



March 31, 2026

To:  
**Town of Grimsby Planning Department**  
160 Livingston Avenue  
Grimsby ON, L3M 0J5  
Cc: Mayor and Members of Council

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

**[WE HBA Letter: Concerns Regarding Proposed Building Permit Fee Increases](#)**

The West End Home Builders' Association (WE HBA) is the collective voice of the land development, new home construction, and professional renovation sectors in Hamilton, Burlington, and, in partnership with the Niagara Home Builders' Association, in Grimsby. Our Association represents over 300 member companies across the full spectrum of residential construction, including builders, developers, renovators, trade contractors, suppliers, and consultants.

WE HBA has concerns with the proposed increase to fees outlined in the recent Review of Building Fees report. While we recognize the Town's responsibility to ensure that services are adequately funded, we believe that the proposed increases, amounting to approximately 19%, place an undue burden on the residential construction industry at a time when housing affordability and supply are already under significant pressure. Further, any increase in building permit fees is ultimately passed on to future homeowners and for renovation or home improvement related permits to current homeowners. At a time when senior levels of government are prioritizing housing affordability, increasing municipal fees directly contradicts this objective.

The cost to build a home is increasingly out of alignment with what the market can support, driven by a combination of persistently high interest rates, elevated material and labour costs, high development charges and increasing municipal fees. These pressures continue to result in project cancellations, slowed construction activity, and job losses across the sector. Raising fees amid an unprecedented downturn in the residential construction industry risks further suppressing activity, putting additional jobs at risk, and moving the Town further away from its housing targets.

The report acknowledges that building activity and permit revenues are inherently volatile. In our view, this volatility should not be addressed primarily through higher fees. Instead, alternative approaches such as operational efficiencies should be explored to avoid placing the full burden on an already struggling industry. In addition, new housing delivers broader economic and community benefits, including increased assessment growth, job creation, and long-term tax revenue. Placing a disproportionate share of cost recovery on new development applications fails to recognize these wider public benefits.

The report breaks down the quantity of Building Permit Applications received annually between 2015 and 2024. Application quantities have remained relatively stable across all types during this period, with the exception of new residential. While there are an average 184 applications a year, the past five years fall far behind. Since the onset of the residential construction downturn in 2020 an average of 28 applications have been received each year. It is worth highlighting that the last year reported, 2024, only seventeen New Residential applications were submitted. The numbers point to what our members are experiencing - cancelled projects, unsold units and massive layoffs.



In the past five years there has been an 85% decrease in the average of new residential applications submitted. All other application types have remained relatively consistent. Arguably the complex nature of new residential applications takes up a significant portion of staff time. And yet, despite the 85% decrease in this output required for new residential applications the Town has calculated a fee increase of 19% to get them to full cost recovery status. These numbers defy logic, if there is a decrease of 85% in activity how does it cost 19% more to pay for such a remarkable decrease in activity? Given the significant decline in application volumes, we question whether the cost assumptions used in the report appropriately reflect current service demands and staffing requirements.

Section 1 of the *Building Code Act* requires that permit fees not exceed “the anticipated reasonable costs to administer and enforce the Building Code during building construction.” WE HBA is puzzled. How does the Town administering and enforcing significantly less activity, cost the Town significantly more? Further, we question why the Building department is proposing an additional Building Permit Coordinator at a time when application volumes are in steep decline.

The report notes that the increase to a new single-detached dwelling would be approximately \$560. While each individual fee increase may appear modest in isolation, the cumulative impact of rising development charges, permit fees, and other municipal costs has reached a point where projects are no longer financially viable. Moreover, these fee increases are being proposed during a cyclical low in construction activity, when the industry is least able to absorb additional costs. Implementing higher fees at the bottom of the cycle risks prolonging the downturn, rather than positioning the Town to benefit from the next recovery.

Lastly, the Hemson report notes that 7% of the building permit fee cost breakdown is planned for the “building permit fee reserve fund contributions”. It is outrageous that in the midst of the worst economic downturn in decades, that the Town of Grimsby is not only proposing increased fees, but that a portion of those fees are to be utilized to pad and existing reserve. The current situation is the time that the Town of Grimsby should be freezing permit fees and dipping into that reserve, not increasing fees to add additional funds to the reserve. The Hemson report notes the Town maintains a Building Code reserve fund, which currently has a balance of \$1.5 million. WE HBA is alarmed that the Town of Grimsby is proposing a significant fee increase, with plans for a portion of that increase to be allocated to growing the reserve fund during the worst economic downturn in a generation.

In light of these concerns, we respectfully request that Council consider exploring cost containment and efficiency measures within the Building Department and to allocate the existing reserve funds to manage application variability. The current moment is the exact time that the Town should be prudent and utilize the reserve rather than increase fees.

We remain committed to working collaboratively with the Town to support sustainable growth, efficient service delivery, and increased housing supply in Grimsby.

Thank you for your consideration.

Sincerely,

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

