

June 14, 2011

Richard Wachsberg, Executive Vice President
Apollo Health and Beauty Care
20 Graniteridge Rd
Concord, ON L4K 5M8

Subject: IMIT Property Tax Assessment Issue - 1 Apollo Place

Dear Mr. Wachsberg:

Regarding your concerns about the proposed Year, CVA and Tax Class on the Base Tax Assessment for the portion of the property that your new development is being constructed on. I believe you will find the following outcome satisfactory as it will allow the property owner, Fifty-Five Developments Limited, to realize the Tax Increment Equivalent Grants (TIEG) in accordance with land's current and proposed use.

Included, without prejudice, is an attachment which presents the base taxes as shown on the 2011 Assessment Roll as Farmland, and the estimated development grants (using your reported \$23 million investment as a proxy to the incremental assessed value at the Industrial Tax Rate) of \$2.5 million.

A revised Schedule F, which is an addendum to the IMIT Financial Incentive Agreement, will reflect the change in Tax Class as shown on the 2011 Assessment Roll from Industrial to Farmland. We have determined the Base Municipal Tax for TIEG purposes on the subject lands to be \$315.25. The Final Destination Tax will not be known until the Eligible Development is completed and returned on the roll by MPAC. Once we have the Destination Tax we will amend Schedule F to finalize the municipal tax increment that will determine the grant amount over the grant period.

City Staff will continue to work with Fifty-Five Developments Limited and Apollo Health and Beauty Care Consultant, Bob Langlois, Managing Director, AEC International Inc., to ensure that if the amended Schedule "F" is acceptable, the Financial Incentive Agreement will be executed promptly.

Stop Sign Issue

I have enquired about your request for a stop sign at the new development. Field studies are currently underway and will be completed by the end of this month. Staff will then analyse the information to determine if the All Way

Stop Control Warrants are met and a memorandum will be submitted to the Ward Councillor. The installation of an All Way Stop control requires the approval of the North York Community Council. Transportation staff will work with the planning consultant, Rosemarie Humphries, Humphries Planning Group Inc., and keep her apprised of our progress.

I hope this information clarifies the concerns you have raised. Should you require additional information, please don't hesitate to contact Michael Williams, General Manager of Economic Development at 416-397-1970 or Eva Pyatt, Director, Business Services at 416-392-7183.

Yours truly,



Joseph P. Pennachetti
City Manager

Attachment: Estimated Development Grant Calculation (Without Prejudice)

Copy: Mayor Rob Ford
Councillor Doug Ford
Cam Weldon, Deputy City Manager & Chief Financial Officer
Giuliana Carbone, Treasurer
Andy Koropeski, Acting General Manager, Transportation Services
Councillor Anthony Perruzza
Michael Williams, General Manager, Economic Development & Culture
Eva Pyatt, Director, Business Services
Adir Gupta, Manager, Financial Policy Strategic Analysis
Rebecca Condon, EDO, Economic Development & Culture