

May 5, 2026

Chairman Jolliffe and Members of Regional Council
Regional Municipality of York
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

RE: ***Item 1.2.4 Region-Wide and Nobleton Area-Specific Wastewater Development Charges Background Studies and By-law***

York Regional Committee of the Whole
May 7, 2026

The Building Industry and Land Development Association (BILD) acknowledges receipt of **Item 1.2.4, Region-Wide and Nobleton Area-Specific Wastewater Development Charges Background Studies and By-law**, scheduled to be considered at the May 7th Committee of the Whole. On behalf of our York Forum members, we appreciate the opportunity to provide comments for your consideration.

BILD has been actively engaged with Regional staff on this process for over a year. As this work reaches its conclusion, we would like to underscore that the consultation undertaken by the Region has been exemplary. Staff facilitated transparent and constructive discussions throughout. While there were areas where perspectives differed, the process remained collaborative and respectful, which we greatly value.

Through today's staff report, BILD would like to recognize and support several key recommendations, including:

- Delegating authority to the Chief Administrative Officer and Commissioner of Finance to enter into development charge deferral agreements for projects where charges were determined between March 30, 2026 and May 21, 2026, allowing for a transition to the 2026 Region-wide Development Charges By-law;
- Introducing a development charge exemption for retail and hotel building expansions of up to 50 percent of existing gross floor area, aligning with other non-residential uses; and
- Permitting eligible rental developments currently subject to 5-20-year deferrals to transition to the Region's Non-Luxury Rental deferral program, subject to maintaining affordability requirements.

These measures represent meaningful and pragmatic improvements to the proposed by-law, and we support their implementation.

Further to this, we acknowledge the Region's reference in the staff report to the Canada-Ontario Partnership to Build, and acknowledge the commitment to revisit development charge rates should this funding be secured. This will be an important opportunity to further reduce costs and move closer to a more balanced and comprehensive approach. We look forward to future discussions with the Region on this once the parameters are released.

For ease of reference, we have attached BILD's February 26, 2026 submission to Committee. The positions outlined in that correspondence remain unchanged. In particular, given the significant slowdown in housing activity, BILD continues to emphasize that any development charge reductions should be applied consistently across all housing types. Targeted or uneven reductions risk exacerbating supply challenges in an already fragile market. Relief

should instead be structured to support overall housing delivery and affordability across York Region, helping to advance complete communities and maintain the viability of all housing forms.

At the same time, we recognize the importance of providing certainty and stability to the development community, particularly in the current environment. Advancing the by-law at this time will ensure that the improvements identified through this process can be realized without further delay, while still allowing for future refinement when additional funding or policy direction become available.

BILD looks forward to continuing to work with Regional staff and Council as this by-law is implemented and as future opportunities arise to improve the development charges framework in a manner that supports housing supply, affordability, and economic growth across the Region.

Sincerely,

A handwritten signature in black ink, appearing to read "Victoria Mortelliti".

Victoria Mortelliti, MCIP, RPP.
Director, Policy & Advocacy

Cc: BILD York Forum Members

The Building Industry and Land Development Association is an advocacy and educational group representing the building, land development and professional renovation industry in the Greater Toronto Area. BILD is the largest home builders' association in Canada, and is affiliated with the Ontario Home Builders' Association and the Canadian Home Builders' Association. It's 1,000 member companies consists not only of direct industry participants but also of supporting companies such as financial and professional service organizations, trade contractors, as well as manufacturers and suppliers of home-related products.

February 26, 2026

Chairman Jolliffe and Members of Regional Council

Regional Municipality of York
17250 Yonge Street
Newmarket, Ontario
L3Y 6Z1

RE: ***Item D.4. Region-Wide and Nobleton Area-Specific Wastewater Development Charges Background Studies and Bylaws***

York Regional Council (Public Meeting)
February 26, 2026

The Building Industry and Land Development Association (BILD) is in receipt of **Item D.4: Region-Wide and Nobleton Area-Specific Wastewater Development Charges Background Studies and Bylaws**. On behalf of our York Forum members, we appreciate the opportunity to provide the following comments for your consideration. We also thank staff for creating a York Region DC Working Group for consultation in which BILD and many of its members participated.

BILD and its members sincerely appreciate the efforts of Council and staff to provide relief, as demonstrated by the first-ever reduction at York Region in calculated development charges. We recognize that staff have worked diligently within a complex and evolving regulatory framework to fulfill their mandate.

BILD's position is clear:

- Given the unprecedented contraction in housing activity, and recognizing consumer choices, any development charge reductions should be applied equally across all forms of housing. Targeted or uneven reductions risk further undersupplying an already fragile housing market;
- Relief should support overall housing delivery and affordability throughout York Region to ensure the creation of complete communities; and
- This approach ensures that all product types, and the residents they serve, have a fair opportunity to move forward in the current environment.

As Regional Council is aware, without meaningful measures to restore development activity, the consequences will extend well beyond the housing sector. In the absence of new construction, the Region will forgo not only development charges revenues, but also future property tax assessment growth, application related fees, and other growth-related revenues that fund essential infrastructure and services. At the same time, reduced housing starts translate directly into fewer construction and related industry jobs across the supply chain. A stalled development pipeline does not simply delay housing, it erodes regional and municipal revenues, constrains long-term fiscal sustainability, and results in tangible job losses across York Region.

The next section of this letter will provide further details of the market context and elaborate on our position.

State of the Market

It is imperative to outline the market context by which we are requesting considerations to the Region's current DC by-law. In February 2026, Altus Group reported that new home sales have collapsed across Ontario, signaling a significant and growing crisis in the housing sector. What we are experiencing is not a typical cyclical slowdown. It is a breakdown in the development pipeline. If not addressed urgently, this will translate into job losses, reduced housing supply, and substantial foregone municipal and provincial revenues.

If immediate action is not taken to restore affordability and confidence in the new home market, by the end of this decade Ontario could see:

- A loss of up to 100,000 jobs related to the construction industry;
- A loss of up to \$14 billion in GDP; and
- A loss of up to \$8.3 billion annually in government revenues, including municipal fees and provincial land transfer tax revenues of up to \$1.3 billion, as well as up to \$2.4 billion in provincial and federal income tax revenues respectively.

In the Greater Toronto Area, new home sales fell to historic lows in 2025. Total annual sales were just over 5,300 units, representing the weakest level recorded in 45 years of data collection. Compared to the 10-year average, condominium apartment sales declined by 89 percent and single-family home sales fell by 63 percent. The very low sales volumes in 2025 followed similarly depressed levels in 2024 (Altus Group, 2025).

Weak new home sales in recent quarters will inevitably lead to sharply lower housing starts in the coming years, resulting in a steep decline in residential construction activity, employment, and associated government revenues. The policy decisions made today will determine whether this downturn deepens or stabilizes. **The decline in new home sales over the past five years has been both sharp and sustained in York Region.**

Comparing New Homes Sales in York Region 2020 to 2025:

- High-rise sales declined from 5,798 units in 2020 to just 326 units in 2025, a decrease of 5,472 units or approximately **94 percent**.
- Low-rise sales declined from 5,080 units in 2020 to 1,018 units in 2025, a decrease of 4,062 units or approximately **80 percent**.

Comparing New Home Sales in York Region 2024 to 2025:

- High-rise sales fell from 1,125 units in 2024 to 326 units in 2025, a further decline of 799 units or approximately **71 percent in a single year**.
- Low-rise sales declined from 1,403 units in 2024 to 1,018 units in 2025, a decrease of 385 units or approximately **27 percent year-over-year**.

These figures demonstrate not a gradual market correction, but a severe contraction in both high-rise and low-rise development activity. The industry is not presenting these figures for effect, they reflect a real and accelerating shutdown in housing delivery.

We recognize that many members of Council have taken significant steps in their respective area municipalities to provide industry relief, being very aware of local market conditions, and we appreciate these proactive leadership initiatives.

BILD's Response to the Report

To reinforce, BILD continues to support an equal application (9% reduction) of development charge relief across all residential forms. Our recommendation aligns with Council's June 12, 2025 direction, which instructed staff to explore all options to mitigate development charge rate increases in the 2026 Development Charges By-law. This direction ensures all product types are treated equitably, which is the principle underlying BILD's position.

In the report, staff analyzed the costs of various development charge discount scenarios discussed at the most recent BILD and York Region DC Working Group meeting. While the BILD recommendation of residential rate equalization was appropriately included, staff also modeled two additional examples referencing reduction conversations in other municipalities against the cost impact to the property tax base and user fees. The references to these jurisdictions were provided to illustrate that our equalization recommendation is a more modest recommendation meant to work within the confines of York Region's budgetary constraints. They were not intended as recommendations for York Region to adopt comparable levels of relief at this time, nor to be funded by redistributing other DC category reductions; instead, they could be supported by the \$12.2 billion earmarked by the federal government to offset development charge reductions.

This forthcoming relief is not reflected or clearly signaled in the current report. We are hopeful that further program details will be released in the spring and look forward to the opportunity to update the by-law at that time to reflect a near 50 percent reduction.

Until that funding begins to flow, BILD's request for residential rate equalization should be understood as a temporary, stop-gap measure. It is intended to bridge the period between today's depressed market conditions and the implementation of committed federal support. Once federal funding is operationalized, the Region would be positioned to recover costs associated with interim relief.

This relief would provide the development industry with the opportunity to reassess project pro formas and potentially advance developments that have otherwise stalled. It is important to recognize that eliminating or reducing development charges will not result in every project in the pipeline advancing to permit. However, it can unlock projects that are currently not financially viable, and even a modest increase in project activity is preferable to continued stagnation.

This is an important consideration given that development charges represent only one component of the broader market challenges currently impacting housing delivery, including weakened consumer confidence, financing constraints, and other economic pressures that are beyond the control of the Region.

This temporary stop-gap was never intended to shift costs onto the residents of York Region. The Region has taken meaningful steps within its fiscal capacity to support housing. It is now appropriate for other orders of government to provide the financial backing necessary to sustain York Region's capital program.

Most importantly, the interim measure supports what strong York Region communities require immediately: a healthy and balanced housing mix in the development pipeline. A

complete community is built on choice. Residents at different stages of life have different housing needs. Young professionals entering the market, growing families seeking more space, multigenerational households, and older adults looking to downsize all require different housing forms. A marketplace that cannot deliver a range of options undermines both affordability and long-term community stability.

In a deeply constrained market, preserving product diversity is critical. Without a balanced mix of housing types moving forward simultaneously, the Region risks creating gaps in supply that will take decades to correct. Residents of York Region deserve access to a range of housing options that reflect varying financial capacities, family compositions, and life stages. Without that range, households will seek attainable opportunities in other jurisdictions, along with the economic activity and long-term investment they generate.

Timing of Payment

As important as the discussion on DC relief is, the timing of development charge payments is equally critical. BILD respectfully emphasizes the need to maintain alignment with the Province's intent with *Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025*, which is to ensure that timing of payment is more in line with when the funds from a closing occur so as to minimize additional costs that are otherwise borne by the homeowners.

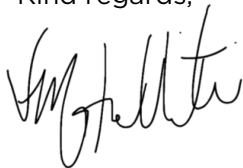
The legislation specifies that development charges are payable upon occupancy of or the issuance of an occupancy permit for a building, not for occupancy of any part of a development. **The distinction reflects the Province's objective of deferring payment closer to when revenue is realized, while ensuring that there is a clear mechanism that ensures that municipalities receive payment.**

For high-rise projects, payment is triggered when occupancy begins within that building. For low-rise projects, occupancy permits are issued per individual dwelling, not for the subdivision as a whole. **In both cases, the structure defers payment closer to the point of sale, reducing financing costs and supporting the Province's objective of facilitating housing construction.**

We recommend additional conversations with industry and regional staff to discuss the intent of this legislation to ensure that the by-law is drafted and applied consistently with that Provincial mandate.

BILD members are proud to be your partners in helping to provide the communities that your residents work in, and call home. Thank you for the collaboration on this review, and we look forward to continued discussions through the established working group.

Kind regards,



Victoria Mortelliti, MCIP, RPP.
Director, Policy & Advocacy

CC: BILD York Forum Members



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