

June 27th, 2013

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

Dear Ms. McCarthy,

RE: City of Toronto Proposed Development Charges By-law

I am writing this letter to express my concern with the proposed new Development Charges (DCs) that will be considered by the City's Executive Committee at its meeting on July 3rd, 2013. Empire Communities has developed and is currently developing a number of high rise residential condominiums across the City. We have grave concerns with a proposed doubling of the current DCs and the impact they will have on our projects which are currently in varying stages of approval and sales. If the DC rates, as proposed, were to come into effect there will be significant financial repercussions on the cost to construct these projects. In addition the impact will be felt by existing and future purchasers as an increase of this magnitude can not be absorbed by the builder.

To avoid what we believe will be significant impacts on the City's economic prosperity, our company, and purchasers of our homes, we strongly urge members of Executive Committee to consider the following:

- As the current DC by-law does not expire until April 2014 we ask that the new by-law not take effect until then;
- Upon adoption in 2014 that the new rates be subject to phasing-in similar to what was provided when the current by-law was adopted in 2009;
- That new rates not apply to complete applications that have been submitted and which are in process; and

- That the by-law scheduled for the July 3rd, 2013 Executive Committee be deferred to the Executive Committee meeting in October to allow for additional consultation with the stakeholders and the building industry.

We hope that you take our recommendations into consideration and we look forward to participating in future stakeholders meetings with the City that will lead to a resolution on this matter.

Yours very truly,

EMPIRE COMMUNITIES

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Daniel Guizzetti
President & CEO