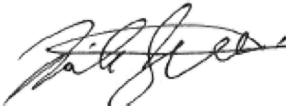




INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	September 5, 2024
SUBJECT/REPORT NO:	Development Charges Reserves Status Report as of December 31, 2023 (FCS24043) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Kerry Meissner (905) 546-2424 Ext. 2790
SUBMITTED BY:	Mike Zegarac General Manager, Finance and Corporate Services Corporate Services Department
SIGNATURE:	

COUNCIL DIRECTION

Not Applicable.

INFORMATION

EXECUTIVE SUMMARY

As per the requirements of the *Development Charges Act, 1997*, as amended (DC Act), an annual report of Development Charge (DC) reserves activity must be provided to Council. The DC Reserves Status Report is the “Treasurer’s Statement” as outlined in the DC Act, as amended, which must be made available to the public and forwarded to the Ministry of Municipal Affairs and Housing, at their request.

The accounting balance of the DC Reserves as of December 31, 2023, is \$548.67 M, which has increased by \$81.55 M since December 31, 2022. The increase is primarily due to in-year collections exceeding in-year capital financing. The balance of \$548.67 M reflects Public Sector Accounting Board (PSAB) standards which requires that any DC funds remain in the DC reserves until the eligible capital project has expended the funds. A summary is provided in Table 1 (page 5) and details by DC Service are provided in Appendix “A” to Report FCS24043.

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.

There are a few DC services in Appendix “A” to Report FCS24043 which have negative balances. Per the City’s Development Charges Reserve Policy (Report FCS13035), as long as the consolidated reserve balance remains in excess of the outstanding DC Deferral Agreements (2023 - \$57.15 M), service specific DC Reserves may incur a negative balance with staff working on financing strategies to remedy said negative balance for the future. Municipalities require most growth infrastructure to be constructed prior to the development being completed (e.g., subdivision, industrial park) and, therefore, expenditures often precede the collection of Development Charges. Significant negative balances can usually be mitigated by financing large projects over longer periods of time through debt financing.

If all approved direct capital funding (\$161.17 M) were allocated to the approved projects and approved debt funding (\$650.19 M) were to be cash funded from the DC reserves, the 2023 DC reserves adjusted balance would be a deficit balance of \$262.61 M, which represents an increase of \$26.05 M from 2022. A summary is provided in Table 2 (page 6).

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The consolidated DC reserve balance as of December 31, 2023, reflects the application of Public Sector Accounting Board reporting requirements for obligatory reserve funds whereby funds collected remain in the DC reserves and are not transferred to capital projects until expenditures are incurred. The year-end consolidated DC reserve balance is \$548.67 M, as outlined in Appendix “A” to Report FCS24043. Summary information on the DC reserves is provided in Tables 1 and 2.

Staffing: None.

Legal: The DC Act requires the Treasurer to report annually on the opening and closing balances of the DC reserve funds and the transactions related to the funds. Report FCS24043 addresses this legal requirement.

HISTORICAL BACKGROUND

As per the requirements of the DC Act, an annual report of Development Charges reserves activity must be provided to Council. The DC Reserves Status Report is the “Treasurer’s Statement” as outlined in the DC Act, which must be made available to the public and forwarded to the Ministry of Municipal Affairs and Housing, at their request.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The DC Reserves Status Report is the “Treasurer’s Statement” as required in Section 43 of the DC Act, which must be made available to the public and sent to the Ministry of Municipal Affairs and Housing, if requested.

RELEVANT CONSULTATION

Staff from the City’s Planning and Economic Development Department have confirmed that the City is in compliance with s.s. 59.1(1) of the DC Act, as amended, which states that a “municipality shall not impose, directly or indirectly, a charge related to a development or a requirement to construct a service related to development, except as permitted by this Act or another Act.”

ANALYSIS

As per the requirements of the DC Act, an annual report of DC reserves activity must be provided to Council. The report must be made available to the public and provided to the Minister of Municipal Affairs and Housing, if requested.

Appendices “A”, “B”, “C” and “E” to Report FCS24043 contain the financial information required to meet the disclosure requirements as set out in Section 43 of the DC Act, as amended. Appendix “D” to Report FCS24043 is provided in addition to the legislated requirements as described below.

The 2023 year-end consolidated DC reserve balance is \$548.67 M, as outlined in Appendix “A” to Report FCS24043.

Appendix “A” to Report FCS24043 summarizes the 2023 activity for each DC reserve. DC revenues were collected through the authorization of Municipal DC By-law 19-142, as amended, which was passed by Council in June 2019 and was amended in March 2021. Collections under DC By-laws are deposited into DC reserves.

Appendix “B” to Report FCS24043 provides a summary of the development charge funding to capital projects and Appendix “C” to Report FCS24043 provides a summary of the development charge funding to capital projects by reserve.

The DC reserves balance as at December 31, 2023 reflects the application of PSAB reporting requirements for obligatory reserve funds.

PSAB reporting requirements require the City to only recognize DC revenue in capital projects once the expenses have been incurred. Therefore, the DC reserve balances are based on actual expenses, to date, and not the Council approved budgeted

amounts. Table 2 shows the adjusted DC reserve balances if all Council approved budgeted amounts were to be cash funded.

Since project funding from DC reserves can only be allocated to capital projects after the expenses have been incurred, there is often a timing difference between when current budget contribution, other source funding and DC funding are allocated to projects. For this reason, the current year funding to each project often does not reflect the funding ratios identified in the DC background studies. Staff included Appendix “D” to Report FCS24043 to show the DC funded projects closed in the year and their final revenue funding from all sources. Appendix “D” to Report FCS24043 includes closed projects from October 1, 2022 to September 30, 2023. The projects planned to be closed during the period October 1, 2023 to December 31, 2023 have not yet been approved by Council as of the date of Report FCS24043. Accordingly, projects closed between October 1, 2023 and December 31, 2023 will be included in next year’s Development Charges Reserves Status Report.

There are a few DC services in Appendix “A” to Report FCS24043 which have negative balances. This occurs either because capital infrastructure has been developed at a pace which exceeds the actual growth realized or expenses for growth related studies must be incurred prior to the growth occurring and debt financing is not an option. Where debt financing is an option, it would have been possible to avoid the negative balances but that would have resulted in additional debt financing costs which would ultimately be passed on to the developer through the calculation of the DC.

DC reserves are permitted to borrow from each other and, therefore, a negative balance in one service can be offset with a surplus balance in another service. In order to minimize the overall debt financing costs to be charged through the calculation of the DC, it is prudent to allow DC services to go into a deficit position with a controlled plan for the overall forecast of each service.

Table 1 provides a continuity of DC Reserves with a summary of inflows and outflows in 2023 resulting in a consolidated PSAB balance of \$548.67 M at December 31, 2023.

**Table 1 – DC Reserve Continuity Schedule
(In Millions)**

Balance as of January 1, 2023 **\$ 467.13**

Funding Inflows

Interest	\$ 16.56
Collections	\$ 93.97
DC Exemption Funding	\$ 37.12
Internal Borrowing Repayment	\$ 0.48

Subtotal of Inflows **\$ 148.13**

Funding Outflows

Other Transfers	\$ 0.14
External Debt Payments	\$ 6.94
Direct Capital Funding	\$ 59.51

Subtotal of Outflows **\$ 66.59**

Balance as of December 31, 2023 **\$ 548.67**

Note: Variances in totals may exist due to rounding

DC collections in 2023 totalled \$93.97 M, a \$5.33 M decrease from 2022. Residential DC collections decreased from \$84.71 M in 2022 to \$76.50 M in 2023 and non-residential DC collections increased from \$14.59 M in 2022 to \$17.47 M in 2023.

Any DC exemptions authorized by Council through DC By-law 19-142 (e.g., reduced industrial rate) or through a Council meeting (e.g., exemptions for non-profits) are required to be recovered through other sources. Council has approved amounts in the Water, Wastewater, Stormwater Rate and Tax Budgets to enable staff to recover a portion of these exemptions. An 11-year (2013-2023) summary of the exemptions is included as Appendix “E” to Report FCS24043. Appendix “E” to Report FCS24043 shows that exemptions totalled \$50.59 M in 2022 and \$78.27 M in 2023, representing an increase of \$27.68 M.

The City’s backlog of unfunded DC exemptions is highlighted in Appendix “E” to Report FCS24043, as of December 31, 2023, where the City has \$69.63 M in unfunded discretionary DC exemptions. Through Report FCS23063(b), Council approved the transfer of \$0.6 M from the 2023 year-end surplus to fund 2023 discretionary exemptions. The 2024 Tax Budget (Report FCS24002) included an annual \$6.5 M

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funding strategy to address the remaining funding shortfall in historical discretionary Development Charges (DC) exemptions.

Table 2 provides the accounting DC reserve balance at December 31, 2023, the approved funding that has not yet been transferred to projects, the debt funding that has not yet been incurred and the adjusted DC reserve balances.

Table 2 – DC Adjusted Balance as at December 31, 2023

DC Service	Dec. 31/23 Balance (\$)	Adjustments		Adjusted Balance (\$)
		Direct Capital Funding (\$)	DC Debt (\$)	
Water Services	86,439,341	(24,158,401)	(118,244,000)	(55,963,060)
Wastewater Services	109,448,429	(1,221,617)	(18,558,000)	89,668,812
Linear Wastewater	58,805,601	(14,584,666)	(226,415,637)	(182,194,702)
Storm Water - Combined System	13,374,643	(1,306,484)	-	12,068,159
Storm Water - Separated System	60,045,558	(37,808,236)	(42,893,000)	(20,655,678)
Roads	115,831,929	(49,413,193)	(135,682,672)	(69,263,936)
Public Works & Rolling Stock	10,749,394	(698,194)	-	10,051,199
Transit Services	16,472,611	(273)	(37,998,000)	(21,525,663)
Fire Protection	6,245,269	(505,972)	(18,813,800)	(13,074,503)
Police Services	5,577,235	(102,539)	(15,005,000)	(9,530,304)
Ambulance Services	(394,014)	(280,760)	(4,743,000)	(5,417,774)
Outdoor Recreation	7,012,477	(4,624,201)	(24,875,000)	(22,486,725)
Indoor Recreation	33,564,410	(11,736,437)	(6,100,000)	15,727,973
Library Services	5,887,356	(1,378,735)	-	4,508,621
Admin Studies	(4,187,344)	(2,660,939)	(790,000)	(7,638,283)
Homes for the Aged	6,985,338	(6,393,213)	-	592,125
Health	925,170	-	-	925,170
Social & Child	1,054,965	-	-	1,054,965
Housing	13,634,165	(2,068,985)	-	11,565,180
Provincial Offences Act	(287,808)	-	-	(287,808)
Hamilton Conservation Authority	66,420	-	-	66,420
Waste Diversion	6,536,531	(2,223,301)	-	4,313,229
Dundas/Waterdown SAC	(5,271,305)	-	-	(5,271,305)
GO Transit	159,626	-	-	159,626
TOTAL	548,675,998	(161,166,148)	(650,118,109)	(262,608,260)

Note: The DC Reserve Policy (Report FCS13035) permits the General Manager of Finance and Corporate Services to change approved DC funding from debt funded to reserve funded in order to maintain the sustainability of the DC reserves. Table 2 reflects current estimates under this authority.

As seen in Table 2, if all approved direct capital funding (\$161.17 M) were allocated to the approved projects and approved debt funding (\$650.12 M) were to be cash funded from the DC reserves, the 2023 DC reserves adjusted balance would be a deficit balance of \$262.61 M, which represents an increase of \$26.05 M from 2022.

SUBJECT: Development Charges Reserves Status Report as of December 31, 2023 (FCS24043) (City Wide) - Page 7 of 9

Of note, the funding commitments (including debt) are only included in the Capital Budgets to the extent that current (and future) DC collections can be expected to fund the commitments. Should development activity vary from the existing development forecasts, staff would ensure that future years' collections can meet existing commitments or undertake a review to determine which growth projects can be deferred.

A new requirement for 2023 opening DC Reserve balances requires municipalities to spend or allocate at least 60 percent of the monies that are in a reserve fund relating to Water Supply services, Wastewater services and Services related to a highway. Table 3 demonstrates the City's satisfaction of this requirement) as each service area is well above the 60 percent threshold.

Table 3 – Summary of Capital Project Commitments Over the Next 10 Years as at December 31, 2023

Table 3 - Summary of Capital Project Commitments (over the next 10 years) as at December 31, 2023								
Service	DC Reserve Funding	DC Debt Funding	Future Debt	Existing Debt	Future DC Reserve Funding	TOTAL Commitments	A / B	
							Closing Balance Dec 2023	% of Service Allocated
Roads	\$ 49,413,193	\$ 74,144,762	\$ 49,688,166	\$ 15,677,653	\$ 365,535,885	\$ 554,459,659	\$ 115,831,929	479%
Wastewater Services	\$ 1,221,617	\$ 11,714,738	\$ 142,913,622	\$ -	\$ 7,971,890	\$ 163,821,866	\$ 109,448,429	150%
Wastewater Linear Services	\$ 14,584,666	\$ 142,924,871	\$ 28,264,062	\$ 1,235,115	\$ 19,377,900	\$ 206,386,614	\$ 58,805,601	351%
Water Services	\$ 24,158,401	\$ 74,641,525	\$ 74,578,322	\$ 265,415	\$ 53,406,000	\$ 227,049,663	\$ 86,439,341	263%
TOTAL	\$ 89,377,877	\$ 303,425,895	\$ 295,444,172	\$ 17,178,184	\$ 446,291,675	\$ 1,151,717,802	\$ 370,525,301	311%

Introduced in 2022, O. Reg 82/98 s.s. 12 (3) 2 to the DC Act requires municipalities to state “whether, as of the end of the year, the municipality expects to incur the amount of capital costs that were estimated, in the relevant development charge background study, to be incurred during the term of the applicable development charge by-law”.

As per Table 6-7 of the 2019 DC Background Study, there was \$1.2 B in DC funding expected over the 2019-2023 period and adjusted for edits through the DC Update Study dated March 5, 2021, this amount is adjusted to \$1.3 B.

Staff first reviewed the amount of funds to be inflowed to the DC reserves over the 2019-2023 period. Inflows consist of DC collections, interest and City funding of discretionary exemptions of which \$0.71 B is forecasted to be received into the DC reserves, roughly 44% less than what the DC study forecasted would be spent on eligible capital projects. Therefore, since the City has not collected enough to support the expenses planned in the 2019 DC Background Study, it can generally be expected that the City will not fund to the level planned in the 2019 DC Background Study (as adjusted), although debt is often used to bridge timing differences.

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The DC funding for all services over the 2019-2023 period was reviewed and, aside from the exceptions noted below, all services are expected to incur +/- 15% of the estimated capital costs from the 2019 DC Background Study (as adjusted).

The following services have spent up to ~40% less than what was forecasted in the 2019 DC Study (as adjusted), which is explained by keeping spending in line with the pace of growth:

- Water Services (\$52.0 M, 26% less)
- Roads (Services related to a highway) (\$152.8 M, 41% less)
- Police Services (\$3.0 M, 16% less)
- Indoor Recreation Services (\$20.4 M, 38% less)
- Library Services (\$3.1 M, 29% less)
- Admin Studies (\$4.5 M, 30% less)

Public Works and Rolling Stock spent \$16.2 M (70%) less DCs in the 2019-2023 period versus the amount in the 2019 DC Background Study (as adjusted). This is largely a timing difference as the planned Water and Wastewater office / storage expansion (\$17 M in the 2019 DC Background Study) has yet to be programmed into the capital budget.

Housing Services has spent \$19.9 M (86%) less DCs in the 2019-2023 period versus the amount in the 2019 DC Background Study (as adjusted). Housing has experienced delays in getting projects approved and, therefore, they are not included in the capital budget forecast. While net costs estimated by the 2019 DC Study are still expected in the long run, to date, there has been minimal DC funding provided to housing projects.

Waste Diversion Services spent \$13.2 M (80%) less DCs in the 2019-2023 period versus the amount in the 2019 DC Background Study (as adjusted). The primary driver of this variance is the Material Recycling Facility Lifecycle Replacement and Upgrades project for which the 2019 DC Study estimated \$8.2 M of DC Financing. The project has experienced almost nil to date. This is because Waste Diversion Services is transitioning out of recycling in 2025 and does not know what the future of the facility is. Consequently, there has been no budget dedicated to replace or upgrade the facility.

Another requirement per O. Reg 82/98 Section 12 (3) 3. to the DC Act requires municipalities to state, regarding any service for which a development charge was collected during the year but in respect of which no money from a reserve fund was spent during the year, why there was no spending during the year. For the purpose of these comments, spending is defined as direct capital financing and payments covering external debt.

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Dundas / Waterdown Special Area Charge (SAC) had all spending completed by 2017 and, thus, the reserve represents that amount remaining to be recovered from previous spending. Accordingly, it did not see any spending.

Health Services and Social and Child Services have roughly \$1 M in reserve balances, respectively, as seen in Appendix "A" to Report FCS24043. These services do not collect substantial development charges, which is demonstrated in Appendix "A." Consequently, it is reasonable that there was no spending through these DC reserves this year.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS24043 – Development Charges Reserve Funds for the period of January 1, 2023 to December 31, 2023

Appendix "B" to Report FCS24043 – Revenue Sources for Development Charges Funded Projects for the year ended December 31, 2023

Appendix "C" to Report FCS24043 – Development Charges Project Funding by Reserve, December 31, 2023

Appendix "D" to Report FCS24043 – Development Charges Capital Projects' Closing Summary for the year ended December 31, 2023

Appendix "E" to Report FCS24043 – 11-Year Development Charges Exemption Summary, 11-Year History

CITY OF HAMILTON
Development Charges Reserve Funds
For the period of January 1, 2023 to December 31, 2023

Positive values indicate a cash balance, negative values indicate deficit balances or withdrawals

		(Note 1)						
	Service	Balance as at	Interest	Collections	External Debt	Other Transfers	Capital Financing	Balance as at
		Jan 1/23						Dec 31/23
		\$	\$	\$	\$	\$	\$	\$
	Water Services	74,939,322	2,629,110	8,544,129	(48,216)	2,611,090	(2,236,094)	86,439,341
	Wastewater Services	114,475,939	4,054,109	9,305,990	-	2,030,707	(20,418,316)	109,448,429
	Linear Wastewater	49,727,666	1,750,035	12,436,049	(215,275)	2,865,527	(7,758,401)	58,805,601
(Note 2)	Storm Water - Combined System	9,422,105	157,177	3,324,082	-	710,740	(239,461)	13,374,643
(Note 2)	Storm Water - Separated System	47,729,411	1,891,887	9,431,477	(193,636)	2,188,372	(1,001,953)	60,045,558
(Note 3)	Roads	81,748,784	2,982,632	27,818,922	(5,197,751)	15,210,317	(6,730,974)	115,831,929
	Public Works & Rolling Stock	8,468,954	300,107	1,467,558	-	982,720	(469,945)	10,749,394
	Transit Services	12,854,963	414,879	3,538,159	-	2,227,590	(2,562,980)	16,472,611
(Note 4)	Fire Protection	5,036,704	187,275	851,538	(576,518)	793,664	(47,394)	6,245,269
	Police Services	4,496,500	165,038	965,406	(277,121)	710,358	(482,945)	5,577,235
	Ambulance Services	(87,042)	(9,468)	198,696	(55,424)	89,693	(530,469)	(394,014)
	Outdoor Recreation	2,622,878	79,722	3,605,897	-	1,314,888	(610,908)	7,012,477
(Note 4)	Indoor Recreation	30,443,173	1,070,066	6,814,236	-	2,716,067	(7,479,133)	33,564,410
	Library Services	7,096,161	274,034	2,248,949	(140,746)	1,808,686	(5,399,727)	5,887,356
	Admin Studies	(4,083,154)	(151,812)	754,667	(30,589)	727,120	(1,403,576)	(4,187,344)
	Homes for the Aged	7,230,884	252,084	237,698	-	124,740	(860,069)	6,985,338
	Health	886,660	31,480	2,295	-	4,735	-	925,170
	Social & Child	987,787	35,022	21,896	-	10,260	-	1,054,965
	Housing	13,229,391	464,021	713,499	-	237,522	(1,010,269)	13,634,165
	Provincial Offences Act	(191,092)	(6,472)	71,717	(206,920)	44,958	-	(287,808)
	Hamilton Conservation Authority	44,725	1,812	19,883	-	-	-	66,420
	Waste Diversion	5,102,392	181,054	1,085,597	-	431,472	(263,984)	6,536,531
	Subtotal	472,183,111	16,753,794	93,458,339	(6,942,196)	37,841,226	(59,506,597)	553,787,676
	GO Transit							
(Note 5)	GO Transit	96,523	-	437,946	-	(374,842)	-	159,626
	Subtotal	96,523	-	437,946	-	(374,842)	-	159,626
	Special Area Charges							
	Dundas/Waterdown SAC	(5,151,554)	(190,988)	71,237	-	-	-	(5,271,305)
	Subtotal	(5,151,554)	(190,988)	71,237	-	-	-	(5,271,305)
	Grand Total	467,128,080	16,562,806	93,967,522	(6,942,196)	37,466,383	(59,506,597)	548,675,998

Variations in totals and between schedules may exist due to rounding

Note 1 Other Transfers includes all internal borrowing transactions, DC Exemption funding, and transfers to operating.

Note 2 Storm Water - Separated System and Storm Water - Combined System were previously categorized as "Storm Water."

Note 3 The service "Burlington Road" was previously presented distinct from "Roads". This distinction was an accounting exercise to help determine Collections for the Burlington Road project. However, the Burlington Road project is included in the DC study within the Roads service and therefore is appropriately merges with Roads and presented as one service.

Note 4 Borrowings from the DC Reserves for non-growth items:

\$6 million in non-growth funds related to the Mohawk Sports Park 4-pad Arena were borrowed from DC reserves 110320 and 110312 in 2005 to be repaid over 20 years with interest at 5.245%. The annual debt charges are recovered from the rental income from the Mohawk Sports Quad Pad Arena.

The following illustrates what the year end reserve balances would be without the borrowings and repayments.

	110320	110312
2023 year end balance	33,564,410	6,245,269
Borrowings	(4,000,000)	(2,000,000)
Repayments to date (principal)	3,634,886	1,817,443
Repayments to date (interest)	2,454,141	1,227,070
2023 year end balance adjusted for borrowings	<u>31,475,383</u>	<u>5,200,756</u>

Note 5 GO Transit balance represents legislatively deferred development charges that, once collected, will be remitted to Metrolinx.

CITY OF HAMILTON
Revenue Sources for Development Charges Funded Projects
for the year ended December 31, 2023

PROJECT ID	DESCRIPTION	DEV. CHARGES YTD	DEBT DEV. CHARGES YTD	SUBSIDIES	OTHER REVENUES	CURRENT BUDGET CONTRIBUTION	DEBENTURE FINANCING	RESERVE FINANCING	TOTAL REVENUES
		\$	\$	\$	\$	\$	\$	\$	\$
4401256126	Shaver Neighbourhood Pk Dev	48,300	0	0	0	0	0	(60,051)	(11,751)
4401756703	Mountain Brow Path	281,894	0	0	0	0	0	0	281,894
4401856812	Spencer Creek Estates (14)	18,598	0	0	0	0	0	(2,066)	16,532
4401856819	Waterfalls Viewing	17,243	0	0	0	0	0	0	17,243
4401956902	Paramount Subdivision	31,469	0	0	0	0	0	0	31,469
4402051601	Equipment Aquisitions - DC	67,139	0	0	0	0	0	0	67,139
4402056010	Highland Rd Pk-Central Pk Dev	282	0	0	0	0	0	0	282
4402056011	Valley Community Centre Park	51,264	0	0	0	250,000	0	0	301,264
4402151601	Equipmnt Acquisition(DC)Prgm	402,806	0	0	0	0	0	0	402,806
4402156111	LancasterHghts-Developer Build	49,540	0	0	0	0	0	(5,460)	44,079
4402156120	Cherry Beach Park	13,209	0	0	0	0	0	0	13,209
4402156121	TiffanyHillsPrkPthwytoSchool	247,286	0	0	0	0	0	0	247,286
4402156124	Mountain Drive Park Redevelopment	158,994	0	0	0	0	0	1,000,000	1,158,994
4402256110	Golf Links Park Ice Rink	63,683	0	0	0	0	0	0	63,683
4402256204	William Connell Phase 3	0	0	0	0	0	0	0	0
4402456103	Clear Skies Proposed Park - Sadielou Blv	9,298	0	0	0	0	0	0	9,298
4662020020	New Signal - Rymal @ Arrowhead	8,015	0	0	0	3,278	0	(5,263)	6,030
4662020023	New Signal-King@Kenilwrth Ramp	58,578	0	0	0	0	0	0	58,578
4662020028	New Signal-StoneChurch@Chesley	(3,609)	0	0	0	0	0	(2,391)	(6,000)
4662220225	Trrfic Signal - S Serv Rd	121,115	0	0	0	0	0	0	121,115
4662220228	Signal - Mud & First	18,420	0	0	0	0	0	0	18,420
4662220230	2070 Rymal Road East	110,133	0	0	0	0	0	0	110,133
4662220232	New Signal York & Olypic	171,952	0	0	0	0	0	0	171,952
5120090200	Diversion Container Replacement Progra	90,000	0	0	0	810,000	0	0	900,000
5120094300	Maintenace & Capital Improvements to th	4,274	0	0	0	84,500	0	0	88,774
5121594511	Transfer Stn & CRC Expansion	121,009	0	0	0	0	0	0	121,009
5121990200	Diversion Container Replcmnt	(842)	0	0	0	88,525	0	0	87,682
5122090200	Diversion Container Replcmnt	(42,219)	0	0	0	(78,888)	0	4,900	(116,207)
5122190200	DiversionContainerReplacePrgm	81,942	0	0	0	(99,637)	0	0	(17,695)
5122193000	Mtnce&Cap Imprve-RRC Prgm	9,821	0	0	0	0	0	0	9,821
5141196011	2011 Intnsificatn Infra Upgrad	126,328	0	0	0	0	0	0	126,328
5141380370	Upper Mount Albion - Highland	0	0	0	0	0	0	0	0
5141395354	PD18 Elevated Reservoir W14	12,800	0	0	0	0	0	0	12,800
5141495551	PD7 Elevated Reservoir W-23	47,674	0	0	0	0	0	0	47,674
5141595553	HD12A PS Upgrades (W-04)	22,606	0	0	0	750,000	0	0	772,606
5141695883	York & Valley HD016 WPS (W-26)	66,734	0	0	0	101,000	0	0	167,734
5141795850	Greenhill PS HD04B & HD05A	23,526	0	0	0	3,598,049	0	0	3,621,575
5141796752	PD16 Trunk - PS HD016 to Hwy 5	48,847	0	0	0	300,000	0	0	348,847
5141995951	PS HD019 Binbrook Capacity	137,586	0	0	0	0	0	0	137,586
5141996951	Binbrook Feeder via Fletcher	22,127	0	0	0	0	0	0	22,127
5142166110	Water Treatment Plant Upgrades	287,964	0	0	0	119,080	0	0	407,044
5142171328	Southcote-Garner to Hwy 403 BR	1,549,992	0	0	0	280,980	0	0	1,830,972

CITY OF HAMILTON
Revenue Sources for Development Charges Funded Projects
for the year ended December 31, 2023

PROJECT ID	DESCRIPTION	DEV. CHARGES YTD	DEBT DEV. CHARGES YTD	SUBSIDIES	OTHER REVENUES	CURRENT BUDGET CONTRIBUTION	DEBENTURE FINANCING	RESERVE FINANCING	TOTAL REVENUES
		\$	\$	\$	\$	\$	\$	\$	\$
7102154508	Public Use Feasib Needs&Study	1,473	0	0	0	0	0	0	1,473
7401841801	Greater Flam Fire&Paramed Stn	47,394	0	0	0	0	0	0	47,394
7501241200	Binbrook Library Branch Renos	2,016,500	0	0	0	0	0	0	2,016,500
7501741601	Valley Park Library Expansion	2,392,000	0	0	0	0	0	0	2,392,000
7501741610	New Library - Greensville	902,000	0	0	0	0	0	0	902,000
7501941800	Mount Hope Library	89,227	0	0	0	0	0	1,767,500	1,856,727
7641951103	Ambulance Enhancement	530,469	0	0	0	0	0	0	530,469
8121355605	Elfrida Expansion-Studies	25,000	0	0	0	0	0	0	25,000
8121655602	DC Study and Grids Update	25,000	0	0	0	0	0	0	25,000
8121755705	Urbn & Rural Plns 5 Yr Review	50,308	0	0	40,000	225,000	0	0	315,308
8121755706	Plan & Zoning Growth Area	224,472	0	0	0	0	0	0	224,472
8121957901	Digital Planning Applications	9,390	0	0	0	0	0	0	9,390
8122055001	Grids 2 Study	40,567	0	0	0	0	0	0	40,567
8122255200	UrbGrowth SecPlans & Studies	65,965	0	0	0	14,850	0	0	80,815
8141555600	Hamilton Growth Management Rev	146,902	0	0	(51)	0	0	0	146,851
8141655600	2016 CityWide Employmnt Survey	111,381	0	0	0	0	0	0	111,381
8201555100	Open for Business - City Appro	(13)	0	0	0	0	0	0	(13)
9000546102	Marshall Estates	(20,263)	0	0	0	0	0	0	(20,263)
	Total	59,506,597	0	8,906,357	(2,197,551)	26,574,620	0	5,919,976	98,709,999

CITY OF HAMILTON
Development Charges Project Funding by Reserve
December 31, 2023

PROJECT ID	DESCRIPTION	Water	Wastewater - Linear	Wastewater - Facilities	Storm Water - Combined	Storm Water - Separated	Roads	PW & Rolling Stock	Transit	Fire Protection	Police Services	Outdoor Rec	Indoor Rec	Ambulance	Homes for the Aged	Housing	Admin	Waste Diversion	TOTAL
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
5141595553	HD12A PS Upgrades (W-04)	22,606																	22,606
5141695883	York & Valley HD016 WPS (W-26)	66,734																	66,734
5141795850	Greenhill PS HD04B & HD05A	23,526																	23,526
5141796752	PD16 Trunk - PS HD016 to Hwy 5	48,847																	48,847
5141995951	PS HD019 Binbrook Capacity	137,586																	137,586
5141996951	Binbrook Feeder via Fletcher	22,127																	22,127
5142166110	Water Treatment Plant Upgrades	287,964																	287,964
5142171328	Southcote-Garner to Hwy 403 BR	1,549,992																	1,549,992
5160507001	N Glanbrook Industrial BP Serv																		(4)
5160866801	Woodward WWTP - Clean Harbour			15,643,000															15,643,000
5160966910	WWTP - Biosolids MP Implement			4,690,360															4,690,360
5161180187	Garner Rd W-Raymond to Hwy 6																		0
5161280290	Nash Area WW Sewer Outlet																		0
5161280292	SS Rd Sewer - Fyling J-Pilot																		0
5161555264	City-Wide Wastewater MP																8,914		8,914
5161667622	FC001 DC009 HC011 Upgrades			100,000															100,000
5161796011	Intensification Infra Upgrades		(62,482)																(62,482)
5161796786	First Street PS Upgrade DC014		610,000																610,000
5161880184	Up Mt Albion-Highland to Rymal																		0
5161966102	Woodward WWTP - Expansion			150,947															150,947
5161967123	AEGD Growth Initiative		178,664																178,664
5161996011	Intensification Infra Upgrades		(98,493)																(98,493)
5162080089	Rymal-Fletcher to U Centennial		4,193,271																4,193,271
5162155880	Inflow & Infiltration Studies		226,000																226,000
5162171025	Dewitt - Highway 8 to Barton		1,688,701																1,688,701
5162180187	Garner W - Raymond to Hwy 6		364,149																364,149
5162280281	Dickenson Road West Sanitary		693																693
5162280282	Fifty Road Trunk Sanitary		778,629																778,629
5162280284	Shaver Road Sanitary Sewer		693																693
5162355880	Inflow & Infiltration Studies and Flow Monitor		66,939																66,939
5180680685	SWMP-A15 Meadowlands IV Pond							100,000											100,000
5181280297	SCUBE Master Drainage Plan EA																		0
5181380390	Highland - Upper Mount Albion																		0
5181555422	GRIDS II - Stormwater MP				239,461														239,461
5181580585	Sheldon (H-9) & Mewburn (H-24)																		0
5181580596	Green Mtn-Morrissey-First Rd W																		0
5181780090	Annual SWM Program																		0
5181880090	2018 Annual Storm Water Mngmnt																		0
5182080090	Annual SWM Program																		0
5182180280	Airport-Homestead-Mountaigate																		0
5182180584	Nebo - Rymal to Twenty Rd E							140,736											140,736
5301783700	HSR Bus Expansion Prgrm-10 Yr								411,000										411,000
5301785703	Limeridge Mall Terminal Redev								4,736										4,736
5302083001	HSR ExpansionBuses-Modal Split								2,147,244										2,147,244
6302141102	Macassa Lodge D-Wing														860,069				860,069
7101754805	SirWilfridLaurier GymRepl Addn												2,595,501						2,595,501
7101854508	Public Use Feasibility Study																9,251		9,251
7101854803	Domenic Agostino Riverdale Com																		118,704
7101954903	Riverdale Community Hub												118,704						118,704
7102054002	Confederation Sports Pk Bldgs												110,495						110,495
7102154508	Public Use Feasib Needs&Study												4,590,749						4,590,749
7401841801	Greater Flam Fire&Paramed Stn																1,473		1,473
7501241200	Binbrook Library Branch Renos									47,394									47,394
7501741601	Valley Park Library Expansion																		2,016,500
7501741610	New Library - Greensville																		2,392,000
7501941800	Mount Hope Library																		902,000
7641951103	Ambulance Enhancement													530,469					89,227
8121355605	Elfrida Expansion-Studies																		530,469
8121655602	DC Study and Grids Update																25,000		25,000
8121755705	Urbn & Rural Plns 5 Yr Review																50,308		25,000
8121755706	Plan & Zoning Growth Area																50,308		50,308
8121957901	Digital Planning Applications																224,472		224,472
8122055001	Grids 2 Study																9,390		9,390
8122255200	UrbGrowth SecPlans & Studies																40,567		40,567
8141555600	Hamilton Growth Management Rev																65,965		65,965
8141655600	2016 CityWide Employmnt Survey																146,902		146,902
8201555100	Open for Business - City Appro																111,381		111,381
9000546102	Marshall Estates						(20,263)										(13)		(13)
0		2,236,094	7,758,401	20,418,316	239,461	1,001,953	6,730,974	469,945	2,562,980	47,394	482,945	610,908	7,479,133	530,469	860,069	1,010,269	1,403,576	263,984	59,506,597

CITY OF HAMILTON
Development Charges Capital Projects' Closing Summary
for the year ended December 31, 2023

Note 2

Project ID	Description	Budget (\$)	Final Funding (\$)									
			DC Reserve Funding Note 3	DC Debt Funding	Reserve Financing	Other Revenue	Federal Contribution	Provincial Contribution	Current Budget Contribution	Debenture Financing	Total	
2051357320	Call Handling Implementation	2,753,000	137,000									137,000
4031780180	Mohawk - Wilson to Hwy 403	150,000	82,483							60,000		142,483
4141046102	Ancaster Meadows - Phase 1	914,500	858,378									858,378
4141246100	City Share of Servicing Costs	37,854										0
4141346100	City Share of Servicing Costs	1,692,815										0
4141446100	City Share of Servicing Costs	1,274,492										0
4141446108	Paramount Subdivision	19,508	19,508									19,508
4141546100	City Share of Servicing Costs	2,253,556										0
4142146101	630 Trinity City Share	98,140	88,379									88,379
4401256126	Shaver Neighbourhood Pk Dev	1,832,067	768,384							929,450		1,746,134
4401856812	Spencer Creek Estates (14)	290,000	242,402							29,000		290,000
4402051601	Equipment Aquisitions - DC	247,000	247,000									247,000
4402256112	Rennie St Works Yard - Park	100,000	0									0
4662020020	New Signal - Rymal @ Arrowhead	176,722	152,285							13,278		173,578
4662020028	New Signal-StoneChurch@Chesley	130,000	68,580							6,000		74,580
5122090200	Diversion Container Replcmnt	327,808	32,781							247,908		280,689
5141664632	Twenty (Greti) to Upper James	1,610,000	184,337							20,000		204,337
5161096011	2010 Intnsificatn Infra Upgrad	924,436	400,000							524,436		924,436
7101554510	Dundas JLGrightmire Arena Reno	6,966,864	1,000,000							1,047,900	4,000,000	6,047,900
7101558501	Parkdale Outdoor Pool Redev	4,113,800	372,000					1,650,000		1,825,220		3,847,220
7101854508	Public Use Feasibility Study	150,000	98,749							42,000		150,000
Total		14,399,630	2,308,731	0	0	0	0	1,650,000	0	3,726,742	4,000,000	11,702,739

Notes:

- [1]: Where a project was identified to be debt funded, but debt had not yet been issued for the project, the project was closed and the debt funding recorded in a holding account to be funded with the next City debt issuance
- [2]: This summary includes projects closed through the 2023 Capital Projects Closing Reports FCS23095, FCS23095(a), and FCS22079(b).
- [3]: Total amount includes adjusting entries made after Q4 2023.

CITY OF HAMILTON
11 Year Development Charges Exemption Summary

11 Year History

	2013-2018	2019	2020	2021	2022	2023	11 Year Total
DC Exemptions By Area							
Hamilton	\$ 68,922,517	\$ 29,929,989	\$ 17,596,731	\$ 26,541,751	\$ 31,772,965	\$ 48,404,120	\$ 223,168,073
Stoney Creek	12,627,816	582,847	1,011,190	777,993	4,615,771	12,552,491	32,168,108
Flamborough	20,934,702	3,608,418	5,271,469	5,493,663	5,461,637	6,197,032	46,966,922
Ancaster	8,368,044	1,464,329	4,671,298	2,885,312	654,523	2,822,227	20,865,732
Glanbrook	7,698,401	5,458,725	12,682,093	3,662,240	7,586,188	8,109,051	45,196,697
Dundas	1,436,420	297,593	74,586	45,942	494,120	184,801	2,533,462
Total Exemptions By Area	\$ 119,987,900	\$ 41,341,901	\$ 41,307,367	\$ 39,406,901	\$ 50,585,204	\$ 78,269,721	\$ 370,898,994

DC Act Statutory Exemptions							
Residential Intensification	\$ 7,301,484	\$ 3,086,550	\$ 3,972,243	\$ 6,171,774	\$ 9,887,618	\$ 20,036,283	\$ 50,455,952
50% Industrial Expansion - Attached	11,816,172	303,275	3,564,391	548,076	3,004,353	1,639,326	20,875,593
Rental	-	-	-	-	332,903	4,213,812	4,546,715
Non-Profit Housing	-	-	-	-	121,272	4,572,028	4,693,300
Public University	-	-	-	-	13,247,325	8,284,328	21,531,654
Subtotal DC Act Statutory Exemptions	\$ 19,117,656	\$ 3,389,825	\$ 7,536,634	\$ 6,719,850	\$ 26,593,472	\$ 38,745,777	\$ 102,103,213

Council Authorized							
Residential Exemptions							
Affordable Housing	\$ 1,315,506	\$ 1,341,836	\$ -	\$ 2,560,538	\$ 130,961	\$ 250,292	\$ 5,599,133
Farm Help Houses ^[2]	53,730	-	-	-	-	-	53,730
Student Residence ^[2]	2,268,765	-	489,308	-	-	-	2,758,073
Redevelopment for residential facility	17,089	-	20,045	35,305	-	42,817	115,255
Laneway House / Garden Suite ^[2]	-	-	43,489	-	-	-	43,489
Non-Residential (NR) Exemptions							
Industrial rate reduced from max	8,842,021	6,144,739	19,057,768	11,338,578	11,174,297	10,871,812	67,429,215
Stepped non-industrial rates	6,905,725	1,329,341	52,844	151,958	90,221	132,573	8,217,074
Non-industrial expansion	3,774,439	851,001	4,843	-	7,569	826,984	5,464,836
Academic ^[2]	11,314,871	2,463,843	-	-	-	-	13,778,714
Public Hospital ^[2]	10,870	-	-	-	-	-	10,870
Agricultural Use	18,886,402	4,367,557	3,161,098	5,002,465	4,364,227	3,108,732	38,890,480
Place of Worship	999,712	24,670	750,922	1,165,862	9,261	346,987	2,603,439
Parking Structure ^[2]	3,841,662	-	-	-	-	-	3,841,662
Covered Sports Field ^[2]	-	-	-	-	-	-	-
50% Industrial Expansion - Detached	-	-	-	569,295	155,202	4,767,100	5,491,597
Residential & Non-residential (NR) Exemptions							
Downtown Hamilton CIPA	26,234,647	20,157,605	8,694,113	8,499,377	7,239,353	18,555,751	89,380,846
Downtown Public Art	916,574	-	-	4,422	-	37,277	958,272
Heritage Building	337,372	-	-	260,448	-	63,899	661,719
Transition Policy	12,824,809	1,271,486	1,496,304	3,098,804	1,001,083	1,478,841	21,171,327
Council Granted	2,038,785	-	-	-	-	-	2,038,785
ERASE ^[1]	287,265	-	-	-	-	-	287,265
Subtotal Council Authorized Exemptions	\$ 100,870,244	\$ 37,952,076	\$ 33,770,733	\$ 32,687,051	\$ 23,991,733	\$ 39,523,944	\$ 268,795,781
Total Exemptions By Development Type	\$ 119,987,900	\$ 41,341,901	\$ 41,307,367	\$ 39,406,901	\$ 50,585,204	\$ 78,269,721	\$ 370,898,994

DC Exemption Funding							
Exemptions funded from Rates Budget	\$ 43,050,518	\$ 9,000,000	\$ 8,000,000	\$ 9,000,000	\$ 9,000,000	\$ 9,000,000	\$ 87,050,518
Exemptions funded from Tax Budget ^[3]	11,525,460	7,841,836	8,500,000	11,060,538	10,130,961	13,201,292	62,260,087
Exemptions funded from Council (Rate portion)	18,895	-	-	-	-	-	18,895
Exemptions funded from Council (Tax portion)	23,243	-	-	-	-	-	23,243
Total DC Exemption Funding	\$ 54,618,116	\$ 16,841,836	\$ 16,500,000	\$ 20,060,538	\$ 19,130,961	\$ 22,201,292	\$ 149,352,743

Net total unfunded Exemptions	\$ 65,369,784	\$ 24,500,066	\$ 24,807,367	\$ 19,346,363	\$ 31,454,243	\$ 56,068,429	\$ 221,546,251
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Prior Year DC Exemption Funding							
2017 YE Surplus allocated to NR Roads Exemptions							\$ 8,000,000
2018 Rates Exemption Funding Surplus							4,020,081
2018 YE Surplus allocated to NR Roads Exemptions							538,630
2018 YE Surplus allocated to Rates Exemption							2,700,000
2020 YE Surplus allocated to Tax Discretionary Exemptions							15,100,000
2021 YE Surplus allocated to Tax Discretionary Exemptions							12,951,576
2022 YE Surplus allocation to Tax Discretionary Exemptions							6,500,000
Total Prior Year DC Exemption Funding							\$ 49,810,287
Net total unfunded Exemptions (Prior Years)							\$ 171,735,964
Net total Discretionary unfunded Exemptions (Prior Years)							\$ 69,632,751

Notes:

[1] ERASE used to be grouped with other exemptions, now funding recovered through the future ERASE grant/future taxes.

[2] These exemptions are no longer in effect.

[3] Exemptions funded from Tax Budget includes exemptions funded from affordable housing funds.