



700 Applewood Crescent, Vaughan, ON, L4K 5X3

CALLOWAY
REAL ESTATE INVESTMENT TRUST

Telephone (905) 760-6200 Fax (905) 760-6201

February 23, 2012

Bill Hughes
Commissioner of Finance and Treasurer
Regional Municipality of York
17250 Yonge Street
Newmarket, ON L3Y 6Z1

Dear Mr. Hughes,

**Re: Regional Municipality of York Development Charges 2012 Development Charge
Background Study**

SmartCentres and Calloway REIT are the developers and/or owners of a number of properties in the Region of York (the "Region"). Our landholdings in the Region include existing or planned commercial (retail/industrial/office) development and mixed use centres in the Town of Aurora, the Town of Markham, the Town of Richmond Hill, the City of Vaughan and the Town of Whitchurch-Stouffville.

In August 2010, we appealed By-law 2010-49, which amended Development Charges By-law DC-0007-2007-040, which attributed a significant share of capital costs to commercial development in the Region. The 2012 DC Background Study proposes further increases to development charge rates, specifically a 44% increase to industrial and office development rates and a 52% increase to retail rates. The implications of these increases are serious and will have significant impacts on continued development in York Region.

We understand that Regional Staff have held consultations and meetings with BILD and other development industry representatives since July 2010, as noted in the Staff Report to the Committee of Finance and Administration on January 26, 2012. SmartCentres and Calloway REIT have not been asked to attend any of these meetings, and have not been involved in any consultation to date regarding the 2012 Development Charge Background Study.

We are requesting that meetings be held between Regional Staff and SmartCentres and Calloway REIT as soon as possible so that we may provide input towards any final staff recommendations for the targeted May 17, 2012 Regional Council approval date.



SmartCentres

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Additionally, we request notice of any future meetings, staff reports, Committee and Council resolutions and decisions, and any other material regarding the 2012 DC Background Study and proposed by-law.

Sincerely,

Joshua Kaufman
Portfolio Leader
SmartCentres and Calloway REIT
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