



January 12, 2026

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

To:
Members of Planning Committee
City of Hamilton, 71 Main Street West
Hamilton, Ontario L8P 4Y5

WE HBA Letter: Establishing an Interim Fee for Secondary Plan Official Plan Amendments Applications - PED26030

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, residential construction contributed over \$4.6 billion in investment value and provided over 21,000 jobs paying about \$1.6 billion in wages¹. WE HBA notes that these economic indicators are in rapid decline as housing starts continue to drop.

Residential construction has effectively reached a standstill. New home construction across the Greater Toronto and Hamilton Area (GTHA) have declined sharply as construction costs, fees and taxes make the cost of building a new home far more expensive than a comparable re-sale home. As a result, numerous residential construction projects are being delayed or cancelled. Put simply, the cost to build and deliver a new home exceed what the market can afford to pay. Thousands of tradespeople, and associated professionals are being laid off. In the first six months of 2025, nearly 2,000 jobs in our industry were lost in Hamilton. We expect the data for the balance of 2025 to continue to reflect this trend as our members reduce their workforce. The Altus Group is forecasting an additional 40,000 job losses in the sector across Ontario in the first six months of this year alone. The broader economic implications are severe, as the housing and construction sectors represent a major share of regional GDP and employment within the GTHA.

WE HBA is deeply concerned with the City of Hamilton's proposed by-law to establish an interim fee for Secondary Plan Official Plan Amendments Applications, which would significantly increase current fees from approximately \$46,000 to between \$82,000 and \$235,000. At a time when Ontario's housing market is experiencing declining new home sales, stalled projects, and widespread job losses this proposal sends the wrong message. Introducing large fee increases on planning applications adds substantial cost and uncertainty to the development process at a moment when the industry is already struggling to maintain viability, keep people working and deliver much-needed housing supply.

The justification for aligning Secondary Plan Amendment fees with those for Urban Boundary Expansion applications lacks transparency. It is unclear how the magnitude or complexity of

¹ "CHBA Economic Impacts 2023 Fact Sheet, City of Hamilton". Canadian Home Builders' Association.



staff work involved in processing a Secondary Plan Amendment is “similar” to that of a full Urban Boundary Expansion application. The *Planning Act* requires that municipal fees be designed only to recover the anticipated cost of processing applications, yet no supporting data or time-tracking evidence has been presented to justify such a dramatic increase.

Several WE HBA planning firms have expressed concern that, beyond the Urban Boundary Expansion Secondary Plans, the proposed policy change will inadvertently affect all existing secondary plans city-wide. Under the current framework, the cost to amend a secondary plan would rise from \$47,000 to \$82,000, representing a significant increase. This escalation would severely hinder “missing middle” and small-scale intensification projects within existing urban areas, where financial margins are already extremely narrow. For many such projects, the additional cost would render development financially unfeasible.

We are rightfully concerned that the proposed fee structure will have significant unintended consequences due to a lack of clarity around its application. When asked whether the \$82,000 fee would apply to an amendment to an existing secondary plan or only to the creation of an entirely new one, the response we received was ambiguous. Staff indicated that the fee was developed for new secondary plans but suggested that the charge could also apply to amendments if the proposed changes were considered substantial enough to constitute an effectively new plan. This lack of definition creates uncertainty for applicants and raises the risk that even modest amendments could be subject to the increased fee. The consequences would discourage necessary small-scale updates and undermine broader intensification goals.

The City’s assertion that rebates *may* be available at a later date offers little reassurance, as experience shows that refunds are virtually never issued. The development community has long operated within an increasingly restrictive planning framework in Hamilton. Applying new, higher fees to even minor amendments within an existing Secondary Plan will only further constrain housing delivery.

Additional municipal costs will deter new investment and further stall much-needed housing construction. Our concern extends beyond this specific proposed fee increase to the broader trend it represents. This proposal adds to a growing series of City of Hamilton initiatives that, collectively, are increasing the cost of development heading into 2026. Taken together, these cumulative cost escalations risk undermining housing affordability and supply at a time when the economic climate demands a concerted effort to reduce barriers and streamline costs associated with building and delivering new housing. The City of Hamilton should be working to *reduce* rather than *increase* costs.

WE HBA urges the City of Hamilton to reconsider the implementation of these interim fees until market conditions stabilize and a transparent, data-driven fee review can be conducted. Any fee increases should be part of a broader discussion on reducing barriers, streamlining approvals, and supporting the shared goal of improving housing affordability and supply. Now is not the time to pile on new costs. The City and industry must work collaboratively to find solutions that enable growth and stability by reducing costs, rather than add pressure to a sector already in free fall.



Given current market conditions, we respectfully request that the City of Hamilton defer implementation of the proposed interim fee increase. Introducing additional costs and policy changes in this environment will further challenge project viability.

WE HBA remains committed to being a constructive, transparent, and long-term partner. As partners, we share the City's goal of increasing housing supply and improving affordability. However, we are at a crossroads. We can either wait for market prices to rise enough to make projects viable and absorb escalating municipal costs (an outcome that will only worsen housing affordability) or we can work collaboratively to *reduce* costs across the system. We urge the City to choose the latter and take meaningful steps to contain and lower municipal costs. By doing so, we can collectively create the conditions necessary to deliver more housing, which is attainable for Hamiltonians.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mike Collins-Williams'.

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