



GRAND HIGHLANDS

HOME BUILDERS' ASSOCIATION

Mayor Solomon and Members of Council

Town of Grand Valley
5 Main St. N., Grand Valley
Ontario L9W 5S6

September 19, 2025

Re: Support for a Temporary Reduction in Development Charges

Mayor Solomon and Members of Council,

On behalf of the Grand Highlands Home Builders' Association (GHHBA), an amalgamation of the Guelph & District Home Builders' Association, Greater Dufferin Home Builders' Association, and the Guelph Wellington Development Association, we are writing to express our support for a temporary 50% reduction in residential development charges (DCs) in the Town of Grand Valley, in place until May 31, 2027. We are in the midst of a generational housing crisis, and the reality is that the cost of a new home is being driven higher not just by materials and labour, but by government-imposed costs. Nearly 30% of the price of a new home is now made up of taxes, fees, and development charges. These are not costs absorbed by builders, they are passed directly to buyers, making it harder for young families, first-time buyers, and new Canadians to enter the market. If we are serious about tackling affordability, we must confront the impact of these charges head-on.

The GHHBA proudly represents the residential construction industry across Guelph, Wellington, and Dufferin. Our members are committed to building quality, attainable housing for families in our communities. However, the reality today is stark:

- Grand Valley is no longer competitive. Municipal DCs here are nearly double those of neighbouring municipalities.
- The cost to build a home is the same everywhere. Labour, materials, and financing costs do not change from town to town. The only levers that determine affordability and competitiveness are land prices and development charges.
- DCs are a flow-through cost. These charges are not absorbed by builders; they are ultimately borne by the homebuyer. At a time when affordability is already stretched thin, high DCs directly translate into higher home prices.
- Other municipalities have acted. Vaughan, Mississauga, Peel Region, and Hamilton have all set precedent with introduced meaningful DC reductions in recent months to stimulate housing starts and meet housing pledge targets. Grand Valley risks falling behind if action is not taken.



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We believe a time-limited reduction in DCs, with clear end date of mid 2027, offers a balanced, fiscally responsible solution. It would restore competitiveness, support housing starts and demonstrate that Grand Valley is committed to being part of the solution to Ontario's housing crisis. A temporary adjustment now will enable builders to bring forward projects and give families the chance to put down roots in Grand Valley.

We respectfully urge Council to move swiftly on this matter and thank you for your consideration.

Regards,

Lisa Schuett,
President, Grand Highlands Home Builders' Association



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