

## Burlington Budget Delegation

Anthony Salemi, West End Home Builders' Association

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Good morning, members of Council, Mayor Meed-Ward, staff, and members of the public. I'm Anthony Salemi, and I'm a policy planner and government relations staff member at the West End Home Builders' Association. WE HBA represents over 320 member companies made up of all disciplines involved in land development and residential construction. I'm joined today by our CEO Mike Collins-Williams, and Michelle Diplock sends her best regards. I'm here today on behalf of WE HBA to provide some comments as Council moves to ratify the 2025 Budget today, namely relating to two concepts, each with two parts: first, tax productivity of land, and the associated tax uplift provided by development; and secondly, the value of Community Improvement Plans and specifically Tax Increment Financing.

Tax productivity of land refers to the amount of property taxes an area of land generates year over year for a municipality. Increasingly dense development in the region provides more taxes on a per square foot basis than existing uses. For example, a parking lot might generate a few 10s of thousands in property tax to the City annually; however, if redeveloped, that same site can generate millions annually. Development provides an opportunity to make the City's finite land more productive and efficient. WE HBA encourages Council to keep this concept in mind as the City grows and develops.

WE HBA supported the City's successful Housing Accelerator Fund application, which includes the commitment to creating a CIP program to incentivize development. Community Improvement Plans offer a fantastic opportunity for both municipalities and the development community. They provide a way for municipalities and developers to work together to increase supply, in Burlington's case specifically rental supply, as well as Council priorities such as larger units, accessible units, additional residential units, and Missing Middle. CIP incentives can take many forms, such as grants, loans, and deferrals, but I'd like to talk specifically about Tax Increment Financing, or TIFs. TIFs are a form of value capture, in which a grant or bond is granted to a developer based on the uplift in property value that will be created by that development. The City gets a return on its investment by creating more supply, and thus more future tax revenue, increasing the tax productivity of land. We encourage the City to utilize Tax Increment Financing in its upcoming CIP program, and in future, to commit to sustained funding of the CIP after the Housing Accelerator Fund runs its course. By committing to longer-term funding, the City can help to maximize the program's success and ability to create units.

Burlington and the wider region are facing immense growth pressure over the next few decades. The Region is planning infrastructure for just over 2 million people and jobs by 2051 regionally, and 324,000 people and jobs locally. The City is planning for 265,000 residents by 2051, and the Ministry of Finance projects even higher. Those are some big numbers. We appreciate the City's shift to embracing growth and supporting policy that is more amenable to change. At the same time, the City can do more to incentivize and attract investment that is desperately needed to build the units required. We look forward to continuing to work together to build the future Burlington.

I appreciate the opportunity to speak today, and Mike and I are available to answer any questions of Council.