



March 19th, 2019

City of Hamilton
Department of Planning and Economic Development
71 Main St. West
Hamilton, ON L8P 4Y5

Attention: Members of the General Issues Committee

CC: Stephanie Paparella, Legislative Coordinator (GIC)

Regarding: 2019 Proposed Tariff of Fees for Planning and Engineering Development Applications

I am reaching out today to encourage you to reconsider the approach being recommended by the Planning department in regards to the Fees of Planning and Engineering Development Applications.

I am representing HamiltonForward, a local pro-development advocacy group. Of extreme concern to us is both the further redevelopment of the Downtown and the cost of housing in Hamilton. We believe that these extreme fee increases would be detrimental to both of these concerns.

Concern #1

Our first concern is regarding the impact that a full-recovery fee model will have on the number, scale, and speed of development proposals in Hamilton, specifically in the greater Downtown Core.

We know explicitly from the Director of Economic Development, Glen Norton, that developers are unsure of whether Hamilton will build the B-Line LRT and have thus held off projects along the corridor. Additionally, it is clear that downtown redevelopment proposals have been going in the wrong direction and we must take measures that increase the development of the Downtown, not discourage it.

We do not believe that radical increases to development application fees make sense at this time. On May 1st, 2019, routine rezonings will *almost double* if the staff report is adopted, removal of holding fees in the downtown will also almost double, and Site Plan Applications will more than double. All this followed up by further increases in 2020 and beyond.

HamiltonForward believes that all fee increases at this time should be at most a 10% increase on the current rates.



Concern #2

One of the most concerning points of the new plan is the addition of a per unit and per m² fee. It is our view that this fee must be abandoned as it simply does not make sense from an urban planning or housing affordability standpoint.

We believe the city needs new density in the Downtown and on major corridors and that the introduction of a per unit fee does nothing to achieve that goal. Likewise, we believe that this new fee will have an adverse effect on new renters, new homebuyers, and new office and retail tenants. At the end of the day, these costs will be passed down to them.

Concern #3

One key plank of the City's plan to increase housing affordability in Hamilton is the increasing use of Secondary Suites and Laneway Housing. HamiltonForward believes these can help meet a portion of the need but ultimately need to be paired with further land use changes that create an environment conducive to dense development in the Core.

Acknowledging that the City's Planning Department has placed such a bet on secondary suites, we believe it would make sense to either lower the fee to zero or a nominal fee of roughly \$1000. The fee to add a secondary suite will go straight to everyday homeowners simply looking to increase the housing supply and create a rental property so it should be lowered as much as feasible.

Concern #4

We are concerned that the rationale behind the fee increases is flawed. Moving 100% of the cost to developers both devalues the work of public sector planners and ignores the serious cost that developers pay to their private sector planners.

Development is a public benefit, especially dense development and we believe these fee increases tip the scales in a manner which harms the general public who get benefit out of both the planning process and new development which brings new housing supply, while shielding existing homeowners and taxpayers from the reality that city services need to be paid by everyone in the city.

Concern #5

The speed in which development applications are processed in Hamilton remains a concern of our group. As such, it would make sense that applications which take longer than set time periods get a percentage reduction on their Development planning fees.

Concern #6

We believe the further increase of fees on January 1st, 2020 is too much for the market to bare at this time of low supply, especially of rentals. We such recommend that fees increase no more than 20% of **today's rates**.



Concern #7

Hamilton desperately needs to entice development of Purpose Built Rental (PBR) housing. As such, we are concerned that the City has an inadequate plan to increase the supply of PBR housing and believe PBR developments of more than 10 units should be entitled to a development planning fee reduction of 60%.

I would like to end this by thanking the City for receiving our opinions on this matter and that our group is always happy to discuss these issues from our perspective. Additionally, we look forward to the opportunity to comment and make recommendations on the upcoming Development Charges updates.

Best Regards,

Lachlan

Lachlan Holmes
Founder, HamiltonForward