

Mayor Dan Carter & Members of Council  
City of Oshawa  
50 Centre Street South  
Oshawa, ON L1H 3Z7

June 21, 2024

Re: 2024 Development Charge Background Study

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The Durham Region Home Builders' Association has received, on June 19 at 5:30 p.m., the City's responses to our initial correspondence, dated May 22 and May 24, 2024. While we were hoping to provide more fulsome comments, the commenting deadline does not provide us with enough time to do so.

Furthermore, it was disappointing to see that the City released a revised report (CNCL-24-73) on June 19 advising that the development charge has been further increased since the release of the background study, without notifying the public and our industry.

<b>Residential Rates</b>	<b>Current (Jan. 2024)</b>	<b>As Proposed in Background Study</b>	<b>% Increase</b>	<b>As Proposed on June 19<sup>th</sup>, 2024</b>	<b>New % Increase</b>
Singles & Semis	\$35,591	\$37,782	+ 6.1%	\$38,227	+ 7.4%
Apartments – 2 Bed+	\$22,398	\$23,753	+ 6.0%	\$24,033	+ 7.29%
Apartments – Bachelor & 1 Bed	\$13,753	\$14,915	+ 8.4%	\$15,091	+ 9.72%
Townhouse/Other Multiple	\$28,679	\$28,210	-1.6%	\$28,542	- 0.47%

At the May 24<sup>th</sup> special council meeting, DRHBA addressed Council about the Association's concerns that increasing development charges negatively impact housing affordability. Since that meeting, the City of Oshawa has amended their DC bylaw to further increase their development charge rates, and the Region of Durham is removing the phase-in and applying indexing to their development charges. As a

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result, on July 1, 2024, the total development charges payable on a single detached home will be **\$130,657.00**. The breakdown is as follows:

Oshawa Development Charge	\$38,227.00
Region of Durham DC	\$86,095.00
DDSB DC	\$3,749.00
DCDSB DC	\$2,586.00
<b>Total</b>	<b>\$130,657.00</b>

As mentioned in our delegation, most developers need to finance these development charges, as they are due prior to the closing of the homes, at rates higher than those for residential mortgages. The development charge fees and the financing costs are passed directly onto the new home purchaser, increasing the total cost of a home.

Council is well aware that there is a housing affordability crisis, with more and more families being priced out of the market every day.

DRHBA is aware that there are factors involved in housing affordability that Council has no control over, including the cost of land, increasing building costs and trades shortages. However, a big piece of that pie is development charges, which Council does have control over.

In addition to the affordability concerns, we also note that one-third of the proposed development charge bylaw in front of you is earmarked for one project - the Northwoods Community Centre. The Development Charge Background Study only allocates a 7 per cent benefit to existing residents, however, according to the City's own Parks, Recreation, Library and Culture Facility Needs Assessment, Oshawa's existing facilities cannot accommodate the current population. In fact, Oshawa's aquatic facilities are presently servicing its population at a rate of one pool per 47,900 residents, and its target is one indoor aquatic centre per 40,000 – a deficit of almost one full aquatic centre at the present time. The report also notes an existing waitlist of over 4,000 potential users unable to access programs at existing City pools. The Needs Assessment also shows that the City's current supply of one gym per 76,640 persons is far below the City's standard of one gym per 50,000 persons. The benefit to existing (BTE) for the Northwoods Community Centre should be adjusted to reflect this. Please refer to the joint DRHBA/BILD submission for more details on this issue.

We respectfully request that council defer voting on the proposed development charge bylaw to allow the industry time to properly review the responses to our questions and the newly increased charge.

**1-1255 Terwillegar Avenue, Oshawa, Ontario, L1J 7A4**



Sincerely,

Stacey Hawkins  
Executive Officer  
Durham Region Home Builders' Association

Cc:  
Nick Henley, President, DRHBA  
Tiago Do Couto, Chair, GR Committee, DRHBA  
DRHBA Membership

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