





Hamilton

INFORMATION UPDATE

TO:	Mayor and Members City Council
DATE:	January 21, 2020
SUBJECT:	Re-opening of the Non-Industrial Development Charges Deferral Program (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	 

This Information Update is to inform members of Council that staff will be re-opening the Development Charges (DC) Deferral Program to eligible non-industrial developments effective 9:30 AM on Wednesday January 22, 2020.

The General Manager of Finance and Corporate Services is authorized and provided discretion through Section 34 of the City's 2019 DC By-law (19-142) to set the terms and enter into DC Deferral Agreements for non-residential developments, mixed-use developments, residential facilities, lodging homes and apartment dwellings.

The policy for DC Deferrals sets a maximum principal balance that can be outstanding, at any one time, for all non-industrial DC Deferrals equal to 50% of the previous three years DC collections. There is no maximum principal balance limit applicable to industrial DC Deferrals. Staff was anticipating that the non-industrial program would be able to be re-opened in late summer of 2020 based on upcoming agreement due dates.

Since closing the program in August 2019, a few smaller project agreements came due and in December 2019, a \$7.7 M DC Deferral agreement was fully paid ahead of schedule which created capacity within the program earlier than planned. In addition, staff has recalculated the maximum principal balance that can be outstanding for all non-industrial DC Deferrals based on the 2019, 2018 and 2017 DC collections. Strong development in 2019 resulted in the maximum program capacity increasing \$4.8 M from \$32.6 M in 2019 to \$37.4 M in 2020.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

SUBJECT: Re-opening of the Non-Industrial Development Charges Deferral Program (City Wide) - Page 2 of 2

Staff will be re-opening the DC Deferral program for non-industrial developments on Wednesday, January 22, 2020 at 9:30 AM with \$12.8 M available of the \$37.4 M program limit. The City's DC webpage will be updated on Wednesday and instructions for applicants will be provided. The City's twitter account will further communicate the opening of the non-industrial DC Deferral program.

Applications will be accepted on a first-come first-serve basis provided that the application is complete and the development is eligible.

APPENDICES AND SCHEDULES ATTACHED

None

LG/dt