

May 10, 2019

Our File No.: 190347

Via Email

Mayor and Members of Council
City of Barrie
70 Collier Street
Barrie, ON L4M 4T5

Dear Mayor and Members of Council:

Re: Development Charge By-law Review Public Meeting – May 13, 2019

We are solicitors for the Salem Landowners Group (“SLG”), who are developing lands within the Salem Secondary Plan Area. Together with a team of consultants, we are assisting the SLG with the City’s ongoing Development Charge By-law Review. As noted in our May 6, 2019 letter, SLG’s consultants are also reviewing the details of the City’s proposed Infrastructure Master Plans.

As part their work, the SLG’s consultants have reviewed the Development Charges Background Study prepared by Watson and Associates, dated April 17, 2019 (the “Background Study”). The Background Study proposes a **35% increase** in City-wide development charges, and an **80% increase** in area-specific development charges for the Annexed Area (Salem and Hewitts).

Based on their review to date, SLG’s consultants have compiled an extensive list of comments regarding the Background Study, which has been provided to staff and are attached to this letter. Many of those comments are in the form of questions requesting clarification or additional information from the City’s staff and consultants. Responses to the information requests and other comments from the City are essential in order for the SLG to undertake a meaningful review of the information and calculations in the Background Study, and to reach conclusions as to whether the development charges proposed are reasonable and comply with the requirements of the *Development Charges Act, 1997* (the “Act”).

The SLG are particularly concerned with matters such as: huge increases in the estimated costs of water, wastewater and roads infrastructure; the methodology and assumptions used to calculate the proposed transit development charge; the rationale for allocations to benefit to existing and post period benefit; and the basis for concluding that the need for airport, long term care and social housing projects is attributable to the residential and non-residential growth over

the next 10 years, and therefore justifies funding through a development charge. Other technical concerns have also been raised. The SLG's consultants are continuing to review the Background Study and Infrastructure Master Plans. Additional questions and comments may arise from this further review, as well as from the review of responses and additional information we expect to receive from the City.

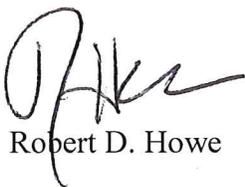
Further, the SLG is very disappointed with the process the City is following in respect of this development charge by-law review. The Background Study was only released on April 17, 2019, and we understand that the City proposes to enact a new By-law on June 17, 2019. While this meets the 60-day minimum time period required by the Act between the release of the Background Study and enactment of a by-law, it represents an insufficient period of time for review, particularly given the extent of the comments and concerns that have been raised. In our experience, most municipalities will commence the process of releasing information and stakeholder consultation well in advance of the minimum timeframe required by the legislation. Moreover, the SLG submits there is no compelling reason for the City to provide only the bare minimum of time for consultation given that the current Development Charge By-law does not expire until August 26, 2019.

Accordingly, the SLG is requesting that Council direct staff to continue consultation with stakeholders and the public over the summer, so that the SLG can effectively understand and comment on the proposed new development charge, and present the new by-law to Council for enactment in late August.

We note that Bill 108 that was given first reading on May 2, 2019 would, if enacted, introduce amendments to the Act that would have particular impact on development charges for "soft" services. We are in the process of trying to understand those changes, as we expect the City is as well.

Yours truly,

Goodmans LLP



Robert D. Howe

cc: Salem Landowners Group

City of Barrie Development Charges Background Study

Watson & Associates Economists, April 17, 2019

Preliminary Issues/ Comments on behalf of the Salem Landowners' Group

May 9, 2019

Public Works Facilities	Capital Program	-Explain how BTE/PPB was determined – in particular South Operation Facility (no BTE), Provision for Collier Expansion (PPB)
Protection- Fire	Capital Program	-Explain how BTE/PPB was determined for the 3 Fire Facilities (Training Facility, stations 5 and 6)
	Historic Service Level	-Justify 2019 Building Value of \$5,710/sm (\$530/sf)
Protection-Police	Capital Program	-Explain DC Recoverable cost of \$33.1 million compared to Maximum Service Level of \$32.2 net. -Explain how BTE for the 2 new building facilities (First Responders/Training Facility) were determined and justification for no PPB -Provide details on Discounted Interest Financing for First Responders (e.g., does it include interest for BTE share and what is the Discount Rate utilized?) -Provide details on Discounted Principal and Interest for 35 Sperling and does it include BTE?
	Historic Service Level	-Justify 2019 Building Value of \$5,710/sm (\$530/sf) -Was outstanding debt for 35 Sparling removed for level of service calculation
Parking Spaces	Capital Program	-Explain why no PPB and no BTE except for minor allocation for Parking Technology -Provide details on Existing Debt Principal/ Interest – GO -Platform not listed in historical level of service. Is this an eligible parking facility? -Justify Res/Non-Res split (75/25). Is parking not primarily related to non-residential development?
	Historic Service Level	-Justify the unit cost of the parking spaces of \$8,100/space for surface lots
Airport	Capital Program	-Justify how the PPB was calculated for Runway Expansion and Widening, Infrastructure and why no PPB for Land Acquisition. -Explain why no BTE was calculated for any of the 3 parcels. How the airport improvements

		<p>relates to the needs of growth?</p> <p>-Please provide any planning studies, reports, environmental assessments, etc. that will help understand the justification and need for the planned improvements?</p> <p>-Provide details on Agreement with County/Oro-Medonte on funding of capital improvements</p>
	Historic Service Level	-Justify cost of Terminal Building at \$568/sf
Library	Capital Program	-Explain how PPB was calculated for all 5 projects and in particular for Hewitt branch (12% PPB) and no PPB for additional space (branch libraries)
Paramedic	Capital Program	<p>-Provide details on cost sharing for paramedic services within the County of Simcoe</p> <p>-Provide details on how PPB/BTE was determined for each of the 13 capital projects</p>
	Historic Service Level	-Justify the cost of \$518/sf for a Paramedic Building
Social Housing	Capital Program	<p>-Please explain how Social Housing is a growth-related service</p> <p>-Provide details on the cost sharing arrangement within Simcoe County for Social Housing</p> <p>-Explain how BTE was calculated for the various projects</p> <p>-Justify why only 1 project with PPB</p>
Long Term Care		<p>-Explain how Long Term Care is a growth-related service</p> <p>-Explain how new costs shared with City of Orillia/County of Simcoe</p> <p>- Explain why no PPB for the Simcoe Manor Development Project</p> <p>- Explain how BTE was calculated</p>
Administration	Capital Program	<p>-Why no PPB for Project 14, 2028 - Facilities Condition Assessment and Project 28 Transit Study 2027</p> <p>-Explain how BTE calculated and why 0 % for certain projects</p> <p>-Explain details of reserve fund deficit of \$3.985 million (e.g., major expenditures over last 5 years)</p>
Parks and Recreation	Capital Program	<p>-How was the PPB determined for each of the various facilities?</p> <p>-Why no BTE except for 3 projects?</p> <p>-Provide details on Existing Debt and Interest for Holly Recreation Centre. Was the interest</p>

		cost discounted? If not, why not? Was BTE of the existing Debt taken into account?
	Historic Service Level	-Provide details for Neighbourhood Park - Development Costs of \$222,000 per acre -Is full cost of Holly Centre included in Level of Service? -Barrie Molson Centre. Is this a recreation centre or tourist/cultural centre and therefore an ineligible service?
Transit	Capital Program	-Dillon study bases need for new conventional transit vehicles on forecasted average rides/capita (81) for Barrie (2041). Key assumption was that Barrie could achieve this metric based on other “Canadian municipal transit systems that are similar to City of Barrie’s expected transit system size in 2041”. However, the comparable transit systems that they chose all appear to serve municipalities with much higher rates of employment/population than Barrie has currently or is forecast to have by 2031/2041. Trips for working outside the municipality are less likely to be transit-based. As a result, the need for the Conventional Fleet Plant Addition is questioned. Please explain. - For the 4 transit projects with Debt, please provide details on how interest discounted and should any of the debt principal and interest have a BTE allowance? - Further, has any money collected for the transit component of the capital contribution in Salem/Hewitt been credited to the reserve fund? -More questions likely based on discussions with our Transit consultants
Waste Diversion	Capital Program	Why no PPB for the 3 proposed new facilities?
Services Relating to Highways	Capital Program	<u>Project List</u> -Why was IIP No. 48 Essa Road (Mapleview to Athabaska) removed from DC eligible project works? Is there overlap between IIP and 2019 DC Line 60? -Can the project limit for Essa Road (Former City limit at Athabaska to CR 27) be split into two projects to better align with construction

	<p>staging and timing, with division line located at TCPL corridor (Street L) per IIP?</p> <p>-Can the project limit for Salem Road (Veterans to CR 27) be split into two projects to align with probable construction staging and timing, with division line located east of proposed roundabout at Essa Road?</p> <p>-The DC project limits on Huronia Road have been consolidated in a manner which ignores probable construction and timing. Can the project limits for these roads be re-established per IIP, separating the segment south of McKay Road East?</p> <p>-Roundabout projects were broken out for Former Barrie but not for Annex. Are the proposed roundabouts located along Essa Road corridor at both Salem Road and at McKay Road West covered by DC projects?</p> <p>-Additional cycling facilities are shown for Secondary Plan Areas including buffered bike lanes, cycle tracks, and in-boulevard pathways. The costs were included for in past road costing templates. Is there double counting of costs?</p> <p>-Additional sidewalks are shown for Secondary Plan Areas. The costs were included for in past road costing templates. Is there double counting of costs?</p> <p>-Hiking Trails are shown separately from off-road trails. Are these costs related to roads?</p> <p>-Trail Bridges and Trail Underpasses are listed separately from off-road trails. Are these projects located inside the Annex lands? Please provide locations. Is there double-counting of costs?</p> <p>-Off-road trails were previously listed independently. They have now been consolidated into two line items. Can the costs estimated in the Annex areas be listed separately for purposes of administering the agreements? Please provide details.</p>
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		<p>-Bus Stops are shown under Roads. These appear to be Transit works?</p> <p>-Are the ITS projects related to roadworks or transit?</p> <p>-Property costs are currently included for in the roads project estimates. Can all required land acquisition costs be listed separately to assist cost tracking and agreement administration?</p> <p><u>Deductions</u></p> <p>-How was the BTE determined for various types of projects, e.g. roads, interchange projects in Former City generally 35 %BTE; similar projects in Salem/Hewitt generally 15%?</p> <p>-Why is the BTE for Road Widening the same as new Roads?</p> <p>-The BTE assessed to off-road trail projects has been reduced to 5%. Please provide rationale for the projected reduction in trail need.</p> <p>- Also, explain sidewalk/cycling of only 5% BTE?</p> <p>-Global adjustments for BTE and PPB have been included (\$48M and \$70M respectively). How was the general lump sum PPB allowance of \$70 million arrived at? Please provide details pertaining to these statutory deductions.</p> <p>-In 2014, PPB was provided on a project by project basis as is the norm. Please provide the deduction amounts applicable to each of the projects located in Annex areas to assist in administration of the related agreements.</p> <p><u>Project Costs</u></p> <p>-In general, the arterial road Gross Costs in the Salem Annex (namely along: Essa, Huronia, Lockhart, McKay East, McKay West, Salem, Veterans) increased on average by 90% above indexed 2014 DC estimates. Projects along Huronia Road collectively increased 330%, and along McKay Road West collectively increased by 130%. The increases in ROW requirements since 2014 would result in a relatively nominal pro-rated increase. Please provide explanatory information for the doubling of the costs.</p>
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			<p>-The McKay Interchange works increased by 50% above the combined indexed 2014 DC estimates to \$61.4M. Was there double counting with respect to the newly constructed overpass at this location? Is property cost included? No Grants were shown. Please provide details.</p> <p>-The Salem grade separation project (2019 DC Line No. 91) increased by 130% above the indexed 2014 DC estimates to \$32.4M. Please provide details. Also, can the project description include 'grade separation' for clarity?</p> <p>-The Off-road trails increased by 23% above the indexed 2014 DC estimates to \$10.2M. This coupled with the significant reduction in BTE, has resulted in an 80% increase in the trails DC eligible amount now being included for in DC rates. Please provide details.</p> <p>-Please provide details supporting the reserve fund deficit, as well as the four financing project line items. Is the amount only Interest or is Principal also included? Some of the financing shown under Roads appears related to the Salem Reservoir and Lockhart trunk watermain. Please provide details.</p>
Water Service	Facilities	Capital Program	<p>-Why no PPB?</p> <p>-Explain BTE allocation for Water System Upgrade and why no BTE to the 2 Optimization Studies?</p>
		Historic Service Level	<p>-Why no historic level of service calculations?</p> <p>-Why are flow factors not used for residential/non-residential allocation and service level?</p> <p>- What are the per capita/per employee flow assumptions?</p>
Water Facilities-Debt		Capital Program	<p>-Provide details on debt and interest for each of the 4 projects listed?</p> <p>-Why no BTE/PPB; e.g., is residual debt based on growth related share of debt or simply the unamortized debt?</p>
Salem Hewitt Area		Water Services	<u>Project List</u>

<p>Specific</p>	<p>-Why was Amendment to project (IIP No. 47) on CR27 (Former City limit south to Mabern) not shown in project list, with BTE?</p> <p><u>Deductions</u></p> <p>-Water conservation measures will be incorporated into new development. How is additional PPB of design capacity being considered?</p> <p><u>Project Costs</u></p> <p>-In general, watermain Gross Costs along arterial roads in the Salem Annex (namely along: Essa, Huronia, Lockhart, McKay East, McKay West, Salem, Veterans) increased on average by 100% above indexed 2014 DC estimates. Please provide explanatory information.</p> <p>-Watermain Gross Costs on McKay Road East increased by 360% above indexed 2014 DC estimates to a combined total of \$4.9M. One segment from Veterans to west limit of proposed interchange (IIP No.64) increased by 1,250%, from approx \$230K to \$3.1M. Please check scope.</p> <p>-Watermain Gross Costs on Salem Road (Reid to Veterans) increased by 800% above indexed 2014 DC estimates from approx \$275K to a total of \$2.5M. Please check scope.</p> <p>-Watermain Gross Costs on Essa Road north of TCPL corridor increased by 200% above indexed 2014 DC estimates to a combined total of \$3.6M. Please provide details.</p> <p>-The Salem reservoir project increased by 117% above indexed 2014 DC estimates to a total of \$28M. Please provide details.</p> <p>-Please provide details supporting the reserve fund deficit, as well as the two financing project line items.</p>
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		<p>-Why allocation to residential/non-residential not based on flows rather than simple population/employment?</p>
	<p>WasteWater Collection System</p>	<p><u>Project List</u></p> <p>-Why was IIP Amendment project on CR27 (Holly PS south to Mabern) not shown in project list, with BTE?</p> <p><u>Deductions</u></p> <p>-Why were BTE deductions eliminated?</p> <p>-Regarding sewers on Huronia Road, why were all deductions eliminated? How are external shares of these projects being tracked?</p> <p>-Water conservation measures will be incorporated into new development. How is additional PPB of design capacity being considered?</p> <p><u>Project Costs</u></p> <p>-Sewer Gross Costs along Huronia, Lockhart, McKay East, McKay West, were reduced by 50% of the Indexed 2014 DC estimates? This is counter-intuitive. Please review.</p> <p>-Holly PS and related forcemain Gross Costs increased by 250% above indexed 2014 DC estimates to \$13M. Please check.</p> <p>-Gross Costs for various pumping station and related forcemain projects proposed for Phase 2 west Annex have increased 600% above indexed 2014 DC estimates to \$15.5M. Please check.</p> <p>-Please provide details supporting the reserve fund deficit, as well as the two financing project line items. Is the amount shown only the Interest?</p>

Infrastructure Implementation Project Alignment

The infrastructure projects shown in the draft DC Study include works previously identified under the Infrastructure Implementation Plan (IIP) for the Salem and Hewitt's Secondary Plan Areas. The costs associated with these works are being tracked using the City's Questica system. The wastewater and water project limits used in the draft DC Study align with those of the IIP. The arterial road project limits used in the draft DC Study consolidate some of the IIP road projects. For agreement administration purposes and to improve cost traceability over time, can the various project limits along a given arterial road corridor used in the draft DC Study and Questica be aligned to better reflect probable construction limits and timing of DC eligible costs?

Level of Service Guidelines

Please explain the rationale for separate level of service guidelines for Salem/Hewitt generally and, in particular, how can you have separate Local Service guidelines for Salem/Hewitt for a municipal-wide service such as roads? Also, can you explain the omission of collector road discussions for Salem/Hewitt.

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From: Sandy Tuckey - Executive Officer [<mailto:office@simcoehomebuilders.com>]
Sent: May 13, 2019 11:46 AM
To: Marc Villeneuve <Marc.Villeneuve@barrie.ca>
Subject: 2019 Development Charge Background Study and Draft By-Law

Good morning Marc,

The following is our intended points of comment to be relayed this evening at the Public Meeting regarding the proposed Barrie Development Charge Bylaw this evening:

1. Given the sheer magnitude of the proposed residential Development charges (20 to over 40%) it is disappointing that the background information and anticipated timeframe for adoption is inadequate and insufficient to allow our membership to properly analyze the information. Our association strongly believes in collaboration with the City in order to achieve a fair, reasonable a just outcome, therefore, more time is needed to review the information and studies. We are always available for consultation and would have appreciated the opportunity to meet at an earlier date to at least get a sense of quantum of the new residential Development Charges. We request, therefore, that the scheduled date for adoption be pushed forward to allow for the just time for review and comment.
2. While we agree with the principle that growth related infrastructure needs to pay for itself there is an overriding concern that the Benefit to Existing is not being properly allocated to reflect the true benefit to the existing community. At this time we still require additional time to complete a more fulsome review of the background studies to determine whether the assumptions made are being fairly applied.
3. We question the application of Development Charges to fund the Airport, Long Term Care and Social Housing as new residents are not directly creating the need for these facilities.
4. The affordability of housing of all types is a serious concern in Barrie and every effort must be made to prevent the unreasonable and unfair application of infrastructure costs onto the buyers and tenants of new housing in the City.
5. While we appreciate this opportunity to provide input at this meeting, because of the short review period our comments are basic and general at this time. A more thorough review is being undertaken and the SCHBA will be providing a detailed written submission.

Please let me know if there is anything further that I am to do prior to this evening

Thanks

Sandy

Sandy Tuckey ~ Executive Officer
Simcoe County Home Builders Association

office@simcoehomebuilders.com
<http://www.homebeliever.ca/>

3251586 Canada Inc.

May 13, 2019

City of Barrie
City Clerk Department
70 Collier Street
Barrie, ON,
L4M 4T5

Attention: Wendy Cooke
City Clerk

Email Delivery - wendy.cooke@barrie.ca

Dear Madam:

**RE: 3251586 Canada Inc., 759 Yonge Street (Barrie Heritage Subdivision)
City of Barrie Development Charge By-law Review Process**

We are writing as the owner of the above-captioned development parcel with respect to the City of Barrie's recently released Development Charge By-law Background Study and the related review process, and offer the following preliminary comments.

Our 759 Yonge Street property is comprised of approximately 22 hectares of land that is immediately adjacent to the Barrie South GO station. This project includes multiple forms of entry level housing such as townhomes and multi-family buildings, in addition to parks and commercial uses, and integrates with other community uses such as schools and related amenities. The City of Barrie has fully supported this development as a complete community that is transit supportive. The subdivision was draft approved in October, 2017 (City File No. D12-394 and D14-1495) and pre-servicing commenced over a year ago.

We have had an opportunity to complete a preliminary review of the Development Charges Background Study prepared by Watson and Associates Economists Ltd. which is dated April 17, 2019 (the "Background Study") and have received initial professional advice regarding its contents.

The short period of time that has been available to review the Background Study has been insufficient to allow for a thorough review by our professional advisors or dialogue with City staff and its consultants. Based on our preliminary review, we have the following central concerns:

1. There are a series of costs that do not properly reflect the benefit to existing development that include, among others, capital programs for roads and transportation-related infrastructure, airport works, parks and recreation, public works facilities, fire, paramedic and police facilities.
2. The percentage increase for the cost of a number of projects is unreasonable and unsubstantiated.
3. It is not clear how certain services can be related to new growth such as social housing and long term care.
4. It is not clear that a need exists within the planning horizon for some identified capital program items such as transit vehicles.

In addition to the above, no provision has been made to address the requirement for transitional provisions that address projects such as ours at 759 Yonge Street that are approved and in an active servicing state, particularly where the proposed increase would have a major and disproportionate impact on higher density forms of development that could prevent projects from going ahead in their approved form.

The Background Study, if not amended, would result in significant development charge increases that would have a particularly onerous impact on entry level housing forms that make up our 759 Yonge Street project. This result would be inconsistent with the ability to deliver housing in a form and density that is strongly supported in municipal, county and provincial policies.

We are also very concerned that the timeline proposed by the City for the development charge review process is insufficient. While the City's consultation process meets the bare minimum period that is provided for in the *Development Charges Act*, there is no need to compress the timeline given that the City's current Development Charge By-law does not expire until August 26, 2019. It is therefore not necessary for this matter to be considered by Council on June 17, 2019 as currently planned. We strongly urge the City to delay Council's consideration of this matter in order to allow for a more thorough discussion of the key concerns noted above.

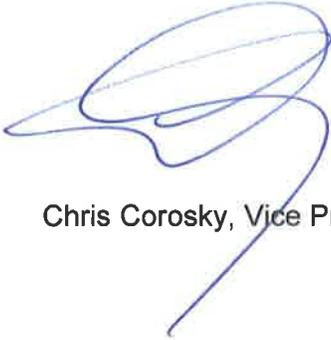
In addition, given the Province's recent introduction of Bill 108 that would amend key provisions in the *Development Charges Act*, it will be important to assure that the City's new Development Charge By-law is considered in light of the revised legislative framework. That can only occur if

Council's consideration is deferred until a date that allows for sufficient consideration and consultation after the anticipated approval date for Bill 108 in early June, 2018.

Based on the above, we request that Council direct staff to continue the consultation process and extend the date for consideration of the new Development Charge By-law to a date that is much closer to the August 26, 2019 expiry date for the current Development Charge By-law. In all of the circumstances, there is a clear need for further review of both legislative changes and the contents of the Background Study by both the City and stakeholders such as ourselves.

Sincerely,

3251586 Canada Inc.

A handwritten signature in blue ink, appearing to read 'Chris Corosky', with a long, sweeping underline that extends downwards and to the right.

Chris Corosky, Vice President

c.c. DevelopmentCharges@barrie.ca

May 13, 2019

Mayor Jeff Lehman and Members of Council
City of Barrie
70 Collier Street
Barrie, ON
L4M 4T5

Dear Mayor Jeff Lehman and Members of Council,

RE: City of Barrie Development Charges Review and Update

With more than 1,500 member-companies BILD is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area. Our industry is essential to Simcoe County's long-term economic strength and prosperity. In 2018 alone, the residential construction industry in Simcoe generated over 23,663 on-site and off-site jobs in new home building, renovation and repair – a major source of employment in the County. These jobs paid \$1.4 billion in wages and contributed \$2.9 billion in investment value to the local economy.

BILD, the Building Industry and Land Development Association, and the Simcoe County Home Builders' Association (SCHBA) is aware that the City of Barrie has initiated their 5-year Development Charges (DC) By-law review as the current by-law is scheduled to expire on August 26, 2019. We are in receipt of the Development Charges Background Study which was released on April 17th for public review and comment.

Overall, we understand that the Background Study proposes an average increase of 26% for residential DCs. Of the proposed changes to the residential rates, the current single and semi-detached charge of \$42,290 shows an increase of 35% (or by an additional \$14,649). Other multiples are proposed to significantly increase by 43% (or by an additional \$13,456).

The proposed rate changes are significant. In a 2018 Altus Group report on *Government Fees on New Homes in the Greater Toronto Area*, it was found that in most municipalities, the most significant government charge for new homes are development charges, which comprise from 23% to 45% of the government charges on new homes. Since 2004, for the municipalities studied in this report, development charges have increased between 236% and 878%. While we believe that growth should pay for its share growth-related services and infrastructure, new homeowners are burdened with an unfair proportionate of costs for critical infrastructure that ultimately provides broader benefits to the existing community and future generations. As such, the City of Barrie needs to contemplate the impact of their proposed charges on the future of housing affordability and ensure that the fees proposed are fair.

Further to our position above, on behalf of our members, interested and affected stakeholders, BILD and SCHBA submits the following feedback for your consideration.

1) Transition Policies & Timing of the Proposed Rates

There has been no indication from City staff on whether transition policies have been considered in this DC review. However, given the significant increase for residential development charges, we strongly recommends that the City provides such provisions. Significant increases such as these introduce a potential risk to the feasibility of current projects as well as future housing affordability.

BILD and SCHBA members agree that grandfathering and transition policies should be considered for applications that are well in advance of the approvals projects since a change of this degree was not expected or anticipated in the overall calculation of a current developments pro-forma. Further, we encourage City staff to discuss what an appropriate phasing in period would be with affected stakeholders of its development community.

Furthermore, City staff have advised that they intend to bring the DC Background Study and By-law forward for Council passage on June 17th – roughly 2.5 months earlier than the August 26th expiration date of the current by-law. The reason to this earlier than anticipated passage has not been made clear by Staff. Therefore, we ask that the consultation period be extended and that consideration of the new DC By-law be deferred closer to the August 26th date. If kept the same, the scheduled approval date does not leave the industry with an appropriate amount of time to sufficiently review and engage in meaningful consultation with City Staff.

2) *Airport, Long-term Care, and Social Housing Services*

We are of the position that the inclusion of Airport, Long-Term Care, and Social Housing Services in the calculation does not conform to the requirements as set out in the *Development Charges Act, 1997*. As per the Act, these services are not identified as growth-related and therefore should not be included in the charge. As you are aware, the Act allows development charges to be imposed to pay for increased capital costs that are directly attributed to the needs of future development. These increased capital costs are calculated within the 10-year period of a development, starting immediately upon the release of the Background Study. Therefore, we cannot see how the City's future development creates the need for the financing of an Airport or additional Long-Term Care and Social Housing Services, especially within a 10-year cycle.

BILD and SCHBA members question the appropriateness of this approach and believe the calculations for the Airport, Long-term Care and Social Housing Services should be removed in its entirety.

3) *Treatment of Back-to-Back Townhouses*

With respect to the residential development charge categories, City staff have proposed the 'Apartment' rate (\$31,888) on stacked townhouse units, whereas back-to-back townhouses will be categorized under the 'Other' category (\$45,072). These types of product is crucial to a municipality's housing stock, and are recognized as 'gentle density' along with being a more affordable housing choice of middle-income households, first-time homebuyers and seniors.

Both stacked townhouses and back-to-back townhouses are similar in size and number of bedrooms, resulting in a similar growth-related footprint. As such, BILD and SCHBA believe that the City should designate back-to-back townhouse units under the 'Apartments' category.

Concluding Remarks

Thank you again for the opportunity to participate in this process and submit our feedback. As your community building partner, we trust you will find our comments of benefit for this review. BILD and SCHBA members' request that we continue to be timely notified of any new developments or decisions made in respect to this DC review and update. Should you have any questions, please feel free to contact the undersigned.

Sincerely,



Carmina Tupe,
Planner, Policy and Government Relations

Cc: *Peter Brewda, President SCHBA*
Bob Schickedanz, Past President SCHBA
Kim Taylor, Simcoe Chapter Co-Chair
BILD Simcoe Chapter Members
SCHBA Members

May 13, 2019

Mr. Mark Villeneuve
70 Collier Street
1st Floor
PO Box 400
Barrie, Ontario
L4M 4T5

Dear Mr. Villeneuve:

RE: Comments on Proposed Development Charges By-law
OUR FILE: 1350L

On behalf of our client, HIP Developments, we have undertaken a preliminary review of the Development Charges Background Study, Development Charges By-law and associated policy directions. As you are aware, our client is proposing redevelopment of lands at 34 -50 Bradford Street with three apartment buildings, a parking structure and a building for the new YMCA. The proposed apartment buildings provide opportunity for future rental housing opportunity within the City that will add supply in a limited rental market with high demand.

The following provides general comments of a preliminary nature associated with the proposed Development Charge By-law for consideration as the City moves forward to passing a final Development Charge By-law:

1. The proposed Development Charge By-law has been prepared in context of the April 15, 2019 staff report which recommended removing the discretionary discounts and exemptions associated with the City Centre Planning Area (25% discount for residential development). We understand that in lieu of the discounts and exemptions, City staff will be moving forward with a report to outline options for providing incentive programs within a Community Improvement Plans. Further, the staff report proposed the establishment of a community improvement reserve to fund initiatives considered through the Community Improvement Plan. While our client supports the use of incentive programs, our client also requests that consideration be given to continuing with the discount and exemption as it relates to the City Centre Area as a means to further support investment in the area. This is particularly important for our client, as the decision proposed with the lands and work with the City on redevelopment was based on the understanding discounts could be available to the development.

We believe, that the proposed redevelopment of the site is in keeping in Council's intent and Official Plan objectives associated with redevelopment lands within the City Centre and providing a rental choice that is within limited supply and high demand within the City. As such, consideration should be given to maintain the discount.

2. The proposed Development Charge By-law includes reference to a Local Service Policy and details are provided in Appendix E of the Background Study. We request the opportunity for further discussion with City staff to better understand the intent of the Local Service Policy as it relates to our clients lands. For example, we previously made submission that any proposed new municipal road adjacent to the lands should be considered as a Development Charge item and not be the responsibility of our client. Further, that any improvements to the intersections associated with the new road should be Development Charge funded.
3. The proposed increase in the Development Charge is of concern to our client as it represents a 20% to 24% increase to the proposed redevelopment (based on unit types). We would request confirmation from City staff that there are no DC's payable on a parking structure.
4. The increase in the Development Charge considers a "Benefit to Existing Development" and "Post Period Benefit". We would request that additional analysis be completed for the share of the cost as it relates to these items tied to the overall gross expenditures planned over the next five years.
5. The Province has recently released changes to the legislation and these changes should be considered in context of a future report to understand any changes or implications.

We look forward to further discussion with City staff as it relates to these comments and other details associated with the proposed Development Charges Background Study and By-law in context of our client's lands.

Yours truly,
MHBC

A handwritten signature in black ink, appearing to read 'DAA', followed by a long horizontal line extending to the right.

David Aston, M.Sc., MCIP, RPP
Partner

c. Joel Doherty, Scott Higgins

DA:jg