

June 3, 2014

VIA EMAIL

City of Hamilton  
City Clerk's Office  
71 Main St West  
City Hall, 5th floor  
Hamilton, Ontario  
L8P 4Y5

Attn: Mrs. Carolyn Biggs, Legislative Coordinator  
General Issues Committee

RE: 2014 Development Charges Study & By-law (FCS14033)  
Public Meeting – June 4, 2014

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Dear Mrs. Biggs,

Respecting the changes to the City of Hamilton's Development Charges By-Law proposed at this Wednesday's General Issues Committee, we, as builders in the City of Hamilton, have reviewed the Recommendation Report prepared by staff (June 4, 2014) as well as the 2014 City of Hamilton Development Charges Study prepared by Watson & Associates Economists (May 20, 2014), and offer the following comment.

Firstly, we are in agreement with Hamilton Halton Home Builders Association (HHHBA) recommendations (as we are an active member) and their concerns raised regarding the overall increase in DC rates. In light of the current economic conditions this increase in Development Charges will lead to a growing housing affordability crisis. To ease the effect this will have on affordability, the City should follow the reasonable procedures known as "notice periods", "grandfathering", or "phase ins" provided by other municipalities and government organizations when imposing new charges, otherwise the proposed increase in DC charges will be ultimately passed onto the new homeowners.

Secondly, the building industry should not be required to pay new municipal charges for projects that should by all accounts have been processed prior to the charge-implementation date. This past year, the City imposed unprecedented and notorious delays in the processing of development approvals. Projects that, but for the City's decision to delay approvals while it studied and revised all storm water management facilities, should have been permit serviced a year ago will only be in a position to pull permits this summer.

Another example is the City's decision to refuse to accept permit applications until site plan applications are complete. In cases where it was the City's decision to postpone permit availability, then the City should not insist on immediate imposition of the new charges. A phase in period will allow the City-delayed projects to proceed without

bearing the full brunt of the new charges. It will also help manage the chaos that will occur when the City receives a deluge of permit applications prior to the by-law implementation date.

Therefore, we would like to express our support for Alternative #1, found on page 21 of the Recommendation Report prepared by staff. We believe that this is a fair solution to accommodate the number of projects that have been ongoing in the development process as mentioned above, under the current DC By-law, that are now reaching the building permit stage.

Not implementing any transition policies would be considered an unjust punishment to those projects that have already been subject to additional costs and lengthy delays caused by the extreme cold conditions of this past winter, as well as the other factors mentioned in the paragraphs above.

Thank you for allowing us the opportunity to provide our input and we trust this Committee will take into consideration our comments when preparing a recommendation to Council for final approval.

Sincerely  
**LOSANI HOMES**  
Per



Fred Losani  
Chief Executive Officer

FL/cc