

City of Hamilton, Office of the Auditor General  
50 Main Street East, 3rd Floor  
Hamilton, ON L8N 1E9

February 20, 2024

Dear Chair and Members of the Audit, Finance, and Administration Committee,

I am reaching out to you on behalf of Belmont Equity Partners to express our concerns regarding the proposed removal of the 40% Development Charge Exemption within the Downtown Community Improvement Area (CIPA). We are specifically concerned about the timing of this removal which is set to take place with the implementation of the new DC by-law on June 1, 2024. Such removal would severely impact our project at 58 York Blvd where we are actively pursuing a Site Plan application.

We understand there has been some preliminary discussions around the potential extension of a 6-month grace period to active developments to alleviate the pressures of rushed applications before the effective date of the new by-law thereby allowing projects to lock in the current DC rates and the 40% CIPA exemption. **We kindly request that you grant us this grace period as it would significantly reduce the pressure we are currently facing with trying to achieve a complete application before the effective date of the new by-law.**

We have dedicated significant resources to acquiring and preparing 58 York for development, including environmental risk assessments and collaboration with the city to ensure a well-designed building. The proposed changes to the DC regulations at this stage will jeopardize our investment and undermine the progress we have made thus far.

Belmont Equity has been investing in downtown Hamilton for several years and contributing towards its future. Our current project at 58 York Blvd is integral to this contribution effort and aims to be a catalyst to kick off residential intensification in the northwest quadrant of downtown with the expectation that the 40% CIPA exemption would be maintained.

The proposed removal of the 40% CIPA exemption not only jeopardizes the feasibility of our 58 York project but also undermines the broader objectives of urban improvement and economic development in Downtown Hamilton. This proposed removal fails to acknowledge the substantial investments made by Belmont Equity and other developers in the downtown district.

It is also important to note the residential downtown market is not as robust as it has been in the past five years. Rising construction and borrowing costs, coupled with slowing sales, have negatively impacted feasibility in the high-density intensification market, which is leading to project delays and will likely result in project cancellations.

We urge the City of Hamilton to reconsider the proposed removal of the 40% CIPA discount or grants us a grace period to alleviate the pressure of achieving a complete site plan application before the new DC by-law takes effect.

Kind regards,

A handwritten signature in blue ink, appearing to be 'Marwan Zahra', with a stylized flourish at the end.

Marwan Zahra  
Development Manager

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