



ZELINKA PRIAMO LTD
A Professional Planning Practice

December 2, 2011

Planning and Environment Committee
City of London
300 Dufferin
London, ON
N6A 1G7

Attention: Councillor Bud Polhill, Chair and Ms. Heather Lysynski, Secretary-Treasurer

Dear Mr. Polhill and Ms. Lysynski,

RE: Downtown Tax Exemption Program
431 Richmond Street

Our client, Rocco Tullio of Rock Developments London Inc., is the owner of the land located at 431 Richmond Street, which is located at the northwest corner of Richmond and Carling Streets in the Downtown core. As you may be aware, our client is nearing completion of a new three-storey office building on his lands, which will contain a Shoppers Drug Mart on the main floor and office space on the upper two floors.

On October 7, 2011 our client submitted a Downtown Incentive Program Application (DIPA) to the City of London Planning Department, to qualify for the Downtown Tax Grant Program. In response to his application request, City of London Planning Department staff advised that they have refused his application on the basis that a "significant portion of work has been completed...prior to October 7, 2011; therefore this application does not qualify under the program requirements" (a copy of the November 18, 2011 letter from Gregg Barrett is attached).

Although our client had detailed discussions with Downtown London staff in early 2010 and was aware that the City of London offers a Downtown Tax Grant Program for any rehabilitation or redevelopment of properties with the downtown core area, he was not advised by Downtown London staff that this program required that the DIPA be submitted to the Planning Division prior to any works being done on the property. In addition, although the DIPA is required to be submitted concurrently with the building permit application, our client was not provided with the DIPA form and was not advised by City of London Building Department staff to submit the application in order to meet the program guidelines. In fact, staff advised that they were aware of the pending downtown development and were awaiting our client's application for the grant program; however, never advised our client that it was absolutely necessary to do so at the time.

We understand that the requirement to apply for the Tax Program prior to construction starting is imperative for projects involving the rehabilitation of buildings in the Downtown area, since a proper assessment needs to be completed to document the initial state of a building. However, since our client's development involves new construction on a vacant parcel of land, the initial assessment is not in question since MPAC currently still lists and assesses the property as a parking lot. There is no discrepancy over what the existing condition or value of the property was prior to construction.

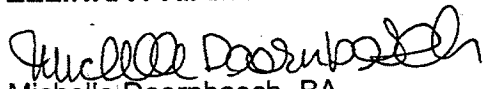
In addition, our client is the first in many years to construct a new commercial building in the downtown area. We note that there are significant construction costs for this project in addition to premium land costs for the property and very significant development charges of over \$500,000. The assistance from the City of London in offsetting these costs through the Tax Grant Program was integral to our client's decision to move forward with this project in Downtown London with an anticipated tax credit expected to be in the amount of approximately \$620,000.

Given the above, we would respectfully request that we be added as a delegation to the next Planning and Environment Committee meeting to discuss the merits of our client's application for the Downtown Incentive Program and any opportunity that Committee may have in allowing the Tax Grant to be issued.

Should you have any questions or require additional information, please feel free to contact our office.

Yours very truly,

ZELINKA PRIAMO LTD.



Michelle Doornbosch, BA
Planner

cc. Rocco Tullio, Rock Developments London Inc.
Patton, Cormier & Associates



300 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4L9

London
CANADA

Rocco Tullio
Rock Developments
13275 Tecumseh Road East,
London, ON

November 18, 2011

Dear Mr. Tullio,

RE: Downtown Incentive Program Application – 431 Richmond Street

This letter is in regards to your application, submitted October 7, 2011, for the Downtown Tax Grant Program for the property municipally known as 431 Richmond Street. Staff has recommended to refuse your application. The reason for this refusal is based on the Downtown Incentive Program Guideline:

“Grants will not be given retroactively to recognize projects that have begun without application to this program. To be eligible for this program a completed application must be received by the Planning Division prior to any works being done which relate to the associated building permit application.”

Our building permit records demonstrate that a significant portion of work has been completed and in some cases inspections carried out regarding this project prior to October 7, 2011; therefore this application does not qualify under the program requirements. Should you wish to appeal staff's decision to refuse the application you may seek a delegation with the Planning and Environment Committee on the matter.

Should you have any additional questions regarding the status of this application please contact Eric Lalande, Planner I, at 519-661-2500 x7602.

Respectfully,

Gregg Barrett, AICP
Manager III, City Planning and Research
City of London

Cc: Michelle Doornbosch, Zelinka Priamo Ltd.