October 10, 2025

From: **West End Home Builders' Association**
1112 Rymal Road East
Hamilton, Ontario L8W 3N7

To: **Members of Council**
City of Burlington, 426 Brant St
Burlington, ON L7R 3Z6

WE HBA Letter: Burlington Development Charges – October 2025

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. WE HBA represents 300 member companies made up of all disciplines involved in land development and residential construction. In the Hamilton CMA in 2024, which includes Burlington, residential construction contributed over $4.6 billion in investment value and provided over 21,000 jobs paying about $1.6 billion in wages[1]. These jobs and investments are now at serious risk as the residential construction industry across the Greater Toronto and Hamilton Area (GTAH) experiences one of the sharpest downturns in decades.

WE HBA is strongly supportive of the bold leadership position Burlington Mayor Marianne Meed Ward demonstrated at Pipeline to Permit on October 9, 2025, by moving a motion to completely eliminate Development Charges in Burlington as a temporary measure to stimulate construction and save jobs. The temporary measure is desperately needed to address the housing crisis as the residential construction industry is in free fall and bleeding well-paying jobs across the GTAH. WE HBA thanks the Mayor for her leadership, and we call on the Premier and the Prime Minister to step up with housing-enabling infrastructure funding and to take decisive action on the GST and HST on new housing. We need bold action from the federal and provincial governments, just like what is now being demonstrated in the City of Burlington.

Responding to Staff Report FIN-41-25
WE HBA has reviewed Finance Report FIN-41-25 and fully supports its acknowledgment that development activity is highly dependent on economic conditions. The report correctly recognizes that the housing market has dramatically slowed, and that municipalities must act decisively to keep projects moving through the pipeline. WE HBA supports the notion of the City's own analysis shows the potential fiscal impact of a DC reduction being a manageable investment compared to the significant economic benefit of restarting construction activity and preserving local employment.

Furthermore, staff rightly note that recent legislative changes through the *Protect Ontario by Building Faster and Smarter Act (Bill 17)* streamline the ability of municipalities to reduce or eliminate DCs without requiring a full background study. This flexibility provides Burlington the opportunity to lead Ontario in restoring market confidence and accelerating shovel-ready housing projects that have stalled due to high carrying costs and financing challenges.

WE HBA further advises the City of Burlington that, based on a June 6th letter from Martha Greenberg, Deputy Minister of Municipal Affairs and Housing, to Mayor Josh Morgan, City of London, that "while municipalities are responsible for ensuring that they have adequate resources to enable infrastructure necessary to support their growth, Section 5(6)3 of the DCA does not require municipalities to fund statutory and non-statutory exemptions and discounts contained in the DCA or municipal development

[1] *CHBA Economic Impacts 2024 Fact Sheet, Hamilton CMA.*

charge by-laws through non-development charge funding sources... Generally, whether to top-up a reserve fund under these circumstances is a local decision."

Therefore, WE HBA disagrees with the position outlined in the staff report FIN-41-25 to the Pipeline to Permit Committee that states, "Similar to the requirement for all non-statutory exemptions and grants, the City has to fund any DC reductions from a tax-supported funding source, as DC revenue shortfalls resulting from reduction/exemption policies must be made up". We believe that the Ministry has made it clear that the legislation does not require any DC reductions to be funded from a tax-supported funding source.

The Case for a Bold Two-Year Elimination
Across Ontario, other municipalities have recognized the need for action. Hamilton approved a 20 percent DC reduction; Vaughan reset DC rates to 2018 levels; Mississauga cut DCs by 50 percent and eliminated them entirely for 3-bedroom and rental units; and Toronto froze rates pending a comprehensive review. Burlington now has the chance to go further by eliminating DCs for two years to assist to restore housing starts, and protect local jobs. WE HBA notes that federal and provincial action is needed as well to turn around the housing sector and to save jobs.

This bold, time-limited measure will not only help the City meet its housing targets but also send a strong signal to the industry and other levels of government that Burlington is serious about housing supply and economic development. The City can leverage its healthy DC reserve funds, now over $51 million and growing, to offset short-term impacts while unlocking long-term growth and tax revenues.

WE HBA generally supports the three conditions outlined in the motion and looks forward to working with the City on the details of said conditions. We strongly recommend that the condition that the "reduction would only apply to projects that have achieved a defined level of start/completion" ***NOT*** use the CMHC definition of a housing start as that may not occur for a high-rise project until well over a year into construction (CMHC definition is based on foundations being poured which occurs after full excavation). We encourage the City to consider broad based DC relief for all types of housing should the provincial and federal government provide infrastructure funding support. Lastly, we note that the federal government made a campaign commitment (yet to be enacted) to "cut municipal development charges in half for multi-unit residential housing", should that commitment be fulfilled, it would go a long way to supporting broad based relief for the conditions outlined in the Mayor's motion.

WE HBA stands ready to partner with the City to advocate for provincial and federal infrastructure funding to support growth. This temporary DC elimination is precisely the kind of bold leadership Ontario needs to stabilize the housing market, retain skilled trades and restore housing affordability.

We commend Burlington City Council for considering this decisive action and urge you to adopt the two-year DC elimination as proposed. Doing so will strengthen Burlington's reputation as an innovative, pro-housing municipality that leads by example.

Sincerely,

Mike Collins-Williams, MCIP, RPP
Chief Executive Officer
West End Home Builders' Association