

The Right Honourable Justin Trudeau, M.P.
Prime Minister of Canada
pm@pm.gc.ca

May 14, 2022

Subject: Request that you pause federal funding for the YNSE until a deal is made public

Dear Prime Minister,

On behalf of the resident and ratepayer groups in York Region and elsewhere in the GTA, listed below, I respectfully request that your government pause payment to the Government of Ontario of your government's 40% portion of funding for the Yonge North Subway Extension (YNSE) until such time that the Government of Ontario makes public the details of a financial deal it made sometime in 2021-2022 with the owner of lands on either side of Highway 407 at Yonge Street, and until such time that the Government of Ontario meets all conditions and guarantees for funding set forth by your government.

The specifics of the deal have been hidden from public view, possibly deliberately. They appear to involve the developer paying a significant amount of money to Ontario for Ontario's portion of the YNSE. In exchange, the developer's specific land was designated a "Transit Oriented Community" (TOC) and he was given grossly excessive density rights that have dramatically increased the value of his landholding. The matter we take issue with is that the money from the developer for density of this magnitude would normally have gone to the cities of Markham and Richmond Hill to buy parkland. The deal suggests York Region taxpayers are paying, not only their 20% portion for the subway, but also a significant portion, if not all, of Ontario's agreed 40% portion. In the process, we are being left with a development that will create significant problems for our community. Particularly problematic is that the developer, who appears to be receiving a massive financial gift, is a major donor to the Progressive Conservative Party of Ontario.

As the Government of Canada was a party to the funding agreement for the YNSE, if you are not fully aware of the deal that was made between the developer and the Government of Ontario, it may be that the conditions upon which you signed the agreement were not honoured. As such, we believe it is your responsibility to pause your payment – which belongs to the entire population of Canada -- until all the details of the deal are brought to light and released to the public.

The circumstances are as follows:

- For over 10 years, the York Region municipalities of Markham and Richmond Hill have been planning a regional economic centre for the lands on either side of Highway 407 from Yonge Street to Bayview Avenue. This centre would have served multiple purposes. It would have provided housing (indeed, it was already slated to be the

densest housing centre in the GTA). But with a ratio of residential to commercial of 2:1, it would have made it a desirable destination for both work and recreation. The commercial element would have allowed for more employment north of Toronto, thus taking pressure off Toronto's overburdened roads which are congested with commuter traffic. It would have also balanced two-way traffic on the Yonge Subway, a line that is already at capacity south of Sheppard Ave. It would also have served as a destination anchor hub for the eventual 407 Transitway, which represents a significant housing growth opportunity to remove cars from the roads, help Canada reduce greenhouse gas emissions, and take pressure off urban sprawl in Ontario's greenbelt.

- This regional plan has been undermined by the Government of Ontario's issuance of two enhanced ministerial zoning orders (EMZOs) and the passing of Bill 109, which occurred on April 14, 2022, at 6:30 pm on the evening before Good Friday and Passover. The issuance of the EMZOs and the passing of Bill 109 on that specific date have been interpreted as a deliberate attempt to hide the news from the public.
- Leading up to these actions, in July 2021 -- **after your government agreed to fund the YNSE** -- the province made staff from the municipalities of York, Markham, and Richmond Hill sign non-disclosure agreements that forbade them to reveal the TOC plan to anyone, including their respective elected municipal councillors.
- In December 2021, Ontario announced its TOC plans to the public. The two municipalities did not agree with the plans and responded formally in February 2022, asking for a delay in the province's issuance of MZOs in the hope that they could get the province to change its plans to better align with their long-term visions.
- In the period following, the cities pleaded with the province for changes, but their requests were largely ignored. And in April 2022, the province presented them with Intergovernmental Agreements in Principle (AIP) that the cities were expected to approve. The two cities did not approve. Nevertheless, the province went ahead and issued the two Enhanced MZOs. Bill 109 also received Royal Assent the very same day.
- It is important to note that Ontario's use of the term "Transit Oriented Communities" is misleading. The term is normally used to describe "complete" mixed-use communities with transit at their centres. It's an idea to which our community groups subscribe. It is also a definition which describes the original municipal plans for the Yonge-407. What the Ontario government has done is zone for the opposite. It doubled the housing density and reduced the commercial space. It took away the municipal mandate for 35% affordable housing. It dramatically reduced parkland, schools, and community centres. The two centres will now house 80,000 people (the equivalent of the population of Newmarket, Ontario) in 45.5 hectares (half the area of Exhibition Place in Toronto). **At 175,000 people/km2, this new zoning will make it the densest housing centre in the Western Hemisphere and the second densest in the world, second only to the Dharavi slums of Mumbai.** The zoning envisages 67 condo towers, 11 of which

will be 80 storeys, taller than First Canadian Place's 72 storeys. The setbacks for these towers have been set at only 1.5M from the road. Furthermore, by reducing employment, they will force more people onto roads or onto the already overburdened subway during rush hour. Urban planners across the GTA have concluded that these centres will be unlivable. The question is why would the government implement such an obviously flawed plan.

- One potential answer is that the land defined for the TOCs is all owned by what appears to be one developer or developer family. Appraisers estimate that the land, purchased in 2000-2002 for between \$34-\$56 million, is now, as a result of not just land appreciation but also announcements of a subway and new zoning, worth approximately \$3.9 billion with a commercial development value exceeding \$100 billion. In a public meeting, the City of Markham stated that prior to the April 14, 2022 date, it would normally have received \$2.1 billion in cash-in-lieu for parkland for land of this size zoned to this density. While Richmond Hill has not stated what money it would have been due, a conservative estimate puts it at over \$1B. This puts the total money that would normally have been owed to the two municipalities at over \$3.1 billion.
- The funding arrangement for the \$5.6B YNSE was supposed to be 40%/40%/20% allocated as \$2.24B by the Government of Canada, \$2.24B by the Government of Ontario, and \$1.12B by the Regional Municipality of York. As the municipalities are no longer receiving the \$3.1B cash-in-lieu they would have been due, it appears that Ontario may have taken money that should have gone to York Region municipalities to pay the province's portion for the subway. In the process, it appears that a substantial gift may have been given to a political donor as a *quid pro quo*.
- **We understand that your government would have established guarantees in its funding agreement with the Government of Ontario.** That agreement may have included conditions that pertain to community and environmental impacts, affordable housing near transit lines, and engagement with residents. If so, the Government of Ontario may not have met your conditions and guarantees.

Under these circumstances, we believe that the federal government must pause its funding for the YNSE until such time that all the details of the financial agreement between Ontario and the landowner are made public and that all your funding conditions and guarantees are met. It is also noted that this developer is a substantial owner of the land around Highway 413 and may also be a beneficiary of the Ontario government's recent decision to build that highway. We believe that an investigation into the relationship between the Ontario Government and the parties in question may be in order and that such an investigation is the democratic right of all residents of Ontario, if not the entire country.

Thank you,



Graham Churchill
Resident, Richmond Hill, Ontario

(on behalf of the following resident and taxpayer groups)

LIST OF RESIDENT GROUPS and THEIR REPRESENTATIVES

- Alena Gotz, Aileen-Willowbrook Residents Association (AWRA)
- Alex Wong, BayMills Ratepayers Association
- Pat Pollock, Mayvern Area Residents Association (MARA)
- Rhonda Duma, Grandview Area Resident Association (GARA)
- Sue Shanly, Meadow Wood Rattray Ratepayers Association (MWRRA)
- Elisabeth Tan, Milne Dam Conservation Park Ratepayers Association (MDCPRA)
- Petra Scheller, Charlene Haupt, Trevor Isaac, Athina Tagidou, Sue Shanly, Mississauga Residents' Association Network (MIRANET)
- Allan Glube, Ridgeway Ratepayers Association (RRA)
- Mia Poscente, Royal Orchard Ratepayers' Association (RORA)
- Anet Mor, Flamingo Ratepayers Association (FRO)
- Arnold Korne, Gazebo Ratepayers Association
- Jordan Max, Springfarm Ratepayers Association (SFRA)
- Tony Faccia, Village Core Residents Association
- Evelin Ellison, Ward One (South) Thornhill Residents Inc (WOSTRI)
- Gary Zikovitz, North Richvale Community
- Margaret Martins, York Regional Standard Condominium Corporation (YRSCC) No 1109
- Beverley Belfer, York Regional Standard Condominium Corporation (YRSCC) No 1176
- Geoff Kettel and Cathie Macdonald, The Federation of North Toronto Residents Associations (FoNTRA).
- Lisa Sherin, Keep the Subway on Yonge Steering Committee,
- John Hartley, SOS Save Our City Association (SSOCA)
- Geoff Kettel, Federation of Urban Neighbourhoods

Government of Canada Ministers and MPs

- Hon. Chrystia Freeland, Deputy Prime Minister and Finance Minister of Canada
- Hon. Omar Alghabra, Minister of Transport
- Hon. Steven Guilbeault, Minister of Environment and Climate Change
- Hon. Ahmed Hussen, Minister of Housing and Diversity and Inclusion
- Hon. Dominic LeBlanc, Minister of Intergovernmental Affairs, Infrastructure and Communities
- Hon. Majid Jowhari, MPP, Richmond Hill
- Hon. Mary Ng, MPP, Markham-Thornhill
- Hon. Mellissa Lastman, MPP, Thornhill

Government of Ontario Ministers

- Hon. Doug Ford, Premier of Ontario
- Hon. Kinga Surma, Minister of Infrastructure
- Hon. Steve Clark, Minister of Municipal Affairs and Housing
- Hon. Caroline Mulroney, Minister of Transportation
- Hon. Peter Bethlenfalvy, Minister of Finance

Ontario Opposition Party Leaders

- Andrea Horwath, Leader of the New Democratic Party of Ontario
- Steven Del Duca, Leader of the Liberal Party of Ontario
- Michael Schreiner, Leader of the Green Party of Ontario

Ontario York Region Candidates

Liberal Candidates

- Steven Del Duca, Vaughan—Woodbridge, Leader of the Liberal Party of Ontario
- Laura Mirabella, Thornhill
- Sandra Tam, Markham-Thornhill
- Gillian Vivona, King-Vaughan
- Roozbeh Farhadi, Richmond Hill
- Emily Li, Markham-Unionville
- Marjan Kasirlou, Aurora-Oak Ridges-Richmond Hill
- Kelly Dunn, Markham-Stouffville
- Walter Alvarez-Bardales, York-Simcoe

Progressive Conservative Candidates

- Michael Tibollo, Vaughan-Woodbridge
- Laura Smith, Thornhill
- Logan Kanapathi, Markham-Thornhill
- Stephen Lecce, King-Vaughan
- Daisy Wai, Richmond Hill
- Billy Pang, Markham-Unionville
- Michael Parsa, Aurora-Oak Ridges-Richmond Hill
- Paul Calandra, Markham-Stouffville
- Caroline Mulroney, York-Simcoe

New Democratic Party Candidates

- Will McCarty, Vaughan-Woodbridge
- Jasleen Kambo, Thornhill
- Matthew Henriques, Markham-Thornhill
- Samantha Sanchez, King-Vaughan
- Raymond Bhushan, Richmond Hill
- Senthil Mahalingam, Markham-Unionville
- Reza Pourzad, Aurora-Oak Ridges-Richmond Hill
- Kingsley Kwok, Markham-Stouffville
- Spencer Ki, York-Simcoe

Green Party Candidates

- Philip Piluris, Vaughan—Woodbridge
- Daniella Mikanovsky, Thornhill
- Zane Abulail, Markham-Thornhill
- Ren Guidolin, King-Vaughan
- Hasen Nicanfar, Richmond Hill
- Shanta Sundarason, Markham-Unionville
- Kevin Zhang, Aurora-Oak Ridges-Richmond Hill
- Myles O'Brien, Markham-Stouffville
- Julie Stewart, York-Simcoe

Markham Councillors

- Frank Scarpitti, Mayor, City of Markham
- Don Hamilton, Deputy Mayor, City of Markham
- Jack Heath, Regional Councillor, City of Markham
- Joe Li, Regional Councillor, City of Markham
- Jim Jones, Regional Councillor, City of Markham
- Keith Irish, Ward 1 Councillor

- Alan Ho, Ward 2 Councillor
- Reid McApline, Ward 3 Councillor
- Karen Rea, Ward 4 Councillor
- Andrew Keyes, Ward 5 Councillor
- Amanda Collucci, Ward 6 Councillor
- Khalid Usman, Ward 7 Councillor
- Isa Lee, Ward 8 Councillor

Richmond Hill Councillors

- David West, Mayor, City of Richmond Hill
- Carmine Perrelli, Regional Councillor, Richmond Hill
- Joe DiPaola, Regional Councillor, Richmond Hill
- Greg Beros, Richmond Hill Ward 1 Councillor
- Tom Muench, Richmond Hill Ward 2 Councillor
- Castro Liu, Richmond Hill Ward 3 Councillor
- Raika Sheppard, Richmond Hill Ward 4 Councillor
- Karen Cilevitz, Richmond Hill Ward 5 Councillor
- Godwin Chan, Richmond Hill Ward 6 Councillor

Vaughan Councillors

- Maurizio Bevilacqua, Mayor, City of Vaughan
- Mario Ferri, Deputy Mayor and Regional Councillor, Vaughan
- Enzo Rosati, Regional Councillor, City of Vaughan
- Linda Jackson, Regional Councillor, City of Vaughan
- Marilyn Iafrate, Ward 1 Councillor
- Tony Carella, Ward 2 Councillor
- Rosanna DeFrancesca, Ward 3 Councillor
- Sandra Yeung Racco, Ward 4 Councillor
- Alan Shefman, Ward 5 Councillor

York Region Councillors

- Wayne Emmerson, Chairman and CEO, Region of York
- Tom Mrakas, Mayor, Town of Aurora
- Virginia Hackson, Mayor, Town of East Gwillimbury
- Margaret Quick, Mayor, Town of Georgina
- John Taylor, Mayor, Town of Newmarket
- Steve Pellegrini, Mayor, Township of King
- Frank Scarpitti, Mayor, City of Markham
- David West, Mayor, City of Richmond Hill

- Maurizio Bevilacqua Mayor, City of Vaughan
- Iain Lovatt, Mayor, Town of Whitchurch-Stouffville
- Don Hamilton, Regional Councillor and Deputy Mayor, City of Markham
- Jack Heath, Regional Councillor, City of Markham
- Joe Li, Regional Councillor, City of Markham
- Jim Jones, Regional Councillor, City of Markham
- Carmine Perrelli, Regional Councillor, Richmond Hill
- Joe DiPaola, Regional Councillor, Richmond Hill
- Mario Ferri, Regional Councillor, City of Vaughan
- Gino Rosati, Regional Councillor, City of Vaughan
- Linda Jackson, Regional Councillor, City of Vaughan
- Tom Vegh, Regional Councillor, Town of Newmarket
- Robert Grossi, Regional Councillor, Town of Georgina

Media

- Steve Paikin, TVO
- Mike Crawley, CBC
- Colin D'Mello, CTV
- Mark McAllister, CityNews
- Robert Benzie, Toronto Star
- Althia Raj, Toronto Star
- Sheila Wang, Torstar
- Noor Javid, Torstar
- Jeff Gray, The Globe & Mail
- Jessica McDiarmid, The National Observer