

February 29, 2024

Mayor and Members of City Council
City of Burlington
426 Brant St, Burlington, ON, L7R 3Z6

COW, March 4, 2024
BB-02-24

Correspondence from Michelle Diplock
Representing West End Home Builders' Association

West End Home Builders' Association Letter: 2023 annual building permit revenues and expenses (BB-02-24) (CPRM)

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. The City of Burlington has made significant strides towards a collaborative relationship with the development industry through the Pipeline to Permit Subcommittee. We look forward to continued partnership to deliver 29,000 units over the next decade.

WE HBA appreciates the circulation of Burlington's Annual Building Permit Revenues & Expenses Report and the public distribution of the City's 2023 financial statements. Within this context, WE HBA would like to better understand the reasoning/intentions behind the significant proposed permit fee indexing increase of 24.9%. **The 2023 Actual Costs Associated with Delivering Services Related to the Administration and Enforcement of the Building Code Act statement indicates the City collected a \$1 million surplus in permit revenue.** This indicates the City's annual building permit revenue is already 18% too high when it comes to covering the annual needs of the building permit department.

Historic indexing increases in Burlington have been routinely higher than neighbouring municipalities, with a 2022 indexing rate of 14.3%, a 2023 indexing rate of 5.8%, and now a proposed 24.9% indexing rate increase phased in over 2024 and 2025. WE HBA would like to highlight that routinely large increases have implications for the ability of builders and developers to move forward with permit applications in the development pipeline.

The City of Hamilton's indexing rate for 2024 was adopted at 2%. WE HBA recommends that alongside the City of Burlington's efforts to accelerate housing supply, careful attention is paid to the rates of permit fee inflation. We ask that the City not increase building permit fees beyond a minor inflationary adjustment of no more than 3%.

Sincerely,

A handwritten signature in black ink that reads 'Michelle Diplock'.

Michelle Diplock, M.Pl. RPP, MCIP
Manager of Planning & Government Relations
West End Home Builders' Association