



May 21, 2025

From:
West End Home Builders' Association
 1112 Rymal Road East
 Hamilton, Ontario L8W 3N7

To:
**Members of Audit, Finance and
 Administration Committee**
 City of Hamilton, 71 Main Street West

WE HBA Letter: Report FCS25028 Review of Community Benefits Charges

The West End Home Builders' Association ("WE HBA") is the voice of the land development, new housing and professional renovation industries in Hamilton, Burlington, and Grimsby. WE HBA represents 320 member companies made up of all disciplines involved in land development and residential construction. In the Hamilton CMA in 2023, residential construction contributed over \$3.8 billion in investment value and provided nearly 17,000 jobs paying about \$1.2 billion in wages¹. WE HBA notes that these economic indicators are in rapid decline as housing starts continue to drop.

WE HBA appreciates and supports the report being brought forward today in response to the April 16th Motion of Council to review options for discontinuing the City of Hamilton's Community Benefits Charges By-law 22-158 ("CBC By-law). WE HBA is strongly supportive of the staff recommendation to repeal the CBC By-law to support the new housing industry amidst significant financial uncertainty. WE HBA notes the drastic drop off in estimated collections, from 2023 to 2024 (\$2,793,756 to \$79,113), indicating the total collapse in apartment and condo starts in Hamilton. The City is taking a necessary approach in the face of economic uncertainty to remove disincentives to intensification and new housing, and WE HBA encourages members of the Committee to approve the staff recommendation.

Community benefit charges ("CBCs") are a tax on new apartment construction, used by some municipalities in Ontario. Because CBCs disincentivize building apartments and do not apply to lower-density forms of construction, they act as a disincentive to intensification. WE HBA notes that despite the positive-sounding name, CBCs are a regressive form of taxation, as families living in apartments have, on average, lower incomes and wealth than those who live in lower-density housing.

Furthering this inequity, CBC funds are being used for projects that are clearly not growth-related infrastructure, nor would we argue are actually "community benefits". We have raised concerns in the last number of years that CBCs in Hamilton are paying for amenities that should be funded by general taxation or can be paid in fairer, more efficient ways, such as having cars pay for parking lots instead of new apartments. Appendix "C" to Report FCS22015(b) outlines the 2022-2031 CBC Eligible Capital Projects. This list of projects (attached as an Appendix to this letter) includes items such as:

- "Provision for Additional lands needed for runway expansion and cargo road" which assigns \$5,165,237 in CBC eligible costs out of a Gross Capital Cost Estimate of \$27,380,000.

¹ CHBA Economic Impacts 2023 Fact Sheet, City of Hamilton.



- "Downtown Parking Structure" which assigns \$4,815,254 in CBC eligible costs out of a Gross Capital Cost Estimate of \$29,680,000.
- "West Harbour Development – Parking Structure which assigns \$5,165,237 in CBC eligible costs out of a Gross Capital Cost Estimate of \$34,590,000
- Various other items including the City-wide Employment Survey, IT Strategy Refresh, Digital/Open Data Infrastructure, etc.

These projects have a tenuous relationship at best with growth related infrastructure resulting from the construction of new apartment buildings. CBCs are an exclusionary apartment tax, which does not apply to less dense forms of housing. Members of Committee should be aware that someone renting a newly-built one-bedroom apartment is funding municipal parking lots and airport expansions through higher prices and rents.

WE HBA applauds the City of Hamilton for proposing to abolish this regressive tax that does not fund growth related infrastructure, nor actual community benefits. The City is taking a further step towards fulfilling its commitment to support intensification and economic development in the City. We look forward to further consultations on the Development Charges By-law and future conversations on CBCs as part of the next DC Background Study.

Sincerely,

Mike Collins-Williams, MCIP, RPP
Chief Executive Officer
West End Home Builders' Association

2022-2031 CBC Eligible Capital Projects

Services	Project Title	Timing (year)	Gross Capital Cost Estimate (2022\$)	C.B.C. Eligible Costs
Airport	Provision for Additional lands needed for runway expansion and cargo road.	2022-2031	27,380,000	5,165,237
Airport	D.C. Reserve Fund Adjustment			(1,135,673)
CBC Strategies	Undertake CBC Strategy and By-law	2022	225,000	225,000
CBC Strategies	5-year update to CBC Strategy and By-law	2027	225,000	225,000
Corporate Initiatives	Digital/Open Data Infrastructure	2022-2024	300,000	5,660
Corporate Initiatives	Digital Office: Smart City and Digital Transformation Program	2022-2023	200,000	3,773
Corporate Initiatives	Digital Office: Smart City and Digital Transformation Program	2022-2023	400,000	7,546
Council Initiatives	Historical Signs	2022	50,000	943
Council Initiatives	Chedoke Course Redevelopment	2022	50,000	943
Council Initiatives	W14 Complete St Enhancement	2022	300,000	5,660
Culture	St. Mark's Restoration	2022-2023	452,000	57,862
Culture	St. Mark's Restoration	2022-2023	1,387,000	177,553
Culture	ICIP CCR Children's Museum Expansion Phase 2	2022-2024	3,344,000	454,562
Culture	Steam Museum Building Expansion	2023-2026	1,040,000	266,266
Culture	Auchmar Adaptive Reuse - Stone Walls Phase	2023-2031	540,000	13,825
Culture	Auchmar Adaptive Reuse - Stone Walls Phase	2023-2031	14,280,000	365,604
Culture	Fieldcote Museum Expansion	2023	35,000	7,604
Culture	Fieldcote Museum Expansion	2023	465,000	101,181
Culture	Local History & Archives Renovation	2026	5,000,000	128,013
Culture	Public Art Master Plan Review	2022	18,000	2,304
Culture	Public Art - West Hamilton Rail Trail	2022	25,000	6,401
Culture	PublicArt-HamTheElectricCity	2022	225,000	57,606
Culture	Public Art Locke Street Marker	2022	100,000	25,603
Culture	Ancster Memorial Arts Centre PublicArt	2022	250,000	64,006
Culture	Public Art-Centre Memorial Mural	2022	17,500	4,480
Culture	Public Art -Century St Parkett	2022	150,000	38,404
Information Technology	Business Systems and Services Continuity Plan	2022	150,000	2,830
Information Technology	IT Asset Management Program	2022	180,000	3,396
Information Technology	IT Strategy Refresh	2022-2024	880,000	16,601
Information Technology	Information Security Program	2022-2023	1,300,000	24,525
Information Technology	EDRMS - Enterprise Data and Records Management System Project	2022-2025	650,000	12,262
Landfill	Solid Waste Management Master Plan - Alternative Disposal Facility (Landfill Portion)	2022	200,000	4,474
Landfill	Glanbrook Landfill Stage 3 Development- Cells C, D, & E	2022	5,500,000	123,027
Landfill	Public Space & Special Event Containers (Landfill Portion)	2022-2031	2,250,000	201,317
Landfill	Glanbrook Landfill Capital Improvement Program (Landfill Portion)	2022-2029	2,899,000	525,257
Landfill	Transfer Station/CRC Expansion (Landfill Portion)	2024	14,500,000	1,946,060
Parking	Downtown Parking Structure	2023	29,680,000	4,815,254
Parking	West Harbour Development - Parking Structure	2028-2030	34,590,000	1,806,701
Parking	Parking Payment Equipment	2022-2031	877,500	20,223
Parking	License Plate Reading Tech	2022	300,000	5,660
Parking	D.C. Reserve Fund Adjustment			(1,479,016)
Public Realm	King St W Bus Imprv Area Gateway	2022	12,450	236
Public Realm	Main St W Bus Imprv Area Gateway	2022	150,000	2,830
Public Realm	Inter Village BIA Gateway	2022	36,000	679
Studies	Comprehensive Zoning By-Law 05-200 Update	2022	65,300	6,150
Studies	Site Plan Guidelines Update/Consolidation	2022	229,000	43,201
Studies	Natural Areas Inventory Study	2022-2028	343,800	58,368
Studies	City-wide Employment Survey	2022-2028	1,031,000	194,498
Studies	Human Services Study	2022-2025	258,000	24,336
Studies	Ontario Works Review	2022-2025	129,000	6,075
Studies	Human Services Market Planning Study	2022-2025	258,000	36,504
Studies	Neighbourhood Community Needs Study	2022-2025	77,400	7,301
Studies	Provision for Growth Component of Unidentified Studies	2022-2023	2,600,000	490,490
Studies	Public Art Master Plan Review	2022	18,000	1,698
Studies	Part IV Designation of Properties under the Ontario Heritage Act	2022-2031	1,485,000	28,015
Studies	City Wide Employment Survey	2025	385,000	72,630
Studies	Comprehensive Zoning By-Law	2023	1,535,000	144,789
Studies	Centennial Neighborhood Streetscape and Public Realm Design Study	2023	500,000	94,325
Studies	School Crossing Review	2022	100,000	1,887
Studies	HAAA Feasibility Study	2022	150,000	2,830
TOTAL			\$ 159,777,950	\$ 15,520,770