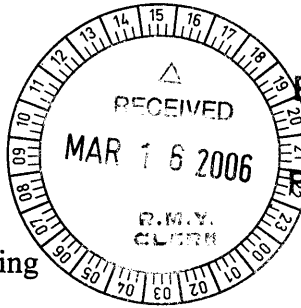


March 9, 2006



REGION 0
CLERK'S

FILE No

P04
Chair
CBO
L. Russell

The Honourable John Gerretsen, M.P.P.
Minister of Municipal Affairs and Housing
777 Bay Street, 17th Floor
Toronto, ON M5G 2E5

Dear Mr. Gerretsen:

The Council of the Town of Markham approved our 2006 Operating and Capital Budgets on February 14, 2006. During the budget review process, we were reminded of the financial difficulties faced by the Town of Markham with respect to the growth related funding shortfalls arising from constraints under the current Development Charges Act (DCA).

On August 31, 2004, The Town of Markham Council approved 28 Development Charge By-laws, and passed the following resolution:

"And that the Town of Markham recommends that the Province of Ontario immediately start a consultative process with the municipal sector to make need revisions to the Development Charges Act, 1997;

And that consideration be given to revising the Development Charges Act 1997 to allow hospitals to resume collecting development charges to finance growth related costs;

And that consideration be given to revising the Development Charges Act 1997 to allow a service level equivalent to the highest year in the previous ten (10) year period, rather than the average of the previous ten (10) years;

And that consideration be given to revising the Development Charges Act 1997 to eliminate or reduce the 10% mandatory discount on growth related soft services, such as community centres, libraries and parks;

And that consideration be given to revising the Development Charges Act 1997 to include cultural or entertainment facilities, including museums, theatres, and art galleries;

And that consideration be given to revising the Development Charges Act 1997 to allow more flexibility in allocating costs to differing types of development;

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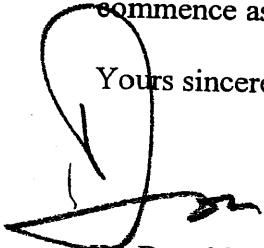
And that consideration be given to revising the Development Charges Act 1997 to allow municipalities to recover development charge revenue lost when exempt properties (e.g. Crown Corporations, schools etc) purchase and develop land otherwise subject to development charges;

And that the principal of "Growth pays for growth" be more clearly defined in the methodology allowed in the Development Charges Act.

The Municipal Finance Officers Association (MFOA) also forwarded letters to you on January 19, 2004 and June 20, 2005, requesting information on the timing of a consultative process for DCA reform. Your August 9, 2005 letter to MFOA indicated that the DCA review would begin in the near future.

The Town of Markham is experiencing financial pressure on our annual budgets resulting from the current Development Charges Act, and recommend that a review of the DCA commence as soon as possible.

Yours sincerely,



W. Donald Cousens
Mayor

Copy: Sheila Birrell, Town Clerk
Ann MacLean, President FMC
Roger Anderson, President AMO
All Regional Municipalities
City of Mississauga
City of Brampton
City of Oshawa
City of Toronto
City of Pickering
Town of Ajax
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