Subject:FW: Email - Communication - Nicole Burgess - Development Levy Fee Increase - CK 750-4 x 1860-1Attachments:Letter to PDCS on 2023 Development Fee Increase.pdf

From: Web NoReply <<u>web-noreply@Saskatoon.ca</u>>
Sent: Monday, December 5, 2022 6:02 PM
To: City Council <<u>City.Council@Saskatoon.ca</u>>
Subject: Email - Communication - Nicole Burgess - Development Levy Fee Increase - CK 750-4 x 1860-1

--- Replies to this email will go to ceo@saskatoonhomebuilders.com ---

Submitted on Monday, December 5, 2022 - 18:00

Submitted by user: Anonymous

Submitted values are:

Date: Monday, December 05, 2022

To: His Worship the Mayor and Members of City Council

First Name: Nicole

Last Name: Burgess

Phone Number :

Email: ceo@saskatoonhomebuilders.com

Address: Cope Cres.

City: Saskatoon

Province: Saskatchewan

Postal Code: S7T

Name of the organization or agency you are representing (if applicable): Saskatoon & Region Home Builders Associa

Subject: Letter for PD&CS RE: Development Levy Fee Increase

Meeting (if known): December 6, 2022

## Comments:

Please find attached a letter for tomorrow agenda item on the development levy fee increase.

## Attachments:

• Letter to PDCS on 2023 Development Fee Increase.pdf152.91 KB

Will you be submitting a video to be vetted prior to council meeting?: No

Saskatoon & Region Home Builders' Association



102 Cope Crescent #17, Saskatoon, SK S7T 0X2 306.955.5188 info@saskatoonhomebuilders.com saskatoonhomebuilders.com

December 5, 2022

Committee on Planning, Development and Community Services 222 3<sup>rd</sup> Avenue North Saskatoon SK S7K 0J5

## **RE: Feedback on Proposed Development Levy Fees**

On behalf of the Saskatoon & Region Home Builders' Association (SRHBA), I am writing to express concern around the impact of the proposed development levy fee increase on housing affordability and investment in our city. In light of recent levies and fee increases, some SRHBA Developer Members have indicated they are planning to move their future investments outside of Saskatoon.

Amongst our concerns, is that that the cost of a servicing a lot has a significant impact of the cost of a new home today. Pair this with a double digit increases in individual levies and a nearly 6% increase in the overall offsite charges, and therein lies a situation that threatens to further erode housing affordability for the citizens of Saskatoon, and negatively impact an industry that is integral to support the City's own population growth projections.

While the analysis provided by the City is appreciated, we feel it is unbalanced in that it looks at this complex issue from a single perspective. It is important, particularly at this juncture, that housing affordability be considered. As you know, the homebuilding industry continues to face significant upward pressure from areas such as application fees, development costs, taxes, labour, and construction materials. Although some of these may be seemingly minor on their own, the aggregate of all cost increases threatens Saskatoon's position as one of the most affordable housing markets in Canada.

We suggest that committee recommend that administration continue to look for creative ways to maintain the current rate before defaulting to a detrimental fee increase. Should an increase be necessary, we request that it be a true reflection of inflation to protect housing affordability for the citizens of Saskatoon.

Sincerely,

Nicole Burgess, BA, CAE Chief Executive Officer

Our mission is to Lead and represent the residential construction industry through a member-focused approach based on professionalism.