West End Home Builders' Association

1112 Rymal Road East, Hamilton Serving members in Hamilton, Burlington, and Grimsby BB-01-24 Correspondence from Michelle Diplock Representing West End Home Builders' Association February 2, 2024

TO: Mayor Meed Ward and Members of Council

WE HBA Letter: Statutory Public Meeting Comments on City of Burlington Building Permit Fee Increase, 2024

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. The WE HBA represents approximately 300 member companies made up of all disciplines involved in land development and residential construction, including: builders, developers, professional renovators, trade contractors, consultants, and suppliers. The WE HBA and our members are substantially and directly involved in building the future of Burlington and the construction of new housing opportunities.

WE HBA understands that the City of Burlington Building and By-law Department is proposing to increase building permit fees by a total of 24.9%, with a 16.6% increase in 2024, followed by the remaining increase of 8.3% in 2025. We have reviewed the materials provided but fail to understand the need for such a large increase, when the neighbouring City of Hamilton's indexing rate for this year is set at 2%.

WE HBA understands a large factor driving the increased rate is the hiring of four additional staffing resources. We would suggest that this should be a decision of Council and not a function of a routine annual indexing update listed on Council's consent agenda. The addition of staff paid for by development fees should be expected to require discussion and/or debate. WE HBA is requesting Council withdraw item 5.1 from the consent agenda and engage in a fulsome discussion on the appropriateness of hiring additional staff through such a large indexing increase.

Historic indexing increases in Burlington have been routinely higher than neighbouring municipalities, with a 2023 indexing rate of 5.8% and a 2022 indexing rate of 14.3%. WE HBA would like to highlight that despite the phased-in approach of the 2024 increase, routinely large increases have implications for the ability of builders and developers to move forward with permit applications in the development pipeline.

As highlighted in the staff report, current economic and financial pressures, including high building costs, interest rates, and shortages of skilled labour are creating difficulties for builders large and small in creating new housing opportunities. WE HBA encourages the City to reconsider the building permit fee increase and additional staffing needs further in the context of immediate pressures on the home building industry and consider alternative approaches in the near term.

Sincerely,

Michelle Diplock, RPP, MCIP, MPI
Manager of Planning and Government Relations
West End Home Builders' Association

