

Form Letter Signed by 3 individuals representing property owners / businesses within the City Centre.

**PROPOSED NEW CITY OF BARRIE DEVELOPMENT CHARGES BY-LAW
CONCERNED STAKEHOLDERS (CITY CENTRE PLANNING AREA)**

August 1, 2014

We, being concerned stakeholders, are aware that City staff is recommending that City Council amend the current Development Charges By-Law 2014-032 such that it will have the effect of removing development charge (DC) discounts in the City Center Planning area. The current DC by-Law has an exemption from DCs for non-residential, and a 50% reduction for residential development in the City Centre. For reasons provided later in this letter we strongly request that Council maintain the exemption for non-residential, and the 50% reduction for residential development in the City Centre.

The current DC by-law, which is in effect until February 13, 2018 unless repealed by Council before that date, supports the City of Barrie's downtown revitalization plan that "provides an opportunity for the City to realize its vision for a strong, healthy and vibrant core". The existing DC by-law respects continuing efforts by the City and the private sector to revitalize the downtown core as an Urban Growth Center which is a prime objective of Barrie's Intensification Plan.

As you are aware, development charges are imposed to fund expenditures made by the City for infrastructure, and other growth related costs, to support new development. The current DC by-law recognizes that development charges are not required in the downtown where there is infrastructure in place to adequately support new development.

**REASONS TO MAINTAIN THE NON-RESIDENTIAL EXEMPTION, AND THE 50% REDUCTION OF
DEVELOPMENT CHARGES, IN THE CITY CENTER PLANNING AREA.**

1. Development Charges fund expenditures by the City for infrastructure, and other growth related costs, needed to support new development. Infrastructure already exists in the City Center Planning Area, and therefore costs to the City relating to new development in the City Center Planning Area are minimal. Development Charges in the City Center Planning Area where infrastructure exists to support development should not be equal to those in green field areas where new infrastructure is required.
2. Existing infrastructure in the City Center Planning area was paid for previously and thus will not burden City tax payers.
3. Development in the City Center Planning Area is a prime objective of the City's Strategic Plan to "Create a Vibrant and Healthy City Center". The proposed change to the DC Bylaw contradicts the foregoing objective.
4. Intensification of residential development in the City Center Planning Area is a prime objective of the Provincial Policy Statement 2005.



5. Removal of the DC by-Law exemption for non-residential, and the 50% reduction for residential development in the City Centre will stifle growth in the City Centre.
6. By comparison, the proposed DC increases for residential development in the City Center Planning Area are more than those proposed for new green field development. The imposition of the proposed new DC by-law for residential development would increase DCs by 50% in addition to new DCs of 15% for a total increase of approximately 65%. The City should be looking for ways to reduce DCs in the downtown not increase them.
7. The City of Barrie has invested heavily in plans and studies in the City Center Planning Area for over two decades. This investment in City Center planning has cost a significant amount of money, and many work years of staff time. The proposed DC by-law that removes DC discounts in the core area would have Council turn its back on all of the good planning studies, efforts of development staff, and arts and cultural initiatives.
8. Development projects in the City Center Planning Area typically have long planning cycles. A generous amount of time is required to assemble land, plan, and obtain development entitlements to permit construction. The proposed new DC by-law which includes a massive 65% increase to DCs in the City Center Planning area needs to be rethought, and a phased approach needs to be considered.
9. Development projects currently in progress will need to evaluate financial impacts of the new significant 65% increase to DCs not previously accounted for which will result in terminated projects that are no longer economically viable as a result of increased DCs.
10. Approving the proposed new DC by-law would send the message to the development community that Barrie is no longer actively promoting the re-development of its City Center Planning Area, thus it is closed for business. Such a message would have a long lasting negative impact on the way that developers and other investors view the City.
11. The City Center business community will be adversely affected by the proposed new DC by-law that deters development of new residential development in the City Center Planning area. The heart of any community needs to be strong and that can only happen with a base of downtown residents whom help to support downtown businesses that would suffer from a halt in downtown residential development.

Recommendations:

City Center Planning Area Development

1. We respectfully submit that the existing DC By-Law 2013-032 should remain in place at least until a new City Council can review the matter. Increased DCs at this time would essentially halt the current pace of development in the City Centre which is contrary to the stated vision for the downtown.
2. A new DC by-law should include provisions for phasing in DC increases so that the development industry can adequately manage projects in the various progress stages.
3. A new DC by-law should include provisions for deferring the payment of DCs until projects are completed and occupied which would put developers in a better financial position to absorb the costs of DCs.

Green Field Development.

1. Development expenditures for infrastructure, and other growth related costs in the City of Barrie are at a maximum. The purpose of Development Charges is to pay the costs of such growth related infrastructure as: roads (including overpasses and bridges); sewers, water, and wastewater treatment facilities; and fire stations to name a few. The City should closely review the contents of the DC by-law background study to ensure that only growth related costs are captured, and those costs are reasonable.