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REGARDING: Draft Report, Altus Group Economic Consulting, June 7, 2012
*Employment, Population, Housing and Non-Residential Construction
Projections, City of London 2011 Update*

Thank you for allowing the Urban League of London the opportunity to comment on the Draft Report *Employment, Population, Housing and Non-Residential Construction Projections, City of London 2011 Update*, prepared by Altus Group under date of June 7, 2012.

Although we are not economists, we understand that the growth forecasts prepared by Altus Group for use by the City of London in its long-term planning have direct impacts on the City's capital planning, budgeting and the calculation of equitable development charge rates.

As citizens we know that it is important to understand the costs of providing the necessary infrastructure and services to accommodate an **evidence-based and defensible growth forecast over the long term**. No-one wishes for a future in which we have either too little or too much infrastructure to service growth as it occurs. We all expect that the infrastructure works required to service growth are paid in a fair and equitable manner by the new development that contributes to the growth, and that the non-growth share of servicing costs are funded in a way that the municipal tax base is not inequitably burdened by the costs to service the growth.

We accept that different groups will have different interests in advocating for a growth forecast that is either higher or lower than that provided by the consultants for use by the city. While we do not have the economic expertise

required to “proof” the economic modelling contained in the Altus Group draft report, others may, and the League is willing to accept that the growth forecasts may need to be modified as the result of closely-reasoned and evidence-based challenges to the methodology or assumptions contained in the draft report.

The forecast of growth rates in employment, population, housing and non-residential construction seem to be consistent with our experience of the growth patterns of the City of London in recent memory – population growth at an annual average rate of 0.93%, employment growth at an annual average rate of 1.05%; relatively slow but steady growth.

The League is aware that many Londoners wish to “aim higher” when it comes to future population and economic growth. Though these higher targets cannot, or at least should not, be used as an evidence-based forecast for prudent planning purposes over the study period, we support in principle the aspirational goal to outperform the economic growth forecast. As Investment and Economic Prosperity Committee initiatives, for example, lead to employment growth above the economic growth forecast, the City can modify its financial and capital planning to accommodate the actual growth in population and employment. In the same way, changes in the global, regional or local economic environments can be captured in updates as they have impacts in the London economy. In any event, the growth forecast is not a static document; it is reviewed at least every 5 years and this is well within the typical planning horizon for significant projects from genesis to completion.

The League urges all parties to accept the growth forecast contained within the Altus Group draft report, subject to any evidence-based challenges to methodology or economic assumptions, and let us move forward with the important work of prudent fiscal and capital planning for the future.

With best regards,

Greg Thompson,

President, Urban League of London

Submission to the Planning Department of the City of London

Draft Report, Altus Group Economic Consulting, June 7, 2012 *Employment, Population, Housing and Non-Residential Construction Projections, City of London 2011 Update*