



A Path to Prosperity



***Corporate Investments & Partnerships
Finance Department***



LONDON



The Goal

The Investment & Economic Prosperity Committee (IEPC) is developing a **10-year plan** that will move London's economy forward faster and ensure long term prosperity for our community.

LONDON



The Objectives

Help us...

- Create jobs
- Leverage investment
- Stimulate spin-off benefits
- Build beneficial partnerships
- Benefit key sectors
- Fuel transformational ^L change in London's economy

LONDON

1

- 49 proposals were received from our community

2

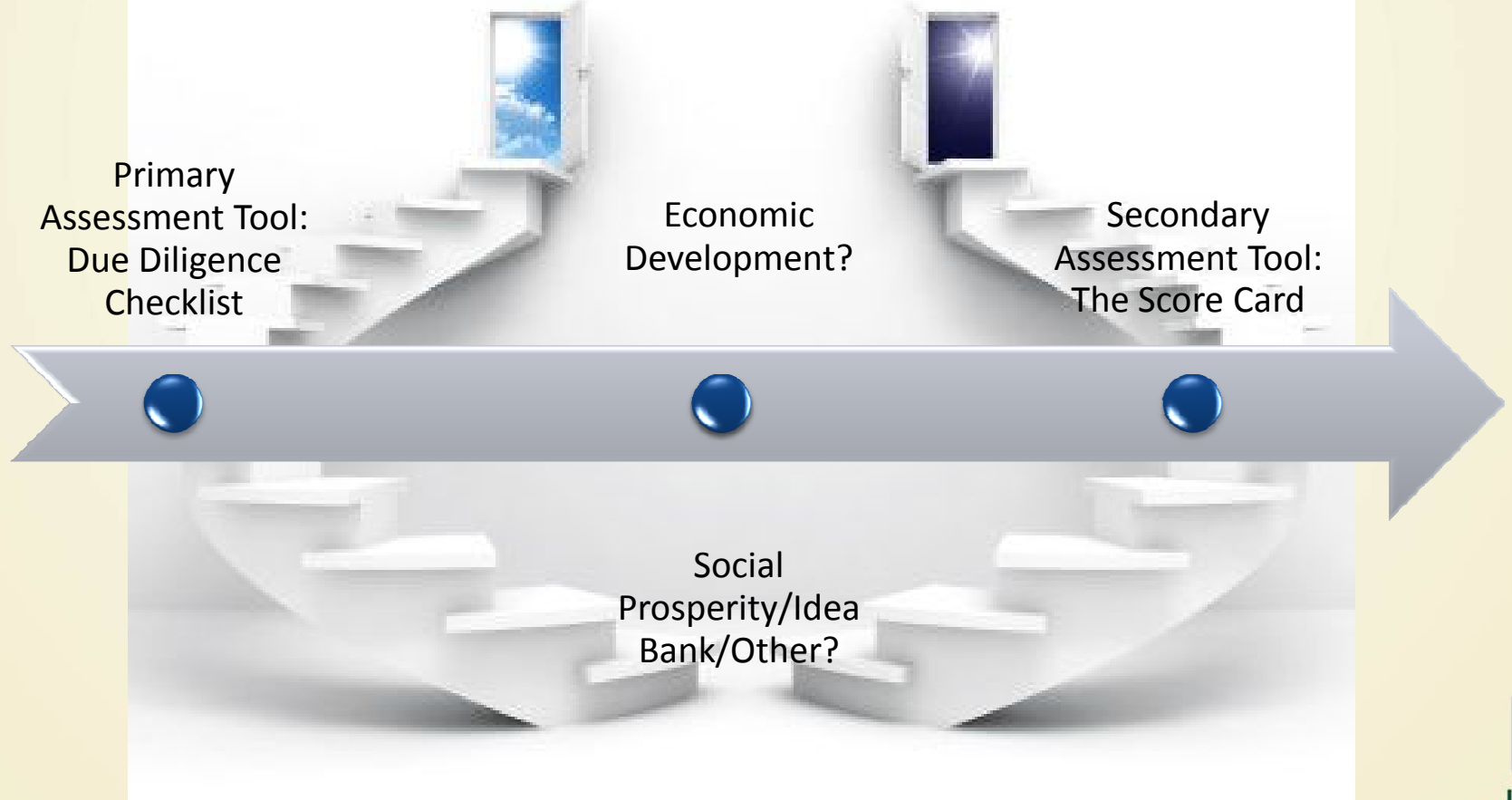
- 12 Due Diligence checklist responses were returned by proponents

3

- 5 recommendations are presented

LONDON

The Multi-Step Process:



LONDON

The 4 Categories:

Economic
Development

Job Creation
and/or Wealth
Generation

Social
Prosperity

Wealth
Redistribution

Idea Bank

Temporary place
holder/Proposals
may be
considered at a
future date

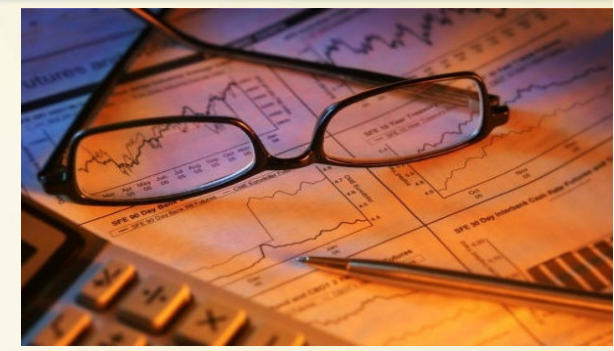
Other

Unique
Proposals/for
information only

LONDON

Analytical Lens:

Business
Oriented
Approach



Emphasis on:

City of London
Strategic Plan
woven in

Zero tax
increase
environment

Job Creation

Wealth
Generation

LONDON

RESULTS

5 Recommendations

Idea Bank

Proposals 28

Other

Proposals 14

LONDON

Western Downtown Campus

“Without the City’s support of land space and \$10 million in funding, the project would not have gotten off the ground” *Western Engineering Dean: Andy Hrymak*

- The idea of a Western downtown campus is a very exciting; however, given the zero tax increase environment and the potential cost, the proposal is classified in the idea bank.
- Conservative estimate of proposal is \$70.8 million for 20 jobs
- Western plays a fundamental role in the support of innovation and creativity in London’s economy. Partnerships in the Advanced Manufacturing Park and the attraction of the Western- Fraunhofer project speak to the potential for future investments.



LONDON

Industrial Lands Development Strategy

- **Recommendation:** Development of Strategically Located Serviced Lands for LEDC to Market.
- **Cost:** A present value of \$ 40 million over ten years to be matched by the province and federal governments.

LONDON

Return:

- The city lacks appropriate strategically "shovel ready" lands necessary to attract the business facilities that would stimulate economic growth and employment opportunities.
- **This recommendation would allow for the attraction of \$ 1 billion in new investment over the next decade and would therefore involve leveraging the City: 11 to 1.**
- This would provide the lands necessary for LEDC to market; taking advantage of the benefits offered by the London region, and to be able to use London's other assets for the purpose of leveraging significant investment.



LONDON

Kilmer Brownfield Equity L.P.

- **Recommendation:** The City of London enter into more formal discussions with Kilmer Brownfield Equity Fund L.P. and London Hydro regarding the potential sale and redevelopment of the land at 111 Horton St. East.
- **Cost:** No direct cost to the City of London has been identified as the land would be sold to Kilmer Brownfield Equity Fund L.P. and any value created through the remediation efforts would be shared with the City of London. A potential cost associated with the relocation of London Hydro would be investigated through the recommended discussions.



Return:

- The redevelopment of a brownfield into a large residential-commercial mixed use property fronting the Thames River.
- The potential creation of 500 long term jobs and several hundred short term jobs. An opportunity to develop a relationship with one of Canada’s premier brownfield developers.



LONDON

Medical Research Fund

Related Proposals: London Health Sciences Foundation and St. Joseph's Health Care Foundation

- **Recommendation:** Building on ideas presented in the June 15, 2011 Mayor's Economic Prosperity Council Report and Summary, it is recommended that the City of London investigate the possibility of committing \$1.0 million per year over 10 years to support a medical research fund. This initial investment would be used to leverage additional support from the private sector and other levels of government.
- **Cost:** \$10 million. \$1.0 million per year over 10 years

LONDON

Return:

- This investment has the potential to further London’s reputation as a leader in health research and encourage the creation of spin-off businesses.
- Given the breadth of research talent, medical expertise and potential for commercialization opportunities, the coupling of London’s strengths in health care and research leverages existing competitive advantages and serves to directly support economic development in London, Ontario.





Investment in the Downtown

*Related Proposals: Music London and
The Grand Theatre*

The Civic Administration believes that the Arts and Culture Sector plays a crucial part in the economic future of the City of London, and recommends that a mixed use development/investment in the downtown be considered.

LONDON

Music London

- The proposal is requesting: \$10 million over 10 years to support the creation of a 1200-1400 seat music and entertainment centre named 'Celebration Centre'; at an estimated cost of \$40.75 million,
- The centre would also leverage a 20 storey, 234 unit condominium development constructed by Auburn Developments valued at \$50 million.
- An opportunity also exists to construct a 12 storey, 150 000 square foot office building valued at \$80-\$90 million.
- Depending on the size and scope of the project, the proposal estimates the creation of hundreds jobs and attraction of 100 000 visits to the downtown core.

LONDON

The Grand Theatre

- A mixed use development between public and private investment; ***Auburn, Sifton and Old Oak Properties.***
- The project is seeking a land transfer that would see the City of London donate the city-owned parking lot on Queens Ave. to the Grand Theatre.
- Proposed expansion to include a new concert hall, a 400-seat theatre; additional office, wardrobe and props space; two levels of below grade parking and a 12 storey residential condominium (Dufferin St.).
- A 2nd development on the Queens Ave.; residential tower and additional parking.
- The project has the potential to create: hundreds of jobs; more vibrancy and density downtown and more parking.



Two Related Proposals: Music London vs. The Grand Theatre

A mixed use development was proposed; both proposals focus on an expansion or development of a new arts centre and a multi-unit residential and/or commercial development.

Cost:

The Grand Theatre	Music London
The City to transfer over a City asset; Parking Lot #5, Queens Lot (South side) between Clarence and Richmond (estimated market value \$2 million).	\$10 million to be provided over 10 years.

Recommendation:

- The two proponents to prepare a fairness report to bring forward for review at a public consultation.
- The community to review the two proposals and make their independent suggestion as to the most logical investment opportunity for the City.

LONDON

Return:

A mixed use investment will help to:

- Strengthen and embrace London's diversity and cultural identity
- Build vibrancy in the downtown
- Attract more people/tourists to the vibrant core of the City for entertainment purposes
- Increase spinoff benefits to many local businesses i.e. restaurants, hotels and other service industries
- Lead to a significant increase in tax revenue for the City



LONDON

Employment Program Support

*Related Proposals: Employment Sector Council London Middlesex and
London Middlesex Immigrant Employment Council*

Recommendation:

- It is recommended that the joint proposal receive City funding in the amount of \$101,980 for the first year of program delivery.
- An update to be provided in the 4th quarter of program delivery for re-evaluation; for a potential 2nd yr funding in the amount of \$105,669.

Cost: Total cost for year one of program delivery \$101, 980:

→ ESCLM: \$50,192-yr.1

→ LMIEC: \$51,788-yr.1

LONDON

Return:

- London’s prosperity rides on all Londoners working.
- Matching job seekers with the right job is critical to the growth of the local economy.
- The two organisations work collaboratively to efficiently:
 - Match the unemployed with proper jobs
 - Match employers with properly skilled workers
 - *Contribute to filling labour shortages and raising productivity*



LONDON

- **28 Proposals fall within the Idea Bank category**

The “Idea Bank” category focuses on proposals that may be considered at a future date and is intended to serve as a temporary place holder.

- **14 Proposals fall within the “Other” category**

These may be proposals/ideas that were submitted for information/update only and/or where work has already started; unique in nature; fall outside of the City boundaries.

LONDON

Administration recommends that:

- The document entitled “A Path to Prosperity: Community Business Ideas to Stimulate our Economy “ attached to the staff report dated December 18, 2012 **BE RECEIVED.**

LONDON

What happens now?

Contingent on Committee Direction:

- Public Consultation
- Development of Business Plans
- Further staff review will be required based on Formal Business Plans
- Financial Plan to be discussed Jan/Feb 2013

A communication plan will be developed by the Director of Corporate Communications and a Government Relations Plan by the Intergovernmental and Community Liaison Director

LONDON



London
CANADA

