



September 24, 2015

Mayor Matt Brown and City Council Members  
City of London  
300 Dufferin Ave  
London, ON N6A 4L9

**Re: Creating a Vibrant and Competitive Downtown**

Your worship and members of City Council,

Downtown London has a reputation as a leading Canadian business improvement organization that focuses on recruitment and retention of investment and businesses in the heart of our city. We have a solid history of working together with the City of London and other stakeholders in the city to improve London's downtown for the benefit of all Londoners in all communities.

We have identified through our strategic planning process that recruitment is among our highest priorities as a downtown organization, but we acknowledge that we won't achieve the growth we need to achieve on our own. We recognize that we need a new approach to attracting businesses and investment to the core.

Recently we embarked on an innovative approach to create a more vibrant and competitive Downtown London. We brought together representatives from key stakeholder organizations in our municipality – Fanshawe College, Western University, London Health Sciences Corporation, Budweiser Gardens, Covent Garden Market, London Economic Development Corporation – along with leaders of local culture organizations and our key strategic partners at the City of London, to help us shape the future of downtown.

The feedback we heard from this group echoed what we have been hearing from our members and from the public. Despite all of the investment and work we have done to achieve growth, and our results achieved to date, we need to accelerate the attraction of investment and targeted businesses to our downtown to sustain and continue our growth and regeneration.

Subsequent to the workshop we hosted with our key strategic partners, we have received a proposal from the consultants who facilitated the workshop, Live Work Learn Play (LWLP), to continue the work we started.

The cost for this 18-month consultation will be \$540,000, plus additional costs for non-contractual items associated with the ongoing implementation work.

.../2

While Downtown London will be making a significant investment to develop and implement this program, we must pursue additional sources of funding for the work that has to be done to ensure continued growth of our tax base. We will look to some of the partners who participated in the workshop we hosted with LWLP to make an appropriate financial commitment to the recruitment program, to ensure their continued involvement in the process as key stakeholders.

From the beginning of this journey, the City of London has been our primary partner in regenerating London's downtown. Our work together has resulted in very healthy growth in the taxable assessment for our area. We need your partnership to continue this much-needed growth, for the benefit of all Londoners.

We request that the City of London makes a contribution to our proposed recruitment initiative through MainStreet London in the amount of \$200,000 annually for four years, from 2015-2018, which is an amount equal to the revenue that the City currently forgoes by providing free daytime parking downtown during December each year. In return, we would waive our request for the free parking in December for those four years. As a result, this proposal will be revenue neutral for the City.

We expect that we will come out of this unprecedented approach to recruiting with the knowledge of who will be interested in investing in London's downtown, along with some targeted tenants and new ways to attract investment. Upon implementing the recommendations, we will be sure to come back to you with reporting on a semi-annual basis to review our results.

Certainly you will have questions about the impact of this proposal, and we have provided the attached document of frequently asked questions that we created to provide background information to this proposal.

Our board of directors wholeheartedly supports our request for the December parking revenues. We have given due consideration to what this will mean for our members who have enjoyed the benefits of the free December parking accommodation from the City of London in past years. We continue to believe that a strategic investment in our recruiting program will pay dividends far into the future.

We welcome the opportunity to engage in a dialogue with Council members regarding this request and our strategic move forward.

Sincerely,



Janette MacDonald  
CEO and General Manager

Attach.

## FAQ's - Creating a Vibrant and Competitive Downtown

### ***What efforts have we undertaken in the past to attract investment?***

Downtown London's Recruitment Committee has focused its efforts on hiring traditional retail leasing specialists to attract national retail back to the downtown, with no significant results. We have attended trade shows offered by the International Council of Shopping Centres to directly approach retailers to explore opportunities to locate in our core. We have visited head offices of targeted retailers, and we have reached out across our networks to personally approach potential investors and businesses. We have worked with local brokers and commercial realty specialists to attract investment and businesses to the core, educating the realtors about the incentives available for downtown properties. We have worked with local landlords to help them create leasable space for prospective tenants. For various reasons, we haven't achieved the results we wanted. We now know that we don't have the right factors in place yet to attract these types of investments. We have concluded that we need to approach both recruitment and economic development in the core in a unique, non-traditional way to accomplish the growth we need to achieve for the benefit of all Londoners.

### ***How has the partnership between Downtown London and the City evolved?***

Downtown London, through its two organizations, has been fully self-funded since 2013. In prior years, we received \$100,000 annual funding for the MainStreet London Revitalization Organization to support its programs. The funding was discontinued by London's previous City Council in an effort to achieve a zero percent budget increase. For the past 13 years, we have acted as a sales force for the City's CIP incentives, building a solid partnership with the City to achieve increased participation in the incentive programs, facilitating heritage and urban design reviews and compliance with the City's by-laws and requirements for the local business community.

### ***What will be the stakeholder impact of this trade-off of free December daytime parking for an investment in the future of our downtown?***

We expect to see more turnover in individual parking spots, creating a positive impact on availability of short-term parking for our businesses. By directing the same funds to activities that are targeted to attracting investors and businesses, we will be making a lasting investment in our City, and in our downtown. We anticipate that this redirection of funds will provide a greater benefit to the City than the current free December daytime parking offer currently provides.

### ***What is our rationale for single sourcing the consultants - Live Work Learn Play?***

Through our involvement in the International Downtown Association, and from past experiences working with various business recruitment consultants, we have had the opportunity to explore the range of offerings in this field. In our research, we have discovered that while there are many consultants that specialize in specific types of recruiting work, only LWLP offers the full vertical integration of

advisory services combined with implementation of plans and deal making expertise. LWLP offers a far more integrated approach to recruitment than we have undertaken in the past. Their proven track record in other communities includes recreation-based destinations, mixed-use communities, college towns and urban revitalization projects.

***What is the proposed LWLP approach to attracting investment in our downtown?***

The LWLP proposal includes three phases, spanning 18 months:

1. Reconnaissance and Strategic Assessment – first we need to understand downtown London in the context of the local and regional communities, key players, and priorities for enhancement in the core. (4 months)
2. Develop a Mixed-Use Downtown Business Plan – a plan designed to deliver on Downtown London’s placemaking, physical planning and implementation potential. (6 months)
3. Implementation and targeted leasing and casting - build the foundation for implementing the retail recruitment and business attraction program, and support deal-making with targeted use tenants and investors. (8 months)

***Who are our partners in downtown regeneration?***

The City of London is our primary partner in downtown regeneration. We also work together with London Economic Development Corporation, Fanshawe College, Western University, London Health Sciences Corporation, Covent Garden Market and Budweiser Gardens, along with leading local culture organizations.

***How does this request for funding align with the City of London’s priorities?***

- *Our Move Forward (The Downtown Plan)* – in order to achieve financial investment and revenue generation, the City has identified on page 67, Action Item 3 of The Downtown Plan, that it will be necessary to “undertake research to determine what level of revenue generated in the downtown can be captured for further investment in the downtown, and the costs and benefits, and risks and rewards associated with the various methods available.” We are confident that our research and business plan development will contribute significantly towards achieving this goal. First among the City’s ten transformational projects identified in The Downtown Plan, Dundas Place is certain to be a key consideration in our recruitment plan. This unique space will need to be properly implemented and managed much like Budweiser Gardens is managed – by a separate organization, delivering unique experiences and attracting new investment to the core. We will work with the City of London to ensure that we address not only the capital investments in infrastructure and amenities, but also put the right resources in place for a successful outdoor venue.

- City of London Strategic Plan - Our work will align with several of the City's strategic priorities:

*Strengthening our community* - integration with the Cultural Prosperity Plan to support to Museum London, London Arts and Heritage Councils

*Building a sustainable city* - integration with the Downtown Plan, Heritage Conservation District Plan, Shift Rapid Transit Strategy,

*Growing our Economy* - we will be a key player in the City's urban regeneration initiatives (Downtown Plan, Dundas Flexible Street, Dundas Place Scoping Study, Forks of the Thames Re-development, "Back to the River" project, Alleyway Program, infrastructure upgrades and Downtown management organization).

*Strategic, collaborative partnerships* - working with key stakeholders to achieve economic growth

*Diverse employment opportunities* - we can have an impact on recruiting employers, attracting talent by creating a more vibrant and competitive downtown.

### ***Why is it important to start this recruitment initiative now?***

In urban regeneration, timing is everything! We are keenly aware of the need to align with the timing and goals of other priority investments happening in the downtown -- in particular, the developments of Dundas Place and the second Fanshawe downtown campus. We expect that given the proposed changes in use of this area, expectations of the commercial occupancy on the street will also be higher.

The consultants at LWLP are uniquely qualified to identify and attract targeted investors who will fit with our vision for this area, doing the deal-making that will be required to achieve our goals. They will also to teach us how to continue this work, so we can achieve ongoing, sustainable transformation of our district. We know that the decision-making cycle is longer with the calibre of investors we expect to attract through this program. We will lose valuable years of meaningful assessment growth if we wait until all of the redevelopment work is done to start this targeted recruitment program. A beautiful vacant street will not bring in tax dollars. Given the timeline required to develop and implement a recruitment plan that dovetails with the redevelopments planned for our downtown, we need to be ready with targeted businesses and investors who will maximize the potential of a redeveloped Dundas Street, along with Richmond Row and other priority areas in our downtown.