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RECEIVED

June 15, 2012

Regional Municipality of Peel  
10 Peel Centre Drive  
Brampton, ON  
L6T 4B9

JUN 15 2012  
REGION OF PEEL  
LEGISLATIVE SERVICES

LEGISLATIVE SERVICES	
COPY TO:	FOR:
Chair	<input checked="" type="checkbox"/> Committee
CAO	<input checked="" type="checkbox"/>
Corporate Services	<input checked="" type="checkbox"/> Council
Public Works	
Employee and Business Services	RC Jun 28/12
Health Services	File
Human Services	
Peel Living	

Attention: Mr. Emil Kolb, Regional Chair, and Members of Council

Dear Sirs:

re: **Regional Development Charge By-Law Review**

Although I attended, and would liked to have spoken, at the Public Meeting on the above matter, the circumstances of the strike and timing of the meeting prevented me from having an opportunity to do so. Accordingly, I hope you will accept this letter in Council's deliberation of the proposed new Development Charge By-law.

In addition to the work that BILD is undertaking, and the concerns that have been expressed, we wish for Regional Staff and Council to be aware of the effect that this significant increase will have on the public.

Specifically the hundreds of families that have purchased homes that are to be built this summer and fall in plans of subdivisions that are being constructed and working toward plan registration. These families will be subjected to the increase in the Development Charge as an extra cost on closing, and frankly, most families do not have an extra \$ 22,000.00 to add to the closing costs, and most have no opportunity to add it to their mortgage or to borrow the funds elsewhere, putting their home purchase in jeopardy.

Our Brentwood Condominium townhome project in the South Fields community of Caledon is within a registered plan of subdivision. The Site Plan is approved and secured and the building permits have been applied for but not issued. This project of 62 "affordable housing" units is fully sold out and closings are expected late this year. It is a mandatory requirement of obtaining project financing that we pre-sell condo units and be able to provide municipal security in addition to the full construction cost of all homes and services. This form of housing is encouraged by both the Region of Peel and the Town of Caledon, however it is difficult to achieve given that opportunities to reduce the cost of providing the homes are limited (Peel, unlike Halton, offer no D.C. reduction, for instance).

REFERRAL TO \_\_\_\_\_  
RECOMMENDED \_\_\_\_\_  
DIRECTION REQUIRED \_\_\_\_\_  
RECEIPT RECOMMENDED

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We can state with confidence, that if the new D.C. is passed and comes into effect prior to our being able to obtain the permits, the purchasers of these homes will not be able to close. This will undoubtedly cause great hardship for everyone involved. Sadly, these customers are not aware that Regional Council is proposing to increase the charge and we are not sure what to tell them.

Although many Councillors expressed scorn about the industries lack of knowledge about the increases, we can say that for our part, we thought a big increase might be in the order of 20 % (in a climate of 2 -3% construction cost increases), and never anticipated anything of the scale announced in May. Further we expected that there would be time between the announcement and our sales program so that the homes that would be affected could be sold on the basis of incorporating the new charge. By rushing the implementation in July, there is no opportunity to set homes prices to protect the public.

It should be noted that the Regional infrastructure supporting this community has been built and paid for under the current D.C. program, and the growth projects in the new D.C. do not benefit the homeowners of this community.

We are asking Council to announce well before July 5<sup>th</sup>, that the Region is prepared to defer the implementation of the new charge, and or that transition policies to exempt homes in subdivisions to be registered this year will be provided. We feel that the purchasers of homes that will be caught in the unprecedented increase need to be made aware and to have an opportunity to address Council, as for many, it could mean severe hardship. An early announcement would greatly diffuse the situation, and prevent the panic and outrage we feel is sure to ensue.

Thank you for your consideration and please do not hesitate to contact the undersigned should you have any questions or concerns.

Yours Truly,  
Brentwood Development Corporation



Per Tom Baskerville  
V.P. Development

Cc: Mayor M. Morrison, Town of Caledon  
BILD