

BOX GROVE HILL DEVELOPMENTS INC.

600 Applewood Crescent, Vaughan, ON L4K 4B4 TEL: 905-760-7300 FAX: 905-669-9600

May 18, 2007

SENT BY EMAIL

The Town of Markham
Finance Department
101 Town Centre Boulevard
Markham, Ontario
L3R 9W6

Attention: Ms. Jennifer Nelson, Manager, Development Finance Department

Dear Ms. Nelson:

**Re: Proposed Medical Building
110 Copper Creek Drive
Part of Block 185 65M-3907
Box Grove North Inc.**

Further to our recent discussions, we have filed a building permit application for the construction of a 4-storey medical building of approximately 60,000 square feet within the employment lands of the Box Grove subdivision 19TM-030012.

The proposed medical building is situate on part of Block 185 on Plan 65M-3907. In accordance with the Town's standard practice, development charges are payable prior to the issuance of the building permit. Furthermore, the **Area Specific Charge** for this area (44B) is calculated at the rate of \$40,733.00 per net Ha and the **Hard Services** component is calculated at the rate of \$76,136.00 per net Ha.

In accordance with the Town's calculations of April 13, 2007, these area charges have been calculated based on the area of the entire Block 185 which is 3.75 Ha. The medical building only requires a site of 0.866 Ha which is in compliance with the approved site plan for the commercial shopping centre. There are no immediate plans for development of the balance of Block 185.

The medical building is the subject of a land severance application B16/07 which is scheduled for consideration at the June 13, 2007, meeting of the Committee of Adjustment. Copies of the approved site plan and the proposed severance plan are attached. A more reasonable calculation based on the intent of the Development Charges Bylaw in respect to the medical building would be based on 0.866 Ha rather than 3.75 Ha. Specifically there is a difference of \$285,510 and \$117,474 in the amount payable in respect to the Hard Services and Area

Specific charges payable respectively. This amounts to a total overpayment of \$337,051 for the medical building. This is approximately twice the amount that should be applied to the medical building and therefore cannot be feasibly absorbed.

If the land severance was complete today, the development charges would be calculated on the basis of 0.866 Ha. Recognizing however that we wish to commence construction as soon as possible and that the property has not yet been severed, I am proposing the following for your consideration in respect to this situation:

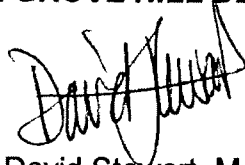
In order to allow for the release of the building permit for the medical building, Box Grove Hill Developments Inc. will pay development charges based on the area calculation of 0.866 Ha for the medical building. Furthermore, in the event that the land severance is not completed, the Town will recalculate the development charges payable in respect to the medical building based on 3.75 Ha site area and Box Grove Hill Developments Inc. will pay the difference to the Town forthwith upon the severance being defeated and all appeals expired.

I look forward to your response at your earliest opportunity.

Yours truly,

BOX GROVE HILL DEVELOPMENTS INC.

Per:



David Stewart, M.E.S., M.C.I.P., R.P.P.

DS/sg

Enclosure

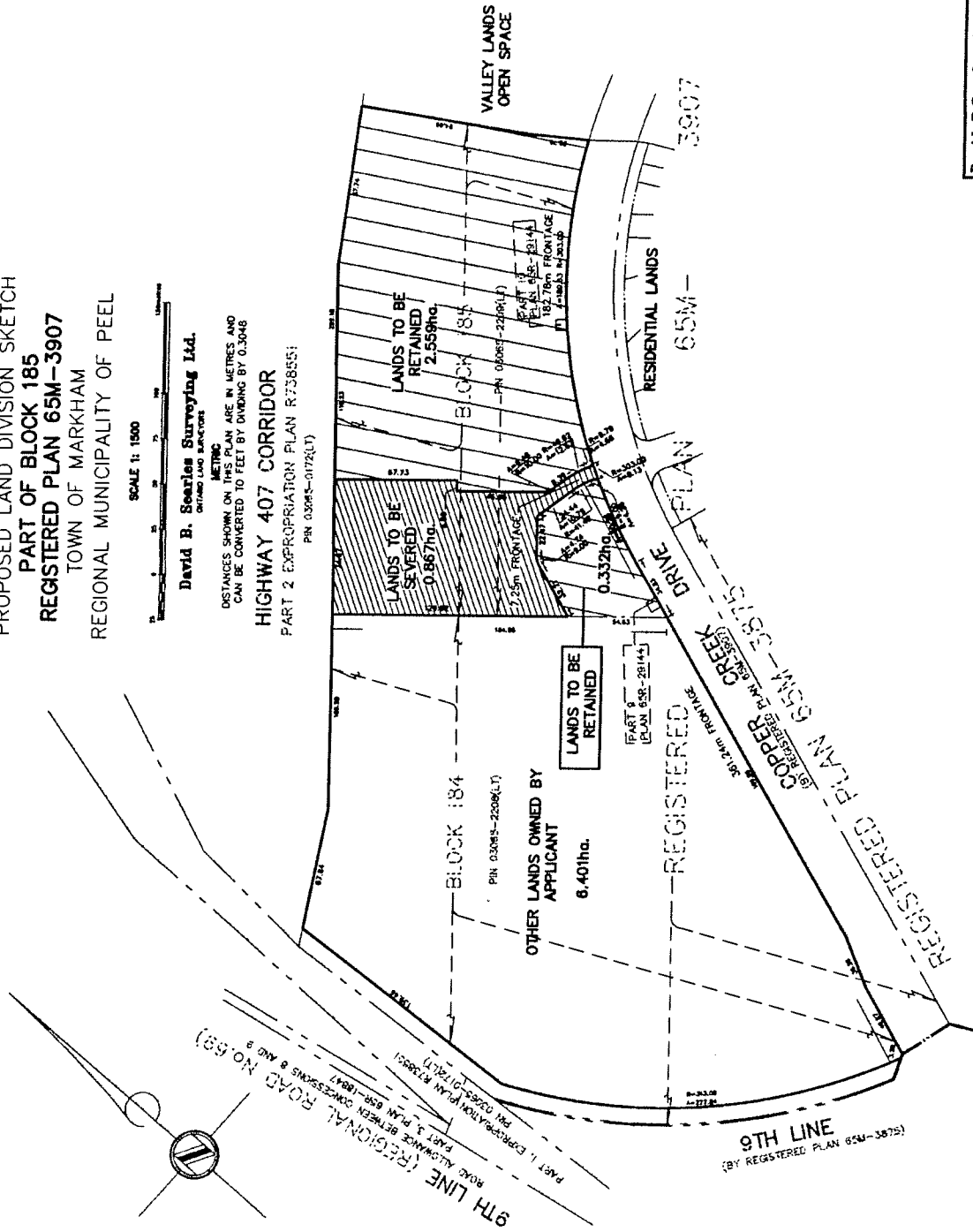
PROPOSED LAND DIVISION SKETCH
PART OF BLOCK 185
REGISTERED PLAN 65M-3907
 TOWN OF MARKHAM
 REGIONAL MUNICIPALITY OF PEEL

SCALE 1:1500

David B. Searles Surveying Ltd.
 CHARTERED LAND SURVEYORS

METRIC
 DISTANCES SHOWN ON THIS PLAN ARE IN METRES AND
 CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048

HIGHWAY 407 CORRIDOR
 PART 2 EXPROPRIATION PLAN R738551
 P/N 03045-0172(1)



David B. Searles Surveying Ltd.		Drawn	Checked
CHARTERED LAND SURVEYORS		C.L./P.	
4384 WILLOW CREEK COURT, MARKHAM, ONTARIO L3R 1Y2		File No.	114-1-06
(905) 273-8840 FAX: (905) 966-4410		Scale	1:1500
E. MAIL: DS@SLS.SURVEYING.COM		Project	114-1-06
Computer: 50-04CALC		Plot	114-1-06
		Sheet	114-1-06

