

London Development Institute

November 12, 2013

City of London
300 Dufferin Avenue
London, Ontario
N6A 4L9

Attn.: Bud Polhill, Chair and Members of the Planning and Environment
Committee, (PEC)

Re: PEC Agenda Item # 11, November 12, 2013

Dear Mr. Polhill and Committee Members,

We ask that this report be referred back to staff for further review with the industry prior to the report being sent to Committee for approval.

As stated in our October 9, 2013 letter to John Fleming on this matter, Schedule "B" attached, we appreciate the opportunity to consult with staff on specific matters that relate to the development industry and the London Home Builders. The last line in that letter went on to say we would welcome further discussion with staff on this matter which has not happened.

We had not seen the final conclusions of our discussions until the report was finalized by staff and included on the PEC agenda available for review on the Thursday; four days before the committee meeting. The report raises a number of concerns that require further dialog with staff rather than being discussed on the floor of the Planning Committee.

The report is very biased in its support of an increase in planning fees and it does not provide a balanced review of the issue for the Committee members to make an informed decision.

Some of the items of concern are listed in point form below:

Page 2, "Increasing requests for pre-application consultation"

- The City has passed a Pre-Consultation By-Law requiring that applications for amendments to the Official Plan (OP) and Zoning By-law (ZBL) go through a consultation process to benefit the public.

Page 3, "more active consultation with the public"

- The higher level of consultation with the public increases costs and staff time but it also increases the applicant's time and costs that are not reflected in the report and that get passed onto the public through higher housing or product costs.

Page 3, “litigious nature of planning applications”

- The current OP and ZBL are so prescriptive that any changes to land use require amendments which are subject to NIMBYISM increasing staff time and increased costs to the applicant. Any increase in fees should be deferred until the ReThink process is completed.

Page 3, “Greater proportion of infill and intensification projects”

- The City is requiring more emphasis on infill and intensification projects but an increase in fees will raise costs and possibly deter these types of projects.

Page 3, “applicants stand to gain from the planning application process”

- This type of statement is repeated numerous times throughout the report but it never mentions that the City benefits from the same process in many cases by increased property tax assessment from the planning process. The City gains overall with increased employment and economic spin offs.

Page 4, Figure 1, Proposed Fee Changes,

- Figure 1 shows the difference between the existing fee and the proposed fee but it doesn’t show the percentage increase in the fees as follows:
 - OP Amendment 66% increase
 - ZBL Amendment 40% increase
 - Combined OP/ZBL 43% increase

The report recommends an annual fee increase of 2% a year which if started in the 2008 Planning Fee review would have increased by 10% not the higher increases listed above. Further discussion required.

The problem of basing fee increases on comparisons to other municipalities is that they have no relationship to the actual costs being incurred in those municipalities, (apples to apples comparisons). It is not clear whether the City has undertaken a study of the anticipated costs that it needs to recover to meet the needs of the test set out in the Planning Act Section 69(1) in respect to the fee being designed to meet only the anticipated cost to the municipality to process each type of application.

Page 7, “A cursory review showed that the current and recommended application fees for OPA’s and ZBA’s in London are greater than those in surrounding smaller municipalities”.

- This issue was raised by the LDI and the LHBA and is very relevant to this discussion in light of the current request by Middlesex Centre for increased sanitary servicing to Arva. The cost of housing is a deciding factor for many in making decisions on a home purchase and locations.
- Raising fees and costs may reduce future tax assessment growth to benefit the City by competition for development from surrounding communities.

The issue of tiered fees needs further discussion and review to allow for minor OP and ZBA's to be processed and not be seen as a deterrent for redevelopment. Many municipalities have tiered fees or a sliding scale for application fees based on complexity of the application.

There are more examples of the many questions raised by the report than there are answers and again we ask that the report be referred back to staff for further discussion with the industry. We do not dispute that there may be a need for increases to the planning fees but in needs to be reviewed in an open and transparent manner.

Sincerely,
London Development Institute



Jim Kennedy
President, LDI

cc LDI Members
cc John Fleming, City Planner