

GMIS Public Participation – 5.15.17
Verbal presentation – Lois Langdon, EO, LHBA

Thank you for this opportunity to speak to council tonight.

Members of the London Home Builders' Association are open to working with the City on ways to satisfy the demand of today's unique market of homebuyers, to try and protect housing affordability and to find ways to ensure Development Charges and property taxes stay in London to support London services and London infrastructure.

We would like City Council to understand there are two causes for today's housing market. There has been considerable media attention detailing the influx of buyers into our market that have been forced out of the Greater Toronto area and how this huge demand is resulting in bidding wars in our community.

The other cause, one that our association has been speaking to staff about for the last year, is a critical shortage in the supply of permit ready lots in London. It has been hard for our industry to quantify the lot shortage for staff or to explain the huge demand we have seen coming, beyond anecdotal reports from our builders. However, based on actual starts in the first quarter of 2017, CMHC have revised their projection for 2017 to 1200 starts. A dramatic increase over the 950 that staff have used in preparation of the 2018 GMIS report.

To truly understand what these two situations together have now caused, I refer Council to a slide in the city's presentation that shows the supply of lots based on 1200 single starts. This slide gives a perfect visual depicting in bright red the critical lot shortage that covers the entire city for all of 2017 and 2018. Plus the shortage in the north-east is not expected to ease until 2021.

It is this shortage that is pushing home prices up inside London and pushing home buyers into the communities that surround London, taking valuable Development Charges and property tax revenue with them that could be better used in London towards services for our community.

We support the City in their plan to review the Development Approvals system to identify process efficiencies. However, we ask that City Council also give staff direction to immediately initiate a pilot project to expedite projects to help ease the supply shortage.

Time is of the essence for this pilot and we ask that projects included in the pilot be such that will produce permit ready lots in time for servicing this fall. Delay past this timing would further exaggerate the current situation.

Again thank you for this opportunity.