Committee of the Whole
FINAL BUDGET REPORT 06-002

Present: Mayor L. DiIanni

Absent with regrets Councillor M. Ferguson - Illness

The Committee of the Whole presents Report 06-002 and respectfully recommends:

1. **Proposed 10 Year Capital Budget for Downtown Hamilton, the West Harbourfront; and Downtown Renewal (PD06009)**
   
   (a) That Report PED06009 be received for information;
   
   (b) That the following capital projects in the amount of $2,250,000 be approved with funding from the 2006 Downtown Block Funding:
      i) Hamilton Farmers’ Market - $2,050,000
      ii) Downtown Public Art Master Plan - $100,000
      iii) York, Wilson and Catharine Streets Master Plan - $100,000;
   
   (c) That the following capital projects in the amount of $500,000 be approved with funding from the 2006 Other Downtowns and Business Improvement Area (B.I.A.) Block Funding:
      i) Ancaster Square Landscaping - $125,000
      ii) Dundas Memorial Square - $100,000
      iii) Streetscape Improvements in B.I.A.s - $25,000
      iv) Commercial Property Improvement Grant Program - $250,000;
   
   (d) That the following capital project in the amount of $400,000 be approved with funding from Taro Royalties:
      i) Olde Towne Stoney Creek Urban Design Plan Implementation; and,
(e) That the following capital projects in the amount of $855,000 be approved with funding from the Parking Capital Reserve:

i) Repairs to Convention Centre Parking Garage - $605,000

ii) Pay and Display and Pay on Foot Equipment Replacement - $150,000

iii) Resurface Carpark #1 (John and Rebecca) - $100,000

2. **2006 City of Hamilton Capital Program**

**2006 – 2015 Capital Forecast (FCS06003(a)) (City Wide)**

a) That the $73,511,000 2006 Tax-supported Capital Levy, as identified in Table 1 on Page 19 of Report FCS06003, Book 1, 2006 Tax Budget, be approved.

b) That the Hamilton Future Fund, as a source of funding in the amount of $7,735,000 per the 2006 Tax Capital Budget & Financing Plan (Appendix 3-1-2 of Book 3), be approved.

c) That the 2006 Tax Capital Budget and Financing Plan as identified in Appendix 3-1-2 of Book 3 of report FCS06003, Pages 14-24, be approved.

d) That the 2007-2015 Tax Capital Budget Project Summaries identified in Book 3, Appendices 3-2-1 thru 3-2-30 to report FCS06003 be approved as forecasts.

e) That the 2006 Tax Supported Capital Budget and Financing Plan for the Red Hill Valley Project in the amount $45,522,000 including additional debenture financing in the amount of $29,550,000, as per Appendix 3-2-27 of Book 3 to Report FCS06003, be approved.

f) That the 2006 Tax Capital Budget and Financing Plan amendments attached hereto as Appendix A and B be approved.

3. **2006 Tax Supported Budget (City Wide) (FCS06003)**

A. **Legislative**

That the Legislative operating budget in the amount of $3,716,870 be approved.

B. **City Manager**

That the City Manager operating budget in the amount of $3,537,980 be approved.

_Council – April 12, 2006_
C. Corporate Services Department

That the Corporate Services operating budget in the amount of $20,854,930 be approved.

D. Public Health and Community Services Department

(i) That the Public Health & Community Services operating budget in the amount of $161,874,370 be approved,

(ii) That the amended Culture & Recreation user fees as identified in Attachment B to Report FCS06003, be approved.

E. Hamilton Emergency Services Department

That the Hamilton Emergency Services operating budget in the amount of $71,099,780 be approved.

F. Public Works, Infrastructure and Environment Department

That the Public Works operating budget in the amount of $151,598,300 be approved.

G. Planning and Economic Development Department

(i) That the Planning & Economic Development operating budget in the amount of $14,735,550 be approved.

(ii) That the amended Planning & Development user fees as identified in Attachment B to Report FCS06003, be approved.

H. Human Resources Department

That the Human Resources operating budget in the amount of $4,251,450 be approved.

I. Corporate Financials/Non Program Revenues

(i) That the Corporate Financials budget, including capital financing in the amount of $71,932,430 be approved.

(ii) That the Non Program Revenues operating budget in the amount of ($78,722,100) be approved.
J. Police Services

That the Hamilton Police Services operating budget in the amount of $107,107,830 be approved.

K. Other Boards and Agencies

That the Other Boards & Agencies operating budgets of $39,863,570 be approved.

L. Community Partnership Program

That the Community Partnership Program operating budget of $2,519,630 be approved.

M. 2006 Tax Levy

(i) That the 2006 Tax Levy, as amended by Attachment “A”, in the amount of $574,370,590 be approved.

(ii) That the City Solicitor & Corporate Counsel be authorized and directed to prepare all necessary by-laws, for Council approval, for the purposes of establishing the tax levy.

4. 2006 Tax Policy Options (FCS06038)

a) That the following optional property tax classes be confirmed for the 2006 taxation year:

- New Multi-Residential
- Parking Lot & Vacant Land
- Large Industrial

b) That the following 2006 final tax ratios be approved:

<table>
<thead>
<tr>
<th>Class</th>
<th>Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>1.0000</td>
</tr>
<tr>
<td>Multi-Residential</td>
<td>2.7400</td>
</tr>
<tr>
<td>New Multi-Residential</td>
<td>1.0000</td>
</tr>
<tr>
<td>Commercial (residual)</td>
<td>2.1041</td>
</tr>
<tr>
<td>Parking Lot &amp; Vacant Land</td>
<td>2.1041</td>
</tr>
<tr>
<td>Industrial (residual)</td>
<td>3.4998</td>
</tr>
<tr>
<td>Large Industrial</td>
<td>4.1040</td>
</tr>
<tr>
<td>Pipeline</td>
<td>1.7374</td>
</tr>
<tr>
<td>Farm</td>
<td>0.2174</td>
</tr>
<tr>
<td>Managed Forest</td>
<td>0.2500</td>
</tr>
</tbody>
</table>
c) That the following tax reductions be approved:

- Vacant units and excess land subclass (residual commercial) 30%
- Vacant units and excess land subclass (residual industrial) 35%
- Vacant units and excess land subclass (large industrial) 35%
- Farmland awaiting development (1st subclass) 25%
- Farmland awaiting development (2nd subclass) 0%

d) That the City of Hamilton continue to provide a tax deferral option for eligible low-income elderly and disabled persons.

e) That the City of Hamilton extend the tax exemption for Legion’s and Veteran’s Clubs for a further three years. (2006, 2007 & 2008)

f) That the City of Hamilton continue to provide 40% tax rebates for eligible charities and similar organizations.

g) That the City Solicitor & Corporate Counsel be authorized and directed to prepare all necessary by-laws, for Council approval, for the purposes of establishing the tax ratios and related tax policies.

5. **2006 Reassessment Impacts (FCS06017)**

That report FCS06017 “2006 Reassessment Impacts” be received for information.

6. **2006 Area Rated Tax Levies and Policies (FCS06035) (City Wide)**

(a) That, for 2006, the City area rate Transit, Fire, Culture & Recreation Services and Flamboro Slot Revenue as in 2005 with the following exceptions:

- Elimination of 3 Year Averaging for Fire Services
- Elimination of 3 Year Averaging for Culture & Recreation Services;

(b) That the Storm Adjustment be eliminated from the area rating calculation;

(c) That the 2006 area rated levies be approved as per Appendix A attached hereto;

(d) That the Area Rating Sub-Committee continue to entertain policies related to area-rated services on an annual basis.
7. Tax Capping Policies for Commercial, Industrial and Multi-Residential Properties (FCS06037) (City Wide)

(a) That Council approve the use in 2006 of $1 million from the Hamilton Future Fund (as per FCS02107 – Creation of a Permanent Hamilton Future Fund: Final Report) as contribution towards claw-back reductions on Commercial, Industrial and Multi-Residential properties;

(b) That Council approve that the tax capping percentage be increased to 10%, the maximum allowed under Section 329.1 of the Municipal Act, 2001;

(c) That Council approve that any property in the Commercial, Industrial or Multi-Residential Tax Class that is within plus or minus $250 of its’ Current Value Assessment of taxes (CVA), be moved to its’ full CVA of taxes, as allowed under Section 329.1 of the Municipal Act, 2001; and

(d) That the attached By-laws as set out in Appendix “A” (To Change Percentage of Tax Capping) and Appendix “B” (To Limit Property Tax Capping) to report FCS06037, be enacted for the 2006 tax year.

FOR THE INFORMATION OF COUNCIL:

(a) Declarations of Interest

None
(b) The following additional motions were considered by Committee of the Whole, approved and incorporated into the final budget:

(1) Identifying Core Services and Obligations of Animal control for the City of Hamilton (PED06011)

   (i) That Animal Control ceases adoption operations and closes the facility at 345 Jones Road in 2006.

   (ii) That staff be directed to pursue other options for the use of 345 Jones Road.

   (iii) That Council approve a multi-tier user fee system for animal surrenders, to promote responsible pet ownership and reduce euthanasia rates at Animal Control.

   (iv) That Council approve the increase of impound fees from $60 to $85 to encourage responsible ownership, increase re-homing rates of lost pets and reduce euthanasia rates.

   (v) That enforcement staff carries out their legislative duties and obligations through a zero tolerance policy as it pertains to licensing and enforcement due to infractions of Municipal By-laws and Provincial Legislation.

   (vi) That Animal Control explores leasing and installation of computers to be installed in Animal Control vans, subject to the development of a Corporate standard for mobile computing.

   (vii) That Animal Control enters into an Agreement with a private contractor to provide a door-to-door Licensing and Education Program.

   (viii) That Animal Control pursues opportunities for community and private business partnerships in order to leverage Animal Control services in the community.

   (ix) That staff explore the development of an education program with School Boards to present in schools.

   (x) That staff be directed to conduct a study to determine the feasibility of continuing or expanding to use contracted Animal Control Services for Flamborough and Glanbrook, or have Municipal staff assume the responsibilities.
(xi) That $94,450 be utilized as part of the 2006 budget reduction strategy.
(2) Implementation of Free On-Street Parking

   (i) That staff be directed to proceed with the implementation of free on-street parking on Saturdays in the Downtown Community Improvement Plan area; and

   (ii) That $100,000 be allocated to the Public Health and Community Services Department budget from corporate surplus to allow the 1 hour free parking program in the York Boulevard Parkade to continue for 6 months until the Farmer's Market Strategic Analysis report is complete.

(3) That the City Manager and CMT be directed to reduce the levy by an additional 3% and report back to Committee of the Whole. (Include Rationale for suggested reductions)

(4) That City Council appeal the increase of Conservation Halton’s budget to the Mining and Lands Commissioner.

(5) That Council forward correspondence to all appropriate Conservation Authorities and corresponding municipalities to which they report to that the City of Hamilton’s expectation for 2007 is a maximum limit of 3% and only under extenuating circumstances would anything up to 5% be accepted.

(6) That City Council appeal the increase of Grand River Conservation Authority’s budget to the Mining and Lands Commissioner.

(7) That funding in the amount of $740,000 be approved for the Art Gallery of Hamilton

(8) That the Hamilton Future Fund Board of Governors be requested to consider funding the Art Gallery of Hamilton in the amount of $260,000 for 2006.

(9) Green Venture – 2006 Education Program
That the proposed funding for the Pesticide Education Program in the amount of $60,000 be approved.

(10) Sport Hamilton (CS06003)
That the request from Sport Hamilton for annual funding not be approved.
(11) That a source of funding for $10,000 to seed the Physician recruitment process be approved

(12) That allocating 10% of the Hamilton Municipal Parking System’s net operating surplus to fund an ongoing reinvestment strategy supporting parking related programs or projects to the benefit of those Business Improvement Areas that are regulated by parking meters or other user pay devices that regulate parking not be recommended at this time due to the 2006 budget pressures.

(13) Urbanization of roads in or adjacent to areas of new development Be received.

(14) Funding of Structural Repairs to the Main House, Auchmar Estate, 88 Fennell Avenue West (PED05216)
   (i) Be received.
   (ii) Staff be directed to utilize the monies in the reserve subject to the report coming back to Council.

(15) Hamilton Idling Control By-law (PD05092(a) Be received.

(16) Alternatives to Chemical Pesticides on City Properties (PW06013)

   That $15,000 be approved for a pilot project (education/public consultation) which will address alternatives to pesticides use in Ward 1. Councillor McHattie to work with staff on this initiative.

(17) Traffic Roundabout and Median Maintenance (PW06012)
   (i) That the proposed Traffic Roundabout and Median Maintenance Program be endorsed;
   (ii) That staff be directed to find alternate source of funding for the $63,000.
   (iii) That the Traffic Roundabout/Median locations as outlined in Report PW06012 as Appendix A be received.

(18) Security Master Plan (PW06021)
   (i) Be received.
(ii) Staff be directed to provide a presentation on the Status of security of our buildings at a Committee of the Whole meeting.

(19) Senior’s Tax Rebate Policy (FCS06012)

(i) That the Seniors’ (65+) Tax Rebate criteria be amended in accordance with the policy set out in report FCS06012;

(ii) That the City Solicitor be authorized to prepare the necessary amendments to the appropriate By-Law for the consideration of City Council; and

(iii) That CAC Agenda, Outstanding Business Item K regarding Seniors’ Tax Increase Deferral be identified as completed and removed from the outstanding list.

(20) Utilization of “standby” pay in the City of Hamilton

Be received.

(21) That Report FCS06022 respecting appeals of Conservation Halton and GRCA Levy be received.

That the report not be released.

(22) Costs of Job Evaluation, 2001-2005 (HUR06004)

That report HUR06004 respecting the costs of job evaluation from 2001 through 2005 be received.

That the report not be released.

(23) That Workers Art and Heritage make a presentation to a committee of council providing a business plan to demonstrate how the organization and the city will partner in the future and what is being done to boost revenue and attendance figures.

(24) That Transit incorporate $496,000 in increased revenue base toward the transit fares.

That there be a 0% increase to HSR fares.

That $300,000 be allocated from Gas Tax revenues

(25) Green Cart Program Staffing (PW06010a)
That the Report be received.

(26) Green Cart Program Staffing (PW06010)

Be received.

(27) Street Tree Trimming (PW05015(b))

That 215,000 be approved for Street Tree Trimming reduce cycle from 20 to 10 years

(28) Four Day Waste Collection Week (PW06033)

That those discussions be engaged in 2007.

(29) 1998-2005 Full Time Employee Analysis (FCS06026)

Be received.

(30) Tsunami Relief Task Force – Proposal by Dr. Redwood-Campbell

That a one-time $15,000 contribution be approved for the proposal submitted by Dr. Redwood Campbell for the reconstruction of the medical school in Banda Aceh, Indonesia to be funded from the tax supported surplus.

(31) Hamilton Business Ambassador Program

(i) That one time funding in the amount of $30,000 be approved from the tax stabilization reserve.

(ii) That staff measure the success of the program and discuss continuation of the program for future years.

(32) That the program enhancement in the amount of $258,000 for the LEAP Program and $7,800 for the Special Income Layette benefit be included in the budget with the funding formula to be provided by staff

(33) That the User Fees of the Planning and Development Department be approved subject to clarification of the Committee of Adjustment Fee

(c) The following recorded Oppositions were noted:

(i) 2006 City of Hamilton Capital Program
2006 – 2015 Capital Forecast (FCS06003(a)) (City Wide)
(a) That the $74,147,000 2006 Tax-supported Capital Levy, as identified in Table 1 on Page 19 of Report FCS06003, Book 1, 2006 Tax Budget, be approved.

(e) That the 2006 Tax Supported Capital Budget and Financing Plan for the Red Hill Valley Project in the amount $45,522,000 including additional debenture financing in the amount of $29,550,000, as per Appendix 3-2-27 of Book 3 to Report FCS06003, be approved.

Councillor McCarthy Opposed

(ii) That the increase to Conservation Halton be maintained at 3%.

Councillor McHattie Opposed

(iii) That City Council appeal the increase of Conservation Halton’s budget to the Mining and Lands Commissioner.

Councillor McHattie Opposed

(iv) That Council forward correspondence to all appropriate Conservation Authorities and corresponding municipalities to which they report to that the City of Hamilton’s expectation for 2007 is a maximum limit of 3% and only under extenuating circumstances would anything up to 5% be accepted.

Councillor Mitchell Opposed.

(v) That the increase to Grand River Conservation Authority be maintained at 3%.

Councillor B. McHattie opposed.

(vi) That City Council appeal the increase of Grand River Conservation Authority’s budget to the Mining and Lands Commissioner.

Councillor B. McHattie opposed.

(vii) That funding in the amount of $740,000 be approved for the Art Gallery of Hamilton

That the Hamilton Future Fund Board of Governors be requested to consider funding the Art Gallery of Hamilton in the amount of $260,000 for 2006.
Councillors Collins, McCarthy, Mitchell, Braden, Merulla opposed

(viii) That there be a 0% increase to HSR fares.
That $300,000 be allocated from Gas Tax revenues

Councillors Mitchell, Pearson, Braden Opposed.

(ix) That allocating 10% of the Hamilton Municipal Parking System’s net operating surplus to fund an ongoing reinvestment strategy supporting parking related programs or projects to the benefit of those Business Improvement Areas that are regulated by parking meters or other user pay devices that regulate parking not be recommended at this time due to the 2006 budget pressures.

Councillor McHattie opposed

(x) Funding of Structural Repairs to the Main House, Auchmar Estate, 88 Fennell Avenue West (PED05216)

Be received.
Staff were directed to utilize the monies in the reserve subject to the report coming back to Council.

Councillor McCarthy opposed

(xi) That a one-time $15,000 contribution be approved for the proposal submitted by Dr. Redwood Campbell for the reconstruction of the medical school in Banda Ache to be funded from the tax supported surplus.

Councillor Pearson Opposed.

(xii) Trees Across Hamilton

That a one-time amount of $50,000 be approved for the Trees Across Hamilton enhancement to be funded from the tax supported surplus.

Councillor Pears and McCarthy opposed to the referral of this recommendation to the Public Works Infrastructure and Environment Committee.

(xiii) 2006 Tax Levy

Councillor Braden Opposed
(xiv) Approval of the 2006 final tax ratios

Councillor Merulla Opposed

(xv) That Council approve the use in 2006 of $1 million from the Hamilton Future Fund (as per FCS02107 – Creation of a Permanent Hamilton Future Fund: Final Report) as contribution towards claw-back reductions on Commercial, Industrial and Multi-Residential properties;

Councillor Merulla Opposed

(xvi) Hamilton Idling Control By-law (PD05092(a))

Be received.
Councillor McHattie opposed

(d) The following recorded Votes were noted:

(i) Resolution from HECFI respecting reduction in budget

That the HECFI budget be reduced by 10,000.

Lost on a RECORDED VOTE:

Yeas: Bratina, Bruckler, Jackson, McHattie, Pearson
Total: 5
Nays: Merulla, Braden, Collins, McCarthy, Mitchell
Total: 5

(e) The following motions were DEFEATED:

(i) Identifying Core Services and Obligations of Animal control for the City of Hamilton (PED06011)

That subsection (j) be amended to read as follows:

That staff be directed to compare animal control services for either city forces, the private sector or a combination of the two with the intention of ascertaining best values.

(ii) Street Tree Trimming
That $477,000 be approved for Street Tree Trimming

(iii) Reinvestment of a portion of Hamilton Municipal Parking System Net Operating Surplus to benefit eligible business Improvement Areas (PED06003)
That the program in the amount of $42,000 be approved.

(f) **Staff Report Task List**

Staff was directed to prepare a number of staff reports during budget deliberations. A formal Task List will be distributed to all standing committees with any reports requiring further consideration by Council.

(g) **The following items were deferred:**

Utilities Arrear Program – Deferred to the 2007
Four Day Waste Collection Week (PW06033) – Deferred to 2007

(h) **The following items were referred:**

(i) The following item was referred to the Public Works, Infrastructure and Environment Committee:

Trees Across Hamilton

That a one-time amount of $50,000 be approved for the Trees Across Hamilton enhancement to be funded from the tax supported surplus.

(ii) The following item was referred to the Grants Sub-Committee:

Hamilton Artists Inc.

That the request for one-time grant in the amount of $15,000 for the Hamilton Artists Inc. be approved.

(iii) The following item was referred to the Airport Master Plan Steering Committee:

The Hamilton International Airport Land Acquisitions noted on page 83 of Book 3

(iv) Recommendation from the Task Force on Cleanliness and Security in the Downtown Core respecting Reinstatement of the Gore to Shore Shuttle Service, Replacement of Downtown Tree Lighting and Educational/Promotional Anti-littering Campaign

That this item be referred to the Gas Tax Sub-Committee.

**Council – April 12, 2006**
(i) The following item was removed from the agenda:

Recommendation from Provincial Gas Tax Transit Master Plan Steering Committee respecting Waterfront Trolleys

Respectfully submitted,

Mayor L. DiIanni

M. Gallagher, Co-ordinator, Budgets