



February 21, 2024

Audit, Finance and Administration Committee

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

**RE: City of Hamilton Development Charges Background Study
Staff Report FCS23103(a)
Comments on the 2024 Development Charges Background Study**

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

On behalf of Cachet Homes we wish to submit the following comments in response to the 2024 Development Charge Background Study. We own approximately 95 acres of land within the urban boundary in the Airport Employment Growth District; our land holdings make up approximately 85% of the Garth Street extension, as well as key collector road connections from Twenty Road West to Dickenson Road. As a committed member of the development community we have concerns with the general direction of the DC Background Study in terms of the overall unprecedented increase in residential Development Charges as well as the manner in which the City is attempting to handle growth in future greenfield areas through Development Charge policy changes.

The removal of several critical exemptions will have a chilling effect on the delivery of development. In particular, all of the changes will have the likely impact of significantly altering the financial viability of existing and planned projects. For residential, it will likely have the impact of passing additional costs along to the homeowner, thereby further deepening the affordability crisis.

In addition to the removal of several critical exemptions, the removal of reductions for employment uses unilaterally will impact the delivery of jobs to the City of Hamilton. It significantly reduces the incentive for developers and builders to construct spaces for key employers. In particular, in the Airport Employment Growth District, we feel that the proposed reduction of 37% should apply to every use that is otherwise permitted in the AEGD such that developers and the City have every opportunity to build and attract prime employers for a variety of employment uses.

We have equal concern with the timing and delivery of key infrastructure projects within the AEGD that have been slated for 2032 – 2041 time period, while others are proposed earlier on in 2023. Given the interrelated nature of the Garth Street connection and interconnected collector roads, it would be best if all legs of Garth Street and associated collector roads were slated for the same time period of 2023 – 2031.

Members of council should be aware that the proposed changes will likely prevent the collection of millions of dollars in new tax revenues, the creation of thousands of new jobs, and will significantly delay the realization of several key infrastructure projects already in the planning stages and under construction.



We preserve the right to provide additional comments on the background study through the ongoing engagement process, and appreciate the opportunity to provide feedback at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Gagliardi", written over a horizontal line.

CACHET HOMES
Marcus Gagliardi