

# 2019 Development Charge By-Laws

*Effects of Proposed DC By-Law Changes on Developments*

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Audit, Finance & Administration Committee

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# Drastic DC Increases With No Phasing-In

- DCs are already 10% of total project costs for developments
- New By-Laws propose DC increases of up to 50%
- Phase-in period omitted: justification is that DCs have increased less than new home sale prices
- No phase-in period leaves developers unable to plan for DC increases; no means of mitigating effects of those substantial cost increases



# DC Transition Policies Removed

- Previous DC By-Laws locked-in DCs to existing rates if Site Plan Application (SPA) made by May 1<sup>st</sup> prior to new by-law taking effect
- Developers knew their costs going into SPA; removal of transition policy leaving developers scrambling to make projects work
- Ontario's Bill 108 proposes DCs to be set at SPA; Hamilton's proposed DC By-Laws changes not in line with direction of Province
- Drastic, unexpected cost increases causes developers to lose confidence in Municipalities; drives developers away



Thank You

