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April 30, 2014

Travis Macbeth  
Planner II  
Long Range Planning and Research  
City of London  
206 Dundas Street, London, ON  
N6A 4L9

**RE: Draft Industrial Lands Community Improvement Plan  
City of London, County of Middlesex**

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Dear Mr. Macbeth,

Thank you for your circulation of the draft Industrial Lands Community Improvement Plan for the City of London.

We have reviewed the above-noted CIP submitted by the City of London and provide the following *Planning Act* comments for your consideration. Please note that further comments may be provided at a later date with respect to the *Municipal Act*, the *Development Charges Act* and with respect to the financial structure of the programs that are being proposed.

As it is noted in the draft Community Improvement Plan, the *Planning Act* allows the council of a local municipality, that has provisions in its official plan relating to community improvement, to designate by by-law the whole or any part of the area covered by the official plan as a "community improvement project area" and prepare and adopt a community improvement plan for that area.

The general intent of a community improvement plan, though Section 28 of the *Act*, is to give municipalities a tool to help address some of the potential challenges that it may have with respect to the effective use, reuse and restoration of lands, buildings and infrastructure and provide a means for planning and financing those development activities.

However, the *Planning Act* sets out a specific set of eligible costs that a municipality may utilize a community improvement plan for in Section 28 (7.1).

*"The eligible costs of a community improvement plan may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities."*

It is important to note that the eligible costs in the *Planning Act* are tied to rehabilitation or energy efficiency.

The City of London's draft Industrial Lands Community Improvement Plan states that "the primary purpose of this CIP is to promote economic revitalization, diversification, development, employment growth and prosperity in London by improving the market attractiveness of industrial land and promoting the development of industrial land in the city." Further, the community improvement plan states that it is the intent of the CIP to promote industrial development on previously developed and previously undeveloped industrial lands with emphasis on previously undeveloped land as this is where 90% of

industrial development has occurred in London since 2007. The community improvement plan also defines "development" as "the construction of a new industrial building on previously undeveloped land" and repeatedly states that the CIP is intended to facilitate the development of industrial lands in London.

The use of a CIP on these types of previously undeveloped lands would not conform to the *Act's* use of a community improvement plan or what is considered to be an eligible cost for community improvement as it is required to be tied to rehabilitation or energy efficiency.

Community Improvement Plans, as set out in the *Planning Act*, provide municipalities the ability to reduce development costs or provide incentives for disadvantaged sites/areas in order to make them comparably attractive to greenfield sites in that municipality. Changes brought to the *Planning Act* have not altered this policy direction.

Grants and loans can be made for costs associated for either rehabilitation purposes or for energy efficient uses, but not for the facilitation of new development on greenfield sites.

Municipalities do have the ability to offer incentives to attract development, such as through reduced development fees under other authorities such as the *Development Charges Act*. An example of this could be an exemption for new industrial development. Incentives for economic stimulus may also be provided under the *Municipal Act*, through the use of business incubator programs or municipal capital facilities agreements.

MAH staff appreciates the opportunity to comment on this document. If you have any questions or comments, please telephone me at (519) 873-4768.

Regards,



Kevin McClure RPP, MCIP  
Planner, MSO-West