

February 23, 2012

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

Dear Mr. Hughes:

**RE: 2012 YORK REGION DEVELOPMENT CHARGE INCREASE
OUR FILE 9316GA**

On behalf of our client, Home Depot of Canada Inc., we are writing this letter to express their concern with the proposed increase in non-residential retail development charges as identified in the 2012 background study, recently released.

Table of the York Region Development Charges Current vs. Proposed Rates:

Non-residential (Per sq. ft. of GFA)	Current Rates	Proposed Rates	Percent Change
Industrial/Office/Institutional	\$14.05	\$20.26	44%
Retail	\$26.74	\$40.59	52%

The proposed increase is based on forecasting prepared for the background study as shown in Table 3-6 on page 31. The forecasting clearly shows from mid 2012 to mid 2031, retail growth will be declining.

New Retail Employment Growth:

2001 – 2011: 32,321 (2008-2009 recession years))
2012-2021: 39,027
2022 – mid 2031: 18,504

Based on the numbers provided, growth from 2022-mid 2031 will be less than half of that which is anticipated from 2011-2021. When examining the growth rates at 10-year intervals, from 2001- 2011 versus 2011-2021 growth increased by approximately 21%. The proposed Retail development charge increase is more than double the increase percentage of growth.

Increasing development charges as proposed creates concerns and potential to move development from York Region to other municipalities, which would ultimately negatively affects job creation and the

tax base, which in turn defeats the very purpose of raising development charges to support infrastructure.

We ask the Region re-evaluate this calculation to determine if an increase is required, and if so, a more fair/moderate increase be calculated to reflect the growth anticipated over the next 10 years.

If you have any questions please call to discuss.
Thank you.

Yours truly,

MHBC

A handwritten signature in black ink, appearing to read 'Ozkan Kemal', written over the printed name.

Ozkan Kemal, BES, MCIP, RPP

cc: R. Frodyma, D. McKay