

DEVRY SMITH FRANK LLP

Lawyers & Mediators

marc.kemerer@devrylaw.ca 416-446-3329 christopher.sivry@devrylaw.ca 249.888.6649

SENT VIA EMAIL: Kathy.Brislin@barrie.ca

July 27, 2018

City of Barrie Planning and Building Services P.O. Box 400, 70 Collier Street Barrie, ON L4M 4T5 Attention: Kathy Brislin, RPP, Senior Planner

Dear Ms. Brislin:

Re: Georgian College Neighbourhood Community Improvement Plan (CIP)

Tax Increment Based Grant Request (the "Tax Request")

306-316 Georgian Drive, City of Barrie (the "City") (the "Subject Lands")

WCPT Georgian Inc. ("WCPT")

Our File No.: WCPST851

We represent WCPT, which is the owner of the Subject Lands. The purpose of this letter is to follow up with you on the reasons behind the City's refusal of the Tax Request.

Background

As you know, in 2007 the City devised the Georgian College Neighbourhood Strategy to encourage the development of medium and high density student housing throughout the Georgian College Neighbourhood. To this end, City Council passed Zoning By-law 2007-235 (the "By-law") pursuant to section 28 of the *Planning Act* (the "Act") to adopt the CIP. The provisions of the Act, the By-law and the CIP all state that the total of grants and tax assistance cannot exceed the eligible costs of the CIP. There is no other restriction on tax assistance.

In 2016 WCPT purchased the Subject Lands from an affiliate of Podium Developments ("**Podium**"). Podium, in reliance on the CIP, undertook to develop the Subject Lands for student housing, including by obtaining a rezoning of the Subject Lands to Residential Multiple Dwelling Second Density RM2(SP) in 2015 to permit a student residence of 73 residential units containing 359 bedrooms. The development of this student housing has been a significant contributor to the success of the CIP.

Concurrent with the rezoning application Podium submitted to the City an application for the Financial Incentives under the CIP for both the Fees Grant and the Tax Request (together the "Grants")(the "Grants Application"). In the context of the statutory/policy regime both Podium and WCPT had good cause to believe that the Grants Application would be successful. The City's denial of the Tax Request (the "Denial") thus came as a shock to our client. The Tax Request does not exceed the eligible costs of the CIP and this was not the reason for the Denial.

In your 11 June 2018 Report of the Grants you advised Council that the Tax Request had been reviewed in "consideration of funds available" and was denied on the basis that the Tax Request is "a significant amount which would impact the availability of CIP funds for other purposes". Those "purposes" you go on to advise are for projects this year and for the next four years, including:

- 5 affordable rental units within an existing project
- 2 affordable home ownership sweat equity projects
- an emergency/transition housing development in Allandale

(together the "Other Applications")

Appeal

As a result of the Denial we are requesting that you please:

- 1. advise of dates that we may appear before the Infrastructure Investment and Development Services Committee to appeal the Denial; and
- 2. in order that we may prepare for that appeal, provide us, by no later than 10 August 2018, the following information:
 - a. the amount of the existing eligible costs of the CIP including for fees grants and tax assistance;
 - b. the amount of fees grants and tax relief sought by the Other Applications;
 - c. how the Other Applications, while worthy, qualify for the CIP when they do not appear to relate to student housing, and in the case of the transition housing, are not located within the Georgian College Neighbourhood; and
 - d. the amount of eligible costs being held back for other potential applications in the next four years.

We thank you in advance for your timely response to the above. Should you have any questions regarding our requests please do not hesitate to contact the writer.

Yours truly,

DEVRY SMITH FRANK LLP

Mare P. Kemerer MPK/CHS

cc: Client