



City of London
300 Dufferin Ave
London, Ontario

March 28, 2025

Mayor and Members of City Council

Re: Opposition to Single Source Procurement for Day Drop-In Space at The Ark Aid Street Mission

Dear Mayor and Members of Council,

On behalf of the Old East Village Business Improvement Area (BIA), I am writing to formally express our opposition to the staff recommendation for a Single Source Procurement of up to \$610,577 (excluding HST) for the continued operation of a limited day drop-in space at The Ark Aid Street Mission.

While we recognize the critical need for housing stability services in London, we must highlight the disproportionate burden being placed on the businesses and property owners within our district.

The Old East Village has the highest concentration of social service providers in the city, and our business community continues to face significant operational and financial challenges due to the ongoing crisis on our streets.

Recently, City Council passed a motion stating that resting spaces would not receive municipal funding if located on the main street of a BIA district. Given this policy direction, we seek clarification on the distinction between a "resting space" and a "drop-in space" as defined in the staff report.

Our BIA operates on a modest levy of \$42,000 annually, with our realized funding last year totaling only \$37,000 due to write-offs and rebates. While we appreciate the additional \$141,000 provided by the City to support the revitalization of Old East Village, these funds are designated for direct business support and incentives. They are not intended to cover the rapidly increasing costs of vandalism, property damage, window replacements, private property clean-up, or enhanced security measures.

Without financial assistance from our BIA, our members would be forced to shoulder these expenses directly, a consequence of the ongoing crisis in our district.

In 2023, the BIA was allocated \$500,000 of city funding to aid in revitalization efforts, yet much of these funds have been redirected to mitigating the impacts of crime and disorder on our local businesses.

If current trends persist, our BIA anticipates spending between \$50,000 and \$60,000 this year on private property clean-up alone, in addition to an estimated \$30,000 for window replacements.

These escalating costs are unsustainable and divert critical resources away from the very revitalization efforts the city aims to support.

Our opposition to the Single Source Procurement is based on the following concerns:

1. **Increased Financial and Safety Burdens on Local Businesses** – The continued concentration of social services in our district directly correlates with rising costs for business owners due to vandalism, security, and property damage. Allocating additional resources to a day drop-in space without addressing these existing financial strains will further destabilize the local economy.
2. **Misalignment with Revitalization Goals** – The City's investment in Old East Village is intended to promote economic growth and attract new businesses. However, without corresponding measures to address public safety and the financial toll on businesses, these efforts risk being undermined.
3. **Lack of Transparency and Competitive Bidding** – The recommendation for a Single Source Procurement of over \$600,000 raises concerns regarding transparency and the exploration of alternative service models.
4. **Contradiction of City Policy** – Given Council's recent decision to restrict funding for resting spaces on main streets of BIA districts, further investment in a drop-in space within the same area appears contradictory. A clearer distinction between these service models is needed to ensure alignment with Council's objectives.

We urge Council to reconsider this funding allocation and explore alternative solutions that distribute housing stability services more equitably across the city.

Additionally, we request that funding be prioritized to mitigate the financial burden currently shouldered by our business community, including support for security measures, property repairs, and economic stabilization initiatives.

Thank you for your consideration.

We look forward to continued collaboration in achieving a balanced approach that supports both vulnerable populations and the economic well-being of Old East Village.

Sincerely,

Kevin Morrison
General Manager
Old East Village BIA