

February 18, 2014

Strategic Priorities and Policy Committee

Re: Development Charges (DC) Review

Local 1059 would like to comment on the draft DC rates proposed for residential, commercial and industrial development.

Residential

An increase of over 30% in the single family DC when London's fragile economy is attempting to rebound, may further impede the opportunity of a reasonable increase in new housing starts.

A review of projects included in the residential DC calculation should be seriously considered as to whether they reasonably will be constructed within the suggested time frame.

A balance between future long term infrastructure projects and affordable new homes must be taken into consideration for the next 5 years.

The jobs a rejuvenated new housing market would produce, can help London reach an employment rate at least equal to the Ontario average.

A 20% increase would be realistic based on surrounding competing communities, the need for job creation and the short and medium term infrastructure projects in the DC calculation.

Some of the long term infrastructure projects could be re-evaluated in the next DC review in 5 years. The growth patterns over the next 5 years should guide those discussions.

This is not the time to shift other costs to the residential DC that has been traditionally paid for other than through the DC.

Job creation must be considered when balancing the affordability of London's housing and long term infrastructure planning.

Commercial/Industrial

The suggestion that commercial development charges be raised from \$174.00 sq. ft. to \$374.00 must be an error, nothing would make sense in this economy to say so openly you do not want commercially provided employment.

Industrial charges should remain unchanged if the City is really looking for new jobs in that sector.

The Provincial/Federal/Municipal infrastructure program conducted just a few years ago, if utilized to its capacity, could have been used to offset 66% of the cost of some of the projects in the DC. Potentially another similar program may be come available and should be more fully utilized by the City.

Job creation has to be one of the major considerations in setting new development charges in all sectors.

We would appreciate the opportunity to present to the Committee on February 20th, 2014.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jim MacKinnon', with a long horizontal flourish extending to the right.

Jim MacKinnon
Business Manager

JM/fc