

August 5, 2022

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Appendix C to F-31-22

West End Home Builder's Association Submission | Burlington Community Benefits Charge By-Law

The West End Home Builders' Association (WE HBA) is the voice of the land development, new housing and professional renovation industries in Hamilton and Burlington. During the global pandemic, the residential construction industry was a stabilizing force for the local economy, employing over 4000 people in Burlington, paying \$279.5 million in local wages, and contributing over \$511 million in investment value in 2021. Much as they have been doing for the past 80 years, our members are building the future of Burlington.

West End Home Builders' Association appreciates the meeting held with the development industry on July 20th, 2022 to discuss Burlington's new Community Benefits Charge by-law (CBC). Our members were encouraged to hear the City is contemplating a per dwelling unit fee structure, and we are supportive of the rates Watson & Associates Economists and City Staff have proposed. We agree with the City and Watson's position that such a simplified per unit fee structure is administratively advantageous. On the note of the CBC administration, WE HBA does have concerns about how potential in-kind contributions will be valued. For this reason, we suggest that City Council delegate the valuation of in-kind contributions to City Staff, and provide the industry and members of the public with annual and transparent reporting on how all in-kind contributions are valued. This provides predictability for the costs of the CBC for each development and will also allow Council to share how new developments bring benefits to the Burlington community in many different ways beyond a monetary transaction.

Finally, WE HBA recommends the CBC bylaw apply only to completely new developments, and not to any additions, adaptive reuse, or renovations that may push the height or unit count of an existing development over the threshold at which the Charge would apply. For example, development on a lot with an existing building that will be retained or the addition of units or floors to an existing building. Should the land valuation include these scenarios, this would result in the Charge being incorrectly levied against existing development. As such, it is our proposal that the City builds off the phasing clause in its draft CBC bylaw to include a policy such as the following:

If a development or redevelopment is to be constructed on lot or parcel of land which has a pre-existing building that is to be retained or building on top of an existing building, then the amount of the Community Benefit Charge for the new development or redevelopment will be a per unit rate of only those unimproved lands that form part of the development or redevelopment on the day before the first building permit for development or redevelopment is issued.

This would make it clear that legal lots with longstanding existing buildings are to be treated similar to how the City proposes to treat phased developments.

In an environment where the CMHC,¹ the Federal government,² the provincial government³ and the City of Burlington⁴ have all agreed there is a need for significantly more new housing supply to resolve Ontario's housing crisis, the City of Burlington must carefully consider how municipal fees (such as the Community Benefits Charge) on new housing can work

¹ "Housing Shortages in Canada: Solving the Affordability Crisis" Cmhc-schl.gc.ca, June 23, 2022. <https://www.cmhc-schl.gc.ca/en/professionals/housing-markets-data-and-research/housing-research/research-reports/accelerate-supply/housing-shortages-canada-solving-affordability-crisis>.

² "Making Housing More Affordable" Government of Canada Budget 2022, April 7, 2022. <https://budget.gc.ca/2022/report-rapport/chap1-en.html>.

³ "Report of the Ontario Housing Affordability Task Force" Ministry of Municipal Affairs and Housing, February 8, 2022. <https://files.ontario.ca/mmah-housing-affordability-task-force-report-en-2022-02-07-v2.pdf>.

⁴ "The Corporation of the City of Burlington Housing Strategy" City of Burlington, May 20, 2022. <https://www.getinvolvedburlington.ca/19458/widgets/77428/documents/82411>



in conflict with that stated objective. It is important that the City strike a balance between revenue generation and creating a fiscal policy environment that encourages new housing supply to address our housing crisis. WE HBA believes this balance has been achieved through the proposed rate structure but recommends a more predictable and transparent approach for in-kind contributions. Please advise WE HBA of any changes to this proposed bylaw in advance of or upon Committee and Council consideration.

Sincerely,



Michelle Diplock, RPP, MPI

Manager of Planning and Government Relations

West End Home Builders' Association

