



November 17, 2010

Bob Duignan
City Manager
City of Oshawa
50 Centre Street South
Oshawa, Ontario
L1H 3Z7

Re: Court File #67299/10 – Recommendations to City from outgoing Board of Directors

At our Board of Directors meeting on November 10, 2010, the Board discussed ways to assist the City and the new Board with moving forward in a constructive and positive manner in 2011. The Downtown Oshawa Board of Management (DOBOM) has operated since 1974, when Council created the Business Improvement Area (BIA) as an organization with a mandate to beautify, promote and improve downtown Oshawa by adding an additional tax on property owners above the regular commercial assessment.

This added tax has allowed the City to share some of the improvement costs with downtown property owners. Going forward it will be vital to insure that representation on the DOBOM be directly related to stakeholders who are paying this added tax. Taxation with representation is essential to democracy. The DOBOM believes that any person appointed who is not a direct stakeholder must be accountable directly to a stakeholder in the BIA and should only continue with their support. As this board is a board of interest, and a co-operative, only direct representation should be supported by staff and Council.

The amended bylaw #94-74 passed September 7, 2010 in the last council term needs to be repealed. It was created for political purposes and does not reflect the intent and the practice of BIA's throughout the province. It also does not reflect the long standing good will and relations of the Board with Council. The DOBOM has always been directly accountable to Council and has been audited annually by the City's auditor. The Board

has always welcomed city staff input and oversight, which will continue to be encouraged. The Board recognizes the intense political pressure that staff was under over the past few months, and hopes that the future Board will be able to continue working in harmony with staff and Council.

The Board believes that the success of future Boards will require clear communication from staff in order to make sure that the Board's bylaws comply with the Municipal Act, and that the Board may enforce its own rules. The Board also welcomes a Council member to continue our tradition of having direct Council representation on the Board.

The Board is prepared to settle our action for injunctive relief out of court if the City is prepared to repeal the amended bylaw #94-74 and take the steps outlined in this letter that are consistent with operation of BIA's throughout Ontario and are consistent with the intent of the Municipal Act. We believe that moving forward together is most constructive and in the best interests of the City and downtown businesses and property owners.

The Board also discussed concerns that if steps are **not** taken to restore representative democracy to the Board, there may be actions by property owners to dissolve the Board as outlined in the Municipal Act. This would represent a significant loss of taxation and value added services provided to the City that would cost the City much more to provide on its own.

We look forward to speaking with you in the near future.

Cathy Coxhead

Cathy Coxhead
Chair, Downtown Oshawa Board of Management

cc: Tom Hodgins, Commissioner of Development Services
David Potts, City Solicitor
The Honourable Madam Justice Lack, Ontario Superior Court of Justice
Diane Ploss, Municipal Advisor Ministry of Municipal Affairs & Housing
Downtown Oshawa Stakeholder's

12.5 Simcoe Street South, Oshawa Ontario L1H 4G2 Phone (905) 576-7606
Email: downtownoshawa@rogers.com Fax (905)-576-7653