

Regional Chair John Henry & Members of Council Region of Durham 605 Rossland Road East Whitby, ON L1N 6A3

June 13, 2023

Re: Report 2023-F-13

The Durham Region Home Builders' Association (DRHBA) is in receipt of Report 2023-F-13 – Final Recommendations Regarding the New Regional Development Charge By-law.

DRHBA has been working with BILD, the Altus Group, and SCS Consulting to review the Region's development charge background study, and our consultants have made several submissions to Regional staff. Unfortunately, there remain unanswered comments, as well as responses from Regional staff that require more discussion before the final development charge by-law is finalized.

The consultants' submissions delved into the technical aspects of the background study and found issues such as:

- Not accounting for increased Persons Per Unit (PPU) in existing units through increased Benefit to Existing (BTE).
- Roads land acquisition costs that appear to be charged twice. Land is being dedicated through the Planning Act dedications and included in the charge, but not being deemed eligible for a development charge credit.
- The values of existing facilities (i.e. \$1,200/s.f. for police station and \$1,300/s.f. for paramedic station) seem very high compared to the existing Level of Service (LOS).
- Not assigning costs to non-residential builds for police and paramedics is acceptable via an exemption if the cost of exemptions is made up through non-DC sources, however in this charge it appears it is being made up through higher residential rates.
- The assigned PPB and BTE for roads, sewer and water are too low.
- An inaccurate growth forecast is being used to make projections.

We urge council to focus on the impact that this significant increase to development charges will have on housing affordability. After the transition period, the development charges for every housing type have essentially doubled in the new proposed DC. The cost will be passed down to the consumer: the new home buyer.

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The substantive increases will make the current housing and affordability crisis even worse.

The Durham Region Home Builders' Association is respectfully asking council to instruct staff to look for other revenue sources for funding instead of putting it on the backs of new home purchasers.

We look forward to continuing our discussions with staff to explore ways to decrease the DCs through future modifications as additional revenue sources are secured.

Sincerely,

Stacey Hawkins

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**Executive Officer** 

Durham Region Home Builders' Association

Cc:

Domenic Chiodo, President, DRHBA Nick Henley, Chair, GR Committee, DRHBA DRHBA Membership

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