



**SHIELD**  
**STORAGE CENTRES INC.**  
LOCK.STORE.SECURE

July 24<sup>th</sup> 2018

Adam Found, PhD, PLE  
Manager of Corporate Assets  
City of Kawartha Lakes

Juan Rojas  
Director of Engineering and Assets  
City of Kawartha Lakes

Susanne Murchison, CBCO  
Chief Building Official  
Development Services, Building Division  
City of Kawartha Lakes

**Re: Development Charge Relief Request and Discussion Response**

Dear Adam,

In response to your letter dated July 24<sup>th</sup> 2018 which outlines the response from the Corporate Assets Group in regard to our request for partial relief from the DC's as they relate to this specific project please find the following:

Firstly, the context for the Rural vs Urban and Commercial vs Industrial use was not to suggest we have the best of all scenarios regarding the DC charges levied or that we pay Rural DC's in an Urban area. Rather we outlined the distinctions to depict the inequity between the classes as they relate to DC Costs within projects such as this which have a zero impact on City Servicing. Specifically, City Sewer, Water and Storm systems. In short, a similar project on Rural lands has the same impact on City Services as it would within an Urban area, none.

We fully understand as outlined in our letter that DC's in part are **in place to support City wide uniform costs** for the provisioning of Library, Police/Paramedic, Parks and Rec., Health and Social Services, Public Works, Transit and Roads services as they to development related capital costs.

However, as per the same letter we also discussed that DC's are also **in place to support and recover engineering infrastructure** for collector roads, sanitary sewers, water mains and stormwater management specific to individual City Planning Areas as they relate to development

related capital costs. Too which in this scenario there are no “new” development related capital costs as a result of the addition of this development. Specifically, no net new sanitary, water or stormwater management to the City Planning/Service Area as a result of this development.

Excluding the Fire Main Installation Capital Costs in relation to the Private and Municipal infrastructure placement and connection too which we have already paid for. Thus, the request for a reduced DC component was based on the zero impact by the development in relation to the management of specific Services (Sewer, Water, Storm) and development related capital costs.

Regardless of the rationale of the definition between Commercial or Industrial or the use as you have outlined or the fact that the lands reside within the “Water Service Area” and the “Sewer Service Area” the fact of the matter is that the “new” development is not utilizing those services and is not part of the mandatory servicing as these buildings and the development does not require a connection. What is mandatory was the connection to the fire main which was done at our cost and as per the Fire/Building Code for the development size and layout.

Again, albeit within the service area the “existing” building single water and sewer connection DC’s were previously provided for when it was installed.

Secondly, we fully understand that each application is unique and to structure DC’s on a case by case basis would be unrealistic. However, there are cases that deem a further investigation too which this is certainly one. Beyond the standard answers regarding service areas and a blanket excerpt from the DC By-Law that encapsulates a “general DC average cost basis vision” lays a common-sense approach to the application of these costs in a situation specifically where a development has a zero impact to the Services (Sewer, Water and Storm) the DC’s were designed to account for.

There are not many 30,000 sq. ft (total sq. footage) “un-serviced” warehouse/storage buildings being erected within the City. Self Storage/Warehousing is not a sophisticated build out, does not require servicing and as a result and discussed within the original letter the proposed DC costs would exceed more than 50% of the actual building costs which is punitive. Therefore, this is not a typical scenario and surely given the amount of square footage being discussed and lack of impact on the Services outlined requires a further discussion. There are unique areas within the City or unique projects within the City that require a unique approach. An example and precedent would be a residential home on private well and septic within the urban serviced area to which relief was granted.

Again, we are not suggesting that we do not pay DC’s, quite the contrary. We are asking however, that given the unique size and nature of the project that the City evaluate it on a “use and impact basis” as it relates to the development related capital costs vs simply a service area average cost basis.

We formally request an escalation point within City to discuss this project and the related DC costing. It is my understanding that if relief cannot be obtained through Corporate Asset Group that we may appeal to the CAO, the Mayor and/or Council. Please confirm this to be the case.

Thanks and Take Care

Jay Allen

Owner

Shield Storage Centres Inc