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July 2, 2013

City of Toronto, City Clerk's Office  
100 Queen Street West  
Toronto, Ontario  
M5H 2N2

Attn: Kelly McCarthy, Committee Administrator, Executive Committee

**Re: Proposed Development Charges By-Law**

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Dear Ms. McCarthy;

We would like to take this opportunity to express our concerns with the proposed development charges by-law that is being presented at the July 8, 2013 City of Toronto Executive Committee Meeting.

Canderel has been an active developer of residential housing and places of employment for many years. Our successful completion of the The Residences of College Park 1 and 2, DNA1, DNA2, Massey Harris Lofts as well as several other projects is a testament to our belief in the City of Toronto. Additionally, Canderel's investment in commercial properties such as 777 Bay Street, 1075 Bay Street and 555 Richmond Street West demonstrates our efforts at helping create and maintain employment within the City of Toronto.

We are currently in the process of bringing our next mixed-use development project at 460 Yonge Street to fruition. The combination of market conditions which started to soften more than a year ago and continue to do so resulting in lower revenues and a much slower pace for sales, continued increases in construction costs, significant increases in Section 37 costs, and now proposed drastic increases in development charges could result in a project that is no longer economically viable.

We firmly believe that the proposed development charges will negatively impact the affordability for home owners and our ability to make future investments in the City of Toronto. As a result we wish to make the following recommendations;

- the proposed by-law not take effect until April 2014 when the current by-law expires;
- and then at that time, any new adopted rates be subject to a 2 year freeze, and then a 4 year phase-in, which is the same grandfathering and transition provision adopted by Council for the 2009 by-law review;
- any new rates not apply to complete applications submitted and in process;
- the by-law not be considered by the Executive Committee on July 3<sup>rd</sup>, but deferred to the Executive Committee Meeting of October 30<sup>th</sup> to allow for additional consultation with the industry so that we can arrive at a more reasonable quantum.

We appreciate your attention and consideration of these requests.

Best Regards,

A handwritten signature in blue ink, appearing to read "Ben Rogowski".

Ben Rogowski  
Executive Vice-President  
Canderel

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