



BUILDING A GREATER GTA
Building Industry and Land
Development Association

October 16, 2019

Chair Emmerson and Council Members of York Region
York Region
17250 Yonge Street
Newmarket, ON
L3Y 4W5

Dear Chair Emmerson and Council Members of York Region:

RE: Large Office Building Development Charge Deferral Pilot Program

With more than 1,500 member-companies BILD is the voice of the land development, home building and professional renovation industry in the Greater Toronto Area. Our industry is essential to York Regions long-term economic strength and prosperity. In 2018 alone, the residential construction industry in York Region generated over 50,000 on-site and off-site jobs in new home building, renovation and repair – a major source of employment in the Region. These jobs paid \$3.1 billion in wages and contributed \$6.5 billion in investment value to the local economy.

On behalf of the Building Industry and Land Development Association's (BILD) York Chapter members, we submit the following letter in response to the October 10th staff report entitled, *Large Office Building Development Charges Deferral Pilot Program*.

As interested and affected stakeholders, BILD and its Chapter members would like to thank York Region staff for consulting with us in advance on this matter and inviting us to participate in the stakeholder meeting on July 31st. At this meeting our members were given the opportunity to contribute insight and feedback on a range of incentives that may bolster the development of major office projects in the Region.

BILD understands from this report that staff and Council will be seeking to establish a Region-wide initiative to encourage major office development through the use of financial incentives. Specifically, staff recommend a three-year pilot project for large office building development charge deferrals in the Regions Centres and Corridors. From our view, this tool will assist prospective office developers the flexibility to pay their development charges at a later date in the development process, which provides a decrease in the risk of an unfeasible development and therefore protecting the viability of a project.

BILD York Chapter members applaud and support the direction the Region is taking as we have had a long-standing position on the importance of financially incentivizing office developments in order to remain competitive and encourage employment and economic prosperity in York. Having both the Region and nine of its local municipalities aligned in promoting office development is encouraging and speaks volumes on their commitment to the matter.

We believe this tool will assist the Region in achieving its future employment and economic objectives but should the Region wish to significantly advance their efforts, we believe some additional efforts can be made to attract major, Class A office development. Government imposed taxes, fees, and

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charges, like the Region's significant development charges, collectively affect the feasibility and eventual price-point of an office product and its ability to compete for employers interest.

Therefore, should the Region want to make a more compelling case for future office investment, we encourage you to also consider the following recommendations in addition to the pilot deferral program:

1. The Region should consider partial or full relief from development charges for projects larger than 100,000 square feet and that will bring the type of investment and job creation the Region is seeking;
2. The Region should consider partial or full relief from planning and development-related fees for projects that support the Region's employment objectives; and
3. The Region should strongly encourage participation from the local municipalities who do not currently have a similar-intended program in place.

In our members' experience there are many other jurisdictions, such as City of Toronto, who have more aggressive incentive programs in place that have demonstrated success in securing major office development and job growth. BILD York Chapter strongly encourages the Region to look towards these exemplary municipalities and see how a similar model can be applied in York.

Thank you for the opportunity to submit our comments. We continue to appreciate the ongoing, working relationship between the Region and the BILD York Chapter. BILD looks forward to seeing the results of this pilot program and to staff's reporting on it at the end of Council term.

Sincerely,



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Planner, Policy and Government Relations BILD

CC: Paul Freeman, York Region
Mike McLean, BILD York Chapter Co-Chair
Gabe DiMartino, BILD York Chapter Co-Chair
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