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Mayor Jeff Lehman & City Council
City of Barrie
City Hall, 70 Collier Street, P.O. Box 400
Barrie, ON
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May 27, 2019

RE: Staff Report FIN013-19

Dear Mayor Lehman and Members of Council,

We are writing you today to express our concerns over the change in Industrial development charges being proposed in Staff Report FIN013-19 concerning the Development Charge Background Study and Development Charges By-law.

The role of the Barrie Chamber of Commerce is to promote the City, its businesses, and support continued economic development in our community. We strive to attract new members that bring employment, prosperity and facilitate the creation of complete communities making Barrie an attractive city to not only live but to work and play.

As you know, the City of Barrie faces strong competition from other municipalities, and regions across Ontario, therefore using financial tools such as lower tax rates, discounted industrial development charges, tax incentives and grants help make the City a more attractive place for businesses to locate and expand their operations.

The Chamber and its Members feel that the changes outlined in the report on Development Charges creates a risk and uncertainty that could have a serious effect on future industrial development in the City and therefore job growth. At the proposed levels of development charges, by all standards, Barrie is not competitive. When businesses take on a new project, expansion or relocation, they require certainty of cost to ensure their ventures are financially viable.

The proposed change which recommends a temporary discount on current rates for certain industrial class uses, until such time that a Community Improvement Grant can be properly and fully established and executed, does not provide any guarantee or details around the timing of the program or quantum of discount this future grant would offer and deliver. This is deeply concerning for our Members and creates a great disadvantage to the City in trying to attract investment and compete with other jurisdictions that have a lower, or no fixed fee on Industrial Development Charges; as well as other geographic advantages such as access to major

transportation assets and the border that the City of Barrie does not enjoy, making incentivization critical in order to remain competitive.

Therefore, we ask that Council consider the following recommendations:

- 1) Amend the staff report by lowering and fixing the industrial development discounted rate to \$12/sf for the specific industrial uses in the attached Appendix A, in the Development Charges Bylaw for 2019-2020; reducing it by \$2.50/sf every year thereafter.
- 2) Establish a Community Improvement Program (CIP) Grant that creates further incentives targeted at specific economic development activity and promotes specific zoning uses that the municipality wishes to foster/develop.

We believe that these measures would help increase the competitiveness of the City of Barrie and will continue to attract and retain the investment that would benefit the community as a whole. The economic benefits from new industrial development, coupled with the increase in industrial property taxes collected by the City over time, far outweigh the one-time industrial development charge; this will reduce the overall tax burden on all existing citizens.

We seek your support of these recommendations. Should you have any questions please feel free to contact us.

Respectfully,



Richard Brooks
Executive Director
Barrie Chamber of Commerce

Appendix A

Specific Industrial Uses

- Bakery
- Concrete Product Manufacturing
- Concrete Ready Mix Plant
- Foundry
- Manufacturing and Processing in Wholly Enclosed Buildings
- Manufacturing, Refining, or Rendering of Noxious Products
- Printing and Publishing
- Research/Development Facility
- Excavation and Processing of Mineral Aggregate Resources
- Office
- Data Processing Centre
- Warehousing in wholly enclosed buildings excluding self-storage
- Rental Store Excluding Video and Electronic Rentals
- Truck Terminal
- Wholesale Establishment
- Accessory Employee Use
- Automotive Repair Establishment
- Material Recovery Facility
- Accessory Retail
- Custom Workshop
- Office, Medical
- Service Store
- Trade Centre
- Commercial School
- Industrial School

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May 27, 2019

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Vancouver

New York

Attention: City Clerk

Dear Mayor and Members of Council:

2019 Development Charges By-law – Staff Report FIN013-19

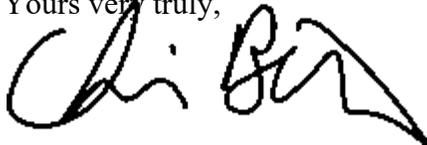
We act on behalf of the Hewitts Creek Landowners Group Inc. We submitted a letter on our clients' behalf dated May 13, 2019, and made a deputation at the statutory public meeting with respect to the proposed 2019 development charges by-law. We expressed the concern (as did most of the deputants at the public meeting) that there has been insufficient time to review and understand the large amount of detailed information that supports the proposed 2019 by-law.

We submitted a series of questions from IBI Group, some of which sought information on fundamental aspects of the calculation of the charge, such as how post period benefit and the benefit to existing development was calculated on a number of projects. On May 22, 2019, we received a partial response to the questions that were asked. Of the 14 items, 8 had a response of "Answer Pending". There has also been a request made to Watson Associated for a meeting with our consultants, to which there has been no response to date.

We continue to be concerned with the speed and magnitude of the changes proposed by the by-law, and therefore request that any decision on the by-law be deferred until adequate responses have been provided and the meetings that we understood were to take place have in fact occurred.

We also respectfully request that staff be directed to meet with our consultants and to provide full responses to the questions asked as soon as possible.

Yours very truly,

A handwritten signature in black ink, appearing to read "Chris Barnett". The signature is stylized and cursive.

Chris Barnett
Partner

CB:SO