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BY EMAIL [amanda.fusco@kitchener.ca]

November 26, 2025

The Corporation of City of Kitchener
200 King St W
Kitchener, ON N2G 4V6

Attn: Amanda Fusco, City Clerk

Dear Ms. Fusco,

**RE: Development Charges Complaint
 Complaint Made Pursuant to Section 20 of the *Development Charges
 Act, 1997, S.O. 1997, c. 27*
 Complaint respecting 1438 Highland Road West, Kitchener, ON
 Complaint On Behalf of 2296342 Ontario Inc.**

We are the solicitors for 2296342 Ontario Inc. (“Savic Homes”).

Savic Homes has constructed a residential rental housing project at 1438 Highland Road West, Kitchener, ON (“Subject Lands”).

On April 14, 2022 the City of Kitchener (“City”) issued a Deferred Payments Determination (“DPD”) for the Subject Lands. The DPD provided that:

The following fees shall be paid over a term of 5 years for your Rental Housing project. First payment is due within 30 days of the date occupancy is granted, and then payment is due each year by that same occupancy anniversary date thereafter until paid in full. Please note annual interest charges as determined by both City and Region will also apply at the rate of Prime + 2%.

Suburban Area: \$1,344,676.00

Region of Waterloo: \$2,169,795.00

Total DC: \$3,514,471.00 (not including calculated interest)

On December 14, 2023 the City of Kitchener (“City”) issued invoice 778907 to Savic Homes for a total amount of \$789,657.07 in Development Charges (“DCs”). On September 30, 2024 the City issues invoice 789399 for \$711,553.07 in DCs, and on September 11, 2025 the City issued invoice 801309 for \$686,391.48 in DCs.



Savic Homes, through its solicitors, have communicated their disagreement with the DCs as assessed by the City on the basis that the development on the Subject Lands meets the definition of Affordable Residential Units pursuant to the *Development Charges Act* ("DC Act"). Pursuant to section 4.1(8) of the DC Act, Affordable Residential Units are exempt from DCs. As per the DPD, a portion of the DCs are payable after June 1, 2024. They are therefore payable after the transition date noted in section 4.1(14) of the DC Act and are exempt pursuant to section 4.1(8). The City has erroneously failed to apply this exemption to the Subject Lands.

Please accept this letter as a formal complaint on behalf of Savic Homes, pursuant to section 20 of the DC Act with respect to the DCs imposed upon our client.

Detailed grounds for the complaint shall follow in due course.

On the basis of the forgoing, and on further grounds that will be provided in due course, we respectfully request that the City of Kitchener proceed to schedule a hearing of this complaint before Council. We would appreciate the opportunity to discuss this complaint with staff in hopes of having it addressed in advance of the hearing date.

Please contact the undersigned should you require any additional information. Otherwise, we look forward to working together to rectify this matter.

Yours truly,

LOOPSTRA NIXON LLP

Per: Steven C. Ferri