,597	175,627	16.4%
<i>CAPITAL EXPENDITURES</i>	0	154	0	0	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>21,074,881</b>	<b>21,614,049</b>	<b>22,472,247</b>	<b>0</b>	<b>22,472,247</b>	<b>1,397,366</b>	<b>6.6%</b>
<i>FEES AND GENERAL</i>	(15,961,431)	(16,160,001)	(16,658,313)	(31,165)	(16,689,478)	(728,047)	(4.6)%
<i>GRANTS AND SUBSIDIES</i>	0	(2,793)	0	0	0	0	0.0%
<i>RESERVES</i>	(141,930)	(566,224)	(785,348)	0	(785,348)	(643,418)	(453.3)%
<b>TOTAL REVENUES</b>	<b>(16,103,361)</b>	<b>(16,729,017)</b>	<b>(17,443,661)</b>	<b>(31,165)</b>	<b>(17,474,826)</b>	<b>(1,371,465)</b>	<b>(8.5)%</b>
<b>NET LEVY</b>	<b>4,971,520</b>	<b>4,885,031</b>	<b>5,028,586</b>	<b>(31,165)</b>	<b>4,997,421</b>	<b>25,901</b>	<b>0.5%</b>



## Parking & By-law Services

### FUNDING SOURCES

- **User Fees & Revenues = 74.3%** (\$16,689,478)
- **Reserves = 3.5%** (\$785,348)
  - Pilot Proactive Enforcement - \$407,178 (Parking Reserve)
  - Kennel Renovations - \$23,000 (Animal Control Reserve)
  - Vital Services - \$83,408 (Tax Stabilization Reserve)
  - Lost Parking Revenues (Off-street lots) - \$250,000 (Tax Stabilization Reserve)
- **Balance from Levy = 22.2%** (\$4,997,421)



### WORKLOAD CHALLENGES

- **animal control by-law charges 100% increase** (390 - 785 (09 to 10))
- **MLE by-law charges 800% increase** (59 - 473 (07 to 10))
- **licenses 500+** (7,460 - 7,980 (08 to 10))
- **vacant building protocol** (180+ buildings)
- **animal cadaver pick up 37% increase** (2,455 - 3,373 (09 to 10))
- **\$100,000 reduction - eliminate/downsize animal control contracts**
- **increased public complaints 25 - 30%** (14,500 - 17,800/18,800 since 08)



**REQUESTED INFORMATION**

**Overtime & Stand By/Call Out:**

- Overtime**  
2010 = \$46,510  
2011 = \$24,860      (\$21,650) or 46.5%
  
- Standby/Call Out**  
2010 = \$152,600  
2011 = \$105,000      (\$47,600) or 31.2%

# Planning



**PROFILE****•Purpose / Function**

- To provide efficient and effective programs and services which contribute to quality development, quality of life, and a good business environment for our community

**•Services Provided**

- The Division provides the delivery of the Development and Community Planning Programs in accordance with City and Provincial guidelines encompassing the following functions:

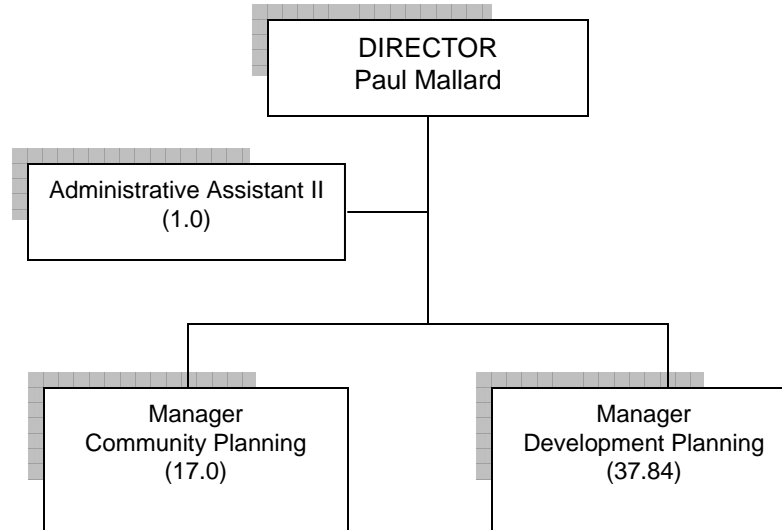
- Development Planning processed all Development Applications under the Planning Act which for 2010 included 16 OPAs, 51 ZA, 160 Site Plans, 5 Subdivisions, 19 Condominiums, 183 Consents, 313 Minor Variances, and 44 Part Lot Control



- Community Planning completed Secondary Plans for Waterdown South and Trinity West
- Urban Design completed York Boulevard Streetscape Master Plan and Urban Braille Standards for New Site Plans
- Cultural Heritage and Natural Heritage Planning processed 80 Heritage Permits, 3 Heritage Fund and 6 CHIRP applications; and, completed Tree Protection Guidelines
- Business Facilitation implemented “One-Stop Shopping” model at new City Hall



**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	3.0	53.84	56.84	17.95:1
2011	3.0	53.84	56.84	17.95:1
Change	0.0	0.0	0.0	



**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Planning</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	4,961,308	4,441,281	5,033,326	5,033,326	72,018	1.5%
<i>MATERIAL AND SUPPLY</i>	98,884	79,184	98,884	98,884	0	0.0%
<i>BUILDING AND GROUND</i>	13,340	16,277	9,690	9,690	(3,650)	(27.4)%
<i>CONSULTING</i>	30,000	25,378	30,000	30,000	0	0.0%
<i>CONTRACTUAL</i>	35,397	118,519	35,419	35,419	22	0.1%
<i>AGENCIES and SUPPORT PYMNTS</i>	0	73,505	0	0	0	0.0%
<i>RESERVES / RECOVERIES</i>	91,911	263,906	92,917	92,917	1,006	1.1%
<i>COST ALLOCATIONS</i>	405,856	24,533	373,663	373,663	(32,193)	(7.9)%
<i>FINANCIAL</i>	38,860	27,925	38,860	38,860	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>5,675,556</b>	<b>5,070,508</b>	<b>5,712,759</b>	<b>5,712,759</b>	<b>37,203</b>	<b>0.7%</b>
<i>FEES AND GENERAL</i>	(2,156,480)	(1,988,956)	(2,301,310)	(2,301,310)	(144,830)	(6.7)%
<i>RESERVES</i>	(928,454)	(784,530)	(820,827)	(820,827)	107,627	11.6%
<b>TOTAL REVENUES</b>	<b>(3,084,934)</b>	<b>(2,773,485)</b>	<b>(3,122,137)</b>	<b>(3,122,137)</b>	<b>(37,203)</b>	<b>(1.2)%</b>
<b>NET LEVY</b>	<b>2,590,622</b>	<b>2,297,023</b>	<b>2,590,622</b>	<b>2,590,622</b>	<b>(0)</b>	<b>(0.0)%</b>

## 2011 MAJOR COST DRIVERS

- Employee related costs (increases in OMERS, Gov't benefits and employer benefits) - \$61K



- **Challenges**
- Managing vacancies to adapt to development activity and minimize draw on Reserves affecting Work Program
- Intensification – managing public and development industry concerns
  - and education
- New Legislation (e.g. PPS review)
- Increased delivery of On-line Services



**Development Activity – 2008, 2009, 2010 (YTD End of Dec.)**

<b>DEVELOPMENT APPLICATIONS RECEIVED</b>			
<b>APPLICATION TYPE</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Official Plan Amendment	21	18	16
Re-zonings	92	56	51
Site Plans	162	138	160
Plans of Subdivision	14	14	5
Condominiums	17	11	19
Consents	169	105	183
Minor Variances	333	349	313
Part Lot Control	33	24	44
<b>TOTAL</b>	<b>841</b>	<b>715</b>	<b>791</b>



# Strategic Services/Special Projects



**STRATEGIC SERVICES & SPECIAL PROJECTS PROFILE**

**Purpose:**

- To provide leadership in land-based information, strategic research and analysis in the formulation and implementation of planning related legislation policies, regulations and programs that support and enhance the sustainability, growth and prosperity of the City.

**Function:**

- Analysis and advice on related Provincial legislation
- New Official Plans
- New Comprehensive Zoning By-law
- Sustainability Programs
- Air Quality Program
- Collection and analysis of information
- Special planning related studies
- Departmental representative on various Corporate/Strategic Initiatives

### 2010 ACCOMPLISHMENTS

- Council approval of new industrial zones
- Transit Oriented Development Guidelines
- Greenhouse Gas Emissions Report
- Clean Air Hamilton Annual Report
- Establishment of an Energy Collaborative
- Negotiations on Rural Official Plan appeals and Urban Official Plan
- Ward profiles, in collaboration with Community Services

## 2011 PROJECTS

### Provincial Initiatives:

- Review and comment on Provincial initiatives (PPS Review, Review of Growth Plan Targets, Transportation Policy Statement)

### Official Plans:

- Sustained resolution of Rural Official Plan appeals
- Scoping of Urban Official Plan appeals

### Zoning:

- Rural Zoning
- Resolution of Industrial Zoning Appeals
- Draft commercial zoning
- Background work on Residential Zoning

### Sustainability:

- Vision 2020 renewal
- Green House Gas monitoring
- Annual Clean Air Report
- Prepare for bi-annual Upwind/Downwind Conference 2012

### Special Projects:

- Intensification Strategy
- Bayfront Industrial Secondary Plan
- LRT Land Use Strategy for B-line Corridor
- Aggregate Resource Strategy

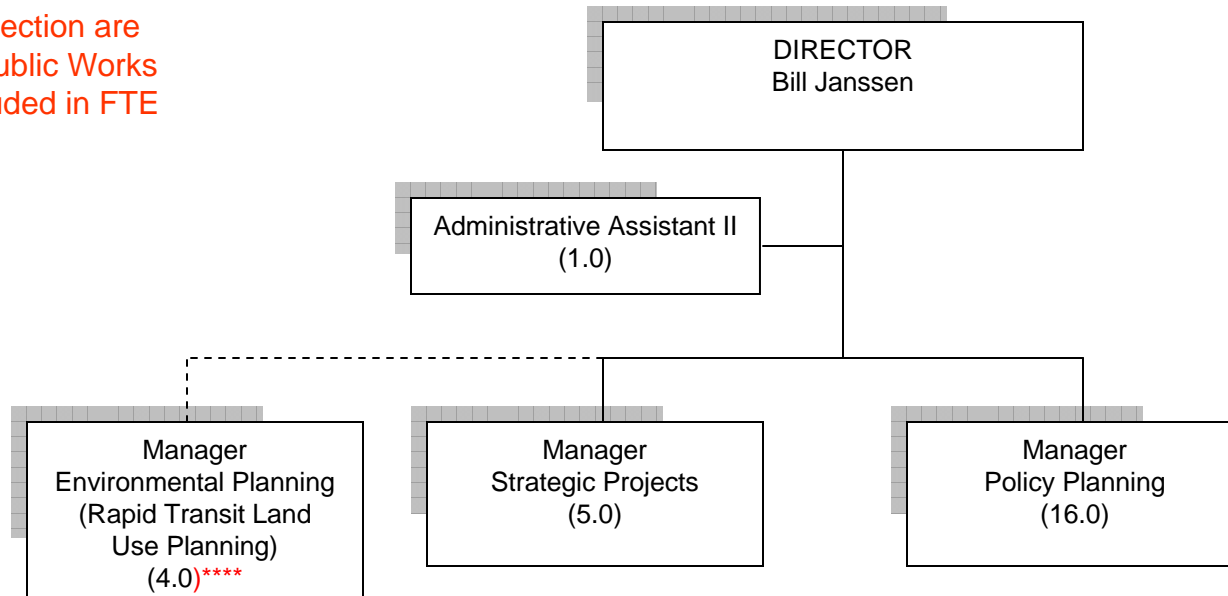
### Participation on City Wide Initiatives:

- Integrated Corporate Planning
- Human Services Planning
- Housing on Homelessness Strategy
- Pan Am Facilities Planning



**OVERVIEW**

\*\*\*\* PLEASE NOTE: 4 FTE in this section are funded by Public Works and not included in FTE complement



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	3.0	20.0	23.0	6.7:1
2011	3.0	20.0	23.0	6.7:1
Change	0.0	0.0	0.0	

**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Strategic Services/Special Projects</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	2,109,734	1,989,680	2,153,795	2,153,795	44,061	2.1%
<i>MATERIAL AND SUPPLY</i>	91,714	187,931	91,714	91,714	0	0.0%
<i>BUILDING AND GROUND</i>	5,520	11,099	3,400	3,400	(2,120)	(38.4)%
<i>CONSULTING</i>	61,430	42,192	56,416	56,416	(5,014)	(8.2)%
<i>CONTRACTUAL</i>	143,004	277,772	143,028	143,028	24	0.0%
<i>RESERVES / RECOVERIES</i>	25,189	42,527	26,772	26,772	1,583	6.3%
<i>COST ALLOCATIONS</i>	0	(19,661)	0	0	0	0.0%
<i>FINANCIAL</i>	22,770	22,737	22,770	22,770	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>2,459,360</b>	<b>2,554,278</b>	<b>2,497,895</b>	<b>2,497,895</b>	<b>38,534</b>	<b>1.6%</b>
<i>FEES AND GENERAL</i>	(1,500)	(30,925)	(1,500)	(1,500)	0	0.0%
<i>GRANTS AND SUBSIDIES</i>	0	(15,381)	0	0	0	0.0%
<i>RESERVES</i>	(1,207,558)	(987,467)	(1,187,353)	(1,187,353)	20,205	1.7%
<b>TOTAL REVENUES</b>	<b>(1,209,058)</b>	<b>(1,033,773)</b>	<b>(1,188,853)</b>	<b>(1,188,853)</b>	<b>20,205</b>	<b>1.7%</b>
<b>NET LEVY</b>	<b>1,250,302</b>	<b>1,520,504</b>	<b>1,309,042</b>	<b>1,309,042</b>	<b>58,739</b>	<b>4.7%</b>

**MAJOR COST DRIVERS**

- Employee related costs (including merit increases, OMERS, Government benefits and employee benefits) - \$44k

Net Levy Funding Sources:

- Of 23 FTEs, 12 are funding from capital
- Special Projects will continue to be funded through specific budget allocations
- Continue to seek funding from outside sources



# Tourism Hamilton



**TOURISM HAMILTON**

**Purpose / Function**

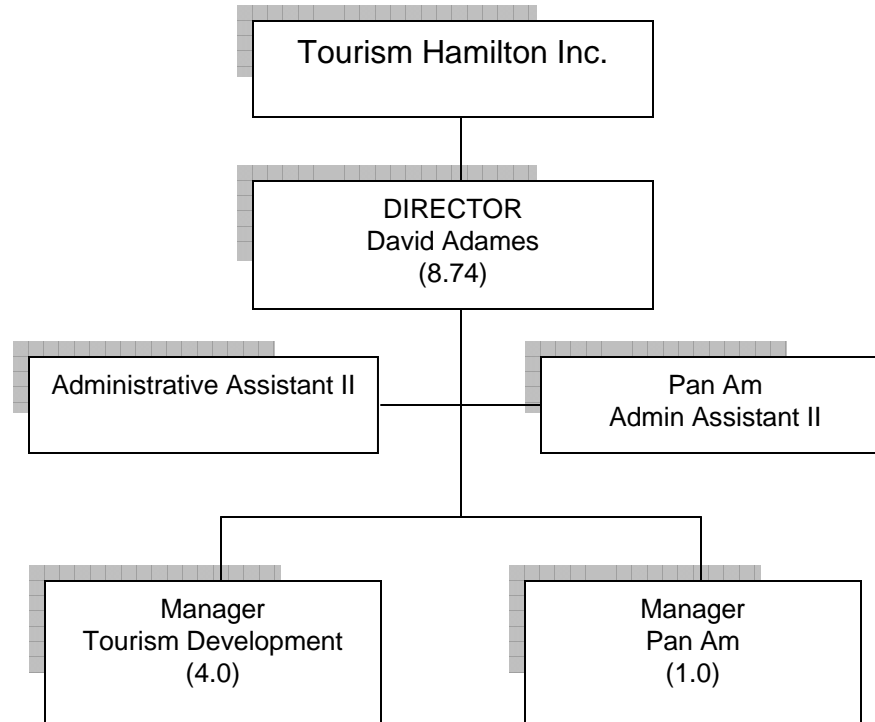
- Tourism supports the work of Tourism Hamilton, whose mission is to be an innovative destination management organization dedicated to significantly increasing new and return tourist visitation to Hamilton

**Services Provided**

- Tourism: working with Tourism Hamilton Board of Directors, provides:
- Tourism destination marketing: to promote Hamilton to provincial, national and international visitors through various activities such as producing an annual marketing plan, coordinating market research, working with travel media, selling Hamilton for conventions and sport events, implementing leisure promotions, executing an interactive strategy (web site, social media and CRM system) and facilitating promotional partnerships among tourism businesses
- Visitor information: for the destination through operation of two tourist information centres, facilitating a volunteer program (Lady Hamilton Club), hosting a web site, answering email, telephone and in-person visitor questions, fulfilling and servicing information to convention and sport event participants
- Destination Management: develop capacity within local tourism industry by offering education and training sessions (ex. Annual Tourism Summit, workshops), hosting Tourism Awards, advocating for tourism in key city developments (ex. Regional initiatives such as establishment of the Regional Tourism Organization, liaising with Ontario Tourism, Canadian Tourism Commission, and working on initiatives such as Pan Am Games, Downtown, waterfront, transportation) and providing consultation services for tourism businesses (ex. Tourism grants, marketing plans)

<b>2010 NET BUDGET</b>	\$ 1,448,140
<b>2011 NET REQUESTED BUDGET</b>	\$ 1,461,391
<b>2011 NET CHANGE</b>	\$ 13,261
<b>2011 FTE</b>	13.74

**OVERVIEW**



Complement (FTE)	Management	Other	Total	Staff to Mgt Ratio
2010	3.0	10.74	13.74	3.58:1
2011	3.0	10.74	13.74	3.58:1
Change	0.0	0.0	0.0	

**2011 NET OPERATING BUDGET BY COST CATEGORY**

<b>Tourism Hamilton</b>						
	<b>2010 Budget</b>	<b>2010 Projected Actual</b>	<b>2011 Base Budget</b>	<b>2011 Draft Budget</b>	<b>2010 Budget / 2011 Draft</b>	
					<b>\$</b>	<b>%</b>
<i>EMPLOYEE RELATED COST</i>	980,531	901,444	958,076	958,076	(22,455)	(2.3)%
<i>MATERIAL AND SUPPLY</i>	107,350	95,089	224,890	224,890	117,540	109.5%
<i>BUILDING AND GROUND</i>	6,000	14,653	4,766	4,766	(1,234)	(20.6)%
<i>CONTRACTUAL</i>	713,609	1,003,425	837,787	837,787	124,178	17.4%
<i>AGENCIES and SUPPORT PYMNTS</i>	50,000	50,000	50,000	50,000	0	0.0%
<i>RESERVES / RECOVERIES</i>	37,262	29,208	41,180	41,180	3,918	10.5%
<i>COST ALLOCATIONS</i>	0	130	80,000	80,000	80,000	100.0%
<i>FINANCIAL</i>	51,028	46,988	43,343	43,343	(7,685)	(15.1)%
<b>TOTAL EXPENDITURES</b>	<b>1,945,780</b>	<b>2,140,938</b>	<b>2,240,041</b>	<b>2,240,041</b>	<b>294,261</b>	<b>15.1%</b>
<i>FEES AND GENERAL</i>	(316,000)	(369,646)	(316,950)	(316,950)	(950)	(0.3)%
<i>GRANTS AND SUBSIDIES</i>	(31,750)	(350,200)	(388,000)	(388,000)	(356,250)	(1122.0)%
<i>RESERVES</i>	(150,000)	(16)	(73,700)	(73,700)	76,300	50.9%
<b>TOTAL REVENUES</b>	<b>(497,750)</b>	<b>(719,862)</b>	<b>(778,650)</b>	<b>(778,650)</b>	<b>(280,900)</b>	<b>(56.4)%</b>
<b>NET LEVY</b>	<b>1,448,030</b>	<b>1,421,075</b>	<b>1,461,391</b>	<b>1,461,391</b>	<b>13,361</b>	<b>0.9%</b>

**2011 NET OPERATING BUDGET BY COST CATEGORY**

**Tourism – Pan Am Games**

	2010 Approved Budget	2010 Budget	2010 Projected Actual	2011 Base Budget	2011 Draft Budget	2010 Budget / 2011 Draft	
						\$	%
<i>EMPLOYEE RELATED COST</i>	0	0	90,717	312,993	312,993	312,993	100.0%
<i>MATERIAL AND SUPPLY</i>	0	0	1,174	0	0	0	0.0%
<i>CONTRACTUAL</i>	0	0	1,359	37,077	37,077	37,077	100.0%
<i>RESERVES / RECOVERIES</i>	110	110	47	110	110	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>110</b>	<b>110</b>	<b>93,297</b>	<b>350,180</b>	<b>350,180</b>	<b>350,070</b>	<b>318245.9%</b>
<i>RESERVES</i>	0	0	(93,187)	(350,180)	(350,180)	(350,180)	(100.0)%
<b>TOTAL REVENUES</b>	<b>0</b>	<b>0</b>	<b>(93,187)</b>	<b>(350,180)</b>	<b>(350,180)</b>	<b>(350,180)</b>	<b>(100.0)%</b>
<b>NET LEVY</b>	<b>110</b>	<b>110</b>	<b>110</b>	<b>0</b>	<b>0</b>	<b>(110)</b>	<b>(99.5)%</b>



## 2011 MAJOR COST DRIVERS

- Employee related costs (merit increases, OMERS, Gov't benefits and employer benefits) – overall costs down due to reduced travel costs in 2011
- Material and Supply: increase is for promotional partnership funding for conventions and sport events, most secured through convention development fund (cost-share program)
- Contractual: Majority of Tourism's marketing initiatives are included in contractual (to deliver 2011 Marketing Plan):
  - Tourist Information Centres (rent, supplies) and Lady Hamilton Club
  - Trade Shows, sales receptions, publications and familiarization tours
  - Leisure promotions including advertising
  - Use of marketing agency of record (media buys for promotions; website work, creative, bid production)
  - off-set with revenues from province and tourism partners
- Cost Allocation: \$80,000 costs for tourism sign program with Public Works (installs; sign manufacture) – off-set with revenues



**2011 REVENUES**

- Fees and General: \$317,000
  - Cooperative marketing initiatives (contribution from tourism partners): \$115K
  - Tourism Sign Program: \$139K
  - Tourism Awards Program: \$62.5K
  
- Grants and Subsidies: \$388,000
  - Provincial Grant to off-set loss of destination marketing fee; funds used for marketing
  
- Reserves: \$74,000
  - Payments for conventions and sport event grants secured in previous years through convention development fund (cost-share program with province and tourism partners)



## CHANGES IN TOURISM IN PROVINCE

- Implementation of Ontario Tourism Competitiveness Study
  - Establishment of regional tourism structure
    - Hamilton part of regional tourism organization 3 – Hamilton-Halton-Brant Regional Tourism Association
    - Tourism Hamilton – acting as “accountable organization” to manage the transition phase in 2010-2011
    - Opportunity: incremental investment in tourism – to help with tourism product development, research and marketing that could not be undertaken at local level and paid by province
    - Examples include: development of a tourism strategy for the region; War of 1812 regional initiative; travel trade marketing; consumer research
  - New 10 year tourism investment strategy
    - Ministry of Tourism and Culture developing plan that we can input projects
  - Replacement of destination marketing fees
    - Potential introduction of regional tourism levy in 2012

**VALUE OF TOURISM: 2010 PERFORMANCE**

- Return on investment
  - City of Hamilton invests \$1.46M in Tourism Hamilton
- Convention Sales and Servicing
  - 75 meetings/conventions: 35,687 delegates; 21,310 hotel room nights
  - 34 site inspections and 165 leads sent to tourism partners
  - 21 grants administered for \$17,176
  - \$15.5M economic impact
- Sport tourism
  - 96 sport events: 63,122 sport participants; 19,860 hotel room nights
  - 35 grants administered for \$27,500
  - 3 site inspections and 96 leads sent to partners
  - \$32M economic impact

**VALUE OF TOURISM: 2010 PERFORMANCE**

- Leisure tourism
  - Travel media relations (editorial coverage value): \$275,000
  - Summer leisure promotion
    - 33 tourism partners; leveraged \$161K in additional marketing funds
  - Tourist Information Centres:
    - 20,857 visitors; 6,426 email inquiries; 2,564 phone inquiries
- Interactive strategy
  - New website (integrated customer relationship management program)
  - Three new micro-sites (livemusichamilton.com; War of 1812; CCMA)
  - 181,400 visitors; 12,000 e-newsletter subscribers; 3:08 minutes on-site
- Working with our tourism partners
  - 12<sup>th</sup> Annual Tourism Awards: 600 attendees, 100 nominees, \$50K rev
  - Tourism partner facilitation – ex. letters of support for grants



***THANK YOU!***

