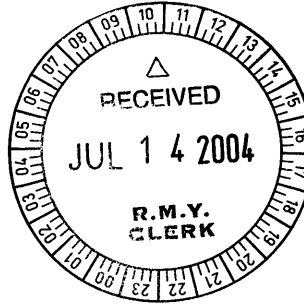


July 7, 2004

Mr. Denis Kelly
Regional Clerk
The Regional Municipality of York
17250 Yonge Street
Newmarket, ON L3Y 6Z1



REGION OF YORK
CLERK'S OFFICE

FILE No. - *804*
→ S. Cartwright

RE: **HIGHWAY 407**
- PROPERTY TAXATION ISSUE (7.3)

Dear Mr. Kelly:

This will confirm that at the meeting of Council held on June 30, 2004, Clause 11 of Report No. 40, was approved as follows:

"That Council adopt the following resolution:

"Whereas the 407 ETR is being operated by the private sector on a for-profit basis through tolls paid by those using the highway;

And whereas the 407 ETR operates in a number of municipalities;

And whereas the Province has indicated it plans to expand the use of toll roads in Ontario;

And whereas municipal roads connected to the 407 ETR are subject to increased vehicular traffic placing additional demand on the local infrastructure;

And whereas the land occupied by the 407 ETR does not generate property tax revenue to the local municipality;

And whereas the Province of Ontario makes payments-in-lieu of property taxes (PILs) on lands owned or controlled by the Province where taxable tenants occupy the land;

And whereas the current Assessment Act exempts from taxation toll highways, and the current Municipal Tax Assistance Act excludes highways from a payment-in-lieu of property taxes (PILs);

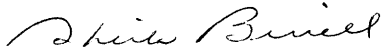
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Now, Therefore be it resolved that the Council of the Town of Markham request the Province of Ontario to make the necessary legislative and regulatory changes regarding the 407 ETR and all future toll roads which are operated in full or in part by for-profit organizations, to provide local municipalities with:

- The ability to charge property taxes; or
- The ability to charge payments-in-lieu of taxes (PILs) at the commercial rate that would be payable if property taxes were applicable; or
- An equivalent portion of the revenues received from toll roads

And that this resolution be forwarded to the Premier of Ontario, Minister of Finance, Minister of Transportation, Minister of Municipal Affairs and Housing, the local member of Provincial Parliament, the Association of Municipalities of Ontario (AMO), the Municipal Financial Officers Association of Ontario (MFOA), the Region of York and all municipalities through which the 407 ETR passes."

Yours sincerely,



Sheila Birrell
Town Clerk

SB:mbp

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