

Development Charges: What Residents Should Know



What are Development Charges (DCs)?

Development Charges (DCs) are one-time fees collected from developers when a building permit is issued. These fees help pay for the infrastructure needed to support growth, including roads, transit, water and sewer infrastructure, fire and police services.



Why are they important?

As Hamilton grows, the city needs more infrastructure and services. DCs help ensure that new growth pays for itself instead of passing all the costs on to current residents through higher property taxes and water bills.



Why is the City reviewing the DC By-law?

Hamilton City Council has asked staff to review the DC By-law to respond to current economic conditions and support continued development across the city. Potential changes aim to support ongoing development projects while balancing the City's financial responsibilities.



Who has been consulted on these changes to-date?

The City held two workshops with industry experts:

- Industrial and Commercial Developers – May 14, 2025
- Residential Developers – May 16, 2025

Participants reviewed proposed changes and shared feedback.



What changes are being considered?

The City is considering these proposed amendments:

- Letting Council decide whether to stop future automatic fee increases
- Giving developers more time to get permits at the current DC rate (from 6 months to 12 months)
- Keeping the current discount for residential projects in the Downtown area for 2 more years
- Keeping the current discount for non-manufacturing industrial projects for 2 more years
- Charging the same lower DC rate to all apartment units, including 2- and 3-bedroom units
- Giving developers 10 years (instead of 5) to qualify for a DC credit after demolishing a building

These changes are meant to encourage building activity while ensuring the City can still fund the services everyone relies on.



How could this impact residents?

Changes to DCs can shape how neighbourhoods grow and how public services are funded. If DCs are reduced, the City may collect less from developers to fund growth. This could lead to a funding gap for services like roads and water systems, which may need to be covered by property taxes or other sources.

For more information:

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