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General Manager, Finance and Corporate Services  
Corporate Services Department

April 24, 2026

Regulatory Registry Number: 26-MMAH009

Minister Robert Flack  
Ministry of Municipal Affairs and Housing  
17<sup>th</sup> Floor, 777 Bay Street  
Toronto, ON M7A 2J3

Dear Minister Flack:

**Subject: City of Hamilton Submission on Proposed Development Charges Act, 1997 Changes through Bill 98, Building Homes and Improving Transportation Infrastructure Act, 2026**

Thank you for the opportunity to provide comments on Bill 98, Building Homes and Improving Transportation Infrastructure Act, 2026 (“Bill 98”). The City of Hamilton is submitting the following staff comments to be considered for endorsement by City Council on May 13, 2026 in relation to Schedule 3 to Bill 98 which proposes amendments to the Development Charges Act, 1997 (“DC Act”) through Regulatory Registry 26-MMAH009. Comments pertaining to the remaining Schedules to Bill 98 will be submitted under separate letters through the appropriate channels.

The City of Hamilton continues to work alongside the Province to ensure effective administration of Development Charges (“DC”) and the provision of critical infrastructure needed to support growth and complete communities. Hamilton City Council has echoed the importance of responsible development and growth through the [City of Hamilton’s 2022-2026 Council Priorities](#). Council Priority 1 promotes “Sustainable Economic and Ecological Development” and aims to reduce the burden on residential taxpayers, while Council Priority 2 is to create “Safe & Thriving Neighbourhoods” as measured by increasing the supply of affordable and supportive housing.

While the City generally supports the intent of the proposed amendments to the DC Act through Bill 98, these changes introduce additional administrative requirements which further increase the complexity of DC administration. Over past five years, the DC Act has been amended numerous times, creating ongoing challenges for both municipalities and the development community in terms of compliance, planning and implementation.

**These cumulative changes make it increasingly important that municipalities receive adequate support from the Province, including a funding program, to ensure the delivery of critical infrastructure needed to support growth and complete communities.**

The City’s comments have been grouped into two categories:

1. Exemption for Non-Profit Retirement Homes
2. Administrative Amendments to Correct Cross- Referencing

### **Exemption for Non-Profit Retirement Homes**

With respect to the proposed amendment related to retirement home development by non- profit corporations, the City supports measures intended to enable and encourage non- profit participation in housing and seniors’ facilities. However, as currently drafted, the amendment requires only that a retirement home be developed by a non- profit corporation, without also requiring that the facility be operated on a non- profit basis. This creates the potential for an unintended policy outcome whereby a non- profit entity affiliated with a for- profit corporation could develop a retirement home and subsequently transfer operational control to the for- profit entity, while still qualifying for the DC exemption. To ensure alignment with the policy objective and to mitigate this risk, **the City recommends that the amendment be rephrased to require that eligible retirement homes be both developed and operated by a non- profit corporation.**

The amendment to exempt non-profit retirement homes represents a further shift towards funding growth related infrastructure through other sources, including property tax and water and wastewater fees. **The City identifies that any DCs that are reduced through this amendment process will cause a pressure on property tax and water and wastewater fees and, therefore, requests the Province develop a funding program to ensure municipalities receive an inflow of funds equivalent to any required infrastructure.** This offset is necessary to construct the infrastructure required to support growth.

### **Administrative Amendments to Correct Cross-Referencing**

With respect to the proposed technical amendments to correct cross- reference errors arising from previous legislative changes, staff note that these revisions are administrative in nature and intended to improve clarity and internal consistency within the framework. Staff have reviewed the proposed amendments and have **no concerns** or comments, as the changes do not impact policy intent or municipal implementation.

## Closing Comments

Concurrent with the announcement of Bill 98, the Province announced the Canada-Ontario Partnership to Build which will provide \$8.8 B to fund housing-enabling infrastructure to municipalities that reduce DCs. The City of Hamilton has been a leader in providing support to encourage development and instituted a 20% temporary partial exemption from DCs for residential and non-residential DCs for a two-year period. As of the date of this letter, minimal additional information has been released regarding the requirements to access funding through the Canada-Ontario Partnership to Build. **The City has identified a need for further information** to enable Council to determine how best to continue encouraging development while maintaining eligibility to participate in the program.

The City remains committed to supporting the Province’s objectives of building 1.5 million homes by 2031 and addressing housing affordability for Ontarians. However, the proposed amendments to the DC Act under Bill 98 represent a continued shift away from growth paying for growth. Additional measures that provide funding certainty and administrative guidance would strengthen municipalities’ ability to deliver the infrastructure and services needed to support complete, sustainable and growing communities.

Please Note: The City of Hamilton has submitted the above staff comments which will be considered for endorsement by Council on May 13, 2026.

Yours truly,

Mike Zegarac  
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City of Hamilton