




COMMUNICATION UPDATE

TO:	Chair and Members Agriculture and Rural Affairs Sub-Committee
DATE:	November 6, 2023
SUBJECT:	November 2020 Stormwater Fee Request from the Agriculture and Rural Affairs Advisory Committee (City Wide)
WARD(S) AFFECTED:	City Wide
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

This Communication Update provides information to respond to a request from the Agriculture and Rural Affairs Advisory Committee from November 2020 regarding stormwater funding. It includes some historical background information on stormwater funding review and the development of the incentives program.

City of Hamilton Stormwater Funding Review 2019 to Present

On July 12, 2019, Council passed a motion that directed staff to review a Stormwater Rate Program for the City of Hamilton and report back to the General Issues Committee (GIC) with a framework and options for implementation. Report PW19109 was presented to GIC on December 4, 2019 and outlined other municipal stormwater rate programs, as well as, a preliminary fee structure developed from the guiding principles identified within the report.

At the November 24, 2020 meeting of the Agriculture and Rural Affairs Advisory Committee. Hamilton Water staff provided a presentation regarding Information Report PW20081 respecting the Stormwater Rate Program. A motion was passed at the subject meeting:

“That the Agriculture and Rural Affairs Advisory Committee respectfully request that no stormwater management charges be directed to any areas outside the urban boundary, given that the rural area has no direct impact on the City of Hamilton’s storm water management infrastructure.”

At the subsequent Council meeting held on December 16, 2020, the motion was amended that the Agriculture and Rural Affairs Advisory Committee’s request be referred back to staff (for details refer to Appendix “A”).

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.

Around the same time, on November 25, 2020, Council approved the following motion from the General Issues Committee meeting of November 23, 2020:

“That Hamilton Water staff be directed to perform a comprehensive evaluation of all City of Hamilton (City) stormwater programs to identify existing gaps, immediate needs, risks to the City including risks from climate change and extreme weather, outline the levels of service that the City should strive to achieve, quantify funding requirements along with options for long term maintenance, second cycle replacements and financing alternatives and report back to Public Works Committee in the first quarter of 2021 with an information report.”

On December 6, 2021, the Public Works Committee received Information Report PW21074 that provided a gap evaluation which identified and analyzed gaps in the City’s Stormwater Management Program. Subsequently, Council approved the following motion:

“That the appropriate staff report back to the Public Works Committee with a review of the benefits and challenges of various stormwater program funding options including water rates, a dedicated stormwater fee or tax levy or any other options and provide a recommendation for the preferred financing model for the City’s stormwater programs, including a preliminary plan and any resource requirements necessary to conduct a detailed review of the preferred financing model.”

On June 22, 2022, Corporate Services staff provided a report to the Public Works Committee that recommended engaging a consultant to undertake a holistic Stormwater Funding Review (Review). Report FCS22043 outlined three phases for the project including Discovery, Detailed Analysis and Implementation. The estimated timeline to report back with the results of the Review, conduct public consultation and provide a recommended stormwater funding model was June 2024. In addition to approving the engagement of a consultant and related funding, staff was directed to report back to the General Issues Committee to provide Guiding Principles for consideration that would direct the evaluation of alternative stormwater rate funding structures as part of the Review.

On November 30, 2022, the General Issues Committee approved Guiding Principles for the Review as follows:

- Fair and equitable
- Climate resilient and environmentally sustainable
- Affordable and financially sustainable
- Justifiable
- Simple to understand and manage

On January 25, 2023, Council approved the following direction with respect to the Review:

- (a) That staff be directed to report back to the General Issues Committee (GIC) in the second quarter of 2023 on the steps and resources required to implement a dedicated user fee for stormwater services, with an implementation date no later than January 2025; and
- (b) That, in addition to the guiding principles that may be adopted by Council through Report FCS22043(a), staff be directed to include all aspects of the City's stormwater services to be funded from the revenues associated with this dedicated user fee.

The January 2023 Council motion essentially fast tracked the Review timeline a full year from an original reporting timeline of June 2024 to June 2023. An unintended impact of the accelerated timeline was that there was not sufficient time to incorporate a comprehensive public engagement plan regarding the Review results and / or the recommended future funding model (often referred to as the Rate Structure). Staff and the consultant (AECOM) did provide three education sessions with Councillors and the Mayor in early February 2023.

On June 28, 2023, Council approved a Stormwater Rate Structure that will become effective September 1, 2025. Staff has been directed to develop and report back regarding the implementation of a Stormwater Incentives Program once a public engagement has been undertaken. Staff expect to report back on the incentives program in Q1 2024.

Stormwater Incentives Program Engagement

The City of Hamilton is changing its stormwater funding model and is asking property owners and residents for feedback on a new stormwater incentive program. Feedback on the financial incentive program will be considered as part of a change in how stormwater management is funded at the City.

Engagement to help shape plans for the proposed Stormwater Incentive Program will take place from October 31 to December 3, 2023. Individuals can participate by taking a survey, joining a virtual meeting or attending an in-person open house and learn more about the stormwater incentive program and engagement opportunity details by visiting engage.hamilton.ca/StormwaterIncentives.

Take the Survey. An online survey will be open from October 31 to December 3 to gather input and help shape plans for the proposed Stormwater Incentive Program engage.hamilton.ca/StormwaterIncentives.

Join a Virtual Meeting. The project team will provide an overview presentation and answer questions. The virtual events will be held using Zoom.

Two live virtual meetings will be held as follows:

SUBJECT: November 2020 Stormwater Fee Request from the Agriculture and Rural Affairs Committee (City Wide) – Page 4 of 4

- November 7, 2023 – 2:30 to 4:00 p.m. – for industrial, commercial, institutional and multi-residential property owners and operators – https://us06web.zoom.us/webinar/register/WN_bCxT_heiRfKKMsD6qScfTw
- November 7, 2023 – 7:00 to 8:30 p.m. – for residents and residential property owners – https://us06web.zoom.us/webinar/register/WN_fqEF95xpSnOy_CTmp8PUWQ

Attend an Open House. Two in-person open house events will be held. Meet the project team, view project information boards, ask questions and provide feedback on the proposed incentive program. A presentation will be provided.

- November 15, 2023 – 6:30 to 8:30 p.m. – Hamilton City Hall, Council Chambers, 71 Main Street West, Hamilton
- November 16, 2023 – 6:00 to 8:00 p.m. – Ancaster Fairgrounds, 630 Trinity Road South, Ancaster

Individuals with accessibility requirements in order to complete the survey, review materials or participate in the meetings, should email StormwaterFundingReview@hamilton.ca as soon as possible.

Additionally, AECOM will be attending the November 30, 2023 Agriculture and Rural Affairs Sub-Committee meeting to present and receive feedback on the proposed Stormwater Financial Incentives program.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Communication Update – Agriculture and Rural Affairs Advisory Committee Report 20-001 as amended by Council on December 16, 2020

JS/KB/dt



Hamilton

Agriculture and Rural Affairs Advisory Committee REPORT 20-001

AS AMENDED BY COUNCIL ON DECEMBER 16, 2020

Tuesday, November 24, 2020

7:00 p.m.

Due to COVID-19 and the Closure of City Hall, this meeting was held virtually.

Present: Councillors L. Ferguson, B. Johnson and A. VanderBeek

A. Spoelstra (Chair), D. Smith (Vice-Chair), P. Krakar, J. Mantel,
C. McMaster, A. Payne, C. Roberts, R. Shuker, G. Smuk and
M. Switzer

Absent

With Regrets: Councillor B. Clark – City Business
N. Mills and R. Pearce

Also Present: Janice Janiec, Ontario Federation of Agriculture
Shawn Brenn, Chamber of Commerce (Flamborough)

THE AGRICULTURE & RURAL AFFAIRS ADVISORY COMMITTEE PRESENTS REPORT 20-001 AND RESPECTFULLY RECOMMENDS:

1. **Stormwater Rate Program (PW20081) (City Wide) (Item 8.1)**
 - (a) That Report PW20081, respecting the Stormwater Rate Program, be received **and referred to staff.**
 - (b) That the Agriculture and Rural Affairs Advisory Committee respectfully request that no stormwater management charges be directed to any areas outside the urban boundary, given that the rural area has no direct impact on the City of Hamilton's storm water management infrastructure.

FOR INFORMATION:

(a) **APPROVAL OF AGENDA (Item 1)**

The Committee Clerk advised that there were no changes to the agenda.

The agenda for the November 24, 2020 meeting of the Agriculture and Rural Affairs Advisory Committee was approved, as presented.

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) APPROVAL OF MINUTES OF PREVIOUS MEETING (Item 3)

(i) November 25, 2019 (Item 3.1)

The Minutes of the November 25, 2019 meeting of the Agriculture and Rural Affairs Advisory Committee were approved, as presented.

(d) COMMUNICATIONS (Item 4)

(i) Correspondence from John Groen respecting Resignation from the Agriculture and Rural Affairs Advisory Committee (Item 4.1)

(a) The correspondence from John Groen respecting his Resignation from the Agriculture and Rural Affairs Advisory Committee, was received; *and*,

(b) *The Committee Clerk was directed to prepare a letter of gratitude to be sent to John Groen for his service on behalf of the Committee.*

(e) STAFF PRESENTATIONS (Item 7)

(i) Hamilton Truck Route Master Plan Review (Item 7.1)

Omar Shams, Project Manager, Transportation Planning - New Initiatives, addressed Committee respecting the Hamilton Truck Route Master Plan Review, with the aid of a presentation.

Steve Molloy, Manager, Transportation Planning, was also present and assisted in answering questions of Committee on this matter.

The presentation, respecting the Hamilton Truck Route Master Plan Review, was received.

(ii) Secondary Dwelling Units (SDUs) in the Rural Area (Item 7.2)

Joanne Hickey Evans, Manager, Policy Planning and Zoning By-law Reform, addressed Committee respecting Secondary Dwelling Units (SDUs) in the Rural Area, with the aid of a presentation.

The presentation, respecting Secondary Dwelling Units (SDUs) in the Rural Area, was received.

(f) DISCUSSION ITEMS (Item 8)

(i) Stormwater Rate Program (PW20081) (City Wide) (Item 8.1)

Ryan Doyle, Senior Project Manager, Hamilton Water, addressed Committee respecting Report PW20081, Stormwater Rate Program, with the aid of a presentation.

Andrew Grice, Director, Hamilton Water, was also present and assisted in answering questions of Committee on this matter.

The presentation, respecting Report PW20081, Stormwater Rate Program, was received.

For further disposition of this matter, refer to Item 1.

(a) The following items were deferred to the next Agriculture and Rural Affairs Advisory Committee meeting due to time constraints:

- (i) Presentation from Dan Carter, Canadian Hemp Farmers Alliance, respecting Adopting Hemp into the Canadian Sustainable Development Goals (SDGs) (referred from the General Issues Committee on September 23, 2020) (Item 8.2)**
- (ii) Update on Activities of Mayor's Task Force on Economic Recovery - Agriculture and Circular Economy Working Group (Item 8.3)**
- (iii) Natural Heritage Plans (Item 8.4)**
- (iv) Farm 911 (Item 8.5)**
- (v) Climate Action Working Group Update (Item 8.6)**

(g) ADJOURNMENT (Item 12)

The meeting of the Agriculture & Rural Affairs Advisory Committee was adjourned at 9:20 p.m.

Respectfully submitted,

Andrew Spoelstra, Chair
Agriculture and Rural Affairs
Advisory Committee

Alicia Davenport
Legislative Coordinator
Office of the City Clerk