

Agenda

Strategic Priorities and Policy Committee

6th Meeting of the Strategic Priorities and Policy Committee

April 21, 2026

1:00 PM

Council Chambers - Please check the City website for additional meeting detail information.

The City of London is situated on the traditional lands of the Anishinaabek (AUh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run).

We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. The City of London is currently home to many First Nations, Métis and Inuit today.

As representatives of the people of the City of London, we are grateful to have the opportunity to work and live in this territory.

Members

Councillors S. Lewis (Chair), H. McAlister, P. Cuddy, S. Stevenson, J. Pribil, S. Trosow, C. Rahman, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Franke, E. Pelosa, D. Ferreira, S. Hillier, Mayor J. Morgan

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Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Kevin Dickins, Deputy City Manager, Social and Health
Development

Subject: Micro-Modular Shelter Site Update

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager Social and Health Development, the following report regarding the Micro-Modular Shelter Site Update **BE RECEIVED** for information.

Linkage to the Corporate Strategic Plan

The proposed Micro-Modular Shelter Site report is aligned with the following strategic areas of Municipal Council's 2023-2027 Strategic Plan:

Housing and Homelessness

- Decreased number of Londoners at risk of or experiencing homelessness
- Improved safety in London's shelters system

Wellbeing and Safety

- Londoners have safe access to public spaces, services, and supports that increase wellbeing and quality of life

Executive Summary

This report provides an update on the financial position and early operational performance of the 60-unit Micro-Modular Shelter (MMS) site at 3900 Cheese Factory Road. It outlines current and projected costs, early qualitative and quantitative data, and identifies key trends and considerations to support program stabilization and future decision-making.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Community and Protective Services Committee – October 8th, 2025 – Micro-Modular Shelter Site
- Strategic Priorities and Policy Committee – December 9th, 2025 – Micro-Modular Shelter Site Update
- Strategic Priorities and Policy Committee – February 3rd, 2026 – Micro-Modular Shelter Site Update
- Strategic Priorities and Policy Committee – March 24th, 2026 – Micro-Modular Shelter Site Update

2.0 Discussion

2.1 Financial Summary

The Micro-Modular Shelter project includes both one-time capital costs and ongoing operating costs. Capital costs reflect expenditures required to establish the site and

install the necessary infrastructure. Operating costs reflect expenditures incurred to run the site, including staffing, food services, support amenities, maintenance, and other recurring service needs. *Table 1* below provides a summary of costs incurred to date, along with current monthly operating projections and estimated total project costs through April 2027. Additional capital costs may be incurred as part of ongoing site maintenance and minor improvements; however, these are expected to be relatively minor.

Table 1 - Capital and Operating Costs to Date

Category	Cost	Monthly
Capital to date	\$3,177,579	
Operational to date	\$606,049	
Operational Monthly Estimated		\$288,000
Current Total to date (As of April 9, 2026)	\$3,783,628	

Capital Expenditures

The largest capital expenditures for the establishment of the site are the contracts with Fero International for the micro-modular shelters and security hut, site preparation and servicing works completed by J-AAR Excavating, and electrical work completed by Wilson & Associates. The balance of capital costs included fencing, furniture, equipment, IT infrastructure, and security cameras. The majority of the work has been completed and invoiced, with some holdback payments remaining as well as minor site work. The remaining asphalt and site work is anticipated to be less than \$30,000 (excluding HST).

The total capital costs are estimated to be up to \$3,300,000.

Operational Expenditures

Ongoing operational expenditures are primarily driven by three core components: site operations, food services, and the rental of support amenities. Additional, smaller-scale costs include services such as snow removal, pest control, monthly purchases, and routine maintenance.

Site Operator

A Call for Applications (2025–216) for the operation of the Micro-Modular Shelter (MMS) site was issued on November 10, 2025, and closed on November 17, 2025. The opportunity was publicly posted on the City of London’s Bids and Tenders platform, and known service providers were notified directly.

Following a structured evaluation process, Xpera Risk Mitigation & Investigation Corp. was selected as the site operator. The operator is also responsible for ongoing maintenance and operational supplies, such as toiletries, laundry supplies, and cleaning supplies. They have been successful in building relationships with organizations such as Lionhearts, who provide donated supplies. While the City of London is responsible for ongoing capital purchases, such as furniture or equipment.

Food Services

Civic Administration evaluated three options for the provision of food services to the MMS site. The selected model provides three meals per day for up to 70 participants, prepared off-site and delivered daily. The contract also includes snacks, beverages, and necessary service supplies (e.g., utensils and dishware). Following evaluation, Ark Aid Mission was selected as the food service provider for the duration of the project.

Support Trailers

In addition to participant cabins, nine support trailers are rented to facilitate site operations. These include facilities for laundry, food service/dining, showers, washrooms, and program and support space. Civic Administration reviewed three vendor options for the provision of these units. Following evaluation, ATCO Ltd. was selected as the trailer provider for the duration of the project.

2.2 Procurement Process

Procurements completed to date were delivered under compressed timelines while remaining fully compliant with the City of London’s Procurement of Goods and Services Policy and applicable trade agreement obligations, including the Canadian Free Trade Agreement and the Comprehensive Economic and Trade Agreement. The use of established cooperative procurement frameworks enabled accelerated delivery without compromising transparency, competition, or governance controls.

Additional project-related procurements, including furniture, bedding, and food services, were secured through existing City contracts that had been competitively awarded and approved in accordance with procurement policy.

Site materials and operational supplies were sourced through approved internal and external channels, including City Stores and Uline, both standard suppliers supporting municipal operations.

Ongoing operational requirements include recurring monthly expenses such as storage container rental, pest control, snow removal, and grounds maintenance.

2.3 Quantitative Observations

Participants

The following data provides an early snapshot of participant characteristics and program activity during the initial months of operation at the Micro-Modular Shelter site. Data was retrieved from the Homeless Individuals and Families Information System (HIFIS) on April 9, 2026. As the program matures and participants continue engaging with available supports, future reporting may incorporate additional outcome measures, including the number of housing transitions, the number of participants who gain employment through available supports, and other longer-term indicators.

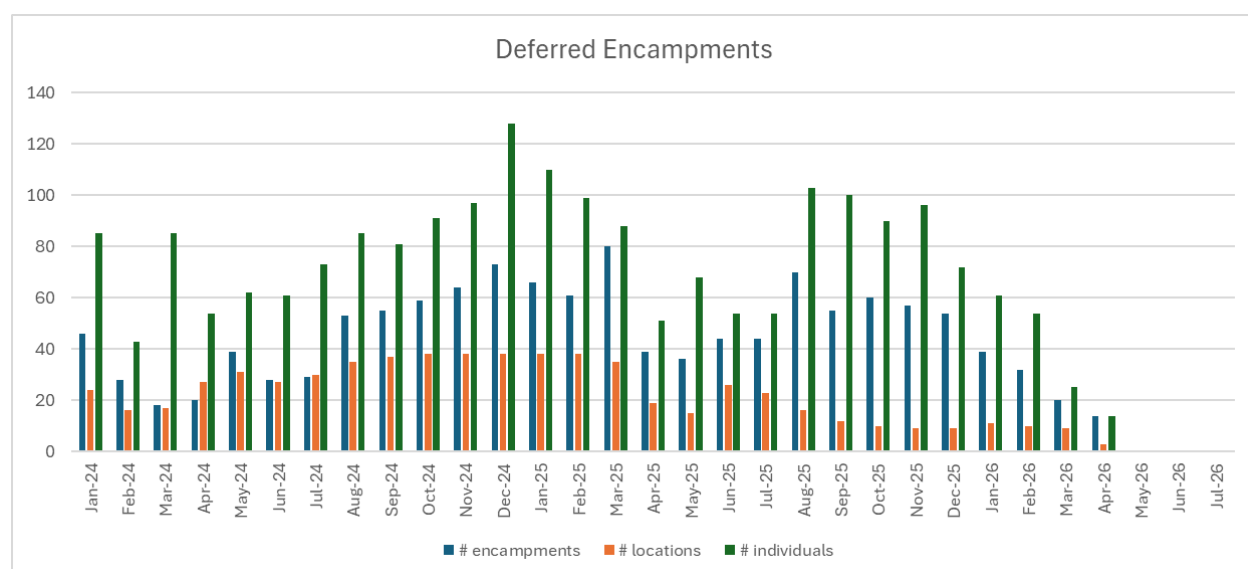
Indicators (as of April 9th)	Metric
Total number of unique participants to date	83
Total moved out	16
Average # days onsite of those that moved out	14 days
Current site population	68
Age range (Early 20s to mid-70's)	Average age = 47
# of previously unsheltered	100%
# newly connected to OW/ODSP for first time	10
Average acuity	7 (moderate)
# with current Acuity/VI-SPDT assessments (within last 12 months)	55
# that updated their Acuity/VI-SPDT scores onsite	9
# paper-ready for housing	26
# that have become paper-ready for housing since arrival	12
% Gender Identifying	32% female, 68% male
# Indigenous Identifying	12
# pets	11 dogs, 3 cats

Recruitment

Participants were referred from all 11 encampments identified as active between January and March 2026, as well as from the Boyle Memorial Community Centre warming centre and London InterCommunity Health Centre (LIHC). Overall, 87% of placement offers made for the Micro-Modular Shelter were accepted.

Since fall 2025, there has been a notable reduction in both the number of encampments and individuals residing within them. This decrease is attributed, in part, to the implementation of the Micro-Modular Shelter and broader winter response efforts.

These data are tracked by the Core Informed Response Team, with monthly updates on encampment activity and population reported through the Homeless Individuals Dashboard on the City of London website.



2.4 Feedback

Feedback is collected on an ongoing basis from participants, on-site staff, community partners, and neighbouring businesses. Engagement with local businesses was initially conducted monthly; however, based on positive feedback regarding the effectiveness of this approach, meetings have transitioned to a bi-monthly schedule.

Overall, feedback has been positive, with only one participant reporting a negative experience to date. Participants consistently identify improved safety, particularly reduced presence of unwanted visitors and controlled site access—as well as reliable access to support services as key contributors to their experience. These factors have also been linked to reported improvements in both physical and mental well-being.

Neighbouring businesses have similarly reported positive impacts, including increased pedestrian activity in the area. The addition of streetlighting along Max Brose Drive and Cheese Factory Road has also been well received, improving visibility and overall comfort in the area.

Opportunities for improvement have been identified and include enhanced transportation options (such as closer transit access, expanded evening and weekend service, and additional on-site shuttle stops), increased on-site programming and recreational activities, and more structured supports in areas such as mental health, addiction, and employment. Minor site adjustments are also being planned in response to seasonal conditions as spring approaches and ensuring continued positive relationships with the surrounding industrial community.

3.0 Next Steps

The program has transitioned into steady-state operations, with ongoing monitoring of performance metrics, participant outcomes, and service integration. Civic Administration and the operator will continue to review both quantitative data and qualitative feedback from participants, staff, and community partners to inform continuous improvement.

Current efforts are focused on stabilizing operations, strengthening connections to housing and health supports, and refining service delivery based on early operational insights. As the site approaches and maintains full occupancy, attention will shift toward improving participant flow through the program, enhancing housing-focused outcomes, and ensuring the model remains responsive to emerging needs.

Seasonal considerations will continue to be monitored, with operational adjustments made as required to maintain safety, service continuity, and program effectiveness.

Conclusion

At the time of this report, the Micro-Modular Shelter site is fully operational, with all cabins and support infrastructure in place and participants actively residing on site. Occupancy has been achieved through a phased approach, allowing for the safe and effective onboarding of participants while supporting operational readiness.

The Operator, in collaboration with Civic Administration and community partners, is delivering on-site services and support, with a continued focus on stabilization, housing readiness, and connections to longer-term housing solutions. Early operations have provided valuable insights that are informing ongoing refinements to the program.

The project has successfully transitioned from implementation to operations, with continued emphasis on performance monitoring, service alignment, and achieving positive housing-focused outcomes for participants.

Submitted by: **Chris Green, MBA, PMS, GDPA**
Project Lead, Micro Modular Shelters

Ashley Rammeloo, MMSc., P.Eng.
Director, Water, Wastewater, & Stormwater

Recommended by: **Kevin Dickins, Deputy City Manager, Social and Health Development**

cc:

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V. Arora,	Senior Manager, Procurement & Supply Services
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Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Scott Mathers, MPA, P.Eng.
Deputy City Manager, Housing and Community Growth

Subject: Housing Accelerator Fund – 2026 Mid-year Update

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Housing and Community Growth, the following actions **BE TAKEN** with respect to current initiatives under the Housing Accelerator Fund:

- a) A by-law **BE INTRODUCED** at the Municipal Council meeting on April 28, 2026, to amend By-law No. C.P. 1596-87, as amended, being “A by-law to establish financial incentives for the Transit Oriented Development Community Improvement Project Area”, and any related by laws or schedules as necessary, by:
 - i. Establishing the Temporary Waiving of Building Permit Fees financial incentive program, including the applicable program guidelines and eligibility criteria;
 - ii. Establishing the Additional Residential Unit Construction Grant for New Home Construction financial incentive program, including the applicable program guidelines, template agreements, and eligibility criteria;
 - iii. Authorizing the Deputy City Manager, Housing and Community Growth, or their written designate, to approve, enter into, execute, and amend the agreements required to administer the above noted financial incentive programs, provided the terms conform with the applicable Community Improvement Plan financial incentive program guidelines; and
- b) Civic Administration **BE DIRECTED** to report back with opportunities to fund the Pre-construction Housing Grant financial incentive program, upon confirmation that the City will receive the fourth and final advance of the Housing Accelerator Fund.

Executive Summary

The purpose of this report is to provide a mid year update on the City of London’s Housing Accelerator Fund (HAF) and to respond to Municipal Council’s direction arising from Mayoral Direction 2026-001 with options that can be implemented quickly to incentivize housing activity within the remaining HAF window. The report outlines current progress toward the City’s housing supply targets, the remaining unit gap, timing considerations, program risks, and implementation considerations for potential incentive options.

As of April 1, 2026, the City had issued 9,902 net new units toward the overall three - year target of 11,803 units, representing 84% of the target, and has completed all 11 initiatives under the HAF Action Plan.

This report also outlines current HAF funding commitments, allocations, and expenditures, together with the approach being used to manage risks associated with the fourth and final HAF payment, which remains subject to year end performance confirmation by the Canada Mortgage and Housing Corporation. In addition, the report summarizes the review of the City’s housing supply targets and identifies implementation considerations, including timing, expected housing impact, and approval

requirements, for potential incentive options.

To support housing activity within the remaining HAF window, Civic Administration recommends implementing the Temporary Waiving of Building Permit Fees Program and the Additional Residential Unit Construction Grant for New Home Construction. Civic Administration recommends that the Pre-construction Housing Grant be explored further once the fourth and final HAF payment is confirmed and additional details are available regarding the recently announced Canada Ontario Partnership to Build. With the HAF program deadline approaching, Civic Administration does not recommend introducing program changes beyond the April 28, 2026 Council meeting, as further delays would compress the timeline for permit processing and may discourage developers from advancing eligible projects.

Linkage to the Corporate Strategic Plan

This report will contribute to the advancement of Municipal Council's 2023-2027 Strategic Plan and the following area of focus:

Housing and Homelessness

- Increased access to a range of quality, affordable, and supportive housing options that meet the unique needs of Londoners.
- London's growth and development is well-planned and considered use, intensity, and form
- The City of London supports faster/streamlined approvals and increasing the supply of housing with a focus on achieving intensification targets.

Wellbeing and Safety

- Housing in London is affordable and attainable.

Economic Growth, Culture and Prosperity

- Increased residential occupancy and livability in the Core Area

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- April 14, 2026 – Planning and Environment Committee - Pack Road Sewer Extension – Report Back on Housing Accelerator Fund Proposal and Consultation
- February 18, 2026 – Planning and Environment Committee – Update on Implementation Potential for Servicing Improvements using Housing Accelerator Funding
- November 12, 2025 – Planning and Environment Committee – Housing Accelerator Fund – 2025 Annual Update
- September 9, 2025 – Planning and Environment Committee – Housing Accelerator Fund – Enhancing Housing Outcomes Allocation Review and Incentive Program Optimization
- May 21, 2025 – Planning and Environment Committee – Housing Accelerator Fund -- Amendment to Contribution Agreement and Additional Initiatives
- April 29, 2025 – Planning and Environment Committee – Housing Accelerator Fund – Completion of the City of London Housing Needs Assessment
- December 10, 2024 – Strategic Priorities and Policy Committee – Housing Accelerator Fund – First Annual Update

- September 19, 2023 – Strategic Priorities and Policy Committee -- London’s Approved Housing Accelerator Fund Application.
- February 7, 2023 – Strategic Priorities and Policy Committee – London’s Housing Pledge with respect to the City of London Municipal Housing Target of 47,000 units

1.2 Background & Annual Updates

In April 2023, the Government of Canada, through the Canada Mortgage and Housing Corporation (CMHC), announced details on the Housing Accelerator Fund (HAF). The primary aim is to increase housing supply and improve certainty in development approvals by providing funding to municipalities to implement housing acceleration initiatives. Funding is tied to housing targets set by municipalities for the period between 2024 and 2026, as well as commitments to increase housing supply through new building permits. On September 8, 2023, the City of London received approval for its HAF application and entered into an agreement with CMHC outlining a schedule of initiatives to accelerate new housing development.

As reported in the first annual update report to the Strategic Priorities and Policy Committee on December 10, 2024, the original initiatives were either completed or nearing completion by early 2025. The second annual update report to the Planning and Environment Committee on November 12, 2025, confirmed that 10 initiatives had been completed and almost all milestone actions had been achieved, including the three additional initiatives added through the amended agreement in March 2025.

The 11 HAF initiatives are as follows:

1. Promoting high-density development without the need for privately initiated rezoning (i.e. as-of-right zoning), for example, housing developments up to ten (10) stories in proximity to rapid transit stations.
2. Encouraging Additional Residential Units, which are self-contained dwelling units within the same building, or on the same lot, as an existing residential unit (e.g. converted garages or interior/basement conversions).
3. Promoting infill developments (adding new units to existing communities) with increased housing density and a variety of unit types.
4. Encouraging alternative forms of housing construction, such a modular housing, manufacture housing, and prefabricated housing.
5. Creating a process for the disposal of city-owned land assets for the development of affordable housing as-of-right (not requiring re-zoning).
6. Implementing new and enhanced processes or systems such as case management, e-permitting, and land and building modelling.
7. Partnering with non-profit housing providers to preserve and increase the stock of affordable housing.
8. Develop a ‘Housing Needs Assessment’
9. Enhancing Affordable Housing incentive programs
10. Additional Residential Unit (ARU) grant programs to support Indigenous-led units
11. Expansion of Community Improvement Plan incentives for Transit Oriented Development and Office to Residential Conversion

1.3 March 31, 2026, Municipal Council Direction

At the meeting held on March 31, 2026, Municipal Council resolved:

That, the following actions be taken with respect to Mayoral Direction 2026-001: Creation of an Affordable Home Ownership Incentive Program – Report Back on Program Options:

- a) *The Civic Administration **BE DIRECTED** to report back to the Strategic Priorities and Policy Committee with options that can be rolled out quickly to incentivize housing activity within the remaining Housing Accelerator Fund*

window, together with a Housing Accelerator Fund mid-year update report including:

- i. Current progress toward targets, the remaining unit gap, timing considerations, risks to achieving program outcomes, and proposed incentive options that would support housing activity within the remaining program window;*
- ii. Partial (or full) development charge rebate options for new residential development, including options that could be targeted by unit type and ability to meet HAF timelines;*
- iii. An enhanced Additional Residential Unit incentive program for existing homeowners, including options to increase uptake and accelerate implementation for interior/basement and attached Additional Residential Units that can be delivered within the available timeframe, and*
- iv. Implementation considerations for each option, including estimated cost, expected housing impact, and whether the option can be implemented under existing Community Improvement plan authorities or would require by-law amendments or other Council approvals;*

This report has been brought forward for Council's consideration in response to the above resolution.

2.0 Discussion and Considerations

2.1 Purpose

This report provides an update of the CMHC Housing Accelerator Fund (HAF), including progress updates on the implementation of the City's HAF Action Plan and investments in the various actions during year 3 of the program. Section 2 of the report provides an update on Housing Accelerator Fund Program financials and targets. Section 3 provides an update on the various Housing Accelerator Investments. Section 4 provides proposed initiatives to stimulate housing activity to address the March 31, 2026, Council resolution.

2.2 Year 3 - Mid-Year Update

Year 3 represents the final year of the HAF program and is focused on implementing the milestone actions while working toward achieving the housing permit targets established under the HAF agreement prior to the September 7, 2026 deadline.

The work completed during the first two years of the program continues to produce tangible results. Process improvements identified through the HAF program have streamlined internal permitting processes and reduced barriers to development, while new incentive programs have been introduced to support the creation of additional mixed density housing units. Data tracking systems have also been improved and more closely aligned with CMHC definitions and reporting practices. As implementation continues through the final phase of the program, the changes made in the first two years are helping to improve the delivery of housing and support the City's efforts to maximize housing supply.

2.3 HAF Financial Summary

Spending to date has supported the implementation of the action plan through staff resources, consulting support, and targeted financial incentives. Initiatives such as the office to residential construction conversion grant and the transit-oriented development grant are now underway and helping to advance priorities established within the HAF agreement. Initial investments in staffing and planning policy during Year 1 and Year 2 of the program have established the foundation for this work. At the mid-point of Year 3, the City continues to implement the milestone actions identified in the plan.

Table 1: HAF spending as of March 2026.

Category	Amount spent to date	Committed Amount (1)	Allocated Amount (2)	Total Budget (1+2)
Investments in HAF action plans	\$19,646,917	\$39,632,818	\$856,325	\$40,489,143
Investments in affordable housing	\$4,457,040	\$20,000,000	\$0	\$20,000,000
Investments in housing-related infrastructure	\$849,709	\$11,698,000	\$602,000	\$12,300,000
Investments in community-related infrastructure that supports housing	\$3,562	\$391,000	\$8,269,000	\$8,660,000
HAF Total	\$24,957,228	\$71,721,818	\$9,727,325	\$81,449,143

(1) Refers to funds that have been approved by Council or through the regular procurement process (Purchase Order, tender).

(2) Refers to Uncommitted funds that have been allocated to initiatives awaiting final Council approval or an executed agreement.

To date \$60,470,941 has been received from the Housing Accelerator program in the form of three payments. The first payment was received following Council approval of the Housing Accelerator Agreement. The second and third payments were received the following CMHC assessment of London’s Year 1 and Year 2 performance. London achieved both Year 1 and Year 2 performance goals and were awarded the related payments. As a condition outlined in the Housing Accelerator Fund contribution agreement, the fourth payment is subject to achieving the Housing Supply Growth target and the additional targets. The following section provides details of how the fourth payment related investments have been managed, and the investments currently at risk if the Housing Accelerator targets are not achieved.

2.4 Housing Accelerator Cash Flow Management

In addition, to the overall spending plan noted above, a plan has also been developed to manage the cash flow noting the funding provided in the fourth funding installment. In addition, the plan ensures that any programs or projects that require funding through the fourth payment installment has been allocated but is unspent until confirmation is provided by CMHC that the funding will be provided. Noting that the final payment of \$20.3 million is subject to reaching the HAF 3-year target. The following table provides the overall split of funding over the fourth funding period:

Table 2: Allocation of HAF Initiatives to Payments.

Initiatives and HAF Funding Categories	Payment 1	Payment 2	Payment 3	Payment 4	Total
Payment Amount	\$18,514,536	\$20,978,202	\$20,978,202	\$20,978,202	\$81,449,142
Investments in Housing Accelerator Fund Action Plans	\$13,820,613	\$8,638,273	\$12,517,501	\$5,512,755	\$40,489,142
Investments in Affordable Housing	\$3,000,000	\$5,666,667	\$4,900,382	\$6,432,951	\$20,000,000
Investments in Housing-related Infrastructure	\$735,536	\$4,606,202	\$4,658,262	\$2,000,000	\$12,000,000
Housing Needs Assessment Study	\$97,504	\$0	\$0	\$202,496	\$300,000
Investments in community-related infrastructure that supports housing	\$0	\$0	\$1,830,000	\$6,830,000	\$8,660,000
Total	\$17,653,653	\$18,911,142	\$23,906,145	\$20,978,202	\$81,449,142
Payment Carry Forward Amount	\$0	\$860,883	\$2,927,943	\$0	NA
Difference Between Payments and Initiative Allocations	\$860,883	\$2,927,943	\$0	\$0	\$0

The funding for any work earmarked for 2027 will not be committed until the final year once the amount of the last HAF funding payment has been confirmed by CMHC. In the event that this funding is not received the list provides the following impacts:

Investments in Housing Accelerator Fund Action Plans

- The fourth-year allotment related to HAF supported Community Improvement Plan Financial Incentives will not proceed, with the programs ending once Year 1 to Year 3 funding is spent.

Investments in Housing-related Infrastructure

- Infrastructure projects set for 2027 construction would either be postponed or funded through existing sources (Development Charges Reserve Fund, Building Faster Fund) subject to approval during the 2028 Growth Management Implementation Strategy.

Investments in Affordable Housing

- The fourth-year allotment of HAF funding to support the Affordable Housing Program will not proceed. Existing projects that can proceed in the short term would be funded from existing Roadmap to 3000 units funding and the projection of future affordable units will be decreased.

Investments in community-related infrastructure that supports housing

- Investments in community-related infrastructure that supports housing including funding currently earmarked for Community hubs and the fourth-year allotment of HAF funding to support the new housing related parks enhancements and natural heritage acquisition program will not proceed. No further Parks Enhancements or Natural Heritage Acquisitions will occur beyond the funding already provided in Year 3.

2.5 Housing Supply Growth Target and Performance

In addition to the Initiatives of the HAF Action Plan, the City has committed to achieving a Housing Supply Growth Target. The Year 1 and Year 2 targets for number of new units permitted was 3,184 and 3,991 respectively, while permits issued to date during Year 3 are 2,225 units. The overall target over the three-year period is 11,803 units. There are also a number of three-year sub-targets for specific types of housing. The table below shows building permits achieved compared to the HAF Targets.

Table 3: Housing Supply Growth Targets and New Units Progress as of March 30, 2026.

Target Category	3-Year Targets	Progress (Sept 2023-Mar 2026)	Progress %
Total net new units	11,803	9902	84%
Net new units -multi-unit housing in close proximity to Rapid Transit	1,522	3018	198%
Net new units - missing middle	6,628	3116	47%
Net new units - multi-unit housing	1,022	3364	329%
Net new units - affordable units	639	810	111%

As shown in the table above, although many sub targets are well above 100% achieved, the missing middle category value is at only 47%. In order to better understand this discrepancy, staff undertook a detailed review of the gap between the three-year target and the number of missing middle units to date was undertaken. The following section describes the results of this review.

2.6 Housing Supply Growth Target Review

In Q1 of 2026 Civic Administration undertook a detailed review of the estimates used for the basis of the creating the Housing Accelerator housing supply targets. Several issues were identified with how the targets were initially determined. These issues were related to the definitions of the Rapid Transit Area, the calculation of total net new units, and the historical number of missing middle unit constructed in London. A meeting was held with CMHC in late March to discuss these findings and their implications for the City's current housing targets.

Over the past two years, Civic Administration has improved its data collection and reporting processes to align with Housing Accelerator Fund requirements. These enhancements have provided a more accurate and consistent basis for evaluating historical activity and current building permit data and reporting. The type of data collected, and the recategorizing of historical data has improved over the HAF period due to the additional staffing capacity and investments in the City's permit database. When this improved data was reconciled with the CMHC definitions of net new units, - multi-unit housing in close proximity to Rapid Transit, and missing middle units, it became clear that the initial estimates used to develop the original targets were not accurate.

As a result, updated housing targets have been established, and a revised table is provided below.

Table 4: Housing Supply Growth Targets and New Units as of April 1, 2026.

Target Category	Original 3-Year Targets	Revised 3-Year Targets	Progress (Sept 2023-Mar 2026)	Progress %
Net new units in the reporting period	11,803	11,271	9,902	88%
Number of multi-unit housing in close proximity to Rapid Transit	1,522	3,514	3,841	100% (1)
Number of missing middle housing	6,628	3,171	2,293	83% (1)
Number of other multi-unit housing	1,022	2,112	3,364	159%
Number of affordable units	639	639	810	111%

(1) A proportion of the units within the multi-unit housing in close proximity to rapid transit are also missing middle housing and can be shifted to the missing middle category.

When considered against these revised targets, the performance related to missing middle units has increased significantly, and all other unit subcategories continue to perform at over 100%. This information has been shared with CMHC and will be submitted as part of the City’s Year 3 report, though at this time it is not possible to amend the CMHC agreement. As noted in a previous section, the Housing Accelerator Fund Contribution Agreement identifies that the fourth payment is subject to achieving the Housing Supply Growth target and the additional targets. The City will continue to work toward the overall unit goal of 11,803, with the aim of exceeding the missing middle target. The revised target information included in this report will also be provided as part of London’s Year 3 performance report. Once CMHC has completed its assessment of the year-end report, the final decision on the fourth payment will be made by the federal Minister of Housing. It is anticipated that this decision will be provided in Q4 2026 or early 2027.

3.0 Housing Accelerator Investment Updates

3.1 Investments in Housing Related Infrastructure

Included within the housing-related infrastructure investments are several servicing projects that will be supported by the HAF program. These capital projects have various start and end dates, with some projects having already started construction. It is intended that all capital projects will be completed by Q4 2027.

Table 5: Housing-related Infrastructure Investments

Servicing Improvements for Multi-unit housing Projects	Estimated New Housing Units	Est. HAF Contribution
Second Street: Sanitary Sewer Upsizing between Oxford Street & Pottersburg Creek	1,600	\$3,464,622
Killaly Road Infrastructure Improvement	4,500*	\$447,378
Mud Creek Sanitary Sewer: Sanitary Sewer Upsizing south of Oxford Street	1,500	\$637,000
Oxford Street: Sanitary Sewer Upsizing between Capulet Walk & Wonderland Road	2,500	\$1,700,000
Hyde Park Pump Station capacity upgrade	1,900	\$3,350,000
Total	12,000	\$9,599,000

*This project could range from 4,500 to 8,000 new housing units

Civic Administration continues to review additional servicing projects to support multi-unit residential development, aligned with the Growth Management Implementation Strategy. The following additional projects were considered:

- 1) Sewer Extension on Pack Road
- 2) Sewer Extension on Exeter Road
- 3) Hyde Park Road and Sunningdale Road Servicing Extension – Engineering Design

At its meeting on March 3, 2026, Municipal Council resolved to direct staff to undertake further consultation with affected landowners with respect to the Pack Road Sewer extension project. The Exeter Road sewer extension project was determined to not be needed at this time given suitable capacity for the current proposed developments, and the Hyde Park and Sunningdale Road servicing extension is scheduled to proceed through early development in 2026.

As reported to the Planning and Environment Committee at its meeting on April 14, 2026, City Staff held further consultation in March 2026 with respect to the Pack Road sewer extension project. Based on the consultation and a review of the available technical information, it was determined that the proposed sewer extension on Pack Road was not eligible for HAF funding and does not meet the program's eligibility criteria.

3.2 Investments in HAF Action plans and Affordable Housing

As part of the HAF action plan, several new incentive programs were developed to support the development of different housing types along the housing continuum. To date, Civic Administration has launched the following HAF supported incentives:

- Office to Residential Construction Conversion Grant (OTR)
- Transit Oriented Development Incentive (TOD)
- Detached Additional Residential Unit Forgivable Loan
- Dollars to Doors Program
- Highly Supportive Housing Program

3.3 Investments in community-related infrastructure that supports housing

HAF funding for investments in community-related infrastructure support housing growth through targeted park enhancements and the strategic acquisition of natural heritage lands in established and intensifying neighbourhoods, helping to create more liveable, complete, and resilient communities.

Recent expenditures and planned 2026 projects focus on upgrading existing park spaces and securing ecologically important lands to ensure that new housing is supported by accessible green space, recreation opportunities, and a connected natural heritage system as the city grows. These include:

- New District Park for the Old Victoria Hospital Lands
- Richard B. Harrison Park improvements and new community garden
- Sports field lighting for McMahan Park
- Pickleball court lighting for East Lions Park
- Public gathering space at St. Stephens Park
- Public gathering space at Capulet Park
- Acquisition of a 5 hectare ecologically significant woodland along the Thames River near Hamilton Road, with additional natural heritage acquisitions pending the outcome of negotiations.

It is intended that all capital projects will be completed by Q4 2027.

4.0 Proposed Initiatives to Stimulate Housing Activity

4.1 Program Options

Civic Administration consulted the 'Customer Service and Process Improvement Reference Group', which includes industry leaders from the development community, home builders, engineering and planning consultants and real estate representatives. Discussions focused on gathering details around short-term, high-impact incentive programs that can be developed and deployed in quick succession to assist with feasibility conditions to stimulate permit applications. In addition to these consultations, incentive programs in other HAF-participating municipalities across Ontario were reviewed and compared to existing development practices in London.

The proposed programs are suggested on the following principles:

- Simple and cost-effective to administer
- Implemented on rapid, quick succession
- Ability to have the largest impact within the remaining timeframe

The proposed programs are expected to have the following outcomes:

- Reduce development costs, increasing feasibility of projects
- Speed up housing construction, encouraging permit application

Each program will be tied to a specific window of opportunity, from Council approval until September 7, 2026, with the intended purpose of driving permit submissions. Civic Administration also investigated partial or full development charge (DC) rebate programs and, after consultation with the development community and assessment of the remaining HAF timeframe, determined that the proposed programs would provide greater flexibility to address the observed challenges. Further, as announced, the new joint federal provincial program would include development charges reductions and a cost matched structure providing a combined \$8.8 billion over 10 years for infrastructure investments. Accordingly, it is recommended that Council await further information before considering additional development charge reduction-based incentive programs.

The following programs are suggested for Municipal Council's consideration. Civic Administration requires direction from Municipal Council to proceed with the preparation and development of these programs for subsequent approval at the Municipal Council meeting on April 28, 2026.

Pre-construction Housing Grant

The proposed program, intended to operate within the Transit Oriented Development Community Improvement Plan, would provide a \$15,000 per unit construction grant for new residential development located within 1,500 metres of a London Transit bus route. A 1,500-metre distance was chosen to maximize opportunities to access the program. This distance would allow the program to apply across the City's built out area while also capturing greenfield areas where construction activity is already underway.

To administer the program, City Staff would review an application form submitted by an eligible applicant that intends to construct new residential development, with a minimum of 1 unit, within the designated area. Any eligible development must be issued a building permit within the designated window. Funding is committed to the project upfront to support financing and is administered upon issuance of the building permit. The basis of this program is mirrored in the operation of the Office-to-Residential (OTR) program and the Transit-Oriented Development (TOD) program.

<i>Proposed Program Budget:</i>	\$5,000,000
<i>Source of Funding:</i>	Subsequent report back to Council
<i>Expected Housing Unit impact:</i>	333 New Residential Units
<i>Implementation:</i>	By-law amendment to CIP, with Council approval

Temporary Waiving of Building Permit Fees Program

The proposed program, intended to operate within the Transit Oriented Development Community Improvement Plan, would waive applicable fees related to housing development that occurs within 1,500 meters of any London Transit Bus route and fund this difference in revenue using Housing Accelerator Funding. A 1,500-metre distance was chosen to maximize opportunities to access the program. This distance would allow the program to apply across the City’s built out area while also capturing greenfield areas where construction activity is already underway.

To administer the program, City staff would internally reconcile fees otherwise payable for eligible new housing projects, utilizing designated HAF funding to offset the cost of the fees to the applicant. No application would be required. The fee waiver would apply to permits issued after Council approval and on or before the Housing Accelerator Fund target deadline of September 7, 2026.

It is also recommended that any outstanding fees for permits already submitted for new units be waived through this program, while deposits or fees already paid on previously submitted permits not be refunded. This approach is proposed to avoid the administrative burden associated with processing a large number of refunds. In most cases, an applicant pays a deposit of \$260 for additions and alterations and \$1,000.00 for new buildings at the time of permit submission, with the remaining balance payable when the permit is ready to be issued.

Fees to be waived include building permit fees for:

- Single detached / semi / duplex,
- Townhouse / row,
- Additional Residential Units (ARUs), and
- Apartments.

Fees for a typical sized unit are included below:

Table 6: Typical Permit Fee Range for Various Unit Types.

Unit Type	Building Permit Fee Waived for Typical Permit
Single detached / semi / duplex, Townhouse / row	\$1,500 - \$3,200
Additional Residential Units (ARUs)	\$260 – \$1,000
Apartment Building (60 Units)	\$40,000-\$60,000
Apartment Building (100 Units)	\$90,000 -110,000

A full list of eligible fees has been included in Appendix ‘A’: List of Housing Related Building Fees to be Waived. In order to incentivize the remaining 1901 units required to meet the Housing Accelerator target it is estimated that approximately \$2,500,000 in HAF funding would be required to support the program.

<i>Program budget:</i>	\$2,500,000
<i>Source of Funding:</i>	Housing Accelerator Fund
<i>Expected Housing Unit impact:</i>	Estimated to support up to 1901 new residential units
<i>Implementation:</i>	By-law amendment to CIP, with Council approval

Additional Residential Unit (ARU) Construction Grant for New Home Construction

The proposed program, intended to operate within the Affordable Housing Community Improvement Plan, would provide a \$20,000 per-unit grant to any newly constructed home, previously unoccupied, that includes as part of the purchase, a pre-built secondary suite located within, attached, or on the same property as the primary dwelling unit. This program is only eligible for new, single-detached homes that include a built-in secondary unit, where the permit is issued withing the specific window. This program is not intended to offset the development costs of duplexes, triplexes and multi-unit housing, and instead is intended to support the incentivizing of a smaller secondary unit on the same property as a larger primary unit in new subdivisions. The grant would be provided upfront to the builder upon issuance of the building permit.

<i>Proposed Program budget:</i>	Up to \$2,000,000, shared with other ARU incentives
<i>Source of Funding:</i>	Housing Accelerator Fund
<i>Expected Housing Unit impact:</i>	Estimated to support up to 65 new ARUs
<i>Implementation:</i>	By-law amendment to CIP, with Council approval

In addition to the above recommended programs, Civic Administration continues to partner with the development community to identify eligible applications for fast-track permitting, including priority consultations and reviews to reduce the time to approve units and issue permits quicker.

Civic Administration is also recommending additional changes to the Detached Additional Residential Unit forgivable loan program, which is the subject recommendation in a report on the same April 21, 2026 Strategic Priorities and Policy Committee Agenda.

5.0 Recommended Programs and Next Steps

Civic Administration recommends implementing the Temporary Waiving of Building Permit Fees Program, and the Additional Residential Unit Construction Grant for New Home Construction Incentive Program, sourced through existing budgets within HAF.

The Temporary Waiving of Building Permit Fees Program would support a wide range of unit types and a greater number of units within the remaining Housing Accelerator Fund target window. It is recommended that the Pre-construction Housing Grant be explored further once the fourth and final Housing Accelerator Fund payment is confirmed and additional details are available regarding the recently announced Canada Ontario Partnership to Build.

As announced, this new joint federal/provincial program would include development charges reductions and a cost matched structure providing a combined \$8.8 billion over 10 years for infrastructure investments. Accordingly, it is recommended that Council await further information before considering additional development charge reduction-based incentive programs.

Upon confirmation of the fourth and final Housing Accelerator Fund payment, Civic Administration will report back to Municipal Council with options for Pre-construction Housing Grant. If the full Temporary Waiving of Building Permit Fees Program budget is not required, any uncommitted funding could be considered to support a future development charge related program, subject to Council direction and confirmation of available funding. At that time, any remaining funding from all remaining Housing Accelerator Fund programs could also be reconsidered by Council.

Civic Administration intends to prepare the required program guidelines for the Temporary Waiving of Building Permit Fees Program and the Additional Residential Unit (ARU) construction grant for new home construction, as outlined in section 4.1 of this report, for Municipal Council's approval on April 28, 2026.

Conclusion

This report provides a mid-year update on the City of London's Housing Accelerator Fund (HAF), including progress toward housing supply targets, the status of HAF initiatives, the program's financial position, and options to stimulate housing activity within the remaining HAF timeframe. As of April 1, 2026, the City has issued 9,902 net new units, representing 84% of the overall three-year target, and has completed all 11 initiatives under the HAF Action Plan.

To support housing activity within the remaining HAF window, Civic Administration recommends implementing the Temporary Waiving of Building Permit Fees Program and the Additional Residential Unit Construction Grant for New Home Construction. Civic Administration will continue to monitor progress toward the Housing Supply Growth Target and report back to Municipal Council on future opportunities related to the Pre-construction Housing Grant once the fourth and final HAF payment is confirmed and additional program details are available. The Year 3 HAF annual report will be brought back to Council after the third annual compliance report to CMHC, in Q4 2026.

Prepared by: Mike Macaulay, MPA
Manager, Community Improvement and Urban Regeneration

Reviewed by: Kevin Edwards, MCIP, RPP
Senior Manager, Community Planning

Submitted by: Heather McNeely, MICP, RPP
Director, Planning and Development

Recommended by: Scott Mathers, MPA, P.Eng.
Deputy City Manager, Housing and Community Growth

Appendices:

Appendix 'A': List of Housing Related Building Fees to be Waived

CC:

Kelly Scherr, Deputy City Manager, Environment & Infrastructure
Anna Lisa Barbon, Deputy City Manager, Finance Supports
Kevin Dickens, Deputy City Manager, Social & Health Development
Paul Yeoman, Director, Parks and Forestry
Matt Feldberg, Director, Municipal Housing and Industrial Development
Ashley Rammeloo, Director, Water, Wastewater & Stormwater
Alan Shaw, Director, Building & Chief Building Official
Kyle Wilding, Senior Manager, Building Services
Dylan Dubois, Financial Business Administrator
Melissa Espinoza, Manager, Housing Programs and Partnerships

**Appendix 'A':
List of Housing Related Building Fees to be Waived (1)**

CLASSES OF PERMITS AND FEES	Fee Amount	Comments
CONSTRUCTION		
BUILDING CLASSIFICATION (per Building Code)		
Group C [Residential Occupancies]		
Single Detached Dwellings, Semis, Duplexes	\$14.13	
with private septic system (additional fee) - flat fee	\$1,106.57	
with geothermal system (additional fee) - flat fee	\$516.40	
Townhouses	\$12.29	
with private septic system (additional fee) - flat fee	\$1,106.57	
with geothermal system (additional fee) - flat fee	\$516.40	
Live/Work Units, Previously approved (single detached, semis)	\$11.57	
with private septic system (additional fee) - flat fee	\$1,106.57	
with geothermal system (additional fee) - flat fee	\$516.40	
Apartment Buildings	\$10.64	
with geothermal system (additional fee) - flat fee	\$663.94	
All other residential Occupancies	\$17.21	
ALTERATIONS, RENOVATIONS, and REPAIRS (to existing floor areas)		
Group C - Dwelling units	\$3.68	Housing related and linked to new units.
Single Detached Dwelling Garages, Carports, Accessory structures: equal to or less than 55 sq.m. - each	\$260.37	Housing related and linked to new units.
Single Detached Dwelling Garages, Carports, Accessory structures: over 55 sq.m. - each	\$409.14	Housing related and linked to new units.
Single Detached Dwelling Garages, Carports, Accessory structure: additional fee if plumbing is involved	\$260.37	Housing related and linked to new units.
ADMINISTRATIVE FEES		
(i) After all reviews have been completed prior to permit issuance or after the permit has been issued (excludes new model submission for single detached dwellings, duplexes, semi-detached dwellings, or row townhouses)	\$159.84 per hour (min. fee \$260.37)	Housing related and linked to new units.

(ii) New Model submission (single detached dwellings, semi-detached dwellings, duplexes, or row townhouses) made more than five business days after original permit application was submitted or post permit issuance	50% of the original permit fee	
c) Conditional Permit (as per Section 8.(3) of Building Code Act) in addition to fee in section 3 above,		Housing Related and Linked to new units
(i) single detached dwellings, duplexes, semi-detached dwellings, or row townhouses	\$338.12 per permit	Housing Related and Linked to new units
(ii) all other uses	\$737.72 per permit	Housing Related and Linked to new units
Alternative solutions review	\$491.67 per alternative solution form submission	Housing Related and Linked to new units

(1) All eligible building fees to be waived must be housing related and linked to new housing units as determined by the Chief Building Official.

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Scott Mathers, MPA, P.Eng.
Deputy City Manager, Housing and Community Growth

Subject: Amendments to the Affordable Housing Community Improvement Program Guidelines – Additional Residential Unit (ARU) Construction Grant Program

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Housing and Community Growth, the following actions **BE TAKEN** with respect to amending financial incentive programs to be administered through the Affordable Housing Community Improvement Plan:

- a) The proposed by-law attached as Appendix “A” to this report **BE INTRODUCED** at the Municipal Council meeting on April 28, 2026, to **AMEND** By-law No. C.P.-1545-41, being “A by-law to establish financial incentives for the Affordable Housing Community Improvement Project Area”, by:
 - i) **DELETING** Schedule “3” and **REPLACING** it with a revised Schedule “3” to the Affordable Housing Community Improvement Plan – Financial Incentive Program Guidelines – Additional Residential Unit Construction Grant Program;
 - ii) **APPROVING** the following loan agreement templates:
 - The Additional Residential Unit Construction Grant Loan Agreement template;
 - The Additional Residential Unit Construction Grant Loan Agreement (Affordable) template; and
 - The Additional Residential Unit Construction Grant Loan Agreement; (Indigenous) template;
 - iii) **AUTHORIZING** the Deputy City Manager, Housing and Community Growth, or their written designate, to amend, enter into and execute the above-referenced agreements provided the terms of the agreements conform with the Additional Residential Unit Construction Grant Program; and
 - iv) **AUTHORIZING** the Deputy City Manager, Housing and Community Growth, or their written designate, to approve, enter into and execute amending agreements to the above-referenced agreements provided the terms of the amending agreements conform with the Additional Residential Unit Construction Grant Program;
- b) The following report **BE RECEIVED** for information.

Executive Summary

Summary of Request

This report recommends further amending one of the current Affordable Housing CIP programs related to additional residential units (ARUs) to leverage time-sensitive Housing Accelerator Fund (HAF) funding. Civic Administration proposes the following actions to help the City of London achieve its year three HAF building permit issuance targets:

- Expand the types of additional residential units eligible for the forgivable loan (grant) program from ARUs located exclusively in new detached ancillary structures to all ARU types and locations on eligible property;

- Make minor housekeeping adjustments to the administration of the program; and
- Make adjustments to the program’s legal agreement templates aligned with the recommended changes.

Purpose and the Effect of Recommended Actions

The purpose of the recommended actions is to broaden the eligibility of the current detached ARU forgivable loan program to include all ARU types, renaming the program in the process to the Additional Residential Unit Construction Grant Program. This expanded eligibility would apply only to projects for which a building permit is issued following Council approval of the proposed program guidelines and on or before September 7, 2026, the third anniversary of the inception of the HAF, which also serves as a residential building permit issuance deadline for the City of London to meet its housing target of 11,803 new units.

The proposed changes also respond to the Municipal Council resolution on March 31st, 2026 directing Civic Administration to, among other things, report back on an enhanced ARU financial incentive program that can increase program uptake within the remaining HAF window.

Linkage to the Corporate Strategic Plan

This report supports the 2023-2027 City of London Strategic Plan and directly aligns with the following Areas of Focus:

Wellbeing and Safety

- London is an affordable and supportive community for individuals and families.

Housing and Homelessness

- The City of London demonstrates leadership and builds partnerships to increase quality, affordable, and supportive housing options.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- November 12, 2025 – Planning and Environment Committee -- [Housing Accelerator Fund – 2025 Annual Update](#)
- January 28, 2025 – Planning and Environment Committee -- [Amendments and Additions to the Affordable Housing Community Improvement Program Guidelines](#)
- July 15, 2024 – Community and Protective Services Committee -- [Update to the Roadmap to 3,000 Affordable Units: “Roadmap 2.0”](#)
- June 11, 2024 – Planning and Environment Committee -- [Community Improvement Plans Review for Increasing Affordable Housing](#)
- March 26, 2024 – Strategic Planning and Priorities Committee -- [London’s Health & Homelessness Whole of Community System Response Proposed Highly Supportive Housing Plan](#)
- January 30, 2024 – Planning and Environment Committee -- [City-Wide 5-Bedroom Limits and Increased Permissions for Additional Residential Units \(OZ-9661\)](#)
- September 19, 2023 – Strategic Planning and Priorities Committee -- [London’s Approved Housing Accelerator Fund Application](#)
- June 12, 2023 – Planning and Environment Committee -- [5-Year Review – Community Improvement Plans and Financial Incentive Programs](#)
- May 23, 2023 – Planning and Environment Committee -- [Additional Residential Unit Amendments as a Result of More Homes Built Faster Act, 2022 \(Bill 23\)](#)

- January 20, 2020 – Planning and Environment Committee -- [Affordable Housing Community Improvement Plan \(CIP\) and Program Guidelines](#)

1.2 March 31, 2026 Municipal Council Direction

At the meeting held on March 31, 2026, Municipal Council resolved:

That, the following actions be taken with respect to Mayoral Direction 2026-001: Creation of an Affordable Home Ownership Incentive Program – Report Back on Program Options:

- a) The Civic Administration BE DIRECTED to report back to the Strategic Priorities and Policy Committee with options that can be rolled out quickly to incentivize housing activity within the remaining Housing Accelerator Fund window, together with a Housing Accelerator Fund mid-year update report including:
 - iii) An enhanced Additional Residential Unit incentive program for existing homeowners, including options to increase uptake and accelerate implementation for interior/basement and attached Additional Residential Units that can be delivered within the available timeframe,

This report has been brought forward for committee’s consideration in response to the above resolution.

1.3 Affordable Housing Community Improvement Plan

A Community Improvement Plan (CIP) is a policy tool a municipality may adopt under the *Planning Act* to coordinate specified community improvements in a defined community improvement project area. To achieve the strategy, CIPs allow a municipality to take actions such as:

- Identify changes needed to land use planning policy, zoning, other by-laws, and practices;
- Acquire, rehabilitate, and dispose of land;
- Provide grants and loans to property owners that would otherwise be unavailable;
- Direct investments made to infrastructure and public space.

The City of London currently has eight geographically focused and four city-wide CIPs. One of the city-wide CIPs is the Affordable Housing CIP, which was approved by Municipal Council in 2020 and has the following purpose:

- Define affordable housing needs based on household incomes and define “affordable housing” for the purpose of the CIP and its proposed programs;
- Establish CIP objectives to address the provision of affordable housing and other city-building objectives;
- Identify opportunities to develop incentives and/or programs to support the development of affordable housing; and
- Identify monitoring measures to assist with future housing monitoring reports and to identify successes of any programs offered under this CIP.

1.4 Affordable Housing CIP Program Updates

On February 11, 2025, Municipal Council approved program updates related to the Affordable Housing CIP, which included the introduction of several new financial incentive programs, as well as refinements to existing programs. Two of these programs were explicitly related to incentivizing the construction of ARUs while the other two programs were intended to incentivize projects with a minimum of five affordable rental units as summarized below:

[Revised] Additional Residential Unit Loan Program: first approved by Municipal

Council in 2020, incentive amounts for the ARU loan program were increased from \$20,000 to \$45,000 per unit in 2025. This loan program is repayable over 10 years (including a one-year grace period), interest-free, and offers financial assistance to property owners to help offset the costs of creating new ARUs at any rent in their primary residence.

[New] Detached Additional Residential Unit Program (3 incentive streams): funding for detached ARUs in properties that function as primary residences ranging from \$20,000 for market-rate rentals to \$45,000 for affordable rentals at a maximum of 100% Canada Mortgage and Housing Corporation (CMHC) Average Market Rent, as defined by CMHC, with a minimum affordability and rental period of 10 years. The program also proposes a stream for Indigenous housing providers or homeowners up to \$45,000 per ARU.

[New] Dollars to Doors Affordable Unit Program: up to \$45,000 per rental unit capped at 80% CMHC Average Market Rent for a minimum affordability period of 25 years.

[New] Highly Supportive Housing Unit Program: up to \$45,000 per rental unit capped at 80% CMHC Average Market Rent for a minimum affordability period of 25 years aligned with *London’s Health & Homelessness Response: Highly Supportive Housing Plan*.

1.5 ARU Financial Incentive Program Approvals

Since the implementation of the new and revised ARU financial incentive programs approximately one year ago, Civic Administration has received hundreds of enquiries, particularly from homeowners seeking financial assistance to retrofit existing basements into ARUs. As of March 26, 2026, statistics associated with the existing two programs since their revisions are summarized in Table 1, noting that the two programs can be stacked such that a homeowner who is constructing a detached ARU can potentially qualify for both programs.

Table 1: Summary of Funding Issued and Committed by ARU and Program Type

Program Type	ARU Type	Total Issued	Under Construction Commitments
Detached ARU Forgivable Loan	Detached	4	3
ARU Loan	Basement units	21	52
	Addition/expansions	1	3
	Detached	6	2

The lower uptake for the detached ARU forgivable loan (grant) program is likely the result of the significantly higher costs – a two to four times cost differential - associated with the construction of a new ARU in a new detached accessory structure on a property versus retrofitting an existing basement to accommodate an ARU.

2.0 Discussion and Considerations

2.1 Expansion of Types of ARUs Eligible for the ARU Construction Grant Program

The existing Detached Additional Residential Unit Loan Program provides a forgivable loan (grant) to incentivize the construction of detached long-term, stable rental housing units that provide relatively affordable housing opportunities within established neighbourhoods.

Objectives of this program include the creation of more mixed-income communities, providing opportunities for urban regeneration and intensification, providing opportunities for aging in place, and supporting and implementing the policy goals and frameworks of *The London Plan* and the *Housing Stability Action Plan*.

Encouraging the construction of ARUs is one of the City's HAF initiatives and aligns with Provincial Planning Policy (PPS). These types of dwellings are relatively affordable to construct, maintain, and offer housing choice while providing opportunities for residential diversity and intensification. As such, accelerating their construction through additional amendments to the Affordable Housing CIP is an appropriate way of helping the City meet its target of creating 47,000 new dwelling units by 2031, as well as its more immediate target of approving a total of 11,803 dwelling units by September 7, 2026.

2.2 Summary of Revised Program

As noted above, only ARUs in new detached accessory structures separated from the principle dwelling unit on a property that permits ARUs are currently eligible for the forgivable loan (grant). All other ARU types are only eligible for the Additional Residential Unit Loan Program. The main proposed change through this amendment broadens the eligibility of the current detached ARU forgivable loan program to include all ARU types. This expanded eligibility would apply only to projects for which a building permit is issued following Council approval of the proposed program guidelines and on or before September 7, 2026.

The proposed expansion is expected to further accelerate program uptake, especially among non-detached ARUs such as basements, as a substantial portion (estimated at over 75%) of the ARU project cost could now be offset by a forgivable loan (grant) that does not require repayment. No changes are proposed to the existing Additional Residential Unit Loan Program, and eligible homeowners can continue to take advantage of both ARU programs.

The revised program is proposed to be retitled as the "Additional Residential Unit Construction Grant Program". Detailed program guidelines are provided in Schedule 3, attached to this staff report, and the associated legal templates are also attached as Appendices 7-9.

- **ARU Construction Grant (no rent cap)** – up to \$20,000 per unit at any rent for a period of 10 years to ensure the ARU is constructed and operational for a minimum period of 10 years.
- **Affordable ARU Construction Grant (100% Average Market Rent)** – up to \$45,000 per unit with a minimum rental affordability period of 10 years capped at 100% CMHC Average Market Rent, as adjusted annually.
- **Indigenous ARU Construction Grant (no rent cap)** – up to \$45,000 per unit to Indigenous-led providers or homeowners with a minimum rental period of 10 years.

General Program Terms and Conditions Summary

- Eligible projects for all program streams include development of one (1) ARU anywhere on an eligible property, conditional upon the issuance of a building permit between April 29, 2026 and September 7, 2026, inclusive, and submission of a complete financial incentive program application. Retroactive applications and ARU building permits will not be accepted.
- Except for the Indigenous stream, the property is owner-occupied (i.e., functions as a primary residence for at least one of the property owners) for the duration of the term.
- All property owners must be individuals (natural persons).
- The property owners(s) must not have any outstanding fees, loans or property taxes owed to the City.
- A valid Residential Rental Unit Licence for the ARU must be received and renewed with the City annually.

- A formal residential lease agreement must be signed by both tenant(s) and the landlord(s).
- ARUs are not permitted to be used as short-term rental accommodations such as “Airbnb” or similar.
- The ARU and the property must comply with all applicable laws.
- The funding is provided after the ARU is constructed, the RRUL application is submitted, and the City’s loan agreement is executed and registered on title as a lien or charge.
- To ensure program compliance, the property owner(s) must agree to provide documents to the City annually.
- In the event of a default, the funding converts into a loan and becomes fully payable to the City on demand, along with accrued interest up to the default date.

3.0 Financial Impact/Considerations

Civic Administration will continue to support the ARU Construction Grant Program through London’s HAF. The remaining combined budget that was initially allocated to support ARU development is approximately \$5,079,000, which will fund the implementation of the revised ARU program, including the expanded eligibility for all ARU types to support approximately 110-130 new units. A dedicated allocation remains available to support Indigenous-led ARU projects and Civic Administration will continue to monitor program uptake and interest as this funding is leveraged to achieve the City’s permit targets. The administration of the revised program is managed through the Planning and Development annual workplan and can be implemented without incurring additional administrative costs. As a result, the recommendation attached to this report will have no impact on the City’s approved tax levy for 2026 or 2027, and the remaining 2024-2027 multi-year budget.

4.0 Next Steps

Recognizing the time-sensitivity associated with the HAF funding, and subject to Municipal Council endorsement and approval of the revised ARU financial incentive program on April 28, 2026, Civic Administration will prepare a revised application form and have City website updates and communication materials ready to be deployed immediately following Council’s approval.

The revised ARU financial incentive program will be in effect until September 7, 2026, or until funds are fully expended, whichever comes first. Upon conclusion of the revised ARU program, and if funding is unallocated towards projects, Civic Administration will report back with next steps to close out the program during the HAF sunset period (Sept 8, 2026-Sept 7, 2027).

Conclusion

The proposed changes to one of the existing Affordable Housing CIP ARU financial incentive programs to expand the types of ARUs eligible for a forgivable loan (grant) is expected to accelerate program uptake and increase the City’s ARU rental stock as it will help offset a substantial portion of the cost required to build most ARUs, while helping the City achieve its residential building permit targets in the remaining HAF window to qualify for the third and final payment.

A companion report to the Strategic Priorities and Policy Committee on April 21, 2026 provides a mid-year update for Year 3 of the HAF. This report includes additional information on program activities, financial allocations, and performance, offering more in-depth overview of the HAF’s implementation and outcomes to date.

Prepared by: Simona Rasanu, MCIP, RPP
Senior Planner, Community Improvement and Urban
Regeneration

Reviewed by: Mike Macaulay, MPA
Manager, Community Improvement and Urban
Regeneration

Submitted by: Heather McNeely, MCIP, RPP
Director, Planning and Development

Recommended by: Scott Mathers, MPA, P.Eng.
Deputy City Manager, Housing and Community Growth

cc: Michelle Butlin, Solicitor, Legal Services
Sachit Tatavarti, Solicitor, Legal Services
Melissa Espinoza, Manager, Housing Programs and Partnerships
Kevin Edwards, Manager, Community Planning

Attachments:

By-laws:

Appendix A – Affordable Housing Community Improvement Plan Amending By-law

Program Guidelines:

Schedule 3 – Additional Residential Unit Construction Grant Program

Loan Agreement Templates:

Appendix 7 – Additional Residential Unit Construction Grant Loan Agreement

Appendix 8 – Additional Residential Unit Construction Grant Loan Agreement (Affordable)

Appendix 9 – Additional Residential Unit Construction Grant Loan Agreement (Indigenous)

Appendix A

Bill No.
2026

By-law No. C.P. **XXXX**

A by-law to amend C.P.-1545-41, being “A by-law to establish financial incentives for the Affordable Housing Community Improvement Project Area”.

WHEREAS by subsection 28(2) of the *Planning Act*, the Council of a municipal corporation may, by by-law, designate the whole or any part of an area as a community improvement project area;

AND WHEREAS subsection 28(4) of the *Planning Act* enables the Council of a municipal corporation to adopt a community improvement plan for a community improvement project area;

AND WHEREAS *The London Plan*, 2016, the Official Plan for the City of London, contains provisions relating to community improvement within the City of London;

AND WHEREAS the Municipal Council of The Corporation of the City of London has, by by-law, designated a community improvement project area identified as the Affordable Housing Community Improvement Project Area;

AND WHEREAS the Municipal Council of The Corporation of the City of London has, by by-law, adopted the Affordable Housing Community Improvement Plan;

NOW THEREFORE the Municipal Council of the Corporation of the City of London enacts as follows:

1. By-law C.P.-1545-41, as amended, being “A by-law to establish financial incentives for the Affordable Housing Community Improvement Project Area” is amended by deleting Schedule “3” and replacing it with the attached Schedule “3” attached to this by-law, the new Affordable Housing Community Improvement Plan – Financial Improvement Program Guidelines – Additional Residential Unit Construction Grant Program which is hereby adopted.

2. By-law C.P.-1545-41, as amended, being “A by-law to establish financial incentives for the Affordable Housing Community Improvement Project Area” is amended by adding section 9:

9. The agreements attached as Appendices 7, 8, and 9 are hereby authorized and approved.

3. By-law C.P.-1545-41, as amended, being “A by-law to establish financial incentives for the Affordable Housing Community Improvement Project Area” is amended by adding section 10:

10. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to amend, enter into and execute the agreements approved under section 9 of this bylaw, provided that any amendments conform to the Additional Residential Unit Construction Program. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to approve amending agreements to the agreements approved under section 9 of this bylaw, provided that the amending agreements conform to the Additional Residential Unit Construction Grant Program.

4. This by-law comes into force and effect on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

PASSED in Open Council on April 28, 2026, subject to the provisions of PARTVI.1 of the *Municipal Act, 2001*.

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First Reading – April 28, 2026
Second Reading – April 28, 2026
Third Reading – April 28, 2026

Schedule 3: Additional Residential Unit Construction Grant Program^a

Affordable Housing Community Improvement Plan – Financial Incentive Program Guidelines – Additional Residential Unit Construction Grant Program

Effective February 11, 2025

Revised April 28, 2026

This program guideline package provides details on the “Additional Residential Unit Construction Grant Program”, which is a financial incentive program provided by the City of London (the “City”) through the Affordable Housing Community Improvement Plan (CIP).

Each financial incentive program has its own specific Purpose and Eligible Improvements. The program guidelines also include Definitions, Eligibility Criteria, Appeal of Refusal, Relationship to other Financial Incentive Programs, as well as Monitoring & Discontinuation of Programs.

1. Definitions

Additional Residential Unit or ARU, formerly known as “Secondary Dwelling Unit”: is a Dwelling Unit ancillary and subordinate to a primary Dwelling Unit.

Affordable Rental Unit: for the purposes of this program, an Additional Residential Unit (ARU) with a rent capped at 100% of Canada Mortgage and Housing Corporation Average Market Rent, as adjusted annually.

Applicant: The person who makes a formal application for a financial incentive program offered through the City’s Community Improvement Plans. The person may be the Property Owner, or an authorized agent, including a business owner who is occupying space on the Property or contractor who has been retained to undertake improvements on the Property. If the Applicant is not the Property Owner, they will be required to provide authorization in writing from the Property Owner as part of a Complete Application.

Average Market Rent (“AMR”): the most current average monthly market rent for a rental unit, by unit type, published by the Canada Mortgage and Housing Corporation for the London CMA.

Approved Works: the materials, labour and/or effort made to improve a property that are determined to meet eligibility criteria under the incentive program requirements.

Commitment Letter: a document prepared by the City outlining its agreement with a Property Owner to provide a future financial incentive – in this case, a forgivable loan, based on a redevelopment, rehabilitation and/or renovation project that has yet to be undertaken. The letter describes the specific scope of Approved Works the Applicant will undertake to receive the loan.

Complete Application: completed application form with the Applicant’s signature and date along with the required supporting documents.

Dwelling Unit: a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping, and sanitary facilities.

Loan Agreement: an agreement to be registered on title signed by both the Property Owner and the City outlining the terms and conditions associated with the program.

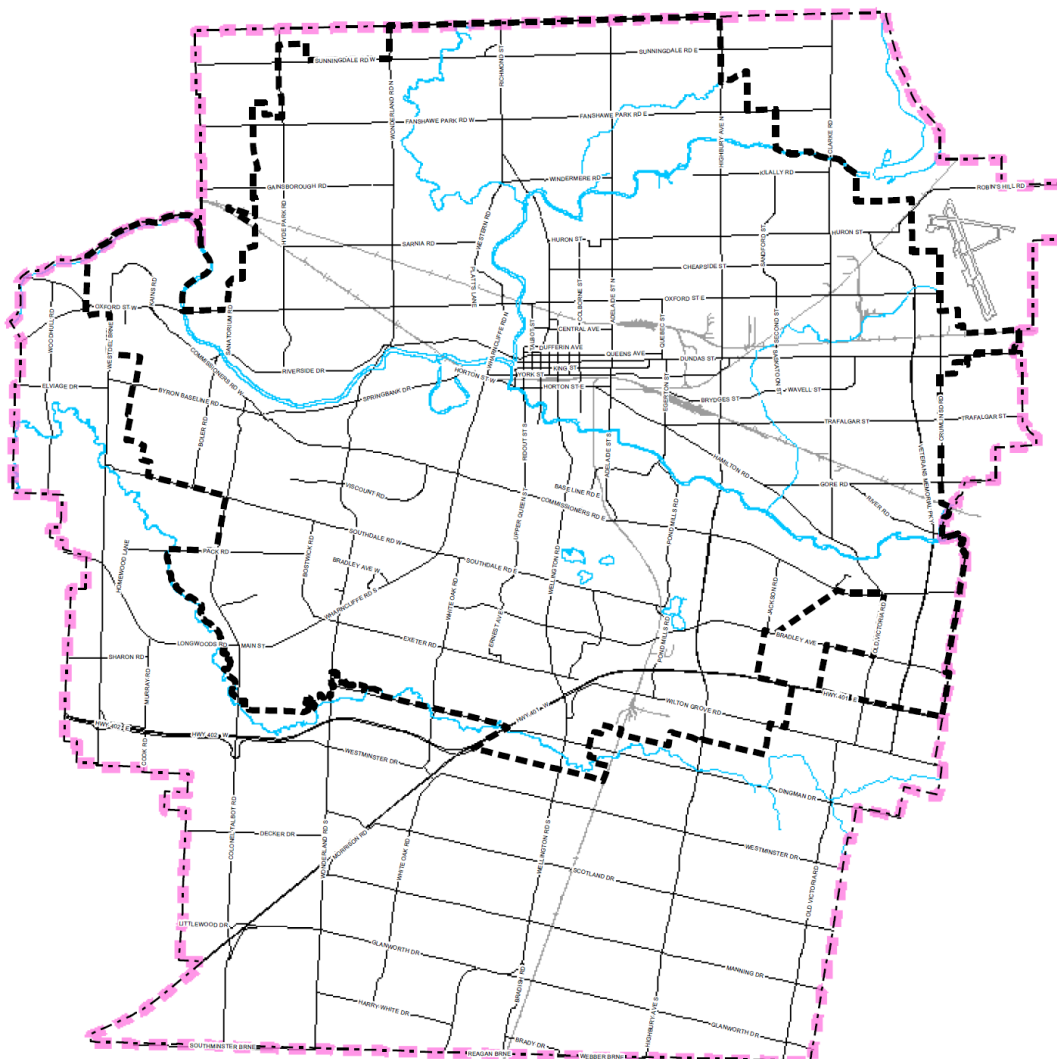
Market Rent: a monthly occupancy cost for an Additional Residential Unit that a willing, prudent, and informed tenant would pay to a landlord in the open market.

^a The previous program title was “Detached Additional Residential Unit Program”.

Property Owner: the registered owner of the Property.

Property: land that permits Additional Residential Units with a municipal address (including distinct unit numbers, if applicable) and place type, as identified by *The London Plan*, and zoning that permits residential uses, and that is also located within the Affordable Housing Community Improvement Project Area, as defined in the Affordable Housing Community Improvement Area By-law per Map 1 below.

Rental Unit: a Dwelling Unit that generates rental income.



Map 1: Affordable Housing Community Improvement Project Area (Pink) and Urban Growth Boundary (Black)

2. Program Purpose

The purpose of the Additional Residential Unit Construction Grant Program is to create more long-term, stable rental housing supply to help address low rental vacancy rates, particularly among more affordable (i.e. low market rent) units. Objectives of this program include creation of more mixed-income communities, providing opportunities for urban regeneration and intensification, providing opportunities for aging in place, and supporting and implementing the policy goals and frameworks of *The London Plan* and the *Housing Stability Action Plan*.

3. Program Streams

The program includes three streams to support the construction of ARUs at Market Rent and reduced rental rates:

ARU Construction Grant– no rent cap

A forgivable loan (grant) up to \$20,000 if the ARU remains operational for a minimum period

of 10 years.

Affordable ARU Construction Grant – maximum rent capped at 100% Average Market Rent

A forgivable loan (grant) up to \$45,000 with rent capped at 100% CMHC Average Market Rent with a minimum affordability period of 10 years.

Indigenous ARU Construction Grant – no rent cap

A forgivable loan (grant) to Indigenous homeowners or housing providers up to \$45,000 with no rent cap if the ARU remains operational for a minimum period of 10 years.

4. Eligible Works

Eligible works include the following for all program streams:

- Development of one ARU (including servicing thereof) anywhere on the Property, including the conversion of a portion of an existing Dwelling Unit to a Rental Unit that complies with the City's Residential Rental Unit Licensing By-law, as amended, where a building permit was issued by the City between April 29, 2026 up to and including September 7, 2026. For clarity, the revised ARU construction grant program only applies to projects approved on or after April 29, 2026.
- For the purposes of this program, only materials and labour directly associated with the construction of the ARU confirmed through an itemized receipt and/or invoice will be reimbursed, excluding labour performed directly by the Applicant.

5. Works Not Eligible

- Additional rehabilitation, demolition, or works (including landscaping) anywhere on the Property that is not directly required by the City to grant an occupancy permit or residential rental unit licence for the proposed ARU. To clarify, the City will only reimburse costs directly associated with the construction of the ARU that are deemed by City staff to be Approved Works.
- ARU projects that received approval or began construction under the ARU Loan Program prior to April 29, 2026 are considered retroactive and are not eligible for the revised ARU Construction Grant Program.

6. Program Terms and Conditions

- Only one ARU per Property is eligible.
- The Property remains owner-occupied for the duration of the program (i.e., at least one of the Property Owners who receives the loan must occupy the Property as their primary residence until the loan is discharged from the Property's title), with the exception of the Indigenous ARU forgivable loan stream.
- The project must comply with all applicable laws.
- The ARU must receive and maintain a valid City Residential Rental Unit Licence, which must be renewed with the City every year. The Property Owner shall use commercially reasonable efforts to ensure the ARU is rented or occupied for the duration of the term.
- The ARU is not permitted to be used as short-term accommodation as defined under the City's Business Licensing By-law, as amended.
- The loan, which is issued after the ARU is constructed, is registered on title as a forgivable loan and is the lesser of the maximum applicable loan amount, or the cost of the project. The loan will accrue interest at a rate of 8% per annum, compounded

and calculated every 30 days. Provided at least one of the Property Owners has complied with the terms and conditions of the Loan Agreement, the loan principal and accrued interest shall be forgiven at the end of the term.

- In the case of default, the loan principal and accrued interest shall become payable to the City on demand. The City may add the loan principal and accrued interest to the tax roll.
- On properties where units are not subject to the *Residential Tenancies Act*, eligibility will be considered on a case-by-case basis subject to the approval of the Deputy City Manager, Housing and Community Growth, or written designate.
- All property taxes owed to the City must be paid in full prior to the money being issued and remain so for the lifetime of the loan.
- The Property Owner agrees to provide documentation annually, or as requested by City staff, to ensure program compliance.

7. Eligibility Criteria

Applicant and Project Requirements

- The ARU on the Property must be issued a building permit between April 29, 2026 and September 7, 2026, inclusive;
- The Property Owner must have no outstanding fees, debts or property taxes payable to the City prior to the loan being issued;
- The Property Owner must not have ever defaulted on any City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation;
- For the Indigenous stream, the Applicant must provide evidence of eligibility in accordance with the City's procedures.

Property and Building Requirements

- There are no City Building Division orders or deficiencies on the Property prior to the loan being issued, unless the deficiencies are addressed as part of the eligible works associated with the loan;
- The Property may be eligible for multiple incentive programs provided through the City's various Community Improvement Plans.

8. Financial Incentive Approval

Once all eligibility criteria and conditions are met, and if funds are available, Civic Administration will approve the program application by means of a Commitment Letter. Commitment Letters will expire if a building permit is not issued by the City for the ARU on or before September 7, 2026.

9. Application Process

Step 1: The Applicant contacts Civic Administration ("City staff") to discuss the proposed project. Staff will provide information about incentive programs, provide and review the application form(s), and assist with the application process. This meeting will also help to identify what additional permits or permissions may be required to complete the proposed improvement project.

Applications made for financial incentive programs do not in any way replace the need for obtaining all necessary approvals prior to the commencement of construction.

Discussions with City staff are encouraged early in the process to ensure proposals comply with City regulations and guidelines, and the proposed improvements are eligible under the incentive program criteria.

Step 2: A Complete Application is submitted to the City comprised of the following:

1. Application Form signed by all Property Owner(s);
2. Property Owner authorization letter (if applicable)
3. A copy of the building permit drawings submitted to the City Building Division;
4. A copy of the Heritage Alteration Permit (if required);
5. Itemized list of specific improvements and associated estimated costs prepared by a professional that reflects current construction costs;
6. Any other information that may be deemed necessary by the Deputy City Manager, Housing and Community Growth, or designate.

Step 3: City staff will review the application submission for completeness and inform the Applicant in writing that either more information is required, or the submission is accepted. If accepted, the City will provide a Commitment Letter which outlines the Approved Works and monetary commitment that the City is making to the project.

The City's approval under this revised program applies if and only if a building permit is issued for the project between April 29, 2026 and September 7, 2026, inclusive. The City's commitment applies only to the project as submitted. Any subsequent changes to the project will require review and approval by appropriate City staff.

Step 4: The Applicant can start the Approved Works when the necessary approvals and/or permits have been received, as identified in the Commitment Letter from the City, which serves as a pre-approval.

Step 5: The Applicant will notify City staff once the Approved Works are complete, the building permit is closed, and payment for the project is complete.

Step 6: City staff will confirm the Approved Works have been completed as outlined in the Commitment Letter. Staff may visit the Property and take photographs before and after the Approved Works are completed.

Step 7: Before entering into any Loan Agreement, City staff must ensure the terms and conditions outlined in the City's Commitment Letter have been met. Typically, this includes:

- All City property taxes must be paid in full and the account deemed in good standing;
- There must be no outstanding debts owed to the City;
- The Property Owner must not have defaulted on any City loans or grants;
- There must be no outstanding Building Division orders or deficiencies against the Property.
- At a minimum, the Applicant has applied for the City's residential rental unit licence with the understanding that confirmation of the licence being issued must be provided within six (6) months of the Legal Agreement effective date, and annually thereafter for the duration of the term.
- If there are multiple Property Owners, at least one party confirms the Property is their primary residence through government-issued identification (e.g., driver's licence) or other acceptable documentation.

Step 8: The Property Owner² and the City will sign the Loan Agreement.

² With the exception of the Indigenous stream, which allows the applicant to be a housing provider, the Property Owner will be signing the Legal Agreement, notwithstanding that they may have used an authorized agent to apply to the program.

Step 9: The City will register the amount of the forgivable loan as a lien against the Property.

Step 10: City staff will provide the Property Owner with a cheque in the amount of the loan and the relevant legal documents, including the fully executed Loan Agreement.

Step 11: On an annual basis, or as requested by City staff, Property Owners and/or Applicants shall provide documents to confirm program compliance. Typically, this will include a copy of the formal residential lease agreement, residential rental unit licence, insurance, primary residency confirmation, and confirmation there are no outstanding taxes and fees payable to the City respecting the Property. There will be additional reporting required for the affordable stream respecting the rent charged to the tenant(s), as identified in the Loan Agreement.

10. Incentive Application Refusal and Appeal

If an application is refused by City staff, the Applicant may, in writing, appeal the decision to the Deputy City Manager, Housing and Community Growth, who will provide direction to have the matter heard before Municipal Council through the Planning and Environment Committee. However, retroactive applications submitted after Municipal Council's approval of the revised program are not grounds for appeal.

11. Relationship to other Financial Incentive Programs

This program can be stacked with other financial incentive programs offered by the City, including the Additional Residential Unit Loan Program under the Affordable Housing CIP, where the loan amount (i.e., the principal) must be repaid to the City over a maximum term of 10 years.

12. Monitoring & Discontinuation of Programs

As part of program administration, City staff monitor all the CIP financial incentive programs. In receiving and processing applications, staff enter relevant information into a database. This information is used to determine if programs should continue, be modified, or cease to issue any new commitments. Each program is monitored to ensure it implements the goals and objectives of the CIP which the program supports. The City may recommend discontinuing the financial incentive programs at any time; however, any existing loan will continue in accordance with the agreement. A CIP program's success in implementing its goals will be based on the ongoing monitoring and measurement of a series of identified targets that represent indicators of the CIP's goals and objectives.

13. Loan Distribution and Interest

The City will provide the Property Owner with one cheque in the full amount of the approved loan after the following have occurred: (1) the City has completed its due diligence to ensure the Property Owner and the Property remain eligible for the loan; (2) the Loan Agreement has been signed; and (3) the loan amount has been registered as a lien or charge against the Property and the conditions precedent in the Loan Agreement have been met. The City will not provide partial loan amounts or progress payments.

The Loan will accrue interest at a rate of 8% per annum, compounded and calculated every 30 days, commencing upon the Loan Agreement effective date. Provided the Property Owner has complied with the terms and conditions of the Loan Agreement, the loan will be forgiven at the end of the term, and the lien will be discharged from title.

14. Loan Security and Postponement

Loans will be secured through the registration of a lien or charge placed on the Property's title for the total amount of the loan. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property in favour of another encumbrance.

15. Loan Agreement

Participating Property Owners in financial incentive programs shall be required to enter into a Loan Agreement with the City which shall specify such items as (but not limited to) the loan amount, the term of the loan, and the Property Owner’s ongoing obligations under this program, including annual reporting requirements for the duration of the term to ensure program compliance.

16. Transferable Loans

At the sole discretion of the City, loans may be transferred to a new Property Owner provided the new owner meets the eligibility criteria and agrees to the terms and conditions of the loan. The new owner may be required to enter into a new Loan Agreement with the City for the outstanding loan value at the time of purchase. Should a transfer occur without the City’s consent, the City may declare the Property Owner in default and enforce the Loan Agreement against the new and any subsequent owners, including requiring the loan and accrued interest to be immediately due and payable.

17. Program Revisions History

Version	Date	Changelog
1.0	February 11, 2025	Initial program guidelines applicable to ARUs in detached accessory structures released.
1.1	April 28, 2026	Expansion of program to all ARU types on the Property and housekeeping amendments to initial program guidelines.

Appendix "7"

ADDITIONAL RESIDENTIAL UNIT CONSTRUCTION GRANT LOAN AGREEMENT

This Agreement made in triplicate this xx day of xxxxx, 20xx.

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON.

hereinafter called "the City" OF THE FIRST PART;

- and -

Xxxxxxxx

hereinafter called "the Owner" OF THE SECOND PART;

WHEREAS the Owner represents that they are the registered owner of the property, known municipally as [XXXX], located in the City of London, in the County of Middlesex and more particularly described in **Schedule "A"** attached hereto (the "Property");

AND WHEREAS section 28(7) of the Planning Act, R.S.O. 1990, c. P.13 authorizes a municipality to make grants or loans in conformity with a community improvement plan to registered owners within a community improvement project area;

AND WHEREAS the City has established the Additional Residential Unit Construction Grant Program within the Affordable Housing Community Improvement Plan to improve low rental vacancy rates in London by encouraging the creation of more long-term, stable rental housing supply;

AND WHEREAS the Owner has applied for a financial loan from the City pursuant to the terms of the City's Additional Residential Unit Construction Grant Program and the City has provisionally accepted the Owner's application pursuant to the City's Commitment Letter dated [XXXX] as contained in the **Schedule "B"** attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the parties hereto covenant and agree each with the other to comply with, keep, perform and be bound by each and every term, condition and covenant herein set out to the extent that the same are expressed to be respectively binding upon them, and the same shall ensure to the benefit of and shall be binding upon their respective heirs, executors, administrators, successors and assigns.

1. Definitions: The words and phrases defined in this section shall, for all purposes of this Agreement and of any subsequent agreement supplemental hereto, have ascribed to them the meanings herein specified unless the context expressly or by necessary implication otherwise requires:

 “Additional Residential Unit” is a dwelling unit ancillary and subordinate to a primary dwelling unit, in which food preparation, eating, living, sleeping and sanitary facilities are provided for the exclusive use of the occupants thereof.

 “Agreement” means this Detached Additional Residential Unit Loan Agreement entered into between the City and the Owner;

 “Commitment Letter” is the document prepared by the City attached hereto as Schedule “B”.

 “Dwelling Unit” means a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping and sanitary facilities.

 effective date” means the date this Agreement is signed by the City.

 “Short-Term Accommodation” means a Short-Term Accommodation as defined by the City of London’s Business Licensing bylaw.
2. Loan Amount: The City shall loan the Owner the total amount of [XXXX] (the “Loan”) by way of a single lump-sum payment to be advanced subsequent to the Owner’s construction of the Additional Residential Unit, in accordance with the scope of work described in the Commitment Letter. The Loan is subject to conditions precedent set out in section 9.
3. Term of Loan: The Loan shall have a term of ten (10) years, commencing as of the effective date of the Agreement. For clarity, this Agreement shall also have a term of ten (10) years commencing on the effective date of the Agreement.
4. Forgiveness of Loan: On the last day of the month at the end of the term of the Loan, the Loan and accrued interest shall be forgiven provided the Owner has complied with all terms and conditions of this Agreement.
5. Interest: Interest shall accrue on the principal amount of the Loan at a rate of 8% per annum, compounded and calculated every 30 days, commencing upon the effective date of the Agreement.
6. Lien Registered on Property: The Owner acknowledges and agrees that the City shall register a certificate signed by the Clerk of the City setting out the amount loaned to the Owner and the applicable interest rate on the Loan on the Property. The Loan shall constitute a lien or charge on the Property. The registered certificate shall be discharged from the Property upon forgiveness of the Loan or upon repayment of the Loan and accrued interest in accordance with this Agreement.

7. Additional Residential Unit: In consideration for the Loan, the Owner shall construct and maintain a new Additional Residential Unit on the Property in accordance with the terms of this Agreement, including the scope of work contained in the Commitment Letter. The Owner shall comply with the following requirements during the term of the Loan:
- i. The Property shall be owner-occupied as the primary residence of the Owner until the termination of this Agreement. The Owner shall confirm that they occupy the primary residence every year.
 - ii. The Additional Residential Unit must maintain a valid Residential Rental Unit License, which must be renewed with the City every year.
 - iii. The Additional Residential Unit on the Property shall not be operated as a Short-Term Rental accommodation at any time prior to the termination of this Agreement.
 - iv. All tenants occupying an Additional Residential Unit on the Property shall be required to enter into a formal residential lease agreement with the Owner, with a minimum term of thirty-one (31) days.
 - v. The Owner shall use commercially reasonable efforts to ensure the Affordable Residential Unit(s) are rented or occupied.
 - vi. The Owner shall ensure that the Additional Residential Unit complies with municipal bylaws and provincial law.
8. Insurance: Fire and liability insurance shall be maintained by the Owner at all material times indicating the City as a mortgagee and loss payee with minimum coverage representing guaranteed replacement cost or full replacement value of the subject property and shall be produced to the City annually. The Owner acknowledges that any non-payment, default, cancellation, or reduction below the minimum amount of the insurance policy shall constitute a default under this Agreement.
9. Conditions Precedent: The provision of the Loan by the City pursuant to section 2 is subject to the following conditions precedent, each of which is for the exclusive benefit of the City and may be waived in full or in part by the City:
- a) There being no claim for lien under the *Construction Act* registered against the Property;
 - b) There being no work orders issued against the Property by any governmental entity, agency or official;
 - c) There are no City of London Building Division issued orders or deficiencies on the Property and the Owner has not received notice or warning of a bylaw contravention or been charged with a bylaw contravention;
 - d) The City of London has confirmed and inspected the approved Additional Residential Unit(s);
 - e) All property taxes must be paid to date;
 - f) The Owner not having any outstanding debts to the City;
 - g) The Owner must not have defaulted on any City loans or grants;
 - h) The Owner having been issued a Residential Rental Unit Licence for the Additional Residential Unit.

10. Representations and Warranties of the Owner: The Owner represents and warrants that they have not ever defaulted on a City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation, property taxes are paid in full and there are no City of London Orders or by-law infractions currently outstanding in relation to the Property. The Owner represents and warrants that the cumulative balance owing on all mortgages and charges (including the Loan) registered against the Property shall not exceed 90.00% of the post rehabilitation appraised value of the Property at any time prior to the end of the term of the Loan.
11. Assignment, Transfer and Postponement: In the event that the Owner transfers any interest in the Property, in whole or in part, to any person other than the Owner, the full amount of the Loan shall become immediately due and payable. Notwithstanding, the City may, at its sole discretion, consent to the assignment of the Loan to a transferee prior to a transfer being completed. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property in favour of another encumbrance.
12. Reporting: The Owner shall, on forty-eight (48) hours' notice, give the City free access to such documents, books, records and accounts as may be determined by the City, for the purpose of verifying compliance with this Agreement. The City may require the Owner to complete an information report in the form set by the City on the Affordable Residential Unit(s) demonstrating compliance with the Agreement on the timeline set by the City which shall not be less than fourteen (14) days. This provision shall continue to apply for a period of seven (7) years following the end of the term of the Loan or the early termination of this Agreement.
13. Termination: The parties acknowledge and agree that this Agreement and all obligations of the parties hereunder, excluding those which expressly survive this Agreement, shall be terminated upon either the repayment in full of the Loan, together with any and all interest or penalties accrued, if applicable, and the subsequent discharge of the charge registered against the Property or upon forgiveness of the Loan and accrued interest, and the subsequent discharge of the lien registered against the Property.
14. Default: Time shall be of the essence in this Agreement. Upon breach by the Owner of any covenant, term, condition or requirement of this Agreement, if any representation or warranty made by the Proponent in this Agreement proves to be untrue or misleading in any material respect as of the date it was made, or upon the Owner becoming insolvent or making an assignment for the benefit of creditors, the Owner shall be in default under this Agreement. Notice of such default shall be given in accordance with this Agreement and if the Owner has not remedied such default within such time, as provided in the notice, the City may direct that the full amount of the Loan together with accrued interest be immediately due and payable. Interest shall continue to accrue at a rate of 8% per annum, compounded and calculated every 30 days, from the date of the event of default until the Loan and accrued interest are repaid. The City may add the amount of the Loan to the collector's roll and collect the loan in like manner as municipal taxes.
15. Enforcing Performance of Requirements: In addition to any remedy authorized or permitted by this Agreement or by law, the City may, in the event of a default by the Owner under this Agreement, do such matter or thing at the Owner' expense to correct the default, and the City may recover the expense incurred in doing it by action, from any security posted by the Owner, or by recovery in like manner as municipal taxes.
16. Remedies No proceeding by the City and no waiver under any provision of this Agreement shall prejudice the rights of the City in respect of any subsequent default by the Owner under this Agreement. The rights of the City may be enforced by any remedy authorized or permitted by this Agreement or by law, and no such remedy shall be exclusive of or dependent on any other remedy.

17. Notice: Any notices required or permitted to be given pursuant to the terms of this Agreement shall be given in writing sent by prepaid registered post, addressed in the case of notice given by the City to the Owner at the municipal address of the Property, and in the case of notice given by the Owner, addressed to: The City Clerk, P.O. 5035, London, Ontario N6A 4L9. Notice shall conclusively be deemed to have been given seven days following the day that the same is posted.
18. Separate Covenants: All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate clause hereof. Should any provision of this Agreement be adjudged unlawful or not enforceable, it shall be considered separate and severable from the agreement and its remaining provisions as though the unlawful or unenforceable provision had never been included.
19. Entire Agreement: This Agreement (including any Schedules, Exhibits and Attachments) shall constitute the entire agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiation with respect to, the subject matter hereof.
20. Number and Gender: This Agreement shall be read with all changes to gender and number required by the context.
21. Agreement Registered on Land: The Owner acknowledges and agrees that the City shall register this Agreement upon the Land pursuant to Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13. This Agreement shall be discharged upon the expiry of the term of the Loan provided the Owner has complied with the terms and conditions of the Agreement.
22. Subsequent Owners Bound: Subject to the provisions of the *Registry Act* and the *Land Titles Act*, the covenants, agreements, conditions and understandings herein contained on the part of the Owner shall be conditions running with the Land and shall be binding upon it, its heirs, executors, administrators, successors and assigns, as the case may be, as subsequent owners and occupiers of the Land from time to time and "Owner", wherever used in this Agreement, is intended and shall be construed to include such subsequent owners and occupiers) in accordance with Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13.

IN WITNESS WHEREOF the City has executed this Agreement by its authorized officers and the Owner has hereunto set its hand and seal, or hereunto affixed its corporate seal attested by the hands of its duly authorized officers.

THE CORPORATION OF THE CITY OF LONDON
by its authorized officers:

[Name and Title]

Date:

Schedule "A"

DESCRIPTION OF THE PROPERTY

Property Address: Street Address

Legal Description: [Lot/Part Lot/33R Plan/ etc.]

Place Type: [Name of Place Type, from The London Plan]

Zoning: [Zone from Zoning By-law]

Number of "Additional Residential Units" on property: [Insert number]

1. Description of ARU for this loan: [i.e. location within building, garage, etc].

Current Property Indebtedness	Owed To	Amount
1st Mortgage:	[Lender]	[\$]
2nd Mortgage:		
Other encumbrances:		

SCHEDULE "B"
COMMITMENT LETTER

Appendix "8"

**ADDITIONAL RESIDENTIAL UNIT CONSTRUCTION GRANT LOAN AGREEMENT
(AFFORDABLE)**

This Agreement made in triplicate this xx day of xxxxx, 20xx.

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON,
hereinafter called "the City" OF THE FIRST PART;

- and –

Xxxxxxxx

hereinafter called "the Owner" OF THE SECOND PART;

WHEREAS the Owner represents that they are the registered owner of the property, known municipally as [XXX], located in the City of London, in the County of Middlesex and more particularly described in **Schedule "A"** attached hereto (the "Property");

AND WHEREAS section 28(7) of the Planning Act, R.S.O. 1990, c. P.13 authorizes a municipality to make grants or loans in conformity with a community improvement plan to registered owners within a community improvement project area;

AND WHEREAS the City has established the Additional Residential Unit Construction Grant Program (Affordable Rent) within the Affordable Housing Community Improvement Plan to improve low rental vacancy rates in London by encouraging the creation of more long-term, stable rental housing supply;

AND WHEREAS the Owner has applied for a financial loan from the City pursuant to the terms of the City's Additional Residential Unit Construction Grant Program (Affordable Rent) and the City has provisionally accepted the Owner's application pursuant to the City's Commitment Letter dated [xxxx] as contained in **Schedule "B"** attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the parties hereto covenant and agree each with the other to comply with, keep, perform and be bound by each and every term, condition and covenant herein set out to the extent that the same are expressed to be respectively binding upon them, and the same shall ensure to the benefit of and shall be binding upon their respective heirs, executors, administrators, successors and assigns.

1. Definitions: The words and phrases defined in this section shall, for all purposes of this Agreement and of any subsequent agreement supplemental hereto, have ascribed to them the meanings herein specified unless the context expressly or by necessary implication otherwise requires:

“Additional Residential Unit” is a dwelling unit ancillary and subordinate to a primary dwelling unit, in which food preparation, eating, living, sleeping and sanitary facilities are provided for the exclusive use of the occupants thereof.

“Agreement” means this Additional Residential Unit Construction Grant Loan Agreement (Affordable Rent) entered into between the City and the Owner;

“Average Market Rent” or **“AMR”** means the most current average monthly market rent for a rental housing unit, by unit type, published by CMHC for the London Census Metropolitan Area.

“CMHC” means the Canada Mortgage and Housing Corporation;

“Commitment Letter” is the document prepared by the City attached hereto as **Schedule “B”**;

“Dwelling Unit” means a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping and sanitary facilities;

“effective date” means the date this Agreement is signed by the City.

“Short-Term Accommodation” means a Short-Term Accommodation as defined by the City of London’s Business Licensing bylaw.

2. Loan Amount: The City shall loan the Owner the total amount of [XXXX] (the “Loan”) by way of a single lump-sum payment to be advanced subsequent to the Owner’s construction of the Additional Residential Unit, in accordance with the scope of work described in the Commitment Letter. The provision of the Loan is subject to conditions precedent set out in section 9.
3. Term of Loan: The Loan shall have a term of ten (10) years commencing on the effective date of the Agreement. For clarity, this Agreement shall also have a term of ten (10) years commencing as of the effective date of the Agreement.
4. Forgiveness of Loan: On the last day of the month at the end of the term of the Loan, the Loan and accrued interest shall be forgiven provided the Owner has complied with all terms and conditions of this Agreement.
5. Interest: Interest shall accrue on the principal amount of the Loan at a rate of 8% per annum, compounded and calculated every 30 days, commencing from the effective date of the Agreement.
6. Lien Registered on Property: The Owner acknowledges and agrees that the City shall register a certificate signed by the Clerk of the City setting out the amount loaned to the Owner and the applicable interest rate on the Loan on the Property. The Loan shall constitute a lien or charge on the Property. The registered certificate shall be discharged from the Property upon forgiveness of the Loan or upon repayment of the Loan and accrued interest in accordance with this Agreement.
7. Additional Residential Unit: In consideration for the Loan, the Owner shall construct and maintain a new Additional Residential Unit on the Property in accordance with

the terms of this Agreement, including the scope of work contained in the Commitment Letter. The Owner shall comply with the following requirements during the term of the Loan:

- i. The Property shall be owner-occupied as the primary residence of the Owner until the termination of this Agreement. The Owner shall confirm that they occupy the primary residence every year.
 - ii. The Additional Residential Unit must maintain a valid Residential Rental Unit Licence, which must be renewed with the City every year.
 - iii. The Additional Residential Unit on the Property shall not be operated as a Short-Term Accommodation at any time during the term of the Loan.
 - iv. All tenants occupying an Additional Residential Unit on the Property shall be required to enter into a formal residential lease agreement with the Owner, with a minimum term of thirty-one (31) days.
 - v. The Owner shall rent the Additional Residential Unit on the Property at no more than 100% Average Market Rent during the term of the Loan.
 - vi. The Owner shall use commercially reasonable efforts to ensure the Affordable Residential Unit is rented.
 - vii. The Owner shall ensure that the Additional Residential Unit complies with municipal bylaws and provincial law.
8. Insurance: Fire and liability insurance shall be maintained by the Owner at all material times indicating the City as a mortgagee and loss payee with minimum coverage representing guaranteed replacement cost or full replacement value of the subject property and shall be produced to the City annually. The Owner acknowledges that any non-payment, default, cancellation, or reduction below the minimum amount of the insurance policy shall constitute a default under this Agreement.
9. Conditions Precedent: The provision of the Loan by the City pursuant to section 2 is subject to the following conditions precedent, each of which is for the exclusive benefit of the City and may be waived in full or in part by the City:
- i. There being no claim for lien under the *Construction Act* registered against the Property;
 - ii. There being no work orders issued against the Property by any governmental entity, agency or official;
 - iii. There are no City of London Building Division issued orders or deficiencies on the Property and the Owner has not received notice or warning of a bylaw contravention or been charged with a bylaw contravention;
 - iv. The City of London has confirmed the construction of and inspected the approved Additional Residential Unit;
 - v. All property taxes must be paid to date;
 - vi. The Owner not having any outstanding debts to the City;
 - vii. The Owner must not have defaulted on any City loans or grants.
 - viii. The Owner shall ensure they have applied for and been issued a Residential Rental Unit Licence for the Additional Residential Unit.
10. Representations and Warranties of the Owner: The Owner represents and warrants that they have not ever defaulted on a City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation, property taxes are paid in full and there are no City of London Orders or by-law infractions currently outstanding in relation to the Property. The Owner represents and warrants that the cumulative balance owing on all mortgages and charges (including the Loan) registered against the Property shall not exceed 90.00% of the post rehabilitation appraised value of the Property at any time prior to the end of the term of the Loan.
11. Assignment, Transfer and Postponement: In the event that the Owner transfers any interest in the Property, in whole or in part, to any person other than the Owner, the full amount of the Loan shall become immediately due and payable. Notwithstanding, the City may, at its sole discretion, consent to the assignment of the Loan to a transferee prior to a transfer being completed. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property

in favour of another encumbrance.

12. Reporting: Each year following the date of the distribution of the Loan, the Owner shall provide an annual information report in the form required by the City identifying the unit type, rent, tenant names and move-in date for the Affordable Rental Housing Unit; the current annual report form is attached as Schedule "C" to the Agreement. The annual information report will be filled out by the Owner and the Owner shall declare that the information provided to the City is true to the best of their knowledge and that no information has been withheld or omitted.
13. Inspecting Records: The Owner shall, on forty-eight (48) hours' notice, give the City free access to such documents, books, records and accounts as may be determined by the City, for the purpose of verifying compliance with this Agreement. This provision shall continue to apply for a period of seven (7) years following the end of the term of the Loan or the early termination of this Agreement.
14. Termination: The parties acknowledge and agree that this Agreement and all obligations of the parties hereunder, excluding those which expressly survive this Agreement, shall be terminated upon either the repayment in full of the Loan, together with any and all interest or penalties accrued, if applicable, and the subsequent discharge of the lien registered against the Property or upon forgiveness of the Loan and accrued interest, and the subsequent discharge of the lien registered against the Property.
15. Default: Time shall be of the essence in this Agreement. Upon breach by the Owner of any covenant, term, condition or requirement of this Agreement, if any representation or warranty made by the Proponent in this Agreement proves to be untrue or misleading in any material respect as of the date it was made, or upon the Owner becoming insolvent or making an assignment for the benefit of creditors, the Owner shall be in default under this Agreement. Notice of such default shall be given in accordance with this Agreement and if the Owner has not remedied such default within such time, as provided in the notice, the City may direct that the full amount of the Loan together with accrued interest be immediately due and payable. Interest shall continue to accrue at a rate of 8% per annum, compounded and calculated every 30 days, from the date of the event of default until the Loan and accrued interest are repaid. The City may add the amount of the Loan and accrued interest to the collector's roll and collect the Loan in like manner as municipal taxes..
16. Enforcing Performance of Requirements: In addition to any remedy authorized or permitted by this Agreement or by law, the City may, in the event of a default by the Owner under this Agreement, do such matter or thing at the Owner' expense to correct the default, and the City may recover the expense incurred in doing it by action, from any security posted by the Owner, or by recovery in like manner as municipal taxes.
17. Remedies No proceeding by the City and no waiver under any provision of this Agreement shall prejudice the rights of the City in respect of any subsequent default by the Owner under this Agreement. The rights of the City may be enforced by any remedy authorized or permitted by this Agreement or by law, and no such remedy shall be exclusive of or dependent on any other remedy.
18. Notice: Any notices required or permitted to be given pursuant to the terms of this Agreement shall be given in writing sent by prepaid registered post, addressed in the case of notice given by the City to the Owner at the municipal address of the Property, and in the case of notice given by the Owner, addressed to: The City Clerk, P.O. Box 5035, 300 Dufferin Avenue, London, Ontario N6A 4L9. Notice shall conclusively be deemed to have been given seven days following the day that the same is posted.
19. Separate Covenants: All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate clause hereof. Should any provision

of this Agreement be adjudged unlawful or not enforceable, it shall be considered separate and severable from the agreement and its remaining provisions as though the unlawful or unenforceable provision had never been included.

20. Entire Agreement: This Agreement (including any Schedules, Exhibits and Attachments) shall constitute the entire agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiation with respect to, the subject matter hereof.
21. Number and Gender: This Agreement shall be read with all changes to gender and number required by the context.
22. Agreement Registered on Land: The Owner acknowledges and agrees that the City shall register this Agreement upon the Land pursuant to Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13. This Agreement shall be discharged upon the expiry of the term of the Loan provided the Owner has complied with the terms and conditions of the Agreement.
23. Subsequent Owners Bound: Subject to the provisions of the *Registry Act* and the *Land Titles Act*, the covenants, agreements, conditions and understandings herein contained on the part of the Owner shall be conditions running with the Land and shall be binding upon it, its heirs, executors, administrators, successors and assigns, as the case may be, as subsequent owners and occupiers of the Land from time to time and "Owner", wherever used in this Agreement, is intended and shall be construed to include such subsequent owners and occupiers) in accordance with Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13.

IN WITNESS WHEREOF the City has executed this Agreement by its authorized officers and the Owner has hereunto set its hand and seal, or hereunto affixed its corporate seal attested by the hands of its duly authorized officers.

THE CORPORATION OF THE CITY OF LONDON
by its authorized officers:

[Name and Title]

Date:

SCHEDULE "A"

DESCRIPTION OF THE PROPERTY

Property Address: [Street Address]
Legal Description: [Lot/Part Lot/33R Plan/ etc.]
Place Type: [Name of Place Type, from The London Plan]
Zoning: [Zone from Zoning By-law]

Number of "Additional Residential Units" on property: [Insert number]

1. Description of ARU for this loan: [i.e. location within building, garage, etc].

Current Property Indebtedness	Owed To	Amount
1st Mortgage:	[Lender]	[\$]
2nd Mortgage:		
Other encumbrances:		

SCHEDULE "B"
COMMITMENT LETTER

SCHEDULE “C”

ARU ANNUAL RENT REPORTING FORM¹

A. Project and Property Information

Reporting Period	
Form Submission Date	
Loan Agreement Date	
Property & ARU Address	
Number of Bedrooms	
Property Owner Name(s)	
Property Owner(s) Contact Info (Phone and Email)	

B. ARU Tenant and Rental Information

Tenant Name(s)	
Actual Monthly Rent (excluding utilities) (CAD \$)	
CMHC Average Market Rent (CAD \$)²	
Tenant(s) Move-In Date	
Tenant(s) Annual Gross Household Income (CAD \$)³	

Notes:

1. This form is to be completed by one property owner and signed by all applicable property owners.
2. Per the Agreement, the rent charged to a tenant must be a maximum of 100% Canada Mortgage and Housing Corporation (CMHC) average market rent. To determine this maximum, please review the CMHC Housing Market Information Portal website annually to determine the latest “Average Rent” for London by dwelling type, including the number of bedrooms. ARUs are dwellings under the Secondary Rental Market – accessory suite category. However, if info is not available under this category, please use London average rent statistics under the “Primary Rental Market” category considering the number of bedrooms. The website is currently available at: <https://www03.cmhc-schl.gc.ca/hmip-pimh/en#TableMapChart/1/1/Canada>
3. The City of London requires this information to assist with its program monitoring and reporting obligations.
4. The property owner/landlord is responsible for completing their due diligence when selecting tenants and ensuring said tenant(s) has/have the capacity to meet their rental obligations. In addition to complying with the provisions of the Loan Agreement, the landlord is also subject to the *Residential Tenancies Act*, which may be amended from time to time.

Solemn Declaration:

I declare that all the information on this form is true to the best of my knowledge and that no information has been withheld or omitted. I make this declaration knowing that it is of the same force and effect as if made under oath by virtue of the *Canada Evidence Act*.

Property Owner(s):

Signature:

Date:

Signature:

Date:

Appendix “9”

**ADDITIONAL RESIDENTIAL UNIT CONSTRUCTION GRANT LOAN AGREEMENT
(INDIGENOUS)**

This Agreement made in triplicate this xx day of xxxxx, 20xx.

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON.
hereinafter called "the City" OF THE FIRST PART;

- and –

Xxxxxxxx

hereinafter called "the Owner" OF THE SECOND PART;

WHEREAS the Owner represents that they are the registered owner of the property, known municipally as [XXXX], located in the City of London, in the County of Middlesex and more particularly described in **Schedule "A"** attached hereto (the "Property");

AND WHEREAS section 28(7) of the Planning Act , R.S.O. 1990, c. P.13 authorizes a municipality to make grants or loans in conformity with a community improvement plan to registered owners within a community improvement project area;

AND WHEREAS the City has established the Additional Residential Unit Construction Grant Program (Indigenous) within the Affordable Housing Community Improvement Plan to improve low rental vacancy rates in London by encouraging the creation of more long-term, stable rental housing supply;

AND WHEREAS the Owner has applied for a financial loan from the City pursuant to the terms of the City's Additional Residential Unit Construction Grant Program (Indigenous) and the City has provisionally accepted the Owner's application pursuant to the City's Commitment Letter dated [insert date] as contained in the **Schedule "B"** attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the parties hereto covenant and agree each with the other to comply with, keep, perform and be bound by each and every term, condition and covenant herein set out to the extent that the same are expressed to be respectively binding upon them, and the same shall ensure to the benefit of and shall be binding upon their respective heirs, executors, administrators, successors and assigns.

1. **Definitions:** The words and phrases defined in this section shall, for all purposes of this Agreement and of any subsequent agreement supplemental hereto, have ascribed to them the meanings herein specified unless the context expressly or by necessary implication otherwise requires:
“Additional Residential Unit” is a dwelling unit ancillary and subordinate to a primary dwelling unit, in which food preparation, eating, living, sleeping and sanitary facilities are provided for the exclusive use of the occupants thereof.
“Agreement” means this Additional Residential Unit Construction Grant Loan Agreement (Indigenous) entered into between the City and the Owner;
“Commitment Letter” is the document prepared by the City attached hereto as **Schedule “B”**.
“Dwelling Unit” means a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping and sanitary facilities.
“effective date” means the date this Agreement is signed by the City.
“Short-Term Accommodation” means a Short-Term Accommodation as defined by the City of London’s Business Licensing bylaw.
2. **Loan Amount:** The City shall loan the Owner the total amount of [\$XXXX] (the “Loan”) by way of a single lump-sum payment to be advanced subsequent to the Owner’s construction of the Additional Residential Unit, in accordance with the scope of work described in the Commitment Letter. The provision of the Loan is subject to conditions precedent set out in section 9.
3. **Term of Loan:** The Loan shall have a term of ten (10) years, commencing on the effective date of the Agreement. For clarity, this Agreement shall also have a term of ten (10) years commencing as of the effective date of the Agreement.
4. **Forgiveness of Loan:** On the last day of the month at the end of the term of the Loan, the Loan and accrued interest shall be forgiven provided the Owner has complied with all terms and conditions of this Agreement.
5. **Interest:** Interest shall accrue on the principal amount of the Loan at a rate of 8% per annum, compounded and calculated every 30 days, commencing upon the effective date of the Agreement.
6. **Lien Registered on Property:** The Owner acknowledges and agrees that the City shall register a certificate signed by the Clerk of the City setting out the amount of the Loan and the applicable interest rate on the Property. The Loan shall constitute a lien or charge on the Property. The registered certificate shall be discharged from the Property upon forgiveness of the Loan or upon repayment of the Loan and accrued interest in accordance with this Agreement.
7. **Additional Residential Unit:** In consideration for the Loan, the Owner shall construct and maintain the new Additional Residential Unit on the Property in accordance with the terms of this Agreement, including the scope of work contained in the Commitment Letter. The Owner shall comply with the following requirements during the term of the Loan:
 - i. The Additional Residential Unit must maintain a valid Residential Rental Unit License, which must be renewed with the City every year.
 - ii. The Additional Residential Unit on the Property shall not be operated as a Short-Term Accommodation at any time during the term of the Loan.
 - iii. All tenants occupying an Additional Residential Unit on the Property shall be required to enter into a formal residential lease agreement with the Owner, with a minimum term of thirty-one (31) days.
 - iv. The Owner shall use commercially reasonable efforts to ensure the Affordable Residential Unit is rented or occupied.
 - v. The Owner shall ensure that the Additional Residential Unit complies with municipal bylaws and provincial law.

8. Insurance: Fire and liability insurance shall be maintained by the Owner at all material times indicating the City as a mortgagee and loss payee with minimum coverage representing guaranteed replacement cost or full replacement value of the subject property and shall be produced to the City annually. The Owner acknowledges that any non-payment, default, cancellation, or reduction below the minimum amount of the insurance policy shall constitute a default under this Agreement.
9. Conditions Precedent: The provision of the Loan by the City pursuant to section 2 is subject to the following conditions precedent, each of which is for the exclusive benefit of the City and may be waived in full or in part by the City:
 - i. There being no claim for lien under the *Construction Act* registered against the Property;
 - ii. There being no work orders issued against the Property by any governmental entity, agency or official;
 - iii. There are no City of London Building Division issued orders or deficiencies on the Property and the Owner has not received notice or warning of a bylaw contravention or been charged with a bylaw contravention;
 - iv. The City of London has confirmed and inspected the approved Additional Residential Unit(s);
 - v. All property taxes must be paid to date;
 - vi. The Owner not having any outstanding debts to the City;
 - vii. The Owner must not have defaulted on any City loans or grants;
 - viii. The Owner shall ensure they have applied for and been issued a Residential Rental Unit Licence for the Additional Residential Unit.
10. Representations and Warranties of the Owner: The Owner represents and warrants that they have not ever defaulted on a City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation, property taxes are paid in full and there are no City of London Orders or by-law infractions currently outstanding in relation to the Property. The Owner represents and warrants that the cumulative balance owing on all mortgages and charges (including the Loan) registered against the Property shall not exceed 90.00% of the post rehabilitation appraised value of the Property at any time prior to the full repayment of the Loan. The Owner represents and warrants they are an Indigenous person according to the following definition: Indigenous Peoples are people who are First Nations, Inuit or Métis.
11. Assignment, Transfer and Postponement: In the event that the Owner transfers any interest in the Property, in whole or in part, to any person other than the Owner, the full amount of the Loan shall become immediately due and payable. Notwithstanding, the City may, at its sole discretion, consent to the assignment of the Loan to a transferee prior to a transfer being completed. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property in favour of another encumbrance.
12. Reporting: The Owner shall, on forty-eight (48) hours' notice, give the City free access to such documents, books, records and accounts as may be determined by the City, for the purpose of verifying compliance with this Agreement. The City may require the Owner to complete an information report in the form set by the City on the Affordable Residential Unit demonstrating compliance with the Agreement on the timeline set by the City which shall not be less than fourteen (14) days. This provision shall continue to apply for a period of seven (7) years following the end of the term of the Loan or the early termination of this Agreement.
13. Termination: The parties acknowledge and agree that this Agreement and all obligations of the parties hereunder, excluding those which expressly survive this Agreement, shall be terminated upon either the repayment in full of the Loan, together with any and all interest or penalties accrued, if applicable, and the subsequent discharge of the lien registered against the Property or upon forgiveness of the Loan and accrued interest, and the subsequent discharge of the lien registered against the Property.

14. Default: Time shall be of the essence in this Agreement. Upon breach by the Owner of any covenant, term, condition or requirement of this Agreement, if any representation or warranty made by the Proponent in this Agreement proves to be untrue or misleading in any material respect as of the date it was made, or upon the Owner becoming insolvent or making an assignment for the benefit of creditors, the Owner shall be in default under this Agreement. Notice of such default shall be given in accordance with this Agreement and if the Owner has not remedied such default within such time, as provided in the notice, the City may direct that the full amount of the Loan together with interest be immediately due and payable. Interest shall continue to accrue at a rate of 8% per annum, compounded and calculated every 30 days, from the date of the event of default until the Loan and accrued interest are repaid. The City may add the amount of the Loan to the collector's roll and collect the Loan in like manner as municipal taxes over a period fixed by the City. The City may add the amount of the Loan and accrued interest to the collector's roll and collect the Loan in like manner as municipal taxes.
15. Enforcing Performance of Requirements: In addition to any remedy authorized or permitted by this Agreement or by law, the City may, in the event of a default by the Owner under this Agreement, do such matter or thing at the Owner' expense to correct the default, and the City may recover the expense incurred in doing it by action, from any security posted by the Owner, or by recovery in like manner as municipal taxes.
16. Remedies No proceeding by the City and no waiver under any provision of this Agreement shall prejudice the rights of the City in respect of any subsequent default by the Owner under this Agreement. The rights of the City may be enforced by any remedy authorized or permitted by this Agreement or by law, and no such remedy shall be exclusive of or dependent on any other remedy.
17. Notice: Any notices required or permitted to be given pursuant to the terms of this Agreement shall be given in writing sent by prepaid registered post, addressed in the case of notice given by the City to the Owner at the municipal address of the Property, and in the case of notice given by the Owner, addressed to: The City Clerk, P.O. Box 5035, 300 Dufferin Avenue, London, Ontario N6A 4L9. Notice shall conclusively be deemed to have been given seven days following the day that the same is posted.
18. Separate Covenants: All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate clause hereof. Should any provision of this Agreement be adjudged unlawful or not enforceable, it shall be considered separate and severable from the agreement and its remaining provisions as though the unlawful or unenforceable provision had never been included.
19. Entire Agreement: This Agreement (including any Schedules, Exhibits and Attachments) shall constitute the entire agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiation with respect to, the subject matter hereof.
20. Number and Gender: This Agreement shall be read with all changes to gender and number required by the context
21. Agreement Registered on Land: The Owner acknowledges and agrees that the City shall register this Agreement upon the Land pursuant to Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13. This Agreement shall be discharged upon the expiry of the term of the Loan provided the Owner has complied with the terms and conditions of the Agreement.
22. Subsequent Owners Bound: Subject to the provisions of the *Registry Act* and the *Land Titles Act*, the covenants, agreements, conditions and understandings herein contained on the part of the Owner shall be conditions running with the Land and shall be binding upon it, its heirs, executors, administrators, successors and assigns, as the case may be, as subsequent owners and occupiers of the Land from time to time and

"Owner", wherever used in this Agreement, is intended and shall be construed to include such subsequent owners and occupiers) in accordance with Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13.

IN WITNESS WHEREOF the City has executed this Agreement by its authorized officers and the Owner has hereunto set its hand and seal, or hereunto affixed its corporate seal attested by the hands of its duly authorized officers.

THE CORPORATION OF THE CITY OF LONDON

by its authorized officers:

[Name and Title]

Date:

Schedule "A"

DESCRIPTION OF THE PROPERTY

Property Address: Street Address
Legal Description: [Lot/Part Lot/33R Plan/ etc.]
Place Type: [Name of Place Type, from The London Plan]
Zoning: [Zone from Zoning By-law]

Number of "Additional Residential Units" on property: [Insert number]

1. Description of ARU for this loan: [i.e. location within building, garage, etc].

Current Property Indebtedness	Owed To	Amount
1st Mortgage:	[Lender]	[\$]
2nd Mortgage:		
Other encumbrances:		

SCHEDULE "B"
COMMITMENT LETTER



March 31, 2026

Michael Schulthess, City Clerk
City Clerk's Office
The Corporation of the City of London
300 Dufferin Avenue, 4th Floor
London, Ontario N6A 4L9

VIA EMAIL COMMUNICATION

RE: Request for Delegation Status

Dear Mr. Schulthess,

We hereby request delegation status to appear in front of the Strategic Priorities and Policy Committee of The Corporation of the City of London (the "Shareholder"), the sole shareholder of London Hydro Inc. ("London Hydro"), at its meeting on May 28, 2026. London Hydro requests delegation status for the purpose of its Annual General Meeting, including a presentation on behalf of the Board of Directors of London Hydro and the consideration and passing of annual resolutions by the Shareholder.

We kindly ask that you include this request on the agenda of the Strategic Priorities and Policy Committee for consideration at its next meeting.

Please do not hesitate to contact me if you have any questions or concerns about the above request.

Yours truly,

A handwritten signature in black ink that reads "Tania Goodine". The signature is fluid and cursive.

Tania Goodine
Chair, Board of Directors
London Hydro Inc.

CC: SPPC Committee: The Corporation of the City of London

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

Subject: 2027 Annual Budget Update

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, this report providing an overview of the 2027 Annual Budget Update **BE RECEIVED** for information.

Linkage to the Corporate Strategic Plan

Council's 2023-2027 Strategic Plan for the City of London identifies 'Well-Run City' as a strategic area of focus. The City of London's Multi-Year Budget (MYB) process is specifically listed as a strategy under this strategic area of focus: 'Develop and monitor the Multi-Year Budget to align financial resources with Council's Strategic Plan.' The implementation of a MYB signifies that the City is looking beyond a short-term focus when planning its finances. This results in improved accountability and transparency over spending changes and helps the City maintain positive operating results, stable debt levels, and strong liquidity, reflected in the continued affirmation of the City's Aaa credit rating (49 consecutive years).

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

2024-2027 Multi-Year Budget: <https://london.ca/government/property-taxes-finance/municipal-budget/multi-year-budget>

2026 Annual Budget Update: <https://london.ca/government/property-taxes-finance/municipal-budget/annual-budget-update>

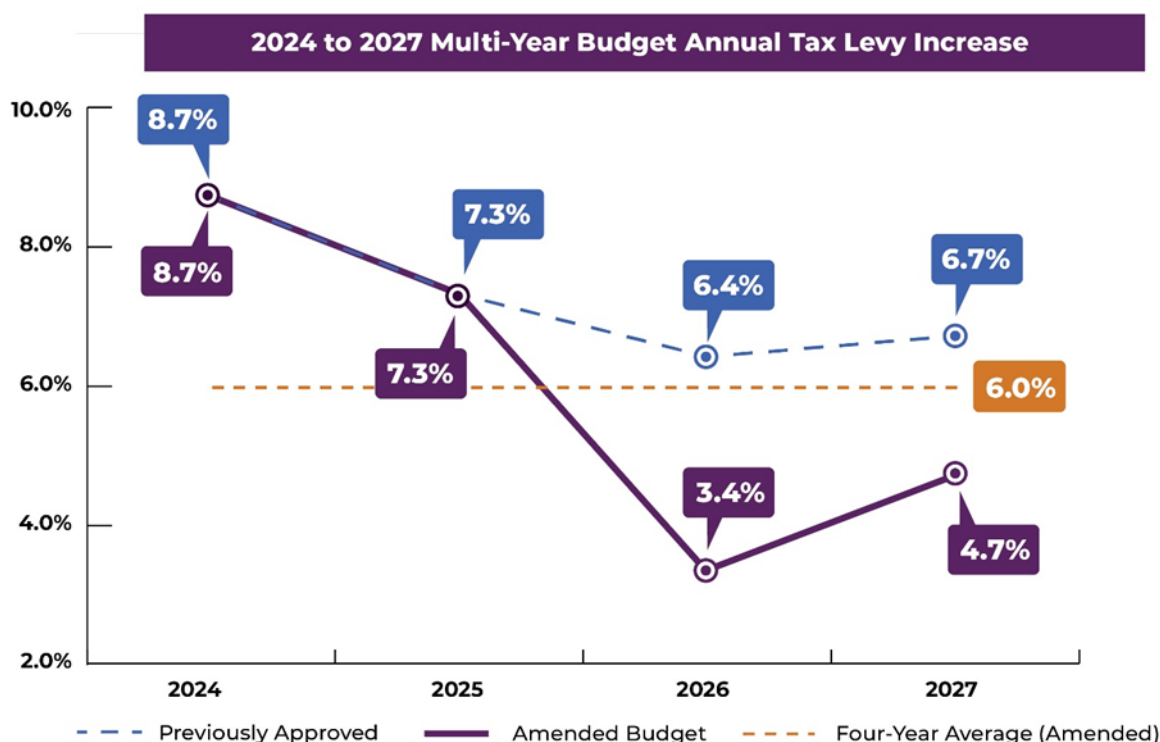
1.2 Strong Mayor Legislation – Impact on the Budget Process

The "Strong Mayor" legislation introduced by the Province of Ontario in 2022 and extended to London in 2023 continues to apply to the 2027 Annual Budget Update process. Please refer to **Appendix A** for a summary of the "Strong Mayor" impact on the municipal budget process.

1.3 Budget Recap After Completion of 2026 Annual Budget Update

At the outset of the 2027 Annual Budget Update process, the anticipated tax levy increase for 2027 is 4.7% as outlined in Figure 1:

Figure 1: 2024-2027 Tax Levy Increases after 2026 Annual Budget Update



2.0 Discussion and Considerations

2.1 2027 Annual Budget Update Process

Consistent with the Council-approved [Multi-Year Budget Policy](#), any 2027 budget matters will be supported by a business case and should be limited to the following:

- New or Changed Regulation – A new or changed legislation or regulation with a financial impact to the municipality;
- New Council Direction – A new Council direction that has transpired after the approval of the Multi-Year Budget; or
- Cost or Revenue Driver – A budget adjustment required as a result of unanticipated changes since the approval of the Multi-Year Budget.

Civic Administration continues to implement the service review program that has successfully achieved incremental annual budgetary savings of \$66 million since 2016. Any identified opportunities for budget right-sizing will be consolidated in a business case in the 2027 Budget Update, consistent with previous budget processes.

For any matters that Council wishes to receive business cases for in the 2027 Budget Update, direction should be provided through the appropriate standing committee to direct Civic Administration to prepare the associated business case. This direction should be provided by July at the latest to allow sufficient time for preparation of the business case. As noted above, any business cases for the 2027 Budget Update should be limited to time-sensitive adjustments to the 2027 budgetary plan previously endorsed through the 2024-2027 Multi-Year Budget. Longer-term strategic investments should be considered through the development of the 2027-2031 Strategic Plan and subsequent 2028-2031 Multi-Year Budget (see section 2.4).

2.2 Proposed Timelines and Key Dates for the 2027 Annual Budget Update

The municipal election to be held on October 26, 2026 will impact the usual timing of the Annual Budget Update process that is generally initiated in autumn and concluded in December in non-election years. With the inaugural council meeting scheduled for November 17, 2026, it becomes problematic to fulfill the statutory “Strong Mayor” budget timelines (Appendix A) prior to the holidays in December. As a result, the 2027 Budget Update will be released, and the budget process initiated, in January 2027.

The following table outlines preliminary key dates in the process, noting that these dates are subject to the finalization of the 2027 Committee and Council Calendar:

What	When
Release of the Mayor's Proposed 2027 Budget Update	January 19 th
Budget Release Presentation by Civic Administration and Mayor at Budget Committee	January 20 th
Public Engagement Period (budget information sessions, opportunity for Councillor ward meetings as requested, etc.)	January 21 st to February 7 th
Public Participation Meeting at Budget Committee	February 8 th
Budget Committee Deliberations	February 11 th & February 12 th (if needed)
Special Council Meeting for Approval of Budget Committee Amendments to the Mayor's Proposed Budget	February 18 th
Mayor to Provide Intentions with Respect to Mayoral Veto of Council Amendments	February 24 th
Council Approval of Overrides of Mayoral Vetoes (if required) *	March 11 th

* NOTE: In the event of mayoral veto(es), a special Budget Committee meeting would need to be convened to consider potential council overrides of the veto(es), the outcome of which would formally be approved at the March 11th Council meeting.

Budget development timelines for the 2027 Budget Update are expected to be consistent with previous years – with draft budget submissions due in mid-to-late August – so that a draft budget is ready to review with the Mayor of the new Council term in November. Specific timelines and requirements will be outlined to civic service areas and agencies, boards and commissions in the internal budget guidelines to be released in late May.

2.3 Public Engagement Approach

Civic Administration cannot launch the formal public engagement program until the 2027 Budget Update is released and the various budget decision points are public. The formal public engagement plan for the 2027 Budget Update is anticipated to include:

- Public participation meeting;
- Online survey on budget business case preferences using the Get Involved platform;
- Virtual and in-person information sessions;
- Support for Councillor ward meetings/townhalls (as requested);
- Attendance at community group events (as requested);
- Attendance at advisory committee meetings (as requested);
- Digital and print advertising in local media;
- Extensive use of social media;
- Continued use of Property Tax Breakdown Calculator tool;
- Budget materials available online and at all library branches;
- Availability of the Budget team by phone and e-mail.

Consistent with Civic Administration's continuous improvement lens on public engagement for the budget, opportunities to enhance existing channels while also engaging with groups who have historically not participated in the municipal budget process will be considered.

2.4 Looking Ahead: 2028-2031 Multi-Year Budget

The 2027 Budget Update will be followed almost immediately by the 2028-2031 Multi-Year Budget process. After inauguration, the new Council will be actively working on development of the 2027-2031 Strategic Plan. This process establishes the strategic direction for the term of Council and is an important input into the 2028-2031 Multi-Year Budget process. The Strategic Plan is expected to be completed by April 2027 and

development of the 2028-2031 Multi-Year Budget will commence immediately thereafter. It is anticipated that the 2028-2031 Multi-Year Budget will be released in late 2027 or early 2028. As this will be the first Multi-Year Budget process initiated under the Strong Mayor legislation (noting that this legislation came into effect when 2024-2027 Multi-Year Budget development was already well underway), Civic Administration will be reviewing the process to ensure ample opportunity for public engagement within the time limitations imposed by the legislation. Specifics will be finalized in the months ahead and further details provided in a future report.

Conclusion

This report outlines the process and anticipated timelines for the 2027 budget process, as well as the anticipated public engagement approach. The high-level timelines for the subsequent 2028-2031 Multi-Year Budget are also discussed, which will be further refined and elaborated on in a future report to committee.

Submitted by: **Kyle Murray, CPA, CA**
Director, Financial Planning & Business Support

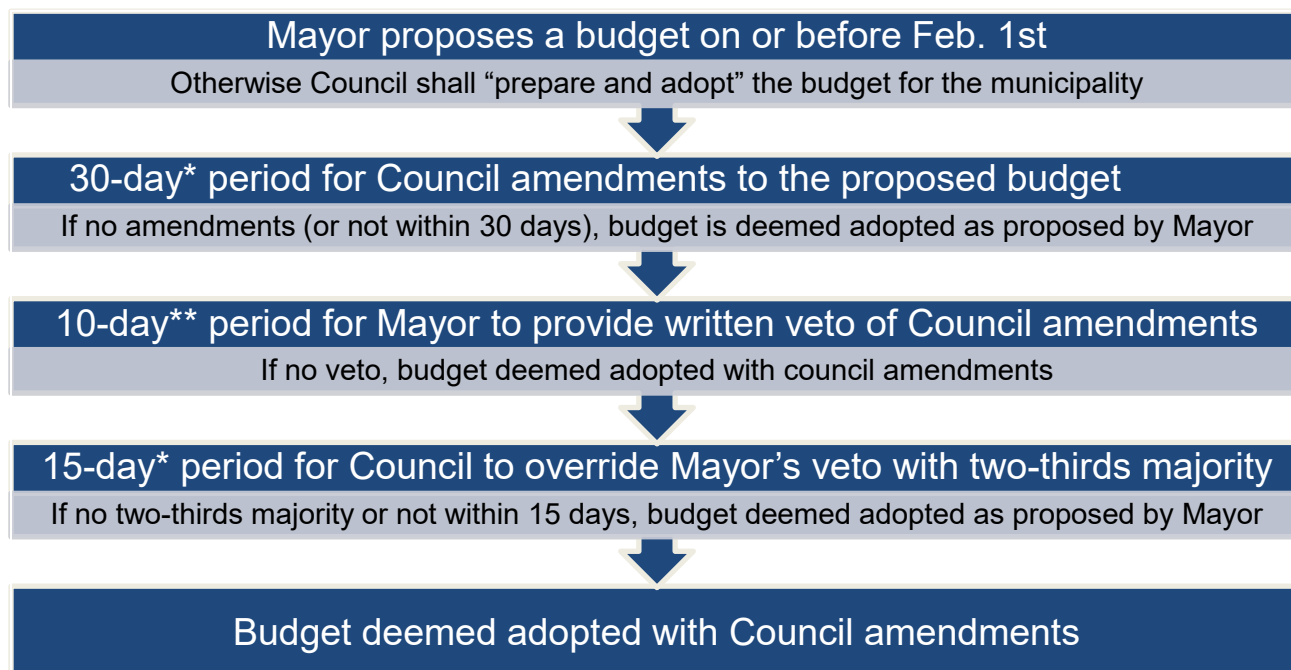
Recommended by: **Anna Lisa Barbon, CPA, CGA**
Deputy City Manager, Finance Supports

APPENDIX A: Strong Mayor’s Budget Process

O. Reg. 530/22 outlines prescriptive timelines and requirements for the passing of a budget. Under O. Reg. 530/22, the proposed budget must be prepared, presented to council and made public by the Mayor before February 1st each year. O. Reg. 530/22 further outlines the following timelines for the budget process:

- Within 30 days after receiving the proposed budget from the head of council, the council may pass a resolution making an amendment to the proposed budget (noting that the council may pass a resolution to shorten the 30-day period);
- If a council does not pass a resolution to amend the budget within the prescribed time period, the proposed budget shall be deemed to be adopted by the municipality;
- Within 10 days after the expiry of the time period for council to pass a resolution to amend the proposed budget, the head of council may veto a resolution passed by council (noting that the head of council may, in writing, shorten the 10-day period);
- If the head of council does not veto a resolution to amend the budget, the proposed budget shall be deemed to be adopted by the municipality with the council amendment;
- Within 15 days after the expiry of the time period for the head of council to veto a resolution to amend the budget, council may override the head of council’s veto if two-thirds of the members of council vote to override the veto (noting that the council may pass a resolution to shorten the 15-day period);
- If council overrides the veto, the veto does not apply and the proposed budget is deemed to be adopted by the municipality with the council amendment.

This process can be summarized in the following graphic:



* Council may pass resolution to shorten this time period

** Mayor may provide written document to shorten this time period.



April 7, 2026

Michael Schulthess, City Clerk
City Clerk's Office
The Corporation of the City of London
300 Dufferin Avenue, 4th Floor
London, Ontario N6A 4L9

VIA EMAIL COMMUNICATION

RE: Request for Delegation Status

Dear Mr. Schulthess,

We are writing this second delegation request related to the revival of London Hydro Holdings Inc. ("NewCo"). London City Council authorized the application for revival of NewCo at its meeting held on December 16, 2025. We are pleased to report that we have assisted City Administration with the filing of an application to seek revival of London Hydro Holdings Inc. by Private Member's Bill with the legislature of Ontario. Public Notice will be provided regarding the application, and we anticipate the Bill being considered in June of 2026.

Assuming the legislation is successfully passed, then London Hydro Holdings Inc. will be revived to its status prior to its voluntary dissolution in 2002. The Corporation of the City of London will be the sole shareholder and a Board of Directors will need to be constituted by the City as shareholder.

In that regard, a draft Shareholder Declaration was approved by City Council at the December 16, 2025 meeting which stipulated that "*The initial Board of NewCo shall be composed of two (2) Board members from London Hydro Inc, and one (1) member our Council ("Initial Board")*".

We are writing today to put forward the names of the two Board members from London Hydro Inc. who we proposed to be appointed by the City of London in accordance with the Shareholder Declaration. We ask that the City approve of those appointments, and also appoint one additional Board member from amongst the ranks of City Council. We request that any resolution adopted by City Council authorize the Mayor and Clerk to execute all documentation necessary to implement those decisions.

We kindly ask that you include this request on the agenda of the Strategic Priorities and Policy Committee for consideration at its next meeting, and that our delegation be received on May 28, 2026 immediately following the AGM for London Hydro Inc..

Please do not hesitate to contact me if you have any questions or concerns about the above request.

Yours truly,

A handwritten signature in black ink, appearing to be "YS", written over a circular scribble.

Ysni Semsedini
Chief Executive Officer
London Hydro Inc.

CC: SPPC Committee: The Corporation of the City of London

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Kelly Scherr, P. Eng., MBA, FEC
Deputy City Manager, Environment and Infrastructure

Subject: London Transit Rapid Transit Operational Readiness Review

Date: April 21, 2026

Recommendation

That, on the Recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the review completed on the London Transit Rapid Transit Operational Readiness:

- a) the summary of finding and recommendations by Stantec Consulting on the London Transit Commission Rapid Transit Operational Readiness Review **BE RECEIVED**;
- b) the London Transit Commission **BE DIRECTED** to review the following opportunities and report back to Council on implementation, including timing, operational considerations, and resource implications no later than Q4, 2026:
 - i. with respect to *Fare Collection and Boarding Practices*, develop an expanded fare retail network and an implementation plan for all-door boarding for the Rapid Transit network;
 - ii. with respect to *Rapid Transit Vehicles*, undertake discussions with New Flyer Industries Canada ULC regarding potential vehicle specification enhancements to support Rapid Transit operations, including feasibility, costs, and implementation timelines;
 - iii. with respect to *Rapid Transit Identity and Customer Comprehension*, develop a Rapid Transit brand and identity, and associated communications and public awareness programs, to support the launch of the Rapid Transit system; and
 - iv. with respect to *Rapid Transit Stations*, review and implement remaining station enhancements to support safe, accessible, and efficient Rapid Transit operations.

Executive Summary

London's Rapid Transit (RT) program represents a significant investment in dedicated transit infrastructure intended to deliver more reliable, and more frequent transit service along key corridors in the city. While the infrastructure provides the physical foundation for this service, the operational practices used to deliver RT service will play an equally important role in determining whether the system achieves its intended performance and customer experience outcomes.

To support implementation of the RT system, the City retained Stantec Consulting to complete an Operational Readiness Review. The review examined operational elements commonly associated with successful Bus Rapid Transit systems and considered how these practices could be applied within the London context.

The review focused on several key areas that influence overall system performance, including:

1. Fare collection and boarding practices;
2. Rapid Transit vehicles;
3. Station design;
4. System identity and customer comprehension; and
5. Operational practices such as transit signal priority and operator training.

The review found that London’s RT program already incorporates many elements consistent with higher-order transit systems, including dedicated transit lanes, enhanced stations, and a corridor-wide Transit Signal Priority framework. However, several opportunities were identified to further support system performance, improve passenger experience, and strengthen public recognition of Rapid Transit service as the system is introduced.

Recommendations are provided within this report to support the implementation of RT operations and help ensure that the system fully leverages the significant public investment in dedicated transit infrastructure.

Linkage to the Corporate Strategic Plan

The London Transit Rapid Transit Operational Readiness Review supports the 2023–2027 City of London Strategic Plan under the Mobility and Transportation Strategic Area of Focus.

The recommendations in this report support the outcomes of equitable access to reliable public transportation, improved ridership and rider satisfaction, and public transit that better meets the needs of London’s workforce by helping ensure the Rapid Transit system operates reliably, efficiently, and accessibly as it is introduced into London’s transportation network.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Strategic Priorities and Policy Committee – April 23, 2018 – Bus Rapid Transit Environmental Assessment Initiative
- Strategic Priorities and Policy Committee – October 28, 2019 – Investing in Canada Infrastructure Program, Public Transit Infrastructure Stream, Approved Projects
- Civic Works Committee – July 18, 2023 – Mobility Master Plan Update: Strategies, Mode Share Target Options and Project Evaluation Frameworks
- Strategic Priorities and Policy Committee – March 26, 2024 – Request for Proposals for External Auditor of the London Transit Commission
- Strategic Priorities and Policy Committee – January 14, 2025 – Request London Transit Commission Review Recommended Approach
- Strategic Priorities and Policy Committee – March 25, 2025 – Request London Transit Commission Assessment Growth Business Case
- Strategic Priorities and Policy Committee – April 21, 2026 – London Transit Route Planning and Management Review
- Strategic Priorities and Policy Committee – April 21, 2026 – Review of Subsidized Transit Programs in London

1.2 Background

The London Transit Commission (LTC) operates as a Commission of the City of London under *By-law No. A.-6377-206*, which establishes LTC as the sole operator of public transit in the City of London and defines the composition of the Commission.

At its meeting on July 25, 2023, Council directed Civic Administration to review the current by-law and report back with recommendations to optimize the collaboration between LTC and the City of London in delivering on Council’s 2023 to 2027 Strategic Plan.

At its meeting on April 2, 2024, Council further resolved that Civic Administration undertake a Request for Proposals for an external auditor to initiate a comprehensive operations and performance audit of LTC.

At its meeting on January 21, 2025, Council received a report from Civic Administration outlining the recommended approach to address both Council directions which ultimately resulted in direction to undertake four distinct reviews; Governance Review; Rapid Transit Operational Readiness Review; Route Planning and Management Review; and Transit Passes and Subsidized Transit Programs.

1.3 Purpose

The purpose of this report is to summarize the Rapid Transit Operational Readiness Review completed by Stantec Consulting and outline recommended next steps arising from the assessment. The review examined operational practices commonly associated with higher-order transit systems and considered how these practices could be applied within the context of London's Rapid Transit network.

London's Rapid Transit program represents a significant capital investment in transit infrastructure, with a total approved budget of \$454 million for the three corridors, including \$176 million in federal and provincial funding. As construction progresses toward service implementation, aligning operational practices with the capabilities of the new infrastructure will help maximize the long-term value of this investment.

The third-party review provided an opportunity to assess industry best practices from comparable rapid transit systems and evaluate their relevance for London's operating environment. The recommendations presented in this report include actions that support the initial launch of RT service, as well as longer-term considerations as the network continues to expand. The review also confirmed several initiatives that the City and the London Transit Commission have already undertaken or are currently advancing as part of RT implementation.

1.4 RT Construction Status

RT construction continues to progress across the three approved corridors, which together represent approximately 15km of major arterial roads. Construction of the Downtown Loop is now complete, with existing transit routes already benefiting from dedicated bus lanes and priority transit signals. Major portions of the East London Link and Wellington Gateway corridors have also been completed, with several multi-year contracts continuing and final construction phases anticipated to begin in 2026. Rapid Transit service is currently planned to commence on the East London Link corridor in Fall of 2027, followed by the Wellington Gateway corridor in Fall of 2028.

2.0 Discussion and Considerations

Given the shared aspects of the LTC Rapid Transit Operational Readiness and Route Planning and Management reviews, they were combined into a single RFP to improve cost-effectiveness and reduce overlap, with the intent that the work be conducted in parallel and delivered as one consolidated report, structured as Part A (Route Planning and Management) and Part B (Rapid Transit Operational Readiness). The final document presents Stantec's analysis, findings, and recommended actions, summarized in the main report and Appendix A.

To strengthen the project team's expertise, the City engaged Dr. Casello, a University of Waterloo professor, recognized for his leadership in sustainable urban transportation. His background in planning, engineering, and the design and operation of multimodal transportation systems provided specialized insight for this assignment.

3.0 Summary of Review Findings and Recommendations

London's Rapid Transit (RT) program represents a significant investment in dedicated transit infrastructure intended to support faster, more reliable, and more frequent transit service along key corridors in the city.

While the infrastructure currently under construction will provide the physical foundation for this service, the operational practices used to deliver RT service will play an equally important role in determining whether the system achieves its intended performance and customer experience outcomes. In many cities, Bus Rapid Transit systems incorporate operational approaches that differ from conventional bus service in order to support higher passenger volumes, shorter dwell times, and more consistent travel times.

As London prepares for the introduction of RT service, this review examined several operational elements that commonly support high-performing rapid transit systems and considered how these practices could be applied within the local context.

The following sections summarize key considerations and opportunities related to:

- Fare collection and boarding practices
- Rapid Transit vehicles
- Rapid Transit stations
- Identity and Customer Comprehension
- Service design and operational practices

Together, these elements will help ensure that London's Rapid Transit system fully leverages the significant public investment in dedicated transit infrastructure and delivers the level of service and reliability expected from rapid transit.

3.1 Fare Collection and Boarding Practices

Why This Matters

Fare collection practices are a key factor in determining whether Rapid Transit (RT) systems can achieve the speed, reliability, and passenger throughput expected of higher-order transit. While conventional bus services can accommodate longer boarding times, RT corridors are designed to move large passenger volumes at frequent intervals. As a result, the time vehicles spend stopped at stations (dwell time) becomes a critical determinant of corridor performance.

Modern RT and Bus Rapid Transit systems increasingly use fare collection approaches that reduce or eliminate onboard fare transactions, such as off-board payment, all-door boarding, and electronic fare validation. These approaches allow multiple passengers to board and exit simultaneously, significantly reducing dwell times and improving schedule reliability, particularly during peak periods.

For systems operating in dedicated transit lanes with frequent service, efficient boarding processes are essential to maintaining consistent headways and maximizing the travel time advantages created by dedicated infrastructure.

Current Approach in London

The London Transit Commission (LTC) currently accepts a range of fare media including cash, paper tickets, smart cards, monthly passes, student passes, and other specialized fare products. Cash continues to be widely used within the system despite higher processing costs and lower convenience for riders.

Smart cards or monthly passes are currently only available through two LTC retail locations, while paper tickets can be purchased at various stores across the city. This limited distribution reduces accessibility for riders who depend on in-person purchasing or cash-based transactions.

For the launch of the Rapid Transit system, LTC intends to maintain the existing front-door boarding and onboard fare validation model. Under this approach, passengers board at the front door and pay their fare using the onboard farebox or smart card validator.

RT station infrastructure has been designed with conduit provisions that would allow the installation of future fare collection equipment if required. However, ticket vending machines or off-board validation equipment are not currently planned for initial deployment. In addition, the current vehicle specifications do not include interior validators that would support all-door boarding at launch.

Stantec Review Findings

The operational readiness review completed by Stantec identified the current fare collection approach as one of the key operational factors affecting the long-term performance of London's RT system.

Operational Performance

Front-door boarding concentrates all fare transactions and passenger movement through a single entry point, which can significantly increase dwell times at busy stations. As passenger volumes increase, longer dwell times can make it more difficult to maintain consistent headways and may limit the travel time benefits expected from the dedicated RT infrastructure.

This issue is particularly relevant for corridors operating at higher frequencies. The planned East London Link service is expected to operate with peak headways of approximately five minutes. Under these conditions, efficient passenger boarding and alighting becomes essential to maintaining reliable operations.

Fare Technology Limitations

LTC's existing fareboxes are approaching end of life and do not support newer fare technologies such as open payments using debit or credit cards and smart phone based transit passes. These technologies are becoming standard in many modern transit systems and allow for faster, more flexible fare payment and encouraging use of the system by occasional riders who may find cash, tickets or physical transit passes available at limited locations inconvenient.

Fare Enforcement Considerations

Systems that implement all-door boarding typically rely on a proof-of-payment model where passengers validate fares before boarding or upon entering the vehicle. Enforcement is conducted through periodic inspections rather than operator verification at the front door. LTC has identified potential concerns related to staffing requirements and operating costs associated with implementing a fare inspection program.

Equity and Access

Any transition away from onboard cash payments would require a broader network of retail locations where riders can purchase or reload fare media. Without this expansion, riders who rely on cash could face barriers accessing the system.

Global Best Practices

Rapid transit systems increasingly rely on all-door boarding and proof-of-payment models to improve speed, reliability, and customer experience. Examples provided from Prague demonstrate the benefits of full multimodal integration and seamless payment with small validators in the transit vehicle. While examples from San Francisco highlights how all-door boarding reduces dwell times while maintaining fare integrity through effective enforcement; and examples from Indianapolis show how account-based payment and fare capping improve equity and simplify the customer journey. There are many Canadian examples that have adopted similar practices to support high-capacity operations such as Viva in York Region, the Pie-IX in Montreal, and Rapid Bus in Vancouver.

Local Context and Considerations

Some Bus Rapid Transit systems in Canada continue to operate using front-door boarding and onboard fare payment, particularly during initial system launch. However, these systems often operate at lower service frequencies or with lower passenger volumes than those anticipated for London's Rapid Transit corridors.

London's RT program represents a significant capital investment, with approximately 15 kilometres of dedicated transit corridors designed to support frequent, high-capacity service. Operational practices will play a critical role in ensuring the system delivers the intended improvements in travel time, reliability, and passenger experience.

While it may be operationally feasible to begin RT service using the current front-door boarding model, maintaining this approach over the long term may limit the ability of the system to fully realize the performance benefits associated with dedicated RT infrastructure, particularly as ridership grows.

The RT station infrastructure has been designed to maintain flexibility for future upgrades, and the upcoming replacement cycle for fare collection equipment provides an opportunity to evaluate modernization options that could better support RT operations.

Recommended Next Steps

The Operational Readiness Review identified several opportunities related to fare collection and boarding practices that may influence the long-term performance of the Rapid Transit network. Staff recommend that the London Transit Commission review the following considerations and report back on potential implementation approaches.

1. Develop an Expanded Fare Retail Network

LTC should review expanding network of retail locations where riders can purchase and reload fare media. Improving access and addressing the uneven distribution of fare options would enhance equity for riders who rely on cash or paper tickets, while reducing reliance on onboard fare transactions.

2. Develop an Implementation Plan for All-Door Boarding

LTC should develop an implementation plan for transitioning the Rapid Transit network to an all-door boarding model supported by modern fare validation technology.

The plan should identify:

- appropriate timing and operational triggers for implementation;
- capital and operating cost considerations, including vehicle validators, fare system upgrades, and fare compliance approaches; and
- public communication and transition planning to support rider understanding of new fare payment and boarding procedures.

Developing this implementation framework in advance of system launch will help ensure the RT system can support higher passenger volumes and frequent service as ridership grows.

3.2 Rapid Transit Vehicles

Why This Matters

Vehicle design is an important component of successful Rapid Transit (RT) operations. Vehicles used in higher-order transit services are typically configured to support faster passenger boarding and alighting, efficient passenger circulation, and improved accessibility for riders with mobility devices, strollers, or other mobility needs.

Features such as wider or additional doors, open interior layouts, multi-purpose spaces, and integrated passenger information systems help reduce station dwell times and improve the passenger experience. These elements are commonly incorporated into rapid transit vehicles to support higher passenger volumes and frequent service.

Current Approach in London

The London Transit Commission (LTC) plans to operate the RT network using 60-foot articulated buses. A total of 14 articulated buses are anticipated for the initial RT fleet serving the East London Link and Wellington Gateway corridors.

LTC maintains a multi-year bus supply agreement with New Flyer Industries Canada ULC for the procurement of both 40-foot and 60-foot buses. In April 2024, LTC completed a procurement process establishing this contract for bus purchases between 2024 and 2027. Under this arrangement, vehicles are procured using a standardized LTC vehicle specification that supports fleet consistency, maintenance efficiency, and operational flexibility.

The first order of articulated buses intended for RT service was initiated prior to completion of this review in order to meet vehicle manufacturing lead times and support the anticipated launch of the East London Link corridor in Fall 2027.

Stantec Review Findings

The Stantec review identified several vehicle features that could further support the operational goals of London's RT system.

These include:

- door designs that support faster passenger boarding and alighting;
- interior layouts that improve passenger circulation and standing capacity;
- accessible or automated wheelchair restraint systems that reduce operator involvement and improve rider independence;
- dedicated flexible spaces for passengers with mobility devices, strollers, or larger items; and
- pre-wiring or equipment to support future interior validators that would enable all-door boarding.
- Enhanced on-board passenger information screens with audible announcements

These features are commonly incorporated into vehicles used in rapid transit services to support efficient passenger flow and reduce dwell times at stations.

Global Best Practices

Agencies worldwide use common vehicle design principles that support fast, reliable, and accessible rapid transit. Examples provided from Luzerne, Switzerland articulated buses feature all-door boarding and flexible interiors to improve passenger flow and reduce dwell times; while the Indianapolis's IndyGo RT fleet adds wide doors with bridge plates, level boarding, roll-on bike racks, automated wheelchair securement, and adaptable seating. Similarly, Montreal's Pie IX RT have similar vehicle features inclusive of multidoor boarding with onboard validators to manage heavy passenger volumes. Together, these examples reflect a clear trend toward vehicles designed for accessibility, rapid boarding, and interior flexibility.

Local Context and Considerations

The features identified in the review reflect common design elements found in purpose-built rapid transit vehicles. However, implementing a completely unique vehicle specification for London's RT system would present cost, procurement, and operational challenges.

LTC has a multi-year procurement contract for new buses with New Flyer Industries Canada ULC, and maintaining a consistent vehicle platform supports fleet management, maintenance practices, and operational flexibility across the transit system.

For these reasons, the RT fleet will largely follow the base articulated bus specification established under the existing procurement agreement. However, there may still be opportunities to incorporate targeted enhancements within the existing vehicle platform that could better support RT operations. Identifying any feasible specification adjustments early in the procurement process will be important to avoid costly retrofits in the future.

Recommended Next Steps

Based on the findings of the operational readiness review and the context of London's existing bus procurement contract, staff recommend that the London Transit Commission undertake the following action to support the long-term performance of the

Rapid Transit network.

1. Review Targeted Vehicle Enhancements

As part of the Operational Readiness Review, several potential vehicle enhancements were identified that could support passenger flow, accessibility, and future operational flexibility for Rapid Transit service. In the context of London Transit's existing bus procurement contract, staff recommend that the London Transit Commission review the following opportunity and report back on feasibility and implementation considerations.

The review should consider:

- Pre-wiring for interior validators to enable future all-door boarding;
- Interior layouts and flexible spaces to improve passenger flow and accommodate mobility devices or strollers;
- Accessibility enhancements, including automated wheelchair restraint systems;
- Enhanced on-board passenger information screens with audible announcements; and
- Cost, timeline, and feasibility for implementation in the initial rollout of nine buses for the East London Link corridor.

Completing this review early will help ensure the RT fleet supports higher passenger volumes, frequent service, and reliable operations.

3.3 Rapid Transit Stations

Why This Matters

Station design directly affects the speed, reliability, accessibility, and overall passenger experience of a Rapid Transit (RT) system. Efficient stations reduce dwell times, support predictable service, and improve safety, while poorly designed stations can create delays, safety risks, and rider frustration.

Current Approach in London

London's RT stations along the Downtown Loop, East London Link, and Wellington Gateway corridors feature:

- Enhanced lighting, tactile plates, and accessible boarding areas;
- Real-time visual and audible passenger information;
- CCTV infrastructure and conduit for future upgrades;
- Leaning rails, benches, and adequate space for mobility devices;
- Distinct shelter architecture, public art, and pylons.

These station elements ensure the network is functional, safe, and easy to navigate for all riders.

Stantec Review Findings

The operational readiness review by Stantec highlighted best practices such as level boarding, advanced platform alignment, and boarding aids to improve efficiency and accessibility. While some recommendations are not feasible for London's RT network, other enhancements—such as tactile wayfinding, clear signage, and boarding zone markings have already been incorporated.

Global Best Practices

Global best practices in RT station design prioritize durable, legible, modular and cost-efficient infrastructure, with investment scaled to context. Examples provided from systems like in Indianapolis, IndyGo and San Francisco, Van Ness show how standardized elements with clear wayfinding, protective features, platform-level amenities, prefabricated shelters, real-time information, and proof-of-payment improve usability and reduce dwell times. In contrast the example from CTfastrak, Connecticut illustrates a higher-investment model that delivers rail-like comfort and strong identity, with correspondingly higher maintenance needs.

Local Context and Considerations

Level boarding was evaluated but is not being pursued in London due to the mix of curbside and median platforms, operational safety considerations, and accessibility challenges. Even under ideal conditions, gaps between buses and platforms remain that require ramp deployment, reducing the benefit of level boarding.

Many of Stantec's other recommended improvements have been incorporated, including high-capacity shelters with tactile guidance and audible passenger information at all RT stations. These enhancements support safe, efficient boarding and a consistent passenger experience while respecting London's unique corridor design and operational realities.

Recommended Next Steps

Based on the findings of the operational readiness review and London's existing RT infrastructure, staff recommend that the London Transit Commission and City undertake the following action:

1. Complete Remaining Station Enhancements

The Operational Readiness Review also considered station design and functionality. While many recommended elements have already been incorporated into London's RT infrastructure, several additional enhancements were identified for further review.

- Mirror dots or other low-cost docking aids to support consistent operator alignment;
- Corridor-wide wayfinding enhancements, including static signage, ground markings, and transfer information;
- Painted passenger markings and clearly defined boarding zones.

Completing these actions will ensure stations continue to support safe, accessible, and reliable operations across the RT network.

3.4 Identity and Customer Comprehension

Why This Matters

A clear and consistent Rapid Transit (RT) identity is essential for public recognition, understanding, and adoption. Distinguishing RT from conventional bus services signals its higher-order function, highlights frequent and reliable service, and reinforces the benefits of dedicated corridors and stations.

RT is part of London's integrated transit network, including local, express, RT, and paratransit services under a single fare structure. Establishing a defined RT identity ensures riders immediately understand the system hierarchy and the advantages of using RT. Launching with a complete identity maximizes the value of the city's investment in corridors, stations, and vehicles.

Current Approach in London

Early branding exercises explored RT identity during the Environmental Assessment phase but did not result in formal recommendations. To date, London's RT system is contained largely within the existing transit brand, without a formal RT name, visual identity, or coordinated launch campaign. While project communications have been shared with the public, no structured branding program has been implemented.

Stantec Review Findings

The review identified several key actions to strengthen system understanding and public recognition of RT:

- Establish Formal RT Name and Brand – Define a short, intuitive name for RT (e.g., "London Link" or locally inspired alternatives) aligned with LTC's network.
- Develop Visual Identity – Apply consistent branding to vehicles, headsigns, maps, and digital channels to create immediate recognition.
- Introduce On-Street and Station Assets – Coordinate signage, pylons, and streetscape elements to reinforce RT's distinct identity.

- Develop Communications Plan – Maintain ongoing communications via web updates, social media, signage, and other channels to inform the public about RT features, milestones, and service benefits.
- Prepare for Public Awareness Campaign – Plan a coordinated launch initiative with citywide events, video content, and other programs to build awareness, excitement, and civic pride, positioning RT as a premium service within the LTC family.

Global Best Practices

Global best practices show that effective rapid transit branding is functional, intuitive, and rooted in local context. Strong branding creates a clear, memorable identity that helps riders recognize services quickly, understand the network quickly, and feel confident using the system. Examples provided from Indianapolis’s RT system demonstrates how simple symbols, colour coding, and motion-friendly graphics support instant recognition, while Richmond’s GRTC Pulse integrates branding into real-time features, including colour-coded countdown pylon that reinforce reliability. Example from Colorado’s VelociRFTA applies a locally inspired identity to build community pride and position rapid transit as a preferred mobility option.

Local Context and Considerations

The RT fleet, stations, and corridor infrastructure provide opportunities to introduce a clearly recognizable identity without requiring new vehicle types or major infrastructure changes. Coordinating visual identity elements, communications, and public awareness prior to launch ensures riders immediately understand RT, its higher-order role, and its benefits, supporting system adoption from day one.

Recommended Next Steps

The Operational Readiness Review highlighted the importance of a clear and recognizable identity for Rapid Transit as part of London’s integrated transit network. Staff recommend that the London Transit Commission consider the following opportunities related to branding and communications to support public understanding and the successful introduction of RT service.

1. Develop a Rapid Transit Visual Identity

LTC should establish a coordinated branding program that:

- Defines a formal RT name and visual identity aligned with the broader transit network;
- Applies consistent visual branding across vehicles, digital channels, and on-street/station assets;

2. Develop Communications and Public Awareness Programs

Once the brand is confirmed, LTC should implement a coordinated communications program, including:

- Develop a communications plan; and
- Prepare a coordinated public awareness campaign to introduce the service and support system launch.

Implementing this identity prior to launch will ensure RT is immediately recognizable, supports rider understanding, and maximizes the impact of London’s investment in higher-order transit.

3.5 Service Design and Operational Practices

Why This Matters

Efficient Rapid Transit (RT) service depends on coordinated operations, effective use of dedicated transit infrastructure, consistent operator training, and a well-functioning Transit Signal Priority (TSP) system. Together, these elements influence travel time reliability, the ability to maintain consistent headways, and safe integration with general traffic.

Even with dedicated lanes and stations, operational performance ultimately depends on how vehicles interact with signals, traffic conditions, and passenger activity. Effective training and traffic management practices help ensure that the RT system operates as intended and delivers the travel time and reliability benefits associated with higher-order transit.

Global Best Practices

Global best practices show that effective Transit Signal Priority (TSP) is built on conditional priority policies, real-time data, and strong coordination between transit and traffic agencies. Examples from Cleveland's HealthLine demonstrates this through a centrally managed, ITS integrated system that grants priority only when buses fall behind schedule, minimizing impacts on general traffic while improving reliability. Similarly, the Minnesota Twin Cities' Metro Transit example applies conditional priority triggered when buses are late or full paired with supportive corridor design such as far-side stops and queue-jump lanes, resulting in measurable travel time improvements and more consistent operations.

Current Approach in London

London's RT corridors incorporate a mix of centre-running, curbside, and counterflow bus-only lanes designed to improve transit travel time reliability. The City has installed TSP hardware along the RT corridors and has begun initial testing of the system.

The TSP framework includes:

- A centralized Transportation Management Centre (TMC);
- Vehicle-to-infrastructure (V2I) communications through onboard and cabinet-mounted devices; and
- Cloud-based signal request and response management.

Traffic management measures have also been implemented to support RT operations. These include red pavement markings for bus-only lanes, standard provincial and national transit signage, and enhanced treatments in areas such as the King Street counterflow lane. Public information and education initiatives have been undertaken to support awareness of these new traffic conditions.

LTC plans to operate RT service using its existing operator workforce, supported by targeted training related to dedicated transit lanes, transit-specific signals, boarding procedures, and headway management.

Stantec Review Findings

The review identified several current operational practices at the LTC and the City of London that support the reliable performance of RT systems:

- Comprehensive Operator Training – Ensuring operators receive targeted training and scenario-based experience related to RT operations, including transit lanes, station operations, and signal priority interactions.
- Transit Signal Priority Implementation – Deploying a corridor-wide TSP system supported by centralized management, operational policies, and integration with traffic management systems.
- Operational Modelling and Testing – Using microsimulation or other modelling tools to assess corridor performance and identify potential operational improvements prior to service launch.

Local Context and Considerations

Many of the operational practices identified in the review are already being implemented or are standard elements of London's RT program. Operator training is a core component of LTC's onboarding and professional development program and will include RT-specific procedures. TSP hardware has been installed and testing is underway, with centralized management through the TMC and integration with the City's traffic management systems under development. Additional training will also be provided to staff in the TMC as the new RT system is brought on line as well.

Previous corridor modelling was completed during the planning and design phases of the RT program. While additional microsimulation studies are not considered critical at this stage, staff will review the potential value of updating modelling prior to launch to support operational optimization.

Recommended Next Steps

Based on the review findings, staff recommend that the London Transit Commission and City Staff continue advancing work-in progress RT operational readiness by delivering targeted operator and TMC staff training, completing corridor-wide Transit Signal Priority implementation, assessing the value of updated operational modelling, and further developing coordinated RT corridor policies and procedures including TSP and KPI frameworks to strengthen integration between Traffic Engineering and LTC systems.

These actions will help ensure that the RT network operates reliably and safely while maximizing the travel time and reliability benefits associated with dedicated transit infrastructure.

4.0 Financial Impact/Considerations

The financial implications of the recommended program elements will vary by section; however, the existing Rapid Transit program already includes budget provisions for items such as platform ticket vending machines (TVMs) and recommended station enhancements. Additional components particularly those involving any vehicle modifications, fare system and compliance approaches, and any capital investments arising from the identity and customer comprehension review are not currently allocated within the program's budget. These items should be evaluated against the overall Rapid Transit project budget once their financial impacts have been fully assessed and reported by LTC as part of the broader review.

Conclusion

London's Rapid Transit program represents a significant investment in dedicated transit infrastructure intended to improve transit travel times, reliability, and service capacity along key corridors in the city. As construction moves toward the introduction of service, aligning operational practices with the new infrastructure will help ensure the system delivers these intended benefits.

The Operational Readiness Review completed by Stantec Consulting provided an opportunity to assess operational practices commonly used in comparable rapid transit systems and consider their application within the context of London's transit network. The review confirmed that many elements required to support RT operations – including dedicated lanes, enhanced stations, and corridor-wide transit signal priority – are already incorporated into the current program.

The review also identified several opportunities that may further support system performance, passenger experience, and public understanding of Rapid Transit service as the network is introduced. The recommendations outlined in this report are intended to inform ongoing collaboration between the City and the London Transit Commission and support implementation planning as the system moves toward service launch.

Collectively, these actions will help ensure that London's Rapid Transit system is well positioned to deliver the level of reliability, efficiency, and customer experience expected from higher-order transit, while maximizing the value of the City's investment in dedicated transit infrastructure.

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Appendix A – Stantec London Rapid Transit Readiness & Route Planning Report

Executive Summary

The City of London, together with the London Transit Commission (LTC), is on the cusp of a transformative moment as it prepares to introduce Bus Rapid Transit (RT) service for the first time. This report evaluates London's readiness to deliver this new Rapid Transit service and assesses how existing policies, infrastructure, service planning practices, and operational approaches align with the requirements of a high-quality RT system. While the immediate objective is to support the successful launch of RT, the broader opportunity is to use this investment as a catalyst to reshape how people move through the city, establishing transit as a faster, more reliable, and more attractive choice for everyday travel.

The assessment is structured in two complementary parts. **Part A** focuses on how London's existing non-RT modes including local bus services, regional transit, active transportation, on-demand services, and other mobility options can be better integrated and re-oriented in a network anchored by rapid transit. **Part B** evaluates London's readiness to deliver RT itself as a high-quality, rapid, and reliable service. Together, these perspectives ensure that RT is not treated as a standalone project, but as a system-shaping investment.

Part B: Rapid Transit Readiness

Part B evaluates London's operational readiness to deliver RT as a high-quality rapid transit service, focusing on the customer experience, infrastructure, vehicles, fare systems, operations, and performance monitoring. This portion of the report assesses whether the physical and operational components of the system are aligned with the expectations associated with RT in leading North American and international contexts.

The assessment finds that substantial progress has already been made in areas such as dedicated bus lanes, station design, transit signal priority infrastructure, and vehicle procurement. These investments provide a strong baseline for reliable and competitive travel times. At the same time, Part B identifies some operational decisions that will significantly influence the success of the system at launch and over the long term.

Key among these is the approach to **boarding, fare collection, and fare enforcement**. The report highlights that front-door boarding and on-board cash transactions present a risk to maintaining rapid, reliable service on high-demand corridors. While recognizing local constraints and policy considerations, the assessment emphasizes that reducing dwell times through strategies such as all-door boarding, simplified fare payment, and clear customer communication is central to protecting the "rapid" nature of RT.

Vehicle design and interior layout are also examined, with attention to passenger flow, accessibility, and flexibility for a wide range of users. The report notes that thoughtful vehicle configurations, along with clear passenger information systems and consistent operational practices, can materially improve dwell times, comfort, and overall service reliability. Similarly, station design elements such as wayfinding, platform layout, and maintenance provisions are identified as important contributors to both operational efficiency and customer perception.

Part B further evaluates operations, training, and transit signal priority, concluding that London's technical infrastructure is well positioned to support RT, provided that policies, procedures, and monitoring frameworks continue to evolve alongside the system. Finally, the report underscores the importance of robust performance monitoring and key performance indicators to track outcomes, inform decision-making, and support continuous improvement as the system matures.

2.3.2 Fares & Fare Compliance Summary of Recommendations

Table 11: Minimum, medium, and maximum levels of recommended courses of action for fare and fare compliance.

Option	Characteristics
Do Current Plans Only	
Front-door fare payment/validation, designated LTC retail locations, pre-loaded smart cards.	<p>Benefits</p> <ul style="list-style-type: none"> No additional capital cost. <p>Risks</p> <ul style="list-style-type: none"> Significant delays to bus rapid transit, Inconsistent headways, Higher long-term operational costs due to long dwell times/may require additional buses, Operator must take on fare enforcement.
	Cost: \$
	Recommended: NO
Do Minimum (Current Plans +)	
Off-Board Fare Validation – On Platform	<p>Benefits</p> <ul style="list-style-type: none"> Only readers on station platforms would be required; lower costs with this minimal infrastructure, Small footprint. <p>Risks</p> <ul style="list-style-type: none"> Higher propensity for fare evasion, Open platforms.
	Cost: \$\$\$
	Responsible Parties: None
	Recommended: NO
Do Medium (Minimum+)	
Retail Network	<p>Benefits</p> <ul style="list-style-type: none"> Could enable a reduction in cash fare due to handling of cash moving away from LTC, Vastly expanded availability of reloadable fare media, Vastly expands opportunities to reload fare media with cash, Opportunity to integrate fare media with other municipal services. <p>Risks</p> <ul style="list-style-type: none"> Retail network provider will require a cut, Some retailers may choose to not carry the card, Card design can be challenging due to placements of bar codes, Integration into retail networks can be challenging.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES
Single source planning, fare	<p>Benefits</p> <ul style="list-style-type: none"> Comprehensive mobility options Ease of use Encourages greater usage from variety of users including those who only occasionally use transit. <p>Risks</p> <ul style="list-style-type: none"> Potential high expense and effort required 3rd party dependence unless done in-house
	Cost: \$\$\$
	Responsible Parties: LTC
	Recommended: YES
	Critical?: NO
Do Maximum (Medium+)	
	Benefits

All-Door Boarding – Interior Validators with NFC Readers	<ul style="list-style-type: none"> Speedy boarding and alighting, Enables NFC payments through cards and devices, Can dispense low-cost, paper fare media, Expands catchment area for ridership, Provides opportunity for “open payment” and integrated debit/credit cards, Opens potentiality for a future integration of varying modes and operators. <p>Risks</p> <ul style="list-style-type: none"> Requires public service announcement campaign and ongoing communication on how to pay, RT Vehicles must be pre-wired to avoid after-market costs, Fare Enforcement Policy and Staffing. Articulated vehicle fleet for RT could not operate outside of RT network, but this is not an uncommon practice
	Cost: \$\$\$
	Responsible Parties: LTC and City of London
	Recommended: YES
	Critical?: YES
Off-Board Fare Collection with Platform TVMs	<p>Benefits</p> <ul style="list-style-type: none"> Expanded ticketing network, Widest variety of payment options. <p>Risks</p> <ul style="list-style-type: none"> Large footprint on open platform, High capital cost, High ongoing maintenance/servicing costs, Fare Enforcement Policy and Staffing.
	Cost: \$\$\$\$
	Responsible Parties: LTC
	Recommended: NO

3.4.1 Rapid Transit Vehicles Summary of Recommendations

Table 13: Minimum, medium, and maximum levels of recommended courses of action for rapid transit vehicles.

Option	Characteristics
Do Current Plans Only	
Front Door Boarding Only	<p>Benefits</p> <ul style="list-style-type: none"> No additional capital cost. <p>Risks</p> <ul style="list-style-type: none"> Delays to bus rapid transit due to slower loading or offloading speed, Higher long-term operational costs due to long dwell times/may require additional buses, Operator must take on fare enforcement.
	Cost: \$
	Responsible Parties: LTC
	Recommended: NO
Perimeter Seating Configuration from Front to Back Door	<p>Benefits</p> <ul style="list-style-type: none"> No additional capital cost, More flexibility; ability to be flipped up for more space when needed. <p>Risks</p> <ul style="list-style-type: none"> Less optimal spacing and capacity limits.
	Cost: \$
	Responsible Parties: LTC
	Recommended: NO
	Benefits

Automated Wheelchair Restraints	<ul style="list-style-type: none"> • Relatively simple system that most people are familiar with. <p>Risks</p> <ul style="list-style-type: none"> • Manual restraint takes a lot of time, • For many passengers, the process of manual restraint is unpleasant and undignified. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES (one manual, one automated)</p> <p>Critical: YES</p>
Bicycle Racks Outside of Vehicle	<p>Benefits</p> <ul style="list-style-type: none"> • Preserves interior space, • Enables transport of bicycles on vehicles without taking up interior space. <p>Risks</p> <ul style="list-style-type: none"> • Passengers must step down from platform to load the bike, • Depending on how many bikes need to be loaded or taken off, dwell times may occasionally be longer than desired. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES (<i>Note: This is an action already being taken by LTC. This recommendation is to reaffirm LTCs actions</i>)</p> <p>Critical?: YES</p>
Implementation of Multi-Purpose Bay	<p>Benefits</p> <ul style="list-style-type: none"> • Pleasant experience and greater degree of accessibility for those with items such as strollers, small carts, and bags, • Improves overall passenger flow by reducing crowding near rear door. <p>Risks</p> <ul style="list-style-type: none"> • Reduced seated capacity. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p> <p>Critical?: NO</p>
On-Board Passenger Information Screens and Audible Announcements	<p>Benefits</p> <ul style="list-style-type: none"> • Clear and concise information disseminated to passengers, • Reduces the need for the operator to personally make announcements. <p>Risks</p> <ul style="list-style-type: none"> • May require additional costs of screens and ongoing servicing costs. <p>Cost: \$\$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES – currently in place</p> <p>Critical?: YES</p>
Do Minimum (Current Plans +)	
2+1 Seating Configuration	<p>Benefits</p> <ul style="list-style-type: none"> • Improved passenger flow, • Increased standing capacity (passengers are unlikely to be riding end to end), • Reduced costs/fewer seats. <p>Risks</p> <ul style="list-style-type: none"> • Reduced seating capacity for those who are taking longer trips. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p>

	Critical?: NO
Do Medium (Minimum+)	
Pop-Out Doors for Vehicles	<p>Benefits</p> <ul style="list-style-type: none"> • Improved accessibility, • Improved passenger flow for rapid boarding/alighting. • <p>Risks</p> <ul style="list-style-type: none"> • Slightly higher cost.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES
	Critical?: NO
Use of Vinyl Seating Materials	<p>Benefits</p> <ul style="list-style-type: none"> • Material does not absorb water; acts as a repellent, • Material provides extra padding for passenger comfort. <p>Risks</p> <ul style="list-style-type: none"> • Material may not allow for the logo of the transit agency to be embroidered into the seat, • Material may be slightly more expensive compared to typical fabric. • Material would require a dedicated fleet, thereby increasing overall costs.
	Cost: \$
	Responsible Parties: LTC
	Recommended: NO
Do Maximum (Medium+)	
Pre-Wired RT Vehicles	<p>Benefits</p> <ul style="list-style-type: none"> • Provides flexibility for the implementation of on-board fare validation and open payment systems. <p>Risks</p> <ul style="list-style-type: none"> • Some additional capital cost incurred, but significantly less so compared to if these features were added after-market.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES
	Critical?: YES
Bicycle Parking Network	<p>Benefits</p> <ul style="list-style-type: none"> • Secure locations for passengers to lock bicycles, • Reduced need to load bicycles onto bicycles. <p>Risks</p> <ul style="list-style-type: none"> • If passengers do not properly secure their bicycles, they may be stolen or damaged, • City may occasionally need to remove abandoned bikes from racks.
	Cost: \$\$
	Responsible Parties: City of London
	Recommended: YES
	Critical?: NO

4.4.1 Rapid Transit Stations Summary of Recommendations

Table 15: Minimum, medium, and maximum levels of recommended courses of action for rapid transit stations.

Option	Characteristics
Do Current Plans Only	
Higher-capacity shelters with tactile plates, improved lighting, real-time bus arrival information in visual and audible formats, leaning and standard benches	Benefits <ul style="list-style-type: none"> No change orders Provides comfortable passenger experience Risks <ul style="list-style-type: none"> Some stations are at sidewalk-level and serve as pedestrian pass-throughs, which may result in minor conflicts between pedestrians and passengers.
	Cost: \$
	Recommended: YES – and already incorporated as part of station design
Audible Passenger Information	Benefits AODA compliance and increases accessibility. Risks Risks associated with audible passenger information being provided center around additional operating and maintenance costs. However, without them, there may be limited ability for those with accessibility needs to fully benefit from RT.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES (<i>Note: This is an action already being taken by LTC and the City of London. This recommendation is to reaffirm such actions</i>)
	Critical?: YES
Do Minimum (Current Plans +)	
Mirror Dots	Benefits <ul style="list-style-type: none"> Mirror dots provide low-cost operator alignment to improve stopping accuracy. Risks <ul style="list-style-type: none"> Mirror dots will require re-painting, can be limited visibility in snow/glare.
	Cost: \$
	Responsible Parties: City of London
	Recommended: YES
	Critical?: NO
Passenger Wayfinding	Benefits <ul style="list-style-type: none"> Assist passengers with where to stand and wait, Assist with onwards connections to other modes and destinations. Risks <ul style="list-style-type: none"> Without doing so will hinder the passenger experience and potential reduce ridership.
	Cost: \$
	Responsible Parties: LTC
	Recommended: YES (<i>Note: This is an action already being taken by LTC and the City of London. This recommendation is to reaffirm such actions</i>)
	Critical?: YES
Signed Passenger Information (Static)	Benefits <ul style="list-style-type: none"> Improves wayfinding and accessibility. Risks <ul style="list-style-type: none"> Require ongoing updates to ensure accuracy, If not done, brand presence is weakened and increase in passenger confusion, leading to missed trips and poor experience.
	Cost: \$\$
	Responsible Parties: LTC and City of London
	Recommended: YES

Painted Symbology for Both Drivers and Riders	<p>Benefits</p> <ul style="list-style-type: none"> • Clear space assignment for bus boarding (boarding zones), supports efficient boarding and limits dwell, • Assist operators for stopping alignment. <p>Risks</p> <ul style="list-style-type: none"> • Wear and maintenance in winter and refreshing costs.
	Cost: \$
	Responsible Parties: City of London
	Recommended: YES
Water Hookups	<p>Benefits</p> <ul style="list-style-type: none"> • Supports cleaning, and incident response. Improves long term asset condition and customer perception of services. <p>Risks</p> <ul style="list-style-type: none"> • Additional maintenance requirements, • If stations are not well maintained, negative perception of system grows, and brand can erode. • It is too late to add this feature to current stations but should be considered for future network expansions.
	Cost: \$\$\$
	Responsible Parties: City of London
	Recommended: YES (Future Stations)
Do Maximum (Medium+)	
Network-wide Signed Passenger Information (real-time)	<p>Benefits</p> <ul style="list-style-type: none"> • Premium rider experience and strong brand identity with the RT system. <p>Risks</p> <ul style="list-style-type: none"> • High install costs and O&M, • Without doing it riders lack real time info which can impact ridership, missed connections and poor experience.
	Cost: \$\$\$
	Responsible Parties: LTC
	Recommended: YES (<i>Note: This is an action already being taken by LTC and the City of London. This recommendation is to reaffirm these actions</i>)
	Critical?: YES
22cm Platform Height (as many as possible)	<p>Benefits</p> <ul style="list-style-type: none"> • Near-level boarding in as many places as possible for accessible and faster boarding, • Better perception of RT to attract new riders. <p>Risks</p> <ul style="list-style-type: none"> • Major civil works and utility works, • If not done, misses operational efficiency opportunities, riders do not have a premium boarding experience; • It is too late to add these to the existing station designs but should be considered for future network expansions.
	Cost: \$\$
	Responsible Parties: City of London
	Recommended: YES (Future Stations) It is noted that for the current program of RT in London, it was reviewed and deemed not operationally feasible for the existing program. However future corridors may open up an opportunity to review again.
	Critical?: NO
Automated Snow and Ice Melt Systems	<p>Benefits</p> <ul style="list-style-type: none"> • Reduces winter slip hazards, • Improves reliability of services; • Reduces need for staff to manually clear stations. <p>Risks</p> <ul style="list-style-type: none"> • High capital expenditures, • Less premium experience for riders and a worse winter experience.
	Cost: \$\$\$

	Responsible Parties: City of London
	Recommended: NO
Precision Docking	<p>Benefits</p> <ul style="list-style-type: none"> • Provides fast and more consistent boarding, reduced dwell time and schedule variability, • Improved accessibility (reduced horizontal and vertical gaps), • Supportive of future near level-boarding, <p>Risks</p> <ul style="list-style-type: none"> • Higher capital cost, • Additional complexity (curb geometry, guidance and training), • It is too late to add these to existing stations but should be considered for future network expansions.
	Cost: \$\$\$
	Responsible Parties: City of London
	Recommended: YES (Future Stations)
	Critical?: If platforms are 22cm or higher.

5.4.1 Identity, Branding & Marketing Summary of Recommendations

Table 17: Minimum, medium, and maximum levels of recommended courses of action for branding.

Option	Characteristics
Do Current Plans Only	
Do not develop a specific RT identity, brand, or marketing strategy.	<p>Benefits</p> <ul style="list-style-type: none"> • Lower initial cost. <p>Risks</p> <ul style="list-style-type: none"> • Lack of awareness of new system and its differences resulting in less ridership, • Poor rider perception/understanding of integrated network, • Limited opportunities to capitalize on the opportunity to launch new services and spark excitement about RT.
	Cost: \$
	Recommended: NO
Basic communication plan (web updates, fact sheets, social media posts) to inform riders about RT purpose and progress	<p>Benefits</p> <ul style="list-style-type: none"> • Builds basic awareness, • Ensures consistent messaging, • Reduces speculation or misinformation. <p>Risks</p> <p>Have to manage negative narratives forming if engagement seen as lack luster.</p>
	Cost: \$
	Responsible Parties: LTC
	Recommended: YES (Note: LTC and the City of London are already planning to do this. This recommendation is to reaffirm this planned action)
	Critical?: YES
Public awareness campaign, whereby digital ads, community events are held)	<p>Benefits</p> <ul style="list-style-type: none"> • Builds informed support, • Encourages mode shift, • Manage and alleviate concerns. <p>Risks</p> <ul style="list-style-type: none"> • Needs continuous updates on progress and delays costing resources, High coordination effort.
	Cost: \$\$
	Responsible Parties: LTC, City of London (Comms and Planning, Engineering, Procurement), and Key Stakeholders (public, businesses, Indigenous communities).

	<p>Recommended: YES (<i>Note: LTC and the City of London are already planning to do this. This recommendation is to reaffirm this planned action</i>)</p> <p>Critical?: YES</p>
Do Minimum (Current Plans +)	
<p>Establish RT Name and Brand</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Awareness of brand distinction, • Visibility on new services and options to build on/develop in the future; • Communicates to the public that the service is distinct from other services provided by LTC; <p>Risks</p> <ul style="list-style-type: none"> • Name or logo agreement requires extensive stakeholder engagement. • Not doing so results in minimal brand differentiation • Requires dedicated fleet and brand development/marketing <p>Cost: \$\$</p> <p>Responsible Parties: LTC and City of London and citizens of London</p> <p>Recommended: YES</p> <p>Critical?: YES</p>
Do Medium (Minimum+)	
<p>Develop visual brand, in terms of motion legible head signs and basic visual kit for buses</p> <p>Mapping and iconography for route maps</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Creates a unified, modern image, • Enables professional application across multiple platforms, • Enhances rider navigation and identity consistency. <p>Risks</p> <ul style="list-style-type: none"> • To implement requires branding specialists, • Coordination between marketing, engineering, vehicle procurement, • Difficult to integrate branding later once infrastructure is built. • If not done, service may appear piecemeal or unfinished. <p>Cost: \$\$</p> <p>Responsible Parties: LTC, City of London (Comms and Planning, Engineering, Procurement), and Key Stakeholders (public, businesses, Indigenous communities).</p> <p>Recommended: YES</p> <p>Critical?: YES</p>
Do Maximum (Medium+)	
<p>Full brand experience and launch campaign.</p> <p>Large scale launch initiative with video storytelling, media partnerships, citywide events, and local ambassadors to celebrate the RT launch</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Creates excitement and civic pride, • Boosts early ridership and positive perception, • Reinforces LTC's leadership role. <p>Risks</p> <ul style="list-style-type: none"> • Needs continuous updates on progress and delays costing resources, • High coordination effort, • Requires complex logistics and timing. <p>Cost: \$\$\$</p> <p>Responsible Parties: LTC, City of London (Comms and Planning, Engineering, Procurement), and Key Stakeholders (public, businesses, Indigenous communities).</p> <p>Recommended: YES</p> <p>Critical?: NO</p>
<p>On-street/station assets such as totems/posters</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Reinforces distinct nature of RT, • Improves wayfinding and user perception. <p>Risks</p> <ul style="list-style-type: none"> • Requires continual maintenance to avoid fade and wear, • Requires extensive coordination with streetscape designers, procurement, permitting and approvals. Without doing so, there is an increased risk of 'invisible investment'. <p>Cost: \$\$\$</p>

	<p>Responsible Parties: City of London (Comms and Planning, Engineering, Procurement), and Key Stakeholders (public, businesses, Indigenous communities).</p> <p>Recommended: YES (<i>Note: Distinctive design elements, such as tall and well-lit pylons, are already included in the station design. This recommendation is to reaffirm this action</i>)</p> <p>Critical?: YES</p>
Marketing materials for customers' "how to ride" guides, with pop-ups and previews of onboard and stations	<p>Benefits</p> <ul style="list-style-type: none"> Builds rider confidence and creates rider buzz, Reduces confusion at launch, Attract more new riders, broadening market, Strengthens perception of RT as modern, new and customer focussed. <p>Risks</p> <ul style="list-style-type: none"> Materials require updating, Additional staffing and coordination for events. Without doing so, riders may be more confused, and adoption may be limited. <p>Cost: \$\$\$</p> <p>Responsible Parties: LTC, City of London (Comms and Planning, Engineering, Procurement), and Key Stakeholders (public, businesses, Indigenous communities).</p> <p>Recommended: NO</p>

6.4.2 Operations & Training, Transit Signal Priority, and Traffic Management Summary of Recommendations

Table 19: Minimum, medium, and maximum levels of recommended courses of action for operations and TSP.

Option	Characteristics
Do Current Plans Only	
Continue operating the signal system as-is, without activating TSP or developing supportive policies.	<p>Benefits</p> <ul style="list-style-type: none"> No immediate capital or staffing costs, Maintains current operations. <p>Risks</p> <ul style="list-style-type: none"> Missed opportunity to improve bus travel time reliability and customer satisfaction, Potential loss of funding opportunities tied to transit priority improvements. <p>Cost: \$</p> <p>Recommended: NO (<i>Note: While this is a "NO" recommendation, the City of London and LTC have already implemented TSP and will continue to optimize the system as it matures. This recommendation is to reaffirm the actions of the City of London and LTC</i>)</p>
Comprehensive training program (covering vehicle operations, safety, customer service and accessibility procedures). Including scenario training and ride-along programs.	<p>Benefits</p> <ul style="list-style-type: none"> Operators more effective in more scenarios, Improved reliability and consistency in service delivery and quality, Builds strong operator confidence. <p>Risks</p> <ul style="list-style-type: none"> More expensive and time intensive to undertake. <p>Cost: \$\$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES (<i>Note: This is an action that is already standard within LTC practices. This recommendation is to reaffirm this action</i>)</p> <p>Critical?: YES</p>
Do Minimum (Current Plans +)	
Activate basic TSP functions on select	<p>Benefits</p> <ul style="list-style-type: none"> Quick to implement using current infrastructure and controller capabilities,

<p>intersections using existing signal hardware. TSP would operate on an intersection-by-intersection basis, using green extensions only.</p>	<ul style="list-style-type: none"> • Demonstrates visible progress toward bus priority and improved schedule reliability, • Limited disruption to existing signal coordination or pedestrian operations. <p>Risks</p> <ul style="list-style-type: none"> • Lack of consistent system logic across corridors (patchwork implementation), • Lack of ability to scale or manage system performance city-wide, • TSP effectiveness constrained by absence of policy, central coordination, and adaptive features. <p>Cost: \$\$</p> <p>Responsible Parties: LTC and City of London</p> <p>Recommended: NO</p>
<p>Do Medium (Minimum+)</p>	
<p>Implement TSP across the RT system through the TMC, using centralized communication, green extensions and early greens, and an updated signal timing policy. Integrate TSP operations into the forthcoming Transportation Intelligent Intelligent Mobility Management System (TIMMS).</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Consistent, centrally managed priority logic across corridors, • Balanced coordination between buses, emergency vehicles, and pedestrians, • Enables real-time monitoring and performance analytics through TIMMS, • Enhances readiness for future RT or bus priority lanes. <p>Risks</p> <ul style="list-style-type: none"> • Moderate capital investment and staff resourcing required, • Requires detailed coordination between City ITS and LTC planning/operations teams, • Minor public learning curve if signal timing changes are noticeable to drivers. <p>Cost: \$\$\$</p> <p>Responsible Parties: LTC and City of London</p> <p>Recommended: YES <i>(Note: This is an action that has already been taken by the City of London and LTC. This recommendation is to reaffirm these actions)</i></p> <p>Critical?: YES</p>
<p>Consider engaging in a microsimulation study of the RT network or select corridors.</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Understand vehicle or modal interactions at key areas and develop context-specific mitigation strategies. • Test mitigation scenarios to quantify operational impacts. <p>Risks</p> <ul style="list-style-type: none"> • Misallocation of efforts, creating or shifting operational impacts. • Lack of data or insights is insufficient to apply responsible measures, <p>Cost: \$\$\$</p> <p>Responsible Parties: LTC and City of London</p> <p>Recommended: YES – LTC have already undertaken this modelling for the current corridors. For future corridors a similar study should be undertaken.</p> <p>Critical?: NO</p>
<p>Do Maximum (Medium+)</p>	
<p>Adopt a fully adaptive, data-driven TSP system with integrated RT corridor signal priority, conditional TSP logic (based on lateness or occupancy), and pedestrian-friendly adaptive phasing. Implement comprehensive policy, street design, and technology integration</p>	<p>Benefits</p> <ul style="list-style-type: none"> • Maximizes transit reliability and person-throughput efficiency on key corridors, • Fully supports future RT operations, bus lanes, and active mode integration, • Continuous performance optimization via adaptive algorithms and real-time analytics, • Strong alignment with net-zero, Complete Streets, and Vision Zero goals, • Travel time improvements <p>Risks</p> <ul style="list-style-type: none"> • High capital and operational cost,

	<ul style="list-style-type: none"> • Complex integration across multiple software platforms and data systems, • Requires sustained inter-agency coordination and high technical maturity, • Short-term complexity and dependency on technology partners; greater exposure to initial system bugs or calibration issues.
	Cost: \$\$\$\$
	Responsible Parties: LTC, City of London, and ITS Vendors
	Recommended: NO

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Kelly Scherr, Deputy City Manager, Environment and Infrastructure

Subject: London Transit Route Planning and Management Review

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the London Transit Route Planning and Management Review:

- a) the summary of findings and recommendations by Stantec Consulting on the London Transit Commission Route Planning and Management Review **BE RECEIVED**;
- b) the London Transit Commission **BE DIRECTED** to review the following opportunities and report back to Council on implementation, including timing, operational considerations, and resource implications no later than Q4, 2026:
 - i. with respect to *Transit Planning and Operations*, explore further route modifications and service frequency increases on rapid transit feeder routes to fully leverage rapid transit operations;
 - ii. with respect to *Transit Structure and Hierarchy*, review opportunities for interim service enhancements on the North and West rapid transit corridors and develop an implementation plan for a tiered-style transit map;
 - iii. with respect to *System Monitoring and Key Performance Indicators*, expand performance and planning indicators and objectives, and develop transit infrastructure bus stop guidelines;
 - iv. with respect to *Transit Progression Strategy and New Service*, implement alternative service delivery models and establish clear thresholds for expanded or new transit service;
 - v. with respect to *Mobility Integration*, partner with regional providers and coordinate rapid and local transit networks;
- c) the Administrations at the Corporation and the London Transit Commission **BE DIRECTED** to collectively create a more structured collaboration process to better integrate and achieve alignment on planning, operations and administrative initiatives.

Executive Summary

London's transit system is a critical part of London's mobility system, providing an accessible, affordable, and efficient transportation option to Londoners. In early 2025, City Council directed Civic Administration to review LTC's procedures for:

- planning new transit routes and modifying or discontinuing existing ones relative to industry standards, and
- how transit planning is integrated into London's rapid growth, both residential and industrial.

To ensure London's transit system is operating as effectively as possible, the City retained Stantec Consulting to complete a Route Planning and Management Review. The review provided a framework for planning, monitoring, and mobility integration, that are common in successful transit networks, relying on three decades of research and practical application within transit agencies in North America, and applying them to the London context.

The review focused on several key areas that influence overall system effectiveness, including:

1. Transit planning and operations;
2. Transit structure and hierarchy;
3. System monitoring and Key Performance Indicators;
4. Transit progression strategy and new service; and
5. Mobility integration.

The review found that London's transit system has many best-practice elements, including a route structure with service guidelines, a robust annual service planning process, and many infrastructure policies to build upon. However, several opportunities were identified to further improve network planning, communication strategies, reporting objectives, and integrate transit with other mobility solutions in the region.

Recommendations are provided within this report to deliver a more reliable, intuitive, and effective transit system to Londoners.

Linkage to the Corporate Strategic Plan

The London Transit Rapid Transit Operational Readiness Review supports the 2023–2027 City of London Strategic Plan under the Mobility and Transportation Strategic Area of Focus.

The recommendations in this report support the outcomes of equitable access to reliable public transportation, improved ridership and rider satisfaction, and public transit that better meets the needs of London's workforce by helping ensure the transit system operates reliably, efficiently, and accessibly in London's transportation network.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Strategic Priorities and Policy Committee – April 23, 2018 – Bus Rapid Transit Environmental Assessment Initiative
- Strategic Priorities and Policy Committee – October 28, 2019 – Investing in Canada Infrastructure Program, Public Transit Infrastructure Stream, Approved Projects
- Civic Works Committee – July 18, 2023 – Mobility Master Plan Update: Strategies, Mode Share Target Options and Project Evaluation Frameworks
- Strategic Priorities and Policy Committee – March 26, 2024 – Request for Proposals for External Auditor of the London Transit Commission
- Strategic Priorities and Policy Committee – January 14, 2025 – Request London Transit Commission Review Recommended Approach
- Strategic Priorities and Policy Committee – March 25, 2025 – Request London Transit Commission Assessment Growth Business Case
- Strategic Priorities and Policy Committee - April 21, 2026 – London Transit Rapid Transit Operational Readiness Review
- Strategic Priorities and Policy Committee – April 21, 2026 - Review of Subsidized Transit Programs in London

1.2 Background

The London Transit Commission (LTC) operates as a Commission of the City of London under *By-law No. A.-6377-206*, which establishes LTC as the sole operator of public transit for the City of London and defines the composition of the Commission.

At its meeting on July 25, 2023, Council directed Civic Administration to review the current by-law and report back with recommendations to optimize the collaboration between LTC and the City of London in delivering on Council's 2023 to 2027 Strategic Plan.

At its meeting on April 2, 2024, Council further resolved that Civic Administration undertake a Request for Proposals for an external auditor to initiate a comprehensive operations and performance audit of LTC.

At its meeting on January 21, 2025, Council received a report from Civic Administration outlining the London Transit Commission review recommended approach for the scope of work to be managed with existing staff resources and be broken down into four distinct reviews: Governance Review; Rapid Transit Operational Readiness Review; Route Planning and Management Review; and, Transit Passes and Subsidized Transit Programs.

1.3 Purpose

The purpose of this report is to summarize the Route Planning and Management review completed by Stantec Consulting and outline recommended next steps arising from the assessment.

The third-party review provided an opportunity to assess industry best practices from comparable transit systems and evaluate their relevance for London. The recommendations presented in this report vary in level of impact and timeline to implement. The review also confirmed several initiatives that the London Transit Commission and the City have already undertaken or are currently advancing.

2.0 Discussion and Considerations

Given the shared aspects of the LTC Rapid Transit Operational Readiness and Route Planning and Management reviews, they were combined into a single RFP to improve cost-effectiveness and reduce overlap, with the intent that the work be conducted in parallel and delivered as one consolidated report, structured as Part A (Route Planning and Management) and Part B (Rapid Transit Operational Readiness). The final document presents Stantec's analysis, findings, and recommended actions, summarized in the main report and Appendix A.

To strengthen the project team's expertise, the City engaged Dr. Casello, a University of Waterloo professor, recognized for his leadership in sustainable urban transportation. His background in planning, engineering, and the design and operation of multimodal transportation systems provided specialized insight for this assignment.

3.0 Summary of Review Findings and Recommendations

The City of London, together with the London Transit Commission (LTC), is on the cusp of an exciting transformation as it prepares to introduce Rapid Transit (RT) service for the first time. Although RT warrants the most attention and communication focus, a functioning transit system has many layers that work together to deliver an effective, reliable, and pleasant transit service.

This review examined several operational and policy elements that support effective and efficient transit systems that rely on RT as the spine. Although the scope of this review was not a top-to-bottom review of all service planning and reporting practices at

London Transit, it provides a broad indication of where London currently is, what has worked well in other similar jurisdictions, and how to apply those lessons to London.

The following sections summarize key considerations and opportunities related to:

- Transit planning and operations
- Transit structure and hierarchy
- System monitoring and key performance indicators
- Transit progression strategy and new service
- Mobility integration

These elements combine to consider transit holistically and to leverage the many connections and integrations to provide mobility options for all.

3.1 Transit Planning and Operations

The report provides broad guidelines of how transit can be planned and the decisions that influence the design of the network. These concepts form the principles that should be considered for the ongoing improvement of the LTC network. It discusses some key concepts such as:

- ridership versus coverage
- how transit systems can be created in layers
- basic service guidelines for each layer
- how systems evolve from radial to grid systems
- transfer options
- mobility hubs

These concepts are based upon the consultant's research over the past three decades as well as practical testing and application within transit agencies in North America; these concepts are discussed below.

Ridership versus Coverage

Understanding the tension between ridership and coverage goals is critical to establishing appropriate service guidelines and setting rider expectations. A **coverage**-based focus maximizes access to transit services regardless of the quality or frequency of service. Bus routes are dispersed across the city delivering low-frequency and circuitous service. A **ridership**-based priority maximizes ridership and productivity by focusing on serving areas of high demand. It connects key destinations with frequent and direct service to attract new riders.

Decision makers should decide the percentage of transit service hours devoted to each goal understanding the trade-offs involved. With a finite number of service hours, an increase in bus routes that serve coverage goals will reduce the frequency possible in routes serving ridership goals, and vice versa.

Service Layers

A transit network is based on the creation of layers of service. A well-designed and successful transit system features a mix of layered transit services designed to meet the diverse needs of communities. Transit service layers are distinguished by service frequency, distance between bus stops, and the main purpose of the service.

A primary transit network provides high service levels all day and is defined by high-frequency service, high passenger demand, and often with longer spacing between stops. In London, this would include rapid transit and some all-day express routes.

Standard service provides feeder service to the primary network and has high ridership in the peak periods. In London, this would include core and feeder routes.

Special service includes coverage-based routes, community bus service, on-demand services, or commuter service. In London, this would include local, industrial, alternative service delivery, and the peak-only express routes.

Service Guidelines for each Layer

Each layer of transit serves a subset of trips, but when integrated in a network, the system provides greater mobility and access. Each layer has a sphere of influence that determines how far passengers are willing to travel to access the stop. For rapid or frequent transit, passengers may be willing to walk 10 minutes or 800 metres; for local routes, it may be 5 minutes or 400 metres.

As defined in London Transit's Five-Year Plan, service guidelines for each layer/ classification determine the frequency of service, the span of service, the stop spacing, and the vehicle type. There can also be infrastructure needs based on the layer, for instance a rapid transit route will require a dedicated lane, while frequent transit or transit priority corridors may benefit from the addition of queue jump lanes or queue bypass lanes at intersections, or transit signal priority measures.

Evolution from Radial to Grid Network

There is a typical progression of the evolution of a transit network that starts with a radial network focused upon the downtown. As a city grows outward, routes become more complex as they try to cover the suburbs without a standard grid street network. Fewer transfers are required in this model, and if they are, they take place downtown where all routes converge.

While Downtown London remains to be a highly competitive and a consistently developing place to live, work, and play, London has also matured into a city with multiple, smaller centers of population and employment. As the downtown is no longer the sole focus, demand for crosstown trips between these smaller centers has increased over time. This necessitates transit systems to adapt to travel demand by restructuring existing services adding crosstown and suburb-to-suburb services. LTC has good examples of crosstown services, such as Express Route 91 which operates on Oxford Street from Wonderland Road to Fanshawe College, with plans to transition more routes to become feeders into the rapid transit network.

The creation of a network (based both on the modified grid as well as the layered service approach) is based on several key considerations such as the level of service devoted to ridership versus coverage routes, the different layers of service and a decision over the type of transfer that will be accommodated. London has a high level of service purely dedicated to ensuring that transfers are minimized, e.g., the downtown-based routes and the interlining of services to create long crosstown services that travel through downtown which is typical of a pre-rapid transit network.

However, as rapid and frequent transit services are created and expanded, the no-transfer option becomes an economic liability because of the investment in infrastructure needed for rapid and frequent transit services to ensure their effectiveness. Moving from a radial network that currently exists in London to a modified grid network revolves around the ability to move to a different transfer type.

Transfer Options

There are many different types of transfer systems that can be used including:

- Focal point or pulse system to allow transfers between buses, used to connect local and on-demand routes to feeder or core routes. Can often be a strategy used at transit terminals or mobility hubs when buses arrive simultaneously.
- Timed transfers can allow passengers to transfer between two routes at a pre-determined time along a route.
- Random and shared corridor transfers are used to access rapid and high-frequency routes. The short gap between buses means that no timing coordination is required, connecting feeder routes to rapid transit.

For routes connecting to frequent transit, a coordinated transfer is not required since any required waiting is short. Additionally, if the stop or station is well-located, has appropriate infrastructure, including places to wait comfortably and real-time information, the transfer is much less onerous.

Mobility Hubs

Transfers also happen between modes of travel, and these often occur at mobility hubs. These hubs can accommodate a variety of modes and serve as people places that link the transportation and land use realms. Toronto and LA have led the way with mobility hub implementation and focus primarily on the movement of people between modes with focus on transit, parking, and cycling. The hub should be attractive with priority on pedestrian movement through the area.

London is currently planning mobility hubs at Fanshawe College, White Oaks Mall, and Downtown, with future hubs in the North and West as their rapid transit lines develop.

Recommended Next Steps

This section provides an overview of the different elements that need to be addressed when planning new transit services or developing refinements to existing services. This sets a foundational understanding of transit service to support all the recommendations in the report.

The introduction of rapid transit presents an opportunity to reconfigure the transit network into appropriate layers that feed the RT spine. Because RT is frequent with comfortable stations and real-time information, transfers between feeder routes and RT can be incorporated into the system design without being too onerous on passengers. A layered transit system, operating on a modified-grid, can ensure frequent feeder routes connect with RT, while local routes connect to the frequent feeder routes.

The review identifies the following actions for London:

1. **Prepare a phased implementation plan to increase frequency of feeder routes connecting to RT**, consistent with the RT Network Integration Framework and as noted in LTC's Five-Year Plan, to no more than twice the headway of RT for core routes.
2. **Re-evaluate route network as Rapid Transit matures.** LTC's Five-Year Plan proposes route changes to reduce duplication with RT; however, as RT matures, additional routes operating nearby RT should be re-evaluated to ensure they are complementing RT rather than competing with it.

3.2 Transit Structure & Hierarchy

Why This Matters

The introduction of new RT service can be a groundbreaking moment for a city and for a transit agency, and the LTC and the City of London have a chance to capitalize on this opportunity to attract new riders and benefit existing riders. A revised transit structure can communicate to existing and future riders how rapid transit anchors a network of tiered transit services that provide a connected and efficient system.

Current Approach in London

LTC has a Five-Year Service Plan (2025-2029) that restructures the transit routes to be classified as Rapid, Core, Local, Feeder, Alternative Service Delivery, Express or Industrial. This allows specific service guidelines to be established for each classification, ensuring appropriate performance monitoring and setting consistent expectations for transit users.

The Mobility Master Plan (MMP) also identified important transit corridors in the 2050 plan, including rapid transit, transit priority corridors, and transit friendly corridors that support improved infrastructure, service standards, and alignment of land-use policies going forward.

Stantec Review Findings

Operational

The MMP has approved future North and West rapid transit corridors, but there are no current plans to enhance conventional transit service levels in these corridors in the interim, either through express service or by increasing frequency. Ensuring timely completion of the North and West rapid transit corridors remains essential, as delays could undermine ridership growth, service reliability, and development patterns along these high-demand routes.

Current planning processes also lack clearly defined evaluation criteria—particularly around accessibility, equity, and connections to key destinations, making it difficult to assess whether proposed service changes meet citywide mobility goals.

Alternative Service Delivery (ASD) / On-Demand Transit

LTC's Five-Year Service Plan identifies implementing on-demand transit but does not define when on-demand service should transition to or from fixed-route service. Research shows that on-demand transit works best in low-density areas and becomes less efficient as ridership increases, with most studies placing the cost-efficiency threshold at 5–7 passengers per hour. Real-world examples—such as Dallas' GoLink program—show that per-passenger subsidies can exceed those of fixed-route service. Implementation of ASD will require iterative refinement and monitoring of key indicators such as boardings per hour, subsidy per passenger trip, wait times, and integration with fixed-route transit.

Land Use

London's adoption of Transit Station Area Zones, along with Strategic Growth Areas added to *The London Plan*, demonstrates a strong policy foundation for transit-supportive land use around rapid transit corridors. Transit supportive land use encourages higher-density development, lower parking minimums, and restrict non-transit-supportive uses near stations, aligning growth with planned mobility investments. To fully realize the benefits of these policies, more detailed station-area plans and rezoning policies will be needed to guide development toward the transit corridors.

Global Best Practices

In Canada, Calgary and Winnipeg offer good examples of transit systems with robust route structures that connect feeder routes to a rapid transit spine. These systems employ:

- Feeder networks that complement high-frequency rapid transit
- An established **primary transit network** that is frequent and reliable
- Connector or local routes that aim to reduce wait times at transfer locations
- System maps that clearly display the hierarchy of the various transit types

These features help reduce passenger wait times and increase the understanding of the system for new or regular riders.

Recommended Next Steps

The review identifies several key actions for London:

1. **Continue to adopt proposed route classifications & gradually implement service changes**, consistent with LTC's current practice.

2. **Explore frequency enhancements to approved North and West Rapid Transit corridors.**

Addresses the need for rapid transit-like frequency in all parts of the city, ahead of full rapid transit implementation.

3. **Create a tiered-style transit network map.**

The new map would clearly communicate that RT is a new, revolutionary type of transit service that acts as the spine of one integrated system.

4. **Establish a transit-oriented development plan focused on areas around RT stations and corridors.**

Civic Administration to continue to support policy and zoning efforts to direct intense development toward higher order transit and away from areas with limited transit provision.

The recommended approach combines implementing current plans with targeted enhancements. Maintaining the Five-Year Plan's route classifications minimizes rider confusion and keeps focus on rapid transit delivery, while exploring service enhancements to the approved North and West rapid transit corridors can improve frequency and address interim rapid transit gaps. Creating a stylized tiered rapid transit-centric system map is both recommended and critical for public communications. A long-term transit-oriented development plan offers significant land-use benefits.

3.3 System Monitoring and Key Performance Indicators (KPIs)

Transit service guidelines (TSG's) are a collection of tools that can achieve significant benefits when applied in a tailored, consistent and comprehensive way. TSG's address the following 3 areas of transit:

- Overall system performance indicators
- Route/service performance indicators
- Transit infrastructure guidelines

Transit Service Guidelines provide clarity regarding service expectations, consistency in the application of those expectations, and can be combined with the desires of the community to deliver prioritized improvements.

Current Approach in London

LTC and the City of London each maintain distinct yet complementary systems for monitoring mobility performance and key indicators across the public transit and transportation network. The LTC primarily focuses on operational efficiency, service reliability, and customer satisfaction, while the MMP and Strategic Plan emphasize broader mobility, sustainability, and mode-share goals. LTC and the City of London also have various guideline documents that mandate infrastructure requirements and design specifications.

- System Performance Indicators

The LTC Five-Year Service Plan keeps track of performance indicators such as ridership, revenue service hours, passenger revenue, operating costs, ridership per revenue service hour, and the revenue-to-cost ratio.

LTC tracks a comprehensive range of service and operational performance indicators through its Annual Reports and related dashboards. These include metrics such as total ridership, rides per revenue service hour, service frequency, and on-time performance, alongside efficiency indicators like mean kilometres between service interruptions and complaints per 100,000 riders. In 2024, for example, LTC reported 19.233 million annual rides achieving 27.1 rides per revenue service hour.

Customer satisfaction is monitored through “Voice of the Customer” surveys, which assess rider priorities such as on-time reliability, service frequency, and real-time information availability. LTC also benchmarks its system performance against peer Ontario transit agencies through the Canadian Urban Transit Association, as outlined in its 2024 Annual Report.

The 2025 Mobility Master Plan (MMP) lists many KPIs to track the success of the plan as it relates to transit, including mode share, commuting duration by transit, transit competitiveness, residents and jobs within 400m of a transit stop, transit service hours per capita, resident satisfaction, and the percentage of the transit fleet that is zero-emission.

Addressing the MMP goal of maintaining a regular and consistent data collection effort that informs mobility-related decisions, two actions recommended in the plan are to budget for updated travel demand data collection and to implement a monitoring plan. Both represent an ideal opportunity to develop a more comprehensive baseline of KPIs that measure the performance of transit in London before and after the introduction of rapid transit corridors to the city.

- Service Performance Indicators

LTC has targets on route level productivity, measured in boardings per revenue service hour, depending on the type of route and the time of day. They also compare productivity levels to triggers at which service improvements are considered. Likewise, the LTC has targets around minimum standard service levels related to the duration and frequency of routes.

- Infrastructure Guidelines

The City of London and LTC have established comprehensive guidelines for the location, design, and infrastructure of bus stops to ensure safety, accessibility, and operational efficiency. These standards are outlined primarily in the LTC Bus Stop Standards & Technical Guidelines, LTC Shelter Warrant Criteria, the City of London Design Specifications and Requirements Manual, the Complete Streets Design Manual, and the LTC Accessibility Plan.

Stantec Review Findings

The review highlights several key gaps:

- **Travel Time Competitiveness:**

Overall travel time comparison between transit and driving is a helpful ongoing metric; dividing the transit trip time into its components is even better. Accessing the stop, waiting, and in-vehicle travel time are perceived differently by passengers, with waiting time perceived as more onerous than vehicle travel time.

- **Establishing Performance Indicator Objectives:**

Every KPI needs a defined objective to understand success: a fleet of zero-emission vehicles is a published goal without a clear timeline for implementation.

- **Infrastructure:**

At present, London lacks systematic measurement and public reporting on the physical condition and compliance of its transit infrastructure, especially at the bus stop level. Bus stop guidelines are necessary to ensure that each stop is categorized and offers appropriate infrastructure, amenities, accessibility, maintenance and safety to transit users.

- **Equity, Accessibility, and Inclusion:**

While both the Mobility Master Plan and the LTC’s Five-Year Service Plan emphasize equitable access to mobility, equity and inclusion are not yet operationalized into measurable indicators. Similarly, customer feedback could be disaggregated by priority populations to understand the experience of older adults, low-income residents, or persons with a disability, for example.

- **Sustainability & Multimodal Integration:**
Increased use of transit helps London’s Climate Emergency Action Plan goal of net-zero emissions but this trend could be tracked through emissions per passenger kilometer or similar. Additionally, the MMP emphasizes transit connectivity with walking and cycling networks, but there is currently no documentation of how investments in cycling lanes, sidewalks, and pedestrian crossings are improving access to nearby bus stops.

Recommended Next Steps

The report recommends that London Transit further develop and expand upon their use of existing transit service guidelines as well as bus stop infrastructure guidelines in the following ways:

1. Performance Monitoring

A more comprehensive assessment of service performance at the system, route and stop levels will help identify issues sooner, measure effectiveness of changes, and provide clarity in transit users’ expectations. Establishing clear objectives for each performance indicator and reporting regularly on these indicators, increases transparency and provides a valuable data source for service planning, peer comparisons, and financial planning.

2. Service Planning

London Transit already has a robust annual service planning process. Establishing a more formal process to evaluate existing services and previous service changes against established indicators further demonstrates accountability and alignment with community goals. Examples of bolstered indicators are:

- Service coverage levels based on land use, type of service (frequent vs local), time of day, and day of week, rather than just distance to any stop.
- Travel time competitiveness between marginalized areas and important destinations such as hospitals or post-secondary institutions.

3. Transit Infrastructure Bus Stop Guidelines

To ensure bus stops and stations have the appropriate infrastructure and amenities by type of transit service, the following needs to be developed:

- A framework of bus stop classification
- Minimum infrastructure requirements for bus stop class
- Prioritization guidelines for stop improvements
- Implementation plan for new bus stops

Service guidelines are required to regularly monitor transit performance of existing services, understand trends, provide status reports, address financial accountability, and proactively initiate improvement initiatives. London Transit and the City of London are already tracking and monitoring many transit-related indicators, but expanding these indicators with clear objectives provides decision makers with a better understanding of the effectiveness of the system. Additionally, reporting should be easily accessible by the public so successes can be celebrated and challenges prioritized.

3.4 Transit Progression Strategy and New Service

Why This Matters

Transit progression strategies are used to manage the transformation of transit services to tailor service provision to travel demand. This is especially relevant in developing neighbourhoods that typically see a growing demand for service as land use growth occurs. This includes both residential neighbourhoods as well as neighbourhoods accommodating jobs such as industrial parks.

Thresholds need to be established for ridership characteristics and land use growth that trigger service improvement initiatives or service reductions. In growing

neighbourhoods, population size and the number of jobs within the transit catchment area are important factors to determine when service is warranted.

A route expansion will define a service frequency and coverage area and should also detail operational aspects such as service span and service days. For example, a new service may start up as a limited peak hour service accommodating commuters and/or students on weekdays. As demand increases the service may be expanded gradually to full weekday service, evening service and finally weekend service.

It is important that the progression strategy is communicated well as it serves as the rationale to guide both service improvements and reductions. It creates the awareness that transit services are constantly monitored and manages expectations relating to service adjustments that are based on travel demand.

Global Best Practices

Translink in Vancouver has developed the “6-D’s” to manage new transit service and its integration with land use:

- **Destinations** should be connected by direct corridors that are simple to understand and convenient to use by providing appropriate service, for customers. When routes meander, they become difficult to use and inefficient to provide.
- **Distance** to access transit services. As most transit trips begin or end with a walk, having accessible and convenient pedestrian access to transit is essential. Connected infrastructure to bike paths and other networks, with short blocks is important too. Cul-de-sacs and disconnected street networks make transit inaccessible and ineffective.
- **Design** refers to creating a people-friendly, urban environment which is attractive and pedestrian/bike friendly in all weather conditions. Transit benefits communities and contributes to shaping urban design and vice versa.
- **Densification** of population along routes especially in proximity to frequent transit services and stops. Densification of employment along route and job access is key for public transit since transit ridership strongly correlates to job or employment density.
- **Diversity** of land uses and housing types. Transit use and success benefits from mixed land uses, where many different people travel to and from throughout the day for many different purposes. This helps ensure the success of corridor-type services and justifies the cost of providing frequent transit services.
- **Demand management** is used to discourage unnecessary driving through traffic diversions and parking pricing thereby making transit more attractive. New developments can contribute to a transit-oriented multi-modal city or detract from it.

Service Delivery Models

Service to new neighbourhoods can be conventional fixed route transit operating at low frequencies, on-demand transit/ Alternative Service Delivery, or additional service models that possess elements of both, such as fixed route with deviations or zone-based service. These additional service models could use smaller vehicles which are visually less intrusive and more maneuverable allowing service into areas where a traditional transit vehicle could not be accommodated.

For the non-fixed route service, trip requests would be required via phone or app in advance of the trip. These services would have many similarities to the current Community Bus Routes that London Transit operates today.

Current Approach in London

Within LTC's Five-Year Service Plan, new service areas are identified with proposed conventional route extensions/ modifications to serve them, or in two areas, Alternative Service Delivery models are planned to replace existing low-frequency routes.

Minimum productivity thresholds are established by route classification, with Local and Industrial routes having the lowest threshold of 15 boardings per revenue service hour. Routes not meeting this threshold would be considered for Alternative Service Delivery. It is not clear what criteria is required for new service areas to qualify for transit service or how transit should be extended into new areas.

Global Best Practices

Closer to London in Oakville, on-demand transit replaced underperforming fixed route service and was able to provide expanded transit service to specific neighbourhoods. A dedicated app allows users to book on-demand trips, including specialized services, although it took two years to develop. The service was set up so that on-demand operating costs should not exceed fixed-route operating costs for a given service area.

Recommended Next Steps

To deliver transit service to new areas of the City, the review identifies the following priorities:

1. **Proceed with implementing Alternative Service Delivery**, consistent with the Five-Year Service Plan, and measure its performance relative to fixed-route transit.
2. **Establish new thresholds for population and job density**, within a new service catchment area, when it is appropriate to provide an initial level of transit service.

3.5 Mobility Integration

London's Mobility Master Plan is explicit in how transit service should have an integrated, multi-modal approach that links local transit, active transportation networks and regional connections to enhance access and reduce reliance on private vehicles.

Current Approach in London

Regional Transit

London is connected to the surrounding towns and counties through public and private bus operators. Public transportation options are typically provided by minibuses and shuttle-sized vehicles with fares in the \$5-\$10 range per trip. Although service is limited, ridership increased substantially between 2022 and 2024 on Middlesex County Connect routes. These services are subsidized by the province and participating municipalities and connect to LTC services at transit hubs such as downtown, Fanshawe College, White Oaks Mall, and Masonville Mall. The following routes provide regional service:

- **Middlesex County Connect** provides service north to Lucan (4 daily trips Mon-Fri), east to Woodstock (3 daily trips Mon-Fri), south to St. Thomas (4 daily trips Mon-Sat), and west to Sarnia via Strathroy (3 daily trips Mon-Sun).
- **PC Connect** provides 3 daily trips to Stratford and St. Mary's on weekdays and Saturdays.
- **Huron Shores Area Transit** provides 2 daily trips between London and Grand Bend on all days.

These public options are supplemented with private bus operators (such as FlixBus, ONEXBus, and Intercity Bus) serving longer trip distances, connecting London to Windsor, Kitchener, Brampton, Hamilton, Mississauga, and Toronto.

VIA Rail and London Train Station

VIA connects London passengers to Windsor and Toronto with 4-6 daily trips and connects to Sarnia and Kitchener with a single trip per day. The Toronto-London-Windsor corridor saw over 800,000 passengers in 2024, a 3% increase from 2023.

In addition to VIA, Metrolinx ran a pilot train route to Toronto between 2021 and 2023 which had 4-hour travel times and did not attract many riders; no plans to resume this service have been announced.

Connections to or from the train station can happen with a short walk to rapid transit stations on the Downtown Loop (King at Clarence), local transit stops along King Street or on Richmond Street, and regional bus stops on York Street.

Active Mobility Connections

Walking is the primary method transit passengers access the bus; however, there are other options that can expand transit's catchment area including cycling, scooters, rides from family/ friends, and park-and-ride facilities.

The experience of pedestrians and cyclists travelling to a rapid transit station or bus stop affects their decision to make that trip again or at all: does it feel safe, dignified, and is it convenient?

London's Complete Streets Design Manual aims to design streets that offer safe, comfortable, and dignified travel for all road users. These philosophies have been implemented on recent projects in addition to ongoing work to improve walking and cycling facilities, bus stops, streetlighting, and maintenance activities.

The new rapid transit stations have an obelisk to help users find the station, and wayfinding can further support people accessing the stations with ease. Currently, all London Transit buses have bike racks on the front, and to further enhance the bike to bus connection, bike parking should be considered near transit stops; simple racks near conventional bus stops and secure or covered bike parking facilities where cycling routes intersect with rapid transit stations.

Shared micromobility services are not currently operational in London. These services have the potential to increase transit and active mobility use and are mentioned in the Mobility Master Plan and Climate Emergency Action Plan to be reviewed further.

Fares and Technology

London's transit system uses a reloadable smart card specific to London with no contactless, mobile, or regional fare integration (no discounts when connecting from regional services). However, LTC has made strong progress on trip information by providing open GTFS data that supports real-time tracking and multimodal trip planning through platforms like Google Maps, Apple Maps, and Transit App.

Rapid transit stations and some local bus stops also include real-time departure information. Major hubs such as White Oaks and Fanshawe College are key transit terminals, positioned to support smooth transfers between rapid transit and local routes.

Stantec Review Findings

Some key gaps remain in providing an integrated user experience for transit riders in London. The whole trip needs to be considered, including arriving to the bus stop through a variety of means and ensuring that connections are seamless in geography, time, cost, and technology.

Placement of local transit stops relative to Rapid Transit should consider the following:

- Location/siting of nearby major destinations to minimize walking distances;
- Visibility and safety for persons walking and on bicycles;
- An understanding of travel movements/patterns;

- Turning movement conflicts;
- Direct line-of-sight between local service stops and Rapid Transit stations.

Additional guidance between Rapid Transit and local transit stops may be necessary at some station locations and could include painted arrows on platforms or sidewalks or signage.

The city lacks a shared micromobility system that can limit the alternatives available for first and last mile portions of a trip for some potential transit riders. To maintain flexibility, rapid transit stations should preserve space nearby for bike parking and for future micromobility needs.

Trip planning platforms do not include ticket purchasing options, nor do they provide integrated fare payments between other mobility providers such as intercity bus operators or VIA Rail. Riders must manually coordinate transfers and purchase separate tickets for each leg of their trip.

All public transit in London, and especially the future RT corridors, should integrate mobility options in a way that feels effortless to the user. While the technology is ever evolving, the City of London and LTC may wish to make this a long-term objective and seek to incrementally improve their trip planning and fare payment options as more features and functionalities become available from fare vendors and technology platforms.

Global Best Practices

One of the earliest adopters of bus rapid transit was Curitiba in Brazil where 6 routes serve 2.3 million passengers daily. They have a highly integrated network that has a single fare payment system for both public and private transit operators, and a network design that makes transfers between bus rapid transit and feeder routes seamless at comfortable stations.

Denver, Colorado has been able to integrate public transit with ride hailing and micromobility services like Uber to incorporate trip planning and payment into one app. Denver is also piloting the integration of intercity trips and Lyft scooters into the transit planning ecosystem.

In Quebec City, the transit authority is developing a fully integrated mobile application that will allow users to plan and pay for trips by bus, on-demand transit, bike-share, carshare, parking, electric vehicle charging and more. This will offer users a seamless experience between travel modes but is complex and costly to undertake.

Recommended Next Steps

The review identifies five recommendations for London:

1. **Coordinate transfers at RT stations**, reducing wait time for passengers transferring from RT to feeder routes.
2. **Continue to partner with regional transit providers on schedules and stops**, streamlining transfers for regional transit users connecting to London Transit services and extending catchment area for transit.
3. **Promote development of a shared micromobility system.** Civic Administration to develop business plan for shared micromobility to increase options for first/ last mile access to transit and for active and sustainable transportation.
4. **Explore real-time information system inclusion of other transit providers.** Although operationally complex to provide information from multiple agencies, it supports connections between transit providers and reduces the uncertainty and perceived wait time for passengers.

- 5. Upgrade the area near VIA Rail and RT stations to act as a multimodal transit hub.** Civic Administration to implement a mobility hub on Clarence Street, to improve the connections between regional buses, train service and local transit coordinated with planned infrastructure renewal work.

London has made meaningful progress toward a more connected, multimodal transportation network, yet fully integrated mobility remains a long-term objective. Strengthening coordination between rapid transit, local routes, regional services, and active transportation—supported by improved wayfinding, real-time information, and future micromobility options—will be essential to creating a seamless user experience. By continuing to modernize fare and trip-planning technologies and investing in multimodal mobility hubs, London can build a transit system where transfers are intuitive, access is convenient, and sustainable travel becomes an attractive choice for more residents.

4.0 Financial Considerations

The financial implications associated with the recommended next steps vary. Some actions can be absorbed into existing workflows and staff complement; however, bolstering any planning, monitoring, or policy efforts requires dedicated resources. Additionally, any service- or program-related recommendations will have financial impacts and would have to be further assessed and reported back by LTC or Civic Administration as part of the broader evaluation.

Conclusion

London's transit system is a critical part of London's mobility system, providing an accessible, affordable, and efficient transportation option to Londoners. As London experiences rapid growth, transit service needs to support this growth, both in existing built-up areas and in new growth areas.

To ensure London's transit system is operating as effectively as possible, Stantec Consulting completed a Route Planning and Management Review that compared current operations in London to best practices in North America and beyond. The review confirmed that many best practice elements, such as route-level structure and guidelines, supportive land-use policies, and reporting of transit-related indicators are well underway.

The review also provided several recommendations relating to transit planning, monitoring, and mobility integration, that are common elements of successful transit networks. The recommendations vary from how transit should be structured, to how it can serve new growth areas, and how it connects to regional services and active transportation more seamlessly.

When delivered holistically, the recommendations can ensure that London's transit system leverages this rare opportunity for Londoners to view transit in a new and fresh perspective with the implementation of rapid transit.

Prepared by: Daniel Hall, Manager, P.Eng., RPP, Active Transportation, Transportation Planning & Design

Submitted by: Doug MacRae, P.Eng., MPA, Director, Transportation & Mobility

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Appendix A: Stantec Route Planning & Management Review - Executive Summary & Summary of Recommendations

cc. Kelly Paleczny, Jennie Dann, Ardian Spahiu, Kristen Pawelec

Appendix A – Stantec Route Planning & Management Review - Executive Summary & Summary of Recommendations

Executive Summary

The City of London, together with the London Transit Commission (LTC), is on the cusp of a transformative moment as it prepares to introduce Bus Rapid Transit (RT) service for the first time. This report evaluates London's readiness to deliver this new Rapid Transit service and assesses how existing policies, infrastructure, service planning practices, and operational approaches align with the requirements of a high-quality RT system. While the immediate objective is to support the successful launch of RT, the broader opportunity is to use this investment as a catalyst to reshape how people move through the city establishing transit as a faster, more reliable, and more attractive choice for everyday travel.

The assessment is structured in two complementary parts. **Part A** focuses on how London's existing non-RT modes including local bus services, regional transit, active transportation, on-demand services, and other mobility options can be better integrated and re-oriented in a network anchored by rapid transit. **Part B** evaluates London's readiness to deliver RT itself as a high-quality, rapid, and reliable service. Together, these perspectives ensure that RT is not treated as a standalone project, but as a system-shaping investment.

Part A: Transit Planning and Route Management

Part A focuses on the role of RT within London's broader transit network and examines how route planning, service structure, and mobility integration can support a successful transition to rapid transit. The introduction of RT represents a fundamental shift in how transit is organized and experienced in London. Rather than functioning as a standalone service, RT is intended to serve as the backbone of the network supported by core, local, feeder, and alternative service delivery routes that work together as an integrated system.

The assessment finds that London's existing planning frameworks, including the Mobility Master Plan and the Five-Year Service Plan, already articulate many of the principles required for this transition, such as a clear service hierarchy, emphasis on frequent and reliable corridors, and improved multimodal connectivity. However, the report identifies opportunities to strengthen how these principles are translated into practice, particularly in clearly communicating the role of RT within the network, refining route classifications, and ensuring that service changes associated with RT are implemented in a coordinated and customer-focused manner.

Part A also examines mobility integration beyond the bus network itself, including connections to regional transit services, active transportation, on-demand services, and emerging mobility options. While London benefits from its role as a regional hub and has strong foundations for multimodal connectivity, the report highlights the importance of improving coordination, wayfinding, and passenger information at key transfer points to ensure seamless journeys. Clear guidance on transfers, intuitive network maps, and consistent branding are identified as essential tools to help riders understand how RT fits into the wider system.

Overall, London is well positioned to leverage RT as a catalyst for a more legible, connected, and efficient transit network. With focused attention on service integration, network communication, and long-term route planning, RT can reinforce broader mobility goals and significantly enhance the usability and performance of the transit system as a whole.

Summary of Recommendations

1. Transit Planning and Operations, Transit Structure and Hierarchy

Table 1: Minimum, medium, and maximum levels of recommended courses of action.

Option	Characteristics
Do Current Plans Only	
Redefine route classification types as proposed in the Five-Year Plan 2029 and gradually implement changes in service.	Benefits <ul style="list-style-type: none"> • Clearer route classifications help staff consistently evaluate routes against comparable peers, improving decisions around frequency, span, vehicle assignment, and resource allocation. • Redefining classifications allows routes to be assessed based on their intended function • Allows focus on the delivery of RT infrastructure. • Internally consistent classifications provide a clear rationale for service changes, helping staff explain decisions to leadership, Council, and stakeholders when required. Risks <ul style="list-style-type: none"> • Because classifications are not customer-facing, care must be taken to ensure that internal changes do not unintentionally complicate external messaging or customer expectations. • Redefining classifications alone does not improve outcomes unless they are clearly tied to service planning processes, performance monitoring, and decision-making frameworks
	Cost: \$
	Recommended: YES (Note: This is an action already being taken by LTC. This recommendation is to reaffirm LTCs actions)
	Critical?: YES
Do Minimum (Current Plans +)	
Create a transit-style and well stylized map of the LTC network with RT corridors as spines and integrated with the rest of the network	Benefits <ul style="list-style-type: none"> • Clearly presents and communicates RT as a new, revolutionary type of transit service. • Builds familiarity with RT lines ahead of opening. Also opens up the possibility of presenting future lines to demonstrate network planning and forethought. • Connects the RT network with the rest of the network to demonstrate integration and showcase how it can be used to make connections to other parts of the network. Risks <ul style="list-style-type: none"> • Requires a large communication and marketing effort to standardize image of the system for years to come. • Without the clarity provided by a new stylized map the benefits of RT risk being diluted by confusion and legacy travel patterns whereas a new map would improve system legibility and support the travel behavior changes required for RT to function effectively.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES
Critical?: YES	
Explore how modified service to Express Routes could be transferred to North and West Express Routes to enhance frequency	Benefits <ul style="list-style-type: none"> • Addressed the need for rapid transit in all parts of the city. • Improves service for cross-town trips. Risks <ul style="list-style-type: none"> • Might increase and reallocate service hours beyond budgeted plans. May require minor capital improvements such as spot bus lanes or queue jumps.
	Cost: \$
	Recommended: YES
	Critical?: YES
Do Medium (Minimum+)	

Develop a staffing plan with clear guidelines of driving requirements and maintenance operations that is agency wide	Benefits <ul style="list-style-type: none"> Internally advances the notion that RT is a new, different type of transit service. Mitigates potential issues with transferability of current workforce's skills to new vehicles and service characteristics. Inform all staff about RT and increase familiarization with RT across the whole agency Risks <ul style="list-style-type: none"> Might require specialized training from RT experts with extensive experience in operations
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: NO
Evaluate the rest of the network as RT matures.	Benefits <ul style="list-style-type: none"> No redundant routes and maximised network efficiency for spend Increase ridership by making best use of resources Improves legibility of network Risks <ul style="list-style-type: none"> Not doing so can result in overlaps and redundancy in the network Needs to be done with care and engagement with the public to ensure acceptance.
	Cost: \$\$
	Responsible Parties: LTC
	Recommended: YES
Critical?: NO	
Do Maximum (Medium+)	
Establish a Transit-Oriented Development (TOD) plan focused on areas around RT stations, ideally supported by permissive area-wide rezoning.	Benefits <ul style="list-style-type: none"> Acknowledges the land use planning-transportation planning feedback loop and builds an open regulatory environment that allows for easy development around rapid transit. Risks <ul style="list-style-type: none"> Strategy follows a long-term timeline and is also dependant on the health of the construction industry and development trends. Regulatory and legal complexity to allow for rezoning.
	Cost: \$\$\$
	Responsible Parties: City of London (Planning)
	Recommended: YES
Critical?: NO	

2. System Monitoring, Key Performance Indicators (KPIs) and Progression

Table 2: Minimum, medium, and maximum levels of recommended courses of action for monitoring and KPIs.

Option	Characteristics
Do Minimum	
Performance Monitoring <ul style="list-style-type: none"> Identify expanded toolbox of criteria to be used to undertake performance monitoring of existing services Implement and monitor performance 	Benefits <ul style="list-style-type: none"> More thorough assessment of existing service performance to better monitor performance to proactively identify issues. Risks <ul style="list-style-type: none"> Additional staffing required to ensure accurate data collection and analysis.
	Cost: \$
	Responsible Parties: LTC
	Recommended: YES
Underway?: YES – practice currently in place	

<p>Service Planning</p> <ul style="list-style-type: none"> • Develop service planning process • Identify performance criteria • Confirm data collection and analysis procedures 	<p>Benefits</p> <ul style="list-style-type: none"> • Establishes a formal process to ensure regular service plan development, updates and improvement prioritization. • Allows for more accurate budgeting. • Allows for more transparent reporting to stakeholders. • Track improvement implementation progress. <p>Risks</p> <ul style="list-style-type: none"> • Additional staffing required to undertake data analysis and plan development. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p> <p>Underway?: YES – practice currently in place</p>
<p>Transit Infrastructure: Bus Stop Guidelines</p> <ul style="list-style-type: none"> • Develop framework of bus stop classification • Develop minimum infrastructure requirements for bus stop classes • Develop infrastructure prioritization guidelines • Develop implementation plan for new bus stops 	<p>Benefits</p> <ul style="list-style-type: none"> • Formalises and standardises bus stop infrastructure requirements. • Assists with the recognition of different services. • Manages customer expectations. • Allows for prioritization of infrastructure implementation to align with budgets. • Manages the maintenance of the capital investment. <p>Risks</p> <ul style="list-style-type: none"> • Staffing costs to develop and implement and manage plan. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p> <p>Underway?: YES – practice currently in place</p>
<p>Do Maximum (Medium+)</p>	
<p>Performance Monitoring</p> <ul style="list-style-type: none"> • Review results and potentially tweak toolbox of criteria 	<p>Benefits</p> <ul style="list-style-type: none"> • Ongoing thorough assessment of existing service performance to better monitor performance to proactively identify issues. <p>Risks</p> <ul style="list-style-type: none"> • Ongoing staffing requirements. <p>Cost: \$</p> <p>Responsible Parties: LTC and City of London</p> <p>Recommended: YES</p> <p>Underway?: YES – practice currently in place</p>
<p>Service Planning</p> <ul style="list-style-type: none"> • Develop improvement prioritization framework • Develop service improvement plans • Assess and incorporate public requests for service improvements into plan 	<p>Benefits</p> <ul style="list-style-type: none"> • Informed and quantified plan development. • Tailor plan to financial realities. • Manage expectations and introduce more transparent reporting to stakeholders. • Initiate tracking of improvement implementation. <p>Risks</p> <ul style="list-style-type: none"> • Ongoing staffing requirement to undertake data analysis and plan developments <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p> <p>Underway?: YES – practice currently in place</p>

3. Mobility Integration

Table 3: Minimum, medium, and maximum levels of recommended courses of action for mobility integration.

Option	Characteristics
Do Current Plans Only	
Maintain system and make no major changes from current plans.	<p>Benefits</p> <ul style="list-style-type: none"> • Avoids immediate capital expenditures • Maintains operational stability. <p>Risks</p> <ul style="list-style-type: none"> • Missed opportunity in increasing multi-modal connectivity and expanding transit access • Lower service perception of RT • Increased pressure for RT to perform as stand-alone service. <p>Cost: \$</p> <p>Recommended: NO</p>
Update service schedules to coordinate transfers at RT stations	<p>Benefits</p> <ul style="list-style-type: none"> • Improves transfer efficiency and overall travel time • Enhances passenger convenience • Strengthens network as a whole. <p>Risks</p> <ul style="list-style-type: none"> • Requires additional scheduling and planning time on top of current workload • More opportunities for operational integration to fail. <p>Cost: \$</p> <p>Responsible Parties: LTC</p> <p>Recommended: YES</p>
Establish regional transit partnerships for coordinated scheduling and shared stops	<p>Benefits</p> <ul style="list-style-type: none"> • Streamlined transfers for regional transit users • Expands transit access and builds foundation for future agreements / further integration • Extend catchment area of LTC system. <p>Risks</p> <ul style="list-style-type: none"> • Long-term operational feasibility of other regional transit agencies is not assured • Governance complexity <p>Potential low demand levels for inter-municipality services compared to LTC core services.</p> <p>Cost: \$\$</p> <p>Responsible Parties: LTC and regional transit service providers</p> <p>Recommended: YES (<i>Note: While this is a "Yes" recommendation, this is already an action that is being undertaken by LTC. This recommendation is to reaffirm the actions of LTC</i>)</p> <p>Critical?: NO</p>
Do Minimum (Current Plans +)	
Promote development of a shared micromobility ecosystem	<p>Benefits</p> <ul style="list-style-type: none"> • Increased options for first/last mile segments of trips • Encourages active and sustainable transport • Development of BRT stops as local multimodal nodes • Reduces car dependency. <p>Risks</p> <ul style="list-style-type: none"> • Lack of continuous protected bicycle and active transportation lanes integrated with RT • Safety concerns • Accessibility concerns • Regulatory complexity around new micromobility operators. <p>Cost: \$\$</p> <p>Responsible Parties: City of London</p> <p>Recommended: YES</p>

	Critical?: NO
Do Medium (Minimum+)	
Implement a platform that aggregates trip planning in London	Benefits <ul style="list-style-type: none"> • Simplifies trip planning • Potential travel data stream • Encourages integrated mobility options. Risks <ul style="list-style-type: none"> • High upfront investment for technological development or subscription • Requires constant maintenance and updating • Requires ongoing multi-agency cooperation • Limited access for some users.
	Cost: \$\$\$
	Responsible Parties: LTC
	Recommended: NO
Do Maximum (Medium+)	
Expand real-time information systems to include regional service and other transit modes	Benefits <ul style="list-style-type: none"> • Reduces uncertainty and perceived wait times • Promotes multimodality • Easier to communicate service changes/disruptions. Risks <ul style="list-style-type: none"> • Operationally complex to support real-time information systems from multiple agencies • Requires ongoing data integration and management.
	Cost: \$\$\$\$
	Responsible Parties: LTC
	Recommended: YES (<i>Note: This is something that is already available through third-party platforms. LTC and the City of London are currently taking steps to integrate as much as possible</i>)
Upgrade the area near the VIA Rail and RT stations to act as a multimodal transit hub	Benefits <ul style="list-style-type: none"> • Existing plans to provide mobility hub on Clarence Street; opportunity with upcoming street renewal from York Street to Dundas Place. • Centralized intercity rail and streamlines connections into local transit • Improves passenger experience. Risks <ul style="list-style-type: none"> • Significant capital investment. • Coordination complexity across multiple agencies.
	Cost: \$\$\$\$
	Responsible Parties: City of London, VIA
	Recommended: YES
	Critical?: NO

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Cheryl Smith, Deputy City Manager, Neighbourhood and Community-Wide Services

Subject: Review of Subsidized Transit Programs in London

Date: April 21, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Neighbourhood and Community-Wide Services, the following actions be taken with respect to the Review of Subsidized Transit Programs in London:

- a) the staff report titled Review of Subsidized Transit Programs in London **BE RECEIVED** for information; and
- b) the Civic Administration **BE DIRECTED** to report back to the Strategic Priorities and Policy Committee, prior to the next Multi-Year Budget, with program options to consider, including costing, based on the findings in the Subsidized Transit Program Review (appended to the staff report as Appendix A) including:
 - i) maintaining the current subsidized transit programs;
 - ii) implementing limited program modifications to enhance access; and
 - iii) implementing a universal income-based program.

Executive Summary

This report presents the summary of a review completed of London's subsidized and tuition-based transit programs, as directed by Council at its meeting on April 2, 2024. The review found that London's programs align well with best practices and are meeting their intended program objectives.

The review also found that subsidized transit programs in London are growing in reach and cost. Budget rightsizing will need to be implemented to address cost pressures. Pending direction from Council, adjustments could also be made to expand program reach and access.

This report recommends that Civic Administration develop options to guide future planning with consideration of accessibility, equity, and financial requirements.

Linkage to the Corporate Strategic Plan

The Community Safety and Well-Being Plan is aligned with the following strategic areas of focus in the City of London Strategic Plan 2023 – 2027:

- Strategic Area of Focus: Wellbeing and Safety
- Outcome: London is an affordable and supportive community for individuals and families.
- Expected Result: Londoners have equitable access to key services, community supports, and recreational opportunities that enhance wellbeing and resilience.
- Strategy: Provide, enhance, and promote access to municipal subsidy programs including public transit.

Analysis

1.0 Background Information

1.1 Previous Reports Related to This Matter

- [Subsidized Transit Program Update](#) (CPSC: July 15, 2024)
- [London Transit Commission Review Recommended Approach](#) (SPPC: January 14, 2025)
- [London Transit Commission Assessment Growth Business Case](#) (SPPC: March 25, 2025)
- London Transit Rapid Transit Operational Readiness Review (SPPC: April 21, 2026)
- London Transit Route Planning and Management Review (SPPC: April 21, 2026)

1.2 Background

The London Transit Commission operates as a Commission of the City of London under By-law No. A.-6377-206, which establishes the London Transit Commission as the sole operator of public transit in the City of London and defines the composition of the Commission.

At its meeting on July 25, 2023, Council directed Civic Administration to review the current by-law and report back with recommendations to optimize the collaboration between the London Transit Commission and the City of London in delivering on Council's 2023 to 2027 Strategic Plan.

At its meeting on April 2, 2024, Council further resolved that Civic Administration undertake a Request for Proposals for an external auditor to initiate a comprehensive operations and performance audit of London Transit Commission.

At its meeting on January 21, 2025, Council received a report from Civic Administration outlining the recommended approach to address both Council directions which ultimately resulted in direction to undertake four distinct reviews; Governance Review; Rapid Transit Operational Readiness Review; Route Planning and Management Review; and Transit Passes and Subsidized Transit Programs.

1.3 Purpose

The purpose of this report is to summarize the review of all subsidized transit programs and fares currently administered by the City of London and the London Transit Commission as well as tuition-based programs and detail recommended next steps based on the findings of this review. The Subsidized Transit Program Review Summary is attached as Appendix A.

2.0 Discussion and Considerations

2.1 Review Summary

In accordance with the Procurement of Goods and Services Policy, Kovacs Group Inc. was awarded the contract to complete a program review of London's subsidized and tuition-based transit programs.

The review included all transit programs subsidized by the City of London or the London Transit Commission, which includes Children 12 and Under Tickets, Youth Pass (13–17), Youth Tickets/Stored Value (13–17), Seniors Tickets/Stored Value (65+), CNIB Pass, and the Income Related Transit Program Pass. The review examined whether current subsidized transit programs are achieving their intended objectives, whether those objectives remain aligned with Municipal Council's transit goals, and how London's approach compares to best practices in other municipalities. The review included a program inventory, a cost structure analysis, and a comparative analysis.

The review also examined tuition-based transit programs operating through the London Transit Commission in partnership with Western University and Fanshawe College. It focuses on cost structures, management controls, and ridership data and considers how these programs fit within London's broader transit landscape.

2.2 Subsidized Transit Programs

Program Inventory

There is a range of subsidized transit programs in London designed to support access to public transportation for specific population groups. These programs vary in structure, eligibility, and subsidy level, reflecting different policy objectives and user needs. Programs were compared on the basis of eligibility, ridership share, and program controls. Subsidized transit programs collectively account for approximately 14.5% of ridership, with the largest individual contributors being Youth Tickets/Stored Value Smart Cards (3.9%), Seniors Tickets/Stored Value Smart Cards (3.9%), the Income Related Transit Program Pass (2.7%), and the Youth Pass (2.2%).

Program usage has grown across all programs from 2022-2025. Total rides across all programs grew from 1,739,701 in 2022 to 2,576,718 in 2025, an increase of 48% over three years. Seniors Tickets/Stored Value Smart Cards and Youth Tickets/Stored Value Smart Cards were the two largest programs by rides in 2025, each accounting for 27% of total rides. The Income Related Transit Program Pass recorded the largest ride growth of any program, increasing 127% from 210,568 rides in 2022 to 478,633 in 2025, and is now the third-largest program by rides, at 19% of total program rides. Consistent, year-over-year growth was also observed for Children 12 and Under Tickets, with rides growing 79% from 2022 to 2025.

It should be noted that the COVID-19 pandemic caused significant disruptions to transit usage from 2020-2022. Since 2022, participation in all programs, except Seniors Tickets/Stored Value Smart Cards and Youth Passes, has rebounded but not exceeded pre-pandemic levels. Seniors Tickets/Stored Value Smart Cards and Youth Passes are the only two programs whose 2025 usage exceeds 2019 levels. For all other programs, the rate of growth reflects a return toward pre-pandemic levels. Given the unprecedented impacts of the pandemic on ridership, it was determined that analysis should focus on 2022 – 2025, given data from 2020 and 2021 was anomalous.

Program controls align with best practices observed in comparator municipalities. The London Transit Commission monitors usage and compliance to identify and respond to verification needs.

Cost Structure Analysis

Expenditures on subsidized transit programs have continued to outpace budget allocations each year as program participation has grown. In addition, the 2024 London Transit Commission fare increase contributed to an 18% increase in costs for both end users and the City of London. Total City of London subsidy expenditure increased from \$985,708 in 2022 to \$1,878,809 in 2025, a 91% increase over three years. Year-over-year growth was 30% in 2023 and 35% in 2024, moderating to 8% in 2025.

2.3 Tuition-Based Transit Programs

Program Overview

London Transit Commission operates a tuition-based transit program in partnership with Western University and Fanshawe College through institutional agreements. Full-time students at both institutions receive unlimited access to London Transit Commission services through a pass included in their student fees. The pass is valid for the full year from September 1 to August 31. All full-time students are automatically enrolled with no opt-out option.

Controls and Enrollment

The Tuition Pass accounts for 49.7% of total system ridership, making it the largest contributor to overall London Transit Commission ridership.

Students tap their card when boarding to confirm they hold a valid pass. Because student cards include a photo, operators can request to see the card and verify the holder's identity. As student cards are also required for access to campus facilities, cardholders are unlikely to share them to obtain free transit access.

Enrollment grew steadily from 55,917 in 2022 to a peak of 61,981 in 2024, then declined by 10% to 55,661 in 2025. The 2025 decline of 6,320 holders is attributable to lower student enrollment.

Cost Structures and Funding

The full cost of \$288.35 per student per year is funded entirely through mandatory student fees, with no contribution from the City of London or the London Transit Commission. The Tuition Pass generates \$16,049,849 in annual revenue for the London Transit Commission, making it the single largest revenue source across the full program portfolio. The 2025 enrollment decline of 6,320 holders has resulted in an estimated revenue reduction of \$1,822,372 relative to 2024 enrollment levels.

2.4 Municipal Comparative Analysis

In total, five municipalities were reviewed as part of the municipal scan. The design and purpose of London's subsidized transit programs were analyzed alongside those of the chosen comparator municipalities.

Across municipalities, affordability was consistently identified as the primary objective of subsidized transit programs. Beyond affordability, programs had several additional purposes such as social equity, poverty reduction, access to employment, services, and community life, increase in ridership, fairness and consistency. London's programs align with the guiding principles identified across comparator municipalities.

Subsidy levels for programs in other municipalities vary based on program type and objective. Income-based programs consistently receive the highest and most variable subsidies (49%–100%), reflecting their role as the primary mechanism for addressing affordability. All but one of the five municipalities reviewed offered single-ride subsidies in addition to monthly passes for low-income riders.

Age-based programs (children, youth, and seniors) generally provide more moderate, less targeted subsidies, though the ranges are wide (18%–100%). Higher subsidy levels within these categories are typically associated with time-limited free programs (e.g., youth) or specific policy choices (e.g., free transit days for seniors) rather than a consistent structural approach.

Municipalities increasingly frame subsidized transit as an equity tool rather than simply a fare reduction. This is reflected in movement away from universal age-based discounts toward income-based programs. Some comparator municipalities are moving towards expansion of income-based eligibility, supported by standardized verification and integrated with broader social policy objectives. In some cases, this has involved consolidating multiple programs into a single income-based model to reduce fragmentation and improve access. However, expansion is often limited by administrative and financial capacity.

The review also looked at controls, fraud prevention and risk management. It noted that London applies layered controls across the program lifecycle, using application-stage verification, photo-based Smart Cards at point of boarding, and renewal requirements for income-based program participants. London's approach to risk tolerance reflects a pragmatic tolerance orientation, accepting some degree of program leakage as a reasonable cost of maintaining accessibility, consistent with the majority of comparator municipalities reviewed.

London's subsidized transit programs compare favorably to the five municipalities reviewed with clearly articulated program purposes, eligibility criteria, and control mechanisms that are consistent with the approaches used elsewhere. London's subsidy levels are comparable to other communities with the notable exceptions of income-based and seniors' programs, which are subsidized at a lower percentage in London than in other municipalities.

3.0 Financial Impact

Total City of London subsidy expenditure grew 91% from \$985,708 in 2022 to \$1,878,809 in 2025 while the council approved budget for 2025 was \$1,512,076. This growth reflects three

converging factors: increased enrollment, increased ridership, and the 2024 London Transit Commission fare increase.

The structural relationship between London Transit Commission fare increases and City subsidy obligations means that future fare adjustments will automatically increase the City's financial commitment without any change to program design or eligibility.

Cost pressures related to structural factors are expected to continue in the foreseeable future. Two programs are expected to drive the majority of future expenditure growth. Seniors Tickets/Stored Value Smart Cards is growing in response to demographic aging, a structural, long-term trend unlikely to moderate without a change in program design. The Income Related Transit Program Pass also continues to show strong enrollment momentum. These program pressures represent ongoing obligations that will require ongoing budget adjustments.

To maintain service levels the transit subsidy budget will need to be rightsized as part of the 2027 Budget Update process.

4.0 Next Steps

Budget pressures related to the subsidized transit programs are projected to continue, as usage of all programs has maintained or increased year-over-year. London's subsidized transit programs are aligned with best practices and approaches of comparable municipalities. However, municipalities are moving toward income-based eligibility and higher subsidy levels, as a reflection of the guiding principle of affordability and that subsidies ought to be directed to those with the greatest financial need, rather than broadly applied across demographic groups.

Considering both the financial pressures and the goals of London's subsidized transit programs, it is recommended that Civic Administration report back with options to redesign the program in order to address the findings in the Subsidized Transit Program Review Summary (attached as Appendix A). Pending Council approval, these options will include the following:

Option 1: Maintain Current Subsidized Transit Programs (Status Quo)

- Maintain the current subsidized transit programs with existing eligibility criteria and subsidy levels with ongoing budget adjustments as needed.

Option 2: Limited Program Modifications to Enhance Access

- Identify modifications with a focus on the two programs driving increasing costs: the Seniors Tickets/Stored Value Smart Cards and the Income Related Transit Program Pass.
- Include program changes such as increasing subsidy levels, expanding fare types (e.g. tickets/stored value smart cards for low-income users rather than monthly pass only), and changing eligibility and/or application requirements.
- Identified modifications would be considered during the next Strategic Plan and Multi-Year Budget.

Option 3: Universal Income-Based Program

- Investigate a single, income-tested program that bases subsidy level on financial need, not age or other affiliation.
- This universal, income-based program would replace some or all of the six existing subsidized transit programs.
- Proposed program would include options for income thresholds, subsidy levels, and fare types.
- Identified modifications would be considered during the next Strategic Plan and Multi-Year Budget.

Conclusion

London has a range of subsidized transit programs designed to support access to public transportation for specific population groups. These programs vary in structure, eligibility, and subsidy level, reflecting different policy objectives and user needs. The programs are achieving

their intended objectives, increasing transit usage, mobility, and community participation. Consistent budgetary pressures require careful planning to ensure these programs remain sustainable, equitable, and administered properly as demand continues to grow.

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Appendix A: Subsidized Transit Program Review Summary

April 2026

Subsidized Transit

Program Review Summary

Prepared by:



London
CANADA

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Section 1.0:

Introduction

1.1 Purpose of the Review

On April 2, 2024, Council resolved that the following actions be taken with respect to the London Transit Commission:

- the Civic Administration BE DIRECTED to undertake a Request for Proposals for an external auditor to initiate a comprehensive operations and performance audit of the London Transit Commission, with the following audit scope:
 - inclusion of current routing of service in regard to best practices in major municipalities, structure of the organization, financial structuring of various passes and contracts, operational preparedness and readiness to integrate with future Rapid Transit corridors, and to other KPIs to identify strengths and weaknesses;
 - identification of alternate service delivery model considerations and associated savings/cost implications, including but not limited to the municipality delivering the service directly; and
 - provision of recommendations to Municipal Council at the completion of the audit with a copy of the full public report provided to the London Transit Commission.
- the Civic Administration BE DIRECTED to identify an appropriate source of financing.

This direction was to be achieved through a coordinated approach to deliver four discrete projects, including reviews of:

1. The current governance model and bylaw associated with the London Transit Commission, its alignment with Council's transit goals, and changes that could be considered to enhance the delivery of transit services in London and integration of the London Transit Commission with City Council and staff;
2. **All subsidized transit programs (children under 12, youth, seniors, visually impaired, and income), including the post-secondary programs with Western University and Fanshawe College;**
3. The readiness of the London Transit Commission to operate the rapid transit service currently under construction related to best practices for similar services in other municipalities noting that London Transit Commission has the exclusive right to operate the system under its bylaw and is currently using the completed sections for conventional transit; and

4. London Transit Commission's route planning and management practices, including the process for establishing new transit routes and modifying or discontinuing existing ones, relative to industry standards.

The purpose of this report is to present the findings of project #2, the review of all subsidized transit programs currently administered by the London Transit Commission.

The review examines whether current programs are achieving their intended objectives, whether those objectives remain aligned with Municipal Council's transit goals, and how London's approach compares to best practices in other municipalities. The review includes a program inventory, a cost structure analysis, and a comparative analysis.

The review also examines tuition-based transit programs operating through the London Transit Commission in partnership with Western University and Fanshawe College. It focuses on cost structures, management controls, and ridership data.

1.2 Background and Context

This review follows direction from Municipal Council on April 2, 2024, as part of a broader set of transit-focused reviews covering governance, service delivery, and operational readiness. Both subsidized and tuition-based transit programs were identified as key areas requiring further analysis to ensure their continued relevance, sustainability, and alignment with community needs.

1.3 Methodology

A mixed-methods approach was used, integrating qualitative and quantitative data, including:

- Interviews with representatives from five comparable municipalities;
- A municipal documentation review of policies, reports, and public materials from comparable municipalities;
- Working sessions with City and London Transit Commission staff; and
- Local documentation review of program data covering eligibility, uptake, usage, and financial performance.

Quantitative data was analyzed using descriptive statistics. Qualitative data was analyzed thematically to identify patterns related to program effectiveness, strengths, challenges, and opportunities. Triangulation across data sources strengthens the reliability of findings.

Section 2.0:

Subsidized Transit Program Inventory

2.1 Overview of Subsidized Transit Programs

There is a range of subsidized transit programs in London designed to support access to public transportation for specific population groups. These programs vary in structure, eligibility, and subsidy level, reflecting different policy objectives and user needs. They include:

- 1. Children 12 and Under Tickets:** This program provides free transit access for children 12 years of age or younger.
- 2. Youth Pass (13–17):** This program provides a subsidized monthly pass for youth aged 13 to 17.
- 3. Youth Tickets/Stored Value (13–17):** This program offers discounted per-ride transit options for youth aged 13 to 17 through tickets or stored value cards.
- 4. Seniors Tickets/Stored Value (65+):** This program provides discounted transit fares for individuals aged 65 and over via tickets or stored-value options.
- 5. CNIB:** This program provides fully subsidized transit access on a per-ride basis for individuals who are visually impaired and registered with CNIB.
- 6. Income Related Transit Program Pass:** This program provides a subsidized monthly transit pass for adults with income below the Low-Income Cut-Off (LICO).

The purpose of the subsidized transit programs is to provide affordable and accessible transportation that enhances quality of life by reducing barriers that affect a person's ability to maintain employment, access health care, and participate in social activities.

2.2 Program Eligibility, Ridership Share, and Controls

Program	Eligibility	Program Start Date	Ridership Share	Controls Verification	Controls
Children 12 and Under Tickets	Aged 5-12	2017	1.4%	Age verified at boarding	Fob
Youth Tickets/ Stored Value	Aged 13-17	1996	3.9%	Age verified at boarding	Tickets/Smart Card
Seniors Tickets/ Stored Value	Aged 65+	1972 (update 2019)	3.9%	Age verified at boarding	Tickets/Smart Card
CNIB	CNIB registrant	1979	0.4%	Valid CNIB registrant	CNIB Transit Pass
Income Related Transit Program Pass	Adults with income under LICO	2018	2.7%	Application approval	Smart Card
Youth Pass	Aged 13-17	2018	2.2%	Age verified at boarding	Smart Card

Summary Analysis

- Programs are delivered through a variety of fare types and mechanisms, including tickets, stored value, and passes.
- Subsidized transit programs collectively account for approximately 14.5% of ridership, with the largest individual contributors being Youth Tickets/Stored Value (3.9%), Seniors Tickets/Stored Value (3.9%), the Income Related Transit Program Pass (2.7%), and the Youth Pass (2.2%).
- Eligibility criteria across all programs fall into three broad categories: age-based, affiliation-based, and income-based.
- Program start dates span several decades, indicating that the current suite of programs has evolved in response to changing needs and policy priorities.
- Programs support a range of policy objectives, including reducing financial barriers and encouraging transit use among specific age groups. These objectives are reflected in the design of individual programs.
- Control mechanisms vary across the portfolio and reflect each program’s eligibility criteria.
- Controls align with best practices observed in comparator municipalities. As is common across jurisdictions, some degree of program leakage is accepted as a cost of maintaining accessibility, and London’s approach reflects this. The London Transit Commission continues to monitor usage and compliance.

2.3 Uptake Across Programs

Subsidized Tickets: Total Tickets Tendered Annually

Program	2022	2023	2024	2025
Children 12 and Under Tickets	139,472	202,605	241,299	249,540
Youth Tickets/Stored Value	625,050	724,477	692,992	687,276
Seniors Tickets/Stored Value	471,628	545,928	636,112	696,746
CNIB	58,653	71,993	71,961	74,735

Subsidized Passes: Total Passes Sold Annually

Program	2022	2023	2024	2025
Income Related Transit Program Pass	4,545	5,915	7,584	9,947
Youth Pass	7,664	10,612	11,558	11,205

Summary Analysis

- Program use has grown across all programs from 2022 to 2025.
- Children 12 and Under Tickets grew from 139,472 tickets tendered in 2022 to 249,540 in 2025, an increase of 79%.
- Youth Tickets/Stored Value usage has declined since 2023, while Youth Pass enrollment has grown over the same period. This suggests youth are shifting from per-ride tickets to monthly passes, rather than a reduction in participation.
- Seniors Tickets/Stored Value has grown consistently, increasing by 48% between 2022 and 2025. As the proportion of older adults in the city increases, demand for seniors' transit programs is likely to continue growing, with corresponding implications for ridership and program costs.
- The CNIB program has generally remained stable over the last three years, with growth concentrated between 2022 and 2023.
- The Income Related Transit Program Pass has recorded strong growth, more than doubling (119%) between 2022 and 2025.
- Youth Pass enrollment grew from 2022 to 2024, reaching 11,558 passes sold, before a modest decline to 11,205 in 2025.

2.4 Rides

Program	2022	2023	2024	2025
Children 12 and Under Tickets	139,472	202,605	241,299	249,540
Youth Tickets/Stored Value	625,050	724,477	692,992	687,276
Seniors Tickets/Stored Value	471,628	545,928	636,112	696,746
CNIB	58,653	71,993	71,961	74,735
Income Related Transit Program Pass	210,568	289,690	380,353	478,633
Youth Pass	234,330	344,439	398,391	389,788
Total	1,739,701	2,179,132	2,421,108	2,576,718

Summary Analysis

- Total rides across all programs grew from 1,739,701 in 2022 to 2,576,718 in 2025, an increase of 48% over three years. Growth was strongest in 2023 at 25%, moderating to 11% in 2024 and 6% in 2025, with 2022 rides reflecting residual pandemic effects.
- Children 12 and Under Tickets rides grew from 139,472 in 2022 to 249,540 in 2025, an increase of 79%.
- Youth Tickets/Stored Value peaked in 2023 at 724,477 rides and has since declined. Combined with increased Youth Pass rides over the same period, this reflects a shift in how youth are accessing the system rather than a reduction in overall youth ridership.
- Seniors Tickets/Stored Value and Youth Tickets/Stored Value were the two largest programs by rides in 2025, each accounting for 27% of total rides.
- CNIB rides have been effectively stable since 2023, after an increase of 23% between 2022 and 2023.
- The Income Related Transit Program Pass recorded the largest ride growth of any program, increasing 127% from 210,568 rides in 2022 to 478,633 in 2025, and is now the third-largest program by rides, at 19% of total rides.
- The Youth Pass grew 70% from 234,330 rides in 2022 to a high of 398,391 in 2024, before a modest decline to 389,788 in 2025.

2.5 Subsidy Levels, Costs, and Sources

Program	Subsidy Level	User Cost	Subsidy Cost	Total Cost	Subsidy Funding Source(s)
Children 12 and Under Tickets	100% subsidized	\$0 per ticket	\$1.53 / \$1.12 per ticket	\$2.65 per ticket	City of London Grant /London Transit Commission
Youth Tickets/ Stored Value	20% subsidized	\$2.12 per ticket	\$.53 per ticket	\$2.65 per ticket	London Transit Commission
Seniors Tickets/ Stored Value	25% subsidized	\$2.00 per ticket	\$.65 per ticket	\$2.65 per ride	City of London Grant
CNIB	100% subsidized	\$10 per year (admin fee)	\$2.65 per ride	\$2.65 per ride	City of London Grant
Income Related Transit Program Pass	36% subsidized	\$72 per pass	\$40 per pass	\$112 per pass	City of London Grant
Youth Pass	36% subsidized	\$72 per pass	\$40 per pass	\$112 per pass	City of London Grant

Summary Analysis

- Subsidy levels range from 20% to 100%, with two programs fully subsidized and four programs operating under a partial cost-sharing model.
- The Youth Pass and Income Related Pass share an identical per-unit cost structure (\$72 user / \$40 City / \$112 total).
- Five of six programs are funded in whole or in part through City of London grants. The Children 12 and Under Tickets program is funded through a combination of contributions from the City and the London Transit Commission. Youth Tickets/Stored Value is the only program where the subsidy is embedded entirely within the London Transit Commission fare structure rather than delivered as a discrete grant, with uptake decreasing when the City of London introduced the Youth Pass program.
- The \$10 annual fee for the CNIB program serves an administrative purpose rather than a cost-recovery purpose.

2.6 User and Funding Contributions

Program	User Fee	City of London	LTC	Total
Children 12 and Under Tickets	\$0	\$381,796	\$279,484	\$661,280
Youth Tickets/Stored Value	\$1,457,025	\$0	\$364,256	\$1,821,281
Seniors Tickets/Stored Value	\$1,393,492	\$452,885	n/a	\$1,846,377
CNIB	\$0	\$198,048	\$0	\$198,048
Income Related Transit Program Pass	\$716,184	\$397,880	\$0	\$1,114,064
Youth Pass	\$806,760	\$448,200	\$0	\$1,254,960
Total	\$4,373,461	\$1,878,809	\$643,740	\$6,896,010

Summary Analysis

- Users contribute \$4,373,461 (64%) of total program costs. The City of London contributes \$1,878,809 (27%), and the London Transit Commission contributes \$643,740 (9%).
- The City's contribution of \$1,878,809 is distributed across five programs. The four largest recipients are Seniors Tickets/Stored Value (\$452,885), Youth Pass (\$448,200), Income Related Transit Program Pass (\$397,880), and Children 12 and Under Tickets (\$381,796), with the CNIB program accounting for the remaining \$198,048.
- The London Transit Commission contributes \$643,740 across two programs. The Children 12 and Under program receives \$279,484, and the Youth Tickets/Stored Value program receives \$364,256 through foregone fare revenue embedded in the London Transit Commission fare structure.

Section 3.0:

Cost Structure Analysis

3.1 Historical Transit Subsidy Budget Implications

Prior to 2020, subsidized transit program costs regularly exceeded the program's budget. In response to this budget pressure, a 2020-2023 Multi-Year Budget Business Case aligned funding with program costs at that time, and formalized a single grant agreement between the City of London and the London Transit Commission, replacing a model in which each program operated under a separate agreement.

Despite disruption caused by the COVID-19 pandemic from 2020-2022, program participation has since rebounded and, in fact, grown. In addition, the 2024 London Transit Commission fare increase contributed to an 18% increase in costs for both end users and the City of London, adding further pressure to an already strained budget. By 2025, actual City of London expenditures reached \$1,878,809.

3.2 City of London 2022-2025 Subsidy Expenditures

Program	2022	2023	2024	2025
Children 12 and Under Tickets	\$181,313	\$261,082	\$369,260	\$381,796
Youth Tickets/Stored Value	\$0	\$0	\$0	\$0
Seniors Tickets/Stored Value	\$259,395	\$300,282	\$413,472	\$452,885
CNIB	\$131,968	\$161,961	\$190,696	\$198,048
Income Related Transit Program Pass	\$154,428	\$201,620	\$303,320	\$397,880
Youth Pass	\$258,604	\$360,808	\$462,320	\$448,200
Total	\$985,708	\$1,285,753	\$1,739,068	\$1,878,809

Summary Analysis

- Total City of London subsidy expenditure increased from \$985,708 in 2022 to \$1,878,809 in 2025, a 91% increase over three years. Year-over-year growth was 30% in 2023 and 35% in 2024, moderating to 8% in 2025.
- The 35% growth in 2024 reflects both increased ridership across programs and the impact of the 2024 London Transit Commission fare increase, which raised costs for the City of London by 18% across all affected programs.
- Children 12 and Under Tickets expenditure increased from \$181,313 in 2022 to \$381,796 in 2025, a 111% increase.
- Youth Tickets/Stored Value carries no City expenditure. The subsidy for this program is absorbed within the London Transit Commission fare structure.
- Seniors Tickets/Stored Value was the largest program by City expenditure in 2025 at \$452,885, growing 75% from \$259,395 in 2022. Seniors Tickets/Stored Value growth is structural (demographic aging) and will contribute disproportionately to future costs
- CNIB expenditures increased from \$131,968 in 2022 to \$198,048 in 2025, a 50% increase.
- The Income Related Transit Program Pass recorded the largest growth over the period, increasing by 158% from \$154,428 in 2022 to \$397,880 in 2025.
- The Youth Pass was the second largest program by City expenditure in 2025, at \$448,200, up 73% from \$258,604 in 2022.
- Any London Transit Commission fare increase will directly raise subsidy costs across all City-funded programs, as the City contribution is a fixed percentage of the total fare.

3.3 Impact of Current Subsidies on System Revenue

Revenue Source	Amount	Share of Total
User fare contributions	\$4,373,461	70%
City of London grants	\$1,878,809	30%
Net contribution	\$6,252,270	100%

Summary Analysis

- The combined net financial contribution of subsidized transit programs to the London Transit Commission in 2025 was \$6,252,270.
- A total of \$1,878,809 in City of London grants function as a direct revenue transfer to the London Transit Commission.
- User fare contributions account for 70% of program revenue, with City of London grants making up the remaining 30%.

Section 4.0:

Tuition-Based Transit Programs

4.1 Overview of the Tuition-Based Transit Program

London Transit Commission operates a tuition-based transit program in partnership with Western University and Fanshawe College through three institutional agreements. Full-time students at both institutions receive unlimited access to London Transit Commission services through a pass included in their student fees. The pass is valid for the full year from September 1 to August 31. All full-time students are automatically enrolled with no opt-out option.

The tuition-based program is fundamentally different from subsidized transit programs in its design, eligibility, and funding. Unlike income-based or age-based programs, where the municipality determines eligibility, the tuition-based program relies on the partnering institution to establish eligibility through student enrollment. The London Transit Commission provides the fare product. The institution provides the enrolled population and the funding mechanism.

A contract between the transit provider and the institution typically governs programs of this type. Key contractual elements include eligibility criteria, opt-out provisions, transfer payment terms, annual rate adjustment mechanisms, contract terms and renewal conditions, and pass issuance processes. These elements can significantly affect the price of the pass.

4.2 Eligibility and Controls

Program	Eligibility	Program Start Date	Ridership Share	Controls Verification	Controls
Tuition Passes	Full-time students	1998	49.7%	Registrar list of students	Student Card

Summary Analysis

- The Tuition Pass accounts for 49.7% of total system ridership, making it the largest contributor to overall London Transit Commission ridership.
- Eligibility is established through the institution’s registrar. The London Transit Commission does not independently verify individual student eligibility. Administrative responsibility for enrollment verification rests with the institution.
- Controls for the tuition pass program rely on an interface between London Transit’s Smart Card readers and the student cards issued by participating institutions.
- Students tap their card when boarding to confirm they hold a valid pass. Because student cards include a photo, operators can request to see the card and verify the holder’s identity. As student cards are also required for access to campus facilities, cardholders are unlikely to share them.

4.3 Program Enrollment

Program	2022	2023	2024	2025
Tuition Passes	55,917	61,844	61,981	55,661

Summary Analysis

- Enrollment grew steadily from 55,917 in 2022 to a peak of 61,981 in 2024, then declined by 10% to 55,661 in 2025.
- The 2023 to 2024 period was effectively flat, with enrollment increasing by just 137 holders (0.2%).
- The 2025 decline of 6,320 holders is attributable to lower student enrollment.

4.4 Cost Structure and Funding

Program	User Cost	Annual LTC Revenue	Source
Tuition Passes	\$288.35 per year	\$16,049,849	Mandatory Student Fee

Summary Analysis

- The full cost of \$288.35 per student per year is funded entirely through mandatory student fees, with no contribution from the City of London or the London Transit Commission. The cost of \$288.35 is the current price, which is subject to annual escalation per the terms of the contract.
- The Tuition Pass generates \$16,049,849 in annual revenue for the London Transit Commission, making it the single largest revenue source across the full program portfolio.
- The 2025 enrollment decline of 6,320 holders has resulted in an estimated revenue reduction of \$1,822,372 relative to 2024 enrollment levels.

Section 5.0:

Municipal Comparative Analysis

5.1 Program Design and Intent

In total, five municipalities were interviewed and reviewed as part of the municipal scan, including: Guelph, Hamilton, Ottawa, Waterloo Region, and Windsor.

Program Purpose

Across municipalities, affordability was consistently identified as the primary objective of subsidized transit programs. Beyond affordability, several additional purposes were identified:

- Social equity and poverty reduction
- Access to employment, services, and community life
- Increase in ridership
- Fairness and consistency

Guiding Principles

Four core guiding principles emerged across municipalities:

- Targeting affordability through income-based eligibility
- Advancing equity through program design
- Balancing accessibility with administrative simplicity
- Aligning subsidy programs with broader transit and social policy goals

Across jurisdictions, there was a clear shift toward income-based, equity-focused subsidy models, supported by standardized verification and integrated with broader social policy objectives. Age- and affiliation-based programs still exist, but are increasingly supplemented or replaced by models that target affordability more directly.

London's Approach

London's programs align with all four guiding principles identified across comparator municipalities, including affordability, equity, and access to employment, services, and community life.

5.2 Eligibility and Administration

Categories of Eligibility

Across comparator municipalities, subsidized transit programs can be grouped into three eligibility categories.

Category	Eligibility Basis	Verification Method
Income-Based	Household or individual income falls below a defined income threshold.	CRA documentation, tax returns, proof of social assistance, or agency referral.
Age-Based	Participant falls within a defined age range (e.g., youth, seniors).	Government-issued ID confirming date of birth; for children, often no verification at point of use.
Affiliation-Based	Participant is a member of a defined group.	Proof of program enrollment, membership card, or agency confirmation letter.

London’s Approach

London operates programs across all three eligibility categories, including income-based, age-based, and affiliation-based.

Systems and Technology

The technology platforms that support administration vary both in sophistication and by program type.

Technology Tier	Characteristics
Manual / Paper-Based	Paper applications processed by staff Eligibility determined through manual document review Records in spreadsheets or basic databases Card issuance as a separate manual step
Semi-Automated Internal Systems	Custom or adapted municipal software for application tracking Some automated eligibility screening Partial integration with fare card system Reporting available but may require manual extraction
Integrated Digital Platform	Online portal with document upload Automated eligibility determination Direct integration with fare card or mobile ticketing for provisioning Built-in reporting, renewal management, and participant communication

London’s Approach

London's administrative approach varies by program type, spanning the first two technology tiers.

5.3 Subsidy Level

Program Type	Subsidy Range	Most Common Structure
Income-based (single ride)	50% - 100%	Flat percentage discount on per-ride fare
Income-based (monthly pass)	49% - 100%	Flat or tiered percentage discount on monthly pass
Senior (age-based only)	18% - 100%	Reduced ticket, monthly pass, or annual pass
Senior (income + age combined)	57% - 69%	Income-based programs accessible to qualifying seniors
Children (age-based)	100%	Full subsidy; no user cost
Youth (age-based)	18% - 100%	Reduced fare or pass; time-limited free programs
Youth (income + age combined)	50% - 67%	Low-income rates applied to youth category
Affiliation-based	100%	Full subsidy; no user cost

The table highlights a clear distinction in how municipalities apply subsidies across program types, with the level of targeting directly influencing subsidy depth, including:

- Income-based programs** deliver structured subsidies (50%–100%), reflecting their role as the primary mechanism for addressing affordability. The use of tiered structures allows municipalities to scale support based on financial need, with the lowest-income users accessing fully subsidized fares. Flat percentage discounts are more common across the comparator group.
- Age-based programs** (children, youth, and seniors) span a wide subsidy range (18%–100%), reflecting significant variation in how municipalities structure these benefits. Higher subsidy levels within this category are found across both structural programs (e.g., monthly passes) and time-limited or conditional programs (e.g., free transit days). This breadth reflects local policy choices rather than a consistent cross-municipal approach.
- Affiliation-based programs** are consistently fully subsidized (100%), reflecting strong equity and accessibility objectives, with eligibility verified through external systems rather than income testing alone.

London's Approach

London's subsidy levels range from 20% to 100% across its six programs, with the highest subsidies applied to affiliation-based (i.e., CNIB) and age-based (i.e., Children 12 and Under) programs.

5.4 Cost and Financial Sustainability

Funding Models for Subsidized Transit

Municipal subsidized transit programs are funded through a range of models that differ in how costs are allocated, tracked, and managed. The choice of model has implications for financial transparency, risk distribution, and long-term sustainability.

Funding Model	How It Works
Transit Operating Budget Absorption	Transit agency absorbs foregone revenue within its operating budget; no separate subsidy line item
Dedicated Municipal Transfer	A separate department (social services, community investments) transfers funding to the transit agency to compensate for subsidized fares
Centralized Municipal Program	Subsidy funded through a centralized, City-wide income-tested program budget that covers transit alongside recreation, tax relief, and other benefits

London’s Approach

London uses a dedicated municipal transfer model, with City grants flowing directly to the London Transit Commission to fund subsidized fares across five of its six programs.

5.5 Controls, Fraud Prevention, and Risk Management

How Controls Are Layered Across the Program Lifecycle

Subsidized transit programs do not rely on a single control mechanism. Instead, they layer controls across three stages of the program lifecycle.

Control Stage	Purpose and Common Mechanisms
Application-Stage Controls: Establishing Eligibility	All five comparator municipalities require identity verification and income documentation at application Common elements: government-issued photo ID, proof of municipal residency, income verification through CRA documentation, tax returns, or agency referral
Point-of-Use Controls: Preventing Unauthorized Use	Ensures only the eligible individual uses the subsidized pass or card after issuance Effectiveness depends on two factors: fare technology and enforcement practices at point of boarding
Renewal and Ongoing Monitoring: Maintaining Eligibility Over Time	Periodic renewal serves as a recurring compliance checkpoint Annual re-verification of income documentation is the most common approach, ensuring continued eligibility

London’s Approach

London applies layered controls across the program lifecycle, using application-stage verification, photo-based Smart Cards at point of boarding, and renewal requirements for income-based program participants.

Risk Tolerance

Municipalities differ in their philosophical approach to fraud risk. These differences are not simply a matter of having more or fewer controls in place; they reflect deliberate policy choices about how to balance program integrity against accessibility and administrative burden.

Orientation	Characteristics	Trade-Offs
Strict Enforcement	<ul style="list-style-type: none"> Centralized application with rigorous documentation requirements Active on-board enforcement and spot checks Investment in compliance technology and staffing Low tolerance for program leakage 	<ul style="list-style-type: none"> Higher administrative cost per participant Stronger deterrent against misuse May create barriers for eligible users who lack documentation or face mobility challenges
Pragmatic Tolerance	<ul style="list-style-type: none"> Reasonable verification at application stage Limited enforcement at point of use Acceptance of some degree of leakage as the cost of accessibility 	<ul style="list-style-type: none"> Lower administrative overhead Greater accessibility for legitimate users Some exposure to pass sharing and income misreporting
Barrier-Free Access	<ul style="list-style-type: none"> Emphasis on removing all barriers to access Simplified application process, often agency-mediated Minimal enforcement at point of use Social benefit prioritized over program leakage concerns 	<ul style="list-style-type: none"> Maximizes program reach and participation Lowest administrative burden Accepts highest level of potential misuse as acceptable given social objectives

London’s Approach

London's approach reflects a pragmatic tolerance orientation, accepting some degree of program leakage as a reasonable cost of maintaining accessibility, consistent with the majority of comparator municipalities reviewed.

5.6 Lessons Learned and Trends

Critical Challenges

The primary challenges across subsidized transit programs included:

- **Demand Outpacing Capacity:** Successful programs drive high demand, often exceeding administrative and financial capacity. This leads to processing backlogs, service delays, and a recurring cycle where expansion outpaces available resources.
- **Balancing Simplicity with Accountability:** Easier application processes improve access but reduce verification, while stricter requirements strengthen accountability but create barriers. Striking this balance remains an ongoing operational challenge.
- **Political and Public Expectations Are Difficult to Manage:** Programs are shaped by competing pressures, expansion demands from advocates, cost concerns from the public, and policy direction from elected officials, often without matching resources.
- **Data Limitations Constrain Decision-Making:** Fragmented systems limit the ability to assess who is being reached, how programs are used, and their true impact, making evidence-based decisions difficult.
- **Changing Population Increases Complexity:** Shifting demographics, including growing newcomer populations, growing proportion of older adults, and rising cost-of-living pressures, expand and diversify the eligible population, requiring ongoing adaptations to programs and outreach.

What Administrators Would Do Differently

Subsidized transit program administrators would implement the following if they were to redesign their programs:

- **Build Administrative Infrastructure First:** Invest early in staffing, systems, and processes (applications, case management, system integration) to avoid backlogs, poor user experience, and reactive fixes after launch.
- **Start with a Centralized Eligibility Model:** A single, integrated application across programs reduces barriers for users and improves visibility into total supports. Retrofitting this later is complex and inefficient.
- **Design for Administrability, Not Just Equity:** Simple, clearly defined eligibility criteria are easier to implement and manage. Overly complex rules increase errors, processing time, and administrative burden.
- **Plan for Growth from the Start:** Build scalable systems, staffing models, and funding approaches that can expand with demand to avoid operational strain as participation increases.
- **Invest in Data and Evaluation Early:** Establish baseline data, metrics, and evaluation frameworks at launch to enable ongoing monitoring, demonstrate impact, and support informed decision-making.

Planned Changes and Emerging Directions for Comparator Municipalities

Across municipalities, subsidized transit programs are evolving in consistent ways, with a focus on expansion, modernization, and broader social impact, including:

- **Expansion of Eligibility and Deeper Subsidies:** Municipalities are moving toward income-based eligibility and higher subsidy. However, expansion is often limited by administrative and financial capacity.
- **Shift to Digital and Automated Processes:** There is growing investment in online applications, automated eligibility verification, and integrated digital platforms to improve efficiency, access, and program management.
- **Interest in Fare Capping:** Fare capping is being explored as an alternative or complement to subsidized passes, reducing upfront costs and improving equity for frequent riders, though it may not replace deeper subsidies for low-income users.
- **Transit as Social Infrastructure:** There is a broader shift toward viewing transit as essential social infrastructure. This reframes subsidies as investments in equity and participation, prioritizing access and reach over strict cost containment.

Section 6.0:

Conclusion

This review examined London's subsidized transit programs and tuition-based transit programs. The report presents a program portfolio that is growing in reach and cost, is broadly aligned with best practices, and faces structural pressures that will require deliberate attention as the programs continue to mature.

The Portfolio of Subsidized Transit Programs

London operates six subsidized transit programs serving children, youth, seniors, persons with visual impairments, and low-income adults. Collectively, these programs account for 14.5% of total system ridership and represent a total annual investment of \$6,896,010, shared among users, the City of London, and the London Transit Commission. Ridership has grown 48% across the portfolio from 2022 to 2025, with all programs recording gains over the period. The evidence indicates that London's subsidized transit programs are achieving their intended purpose, improving affordability and accessibility for residents who face barriers to employment, health care, and social participation, and contributing meaningfully to quality of life across the community.

Eligibility criteria are clearly defined and verifiable. Control mechanisms are appropriate to each program's eligibility structure and risk profile. The London Transit Commission's approach reflects a pragmatic tolerance orientation that balances program integrity with accessibility, consistent with the approach taken by the majority of comparator municipalities reviewed.

Structural Cost Pressures

Total City of London subsidy expenditure grew 91% from \$985,708 in 2022 to \$1,878,809 in 2025. This growth reflects three converging factors: increased enrollment, increased ridership, and the 2024 London Transit Commission fare increase. Actual program costs have consistently exceeded base budget allocations since the program's early years. The structural relationship between London Transit Commission fare increases and City subsidy obligations means that future fare adjustments will automatically increase the City's financial commitment.

Two programs are expected to drive the majority of future expenditure growth. Seniors Tickets/ Stored Value is growing in response to demographic aging, a structural, long-term trend unlikely to moderate without a change in program design. The Income Related Transit Program Pass continues to show strong enrollment momentum. These are not short-term pressures. They represent ongoing obligations that will require a sustainable funding approach.

The Tuition-Based Pass Program

The tuition-based transit program with Western University and Fanshawe College generates \$16,049,849 in annual revenue for the London Transit Commission and accounts for 49.7% of total system ridership. It operates entirely outside the public subsidy framework, with costs borne through mandatory student fees. This program is the largest source of program-based revenue in the London Transit Commission's portfolio, and its continued stability is material to the system's overall financial position. The 2025 enrollment decline of 6,320 holders resulted in an estimated revenue reduction of \$1,822,372.

Comparative Analysis

London's subsidized transit programs compare favourably to those of the five municipalities reviewed. Program purposes are clearly articulated, eligibility criteria are grounded in established income measures, and control mechanisms are consistent with the approaches used elsewhere.

The comparative analysis indicates a clear trend that municipalities are increasingly shifting toward income-based, equity-focused program models that more directly target affordability. Municipalities that have recently updated their programs have generally moved away from maintaining multiple separate age- and affiliation-based programs in favour of fewer, income-tested programs that more directly target affordability.

Forward Considerations

London's subsidized transit programs represent a meaningful investment in mobility, inclusion, and community participation. The programs are working. The challenge ahead is to ensure they remain sustainable, equitable, and well administered as demand continues to grow.



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April 21, 2026

Dear Colleagues,

The [Province recently announced their decision to close local safer consumption treatment sites](#), which includes Carepoint Consumption and Treatment Services, while suggesting that the single 60 bed HART Hub in London will somehow absorb or replace the services currently provided. However, these two services are fundamentally different in scope and function, and without additional support from the Province, the impacts from closing Carepoint will only add to our existing struggle to address addiction.

The data from Carepoint clearly demonstrates its impact in London, in 2025 alone they:

- Reversed 218 overdoses
- Supported 15,000 visits
- Reported zero new HIV cases in Middlesex-London linked to injection drug use

Eliminating this service without providing other treatment options will have serious consequences for both public health and municipal resources. We can reasonably expect an increase in overdose deaths and emergency calls, greater strain on emergency services, increased public drug use in parks, washrooms, and other shared spaces and higher long-term healthcare costs due to preventable conditions such as HIV and hepatitis.

We will also see increased pressure on already stretched social service organizations and frontline staff who continue valiantly to support individuals at the margins within complex, high-acuity environments. These impacts will be disproportionately felt by already marginalised groups like Indigenous community members, who are overrepresented among those accessing services due to longstanding systemic inequities.

From a financial perspective, the impact is significant. If even a portion of the 218 overdoses reversed at Carepoint result in emergency responses, the costs will quickly escalate. A single ambulance response costs on [average \\$217 per hour](#) in London, not including hospital admissions or ongoing care. 218 overdoses could translate to \$47,306 to \$94,612 annually in direct ambulance costs alone. If just 25% of those cases require short hospital stays, additional costs could range from [\\$60,000 to \\$245,000](#). Other costs include;

- Increased demand on paramedic services may require additional staffing, overtime, or delayed response times for other emergencies
- Policing costs will rise due to increased public drug use and emergency calls, which could reasonably add several hundred thousand dollars annually
- Emergency department overcrowding leads to system-wide inefficiencies, increasing per-patient costs and wait times across the healthcare system
- Even a small increase in infectious disease transmission could result in millions in long-term healthcare costs

There are also significant indirect and municipal costs to consider:

- Increased need for bylaw enforcement and public space maintenance due to more visible drug use
- Higher costs for waste management in parks and public spaces
- Increased strain on shelters and outreach services as individuals lose a key point of connection to care, further stretching frontline workers and peer staff supporting individuals with complex needs
- Impacts on businesses, including reduced foot traffic & increased security costs

Taking all these factors together, it is reasonable to project:

- Direct, immediate system costs in the range of \$500,000 to \$1 million annually
- Long-term healthcare liabilities that could extend into the millions

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These costs will not be borne by the Province alone. **A significant portion will fall directly on municipal services and, ultimately, London taxpayers.** Investing upfront in a comprehensive system of care - including harm reduction, treatment, and housing - is far more cost-effective than managing the downstream consequences of service gaps.

At the same time, London continues to face a severe shortage of accessible detox and rehabilitation options. Individuals who are ready to seek treatment are often unable to do so due to long waitlists, limited publicly funded rehabilitation spaces and barriers to accessing timely, local care. **Without sufficient treatment capacity, we are failing people at the moment they are most ready to recover.**

At present, London has:

- Fewer than 100 publicly accessible detox and residential treatment beds combined, all which are longer term stays
 - Approximately 18 publicly funded withdrawal management (detox) beds
 - Approximately 79 publicly funded residential rehab beds
- No access to treatment and recovery short term beds (under 30 days) in London compared to other regions.
- At current capacity, it would take many months, if not years, to cycle even a portion of those in need through available treatment spaces

This results in a structural mismatch. When individuals are ready to seek treatment, there is often no bed available. When beds do become available, individuals may no longer be in a position to access them. Frontline services, including emergency responders and hospitals, are left to manage the consequences of this gap.

Without significant new investment in detox, treatment, and highly supportive housing, the closure of existing harm reduction services will further strain an already over-capacity system that is not equipped to absorb additional demand.

London cannot absorb these impacts alone. Without provincial investment, the costs - both human and financial - will fall to our municipality and our residents. I urge you to support this request so that we can advocate with a unified voice for the resources our community urgently needs.

Thank you,
Skylar Franke
Ward 11 Councillor

SUGGESTED MOTION:

That Mayor Josh Morgan and Councillor A. Hopkins **BE REQUESTED** to advocate to the Province of Ontario, through the Association of Municipalities of Ontario (AMO), for increased and sustained resources to enable the City of London to expand local shelter and highly supportive housing capacity, establish additional HART Hubs, and significantly enhance access to detoxification and rehabilitation services in London.



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April 13, 2026

Dear colleagues,

I am writing to raise serious concerns regarding the current delivery model of certain addiction treatment and prescribing practices operating within Ontario, and specifically within the City of London.

To be clear, this letter is not about the specific medications being used, nor is it a discussion about safe supply. This is about how these treatments are administered. The focus is on the delivery model itself, not the drugs. Decisions about which medications are appropriate should be led by clinicians and addiction professionals. The concern here is that the current method of prescribing, dispensing, and managing these medications, without sufficient structure or support, is contributing to the problems we are seeing.

What is emerging is a model that is heavily reliant on private, for-profit delivery of opioid agonist treatment, often without the integration of aftercare, wraparound supports, long-term stabilization planning, or access to medically supervised detoxification services, which should be an important entry point for individuals seeking to stabilize and begin recovery. Access to treatment is highly important, but access alone is not a complete healthcare response. Without that full continuum of care, the current system risks maintaining dependence rather than supporting recovery.

In London's downtown core, there has been a concentration of clinics and associated pharmacies operating within this model. That is multiple for-profit pharmacies located in close proximity to each other along Dundas Street. These sites are dispensing hydromorphone through provincially funded mechanisms, including OHIP, under policy frameworks that do not require sufficient aftercare or ongoing oversight. The clustering of these operations in a small geographic area, without integrated support, amplifies local impacts and places added strain on surrounding businesses, residents, and public spaces.

When prescribing and dispensing occur without a structured continuum of care, outcomes become uncertain and risks such as diversion increase. At the same time, the community feels the effects through increased disorder and a broader sense of instability. Those effects are further compounded by the reliance on virtual prescribing practices with limited in-person clinical engagement.

There is also a fundamental concern regarding the alignment of for-profit incentives with addiction recovery outcomes. A model that relies on patient volume and ongoing utilization creates an inherent tension with the goal of treatment, which is to stabilize individuals and support them toward recovery and independence. In this sense, success is measured by reduced reliance on services, while the business model depends on continued use and customer retention. Without strong clinical oversight, integrated supports, structured aftercare, and access to services such as medical detoxification, these competing interests do not align.

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This for-profit model of addiction support has expanded significantly across Ontario in recent years. This growth has occurred alongside worsening conditions related to substance use in many communities. That trend alone warrants a closer examination of whether the current policy framework, delivery model, and oversight mechanisms are achieving their intended outcomes.

The City does not have the authority to regulate or restrict these operations. Municipal government cannot set clinical standards, limit prescribing practices, or intervene in how these models are structured. Yet, we are left managing the downstream effects through policing, by-law enforcement, public realm maintenance, and support for affected residents and businesses. This creates a fundamental disconnect where the system is designed at the provincial level, but the consequences are felt locally.

Without stronger regulation and clearer standards, gaps in care will persist, and both patients and communities will continue to be negatively impacted.

I have previously raised these concerns with the Ministry of Health and relevant regulators. To date, there has been no response. For these reasons, I am requesting Council's support for the following motion, which calls on the Province and relevant regulatory bodies to review this model, strengthen oversight, and transition toward a publicly funded, fully integrated healthcare approach to addiction treatment.

Therefore, I am respectfully requesting your support for the following;

That the following actions be taken with respect to the communication from Councillor D. Ferreira regarding systemic concerns with for-profit addiction treatment in Ontario:

- a) the letter BE ENDORSED by Council and forwarded to the Ontario Ministry of Health, the College of Physicians and Surgeons of Ontario, and the Ontario College of Pharmacists; and
- b) the Mayor BE REQUESTED to formally advocate to the Province of Ontario, including through appropriate municipal and intergovernmental channels, for the following:
 - i. that the Province and relevant regulatory bodies undertake an immediate review of high-volume, for-profit addiction treatment and dispensing models operating in Ontario;
 - ii. that the Province strengthen oversight, establish clear standards for integrated care, including aftercare, clinical oversight, coordination with broader health and social supports, and access to medically supervised detoxification services, and reform current policy frameworks governing prescribing and dispensing practices;
 - iii. that the Province transition away from private, for-profit models of addiction treatment toward a publicly funded and publicly operated model fully integrated within the healthcare system, with a focus on long-term recovery, stability, and patient outcomes; and



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iv. that, as part of this transition, these high-volume, for-profit models operating in London and across Ontario be phased out and replaced with a publicly funded, fully integrated healthcare model that delivers comprehensive addiction treatment without gaps in care.

Thank you for your consideration,

Councillor David Ferreira
Ward 13, City of London