

# Strategic Priorities and Policy Committee Report

11th Meeting of the Strategic Priorities and Policy Committee  
October 15, 2018

PRESENT: Mayor M. Brown, Councillors M. van Holst, B. Armstrong, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, P. Hubert, A. Hopkins, V. Ridley, S. Turner, H. Usher, T. Park, J. Zaifman  
ALSO PRESENT: M. Hayward, A. Barbon, B. Card, B. Coxhead, S. Datars-Bere, M. Galczynski, G. Kotsifas, S. Miller, J. Millson, D. Munteer, K. Murray, C. Saunders, S. Spring, S. Stafford, B. Westlake-Power and R. Wilcox.

The meeting is called to order at 4:02 PM.

## 1. Disclosures of Pecuniary Interest

Councillor S. Turner advised of intent to disclose a pecuniary interest in Item 6.1, in Closed Session.

Councillor P. Hubert advised of intent to disclose a pecuniary interest in Item 6.1, in Closed Session.

## 2. Consent

Moved by: H. Usher  
Seconded by: T. Park

That items 2.1 to 2.4 BE APPROVED.

Yeas: (15): Mayor M. Brown, M. van Holst, B. Armstrong, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, P. Hubert, A. Hopkins, V. Ridley, S. Turner, H. Usher, T. Park, and J. Zaifman

**Motion Passed (15 to 0)**

### 2.1 Surplus/Deficit Policy Update

Moved by: H. Usher  
Seconded by: T. Park

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law appended to the staff report dated October 15, 2018 as Appendix "B" BE INTRODUCED at the Municipal Council meeting on October 16, 2018, to amend By-law CPOL.-46-242 being "Surplus/Deficit Policy".

**Motion Passed**

### 2.2 Draft Smart City Strategy

Moved by: H. Usher  
Seconded by: T. Park

That, on the recommendation of the Managing Director, Planning & City Planner, the Director of Information Technology Services, the Manager II, Information Technology Services, the Director of Community and Economic Innovation and the Manager II, Geospatial Infrastructure

Systems, the following actions be taken with respect to the Draft Smart City Strategy:

- a) the Draft Smart City Strategy, attached as Appendix 1 to the staff report dated October 15, 2018, BE CIRCULATED to identified stakeholders and interested members of the community for feedback and suggestions; and
- b) an associated Implementation Plan BE PREPARED for consideration through the next Four-year Strategic Plan process and the associated 2020-2024 Multi-year Budget process;

it being noted that the attached presentation from the Managing Director, Planning & City Planner was received.

**Motion Passed**

### 2.3 Dissolution of the Public Utilities Commission

Moved by: H. Usher  
Seconded by: T. Park

That, on the recommendation of the Assistant City Solicitor, the proposed by-law appended to the staff report dated October 15, 2018 as Appendix "A" BE INTRODUCED at the Municipal Council meeting on October 16, 2018 for the purpose of dissolving the Public Utilities Commission of the City of London.

**Motion Passed**

### 2.4 London Convention Centre Corporation

Moved by: H. Usher  
Seconded by: T. Park

That, on the recommendation of the City Clerk, the following actions be taken with respect to the London Convention Centre Corporation:

- a) the proposed by-law appended to the staff report dated October 15, 2018 as Appendix "A" BE INTRODUCED at the Municipal Council meeting on October 16, 2018 for the purpose of amending By-law No. A.-6866-270, entitled "A by-law respecting the London Convention Centre Corporation" to update references to the Board, section 4, and the Term, section 5; and,
- b) the following staggered term appointments to the Board of Directors BE CONFIRMED:

Crispin Colvin - December 1, 2018 to November 30, 2019, (Class 1)

Titus Ferguson - December 1, 2018 to November 30, 2019, (Class 1)

Peter White - December 1, 2018 to November 30, 2020, (Class 2)

David Smith - December 1, 2018 to November 30, 2021, (Class 3)

Jennifer Diplock - December 1, 2018 to November 30, 2021, (Class 3)

Chris Schlachta - December 1, 2018 to November 30, 2021, (Class 3)

Nora Fisher - December 1, 2018 to November 30, 2021, (Class 3)

Tony Soares - December 1, 2018 to November 30, 2021, (Class 3)

**Motion Passed**

**3. Scheduled Items**

None.

**4. Items for Direction**

Moved by: H. Usher  
Seconded by: J. Zaifman

That Items 4.1 and 4.2 BE APPROVED.

Yeas: (15): Mayor M. Brown, M. van Holst, B. Armstrong, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, P. Hubert, A. Hopkins, V. Ridley, S. Turner, H. Usher, T. Park, and J. Zaifman

**Motion Passed (15 to 0)**

**4.1 Resignation of Mark F. Rosehart from the London and Middlesex Housing Corporation**

Moved by: H. Usher  
Seconded by: J. Zaifman

That the resignation from Mark F. Rosehart from the London and Middlesex Housing Corporation Board of Directors BE ACCEPTED; it being noted that this vacancy will be included in the advertisement for appointments for the new term of council.

**Motion Passed**

**4.2 Changes to the Hyde Park Business Association Board of Management**

Moved by: H. Usher  
Seconded by: J. Zaifman

That Tom Delaney from Oxford Dodge on Hyde Park Road BE APPOINTED to the Hyde Park Business Improvement Area Board of Management for the term ending November 30, 2018.

**Motion Passed**

**5. Deferred Matters/Additional Business**

**5.1 London Hydro – Request for BRT-related Information**

Moved by: M. van Holst  
Seconded by: J. Morgan

That London Hydro be requested to provide to the shareholder, London City Council, a breakdown of the estimated costs London Hydro will absorb for the work required to be undertaken for the bus rapid transit project; and further, if those costs will impact London Hydro ratepayers.

Yeas: (12): M. van Holst, B. Armstrong, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, P. Hubert, V. Ridley, H. Usher, T. Park, and J. Zaifman

Nays: (3): Mayor M. Brown, A. Hopkins, and S. Turner

**Motion Passed (12 to 3)**

**6. Confidential (Enclosed for Members only.)**

Moved by: M. van Holst

Seconded by: A. Hopkins

That the Strategic Priorities and Policy Committee convene in Closed Session with respect to the following matters:

**6.1 Labour Relations/Employee Negotiations/Solicitor-Client Privileged Advice**

A matter pertaining to reports, advice and recommendations of officers and employees of the Corporation concerning labour relations and employee negotiations in regards to one of the Corporation's unions and advice which is subject to solicitor-client privilege, including communications necessary for that purpose and for the purpose of providing instructions and direction to officers and employees of the Corporation.

**6.2 Personal Matters/Identifiable Individual**

A matter pertaining to personal matters about an identifiable individual with respect to employment-related matters and advice and recommendations of officers and employees of the Corporation including communications necessary for that purpose.

**6.3 Personal Matters/Identifiable Individual**

A matter pertaining to personal matters about an identifiable individual with respect to employment-related matters and advice and recommendations of officers and employees of the Corporation including communications necessary for that purpose.

Yeas: (14): Mayor M. Brown, M. van Holst, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, P. Hubert, A. Hopkins, V. Ridley, S. Turner, H. Usher, T. Park, and J. Zaifman

Absent: (1): B. Armstrong

**Motion Passed (14 to 0)**

The Strategic Priorities and Policy Committee convened in Closed Session from 4:52 PM to 6:53 PM with respect to the above-noted matters.

**7. Adjournment**

The meeting adjourned 6:54 PM.

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON OCTOBER 15, 2018</b>
<b>FROM:</b>	<b>ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>
<b>SUBJECT:</b>	<b>SURPLUS/DEFICIT POLICY UPDATE</b>

**RECOMMENDATION**

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the attached proposed by-law (Appendix “B”) **BE INTRODUCED** at the Municipal Council meeting on October 16, 2018, to amend By-law CPOL.-46-242 being “Surplus/Deficit Policy”.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

Strategic Priorities and Policy Committee, meeting on December 7, 2015, Agenda Item 3, Surplus/Deficit Policy

**LINK TO THE 2015-2019 STRATEGIC PLAN**

Council’s 2015-2019 Strategic Plan for the City of London identifies ‘Leading in Public Service’ as a strategic area of focus. The Surplus/Deficit Policy supports this strategic area of focus by contributing towards the strategic priority ‘Proactive Financial Management’. This strategic priority involves, among other things, ensuring that the City’s finances are well planned. The implementation of the Surplus/Deficit Policy signifies that the City is looking beyond a short term focus when planning its finances. The Surplus/Deficit Policy provides consistent direction for Municipal Council and Civic Administration regarding the annual treatment of surplus and deficit in a manner that is consistent with long-term financial sustainability.

**BACKGROUND**

The purpose of this report is to seek Municipal Council approval for amendments to the current Surplus/Deficit Policy (“the policy”). The proposed amendments are:

1. The policy scope (previously section 2.0) has been expanded to include the Water Rate Supported Budget (the “Water Budget”) and the Wastewater & Treatment Rate Supported Budget (the “Wastewater Budget”);
2. The policy principles (previously section 3.0) have been revised to include the following:
  - a. Language regarding the treatment of surplus or deficit positions within the Water Budget and the Wastewater Budget;
  - b. Update to the Operating Budget Contingency Reserve (OBCR) target to link to the Council approved Reserve and Reserve Fund Policy implemented in July 2018.
3. The reporting requirements (previously section 4.0) have been revised to accommodate the changes to the frequency Civic Administration provides Municipal Council monitoring reports;

4. New section added stating the minimum timeframe for review of the Surplus/Deficit Policy;
5. Removal of “Transition to New Surplus/Deficit Policy” (previously section 5.0); and
6. The policy has been updated for reformatting into the new Council Policy template.

The proposed Surplus/Deficit Policy is attached as Appendix “C”. The current Surplus/Deficit Policy is attached as Appendix “D” for reference.

#### **Definition of a Surplus or Deficit**

A surplus arises in the operating budget when there is an excess of revenues over expenditures. Year-end surpluses generally arise from two circumstances – higher than budgeted revenues (including one-time only revenues), and/or lower than budgeted expenditures.

A deficit arises in the operating budget when there is an excess of expenditures over revenues. Year-end deficits generally arise from two circumstances – lower than budgeted revenues, and/or higher than budgeted expenditures (including one-time only expenditures).

#### **The *Municipal Act, 2001* Disposition of Surplus/Deficit**

The *Municipal Act, 2001* requires municipalities to bring the prior year’s surplus forward into the next year as a revenue for the operating budget; conversely the *Municipal Act, 2001* also requires municipalities to bring the prior year’s deficit forward into the next year as an expenditure for the operating budget.

Either method would result in fluctuations from year to year. Once a surplus has been carried forward into a future year, it must be maintained because the reduction or elimination of the revenue creates a pressure in the following year’s operating budget (i.e. if a surplus of \$1 million was realized and carried forward, the following year would have to see the same surplus realized).

Where municipalities have had surpluses or deficits, there is a need to maintain consistency from one budget year to the next to avoid significant budget pressures or unsustainable revenue increases. The Surplus/Deficit Policy provides parameters to support the yearly balancing of the operating budget to mitigate future year impacts of carryover surplus or deficit.

#### **What is the Difference between One-Time and On-Going Impacts?**

One-time means that we can only expect to see the expenditure or the revenue in a given year and it should not be built into our base operating budget. If one-time expenditures are built into the base operating budget, surpluses would arise from expenditures that would not materialize. The opposite is true of revenues. If one-time revenues are built into the base operating budget, deficits would arise from revenues that would not materialize.

On-going impacts are those that can be reasonably expected each year. In order to properly fund on-going costs each year, ongoing revenues must be raised. Slight adjustments may be required over time, but generally the expenditure or revenue will remain stable from year to year (except for changes resulting from significant inflation, volume or regulatory requirements).

#### **Inclusion of Water Budget and Wastewater Budget in the Proposed Policy**

The proposed Surplus/Deficit Policy has been expanded to include the Water Budget and Wastewater Budget. Appendix “A” provides a summary diagram of the proposed Surplus/Deficit Policy. The treatment of surplus/deficit for the Water Budget and Wastewater Budget is based on the same set of principles that have been used to guide the treatment of Property Tax Supported Budget surplus/deficit.

The principles of the proposed Surplus/Deficit Policy are:

1. All surpluses and deficits be treated as one-time in nature;
2. The year-end operating surplus for the Property Tax Supported Budget, Water Rate Supported Budget, and Wastewater & Treatment Rate Supported Budget will only be allocated within the operations and reserves and reserve funds of each respective Budget; and
3. The year-end operating deficit for the Property Tax Supported Budget, Water Rate Supported Budget, and Wastewater & Treatment Rate Supported Budget will only be funded within the operations and reserves and reserve funds of each respective Budget.

With the guidance of these principles, the allocation of surplus/deficit for the Water Budget and the Wastewater Budget are proposed as follows:

In A Year of Surplus

- a) The City Treasurer, or designate be authorized to contribute an amount to the applicable Water/Wastewater Budget Contingency Reserve not to exceed the reserve target balance established through the Reserve and Reserve Fund Policy, subject to the contribution being confirmed by the Municipal Council.

*Comment: The Water/Wastewater Budget Contingency Reserves cover contingencies to mitigate unforeseen events or one-time anticipated revenue losses and expenses in order to stabilize the Water/Wastewater rates and contribute the necessary working funds required for operating expenditures incurred prior to the collection of rates. In a year of surplus, on a one-time basis, a contribution to the Water/Wastewater Budget Contingency Reserve should receive priority consideration if it is determined the balance of the reserve is not adequate.*

- b) Remaining surplus to be reported in the Operating Budget Year-End Monitoring Report with the surplus contributed to the applicable Water/Wastewater Budget Contingency Reserve to balance year-end operations. The remaining surplus allocations shall be drawn down from the applicable Water/Wastewater Budget Contingency Reserve and allocated in accordance with the following proportions:
  - i. 50% of any operating surplus shall be applied to reduce Water/Wastewater authorized but unissued debt, it being noted that debt reduction will reduce future year's debt servicing costs. If the operating surplus allocation exceeds the authorized debt amount, the authorized debt shall be reduced to nil with the remaining surplus added to the allocation specified in b ii).

*Comment: On an annual basis, Municipal Council approves a capital budget with corresponding financing such as debt. Often due to the nature of capital works, the issuance of debt is not required until the work is close to complete, two to three years after budget approval. As a result of this timing difference, Municipal Council can reduce the amount of authorized, but unissued debt through the allocation of year-end surplus to debt substitution.*

- ii. 50% of any operating surplus shall be contributed to the Waterworks Reserve Fund (Water) or Sewage Works Reserve Fund (Wastewater) to mitigate growth in the infrastructure gap.

*Comment: The Waterworks Reserve Fund and Sewage Works Reserve Fund support capital asset renewal and replacement for the City's Water and Wastewater infrastructure. As per the 2013 State of Infrastructure Report, the City of London had a total asset replacement value of \$6.8 billion for Water and Wastewater infrastructure. At that time, the infrastructure gap for Water and Wastewater was projected to grow to \$61 million in 10 years if the City maintained the current spending plans.*

*In 2017, the City hired external expertise to analyze the replacement values of Water and Wastewater linear assets. The resultant replacement values have significantly increased from the 2013 estimate due to the improved accuracy of unit cost assumptions and increases in construction and labour costs. Reserve Fund levels have increased over the last five years, however, current balances are not sufficient to fund all capital asset renewal and replacement projects needed in the next ten years.*

*Contributing Water and Wastewater surplus to these Reserve Funds can help the City manage the infrastructure gap, mitigating deterioration in City owned assets and limiting the burden on current and future rate payers.*

In a Year of Deficit

- c) The City Treasurer, or designate be authorized to drawdown from the Water/Wastewater Budget Contingency Reserve to balance year-end operations.

### **Update to the OBCR target to link to the Council Approved Reserve and Reserve Fund Policy**

In a year of surplus, the current Surplus/Deficit Policy for the Property Tax Supported Budget authorizes the City Treasurer, or designate to contribute an amount to the OBCR not to exceed the reserve target balance of 1.5% to 2.0% of the property tax gross expenditure budget, subject to the contribution to the OBCR being confirmed by the Municipal Council.

As per the Reserve and Reserve Fund Policy approved by Municipal Council in July 2018, the City Treasurer or designate has the responsibility for setting reserve and reserve fund targets, it being noted targets will be periodically reported to Council through reserve and reserve fund reports. By linking the Surplus/Deficit Policy to the targets established through the Reserve and Reserve Fund Policy, the Surplus/Deficit Policy will not require amendments when changes to the targets are made.

### **Reporting Frequency Amendment Summary**

As a result of moving to multi-year budgeting, Civic Administration has amended the frequency of monitoring reports to two per annum versus the three per annum that was in place before multi-year budgeting was implemented.

Proposed Policy

The City Treasurer, or designate shall provide the following reports related to year-end projected or actual surplus or deficit positions:

- i. Operating Budget Mid-Year Monitoring Report (January 1<sup>st</sup> to June 30<sup>th</sup>)
- ii. Operating Budget Year-End Monitoring Report (January 1<sup>st</sup> to December 31<sup>th</sup>)

Current Policy

The Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate shall strive to provide the following reports related to year-end projected surplus or deficit positions within 45 days of the close of the reporting period:

- i. Second Quarter Operating Budget Status Report to be submitted at the discretion of the City Treasurer (January 1<sup>st</sup> to June 30<sup>th</sup>)
- ii. Third Quarter Operating Budget Status Report (January 1<sup>st</sup> to September 30<sup>th</sup>)
- iii. Fourth Quarter Operating Budget Status Report (January 1<sup>st</sup> to December 31<sup>st</sup>)

Civic Administration is recommending the revision as existing budget development and monitoring practices allow for the ongoing monitoring of the current year budget between June 30<sup>th</sup> and December 31<sup>st</sup> without formally reporting projections as of September 30<sup>th</sup> to Municipal Council. Furthermore, consistent with present administrative practices, should a material matter regarding the current year budget arise, Civic Administration will bring forward a report to Municipal Council. The adoption of the revised reporting frequency maintains strong Municipal Council and Civic Administration oversight of



annual budgets while ensuring that each annual budget update in the multi-year budget cycle receives due consideration.

**Removal of “Transition to New Surplus/Deficit Policy” Section**

The current Surplus/Deficit Policy includes language on phasing out the \$850 thousand annual draw from the OBCR by the year 2021. The plan continues to be to phase out the draw by 2021, however this section has been removed from the proposed policy as it does not specifically apply to the treatment of surplus/deficit.

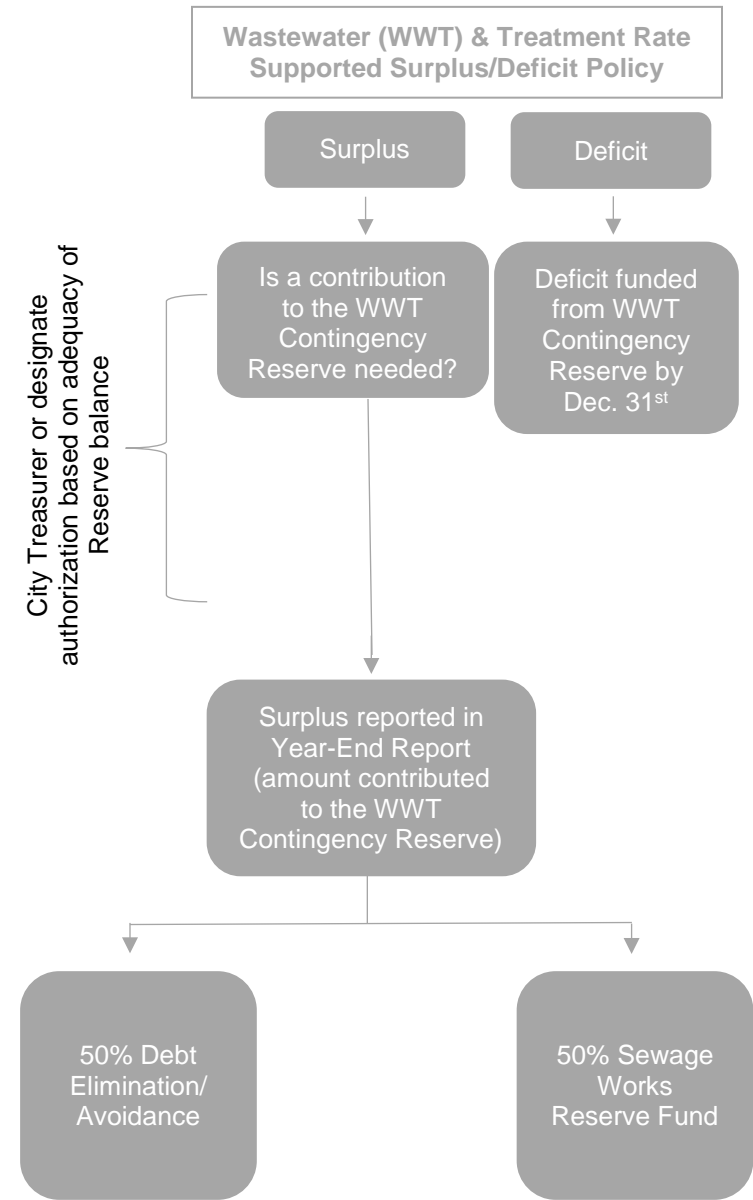
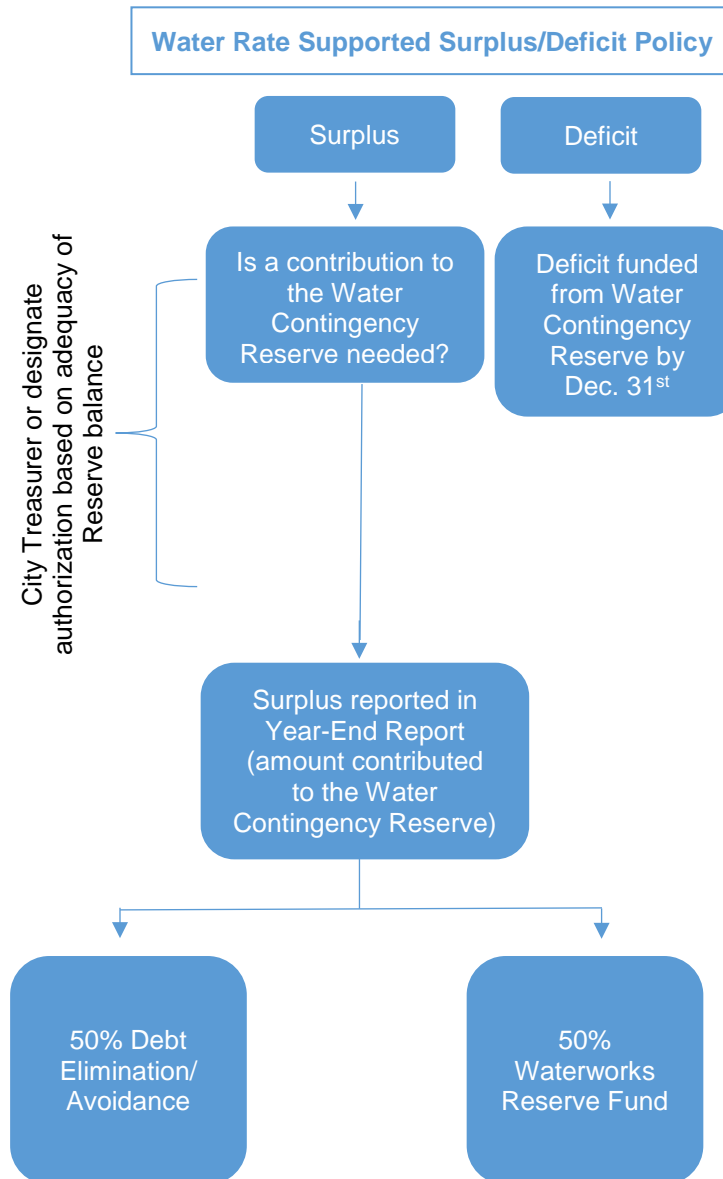
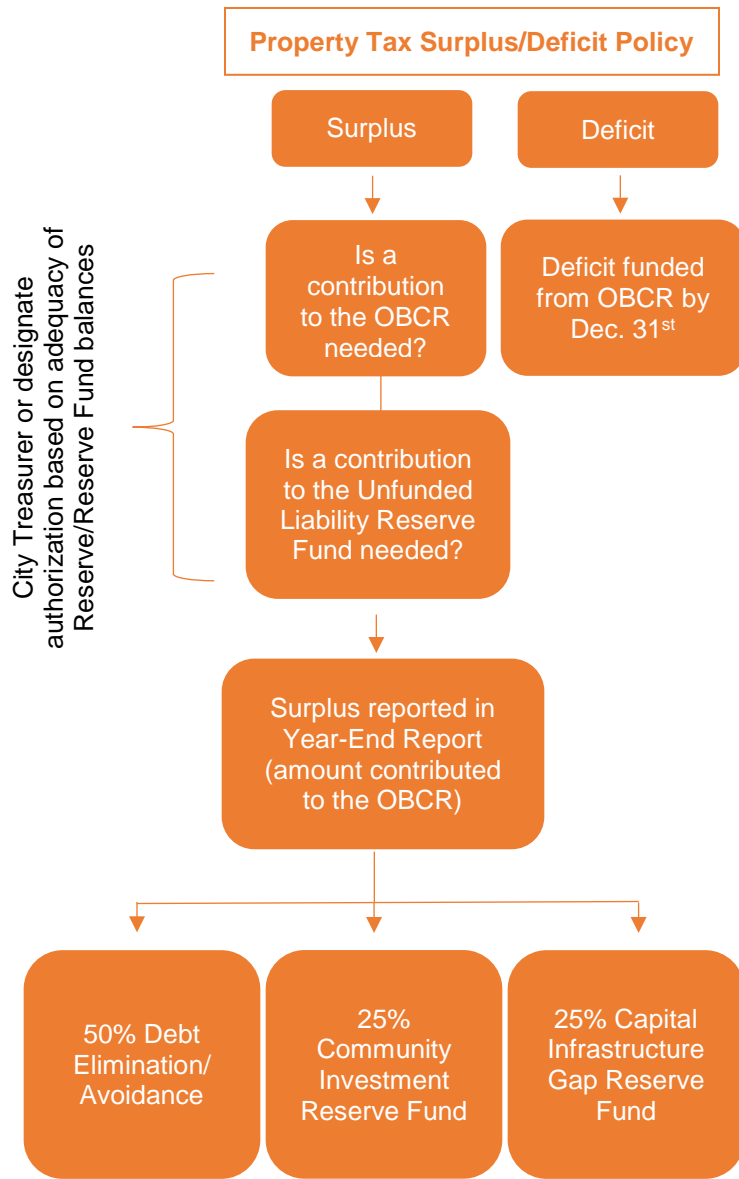
**Conclusion**

The Surplus/Deficit Policy provides consistent direction for Municipal Council and Civic Administration regarding the annual treatment of surplus and deficit in a manner that is consistent with long-term financial sustainability.

<b>PREPARED BY:</b>	<b>REVIEWED BY:</b>
<b>RICK LAMON, CPA, CMA MANAGER, ACCOUNTING AND REPORTING</b>	<b>MARTIN GALCZYNSKI, CPA, CA MANAGER, FINANCIAL PLANNING &amp; POLICY</b>
<b>RECOMMENDED BY:</b>	
<b>ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>	

- Attachments: Appendix “A” – Proposed Surplus/Deficit Policy Diagram  
 Appendix “B” – By-Law  
 Appendix “C” – Proposed Surplus/Deficit Policy  
 Appendix “D” – Current Surplus/Deficit Policy

**Appendix "A"**



## Appendix “B”

Bill No.  
2018

By-law No. CPOL.-

A By-law to amend By-law No. CPOL.-46-242  
being “Surplus/Deficit Policy”.

WHEREAS section 5(3) of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, S.O. 2001, C.25, as amended, provides a municipality with the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority;

AND WHEREAS the Council of The Corporation of the City of London wishes to amend By-law No. CPOL.46-242 being “Surplus/Deficit Policy” by deleting Appendix “C(35)” in its entirety and replace it with a new Council Policy entitled “Surplus/Deficit Policy”;

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

1. By-law No. CPOL.-46-242 being “Surplus/Deficit Policy” is hereby amended by deleting Appendix “C(35)” in its entirety and replacing it with the “Surplus/Deficit Policy” attached as Appendix “C”.
2. This by-law shall come into force and effect on the date it is passed.

PASSED in Open Council on October 16, 2018.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First Reading – October 16, 2018  
Second Reading – October 16, 2018  
Third Reading – October 16, 2018

## Appendix “C”

**Policy Name:** Surplus/Deficit Policy

**Legislative History:** Enacted June 13, 2017 (By-law No. CPOL.-46-242)

**Last Review Date:** October 15, 2018

**Service Area Lead:** Manager III, Financial Planning and Policy

### 1. Policy Statement

The purpose of this policy is to establish a priority framework for the allocation of any operating surpluses and funding for any operating deficits.

### 2. Definitions

2.1 **Authorized Debt:** Council approved debt financing as a source of funding for capital projects.

2.2 **City Treasurer:** The individual appointed by the municipality as treasurer.

2.3 **Deficit:** In the operating budget, when there is an excess of expenditures over revenues.

2.4 **Multi-Year Budget:** Approval of a four year operating and capital budget.

2.5 **Operating Budget:** A budget that funds day to day operations. Some of the expenses could include personnel, utilities, and reserve fund contributions.

2.6 **Property Tax Supported Budget:** A budget that includes property taxes as a primary source of revenue used to fund City programs and services.

2.7 **Reserve:** An appropriation from net revenue and/or cost savings at the discretion of Council, after the provision for all known expenditures. It has no reference to any specific asset and does not require the physical segregation of money or assets as in the case of a reserve fund. Municipal Councils may set up reserves for any purpose for which they have the authority to spend money.

2.8 **Reserve Fund:** Funds that have been set aside either by a by-law of the municipality or by a requirement of senior government statute or agreement to meet a future event. Municipal Councils may set up reserve funds for any purpose for which they have the authority to spend money.

2.9 **Reserve Fund Policy:** A policy governing the management and administration of reserve and reserve funds, establishing guiding principles, primary objectives, key management and administrative responsibilities, and standards of care for reserves and reserve funds managed by the City.

2.10 **Surplus:** In the operating budget, when there is an excess of revenues over expenditures.

2.11 **Wastewater & Treatment Rate Supported Budget:** A budget to fund services exclusively related to the collection and treatment of wastewater and stormwater through rates charged to users of the system.

2.12 **Water Rate Supported Budget:** A budget to fund services exclusively related to the distribution of potable water through rates charged to users of the system.

### **3. Applicability**

This policy applies to the annual operating budgets for the Property Tax Supported Budget, Water Rate Supported Budget, and Wastewater & Treatment Rate Supported Budget, unless otherwise stated.

### **4. The Policy**

#### **4.1. Principles**

4.1.1. All surpluses and deficits be treated as one-time in nature.

4.1.2. The year-end operating surplus for the Property Tax Supported Budget, Water Rate Supported Budget, and Wastewater & Treatment Rate Supported Budget will only be allocated within the operations and reserves and reserve funds of each respective Budget.

4.1.3. The year-end operating deficit for the Property Tax Supported Budget, Water Rate Supported Budget, and Wastewater & Treatment Rate Supported Budget will only be funded within the operations and reserves and reserve funds of each respective Budget.

#### Property Tax Supported Budget – In a Year of Surplus

- a) The City Treasurer, or designate be authorized to contribute an amount to the Operating Budget Contingency Reserve (OBCR) not to exceed the reserve target balance established through the Reserve and Reserve Fund Policy, subject to the contribution to the OBCR being confirmed by the Municipal Council.
- b) The City Treasurer, or designate be authorized to contribute an amount to the Unfunded Liability Reserve Fund not to exceed:
  - i) The Reserve Fund target balance established through the Reserve and Reserve Fund Policy; and
  - ii) Operational savings realized from personnel and contingency budgets at year-end.
- c) Remaining surplus to be reported in the Operating Budget Year-End Monitoring Report with the surplus contributed to the OBCR to balance year-end operations. The remaining surplus allocations shall be drawn down from the OBCR and allocated in accordance with the following proportions:
  - i) 50% of any operating surplus shall be applied to reduce authorized but unissued debt, it being noted that debt reduction will reduce future year's debt servicing costs.
  - ii) 25% of any operating surplus shall be contributed to the Community Investment Reserve Fund to be allocated at the discretion of Municipal Council.
  - iii) 25% of any operating surplus shall be contributed to the Capital Infrastructure Gap Reserve Fund to mitigate growth in the infrastructure gap.

#### Property Tax Supported Budget – In a Year of Deficit

- d) The City Treasurer, or designate be authorized to drawdown from the OBCR to balance year-end operations.

#### Wastewater & Treatment Rate Supported Budget – In a Year of Surplus

- e) The City Treasurer, or designate be authorized to contribute an amount to the Wastewater Budget Contingency Reserve not to exceed the reserve target balance established through the Reserve and Reserve Fund Policy, subject to the contribution to the Wastewater Budget Contingency Reserve being confirmed by the Municipal Council.
- f) Remaining surplus to be reported in the Operating Budget Year-End Monitoring Report with the surplus contributed to the Wastewater Budget Contingency Reserve to balance year-end operations. The remaining surplus allocations shall be drawn down from the Wastewater Budget Contingency Reserve and allocated in accordance with the following proportions:
  - i) 50% of any operating surplus shall be applied to reduce Wastewater & Treatment authorized but unissued debt, it being noted that debt reduction will reduce future year's debt servicing costs. If the operating surplus allocation exceeds the authorized debt amount, the authorized debt shall be reduced to nil with the remaining surplus added to the allocation specified in f) ii).
  - ii) 50% of any operating surplus shall be contributed to the Sewage Works Reserve Fund to mitigate growth in the infrastructure gap.

#### Wastewater & Treatment Rate Supported Budget – In a Year of Deficit

- g) The City Treasurer, or designate be authorized to drawdown from the Wastewater Budget Contingency Reserve to balance year-end operations.

#### Water Rate Supported Budget – In a Year of Surplus

- h) The City Treasurer, or designate be authorized to contribute an amount to the Water Budget Contingency Reserve not to exceed the reserve target balance established through the Reserve and Reserve Fund Policy, subject to the contribution to the Water Budget Contingency Reserve being confirmed by the Municipal Council.
- i) Remaining surplus to be reported in the Operating Budget Year-End Monitoring Report with the surplus contributed to the Water Budget Contingency Reserve to balance year-end operations. The remaining surplus allocations shall be drawn down from the Water Budget Contingency Reserve and allocated in accordance with the following proportions:
  - i) 50% of any operating surplus shall be applied to reduce Water authorized but unissued debt, it being noted that debt reduction will reduce future year's debt servicing costs. If the operating surplus allocation exceeds the authorized debt amount, the authorized debt shall be reduced to nil with the remaining surplus added to the allocation specified in i) ii).
  - ii) 50% of any operating surplus shall be contributed to the Waterworks Reserve Fund to mitigate growth in the infrastructure gap.

## Water Rate Supported Budget – In a Year of Deficit

- j) The City Treasurer, or designate be authorized to drawdown from the Water Budget Contingency Reserve to balance year-end operations.

### **4.2. Reporting**

The City Treasurer, or designate shall provide the following reports related to year-end projected or actual surplus or deficit positions:

- i) Operating Budget Mid-Year Monitoring Report (January 1<sup>st</sup> to June 30<sup>th</sup>)
- ii) Operating Budget Year-End Monitoring Report (January 1<sup>st</sup> to December 31<sup>th</sup>)

### **4.3. Policy Review**

The Surplus/Deficit Policy shall be reviewed at a minimum every four years, after each multi-year budget period, by the City Treasurer, or designate and be updated as deemed appropriate or required.

## Appendix “D”

### Original Surplus/Deficit Policy:

#### 1.0 POLICY STATEMENT AND PURPOSE

The purpose of this policy is to establish a priority framework for the allocation of any operating surpluses and funding for any operating deficits.

#### 2.0 SCOPE

This policy applies to the annual operating property tax supported budget.

#### 3.0 PRINCIPLES

With the overarching principle that all surpluses and deficits be treated as one-time in nature, the one-time allocation and funding principles of the Surplus/Deficit Policy are as follows:

##### In A Year Of Surplus

- a) The Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate be authorized to contribute an amount to the Operating Budget Contingency Reserve (OBCR) not to exceed the reserve target balance of 1.5% - 2.0% of the property tax gross expenditure budget, subject to the contribution to the OBCR being confirmed by the Municipal Council.
- b) The Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate be authorized to contribute an amount to the Unfunded Liability Reserve not to exceed any operational savings realized from personnel and contingency budgets at year-end.
- c) Remaining surplus to be reported in the 4<sup>th</sup> Quarter Operating Budget Status Report with the surplus contributed to the OBCR to balance year-end operations. The remaining surplus allocations shall be drawn down from the OBCR and allocated in accordance with the following proportions:
  - i. 50% of any operating surplus shall be applied to reduce authorized but unissued debt, it being noted that debt reduction will reduce future year's debt servicing costs.
  - ii. 25% of any operating surplus shall be contributed to the Community Investment Reserve Fund to be allocated at the discretion of Municipal Council.
  - iii. 25% of any operating surplus shall be contributed to the Capital Infrastructure Gap Reserve Fund to mitigate growth in the infrastructure gap.

##### In A Year Of Deficit

- d) The Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate be authorized to drawdown from the OBCR to balance year-end operations.

#### 4.0 REPORTING

- e) The Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate shall strive to provide the following reports related to year-end projected surplus or deficit positions within 45 days of the close of the reporting period:



- i. Second Quarter Operating Budget Status Report to be submitted at the discretion of the City Treasurer (January 1<sup>st</sup> to June 30<sup>th</sup>)
- ii. Third Quarter Operating Budget Status Report (January 1<sup>st</sup> to September 30<sup>th</sup>)
- iii. Fourth Quarter Operating Budget Status Report (January 1<sup>st</sup> to December 31<sup>th</sup>)

## **5.0 Transition To New Surplus/Deficit Policy**

As part of the existing Surplus/Deficit Policy (passed by Municipal Council on December 3, 2007), an annual draw of \$850 thousand from the OBCR was established. This annual draw is recognized as revenue each year, reducing the property tax levy requirement.

To mitigate budget pressures within the implementation of the City's first multi-year budget (2016-2019), the plan is to phase out the \$850 thousand draw from the OBCR by the year 2021. This approach provides needed continuity to the City's existing budget framework, while ensuring the elimination of this draw occurs in a reasonable period.

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE</b>
<b>FROM:</b>	<b>JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER</b>
<b>SUBJECT:</b>	<b>DRAFT SMART CITY STRATEGY MEETING ON OCTOBER 15, 2018</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the Managing Director, Planning & City Planner, the Director of Information Technology Services, the Manager II, Information Technology Services, the Director of Community and Economic Innovation and the Manager II, Geospatial Infrastructure Systems, the following actions **BE TAKEN** with respect to the Draft Smart City Strategy:

1. The Draft Smart City Strategy, attached as Appendix 1, **BE CIRCULATED** to identified stakeholders and interested members of the community for feedback and suggestions.
2. An associated Implementation Plan **BE PREPARED** for consideration through the next Four-year Strategic Plan process and the associated 2020-2024 Multi-year Budget process.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
--

- **December 7, 2015, Strategic Priorities and Policy Committee** - Proposed Terms of Reference for the Smart City Strategy
- **February 20, 2018, Corporate Services Committee** - Infrastructure Canada's Smart Cities Challenge
- **June 19, 2018, Corporate Services Committee** - Infrastructure Canada's Smart Cities Challenge Update

<b>BACKGROUND</b>
-------------------

**Who has prepared the Draft Smart City Strategy?**

- The Draft Smart City Strategy was prepared by four primary partners, who have a significant stake in the future of London as a Smart City. They include:
  - The City of London
    - Planning Services
    - Information Technology Services
    - Environmental and Engineering Services
    - Community and Economic Innovation
  - The London Economic Development Corporation
  - London Hydro
  - LARG\*net (London and Regional Global Network)
- In addition, stakeholders and members of the London community have provided input into the development of this strategy.

- IBI Group, who has international experience in smart city strategy development has provided consulting services to develop this Smart City Strategy.

### **What is a Smart City?**

- Our research found that there are many potential definitions of a smart city. Such definitions can be extremely complex, can focus on the details of specific technologies, or can be so broad that they do not provide any clarity on the subject of smart cities or why it is important.

- We've chosen what we believe is a simple, yet powerful, definition of a smart city:

***A Smart City uses innovation, data and technology to make our lives better, strengthen our economy, protect our environment and deliver services more openly, efficiently and effectively for all Londoners***

- As our Smart City Strategy states, a culture of smart city thinking is at the core of any smart city. Smart city thinking includes delivering services around concepts of:
  - Digital government
  - Open government
  - Connected community
  - Citizen experience
  - Innovation
  - Efficiency and effectiveness
  - Collaboration and partnerships

### **Why is a Smart City Important to London's Future?**

- Cities across Ontario, Canada and the World are developing smart city strategies. They understand the importance of a deliberate strategy around the subject of smart cities to compete with other cities in their region and across the globe.
- Smart cities will be well positioned to offer their community the infrastructure, amenities, and supports that business, residents and labour force talent are looking for.
- Furthermore, smart cities can offer services that are:
  - More convenient
  - Less expensive
  - More effective
  - Better experiences
  - More inclusive
  - More accessible
- Smart cities can allow residents, businesses, institutions and governments to make better decisions with the available information.
- Quite simply, cities that do not strategize and plan around smart city thinking risk losing competitive ground, with economic consequences, to those who have deliberately planned and delivered a smart city in the future.

### **Foundations for a Smart City**

This Smart City Strategy builds on the base of several plans and strategies that have already set a foundation for smart cities in London. They include:

- **The London Plan** – which is unique as an Official Plan in providing an entire chapter devoted to planning for a smart city. Policy in the London Plan states:

625\_ Through city investments, long-term planning initiatives and the review of planning and development applications, action will be taken to design and build our smart city in the following ways:

1. Build a connected city that links all of its residents, stakeholders, investors, and external partners.
  2. Give London a competitive advantage as a city that is well known to have the highest quality of information and communications infrastructure for those businesses and industries that require it.
  3. Use smart cities infrastructure and technology to foster an environment that supports business incubation.
  4. Enhance quality of life for all Londoners by supporting the development and delivery of state-of-the-art communication capabilities for all residents and businesses throughout the city.
  5. Provide customer-centric public services that leverage digital infrastructure, people, and processes to serve all residents and businesses.
  6. Facilitate open government by using technology that will make the city more transparent and inclusive to encourage the participation and involvement of all stakeholders in decisions faced by the city.
  7. Provide the highest level of smart city infrastructure and amenity offered in London to locations within our Downtown, our Transit Villages and Rapid Transit Corridors, our Institutional Place Types, and in appropriate locations within our Industrial Place Types.
  8. Use smart city infrastructure to support the Key Directions and City Building policies of this Plan.
  9. Ensure that rights to the protection of privacy are always respected and maintained
- **Council's 2015-2019 Strategic Plan** – which calls for the preparation of a Smart City Strategy and associated Smart City Implementation Plan. This initiative is under the Strategic Area of Focus “Growing Our Economy” and “Leading in Public Service”
    - Use new and emerging technology to improve quality of life and grow London's economy
    - Deliver great customer experiences to residents, businesses and visitors
      - Innovative service delivery models
      - Improved access through web, phone, and in person
      - Innovative technology
  - **City of London Information Technology Strategy** – that includes 25 key strategic drivers that lay the foundation for investment and aligns with smart cities principles. These drivers are then translated into tactical action including the successful completion of over 22,000 incidents and 40 transformational technical projects annually. These operational and modernization actions support the effective delivery of public service to users and residents in our community resulting in a smarter city.

### **Some Examples of Smart City Initiatives Already Underway in London**

There are many smart city initiatives already underway in London – being delivered by the larger community as well as by our local government. Below are some illustrative examples:

- **Corporate Asset Management** – to allow detailed, proactive and effective asset management that will lower risk, reduce service interruptions, allow for effective financial planning, and lower the cost of managing city assets.

**Computerized Maintenance Management System** – to allow Water, Sanitary, Stormwater, Forestry, Parks Operations, Transportation & Roadside Operations and Solid Waste Divisions to leverage a solution for enhanced work planning, tracking of resources and scheduling, improved budgeting and expenditure tracking, increased productivity and reduce downtime, better communication and planning between departments, and provide timely and accurate information.

- **Customer Relationship Management Software** – to allow for the integration of online, telephone and in-person customer services – providing consistent and robust information to call-takers, advanced status tracking of responses, seamless and personalized information for customers and ongoing analytical tools to help assess and address customer needs.
- **Open Data Portal** – a collection of data sources assembled and maintained by the City, available online in a format that is accessible to third party users. The intent is to provide information that is useful to others for the development of applications that can help Londoners, businesses and institutions in a variety of different ways.
- **Renew London WAZE Integration** – integrating construction information into the third party WAZE system so that Londoners can be aware of, and avoid, construction projects and understand the best way to navigate alternative routes given up-to-date traffic volumes
- **Intelligent Transportation System** – to include such things as a state-of-the-art transit signal priority for rapid transit, adaptive control, motor vehicle and bicycle detection, counting and classification, video monitoring, modern traffic control centre, real-time travel time monitoring and feedback to drivers
- **Virtual Reality Urban Modelling** – including three dimensional models of civic spaces, development proposals, and urban landscapes that allow community members to visualize proposed changes in tangible ways that can provide for understanding and effective feedback.

This list is not inclusive. There are many, many more examples that show that London is moving smart city initiatives forward in tangible and important ways.

### **What Has Been the Smart City Strategy Process to Date?**

With the assistance of the IBI Group, the following steps have been undertaken to develop the Draft Smart City Strategy:

- Partnership development – terms for sharing the cost of the Smart City Strategy
- Terms of Reference for Smart City Strategy (Council Approved)
- Stakeholder interviews
- Public engagement
- Smart City Challenge engagement
- Best practices research

A summary of feedback received from the stakeholder and public engagement processes is included in [Appendix 2](#). [Appendix 3](#) provides an overview of feedback received from the Smart City Challenge process.

### **Draft Smart City Strategy**

Through our research, we found that many smart city strategies include a long list of interesting technology projects that the subject city is proposing to initiate. Many of these projects are focused on specific software, technology, or practices that are currently relevant. Our strategy does not take this approach for the following reasons:

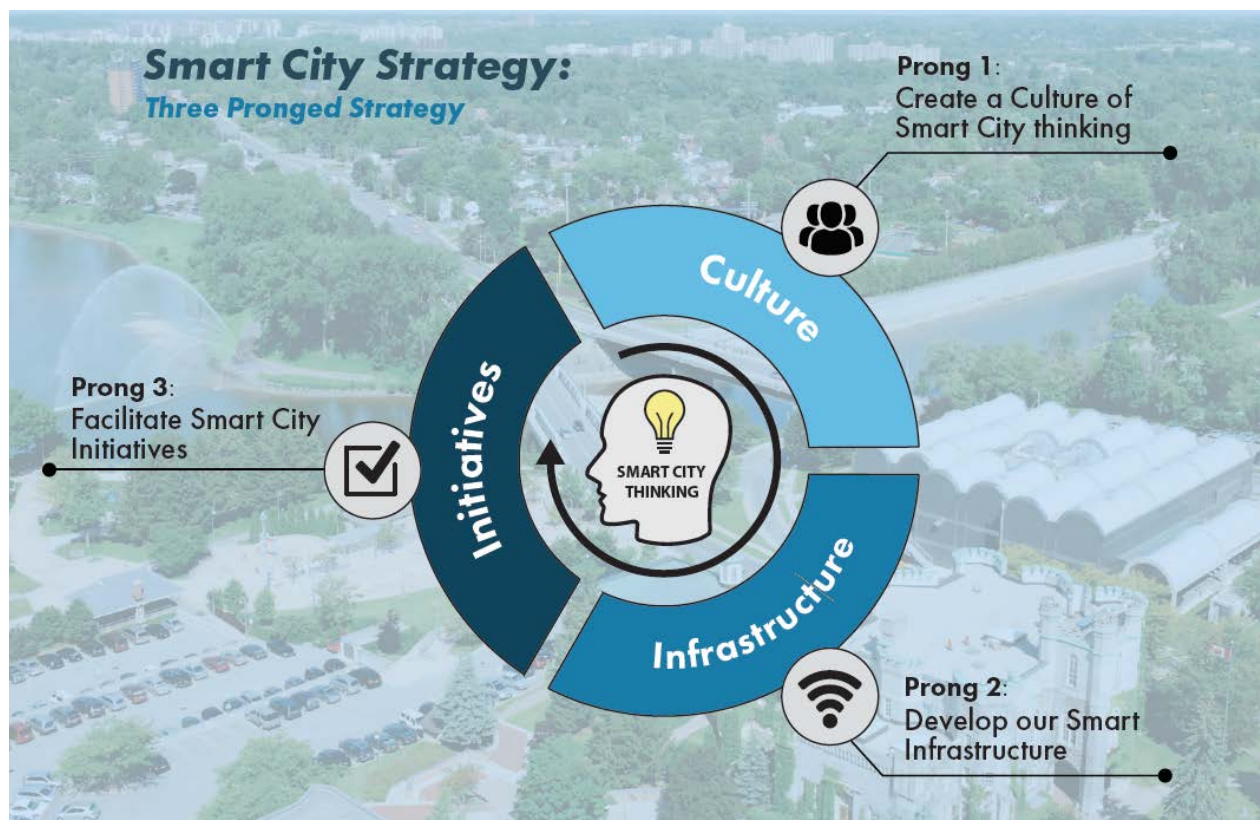
- Technology is changing extremely rapidly in today's world. A project that seems cutting edge today may seem out-of-date and irrelevant within one or two years. A list of tech projects in a strategy will, thus, become dated very quickly as will the strategy itself.
- We recognize that technology, for technology sake, is not the answer (the "cool factor" should not be the focus). It is important to focus on the problems we need to solve and the opportunities that exist to make our lives better, help improve the economy, and deliver services more efficiently and effectively.

- A strategy such as this focuses on the efforts of a municipal government. For a strategy to be truly effective, it needs to facilitate the power of the private sector, institutions, utilities and other sectors of the community to develop smart city initiatives. Reliance solely on municipal government to do so is not an effective strategy.

With this in mind, our Draft Smart City Strategy takes a higher level approach. It focuses on three main prongs:

- Prong 1 – Creating a Culture of Smart City thinking
- Prong 2 – Developing our Smart City infrastructure
- Prong 3 – Facilitating Smart City initiatives

In essence, the strategy seeks to put the right pieces in place to establish an environment that stimulates the broader business, institutional and wider community to develop smart city initiatives on an on-going basis over time.



Attached, as [Appendix 1](#), is the DRAFT Smart City Strategy. It provides a vision, defines smart city thinking, provides this over-arching 3-prong approach, and proposes specific actions that can be taken to advance London as a Smart City.

### **What are the Next Steps?**

With the Draft Smart City Strategy now prepared, planned next steps are as follows:

1. Circulate the draft Smart City Strategy widely to seek out feedback.
2. Prepare an implementation plan, which identifies costs and prioritizes implementation steps and recommends who should be responsible for these various implementation pieces going forward.
3. Resources will be allocated in City Planning during 2019 to develop the implementation plan for the Smart City Strategy.

4. Revise the Smart City Strategy, based on feedback received and ensure that Implementation Plan is aligned.
5. Return to Council for approval of the final Smart City Strategy and the associated Implementation Plan.
6. Incorporate the Smart City Strategy and Implementation Plan in Council's Strategic Plan and prepare an associated business plan for the 2020-2024 Multi-year Budget.

**Acknowledgements:**

In addition to those who are listed on the signature block, this report was prepared with assistance from the following Steering Committee members:

- Jeffrey Grieve – LARG\*net Western
- Peter Gilbert – LARG\*net Fanshawe College
- Luke Seewald – London Hydro
- Jelena Kosarac – London Hydro
- Larry MacKinnon – London Economic Development Corporation

In addition, significant input and assistance was provided by Titus Ferguson, Executive Director of UnLondon

<b>PREPARED AND RECOMMENDED BY:</b>	<b>RECOMMENDED BY:</b>
<b>JOHN M. FLEMING, MCIP, RPP MANAGING DIRECTOR, PLANNING AND CITY PLANNER</b>	<b>MAT DALEY DIRECTOR, INFORMATION TECHNOLOGY SERVICES</b>
<b>RECOMMENDED BY:</b>	<b>RECOMMENDED BY:</b>
<b>ROSANNA WILCOX DIRECTOR, COMMUNITY AND ECONOMIC INNOVATION</b>	<b>MATT ROSS MANAGER II, INFORMATION TECHNOLOGY SERVICES</b>
<b>RECOMMENDED BY:</b>	
<b>GARY STRONGHILL GEOSPATIAL INFRASTRUCTURE SYSTEMS MANAGER</b>	

**APPENDIX 1**  
**DRAFT SMART CITY STRATEGY**



Using innovation,  
data and technology  
to make our lives  
better.

**Draft  
Smart City  
Strategy**



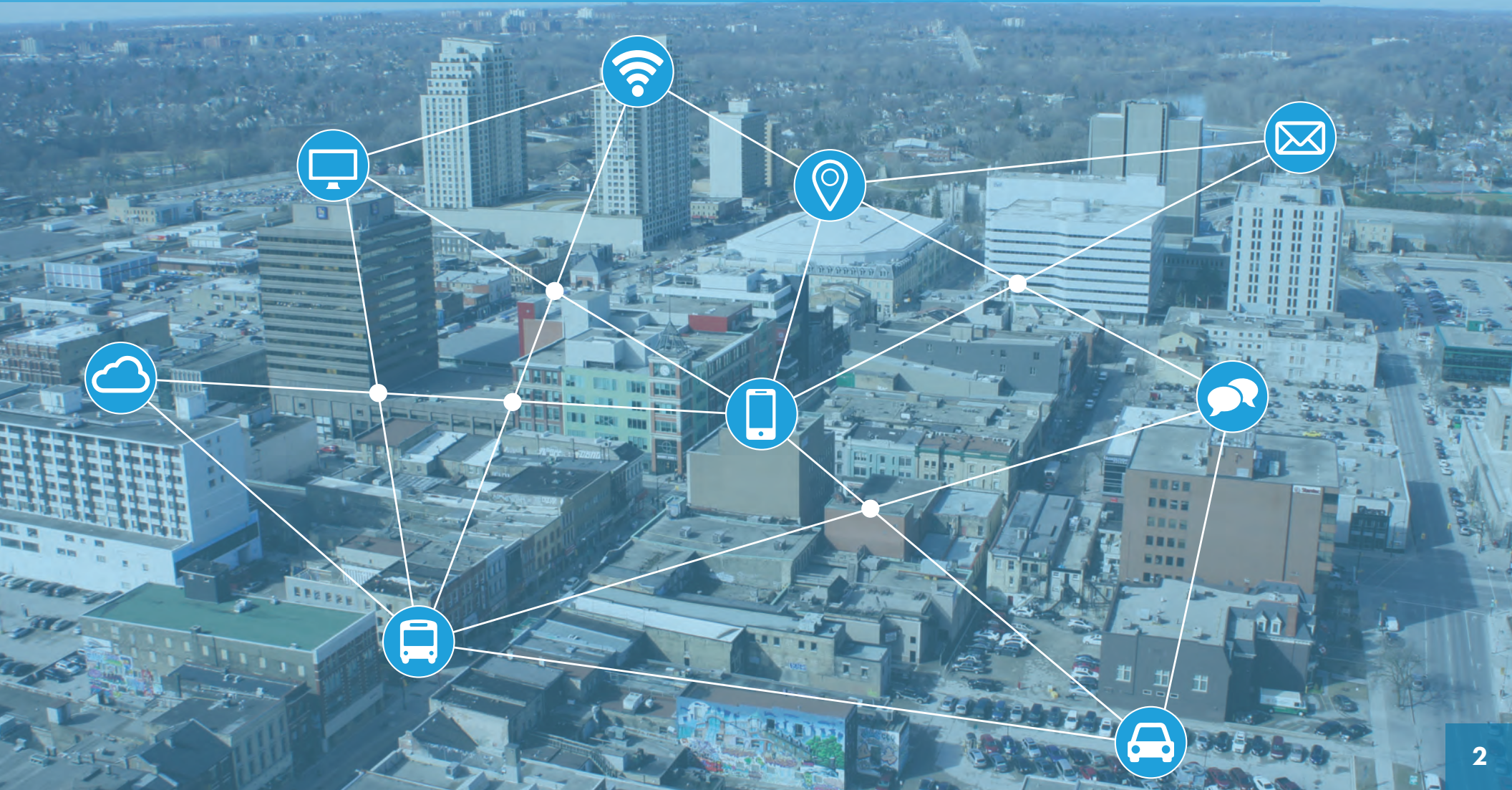
**London**  
CANADA



# Our Smart City Vision

## A Picture of Our Future

Our future London will use innovation, data, and technology to make our lives better, strengthen our economy, protect our environment and deliver government services more openly, efficiently and effectively for all Londoners.

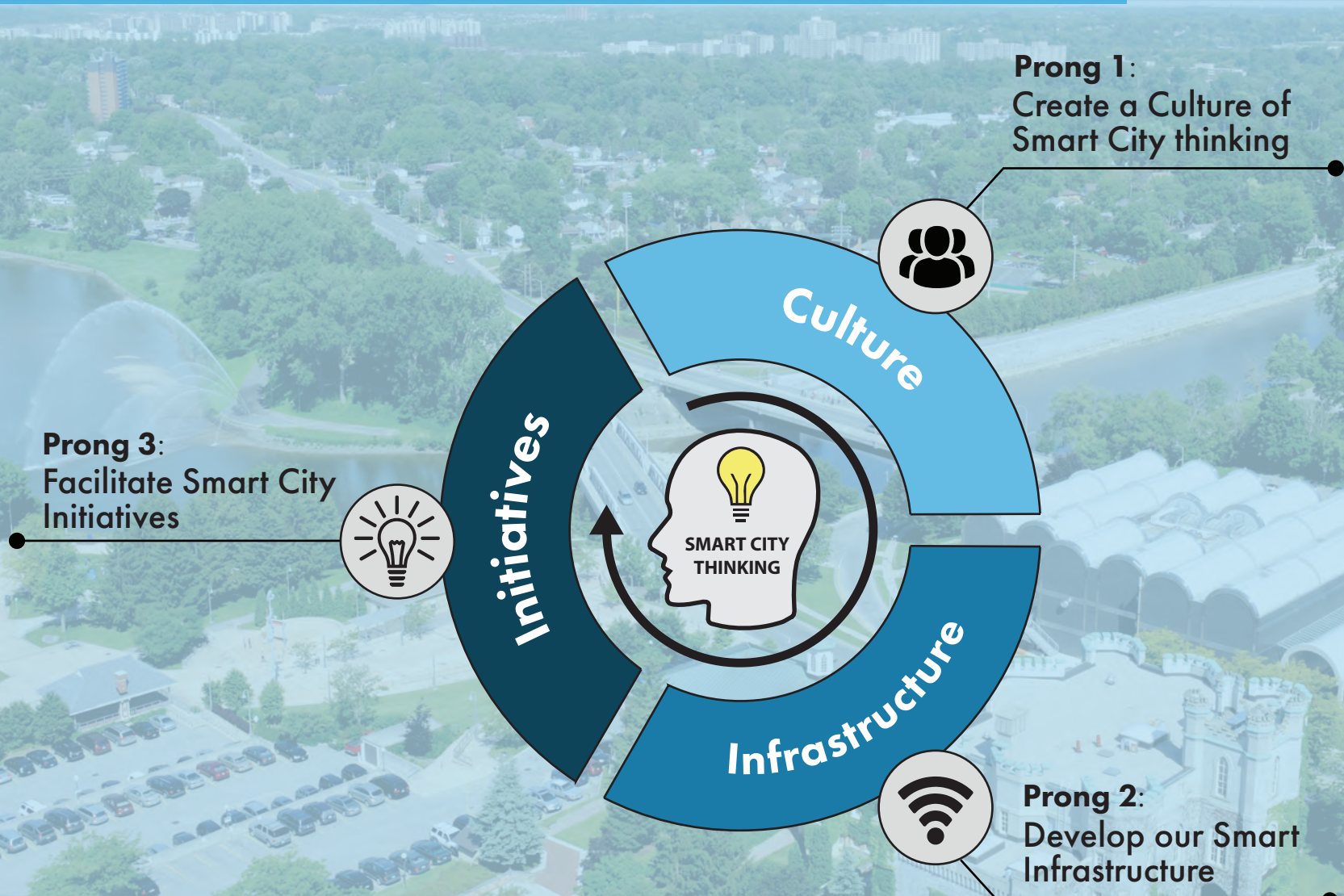




# Our Strategy

## How We Will Achieve A Smart City

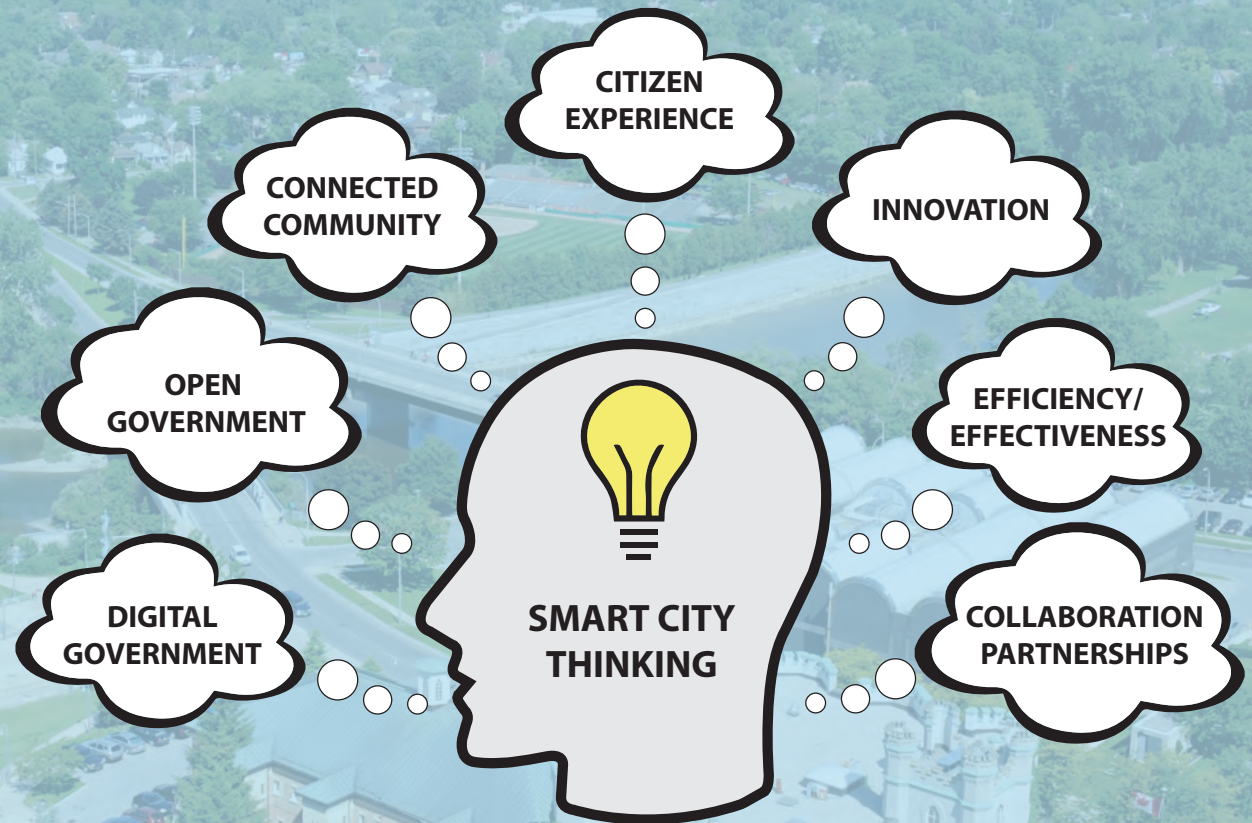
We will achieve our Smart City by implementing a three-pronged strategy:





# What is “Smart City Thinking”?

In order for London to move toward this vision of a smart city we’ll need to use smart city thinking. But what is smart city thinking? Based on our engagement process, our research and analysis of best practices elsewhere, we’ve boiled smart city thinking down to the following principles.



# “Smart City Thinking”

## In more detail

### 1 | Digital Government

- Delivering a wide range of government services digitally
- Using data and technology to deliver government services

### 2 | Open Government

- Being transparent in the way government operates
- Providing easy and useful access to rich data sources
- Using analytics and other tools for reporting
- Ensuring procurement processes are open and accessible

### 3 | Connected Community

- Connecting citizens to each other
- Connecting Citizens, Business, Government, Utilities and Educational Institutions with one another
- Engaging in highly effective, authentic and regular ways
- Being inclusive, allowing for people to be engaged as they would like

### 4 | Citizen Experience

- Creating an excellent user experience for citizens
- Using human centred design – putting people first
- Making London attractive and easy to navigate – physically, functionally and digitally
- Allowing for personalization and meaningful ties to individual preferences
- Putting a premium on convenience and efficiency

### 5 | Innovation

- Consistently looking for new and better ways to deliver services and products
- Experimenting on an ongoing basis
- Creating an environment of greater risk tolerance that gives measured permission to fail

### 6 | Efficiency and effectiveness

- Seeking out ways to streamline processes, cut waste, and save time and money
- Looking for new ways to get better results
- Using analytics to enhance public service decision-making and problem solving

### 7 | Collaboration and Partnerships

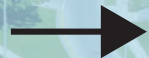
- Bringing the public and private sectors together to collaborate
- Leverage private sector expertise, innovation and existing technology
- Finding new ways to work together with others by communicating, sharing information, problem-solving



# The Value of “Smart City Thinking”

When Smart City thinking is applied, it can have a transformational impact on the way that we deliver services. And, the outcomes can be significantly improved for all citizens.

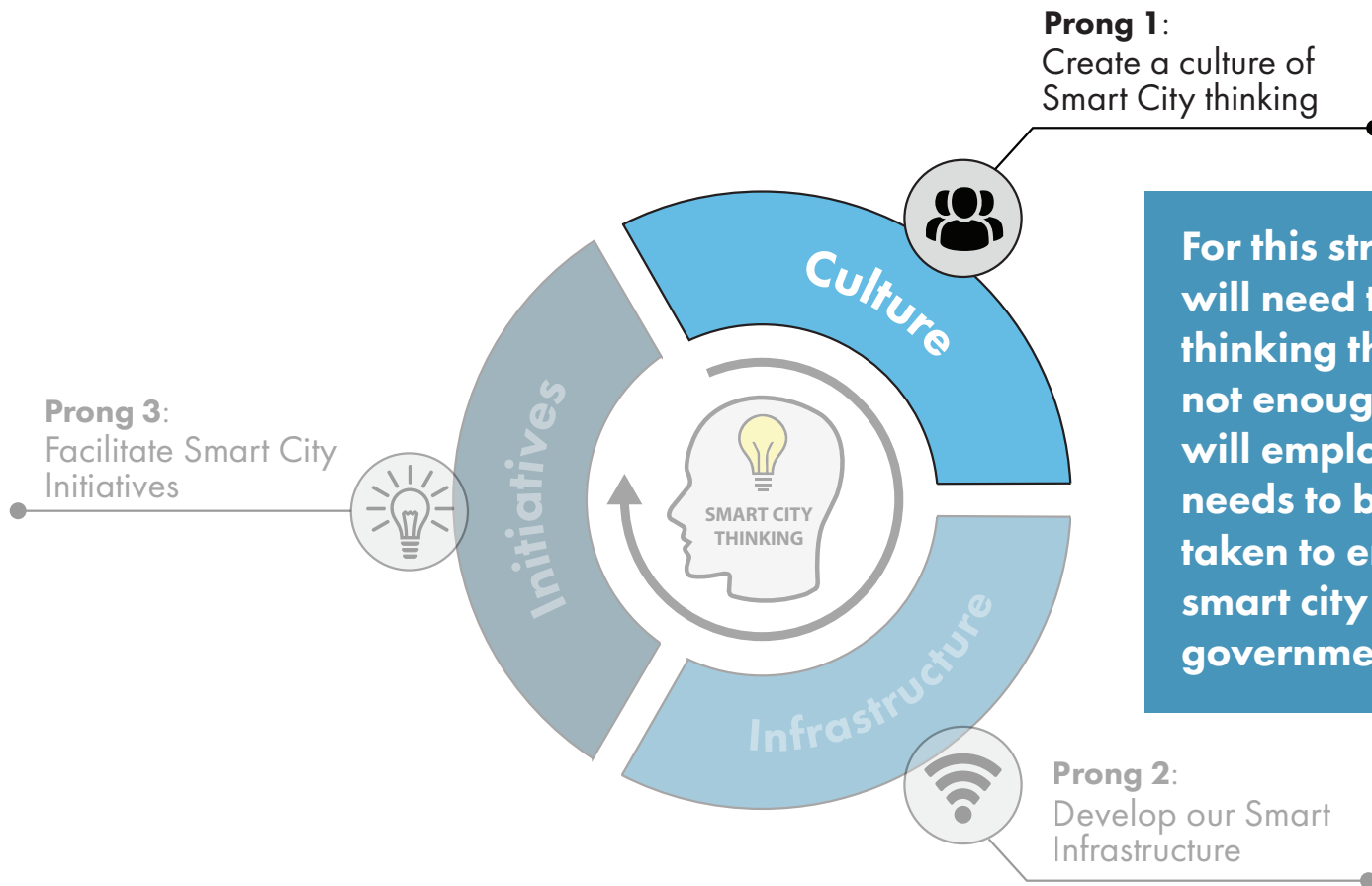
Traditional Services



- Smart City Services
- More effective
  - Better experiences
  - Allow for better decisions
  - More inclusive
  - More accessible
  - More convenient
  - Less expensive

# Strategic Prong 1

## Creating a Culture of “Smart City Thinking”



For this strategy to have an impact, we will need to create a culture of smart city thinking throughout our community. It's not enough to proclaim that we, as a city, will employ smart city thinking. There needs to be meaningful, strategic measures taken to ensure that a pervasive culture of smart city thinking is driven into our local government and our community.



# How we will Create a Culture of “Smart City Thinking”

1

**Create a Smart City Office that will have the primary mandate of driving a smart city culture throughout our organization. This will include such things as:**

- Implementing the Smart City London Strategy
- Presenting, educating and coordinating training on smart city thinking
- Helping service areas to move through smart city thinking, as they evaluate how it could be applied to the services they deliver
- Helping service areas to integrate smart city thinking and industry best practices into their business plans, business analysis and project management
- Bringing together tech sector innovators and service area leaders to collaborate, exploring new ways of delivering services
- Identifying needs for smart city infrastructure and support
- Identifying gaps and high demands for smart city services
- Facilitating collaboration and partnerships to deliver smart city projects and products
- Promoting and branding London as a smart city and place to do testing
- Measuring smart city progress
- Supporting service areas in developing data analytics and business intelligence skills
- Serve as a single window for smart city enquires & initiatives relating to local government



# How we will Create a Culture of “Smart City Thinking”

**2** Promote London as a test bed for smart city innovation; brand London as a good place to test new technologies and applications; and allow for a broad range of testing on city lands, services and assets. Share access to municipal sensors and associated information.

**3** Engage the public, tech community, utilities, institutions, university, colleges, development community and many other stakeholders in smart city conversations, speaker series, hackathons, strategy evaluation, service reviews, etc. on an ongoing and regular basis.

**4** Establish a smart city strategy implementation committee, with the mandate of advancing the smart city strategy, promoting collaboration and partnership development and advancing smart city thinking throughout the London community. This committee would be composed, primarily of people from the private sector, institutions, NGO’s and other non-government sectors.

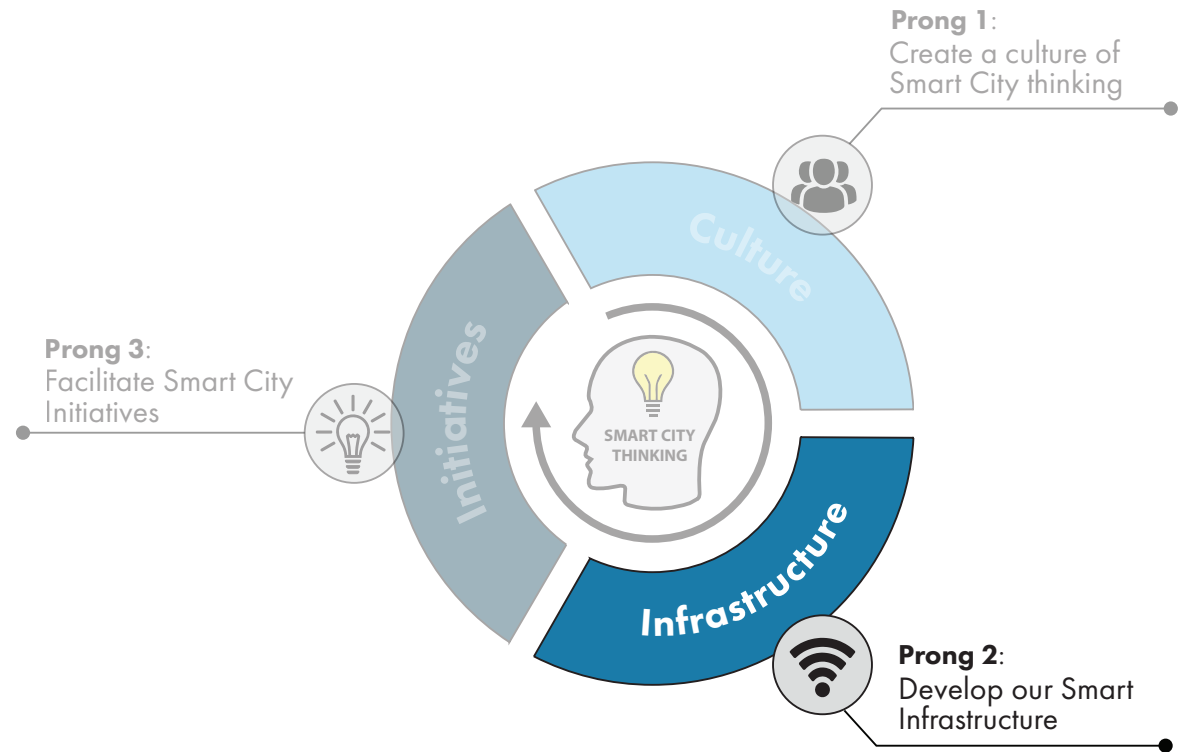
**5** Create a “Civic Accelerator” to bring the public sector, private sector, tech community and educational institutions together to solve challenges facing our city with smart city thinking. Integrate the Civic Accelerator with supporting organizations that can help grow businesses that evolve from this innovation.

# Strategic Prong 2

## Developing Our Smart City Infrastructure

Even if we create a strong culture of Smart City thinking, this strategy cannot be successful unless there is a solid base of infrastructure and support to deliver our Smart City initiatives. For example, we'll need such things as:

- Robust information and communication technology - the infrastructure that conveys huge volumes of data quickly
- High capacity computing technology – to “crunch” large amounts of data, calculations and digital processes quickly
- A broad range of sensors, meters, and cameras to gather data
- Big data storage, open data systems and analytics tools that make this information accessible and usable
- Various charters, protocols, roadmaps, financial plans and other supports that bring order to the way we deliver our smart city
- Information Technology human resources and contracts to support, maintain and replace Smart City Infrastructure



Going forward, we will **BUILD** on the **ASSETS & INFRASTRUCTURE** that we already have in place.

# How We Will Develop Our Smart City Infrastructure

1

## Improve Information Communication Technology (ICT) Infrastructure

Develop a telecommunications infrastructure strategy for the adoption of next generation technology – explore, design and integrate new technologies with urban landscapes and pilot and partner to create new opportunities.

Facilitate and incentivize investments in broadband Internet enabling ICT infrastructure.

Integrate ICT infrastructure requirements into the municipal planning process and public realm projects (e.g. roads, parks, sidewalks) .

Explore opportunities for partnerships to expand access to Internet across the city.

2

## Expand Data Collection

Enable the establishment and implementation of sensor/meter/camera deployment initiatives by investing in the supporting infrastructure and applications utilizing data collection technologies.

Establish best practices to encourage the use of “internet of things” (IOT) devices for City infrastructure and equipment.

Establish guiding principles to collect, warehouse and analyze information used for services delivered by the City and its boards and commissions.



# How We Will Develop Our Smart City Infrastructure

3

## Manage and Communicate Data More Openly

Establish a data governance strategy, with Council-approved policies on transparency/open-data standards, stewardship and integration from new methods of collection.

Modernize open data portal with emphasis on data visualization, user interface experience and application programming interface (API).

Continue to release new & updated open datasets supported by a responsive infrastructure.

Develop analytics, data visualization and reporting tools to proactively communicate insights to City staff, business, and the community.

Establish data warehousing strategy – future proof for new requirements to store more data and unify fragmented datasets.

Create strategic data connections to existing applications to benefit London citizens, businesses and institutions.

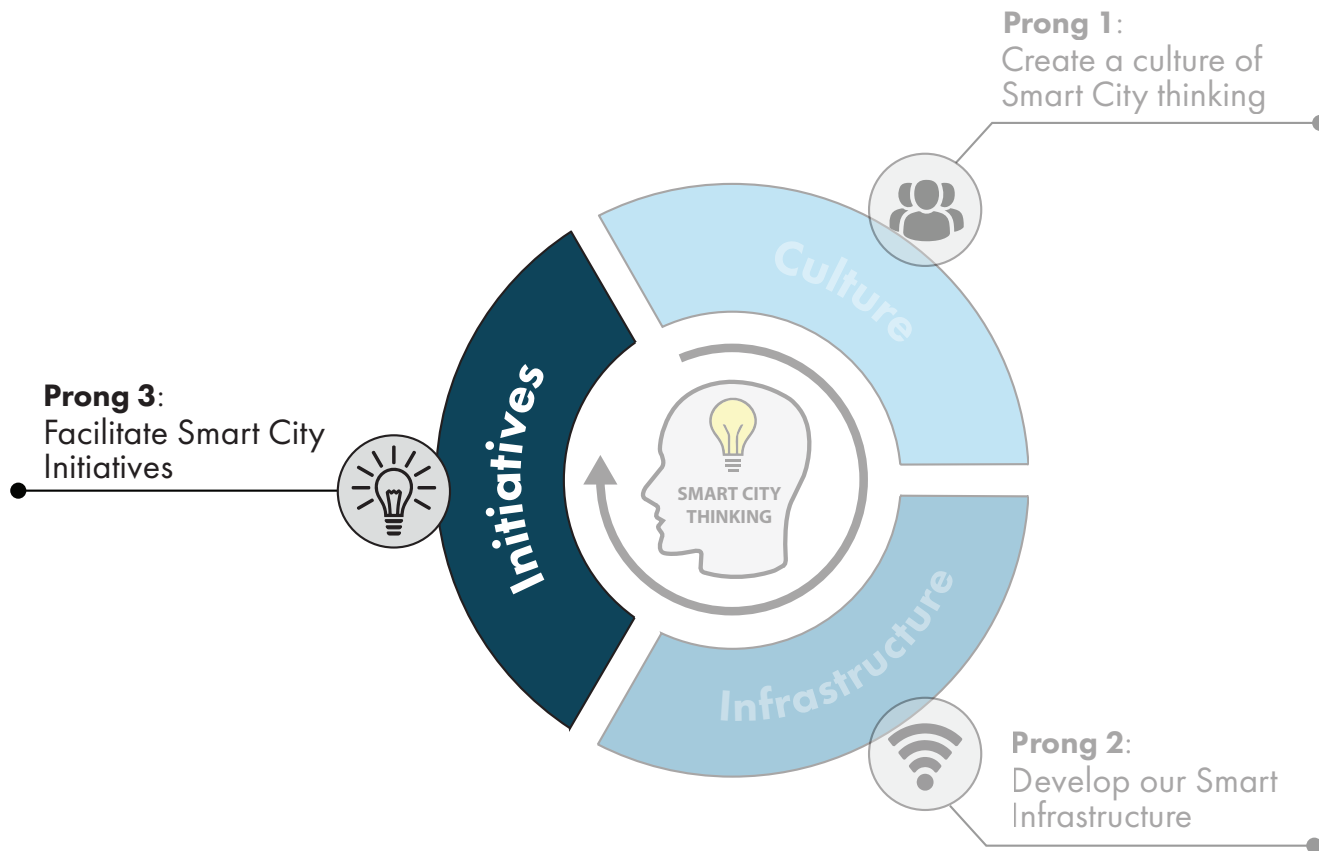
Enhance business processes through digital transformation.

Establish policies that facilitate meaningful data joins and analysis between service areas within the Corporation and between partners and stakeholders.

Improve the efficiency and effectiveness of resident support interactions using advanced data analysis techniques.

# Strategic Prong 3

## Facilitate Smart City Initiatives



With a culture of Smart City thinking and a robust Smart City infrastructure in place, the third prong of our strategy is to facilitate the creation of Smart City initiatives. This may include education, encouragement and collaboration led by our Smart City Office, Smart City Strategy Implementation Committee, Civic Accelerator and others in our community



# How We Will Facilitate Smart City Initiatives

## What is a Smart City Initiative?

For the purpose of our Smart City Strategy, a smart city initiative is a product, service, or program that makes our lives better, strengthens our economy, protects our environment or delivers government services more effectively.

## Who Will Deliver Smart City Initiatives?

Our Smart City Strategy doesn't rely on local government to deliver smart city initiatives. Rather, with a culture of smart city thinking and a robust smart city infrastructure in place, our strategy sets the right environment for our entire community to deliver these initiatives. It draws upon the innovation and "horsepower" of our institutions, utilities, NGO's, technology sector and the broader private sector. At the same time, it is expected that our local government will apply smart city thinking to deliver city services more efficiently, effectively, and with greater accessibility.





# How We Will Facilitate Smart City Initiatives

## What Can Smart City Initiatives Do For Us?

Smart City initiatives can take many forms and be delivered by many different stakeholders in our community. For example, they can help us with such things as:

- Connecting members of our community to one another in new useful ways
- Monitoring the health of our environment and allowing us to make changes to improve it
- Allowing local government to better engage Londoner's in important conversations and decisions
- Making driving, cycling, using transit and walking more convenient, accessible, and efficient
- Giving Londoner's the information they need to make good decisions that help them save energy, save money, protect the environment, or gain employment
- Supporting the delivery of emergency services, health care and social services
- Allowing newcomers to more easily access services, participate in events and become more comfortable in their new community
- Offering new forms of culture, arts and entertainment and new ways of accessing them
- Providing utilities in new cost-effective and environmentally conscious ways
- Creating connections between London and the rest of the world
- Supporting research and innovation in our institutions, laboratories and industries
- Creating new business opportunities that stimulate job creation

# What are the next Steps?

With the Draft Smart City Strategy now prepared, planned next steps are as follows:

- 1 Circulate the draft Smart City Strategy widely to seek out feedback.
- 2 Prepare an implementation plan, which identifies costs and prioritizes implementation steps and recommends who should be responsible for these various implementation pieces going forward.
- 3 Resources will be allocated in City Planning during 2019 to develop the implementation plan for the Smart City Strategy.
- 4 Revise the Smart City Strategy, based on feedback received and ensure that Implementation Plan is aligned.
- 5 Return to Council for approval of the final Smart City Strategy and the associated Implementation Plan.
- 6 Incorporate the Smart City Strategy and Implementation Plan in Council's Strategic Plan and prepare an associated business plan for the 2020-2024 Multi-year Budget.



**APPENDIX 2**

**SMART CITY STRATEGY ENGAGEMENT SUMMARY**

## **Smart City Strategy Engagement Summary**

During Phase 1 of the Smart City Strategy, extensive stakeholder and public engagement was undertaken. Multiple days of stakeholder workshops were held to assess the City's Smart City goals, objectives, and to identify opportunities for Smart City thinking and initiatives.

Stakeholders included representatives from various business, education, institutional, transportation, engineering/utilities, development, and technology sectors. Organizations included:

- LARG\*net
- London Economic Development Corporation (LEDC)
- London Hydro
- London District Energy
- London Public Library
- London Heritage Council
- London International Airport
- London Police Services
- London Health Sciences Centre
- St. Joseph's Health Care Centre
- London Chamber of Commerce
- Various B.I.A.s
- Representatives from various London tech industry businesses
- University of Western Ontario
- Fanshawe College
- Various City of London Service Areas (e.g. Planning; Information Technology Services (ITS); Dearness Home; Fire Department; Environmental and Engineering Services; Neighbourhoods and Social Services).

In addition to the stakeholder engagement, public consultations were held at various public events and conventions (e.g. London home show), online polls and surveys were conducted, as well as inclusion of the project on the City's Get Involved webpage (for the Smart City Challenge, and social media hashtag #SmartCityLDN).

### **The Stakeholder engagement sessions resulted in the following themes of discussion:**

- Decision-making and Management: City budget/costs and efficiency of operations
- Improving Infrastructure – Networks, Connectivity
- Access/Sharing and Public Navigating the City – real-time information, improve citizen interactions with City
- Energy, Green City, and Improving Quality of Life
- Partnerships

### **The public engagement resulted in the following themes of discussion:**

- Transportation/Moving Around the City
- Digital inclusion, capacity, and literacy
- Support digital economy/attracting talented workforce
- Strategy implementation and resources
- Partnerships
- Climate Change/Green City/Quality of Life & Well-being
- Navigating the City/Improving Decisions/Access City Programs

Below is a table of example feedback from the engagement sessions and on-line surveys that were conducted during Phase 1. The table is provided to demonstrate the themes and ‘flavour’ of discussions during the engagement sessions.

### Summary of Feedback from Engagement Sessions

Theme	Some Examples of Feedback
Transportation/Moving Around the City	<ul style="list-style-type: none"> <li>• “Bus app – show schedule/real-time.”</li> <li>• “Parking spots available in downtown/rest of city.”</li> <li>• “Smart grid: Something on EMS/buses/bicycles to change traffic lights to ‘green’.”</li> <li>• “Real-time app showing roads blocked by trains in downtown.”</li> <li>• “Left-turn lights are too short.”</li> <li>• “Use “smart intersections” for traffic.”</li> </ul>
Digital inclusion, capacity, and literacy	<ul style="list-style-type: none"> <li>• “Downtown wifi.”</li> <li>• “Wifi should be throughout rest of city.”</li> <li>• “Access to technology – age friendly; work with schools.”</li> <li>• “Digital inclusion – libraries, schools as focus.”</li> </ul>
Support digital economy/attracting talented workforce	<ul style="list-style-type: none"> <li>• “City-sponsored ‘hackathon’.”</li> <li>• “Make City data available without barriers – everyone create/innovate.”</li> <li>• “Get Fanshawe/UWO to be involved in Smart City projects.”</li> <li>• “Branding London to attract talent/tech companies and fill Smart City gaps in projects.”</li> </ul>
Strategy implementation and resources	<ul style="list-style-type: none"> <li>• “City needs open data.”</li> <li>• “City needs person for outbound tech and communications.”</li> <li>• “Don’t focus entirely on apps.”</li> </ul>
Partnerships	<ul style="list-style-type: none"> <li>• “Use existing businesses to work/partner with Bloomberg Financial.”</li> <li>• “Build relationships with Tech Companies in London.”</li> <li>• “Find best practices from City of Stratford (“an intelligent community”).”</li> <li>• “Partner but be cautious of proprietary installations/prohibitive tech.”</li> <li>• “Tech companies partner with Post-Secondary Schools.”</li> <li>• “Don’t reinvent what others doing – partner with them.”</li> </ul>
Climate Change/Green City/Quality of Life & Well-being	<ul style="list-style-type: none"> <li>• “Reach out to Seniors for age-friendly issues with technology”</li> <li>• “Safety: night-time lighting and walkability and safety.”</li> <li>• “Tech to mitigate future problems of intensification (more people/less space). “</li> <li>• “MIT project – trash compactors in garbage cans: waste.”</li> <li>• “Smart grids, smart infrastructure, energy savings.”</li> <li>• “Use Geothermal tech.”</li> <li>• “Introduce “solar roads”.”</li> </ul>
Navigating the City/Improving Decisions/Access City Programs	<ul style="list-style-type: none"> <li>• “Each City department needs Social Media to connect to community.”</li> <li>• “Best practices for Social Media – look to other cities (Greenville, SC).”</li> <li>• “Notify when sidewalks are icy.”</li> <li>• ““Push notifications’ to deliver messages.”</li> <li>• “Tech to reach other demographics.”</li> <li>• “Amassing data to make better/more efficient decisions – cheaper operations.”</li> </ul>

**APPENDIX 3**

**SMART CITY CHALLENGE ENGAGEMENT SUMMARY**

## **City of London Smart City Challenge Application**

### **Infrastructure Canada's Smart Cities Challenge**

Announced by Infrastructure Canada in late 2017, the Smart Cities Challenge is a competition open to all municipalities, local or regional governments, and Indigenous communities (First Nations, Inuit, and Métis) across Canada.

The Challenge is intended to inspire communities from across the country to define their future with the help of their residents. By using a smart cities approach, communities can achieve meaningful outcomes for residents by leveraging the fundamental benefits that data and connected technology have to offer: openness, integration, transferability and collaboration.

The central component of the Challenge is the development of a Challenge Statement. This Statement is a single sentence that defines the outcome or outcomes a community aims to achieve by implementing its smart cities proposal and should be shaped by residents, both in its development and implementation. It must be measurable, ambitious, and achievable through the proposed use of data and connected technology.

### **Smart Cities Challenge Application Engagement**

In order to develop London's Smart Cities Challenge application, a steering committee comprised of City staff from across the organization, as well as representation from London's civic tech community, was created. The City also partnered with the civic tech/open data advocacy community to help design and lead a variety of engagement sessions specific to the Smart Cities Challenge, which were open to all Londoners and promoted widely through postcards and social media channels.

#### **GetInvolved**

Building upon the work of The London Plan and London's Smart City Strategy, the City initiated a community conversation about the focus of our Smart Cities Challenge application. Using the [www.getinvolved.london.ca](http://www.getinvolved.london.ca) platform, residents had the opportunity to identify the area(s) of focus they wished to be considered for the Challenge application, as well as provide thoughts, ideas and project proposals. In total there were 695 unique visitors and 98 contributions to the getinvolved platform.

#### **Open Houses**

Open House sessions were held in the evenings of March 29 and April 4 from 7:00-9:00 p.m. at central locations in the city's downtown. These sessions included a broader discussion of London's Smart City strategy and ambition, as well as a review of inspiration from other communities from across Canada and around the world. Suggestions, ideas and visions were collected through familiar engagement techniques and collated with the input gathered through the getinvolved platform.

#### **Hackathon and Ideation Session**

The final community-wide engagement activity was an ambitious day-long hackathon and ideation session. On Saturday April 7, community members, civic leaders, businesses, non-profits and interested residents gathered at Innovation Works and worked collaboratively to review the public input gathered through the Smart Cities Challenge engagement as well as the City's previous Smart City Strategy engagements. This process led to the selection of 'Empowerment and Inclusion' as the theme and helped to focus the direction and development of the application. Our community has been an active and ongoing part of the writing process including producing the Challenge Statement, developing outcomes, and recommending specific projects.

### **London's Challenge Statement**

The conclusion of the public engagement and ideation process led to the development and submission of the following Challenge Statement:

*London will be the most connected, empowered and democratic city in Canada. All residents will have a strong sense of civic belonging and the ability to shape community decision-making, supported by the use of technology, data and culture of innovation.*

This Statement is grounded in several foundational processes and plans, including: ReThink London, The London Plan, Council's Strategic Plan, London's Smart City Strategy and the London Strengthening Neighbourhoods Strategy.

The smart cities activities and projects associated with this Challenge Statement include:

- Build a localized neighbourhood application and platform built on various forms of city and community data to connect residents to each other and to their city;
- Create the ability for residents to provide real-time feedback on content, processes and services;
- Develop a user acquisition strategy that is part of all city engagement and communication processes;
- Apply algorithms and machine learning to predict next steps and/or related services; and,
- Use application data to shape service planning, design and community decision-making.

Indicators or progress toward the outcome of becoming the most connected, empowered and democratic city in Canada include:

- Ongoing evaluation of London Strengthening Neighbourhood key initiatives;
- Annual Citizen Satisfaction Surveys;
- Municipal voter turnout;
- Headcount data on public engagement activities;
- Adoption, usage rates, user satisfaction with platform;
- Increase in the number of residents receiving location/interest based notifications;
- Increase in any format public participation and direct democracy interactions;
- Increase in the number of residents prompted and converted to take a next service step; and,
- Success/value of recommendation and referral engine.

The full application (attached as Appendix A) was submitted to the federal process and is posted on <https://getinvolved.london.ca/smartcities>. This is an exciting initiative, and an opportunity to build on the great work already happening across the corporation to build our capacity as a leader in public service.

On June 1, 2018, the federal government announced the communities selected as finalists for the Smart Cities Challenge (<https://impact.canada.ca/en/challenges/smart-cities/results>). Over 200 communities from across Canada submitted applications, of which 20 were selected as finalists. While London's application was not selected, all information and ideas gathered through the Smart Cities Challenge process have been captured and will be used to help inform the development of London's Smart Cities Strategy.



## WHAT IS A SMART CITY?

**A SMART CITY USES INNOVATION, DATA AND TECHNOLOGY TO MAKE OUR LIVES BETTER.**

## PARTNERS

- o The City of London
  - Planning Services
  - Information Technology Services
  - Environmental and Engineering Services
  - Community and Economic Innovation
- o The London Economic Development Corporation
- o London Hydro
- o LARG\*net (London and Regional Global Network)

---

*IBI Group – Consultant*

## WHY IS A SMART CITY IMPORTANT FOR LONDON'S FUTURE

- o Smart City strategies across the world
- o Better decision-making
- o Cities can offer services that are:
  - Less expensive
  - More convenient
  - More inclusive
  - More accessible
  - Better experiences
- o Offer what residents, business, talent looking for
- o Deliberate plan to maintain competitive ground



## OUR APPROACH

- o Many provide a long list of “cool” technology projects
  - o Quickly out-of-date
  - o Narrow in scope
  - o Rely heavily on government to deliver
- 
- o Set the environment
  - o Facilitate
  - o Allow private sector, institutions, utilities and others to lead the way on technology projects on ongoing basis

## WHAT IS CITY OF LONDON ALREADY DOING?

- o Some examples:
  - Computerized Maintenance Management System (CMMS)
  - Open Data Portal
  - Intelligent Transportation System
  - Virtual Reality Urban Modelling
  - Customer Relationship Management Software (CRM)

## Our Smart City Vision

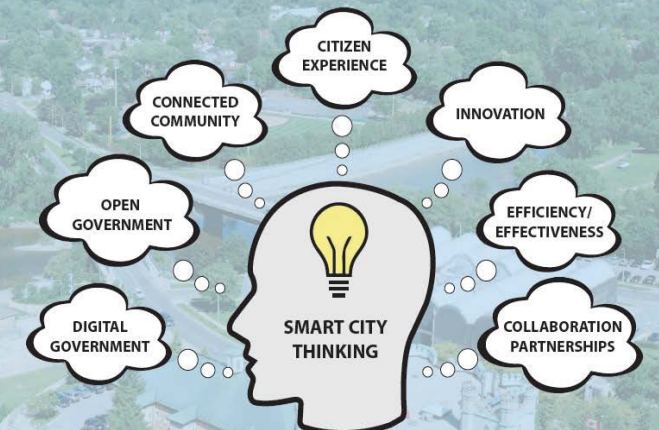
### A Picture of Our Future

Our future London will use innovation, data, and technology to make our lives better, strengthen our economy, protect our environment and deliver government services more openly, efficiently and effectively for all Londoners.



## What is “Smart City Thinking”?

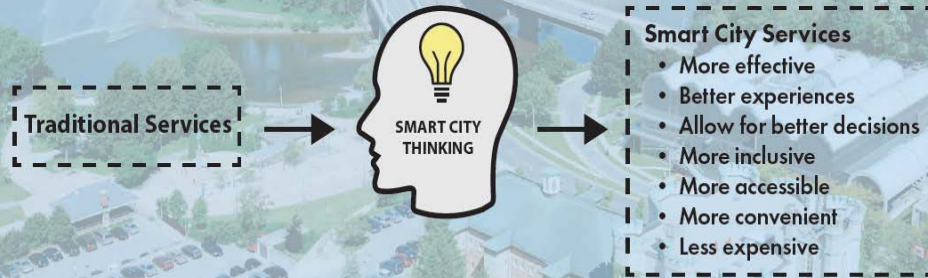
In order for London to move toward this vision of a smart city we’ll need to use smart city thinking. But what is smart city thinking? Based on our engagement process, our research and analysis of best practices elsewhere, we’ve boiled smart city thinking down to the following principles.





# The Value of "Smart City Thinking"

When Smart City thinking is applied, it can have a transformational impact on the way that we deliver services. And, the outcomes can be significantly improved for all citizens.



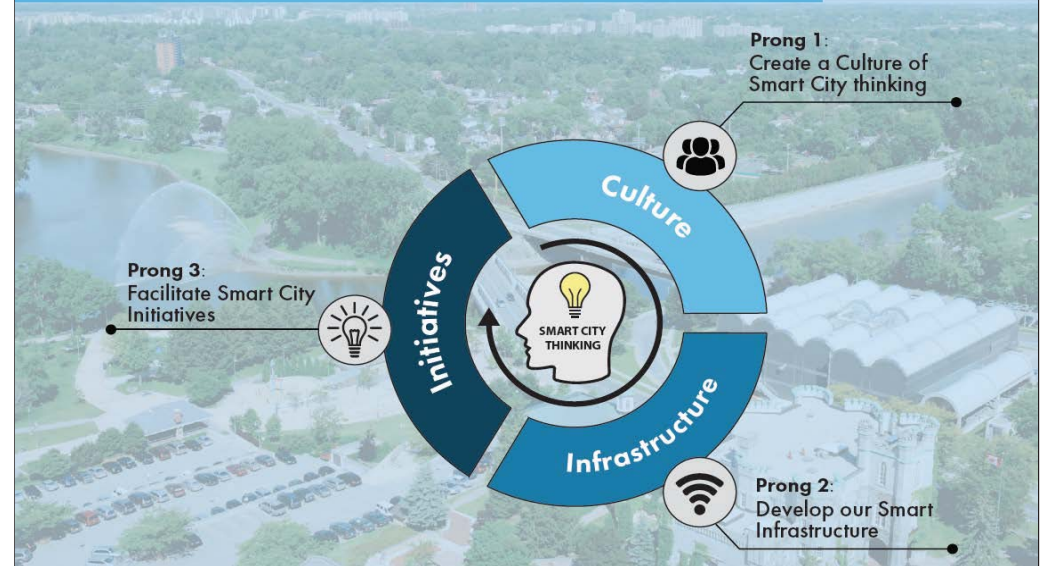
## How we will Create a Culture of "Smart City Thinking"

- 1 **Create a Smart City Office that will have the primary mandate of driving a smart city culture throughout our organization. This will include such things as:**
  - Implementing the Smart City London Strategy
  - Presenting, educating and coordinating training on smart city thinking
  - Helping service areas to move through smart city thinking, as they evaluate how it could be applied to the services they deliver
  - Helping service areas to integrate smart city thinking and industry best practices into their business plans, business analysis and project management
  - Bringing together tech sector innovators and service area leaders to collaborate, exploring new ways of delivering services
  - Identifying needs for smart city infrastructure and support
  - Identifying gaps and high demands for smart city services
  - Facilitating collaboration and partnerships to deliver smart city projects and products
  - Promoting and branding London as a smart city and place to do testing
  - Measuring smart city progress
  - Supporting service areas in developing data analytics and business intelligence skills
  - Serve as a single window for smart city enquires & initiatives relating to local government

# Our Strategy

## How We Will Achieve A Smart City

We will achieve our Smart City by implementing a three-pronged strategy:



## How we will Create a Culture of "Smart City Thinking"

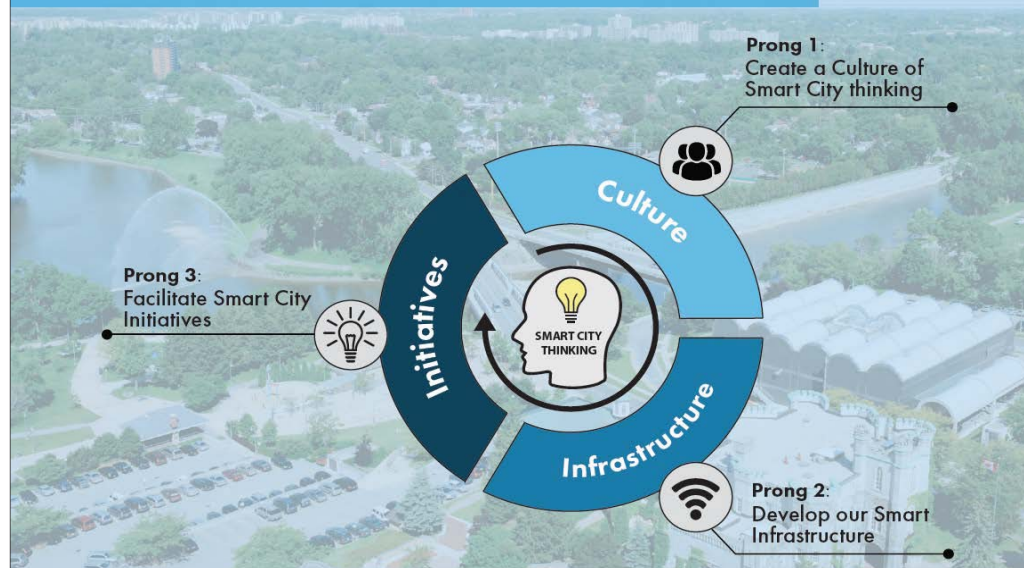
- 2 **Promote London as a test bed for smart city innovation; brand London as a good place to test new technologies and applications; and allow for a broad range of testing on city lands, services and assets. Share access to municipal sensors and associated information.**
- 3 **Engage the public, tech community, utilities, institutions, university, colleges, development community and many other stakeholders in smart city conversations, speaker series, hackathons, strategy evaluation, service reviews, etc. on an ongoing and regular basis.**
- 4 **Establish a smart city strategy implementation committee, with the mandate of advancing the smart city strategy, promoting collaboration and partnership development and advancing smart city thinking throughout the London community. This committee would be composed, primarily of people from the private sector, institutions, NGO's and other non-government sectors.**
- 5 **Create a "Civic Accelerator" to bring the public sector, private sector, tech community and educational institutions together to solve challenges facing our city with smart city thinking. Integrate the Civic Accelerator with supporting organizations that can help grow businesses that evolve from this innovation.**



# Our Strategy

## How We Will Achieve A Smart City

We will achieve our Smart City by implementing a three-pronged strategy:



# How We Will Develop Our Smart City Infrastructure

3

### Manage and Communicate Data More Openly

Establish a data governance strategy, with Council-approved policies on transparency/open-data standards, stewardship and integration from new methods of collection.

Modernize open data portal with emphasis on data visualization, user interface experience and application programming interface (API).

Continue to release new & updated open datasets supported by a responsive infrastructure.

Develop analytics, data visualization and reporting tools to proactively communicate insights to City staff, business, and the community.

Establish data warehousing strategy – future proof for new requirements to store more data and unify fragmented datasets.

Create strategic data connections to existing applications to benefit London citizens, businesses and institutions.

Enhance business processes through digital transformation.

Establish policies that facilitate meaningful data joins and analysis between service areas within the Corporation and between partners and stakeholders.

Improve the efficiency and effectiveness of resident support interactions using advanced data analysis techniques.

# How We Will Develop Our Smart City Infrastructure

1

### Improve Information Communication Technology (ICT) Infrastructure

Develop a telecommunications infrastructure strategy for the adoption of next generation technology – explore, design and integrate new technologies with urban landscapes and pilot and partner to create new opportunities.

Facilitate and incentivize investments in broadband Internet enabling ICT infrastructure.

Integrate ICT infrastructure requirements into the municipal planning process and public realm projects (e.g. roads, parks, sidewalks).

Explore opportunities for partnerships to expand access to Internet across the city.

2

### Expand Data Collection

Enable the establishment and implementation of sensor/meter/camera deployment initiatives by investing in the supporting infrastructure and applications utilizing data collection technologies.

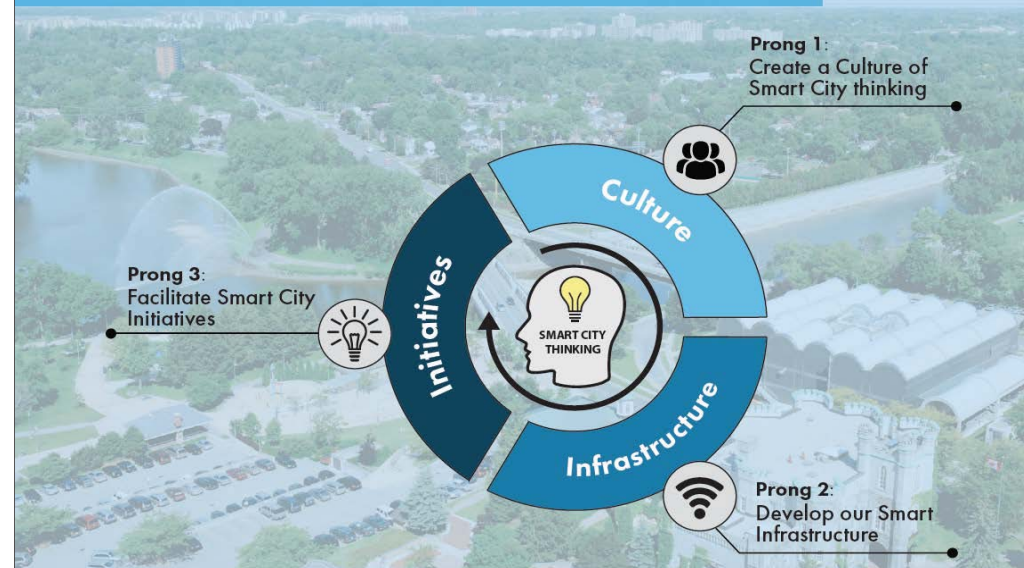
Establish best practices to encourage the use of “internet of things” (IOT) devices for City infrastructure and equipment.

Establish guiding principles to collect, warehouse and analyze information used for services delivered by the City and its boards and commissions.

# Our Strategy

## How We Will Achieve A Smart City

We will achieve our Smart City by implementing a three-pronged strategy:





# How We Will Facilitate Smart City Initiatives

## What is a Smart City Initiative?

For the purpose of our Smart City Strategy, a smart city initiative is a product, service, or program that makes our lives better, strengthens our economy, protects our environment or delivers government services more effectively.

## Who Will Deliver Smart City Initiatives?

Our Smart City Strategy doesn't rely on local government to deliver smart city initiatives. Rather, with a culture of smart city thinking and a robust smart city infrastructure in place, our strategy sets the right environment for our entire community to deliver these initiatives. It draws upon the innovation and "horsepower" of our institutions, utilities, NGO's, technology sector and the broader private sector. At the same time, it is expected that our local government will apply smart city thinking to deliver city services more efficiently, effectively, and with greater accessibility.



# How We Will Facilitate Smart City Initiatives

## What Can Smart City Initiatives Do For Us?

Smart City initiatives can take many forms and be delivered by many different stakeholders in our community. For example, they can help us with such things as:

- Connecting members of our community to one another in new useful ways
- Monitoring the health of our environment and allowing us to make changes to improve it
- Allowing local government to better engage Londoner's in important conversations and decisions
- Making driving, cycling, using transit and walking more convenient, accessible, and efficient
- Giving Londoner's the information they need to make good decisions that help them save energy, save money, protect the environment, or gain employment
- Supporting the delivery of emergency services, health care and social services
- Allowing newcomers to more easily access services, participate in events and become more comfortable in their new community
- Offering new forms of culture, arts and entertainment and new ways of accessing them
- Providing utilities in new cost-effective and environmentally conscious ways
- Creating connections between London and the rest of the world
- Supporting research and innovation in our institutions, laboratories and industries
- Creating new business opportunities that stimulate job creation

# What are the next Steps?

With the Draft Smart City Strategy now prepared, planned next steps are as follows:

- 1 Circulate the draft Smart City Strategy widely to seek out feedback.
- 2 Prepare an implementation plan, which identifies costs and prioritizes implementation steps and recommends who should be responsible for these various implementation pieces going forward.
- 3 Resources will be allocated in City Planning during 2019 to develop the implementation plan for the Smart City Strategy.
- 4 Revise the Smart City Strategy, based on feedback received and ensure that Implementation Plan is aligned.
- 5 Return to Council for approval of the final Smart City Strategy and the associated Implementation Plan.
- 6 Incorporate the Smart City Strategy and Implementation Plan in Council's Strategic Plan and prepare an associated business plan for the 2020-2024 Multi-year Budget.

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON OCTOBER 15, 2018</b>
<b>FROM:</b>	<b>DAVID G. MOUNTEER ASSISTANT CITY SOLICITOR</b>
<b>SUBJECT</b>	<b>DISSOLUTION OF THE PUBLIC UTILITIES COMMISSION</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the Assistant City Solicitor, the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting on October 16, 2018 for the purpose of dissolving the Public Utilities Commission of the City of London.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
--

- Strategic Priorities and Policy Committee – June 25, 2018 – Review of the Function of the Public Utilities Commission of the City of London.

<b>BACKGROUND</b>
-------------------

Council at its meeting on June 26, 2018 passed the following resolution:

"That on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the Civic Administration **BE DIRECTED** to undertake all the administrative acts that are necessary to dissolve the corporate entity known as The Public Utilities Commission of the City of London and to transfer all of its assets and liabilities to The Corporation of the City of London."

Section 216(1) of the Municipal Act gives a municipality the authority to dissolve or change a local board, which would include the Public Utilities Commission of the City of London. Dissolution is accomplished by passage of a by-law. The effect of a by-law dissolving a local board is that all assets and liabilities of the local board automatically become the assets and liabilities of the municipality.

<b>CONCLUSION</b>
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If Council approves the proposed by-law as recommended the effective date of the dissolution of the PUC would be October 16, 2018

Following passage of the by-law dissolving the PUC, Civic Administration will prepare the necessary legal documents to transfer title of the property currently held by the PUC.

<b>PREPARED BY AND RECOMMENDED BY:</b>
<b>DAVID G. MOUNTEER, ASSISTANT CITY SOLICITOR</b>

c.c. A. L. Barbon, City Treasurer, K. Scherr, City Engineer, S. Mathers, Director Water and Wastewater, B. Warner, Manager Realty Services

Bill No.

By-law No.

A By-law to dissolve the Public Utilities Commission of the City of London and to provide for the assumption by the City of London of the assets and liabilities of Public Utilities Commission of the City of London.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 216(1) of the *Municipal Act, 2001* authorizes the municipality to dissolve or change a local board;

AND WHEREAS the Public Utilities Commission of the City of London is a local board;

AND WHEREAS it is deemed expedient to dissolve the Public Utilities Commission of the City of London;

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

1. The Public Utilities Commission of the City of London is hereby dissolved.
2. The assets under the control and management of and the liabilities of the Public Utilities Commission of the City of London dissolved under paragraph 1 become the assets and liabilities of the City of London, without compensation.
3. Without limiting the generality of paragraph 2, on and after the effective date:
  - (a) the City of London stands in the place of the Public Utilities Commission of the City of London for all purposes;
  - (b) the powers of the Public Utilities Commission of the City of London vest in the City of London;
  - (c) all rights, claims, undertakings, obligations, assets and liabilities of the Public Utilities Commission of the City of London vest in the City of London;
  - (d) the by-laws and resolutions of the Public Utilities Commission of the City of London,
    - (i) are continued as by-laws and resolutions of the City of London, on the effective date, and
    - (ii) remain in force until repealed or amended;
  - (e) the Public Utilities Commission of the City of London ceases to exist on the effective date.
4. The effective date for the purposes of paragraph 3 is the day the by-law comes into force.

This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council , 2018

Matt Brown

Mayor

Catherine Saunders

City Clerk

First reading -

Second reading –

Third reading –

<b>TO:</b>	<b>CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON OCTOBER 15, 2018</b>
<b>FROM:</b>	<b>CATHY SAUNDERS CITY CLERK</b>
<b>SUBJECT:</b>	<b>LONDON CONVENTION CENTRE CORPORATION</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the City Clerk, the following actions be taken with respect to the London Convention Centre Corporation:

- a) the attached proposed by-law (Appendix "A") **BE INTRODUCED** at the Municipal Council meeting on October 16, 2018 for the purpose of amending By-law No. A.-6866-270, entitled "A by-law respecting the London Convention Centre Corporation" to update references to the Board, section 4, and the Term, section 5; and,
- b) the following staggered term appointments to the Board of Directors **BE CONFIRMED**:

Crispin Colvin	December 1, 2018 to November 30, 2019	(Class 1)
Titus Ferguson	December 1, 2018 to November 30, 2019	(Class 1)
Peter White	December 1, 2018 to November 30, 2020	(Class 2)
David Smith	December 1, 2018 to November 30, 2021	(Class 3)
Jennifer Diplock	December 1, 2018 to November 30, 2021	(Class 3)
Chris Schlachta	December 1, 2018 to November 30, 2021	(Class 3)
Nora Fisher	December 1, 2018 to November 30, 2021	(Class 3)
Tony Soares	December 1, 2018 to November 30, 2021	(Class 3)

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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- Item 4.1 – Strategic Priorities and Policy Committee – September 17, 2018
- Item #4 – Investment and Economic Prosperity Committee – March 5, 2012
- Item #4 – Investment and Economic Prosperity Committee – May 8, 2012

<b>BACKGROUND</b>
-------------------

At the September 17, 2018 meeting of the Strategic Priorities and Policy Committee the correspondence was received from L. Da Silva, London Convention Centre Corporation, Chief Executive Officer requesting consideration of appointments, and staggered terms for Board Members. Municipal Council passed the following resolution with respect to this request:

"That the City Clerk BE DIRECTED to bring forward to a future meeting of Municipal Council a by-law to incorporate the changes to the London Convention Centre Corporation By-law as requested in the communication dated September 5, 2018 from L. Da Silva."

The attached draft by-law incorporates a housekeeping amendment to eliminate the reference to "Emerging Leaders", with the following revised section for "BOARD":

“BOARD

4. (1) The Board of the Corporation shall be composed of the Mayor as a member *ex officio* and ten members appointed by Council:
- a) two of whom shall be Members of Council;
  - b) seven of whom may be engaged full-time in or otherwise representative of one of the following sectors of the community;
    - i. hospitality;
    - ii. travel and transportation;
    - iii. health care;
    - iv. business;
    - v. marketing or public relations;
    - vi. digital media;
    - vii. sports;
    - viii. agriculture or agrifoods; or
    - ix. education;
  - c) one member-at-large, who may or may not be engaged either full-time or part-time in any sector mentioned in part b), above;”

The changes requested to create staggered terms for the Board Members to assist in maintaining Board knowledge, by providing the following replacement section for the “TERM”.

5. (1) Members of Council appointed as Directors shall be appointed for a term not exceeding their term in office as Member of the Council that appoints them.
- (2) Directors who are not members of Council shall be set at eight members and be structured in three (3) classes, consisting of a Class 1(2 members), Class 2 (1 member) and Class 3 (5 members), and structured in such a manner as to provide for future staggering of board member replacement.
  - (3) Directors are eligible for re-appointment to the Board for up to six consecutive years.
  - (4) The seat of an appointed member of the Board becomes vacant if the Director is absent from the meeting of the Board for three successive meetings without being authorized to do so by the Council.”

<b>CONCLUSION</b>
-------------------

The business continuity of staggered terms for Board Members will be beneficial to the LCC. The revision maintains the current term limit of six consecutive years and addresses the staggering of appointments in the same way as other municipal boards and in concurrence with the request of the CEO.

<b>RECOMMENDED BY:</b>
<b>CATHY SAUNDERS CITY CLERK</b>



Bill No.  
2018

By-law No.

A by-law to amend By-law No. A.-6866-270,  
respecting the London Convention Centre  
Corporation.

WHEREAS the *City of London Act, 1992* (Chapter Pr49, Statutes of Ontario, 1992) authorizes Council to establish the London Convention Centre Corporation for the purpose of maintaining, operating, managing, and promoting the London Convention Centre Corporation, to provide for the Corporation's board of directors, to prescribe the extent of the Corporation's powers, and to define generally the Corporation's responsibilities to the City.

AND WHEREAS pursuant to the City of London Act, 1992, S.O. 1992 c.Pr49, the London Convention Centre Corporation is a local board of The Corporation of the City of London;

AND WHEREAS subsection 5(3) of the *Municipal Act, 2001*, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001*, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 216(1) of the *Municipal Act, 2001*, as amended, provides that without limiting sections 9 and 10 of the Act, those sections authorize a municipality to pass a by-law to change a local board;

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

1. By-law No. A.-6866-270, respecting the London Convention Centre Corporation, be amended by deleting section 4, Board, and section 5, Term, and replacing them with the following new sections:

**“BOARD**

4. (1) The Board of the Corporation shall be composed of the Mayor as a member *ex officio* and ten members appointed by Council:

- a) two of whom shall be Members of Council;
- b) seven of whom may be engaged full-time in or otherwise representative of one of the following sectors of the community;
  - i. hospitality;
  - ii. travel and transportation;
  - iii. health care;
  - iv. business;
  - v. marketing or public relations;
  - vi. digital media;
  - vii. sports;
  - viii. agriculture or agrifoods; or
  - ix. education;

- c) one member-at-large, who may or may not be engaged either full-time or part-time in any sector mentioned in part b), above;”
- (2) Council shall nominate individuals for appointment under subsection (1);
- (3) If an individual engaged in a sector mentioned in part (1) b), above, is nominated to the Council, the Council shall first satisfy itself that the individual can generally represent the sector, and can fairly serve the best interests of the Corporation and the sector having regard to the individual’s personal interests;
- (4) Expressions of interest of individuals in serving as directors may be solicited:
  - i. by advertising in a newspaper having general circulation in the municipality;
  - ii. by a posting on the Corporation’s and/or the City’s website; and/or
  - iii. in any other manner determined by the Council, acting reasonably;

and the Civic Administration shall submit a list of names of interested individuals to Council, who shall consider such individuals prior to making its nominations.

**TERM**

- 5. (1) Members of Council appointed as Directors shall be appointed for a term not exceeding their term in office as Member of the Council that appoints them.
- (2) Directors who are not members of Council shall be set at eight members and be structured in three (3) classes, consisting of a Class 1(2 members), Class 2 (1 member) and Class 3 (5 members), and structured in such a manner as to provide for future staggering of board member replacement.
- (3) Directors are eligible for re-appointment to the Board for up to six consecutive years.
- (4) The seat of an appointed member of the Board becomes vacant if the Director is absent from the meeting of the Board for three successive meetings without being authorized to do so by the Council.”

2. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on , 2018.

Matt Brown  
Mayor

Catharine Saunders  
City Clerk

First Reading –

Second Reading –

Third Reading –

**From: M Rosehart**

Date: Fri, Sep 28, 2018, 12:01 AM

Subject: Notice of LMHC Board member resignation

To: Sean Quigley <[squigley@lmhc.ca](mailto:squigley@lmhc.ca)>

Cc: Josh Browne <[jbrowne@lmhc.ca](mailto:jbrowne@lmhc.ca)>

Hi Sean,

I wish to advise yourself as Chair and the Board that I will be resigning my position on the LMHC Board effective immediately. I wish to also express how much of a honour it has been to have had this experience and to work with such a high caliber staff and Board team. My decision is based on personal circumstances, Board member fit concerns and other commitments, as we previously discussed last Spring. At that time when we talked I didn't feel I could commit the time to be fully engaged in LMHC matters until at a minimum late fall of 2018 and this has not changed.

Sean, I wish to personally thank you for your support and understanding while at the Board and wish everyone success going forward. I will always see my time on the Board as one of my most rewarding experiences. I personally feel comforted after the last September 2018 Board meeting, with the staff presentations and updates. The Senior leadership (and staff) team presentations, with a heavy public service mandate, are on the right track and will navigate through the difficult transition just fine. Josh and team are exceptional servants of the Public and Corporation and will easily meet any future organizational and political challenges with continued focused and responsive Board support..

Thank you,

Mark F. Rosehart  
Board Member

**From:** Donna Szpakowski  
**Date:** September 30, 2018 at 3:33:39 PM EDT  
**To:** "Saunders, Cathy"  
**Subject:** Change to the Board of Management Directors

Hello Cathy. Hope you are enjoying a nice weekend!

I am writing to let you know of two changes we have had with our Board of Management membership. We have had one resignation tendered on August 14<sup>th</sup> by Samira Soufan;

And we have one new member approved by unanimous vote of the Board of Management during their meeting on September 20, 2018. The new member is Tom Delaney from Oxford Dodge on Hyde Park Road.

I believe the new member must also be approved by council? Please let me know if you require anything else from me in order for this to occur.

Thanks!

CEO / General Manager  
1124 Gainsborough Road,, unit 2 (*In the Olde Hyde Park School House*)  
London ON N6H 5N1

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