

# EMBLEM

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February 16th, 2024

**Via E-mail**

Audit, Finance and Administration Committee  
71 Main Street West  
Hamilton, Ontario  
L8P4Y5

**Attention: Tamara Bates, Legislative Coordinator.**

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Dear Sirs/Mesdames:

**Regarding: Item 10.1 – 2024 Development Charges Background Study and By-law Update.**

We are writing to you on behalf of Emblem Developments Inc to express our concern with the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area. Our company has invested in downtown Hamilton and are working to deliver over 1,690 units in the downtown market. New housing supply of all types helps the City of Hamilton deliver on its ambitious housing and intensification targets and increase the City's tax productivity of land. In 2023, redevelopment delivered an increased assessment value of 1.9% to the City's overall budget. Importantly, this revenue is generated by the City for the lifespan of a new building.

As a result of the redevelopment and improvement of just two of our recent projects (and as confirmed through staff reporting brought before General Issues Committee), we will have increased the property values substantially resulting in an increase in municipal taxes collected by the City (pre-project collected taxes) from \$230,998.83 to \$4,313,056.14 (post-project completion) annually.

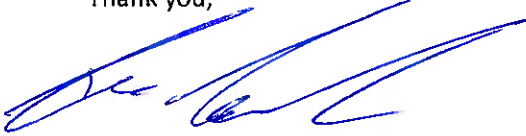
While we understand the pressures on the residential tax levy, we wish to emphasize that contrary to the previous 5 years, the residential intensification market is not strong. Construction costs have escalated, borrowing costs have escalated and the high-density intensification market's probability of success and feasibility for the return needed in order to fund, finance and build has significantly decreased.

Our company wishes to continue to invest in building housing for Hamiltonians. We urge the City to reconsider removal of this important city building incentive as it will have significant long term negative impacts for Hamilton's future.

We have serious concerns that this will result in future projects no longer being feasible. Although the market may return in the mid-to-long term, it is imperative to maintain a competitive DC rate to keep

developments moving through the pipeline. Projects that are not able to begin or proceed today will never materialize in 2-3 years. This will create a gap in the market and significantly impact housing supply during over that time period. We are concerned that in the absence of this program Hamilton will miss their Housing Accelerator Fund unit commitments and miss out on needed funding from the federal government.

Thank you,



Ryan Millar

V.P. Planning and Development

Cc: Carolyn Paton  
Kirk Weaver  
Lindsay Gillies