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September 9, 2014

Chair & Members
Planning and Environment Committee
City of London
300 Dufferin Avenue
London, Ontario
N6A 4L9

**RE: City of London initiated Official Plan Amendment for White Oaks Business Park
OUR FILE 13184A, 1402A and 14145A**

I am here today on behalf of 3 landowners in the White Oak business park:

- Bluestone Properties which owns approximately 58.9 hectares
- Tradewinds Properties & Exeter Dingman Investments which own approximately 43.26 hectares
- Ontario Truck Driving School (Gus Rahim) which owns approximately 14.3 hectares

Their combined land holdings total 116.46 hectares which represents approximately 52 % of the Study Area.

The process being recommended by staff is to consider changes in land use through a 2 phase process. The initial phase being considered this evening is for an Official Plan Amendment to designate lands from Industrial to Urban Reserve- Community Growth. The second phase would entail the preparation of a Secondary Plan to establish more detailed land uses.

The three landowners noted above are in support of the proposed Official Plan amendment to redesignate their lands from industrial to non-industrial uses **however they want assurances that the second phase, being the Secondary Plan, will be given priority and recognized as being an integral part of the entire planning process for these lands.**

By way of background, MHBC was retained in 2013 by Bluestone and Tradewinds to investigate whether a conversion of these lands from industrial to non-industrial uses was appropriate and warranted. We undertook extensive research and evaluated the potential employment land conversion in the context of both the PPS and the City of London Official Plan. These documents provide clear direction and criteria for conversion of employment lands.

Based on our review, we reached the following conclusions:

- The lands are not well located for industrial development - the City's Industrial Land Study also indentified that much of the vacant industrial land supply was in less than ideal locations. There were also concerns raised through the SWAP process that there could be land use conflicts between industrial and residential lands in this area.
- The land parcels are not ideally suited for current demand. The majority of the lots in the approved subdivisions were for smaller lots whereas the City study indentified a shortage of large parcels.
- The cost of development within the White Oaks business park was not economically feasible in terms of being able to provide competitively priced lands. Due to significant grading costs, these lands could not be brought to market in a competitive manner.
- It was determined that the City's current supply of employment lands was in excess of projected demand for employment growth and the retention of these lands for employment purposes was not required to meet these growth projections.
- By considering a conversion of these lands to non-employment uses, the City could identify other areas that would be better located and more suited for employment purposes. Two locations have been identified - Wonderland Road interchange and the Veterans' Memorial Parkway interchange

There are several key points that we would like to draw to Committee's attention:

The first point is that there is a significant financial benefit to the City in considering a conversion to non-employment lands. In conjunction with our client's engineer, Mr. Anthony Gubbels, we undertook a high level analysis of the projected revenue and claims that would be realized if these properties were developed for industrial purposes and then what those revenues and claims could be in they were developed for non-industrial purposes. There was a significant net benefit under the non-industrial scenario.

The second point to note is that these lands are serviced and can be developed in the short term. This will help to reimburse costs that have been incurred by the City for the extension of services.

The third point is that there is considerable benefit for the City in considering this employment conversion in that it allows for more strategically located lands to be brought into the urban growth boundary for employment purposes. Without this conversion it is unlikely that sufficient justification could be made to expand the boundary for employment purposes at this time.

It is acknowledged that there is also a benefit for the landowners in being able to develop these lands for other purposes. They have made a concerted effort over the years to market and develop their land holdings for employment but there has been little interest and, as noted, the costs to develop would make these lands too expensive to market.

However, this benefit is only realized if the lands are designated for alternative land uses. The initial Official Plan Amendment is to designate the lands as Urban Reserve- Community Growth. Until the Secondary Plan is completed, the land owners will have gained very little and given up a lot.

Therefore our last and most important point we wish to convey to Committee and Council is that the completion of the Secondary Plan needs to be undertaken as soon as possible.

We are concerned that the staff report provides very little discussion on the completion of the Secondary Plan. When we initially met with staff in early 2014, there was recognition of the potential benefits for both the City and the landowners should the employment conversion be justified. However as it stands now, the immediate benefit is primarily being derived by the City.

We would therefore request that direction be given to staff to make the Secondary Plan a priority and that a report be brought back as soon as possible for Council consideration.

Our concerns are that these lands could remain in the Urban Reserve designation for a prolonged time frame and this is not what was contemplated when we first approached staff with our findings on the employment conversion.

In conclusion, our support of the proposed Official Plan Amendment is premised on the timely completion of the Secondary Plan for the White Oaks area. The land owners are prepared to assist in whatever way they can to ensure the timely completion of this Secondary Plan.

Yours truly,

MHBC



Carol Wiebe
Partner

cc. *Bernie Bierbaum, Bluestone Properties*
Mardi Turgeon, Bluestone Properties
Tom Weisz, Tradewinds Properties
Gus Rahim, Ontario Truck Driving School
Anthony Gubbels, Land Development Solutions