



K-LINE INSULATORS LIMITED
50 Passmore Avenue, Toronto, Ontario, M1V 4T1
Tel: (416) 292-2008 • Fax: (416) 292-2094 •
E-Mail: insulators@k-line.net Web: www.k-line.net

February 27, 2019

Mr. Charles O'Hara
Ontario Growth Secretariat,
Ministry of Municipal Affairs
777 Bat Street
c/o Business Management Division,
17th Floor
Toronto, Ontario
M5G 2E5

Dear Mr. O'Hara:

Re: **ERO number 013-4506 Proposed framework for provincially significant employment zones**

I am writing this letter on behalf of the K-Line Group of Companies including K-LINE MAINTENANCE & CONSTRUCTION LIMITED, K-TEK ELECTRO-SERVICES LIMITED and K-LINE INSULATORS LIMITED (KLI) located at 50 Passmore Avenue.

K-LINE INSULATORS is a manufacturer of polymer insulators and boasts a large global Customer base mainly composed of electrical utilities, including all electrical utilities in Ontario such as Hydro One, Toronto Hydro, Alectra, etc. This Client base also includes large utilities in the USA, Europe, Caribbean, Central and South America, Middle East, etc. We are one of the few producers of this type of product still manufacturing in the Western world. We are the only major supplier of these products in Canada. Our products are globally considered to be of high quality.

Our company has owned this property at 50 Passmore Ave since 1989 but has been paying taxes in Scarborough since 1967. This location has a property area of about 4.01 acres and is occupied by our corporate office as well as our laboratory and manufacturing facilities in a building area of about 64,000 sq ft. KLI added an 11,000 square foot extension to the building a couple of years ago to support the company's ongoing growth. This growth has continued unabatedly and we are now looking at other places where we might be able to further expand our facilities.

We currently employ about 220 employees and we are in the process of hiring additional new employees. We also support hundreds of other workers through our subcontractors, working for a variety of local companies. Our position on sourcing of materials and subcontractors has always been based on the support of local industry in Toronto first. If unavailable we then look to the rest of Ontario, followed by the rest of Canada and finally the US.

The K-Line Group of Companies is proud to note that it has the prestigious designation of one of "Canada's Best Managed Companies". Our companies have enjoyed this designation continuously since 2015 and will this year be elevated to "Gold Member" status in its designation as one of Canada's Best Managed Companies.

About 20 years ago, we were proud to say that 70-80% of our product content was Canadian, mostly out of Ontario and more specifically, the city of Toronto. Unfortunately, because of the past lack of government support, at all levels in Canada, we have lost many of these excellent suppliers and manufacturers to places like China, India, Brazil and other countries, none of which have any reciprocity with Canadian manufacturing.

KLLI is regularly courted by various cities in Ontario, governments of other Provinces as well as by governments of other foreign countries to relocate to those areas. Our staff have travelled to places like China, India, Brazil, South America, Europe and the Middle East at the request of governments of their regions, to specifically discuss relocation of our manufacturing to these territories. Each time we return to Toronto, we see our current location as the place where we would like to continue to manufacture our products.

Over the years we have invested over \$8M to renovate the facility, improve the parking and surface areas of the property, replacing the complete roof, etc. Last year we paid about \$127,000 in property taxes.

Our companies originally relocated to this facility strictly because it was an industrial area and well away from residential properties. We felt this would allow the K-Line Group to operate a manufacturing facility, a construction facility, outside storage and outside equipment parking. Our intent was and still is to operate freely as a good corporate citizen without negatively impacting any of our neighbours. We would thus like to maintain this current area zoning.

We appreciate the opportunity to submit our position in support of the subject framework that looks to identify provincially significant employment zones such as ours that require enhanced protection for employment use. In fact, our employment area is identified as #6 of the 29 areas listed in the subject proposal. Our geographic boundaries are that of Steeles Ave. E., Midland Ave., Finch Ave. and Kennedy Rd.

We are in great support of the provincial initiative which values our presence in this area, while the recent City of Toronto introduction of a regeneration area within this employment zone, with the intention of allowing high density high-rise residential towers does not. In fact, the developer's original proposal had high-rise residential right up close to our northern property fence line. These existing properties to the north of our building are currently industrial/commercial. In fighting the City with our industrial neighbours to not allow high density residential within the employment zone due to the very real threat it would create for the industrial area and our businesses, we found ourselves very frustrated. Politics and policy, all in favour of the developer, seemed to rule over logic and any real concern for our businesses, our future and the jobs we provide. If the high rise development plan should continue to go forward, there is no doubt that it will be the beginning of many more conversion applications and developments to come which means the end for this thriving industrial area. We also wonder how much care or thought is going into whether this is a good decision for any eventual new residents that would move into this area.

As we grow, we expect to add new future use facilities to our property to permit our company to continue to further expand operations here in Toronto. Since these uses are unknown to us at this time we would like to ensure that such future plans are not restricted by rezoning plans and proposed residential developments like the ones before us now. These current plans to permit residential use could conflict with any such K-LINE expansion plans and result in our company having to relocate its complete facilities to either another City, Province or even another Country.

As part of this amendment to recognize provincially significant employment zones, we would like to see, that all zoning or development applications, not currently having final approval, inclusive of an Order of the Local Planning Appeal Tribunal on or before January 1, 2019, be frozen and not permitted to move forward.

We have many concerns should any development with high density residential be allowed to go forward within this employment zone both for our existing and future uses and those of our industrial neighbours. We are concerned that approval of residential will result in:

- a. higher traffic in our area
- b. poorer air quality/odour due to the extra vehicular traffic
- c. Noise
- d. Difficulty in obtaining ECAs

We are also concerned that any future residents moving into the area resulting from the plan will then create potential problems for us by filing complaints related to:

- a. Visual overlook
- b. Any future potential expansion plans we may have
- c. Nuisance, etc.

As previously mentioned, we are a growing company and we need to concentrate on continuing to expand our business. In order to effectively do that, we need maintain our focus on our main objectives which are to:

- Expand our operations
- Grow the company
- Create new jobs

We really have no time to spend on battles with the city or future residents who may find our operation to be in conflict with and perhaps even objectionable to their residential expectations. If the city plan to rezone this area to include residential use goes through, we may not only expand to another location (another, city, province, country) but perhaps relocate the company altogether.

K-LINE INSULATORS, like our other industrial neighbours on Passmore are dedicated corporate citizens. As local businesses, we rely on the support of our governments and our councilors at all levels to ensure we have the political environment necessary to not only grow our business but to create new jobs right here in Toronto. Without the city's support or that of our governments in general, this will not be possible.

In closing, I would like to say that K-LINE INSULATORS does not want to move our manufacturing facility out of Toronto, but we also don't want to be another "Christies".

Sincerely,
K-LINE INSULATORS LIMITED



A.J. Carreira, P.Eng.
President