



SMARTCENTRES®

June 18, 2014

City Hall
70 Collier Street
Barrie, ON, L4M 4T5

Attn: Michael Jermey, Deputy Treasurer

Dear Mr. Jermey:

RE: 2014 Development Charges Background Study

We are Smartcentres Inc., and on behalf of ourselves and Calloway REIT, owners of various properties throughout the City of Barrie and active commercial developers within the municipality, this letter is submitted for consideration at the Public Meeting to be held pursuant to Section 12 of the Development Charges Act, 1997 and scheduled for June 23, 2014.

As is currently proposed, non-residential, retail commercial development charges are expected to increase by approximately 63% or \$10.60 per square foot from the current commercial rate. Further, non-residential, non-retail commercial development charges are projected to increase by approximately 37% or \$5.16. In our review of the City of Barrie, 2014 Development Charges Background Study, prepared by Watson & Associates and dated June 6, 2014 we accept overall that some increase to the rates to allow forecasted growth in Barrie is necessary. However, the projected increase will have an impact on the commercial sector that challenges the financial feasibility of future commercial developments. This increase is not commensurate with increases in commercial lease rates in Barrie and will inevitably negatively impact future commercial development as a result.

Furthermore, the proposed commercial DC rates significantly exceed those rates that are currently being proposed in other municipalities throughout southern and southwestern Ontario.

We will continue to review the 2014 Development Charges Background Study prior to July 4, 2014 for inclusion in the staff report to be considered at General Committee on August 11, 2014 and Council August 25, 2014. In the meantime, we respectfully request that Staff consider alternative solutions to more equitably distribute the costs associated with the projected growth and ensure a commercial development charge that is conducive to financially viable commercial development.

Yours truly,

Todd Pierce
Director, Land Development