



May 25, 2026

From:

West End Home Builders' Association
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To: **Members of Planning Committee, City of Hamilton**
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WE HBA Letter: Response to Report PED26090 – Market and Land Supply Monitoring Report 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, 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 and that the Missing Middle Institute has noted that the decline in housing starts, compared to the previous four-year average, is estimated to have reduced the number of jobs in Hamilton by 1,921².

We would first like to acknowledge City staff for assembling a comprehensive and transparent monitoring report. Tracking key indicators related to growth, housing supply, affordability, and development activity is important to all residential construction stakeholders. The report provides important data that can help inform future policy decisions and public discussion.

However, while the report identifies several areas of modest improvement, WE HBA is concerned that the overall findings point to a housing system that remains significantly constrained, increasingly unaffordable, and far from meeting the needs of Hamilton residents.

Although residential construction activity rebounded modestly from the unusually weak performance seen in 2024, the broader trend remains troubling. Housing completions fell to their lowest level since 2019, despite years of discussion around accelerating housing delivery. WE HBA also notes that reporting from Zonda, the Altus Group and Urbanation indicate that new home sales and new condominium sales for ownership housing were at historic lows in 2025. The reality is that well-intended conversations and modest incentives are not translating into homes being built at the pace required.

The report also notes that more than 80 percent of housing starts in 2025 were apartment units, with rental housing accounting for 33 percent of starts. While purpose-built rental construction is an important and necessary part of the housing continuum, we are increasingly concerned that municipal policy discussions are beginning to treat rental housing growth as though it alone represents success.

¹ CHBA Economic Impacts 2024 Fact Sheet, City of Hamilton.

² Missing Middle Institute: 2025 GTA and GGH Final Housing Report Card, April 2026



It does not.

A healthy housing market and a healthy local economy require both rental opportunities and attainable ownership opportunities. Hamilton cannot build a sustainable future if an entire generation of residents is effectively locked out of home ownership.

Ownership housing plays a foundational role in economic stability, wealth creation, neighbourhood investment, and long-term community development. Young families, skilled workers, tradespeople, newcomers, and middle-income households all require realistic pathways into ownership if Hamilton intends to remain economically competitive and socially balanced.

The current market trajectory suggests those pathways are becoming increasingly limited.

The dominance of apartment construction, combined with ongoing barriers facing low-rise and missing-middle housing forms, risks creating a housing market that lacks diversity and long-term affordability. WE HBA also notes that if Hamilton wishes to continue attracting families and talent to the city, that ground-oriented housing with at least three bedrooms is a necessary, and needs to be a part of the equation. Townhomes, stacked townhouses, and attainable family-oriented ownership housing continue to face significant pressures, including high development charges, escalating construction costs, prolonged approval timelines, infrastructure limitations, and uncertainty within the approvals process.

The increase in the vacancy rate to 3.9 percent is a positive sign toward a more balanced rental market, and we acknowledge that moderating rents and declining condominium prices may provide some relief to residents. However, these indicators should not be interpreted as evidence that Hamilton's housing challenges are being resolved. Affordability remains deeply strained across both ownership and rental markets, and the pace of new housing delivery remains insufficient relative to long-term demand.

We are also concerned that the City continues to place significant emphasis on intensification targets without equal attention to market feasibility and delivery realities. Achieving an 88 percent intensification rate may satisfy policy objectives on paper, but if projects cannot advance economically or if housing forms become increasingly limited to small apartment units, the City risks undermining broader housing choice and affordability objectives. A public policy and fiscal policy environment designed to limit future housing opportunities overwhelmingly to small apartments will place the City at a significant competitive disadvantage relative to surrounding jurisdictions.

Similarly, while the reported development pipeline of approximately 33,000 units appears substantial, pipeline numbers do not actually house people. The growing gap between approved units and completed homes suggests that many projects remain stalled or financially challenged. This should be viewed as a warning sign requiring action and attention, not a comfort.

WE HBA also acknowledges while not discussed in the report, that Council approved a temporary 20 percent reduction in development charges for residential development as a



measure intended to help stimulate housing construction activity and improve project viability. We continue to appreciate Council's recognition that rising municipal taxes are affecting the ability of projects to proceed. WE HBA does however note that the 20 per cent reduction was not broadly applied across all projects and most notably did not apply to "shovel ready" intensification projects (the types of projects that planning policy is attempting to promote) that had DC rates "locked" in at an earlier date than recent (and significant) DC increases a couple of years ago. This approach by the City of Hamilton differs from a number of other municipalities that have more broadly reduced development charges.

Nearly a year after the incentive was approved, the industry has yet to see meaningful evidence that the reduction has materially improved housing starts or accelerated project delivery. Current market conditions including external factors beyond the control of the City of Hamilton that in combination with excessive cumulative municipal fees and approval delays continue to challenge the viability of many projects across Hamilton.

Given these ongoing concerns, we would encourage Council to direct staff to report back in advance of the one-year anniversary of the incentives with a clear assessment of the program's effectiveness, including the number of units and types of units directly impacted as well as the location (by ward). Such a review should examine whether the temporary reduction has resulted in measurable increases in housing starts, project advancement, and whether additional measures may be required to support housing construction and restore market feasibility. Furthermore, we encourage City staff to report on what a number of other municipalities have done in terms of actions to reduce development charges in the last year since Hamilton initially brought in a 20% reduction.

While Hamilton remains well short of the level of housing production required to meet provincial targets, restore affordability, and support long-term economic growth. The monitoring and reporting contained in this report are useful, however the focus must now shift toward concrete actions that materially improve housing delivery across all tenures and housing forms.

Hamilton's housing challenges are not solved, and the current trends outlined in this report make clear that significantly more work remains ahead.

We look forward to continuing to work collaboratively with Council and staff toward practical solutions that increase housing supply, restore affordability, and create a healthier and more balanced housing market for all residents.

Sincerely,

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