



Community Builders...Building Communities

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

June 5, 2019

Attn: Angela McRae, Legislative Coordinator

**Re: 2019 Development Charges Background Study, Addendum and By-law Update
Submission No. 2**

Attn: Audit, Finance, and Administration Committee

Thank you for the opportunity for continued dialogue regarding the proposed Development Charge background study, addendum, etc. currently under consideration.

HHHBA was involved in the subcommittee, and made a submission regarding the original background study. We recently received a response to the submission made on our behalf by our consultant, the Altus Group, who is currently reviewing those responses and the changes included in the Addendum.

In addition to specific issues that are being collected on behalf of the membership, some of which have been forwarded directly to staff, our membership has three general concerns we wish to bring forward in the hopes to have a direct discussion in their regard:

- Local service policy changes from the previous DC bylaw, revises how storm sewers are paid for for oversizing. This is a departure from longstanding practise and we wish to discuss it with staff.
- The appearance that residential charges are rising at considerably higher rate than that of ICI. It would seem that if the cost of development is rising, it would do so consistently as costs are not variable based on the type of development.



- Transition. This aspect is twofold: the first is that projects take longer to get approved, and the development industry would not have been able to anticipate changes of this magnitude when pre-selling homes in projects that have taken longer to build than anticipated. As a result, these fees will be passed on to the new home buyer. However, because the services required would have been anticipated under previous bylaws, it seems appropriate that a transition policy could apply to these units already under application.

At a minimum, there should be some effort to make these homeowners aware. We have done so by running ads in the Hamilton Spectator and on social media to alert the homebuyers of these changes, as they may be forced to pay the additional costs upon closing. Given the magnitude of these costs, some purchasers may no longer be able to close on their home.

Bill 108 supports this philosophy and moves to eliminate the risk to the fee payer (the homebuyer). It would seem appropriate for the City of Hamilton to consider this at this juncture given the significant impact the increase has on the final price of the home.

Thank you for your consideration regarding the above. We will make a further submission once our consultant has finalized their review of recent materials received.

Sincerely,



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

