

City of Hamilton  
71 Main Street West,  
Hamilton, ON L8P 4Y5

April 17th, 2019

**Re: 2019 Development Charges Background Study and By-law Update**

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Attn: Audit, Finance, and Administration Committee

Thank you for the opportunity to make a written submission regarding the Development Charges Background Study. This is a policy that directly impacts our membership, the industry, and homebuyers in the City of Hamilton, so we appreciate being afforded the opportunity to both sit on the sub-committee and to provide feedback throughout the process.

Please find attached a memo prepared by our consultant, the Altus Group, with various questions and requested clarifications pertaining to the background study for the 2019 DC update. This has previously been forwarded to Mr. Tony Sergi, and Mr. Jason Farr, Chair of the DC Subcommittee for their consideration and response.

In addition to the comments provided within that memo, which are of a technical nature, we would like to emphasize the importance and need for a transition policy for homebuyers in the City of Hamilton. It is often standard practise within the industry to sell homes well in advance of their construction starting, or permits being pulled, and it is also standard practise that changes in fees such as this are passed along to the homeowner, as their magnitude cannot be anticipated by the builder/developer at the time of selling the home. We believe that many homebuyers are unaware of the consequences of a potential increase such as is being considered now, and how it affects their closing costs, overall purchase price, and potentially overall ability to afford their new home.

I have often also spoken of the fact that items like development charges and user fees do impact the City's ability to be marketable relative to its competitors. For the homebuyers, these competitors are not GTA municipalities, but rather those further south and west of us, or further along the 401 corridor. It remains essential, when government imposed fees and charges make up almost 25% of the overall price of a new home, that this be a consideration by all levels of government when considering such charges.



Once again, the HHHBA would like to thank the City of Hamilton for allowing us to comment on the Development Charges Background study, and we look forward to continuing an open and positive dialogue with the City on all future issues.

Sincerely,



Suzanne Mammel, MBA CET  
CEO, Hamilton-Halton Home Builders' Association

