

March 16, 2026

Re: Proposed Development Charge Increases

Dear Mayor and Members of Council,

We are writing to share our concerns regarding the proposed Development Charge increases currently under consideration by the Municipality.

We understand and support the need for the Municipality to plan for growth and to ensure that infrastructure is appropriately funded. However, after reviewing the proposed Development Charges and the accompanying background material, we are concerned about the scale of the increases and the potential impacts they may have on housing affordability, development viability, and the Municipality's ability to attract new residential investment.

In particular, we have concerns with the overall magnitude of the proposed increases, as well as the significant escalation in charges for certain services. These increases, when layered together, represent a substantial new cost burden on residential development that will inevitably be reflected in higher housing prices for future residents.

We are also concerned about how growth-related infrastructure costs are being allocated across the Municipality. The background materials indicate that a large share of future growth is expected to occur in specific settlement areas, yet the proposed Development Charges are largely applied on a municipal-wide basis. In our view, this raises questions about whether costs are being fairly aligned with the areas that are driving the need for new infrastructure. While the Development Charges Act requires municipalities to consider area-specific charges where appropriate, we did not see a clear analysis demonstrating how this was evaluated or why it was ultimately not pursued.

Additionally, we believe there is a need for greater transparency around the assumptions used in the Development Charges calculations, particularly with respect to the portion of infrastructure costs attributed to existing development versus new growth. Clarification around project scope, benefit-to-existing allocations, and compliance with recent legislative changes would help provide greater confidence that Development Charges are being calculated in a manner that is both fair and defensible.

We also wish to highlight concerns related to the recent expansion of designated growth areas surrounding Grand Bend. While additional growth is being encouraged, the Ministry of Transportation has indicated that it does not support this expansion without significant highway improvements, including new and expanded turning lanes. These upgrades represent substantial, unanticipated costs that are being borne by early development in the area. In addition, our project is subject to a \$4800 per-unit charge bylaw related to historic infrastructure upgrades in Grand Bend that were calculated based on earlier growth projections. With growth

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areas now expanding beyond those assumptions, it is our view that these costs should be spread more broadly across future development rather than disproportionately allocated to the first projects moving forward. Without this adjustment, early developments are effectively subsidizing infrastructure that will benefit a much wider growth area over time. We ask that this bylaw be reviewed and amended.

Taken together, these issues raise concern that the proposed rates may go beyond what is necessary to support growth and could have unintended consequences for the supply and affordability of new housing in South Huron.

We respectfully ask Council to carefully consider the concerns outlined in the anticipated report from a consulting firm we have contracted, and to engage further with the development community before adopting the new Development Charge by-law. We believe there is an opportunity to refine the approach in a way that supports the Municipality's infrastructure needs while also encouraging sustainable and attainable residential growth.

Thank you for your time and consideration. We would welcome the opportunity to discuss these matters further.

Sincerely,

Don de Jong, President
Tridon Properties Ltd.