



October 23, 2025

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

To:
Mayor Andrea Horvath
Marnie Cluckie, City Manager
Mike Zegarac, General Manager, Finance & Corporate Services
City of Hamilton, 71 Main Street West

WE HBA Letter: Urgent Follow-Up on Temporary Development Charge Reduction Implementation

Dear Mayor and Members of Senior Leadership Team,

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 2023, residential construction contributed over \$3.8 billion in investment value and provided nearly 17,000 jobs paying about \$1.2 billion in wages¹. WE HBA notes that these economic indicators are in rapid decline as housing starts and sales continue to drop. As such we appreciate Council's decision, collaboration and leadership to implement the temporary Development Charge (DC) reduction, effective September 1, 2025.

However, since implementation, our developer members have reported that the policy is not achieving its intended effect of stimulating new housing starts, including multi-family shovel ready projects. Many projects are unable to qualify for the reduction due to interactions with the Community Improvement Project Area (CIPA) incentives, while the primary concern is that "shovel ready" projects have DC rates locked in through prior Site Plan Approvals. The 20% reduction does not apply for projects with locked in rates as Development Charges have escalated so rapidly in Hamilton in recent years that those "locked in" rates are below a 20% reduction from currently posted rates. In practice, this means that virtually any "shovel ready" projects do not qualify for the 20% reduction, meaning this well intended policy to save jobs and support economic development is not having the intended effect.

Several WE HBA members have projects that are shovel ready yet are not economically viable – if they could utilize the temporary DC reduction that would improve viability and potentially lead to shovels in the ground. WE HBA is concerned these factors have rendered the temporary DC reduction largely ineffective and therefore not making any advancements in improving project financial viability and stimulating development.

The ongoing challenges are having a severe impact on Hamilton's development industry and the broader economic ecosystem. The industry continues to hemorrhage good-paying jobs as projects are delayed or put on hold, slowing housing supply and limiting local investment. The recent report titled [Q2 2025 GTA](#)

¹ CHBA Economic Impacts 2023 Fact Sheet, City of Hamilton.



and GGH Housing Report Card: Starts, Sales, and Employment, authored by Jesse Helmer, notes that “The decline in housing starts, compared to the previous four-year average at this point in the year, is estimated to have reduced the number of jobs in Hamilton by 1,931.” WE HBA also notes that Urbanation released a Q3 in mid-October noting GTAH condominium sales were the worst since 1990 and that project cancellations were at an all time high. WE HBA notes a number of significant Hamilton projects are at imminent risk of cancellation. Without swift and measurable action these negative trends are likely to continue, resulting in thousands or additional job losses, undermining both economic growth and the availability of new housing.

Given our shared objective of supporting Hamilton’s housing supply and protecting local employment, **WE HBA respectfully requests a meeting with senior staff at your earliest convenience to discuss these implementation challenges and explore potential adjustments and an early review and evaluation of the program that could restore the program’s intended effectiveness.** Please advise on a time in the coming weeks that would be convenient.

We sincerely appreciate your ongoing partnership and leadership in addressing Hamilton’s housing needs and look forward to working together to ensure that the temporary DC reduction achieves its full potential for both the industry and the community.

Sincerely,

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