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City of Hamilton, Office of the Auditor General
50 Main Street East, 3rd Floor
Hamilton, ON
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February 27, 2024

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

We are writing to you on behalf of the members of the Hamilton-Halton Construction Association (HHCA). Established in 1920 the HHCA serves the needs of more than 300 industrial, commercial, institutional, and heavy civil construction employers in the Hamilton/Burlington area. Our membership is comprised of General Contractors, Trade Contractors and Manufacturers as well as Service providers that support construction operations.

We wish to express our concern with the proposed changes to Industrial Development Charge Incentives. The proposed changes don't align with what we understand to be the long-term goals of our Ambitious City. Hamilton aspires to be the best place in Ontario to live, work and raise a family. Failing to support development in our city does nothing to further those goals.

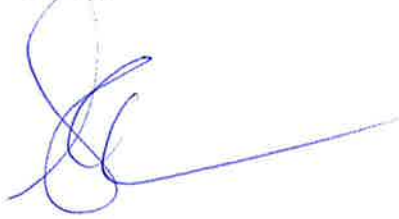
Should the proposed rate changes be implemented, Hamilton will have one of the most expensive industrial DCs in the GTHA, creating a barrier to new investment and potentially driving developers to other, friendlier municipalities. Projects that don't get built don't add reliable, repeatable, property tax revenue to the City, nor do they add good paying jobs that allow young people to purchase a home and start a family.

Construction projects generate more value for communities than just a school, hospital, warehouse or factory. Construction workers need products and services like gas, meals, clothing and sometimes shelter. Construction projects support the community in which they happen.

Our members, construction companies that employ thousands of workers locally, depend on projects from industrial developers like Slate Asset Management and have followed the evolution of their plans for the former Stelco lands with interest. The Steel Port development is expected to take more than 10 years and inject \$3.8 billion into the Ontario economy. Slate has expressed their concern about the proposed changes and the HHCA supports their objection. We also support the case made by the West End Home Builders Association. Now is not the time to discourage residential or industrial construction.

We recognize and respect that the City of Hamilton is under pressure to reduce costs and increase revenues. We encourage the City to work with the local construction industry to develop policies that support development and increase the property tax base leading to additional annual revenues rather than decreasing or eliminating incentives that will leave our City less competitive than other jurisdictions.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Sue Ramsay', with a long horizontal line extending to the right.

Sue Ramsay
General Manager
Hamilton-Halton Construction Association
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