

Options for the temporary elimination of Development Charges (DGM-03-26) (SD)

To Burlington Council – Feb. 19, 2026

My Concerns on the proposed Development Charge Short Term Elimination

I'm really trying to get my head around this DC short term elimination for builders. Using some data from city staff and also from delegations by David Barker and Jim Thompson (I think), I'll use some round number estimates I believe were given. Let's say a shoebox 1 bedroom condo is marketed for \$600K by the builder. The DC is \$10K paid by the builder to the City and is imbedded in the buyer's \$600K market price. So the builder has budgeted for the DC. He decides he can't afford to build and sell at this price with the DC and make a profit, so he stops or never even starts the build.

If I'm on track so far, the Mayor wants to eliminate the DC so that the builder is getting a slight \$10K (or 1.66%) reduction in his end assumed costs assuming he still sells it for \$600K. This all goes to his profit. However the City's stipulation is that the \$10K is used to reduce the buyer's cost to \$590K (we can only hope at this point I think). Is this minor incentive to both builder and buyer enough to convince the builder to build and the buyer to buy? I'm not really sure at all. The builder is getting a reduced cost he thought he faced, but supposedly not actually realizing that reduction because he's selling the unit at a reduced price. The buyer gets that slight reduction in his/her price cost. It's something, but really not much.

And to make this work for the Burlington taxpayer, does not the City have to successfully lobby the provincial and the federal governments to re-imburse Burlington for the lost DCs in the transaction, as they supposedly promised? We don't have this in writing, at least not yet. So there are a lot of "ifs" in this whole intent by the Mayor; too many in my opinion. It seems like another performative attempt at making it seem the City is trying to help the lowest **market cost** buyers slightly, but certainly not help any buyer or renter who can't afford even the lowest market purchase or rent.

I don't see why the Mayor is putting all this staff and Councillor time and effort into something that may not even work or may not even help nudge builders or buyers of market-based housing in Burlington. And I don't trust the promises supposedly made to make Burlington taxpayers whole for the entire scheme to function as intended. I hope I've got my information straight here and explained it well enough. If not, I accept any responses of correction any of you can give me. But I think I am close. I don't support this effort in principle or in practice at this point in time and don't think I'll feel any different by March 2nd. Please accept this as my delegation. I will not present it at Council, trusting you to consider it as my delegation.

Thank you,

Gary Scobie
Burlington ON