## E-mails flying in Mattamy/Halton Region DC dispute

By Tim Foran CANADIAN CHAMPION STAFF

A public campaign initiated by the CEO of Canada's largest new home builder, Mattamy Homes, for Halton Region to drop a proposed \$8,000 hike in what it charges resdevelopers is a "pathetic and ultimately embarrassing plea for (taxpayer) subsidies," says Oakville Mayor Rob Burton.

Peter Gilgan, the billionaire CEO of 2 Oakville-based Mattamy, said his company isn't seeking taxpayer handouts.

"If there's one message, it's that we're not asking any existing taxpayer to pay one red cent... to support any new development,"

said Gilgan. "We're not looking for a bailout charge or delay the vote.

have to reconsider building houses in some mail if they support his position, which he communities if Halton Region doesn't drop a promised to pass on to regional councillors. proposed \$8,000 hike outlined in an infra- The extra \$8,000 per-unit hike Mattamy structure financing plan that received region- is criticizing is made up of "voluntary" conal council's endorsement in November and tributions and interest free loans to the which will be going to council July 15 for Region to cover the up front financing for final approval. The e-mails ask recipients to water, wastewater and roads projects to servpetition regional councillors to ditch the ice north Oakville and Milton.

Gilgan fired the latest salvo in the ongoing responded Friday to what he described as an battle between residential developers and "orchestrated campaign" by sending out his fast-growing Halton by sending out e-mails own e-mail warning residents that dropping recently to potential Mattamy homebuyers the charge could result in a 6.1 per cent calling for "democratic action." increase in regional taxes and water rates. In the e-mails, Mattamy suggests it might Carr called for residents to send him an e-

The Region says it has to pay \$2.1 billion in necessary infrastructure projects to accommodate growth to 2021, but \$1.3 billion of that must be finished by 2011.

Developers have raised multiple concerns with the charges, which are on top of the \$29,000 they already pay Halton Region in normal development charges. One is that the Region is expecting cash payments before developers have even received bank financing or can start selling homes.

Carr said developers are also concerned the Region's infrastructure financing plan includes \$754.2 million of roads projects to be built over the next five years, including the acceleration of \$200 million of expansions to five regional roads, including Tremaine and Britannia Roads, Dundas Street, Neyagaway Boulevard and Regional Road 25. Carr doesn't want to spread out those projects more equally over the next 11

"The problem we've had in the region in the past is that we've pushed them (roads projects) off," said Carr.

Carr said the number one concern among residents is the fact roads aren't expanded until after new subdivisions come online, resulting in clogged streets across the region.

"This is something that I ran on and for which I got elected," the former MPP and MP said.

Gilgan argued, however, there are "unnecessary items and inefficiency" in the Region's infrastructure plan, which was developed increases over 2008 levels. prior to the recession taking hold in Canada.

"I don't object to paying what's fair and reasonable," he said. "I object to being surtaxed and supertaxed.

"It's the cumulative effect where things

company doesn't intend to build more hous-— no bailouts here." Halton Regional Chair Gary Carr es in Oakville despite owning significant land in that community.

Oakville is quickly becoming a flashpoint for the residential development industry, which has raised concerns about charges rising to a breaking point.

In north Oakville, residential development charges have skyrocketed over the past year. In early 2008, a developer would have paid about \$37,500 per single-family house to Halton, the Town of Oakville and the two major school boards in the region. That could soon be \$61,500, including the Town of Oakville's proposed hike in its own development charges to \$22,000 per home from the current \$13,500. By contrast, the Town of Milton just passed its new development charges bylaw with only a \$350 hike to residential builders to bring it to about \$10,500. The Town also collects a \$2,000 per unit contribution from developers.

"The simple explanation — it's absolutely true - is Oakville has higher standards," said Burton.

Oakville also benefits from having a higher level of service on which to assess its development charges, which are based on an average service level for the previous 10 years. For example, Oakville Transit receives \$1,139 per home while the five-year-old Milton Transit service only gets \$51.

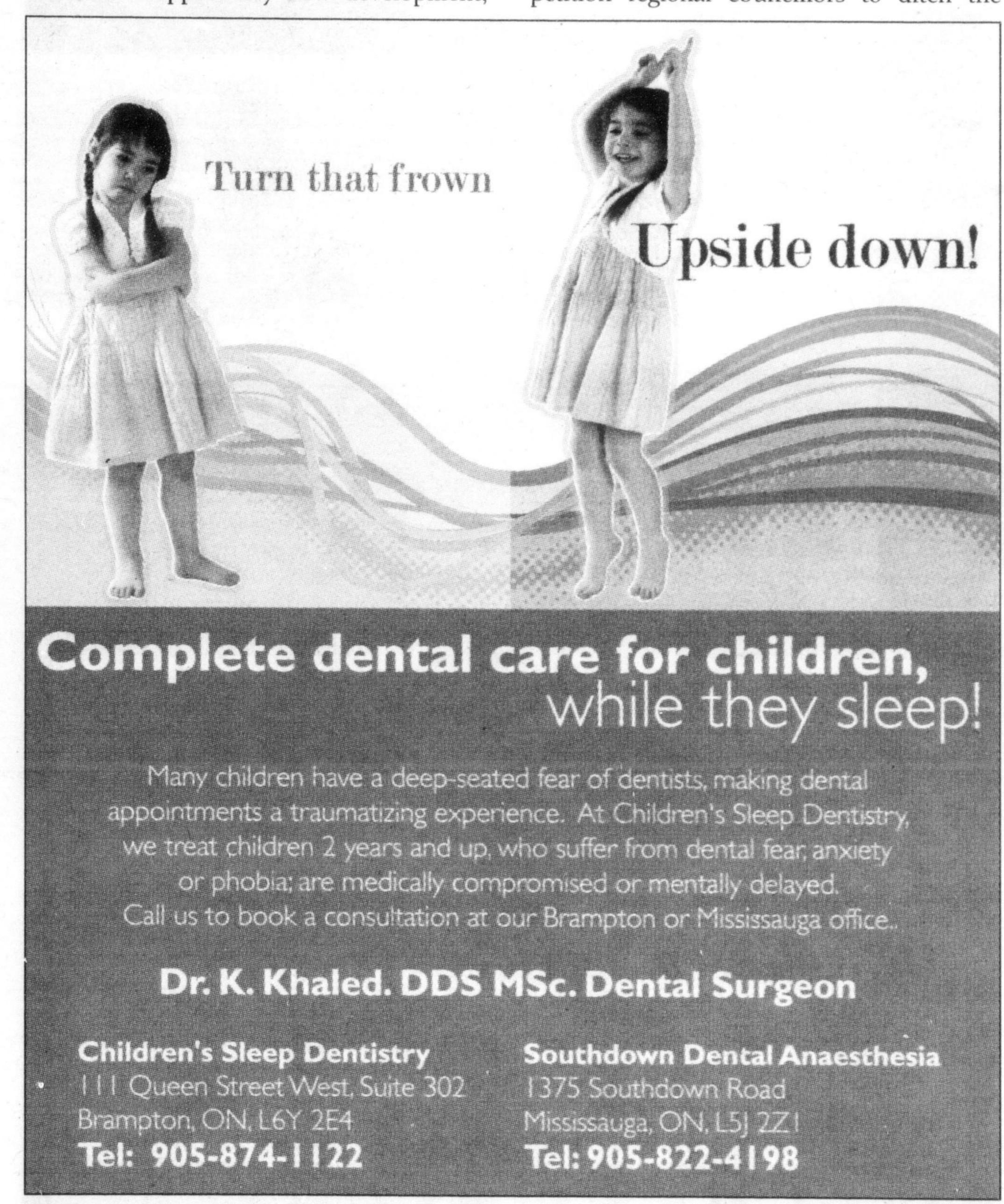
In his e-mail, Gilgan writes the current development charges in Halton already exceed nearby 905 communities by an "inexplicable amount."

Milton Regional Councillor Colin Best said there's a very clear explanation — the Province financed the extension of water and wastewater pipes for Peel, York and Durham regions in the past but it isn't doing that for Halton. That means the Region has to charge developers more to expand water and wasterwater facilities, he said.

While homebuilding continues to be strong in Halton, sales of new low-rise homes dropped last year by 42 per cent from 2006 highs and 60 per cent in Oakville. The slowdown continued in the first quarter of this year but both April and May saw sales

Mattamy VP Gary Gregoris told regional council in April it had dropped the price of some of its homes by close to \$60,000 to spur home sales, a tactic that worked.

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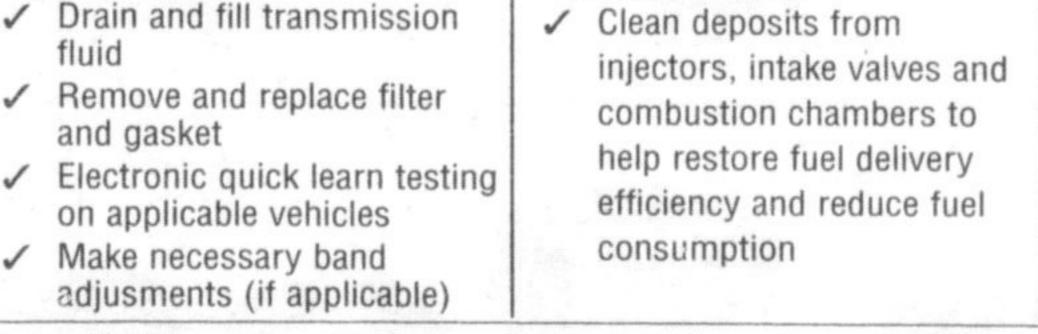


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