

June 27th, 2013

Kelly McCarthy
Committee Administrator, Executive Committee
Toronto City Hall
100 Queen Street West, 10th floor, West Tower
Toronto, ON M5H 2N2

To whom it may concern:

I am writing on behalf of Great Gulf Group, and as a member of BILD and their Executive/Board regarding the City of Toronto's proposed increases to development charges.

The GTA region has succeeded as a place to live and work largely because of the relative affordability of its housing. Over the last few years all costs have continued to rise, including land and construction costs, government charges/fees/taxes/levies/etc. In addition, significant changes to mortgage lending rules have also been introduced. Collectively, these increased costs are making home ownership unaffordable for many.

Great Gulf builds housing all across the GTA and throughout North America and we are seeing market dynamics change for the positive and negative across these markets. The decline in high-rise condominium sales in the GTA is clearly evident in current data, despite a few sub-markets where demand remains strong due to proximity to transit and employment. Great Gulf is currently marketing condominium sites in "edge" locations within the City in order to attract first time buyers where sensitivity to price/affordability are key factors in their home-buying decision. These sites are NOT affordable for home buyers if faced with the proposed new Development Charges. Great Gulf has decided to take two projects off of the market until the uncertainty of the proposed Development Charge costs has been determined.

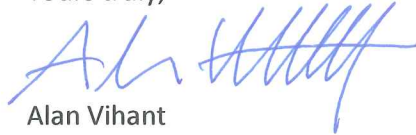
Great Gulf recommends the following to ensure that home ownership remains affordable in Toronto:

- The proposed Bylaw should not take effect until April 2014 when the current Bylaw expires;
- Any new Development Charge rates should 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 Bylaw.
- Any new Development Charge rates should not apply to complete applications submitted or any applications that are already in the process of being reviewed by the City.
- The Bylaw should not be considered by the Executive Committee on July 3rd, but deferred to the Executive Committee meeting of October 30th to allow for additional consultations.



Great Gulf and BILD look forward to working with City Council/Executive and City staff on the proposed Development Charge Bylaw, and we are confident that a Bylaw can be approved which will not threaten the affordability of housing for the City of Toronto's future home-owners.

Yours truly,



Alan Vihant
SVP, High Rise
Great Gulf Group of Companies