

Stakeholder Feedback

A group of 22 developers representing the commercial, residential and industrial development industries discussed a number of key questions during consultation on November 10, 2020. The following themes emerged from this conversation:

Definition of High-Impact

The definition of 'high-impact' proposed by developers spanned from large commercial, industrial or multi-family buildings to groupings of smaller projects that aggregated to a large impact including projects that would repurpose a building that would achieve sustainability goals.

Timelines

When asked what kind of incentive would be sufficient to stimulate construction in 2021, developers clearly indicated that a one or two year tax exemption would not be sufficient. Proposals ranged from five to ten years, with others suggesting that the exemption should extend at least until the property is sufficiently occupied to create a steady income stream.

Incentive Options

Many variations of incentives were discussed including enhanced services levels (such as transit), municipal land sales, municipal infrastructure investments and streamlined permit approvals. While various options were discussed, there was some support for tax relief as the incentive. The stakeholder group noted the importance of a simple, easily understood incentive to be applicable with lenders.

Demonstration of need:

Developers were asked what proof the City may access to show that an incentive program affected development outcomes and that there was legitimate need. Developers were hesitant to provide their pro-formas, indicating that each developer had their own expected return that may not align with a City-created baseline. Instead, developers primarily pointed to difficult and uncertain market conditions and argued that the need for support is clearly present.