

# Agenda Including Addeds

## Strategic Priorities and Policy Committee

8th Meeting of the Strategic Priorities and Policy Committee

April 27, 2021, 4:00 PM

2021 Meeting - Virtual Meeting during the COVID-19 Emergency

Please check the City website for current details of COVID-19 service impacts.

Meetings can be viewed via live-streaming on YouTube and the City website

### Members

Mayor E. Holder (Chair), Councillors M. van Holst, S. Lewis, M. Salih, J. Helmer, M. Cassidy, P. Squire, J. Morgan, S. Lehman, A. Hopkins, P. Van Meerbergen, S. Turner, E. Pelosa, A. Kayabaga, S. Hillier

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## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members  
Strategic Priorities and Policy Committee

**From:** Kelly Scherr, P.Eng., MBA, FEC, Managing Director,  
Environmental and Engineering Services and City Engineer  
George Kotsifas, P.Eng., Managing Director, Development  
and Compliance Services and Chief Building Official

**Subject:** Update – Development of the Climate Emergency Action  
Plan

**Date:** April 27, 2021

## Recommendation

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer and the Managing Director, Development and Compliance Services and Chief Building Official, the attached report with respect to the development of the City's Climate Emergency Action Plan **BE RECEIVED** for information.

## Executive Summary

On April 24, 2019, Municipal Council declared a climate emergency. On November 26, 2019, Council recommended a series of actions to be completed to address the Climate Emergency, including the development of a Climate Emergency Action Plan (CEAP) and the creation and implementation of a Climate Emergency Evaluation Tool (now referred to as the Climate Emergency Screening Tool, or CEST for short). An update on progress was provided on August 11, 2020.

While COVID-19 continues to slow the work on the Climate Emergency Action Plan in 2020, it will be completed and submitted to Council by Fall 2021. Specifically, this report provides an update in three areas:

1. The Rollout and Evolution of the Climate Emergency Awareness and Screening Process (including the CEST process)

Staff from the Climate Emergency Resource Team, a cross-disciplinary team of staff from Planning and Environmental Programs, have worked with all Service Areas to develop customized processes for identifying climate emergency impacts for their programs, projects and services. While a one-size-fits-all tool was originally envisioned, this revised approach provides a common basis for evaluation with further customized tools and information tailored for the work of each area. CEST results are being finalized for two of the highest impact services delivered by the City of London, transportation planning and solid waste management, with reports to be brought to the Civic Works Committee detailing the results this summer. Other areas continue to use CEST to evaluate their work and full deployment is anticipated for all Service Areas in the Fall of 2021.

2. Community Engagement for the Development of the Climate Emergency Action Plan

The Climate Emergency Action Plan will require residents, businesses and institutions to reduce their climate change impacts, making engagement and consultation critical to its success. Due to the COVID-19 pandemic, engaging the community for input on the Climate Emergency Action Plan through face-to-face and in-person events such as summer festivals, neighbourhood fairs, and community meetings was not possible.

In the absence of in-person meetings, City staff have used a series of enhanced on-line platforms. This includes extensive use of the Get Involved platform to host a number of engagement processes, online engagement events such as Green in the City and My

Wild Green Home, and many virtual meetings with key stakeholders. The first phase of engagement is planned to wrap up on Earth Day, April 22, 2021. The level of engagement has been positive:

- 15,500 - combined website visits
- 1,550 - combined responses and written contributions to the City
- 1,500 - households have entered data through the Project Neutral (carbon calculator)
- 950 - participants in online education and awareness sessions (as of April 15) with expected attendance to top 1,000 by April 22, 2021

In addition, many community groups have begun and/or increased the number of their own community engagements in 2020 and 2021 for climate change including Climate Action London, Urban League of London, ReForest London, Urban Roots London, Thames Region Ecological Association (TREA), London Environmental Network (LEN).

### 3. Corporate, City-influenced and Community Climate Actions

Although the focus has been on seeking input for the development of the Climate Emergency Action Plan, it is important to note that the 2019-2023 Corporate Energy Conservation and Demand Management (CDM) Plan is already in place and that actions identified in the plan continue to be implemented. Total energy use in 2020 by the Corporation of the City of London was eight percent lower than 2018 levels, with associated energy-related greenhouse gas emissions being six percent lower than 2018. While much of that reduction is attributable to the impacts of COVID-19, staff are exploring how those reductions could be at least partially sustained in post-pandemic operations.

COVID-19 has had similar impacts at the community level. With more people working from home, 2020 retail sales of fuel in London dropped by 20 percent from 2019 levels. This alone will result in a six percent drop in greenhouse gas emissions (GHG) compared to 2019. The degree to which this reduction is sustainable will largely depend on the decisions employers make about their post-pandemic work arrangements.

Corporate infrastructure projects that address adaptation to climate change also continued to proceed, many associated with flooding and waterways and include improvements and rehabilitation of Mud Creek and Carling Creek. These projects will increase the ability to address extreme weather in the future and decrease flooding impacts to properties.

Other City agencies, boards and commissions are involved with climate change mitigation and adaptation as well, including the Upper Thames River Conservation Authority (UTRCA), London Hydro and London Transit Commission.

There are also a number of community climate actions that are currently underway including home energy retrofits, electric vehicle charging infrastructure, urban agriculture, local food promotions, and sustainable mobility even as the Climate Emergency Action Plan is in development.

## **Linkage to the Corporate Strategic Plan**

Municipal Council continues to recognize the importance of climate change mitigation, climate change adaptation, sustainable energy use, related environmental issues and the need for a more sustainable and resilient city in the development of its 2019-2023 - Strategic Plan for the City of London. Specifically, London's efforts in both climate change mitigation and adaptation address four of five Areas of Focus, at one level or another:

- Strengthening Our Community
- Building a Sustainable City
- Growing our Economy
- Leading in Public Service

# Analysis

## 1. Background Information

### 1.1 Previous Reports Related to this Matter

August 11, 2020, Climate Emergency Action Plan Update Report to the Strategic Priorities and Policy Committee

November 26, 2019, Climate Change Emergency Update report to the Strategic Priorities and Policy Committee

April 23, 2019, Climate Emergency Declared at Municipal Council

## 2. Discussion and Considerations

This section (and Appendices A, B, C and D) contains details in the following areas:

- 2.1 Rollout and Evolution of the Climate Emergency Awareness and Screening Process (and Appendix A)
- 2.2 Community Engagement for the Development of the Climate Emergency Action Plan (Appendices B and C)
- 2.3 Update on Corporate, City-influenced and Community Climate Actions (Appendix D)

### 2.1. Rollout and Evolution of the Climate Emergency Awareness and Screening Process

Using best practices and industry/municipal research, the interim screening tool presented in August 2020 has evolved in terms of both content and process. The Climate Emergency Screening Tool (CEST) has been a catalyst for this evolution for many divisions within each Service Area. To date, the following has been achieved within City's eight Service Areas (Appendix A):

- 100% complete - Divisions that represent the vast majority Corporate-controlled greenhouse gas (GHG) emissions and/or climate adaptation actions have developed tools and mitigation plans. (e.g., Facilities, Fleet Services, Solid Waste, Wastewater Treatment, and Stormwater Management);
- 90% complete - Divisions that represent City-influenced community GHG emissions and/or climate adaptation actions have developed some or most of the tools and mitigation plans required to inform decision-making on their plans, policies, services and projects through a climate change lens to support the community in reducing their emissions (e.g., Transportation Planning & Design, Development Services, Risk Management, City Planning, Solid Waste);
- 75% complete - Engagement has occurred with staff that have indirect influence over GHG emissions and/or adaptation actions (e.g., Finance, Legal Services, Neighbourhood & Children Services, Fire Services); and
- The first-generation Climate Emergency Screening Tool (CEST) has been used on major projects in Transportation Planning & Design and Solid Waste. Refinements are occurring now and will be completed this spring. Reports with outcomes are planned for submission to the Civic Works Committee shortly thereafter.
- Other areas continue to use CEST to evaluate their work and full deployment is anticipated for all Service Areas in the Summer of 2021.

Through the work to develop meaningful climate change evaluation tools with various areas, a foundation of expertise is being created enterprise-wide, which will enable more rapid action on the Climate Emergency Action Plan when it is complete in Summer 2021.

The original vision of a “screening tool” remains; however, it has become clear through discussions that City staff needed to better understand their roles in climate action within their Service Area and have customized resources to assist them. To address this, five streams of activities emerged that are being built into business practices enterprise-wide:

### 1. Climate Emergency Screening Tool

By taking the time now to co-create a customizable Screening Tool and implementation processes with each Service Area for major projects, programs and reviews, the process is expected to generate more accountability and ownership for climate change issues across the Corporation. This work equips each Service Area with the knowledge, awareness and understanding to evaluate their specific projects and decisions with a climate lens, while still ensuring enterprise-wide consistency.

Expected outcomes following full implementation of the custom Screening Tool will be Service Area specific staff reports documenting the results of Screening Tool use on foundational projects, programs and policies, as required by the November 2019 resolution and the regular inclusion of climate emergency commentary in applicable standing committee reports. This work is nearly complete for transportation and waste management projects and will be the subject of Civic Works Committee reports shortly. It is well underway in other areas and full implementation is expected in most Service Areas this summer.

### 2. Quick Assessment of Operations

In many discussions, it has become evident that the current Screening Tool process is more elaborate than necessary and tends to focus on capital projects. A separate process is being developed that uses a ‘quick assessment’ to enable more efficient movement on smaller but equally important operational actions. These could be minor behaviour change adjustments (e.g., the continued move to less paper) and dressing more wisely to reduce energy use to changing travel behaviour (to and from work) and more efficient service delivery (e.g., routing and delivery options).

### 3. Corporate Climate Change Capacity

The effort to implement the Screening Tool is providing an opportunity to increase the knowledge and understanding of climate emergency issues within staff and normalize the conversation about climate change. This is viewed as a key outcome of the work to date and will continue to be a focus in upcoming sessions. In many respects, this mimics initial findings from the community engagement process.; people wish to talk, learn, understand and take action.

Service Areas have developed or are finalizing aligned but area-specific approaches for climate action including:

- implementing no cost/low-cost solutions;
- reducing some activities;
- changing activities for lower impact ones;
- eliminating activities when suitable alternatives are available;
- focusing on actions with the largest GHG reduction potential at the least amount of investment (resource and financial);
- embedding requirements for climate change in budget business cases;
- designing for longer term changes; and
- building success with easier actions to create confidence to tackle more difficult ones.

The above process continues and is expected to be completed for a number of major projects in addition to meeting with and/or informing the majority of City staff by the end of Summer 2021. As noted above, Transportation Planning & Design and Solid Waste

will have reports before the Civic Works Committee this summer. Additional major projects are being identified for the CEST as part of their regularly scheduled review.

#### 4. Master Plans and Strategies

Climate change perspectives have been embedded in the scope of all master planning work and major strategies that are currently underway or about start. This ensures that the plans and strategies that will set the medium to long term direction for services and assets are developed from a climate change perspective. Upcoming master plans and strategies include:

- Asset Management Process
- Biosolid Management Master Plan
- Fire Services Master Plan
- Masonville Secondary Plan
- Mobility Master Plan
- Wastewater Treatment Master Plan

#### 5. Budgeting from a Climate Change Perspective

As part of the 2021 Annual Budget Update, Civic Administration began the process of formally incorporating different “lenses” into budget documents/materials. The first step implemented as part of the 2021 Annual Budget Update was the inclusion of the Anti-Racism and Anti-Oppression lens in all budget amendments. As noted in the 2021 budget, “the application of additional lenses will also be incorporated in future budget processes as those lenses are developed (e.g., application of Climate Emergency Screening Tool (CEST) to enhance the climate lens in the budget process).”

Civic Administration is currently working through how climate change is formally incorporated in future budget processes. Elements of the Climate Emergency Screening Tool will be included in the 2022 Annual Budget Update, with further enhancements in subsequent years.

The 2024-2027 multi-year budget will represent an important opportunity whereby current programs and proposed new investments will be considered over a four-year period and be able to take advantage of all the learnings and analysis achieved prior to its preparation.

### **2.2. Community Engagement for the Development of the Climate Emergency Action Plan (CEAP)**

Due to the COVID-19 pandemic, the ability to engage the community through in-person events such as summer festivals, neighbourhood fairs, and community meetings were not available. In the absence of in-person events and face-to-face meetings staff has used a series of enhanced on-line platforms.

In August 2020, City staff launched a community engagement process that primarily made use of on-line engagement activities, including but not limited to:

1. Climate Emergency Get Involved website containing:
  - Background details and links to other websites
  - Two feedback forms
  - Engagement Primer (and feedback opportunities)
  - Climate Action Plan Simulator (and feedback opportunities)
  - Project Neutral (local carbon footprint tool)
2. Online education and awareness sessions; and
3. Community group and business meetings and collaborations

Earth Day, April 22, 2021, will mark the end of this round of formal external engagement for CEAP development. The level of engagement has been reasonably strong to date (Appendix B). A summary of the metrics include:

- 15,500 - combined website visits;
- 1,550 - combined responses and written contributions to the City;
- 1,500 - households have entered data through the Project Neutral (carbon calculator); and
- 950 - participants in online education and awareness sessions (as of April 15) with expected attendance to top 1,000 by April 22, 2021

Several community and business group meetings have been held including the establishment of three community engagement/collaboration projects with the Urban League of London, London Environmental Network and Pillar Innovations to assist with public engagement for the development of the Climate Emergency Action Plan. All three community initiatives have an emphasis on reaching a more diverse audience in London.

Staff have made presentations and/or received comments and advice from a number of City Advisory Committees and/or members including the Advisory Committee on the Environment (ACE), Cycling Advisory Committee (CAC), Transportation Advisory Committee (TAC), Trees and Forests Advisory Committee (TFAC) and Environmental and Ecological Planning Advisory Committee (EEPAC).

Staff have also been collaborating with Enbridge Gas Distribution as well as Enwave (formerly London District Energy), which has led to a number of proposed pilot projects in the development stage.

Initial discussions have also occurred between City staff and the London Home Builders Association and the London Development Institute to establish a constructive dialogue on climate action. These discussions will continue and expand to include the members of these organizations and others in the construction, planning and engineering sectors in London.

Several discussions have occurred with Western University and upcoming discussions are being planned with business and institutions such Fanshawe College, London Hydro, London Chamber of Commerce and the local school boards. The impacts of COVID-19 on community partners will require continued flexibility in schedule management.

In addition, many community groups have begun and/or increased the number of their own community engagements in 2020 and 2021 for climate change including Climate Action London, Urban League of London, Thames Region Ecological Association, LEN, etc. The City of London provided letters of support and offers of both in-kind and monetary support for ten applications to the Government of Canada's Climate Action and Awareness Fund (CAAF), covering a wide range of proposed projects addressing home energy retrofit coaching, food waste reduction, composting, cycling, and community-led education initiatives. Unfortunately, none of these applications were successful. A future round of funding for the not-for-profit sector is being planned by the Federal government.

Staff have also been engaged with staff from other Canadian municipalities who are also working on climate action plan development and implementation. A brief update regarding recent climate action planning activities in other municipalities in Canada can be found in Appendix C.

### **2.3. Corporate, City-influenced and Community Climate Actions**

#### **Corporate Climate Actions**

The 2019-2023 Corporate Energy Conservation and Demand Management (CDM) Plan is already in place and actions identified in the plan are being implemented. The primary goal of the 2019-2023 CDM Plan is to achieve a five percent reduction in overall annual energy use from 2018 levels by 2023.

The following are some highlights of corporate energy use and greenhouse gas (GHG) emissions progress in 2020, noting that that these numbers are still being reviewed and not final. An update on the 2019-2023 CDM Plan is planned for June 2021.

- Total Corporate energy use in 2020 was 8% lower than 2018 levels, surpassing, at this point in time, the CDM Plan target to be 5% lower by 2023;
- Total energy-related GHG emissions in 2020 were 6% lower than 2018 levels and since 2007, energy related GHG emissions have decreased by 61%;
- Wastewater treatment had the highest total energy reductions, which were 12% lower compared to 2018 baseline; and
- Water supply is the only service area with increased energy consumption (electricity) in 2020 due in part to higher water demand in the residential sector in 2020.

In terms of the impact of COVID on corporate energy use:

- There was a 15% decrease in electricity consumption in municipal buildings in 2020 compared to 2019 due to less occupancy; and
- There was a 5% increase in gasoline use due to increased number of rental vehicles added to the fleet to maintain physical distancing among operations staff.

The following table provides a summary of progress on reducing corporate energy use and associated GHG emissions from 2018 as well as from 2007, the first year that corporate energy use was tracked.

<b>Corporate Energy Management Indicators</b>	<b>Change from 2018 Levels in 2020</b>	<b>Change from 2007 Levels in 2020</b>
Total energy use (in equivalent kilowatt-hours)	- 8%	- 10%
Total energy-related GHG emissions	- 6%	- 61%
Total energy costs	- 2%	+ 23%
Energy use per capita in service delivery	- 12%	- 31%
Total energy use in municipal buildings	- 8%	- 15%
Total energy use by traffic signals & streetlights	- 4%	- 28%
Total energy use in wastewater treatment	- 12%	- 32%
Total energy use in water supply	+ 2%	+ 2%
Total energy use by municipal fleet vehicles	- 7%	0%

Highlights for a number of corporate energy management actions taken in 2020 and until April 2021 are found in Appendix D.

### **City-influenced and Community Climate Actions**

Not surprisingly, 2020 also saw a drop in GHG emissions locally. With people working from home due to COVID-19, 2020 retail sales of fuel in London dropped by 20 percent from 2019 levels. While this will result in a six percent drop in GHG emissions compared to 2019, it is likely not fully sustainable and future results will be dependent on workplace management choices made by employers post-pandemic. An update on London’s energy use and GHG inventory is planned for June 2021.

The City of London does not have direct control over how much energy is used in London, but it does have influence through aspects such as land use planning and transportation planning. The control over energy use in London rests primarily with residents, visitors, employers and employees. Individual and collective action by the community with respect to sustainable energy use, energy management, and energy conservation - supported by appropriate City policies, programs and plans - is critical for future success

There are a number of City-influenced community climate actions and equally important community (and business) driven actions that are currently underway as the Climate Emergency Action Plan is in development. A number of these initiatives are identified in Appendix D and more are being captured during the development of the Climate Emergency Action Plan.

Home energy retrofits remain a priority. City staff are supporting the work of the Ontario Consortium, a partnership involving the Clean Air Partnership, the Association of Municipalities of Ontario, and the Heating, Refrigeration and Air Conditioning Institute to explore the development of a third-party delivery model for a home energy retrofit Property-Assessed Clean Energy (PACE) style program for Ontario municipalities.

Sustainable mobility is another major priority. Additional cycling infrastructure is being installed. Actions are underway to bring micromobility services, both bikes and e-scooters, for later in 2021. A pilot project is also underway for secure bike parking in downtown London. The upcoming Mobility Master Plan (formerly the Transportation Master Plan) is being scoped from a multi-modal, climate change perspective and represents a significant opportunity to reduce private vehicle emissions in London.

Climate adaptation measures continued to be taken with projects that were actively occurring or being planned over the past 12 months. Many of these relate to stormwater management improvements ranging from culvert replacements under railway tracks (e.g., Mud Creek) to the increased use of Low Impact Development (LID) options related to raingardens and bioswales. These measures are being taken to more effectively address surface water flows to decrease flooding in addition to creating more natural channels and improve both vegetated riverbanks and wildlife habitat. Several of these projects are described in Appendix D.

It is important to recognize the local growth in Green Economy London, one of several hubs as part of Green Economy Canada. London is the fastest growing hub in Canada, with a membership now of 44 businesses and institutions focused on reducing greenhouse gas emissions, reducing waste, improving water efficiency, and enhancing corporate environmental leadership.

There are also a number of community climate actions that are currently underway on aspects such as climate change education and awareness sessions, home energy retrofits, use of electric vehicles, urban agriculture, local food promotions, promotion of the benefits of cycling, etc.

Other visible signs of a transition to a greener economy include about a 23 percent increase in the purchase of electric vehicles locally between 2019 and 2020, with over 1,000 electric vehicles now registered in London. Growth in charging stations occurred with 37 locations, with 105 charging ports, that provide publicly accessible charging 24/7 as of April 2021. Several of these stations are at City Hall. More of these stations are expected in London in 2021 as a result of Federal Government funding, including at most of our major community centres and arenas.

### **3.0 Key Issues and Considerations**

#### **3.1. Rollout and Evolution of the Climate Emergency Awareness and Screening Process**

The rollout and evolution of the Climate Emergency Awareness and Screening Process has been adapted to account for the following considerations and will continue to adapt as-needed to challenges that arise.

#### **Service Area Interrelationships**

Discussions with leaders in Service Areas across the corporation have uncovered many instances where decisions made outside of a Service Area's sphere of control, either entirely or partly within other Service Areas or by Council, have a direct influence on

climate emergency issues. In these cases, the potential incorporation of climate emergency issues in decision-making at the Service Area level is not expected to affect decision outcomes. The implementation of the screening tool process in these areas, including regular meetings with Climate Emergency Resource Team staff to facilitate cross-work-group collaboration, is intended to document these connections and interrelationships for future action.

### **Timing and Resources**

Embedding the use of a CEST process in each Service Area will be important to the successful and timely integration of climate emergency issues into decision-making for several reasons:

- The Climate Emergency Resource Team is supporting Service Areas with the design and implementation of a customized screening tool process, however the integration of expert knowledge as it pertains to climate action can only be accomplished through engaged participation of Service Area staff.
- Leaders for screening tool implementation and use are embedded within each Service Area and will increase the successful inclusion of climate emergency issues into workflows and decision-making at the appropriate time to affect positive change.
- Increased understanding of, and expertise in addressing climate change mitigation and adaptation enterprise-wide can be a springboard for improving collaboration across Service Areas and can support a shift in organizational culture towards sustainability.
- Efforts to embed the CEST process into decision-making at this point in time provides each Service Area with sufficient time to understand the process, such that it can be effectively applied to the next multi-year budgeting exercise.

### **Stage of Projects**

Embedding the screening tool process into the work of each Service Area will result in climate emergency considerations being integrated into new projects, programs, guidelines, standards, etc. The implementation of the screening tool on any existing project, program, and/or process, must consider the current stage of its development.

This is particularly important when considering infrastructure projects where considerable effort and investments have already been made for design and planning, and key decisions affecting climate emergency issues may have already been made. In these situations, the identification of a trade-off between financial impacts (e.g., particularly associated with re-evaluating decisions and/or designs) and climate impacts may be the defining outcome of the screening tool's use.

## **3.2 Community Engagement for the Development of the Climate Emergency Action Plan**

Due to the ongoing COVID-19 pandemic, Staff will likely need to continue to rely on the use of enhanced on-line platforms for community and stakeholder engagement for the rest of 2021.

A first draft of the Climate Emergency Action Plan will be developed based on the feedback received from this first round of engagement activities. The process for the first draft is expected to be completed by Summer 2021. Following the completion of the first draft, additional community engagement options will be reviewed to determine the next best steps for plan completion and the first stages of implementation.

## **Conclusion**

While COVID-19 continues to slow the work on the Climate Emergency Action Plan in 2020, it will be completed and submitted to Council by Fall 2021.

The work to date has established a foundation of corporate expertise and engagement that will allow more rapid action on its implementation. In addition, climate change perspectives have been embedded in the scope of master planning work that is currently underway or about start, ensuring the plans that will set the medium to long term direction for those services and assets are developed from a climate change impact perspective.

The implementation of the screening tool and related processes in each Service Area is improving decision-making by formalizing the incorporation of climate change mitigation and adaptation issues. The process to create customized screening tools and implementation plans in consultation with staff from each Service Area is underway and is a key component of the City's response to the climate emergency. Major greenhouse gas emission generating capital programs in waste management and transportation have been evaluated using CEST and, subject to minor refinements currently underway, will be brought to a meeting of the Civic Works Committee shortly.

Despite the effects of COVID-19, engagement efforts to support the development of the Climate Emergency Action Plan have been successful to date and will continue for the majority of 2021. A process for the first draft of the Climate Emergency Action Plan is expected to be completed by Summer 2021, after which time additional consultation options will be reviewed to determine the next best steps for engagement and implementation.

The development of the Climate Emergency Action Plan and the Climate Emergency Screening and Awareness process have been accompanied by continued action corporately and in the community to mitigate and adapt to climate change. While both the Climate Emergency Action Plan and the Climate Emergency Screening and Awareness process are important pieces of work that will advance climate action moving forward, significant momentum already exists corporately, in London's business sector and in the community that is intended to be leveraged and built upon in the months and years to come.

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Appendix A Status of Corporate Engagement on Climate Emergency Awareness and Screening Process

Appendix B Status of Community Engagement on CEAP (Phase 1)

Appendix C Evolving Municipal Climate Action in Canada

Appendix D List of Corporate, City-influenced and Community Climate Actions (May 2020 to April 2021)

# **Appendix A**

## **Status of Corporate Engagement on Climate Emergency Awareness and Screening Process**

### **A.1 Climate Emergency Screening Tool - Goals and Strategy**

To fully implement the actions described in the November 26, 2019 recommendation regarding the Climate Emergency declaration requires a robust and well-understood process for evaluation of climate emergency issues affecting each Service Area. To ensure that this process becomes part of the culture and decision-making consideration across the Corporation, rather than a one-time exercise to evaluate current conditions, the development of Service Area-specific screening tools and the associated administrative process to use and implement the screening tool is underway. The goals associated with the climate emergency screening tool process are:

1. Implement the screening tool process in each Service Area to ensure climate emergency considerations are included in decision-making and the evaluation of existing practices can be conducted.
2. Establish a clear process for accountability and tracking the use of the screening tool, including collection of information on decision outcomes.
3. Elevate the collective understanding of the importance of climate emergency issues in decision-making across the Corporation.

The strategy being employed to achieve these goals is to engage each Service Area to elevate the understanding of climate emergency issues and co-create customized screening tool implementation processes that will effectively embed climate emergency considerations into decision-making.

### **A.2 Climate Emergency Screening Tool - Implementation Process**

In order to establish the process for implementation of the screening tool process within the corporation, the following steps are being used:

1. Conduct pre-workshop meetings (initial engagement) with Service Area leaders and the Climate Emergency Resource Team leading the process to get a high-level understanding of each Service Area's existing knowledge of climate emergency issues and the level to which those issues are currently included in decision-making. In addition, co-create a workshop agenda and initial plan for wider engagement of staff in the Service Area to facilitate the screening tool's implementation.
2. Meet key personnel identified by leaders of each Service Area in a workshop to:
  - Facilitate discussions on, and improve understanding of, the climate emergency issues affecting work within the Service Area;
  - Determine key activities and/or decisions within the Service Area that should be subject to screening;
  - Determine key documents, projects, and programs requiring review as recommended in the November 26, 2019 resolution;
  - Initiate discussions to start customization of the screening tool to best suit the vocabulary used and the climate emergency issues relevant to the Service Area;
  - Identify where and when a customized screening tool can be integrated into existing workflows; and,
  - Determine who should be accountable for the use of the screening tool, including a champion.

3. The Climate Emergency Resource Team prepares draft documentation outlining the screening tool implementation process identified through meetings / workshops for each Service Area (or sub-group).
4. The Climate Emergency Resource Team uses the CEST form as the starting point to create customized screening tools for each service area, where required.
5. Review customized screening tools and associated implementation process with Service Area leaders to ensure the screening tool and associated accountability processes are supported.
6. Develop a customized Climate Emergency Screening Tool implementation guide to support the screening tools for use in that Service Area (Answering: “How is the corporation embedding climate action in our organization’s decision-making?”).
7. The Climate Emergency Resource Team commits to regularly meet with Service Area champions to provide implementation support, identify and assess potential improvement opportunities, and collect information on Service Area and/or enterprise-wide opportunities for strengthening climate action.

Progress of engagement with each Service Area is identified below:

<b>Service Area and Business</b>	<b>Initial Engagement</b>	<b>Implementation Workshop</b>	<b>Implementation Guidelines &amp; Tools</b>
City Manager’s Office & IT Services	completed		
DCS - City Planning	completed	completed	
DCS - Compliance Services	completed	completed	
DCS - Development Services	completed	completed	
EES - Fleet & Operational Services	completed	completed	
EES - Major Projects	completed	completed	
EES - Road Lighting & Traffic Control	completed	completed	
EES - Sewer Operations	completed		
EES - Solid Waste Management	completed	completed	
EES - Stormwater Engineering	completed	April 21	
EES - Transportation Planning & Design	completed	completed	
EES - Wastewater Treatment	completed	completed	
EES - Water Engineering	completed		
FCS - Asset Management	completed		
FCS - Facilities Services	completed	completed	
FCS - Financial Planning & Policy	completed		
Housing & Social Services	completed		
Legal Services, Risk Management & Clerks	completed	completed	
NCFS - Fire Services	completed	completed	draft

<b>Service Area and Business</b>	<b>Initial Engagement</b>	<b>Implementation Workshop</b>	<b>Implementation Guidelines &amp; Tools</b>
NCFS - Neighbourhood & Children's Services	completed	completed	
P&R - Parks Operations	completed		
P&R - Park Planning	completed	completed	

Notes:

- DCS – Development & Compliance Services
- EES – Environmental & Engineering Services
- FCS – Finance & Corporate Services
- NCFS – Neighbourhood, Children & Fire Services
- P&R – Parks & Recreation

## Appendix B

### Status of Community Engagement on CEAP (Phase 1)

Activity Area	Metrics
Climate Emergency Get Involved website (as of April 15, 2021)	<ul style="list-style-type: none"> <li>• Website               <ul style="list-style-type: none"> <li>○ 5,848 visitors</li> <li>○ 21,216 page views</li> </ul> </li> <li>• Feedback Forms               <ul style="list-style-type: none"> <li>○ 159 responses to feedback form #1</li> <li>○ 402 responses to the feedback form #2</li> </ul> </li> <li>• Engagement Primer               <ul style="list-style-type: none"> <li>○ 326 downloads of the Engagement Primer</li> <li>○ 80 responses to the Engagement Primer</li> </ul> </li> <li>• Climate Action Plan Simulator:               <ul style="list-style-type: none"> <li>○ 9,200 site visitors</li> <li>○ 16,000 page views</li> <li>○ 885 participants</li> <li>○ 100,000 people “reached” by Facebook ads and posts</li> </ul> </li> <li>• Project Neutral (carbon calculator)               <ul style="list-style-type: none"> <li>○ 1,500 households have entered data</li> </ul> </li> </ul>
Online education and awareness program and sessions	<p>Green in the City Fall 2020 and Winter/Spring 2021:</p> <ol style="list-style-type: none"> <li>1. Tackling Food Waste, October 27, 2020 (106 participants, 243 registered, 199 online views)</li> <li>2. Making Sustainable Transportation Choices, Nov. 3, 2020 (60 participants, 123 registered, 107 online views)</li> <li>3. Urban Agriculture in Your Backyard &amp; Community November 10, 2020 (107 participants, 275 registered, 123 online views)</li> <li>4. Responsible Consumption &amp; Production, November 16, 2020 (125 participants, 200 registered, 8 online views)</li> <li>5. COVID-19 and a Green Recovery, November 24, 2020 (65 participants, 171 registered, 85 online views)</li> <li>6. Developing London’s Green Bin Program, February 10, 2021 (106 participants, 172 registered, 92 online views).</li> <li>7. Connecting Global Climate Change to Local Impacts and Solutions, with Dr. Katharine Hayhoe, February 18, 2021 (164 participants, 289 registered, 201 views on Youtube, 3,600 views on Facebook)</li> <li>8. Climate Engagement Tools - Just a Click Away, February 25, 2021 (19 participants, 289 registered, 12 views on Youtube, 242 views on Facebook)</li> <li>9. Hope Matters: Tackling Eco-Anxiety and Inspiring Climate Action, with Elin Kelsey, PhD, March 18, 2021 (55 participants, 118 registered, 30 views on Youtube, 209 views on Facebook)</li> <li>10. Ontario's First Neighbourhood Powered by the Sun: West 5, March 23, 2021 (54 participants, 104 registered, 18 views on Youtube, Facebook view count pending)</li> <li>11. The Future of Masonville – Planning for Sustainable Growth, March 30, 2021 (37 participants, 82 registered, 32 views on Youtube, Facebook view count pending)</li> </ol> <p>Note: views on Youtube and Facebook continue and the above statistics are as of April 15, 2021.</p>

Activity Area	Metrics
<p>Online education and awareness program and sessions (continued)</p>	<p>Sustainable Procurement Session featuring Bob Willard, Sustainability Advantage</p> <ul style="list-style-type: none"> <li>• Collaboration with London Chamber of Commerce, Green Economy London and City of London, April 13, 2021 (40 participants, 45 registered)</li> </ul> <p>My Wild Green Home (October 2020 to March 2021)</p> <ul style="list-style-type: none"> <li>• Collaboration with Carolinian Canada Coalition and the London Environmental Network, a series of climate emergency themed web events were presented as part of the My Wild Green Home on-line exhibition and event series. Over 11,000 people (unique visitors) have viewed the exhibition with over 7,745 views of the web events.</li> </ul> <p>London Public Library’s Environmentalist-in-Residence (April 2021)</p> <ul style="list-style-type: none"> <li>• A collaboration with the London Public Library and City of London on a series of climate emergency-themed web events. This series continues with 5 events throughout April.</li> </ul>
<p>Community group and business meetings</p>	<p>Several community meetings have occurred including the establishment of three community engagement/collaboration projects for CEAP with the Urban League of London, London Environmental Network and Pillar Innovations.</p> <p>All three community initiatives have an emphasis on reaching a more diversified audience in London.</p> <p>Regular meetings are being held with staff from Enbridge Gas Distribution and Enwave London District Energy.</p> <p>City staff have met with staff from key stakeholders, including the London Home Builders’ Association, London Economic Development Corporation, London International Airport, and Western University.</p> <p>Several discussions have occurred with Western University and upcoming discussions are being planned with business and institutions such Fanshawe College, London Hydro, London Chamber of Commerce, London Development Institute and the local school boards.</p>

## Appendix C

### Evolving Municipal Climate Action in Canada

Addressing the climate emergency is a dynamic effort that is subject to shifting priorities, varying approaches to action, and increasing knowledge from new research and observations. Recent developments and internal research findings relevant to the development of the Climate Emergency Action Plan include:

- In Canadian municipalities, approaches to develop climate action plans vary, from wide community involvement in consultant-drive task forces (e.g., Brampton’s “Community Energy and Emissions Reduction Plan”, 2020) to internal municipality-led efforts (e.g., Mississauga’s “Climate Change Action Plan”, 2019).
- In Canadian municipalities, action commitments range from fewer but more focused actions centered on high impact areas (e.g., Vancouver’s “Big Moves”, 2019) to a more distributed collection of actions across various sectors and levels of ambition (e.g., Mississauga’s “Climate Change Action Plan”, 2019).
- The Canadian Federal Government’s strengthened climate plan, “A Healthy Environment and a Healthy Economy” (2020) includes a net-zero GHG emissions by 2050 target and sends strong signals for action as well as presents significant opportunities for potential funding (e.g., \$1.5 billion earmarked for Infrastructure Canada’s “Green and Inclusive Community Buildings” program).
- Many COVID-19 recovery initiatives are widely seen as turning points for governments to prioritize climate action as part of recovery and not rely on “business as usual” approaches to stimulate the economy.

London’s key actions, like many other municipalities, should address transportation (e.g., reducing unnecessary trips, changing how we move in the city), building energy use and efficiency, waste generation, and education and awareness of climate issues.

Cities such as Halifax, Greater Sudbury, Vancouver, Ottawa, and Toronto’s have used a modelling tool called CityInsight to model emission sources and the effects of potential actions to define decarbonization scenarios including important financial elements. A number of European cities have used a tool called ClimateOS to provide transparency and accountability for tracking the implementation of their climate actions plans, and this company has reached out to London and other Canadian municipalities to participate in a pilot project to bring this tool to Canada.

Using tools like this in London represents a significant opportunity to support enterprise-wide data requirements. Transportation planning, land use planning and economic development data needs could be particularly well served by this modeling tool and bring cohesion and continuity to internal climate action strategy.

The potential for external funding from sources like the Federation of Canadian Municipalities Green Municipal Fund are being examined to bring tools like this to London.

# **Appendix D**

## **List of Corporate, City-influenced and Community Climate Actions (May 2020 to April 2021)**

### **Corporate Energy Management – Climate Actions**

#### City Fleet

- In 2020, the City started a process to replace all compressed natural gas (CNG) ice resurfacers with electric ice resurfacers. Four Zambonis are now ready to go into service (when arenas re-open) and four additional units planned for the 2021/2022 arena season. London was one of the first cities in North America to make this move.
- In 2020, the City commissioned two CNG packers with four more to come in April/ May 2021. This starts the process of moving away from fossil fuel for the packers.
- Contracts were signed in 2020 to switch more municipal fleet light duty vehicles to hybrids vehicles.

#### City Facilities

- Due to the pandemic, the focus was on smaller energy efficiency retrofits and greenhouse gas (GHG) reduction projects while planning for renewable energy projects that can take place in the next five years.
- Indoor and outdoor lighting upgrades at Canada Games Aquatic Centre, Dearness Home, Adelaide Operations Centre, and Fire Station 9 with annual savings of \$16,000/year and \$9,000 in incentives towards upgrades.
- Smart lights retrofit project (with individual dimming capability) at J. Allen Taylor building with \$10,000 in annual savings as well as \$4,000 in incentives towards these upgrades.
- Replaced arena glass walls with insulated panels at Bostwick Community Center which will result in \$35,000 savings per year.
- Heating, ventilation, and air conditioning optimization at Dearness Home and Eldon House resulted in \$10,500 savings per year.
- Installation of 14 dual-port electric vehicle chargers at nine community locations, such as community centres and arenas, are currently underway through the land-lease agreement with ChargerCrew.
- In 2020, Facilities staff commissioned a study to look at the feasibility of retrofitting fifteen existing City facilities, including the A.J. Tyler Operations Centre, Exeter Road Operations Centre and Earl Nichols Arena, to be net-zero energy or near net-zero emission buildings through the implementation of heat-pump technology. Preliminary results indicate that these retrofits are financially feasible.

#### City Wastewater Treatment Facilities

- In 2020, the City completed the majority of the installation of the Organic Rankine Cycle (ORC) engine for power generation from waste heat at Greenway Wastewater Treatment Facility. When it is put into operation in 2021, the ORC will generate 475 kilowatts of electrical power for the facility.
- Upgrades to all aeration blowers at the wastewater treatment plants to new efficient turbo blowers was completed in 2020. The last Turbo Blower Project at the Oxford Wastewater Treatment Plant was completed in early 2020 and by the summer operations started seeing the energy savings for all the blowers, estimated to be about \$600,000 per year, across all wastewater treatment plants

- The new Dingman Creek Wastewater Pumping Station, currently under construction, will be heated electrically, with back-up propane for supplement heat if required during peak winter days. This avoided the need for constructing a new natural gas line and the associated natural gas related GHG emissions for the life cycle of the facility (60 or more years).

#### Downtown and Area Infrastructure Projects

- In 2020, 300 metres of combined sewer on Richmond Street between York and Dundas was replaced with separate storm and sanitary sewers.
- In 2021, the King Street sewer separation project will be completed in conjunction with the first phase of the Rapid Transit Downtown Loop project. This project will separate an additional 400 metres of combined sewer, contributing to the improvement of water quality in the Thames River.
- The Adelaide Street North 'Underpass' Environmental Assessment is proceeding. The new street design will enhance the pedestrian and biking environment, improve safety, reduce traffic back-ups due to trains and improve access to transit. (<https://getinvolved.london.ca/adelaide>)

#### Landfill Gas Methane Control

- An additional 17 vertical landfill gas (LFG) extraction wells and two perforated LFG horizontal collectors were constructed and connected to the existing collection and flare system at the W12A Landfill. Landfill gas contains methane, a potent GHG.

#### **City-influenced and Community Climate Actions**

There are a number of City-influenced (and sometimes City-supported) and community climate actions and equally important community (and business) driven actions that are currently underway as the Climate Emergency Action Plan is in development. A number of these initiatives are identified below and more are being captured during the development of the Climate Emergency Action Plan.

#### Furthering Development on Home Energy Retrofits

- In 2019 and 2020, the City of London was one of nine Ontario municipalities that supported the work done by the Clean Air Partnership (CAP) to develop the report entitled Accelerating Home Energy Efficiency Retrofits Through Local Improvement Charge Programs – A Toolkit for Municipalities. This work was funded by the Federation of Canadian Municipalities' Transition 2050 funding program.
- City staff are supporting the work of the Ontario Consortium, a partnership involving CAP, the Association of Municipalities of Ontario's (AMO) Local Advisory Services (LAS) and the Heating, Refrigeration and Air Conditioning Institute (HRAI) to explore the development a third-party delivery model for home energy retrofit program for Ontario municipalities.

Loans for these deep energy retrofits would be attached to the property itself, rather than the property owner, through the Local Improvement Charge municipal property tax billing process. Referred to as Property-Assessed Clean Energy (PACE) financing, there are numerous statewide and municipal programs operating in the United States and in Nova Scotia. The Ontario Consortium plans to make use of the Federation of Canadian Municipalities' Community Efficiency Financing (CEF) program for its development.

- The Ontario Consortium applied to the Federation of Canadian Municipalities' Community Efficiency Financing (CEF) program to undertake energy and building analysis of municipal residential housing stock in seven Ontario municipalities: Barrie, Clarington, Dufferin County, Huntsville, Kawartha Lakes, London, and Tay Valley Township. This study will identify the housing archetypes and opportunities for energy efficiency reductions. The City has provided \$15,000 to accelerate

London's portion of this work, which is expected to be completed in Summer 2021. If CEF funding is approved, this \$15,000 will be reimbursed .

- In 2021, London was selected by Natural Resources Canada and MyHeat to be one of the first Canadian cities to develop and deploy (pending Natural Resources Canada funding confirmation) MyHeat's SOLAR Map platform, funded in partnership with Natural Resources Canada. These interactive maps deliver personalized rooftop solar insights and potential to homeowners. As well, the platform includes calculators to assess the financial and environmental benefits of adopting solar energy. The development of the MyHeat SOLAR Map was provided at no cost to the City of London.

#### London Waste to Resources Innovation Centre and the Green Bin Program

- Working with the Institute for Chemicals and Fuels from Alternative Resources (ICFAR), a research institute within the Faculty of Engineering at Western University, more opportunities emerged when two new business joined the Industrial Research Chair program in 2020. The research program positions London very well to capitalize on the investments being made and future investments in the emerging circular economy.
- The City launched a community engagement process in December 2020 and input received for eight weeks helped develop the roll out of the proposed Green Bin Program (<https://getinvolved.london.ca/greenbin> ). This program will bring further greenhouse gas reduction and environmental benefits and lay a foundation for the business sector in London to meet its requirements with respect to organics management.

#### Supporting Community-led Climate Action

- The City of London provided letters of support and offers of both in-kind and monetary support for ten applications to the Government of Canada's Climate Action and Awareness Fund (CAAF), covering a wide range of proposed projects addressing home energy retrofit coaching, food waste reduction, composting, cycling, and community-led education initiatives. Unfortunately, none of these applications were successful.

#### Sustainable Mobility

- The City continues to support sustainable mobility projects with:
  - construction of a long-missing gap in the Thames Valley Parkway path system between Ross Park on Richmond Street and the North London Athletic Fields near Adelaide Street that includes two bridges;  
connecting the Downtown and Old East Village with protected bicycle lanes on Dundas Street; and
  - construction of over three kilometres of new sidewalks around the city to support more travel options for Londoners.
- To continue to address the 2016 Cycling Master Plan's Action #8 - Enhancing Bicycle Parking, the City purchased nine bike lockers (capacity for 18 bikes) as part of a pilot project to provide secure bike parking in and around downtown.
- The City continues to install more short-term bike parking in the public right-of-way as resources allow. For 2021, ten TeMo-style bike posts have been ordered. These are London-designed and manufactured posts that each allow two bikes to be locked to them.
- The City has developed draft Neighbourhood Bike Parking Guidelines, a companion document to the City of London's 2018 Complete Streets Design Manual, to provide several design and installation options for short-term bike parking in the municipal road right-of-way, specifically near transit stops. This document will be used by City staff and contractors working on projects that include short-term bike parking as part of their scope of work.

- In early 2020, City staff started work, funded by the federal Public Transit Infrastructure Fund (PTIF), to help determine whether a Transportation Management Association – a collaborative approach that helps local employers pool their resources and needs to support options other than single-occupant vehicle commuting – is a timely initiative for employers, the City, and local partners to pursue. The COVID-19 pandemic disrupted the work that had been planned and many post-pandemic workplaces in London are expected to look different than they did in early 2020. It is expected that working-from-home will play a much larger role in the future.
- A Request for Proposal (RFP) was issued in August 2020 for proposals to run a bike share system in London. As a result of the extenuating circumstances surrounding the pandemic, the City cancelled the RFP in late 2020. However, City staff benefited by learning more about the current state of the bike share service market, including the greater role that electric-assisted bicycles (e-bikes) are expected to play in new systems, as well as the operating cost benefits of providing both bikes and e-scooters as part of a coordinated micromobility service. As a result, City staff is developing a new micromobility RFP that better meets the needs of Londoners and the City, pending Council approval to allow e-scooter use in London as part of a pilot project.

#### Support for Flooding Prevention and Property Protection

- Mud Creek Flood Reduction and Rehabilitation Project continues within the channel corridor including habitat enhancement features. An example of a habitat enhancement feature is the use of a partially buried tree logs to create riffles in the rehabilitated Mud Creek. The work includes two new culverts under the CN railway embankment at a lower elevation relative to the existing culvert and rehabilitation of the existing culvert under the CN railway embankment.  
(<https://getinvolved.london.ca/mudcreek>).
- The West London Dyke multi- phase project is ongoing that protects 2,800 people from flooding. Planning for the next phase is proceeding south from the Forks to eventually extend to Cavendish Park. This work raises the height of the dyke to address a higher flood standard (the 1:250-year flood plus additional 0.9 m freeboard) with project completion anticipated in 2028.
- Stormwater Servicing Master Plan Environmental Assessment for the Carling Creek Catchment was initiated in February 2021. Flood protection for the residential area is a component of this assessment that includes Old East and Old North.
- Low Impact Development (LID) projects continue to be considered on all Infrastructure Renewal Program (IRP) projects, where applicable. Since 2017, the City has implemented 66 various LID systems around the City through the IRP. Designs include third pipe infiltration systems in the municipal right of way, raingardens and/or bioswales. Additionally, the City has partnered with Western University to investigate and research the efficacy of LIDs on Sarnia Road and has launched several pilot projects around the City that are currently being monitored.

#### Support for Climate Adaptation Planning

- Initiated in January 2020, the City is continuing the use of the Building Adaptive Resilient Cities (BARC) tool in planning and tracking our efforts in adaptation to climate change. This tool is supported by the ICLEI and FCM programs in which London was a participant in a pilot project titled the Showcase Cities Initiative offered in 2021 to 25 municipalities from across Canada.

#### Support for Green Development

- The recently published Draft Masonville Secondary Plan includes a Green Development and Sustainable Design section detailing the important contribution that compact forms of development, public transit, green space and building technologies can have in addressing the climate emergency.

## Community-Led Actions

- Climate Action London hosted two viewings of the film ‘2040’, a film that looks at the effects of climate change over the next 20 years and what technologies that exist today can reverse the effects, in December 2020 with a community panel discussion following the film. A similar format was used in April 2021 for four additional sessions.
- The London Environmental Network (LEN) has been seeking senior government and third-party funding support for the development of Greener Homes London, a home energy efficiency coaching program that would help Londoners understand the different options available for home energy efficiency renovations. This program could also play a supporting role in the proposed home energy retrofit program being developed by the Ontario Consortium.
- LEN has started to test new ways to engage Londoners through their new podcast called *London, ON: One of Canada’s Greenest Cities?* This series looks at London’s environmental and ecological health, and discusses questions and answers regarding how green and resilient the “Forest City” is.
- LEN's new Environmental Action Incubator program supports actions undertaken by their member community environmental organizations. Supports offered include administrative support (bookkeeping, tracking, etc.), communications support (promotions via our social media and e-newsletters), insurance to cover events, shared resources (access to tables, projectors, outreach materials), and up to \$1,000 towards the project implementation costs. This year, projects include: Antler River Rally river clean-ups and a creativity contest, an organic ancestral seed garden, community gypsy moth clean-ups, and a bike share program. These programs will help to reduce waste, enhance waterways, and reduce emissions.
- Green Economy London, with support from the City of London and Green Economy Canada, launched London’s online Business Energy and Emissions Profile tool. Developed by Climate Smart, this is an interactive carbon mapping tool for small and medium-sized enterprises (SMEs). This tool help’s London businesses visualize their impact and get practical recommendations for emissions and energy use reductions, which will save them money in the long-term.
- Green Economy London developed and launched an employee engagement program for Green Economy London members called Workplace Green Up. This program provides employees with simple, day-to-day sustainability activities and uses prize-based incentives for action wherever their workplace is – home or work.
- Green Economy London, through their Green Project Grant, will be awarded to 14 recipients to support 17 different projects after having successfully fundraised a \$19,000 project stream with support from the City of London, London Community Foundation, Convertus, Partners in Project Green, and the Federal Government. Climate action projects being supported include:
  - LED lighting retrofit projects at five member businesses
  - Solar PV at Heeman’s Nursery
  - EV chargers at the Reimagine Co. Zero Waste Store
  - Blue Roof feasibility studies for the Pillar Nonprofit Network and the London Food Bank buildings
- Upper Thames River Conservation Authority, Community Education Staff have created online programming for school use discussing Climate Change for school boards.
- UTRCA has obtained federal funding to initiate flood plain updates focused on 3 waterways that flow mostly or partially within London, being Pottersburg, Medway and Stoney Creeks.
- Urban Roots London, one of the largest community urban agriculture locations in London, officially purchased the land at 21 Norlan Ave (the current home of its farm)

in March 2021, which was made possible with support from VERGE Capital, London Community Foundation, Libro Credit Union, Dianne and Marcus Plowright, and crowdfunding campaign donors. They are also opening a new site at Siloam United Church in 2021 in the North East end of London. In 2020, Urban Roots London's Community Composting Program (supported by LEN and the City of London) diverted 1,450 kilograms of organic waste from the landfill.

- ReForest London hosted webinars with London Environmental Network members online through the Signal Boost Initiative, a variety of topics were covered including electric vehicles, native plants, and fruit and nut tree care.
- ReForest London is preparing for a curbside pick-up Neighbourhood Tree Depot Day at the Westminster Ponds Center in May. They are also part of the Native Plant Sale Fundraiser, along with Thames Talbot Land Trust, Pollinator Pathways Project, Nature London, Climate Action London and Embracing the Spirit of the United Church of Canada.
- London Cycle Link has been involved in the consultation and development of bike lanes in the downtown core, and recently supported the City's request for millions of dollars from federal infrastructure funds for cycling infrastructure. They continue to offer access to their Squeaky Wheel Bike Co-op for folks to fix bikes at low cost.
- ALUS Middlesex established 90 new acres of restoration projects in 2020, including 10 acres along Thames River. Aimed at providing more habitat and ecosystems services, reducing phosphorus in Thames River, Lake St. Clair and ultimately Lake Erie. A wetland project underway in the south end of London.
- In late 2020, Reimagine Co ran a successful crowdfunding campaign to open London's first package-free grocery store. With community support they raised over \$88,000. In December 2020, Reimagine Co opened its package-free grocery store at 206 Piccadilly St., with a focus on package-free, bulk, and "ugly" foods. Presently, Reimagine Co is partnering with Thames Region Ecological Association (TREA) to bring a Things Library to London in June 2021, where people can borrow tools and items needed for projects instead of buying them similar to a library-style service.
- Growing Chefs! Ontario opened a new programming space located at The Grove at The Western Fair District. The space will be used to run hands-on food education programs for youth (grades JK-12) and enable Growing Chefs! Ontario to reach over 10,000 students per year. Additionally, their virtual cooking classes and resources serve as an interactive alternative to in-person cooking programs during the pandemic.

## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members  
**Strategic Priorities and Policy Committee**  
**From:** Anna Lisa Barbon, Managing Director, Corporate Services  
and City Treasurer, Chief Financial Officer  
**Subject:** RBC Place London – COVID-19 Financial Impacts  
**Date:** April 27, 2021

## Recommendation

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer:

- a) This report on RBC Place London COVID-19 Financial Impacts **BE RECEIVED** for information;
- b) RBC Place London **BE REQUESTED** to review their 10-year capital plan to re-assess priority needs and to mitigate potential capital budget requests through the 2022 Annual Budget Update process.

## Executive Summary

The COVID-19 pandemic has had a devastating impact on RBC Place London (RBC Place). Social distancing requirements and limitations on indoor gathering sizes have eliminated the majority of RBC Place's revenue streams and forced the organization to take extensive cost saving measures to mitigate the revenue losses. In response, Council approved a \$1.6 million one-time grant to RBC Place through the 2020 Mid-Year Operating Budget Monitoring Report in September 2020. Through the 2021 Annual Budget Update, Council also approved the forgiveness of the outstanding promissory note payable to the City of London to provide further financial relief to RBC Place.

Despite the actions taken to date and the promising ramp-up in distribution of COVID-19 vaccines, it is anticipated that 2021 will continue to be a challenging year for RBC Place. Current forecasts project a deficit of \$1.8 million to \$2.5 million for 2021. Through the accompanying 2020 Year-End Operating Budget Monitoring Report, a one-time grant in the amount of \$2.5 million is recommended to provide funding support to sustain RBC Place's operations through 2021 and to partially replenish RBC Place's operational reserves that have been depleted throughout 2020. An additional amount of \$1.0 million is also recommended to be contributed to the RBC Place Renewal Reserve Fund to ensure that RBC Place's capital plan remains fully funded in light of anticipated reduced contributions and investment earnings on the reserve fund.

## Linkage to the Corporate Strategic Plan

Council's 2019-2023 Strategic Plan for the City of London identifies "Leading in Public Service" as a strategic area of focus. One of the objectives under this strategic area of focus is to maintain London's finances in a well-planned manner to balance equity and affordability over the long term. This report summarizes the financial challenges experienced by RBC Place London as a result of the COVID-19 pandemic and the support required to sustain RBC Place's operations through 2021, while recommending a course of action that maintains London's financial stability and flexibility.

RBC Place London supports the City of London's 2019 to 2023 Strategic Plan through "Growing our Economy" strategic area of focus. More specifically, RBC Place directly supports the strategy "Continue to engage the community to attract conventions, conferences, and multi-day events to London contributing to the community's economic prosperity."

# Analysis

## 1.0 Background Information

### 1.1 Previous Reports Related to this Matter

2021 Annual Budget Update – Budget Amendment #1:

<https://london.ca/sites/default/files/2021-03/Tax%202021%20Annual%20Budget%20Update%20Property%20Tax%20Supported%20Approved.pdf>

September 22, 2020, Strategic Priorities and Policy Committee, 2020 Mid-Year Operating Budget Monitoring Report & COVID-19 Financial Impacts:

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=74797>

June 23, 2020, Strategic Priorities and Policy Committee, COVID-19 Financial Impacts – Update:

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73213>

April 28, 2020, Strategic Priorities and Policy Committee, COVID-19 Financial Impacts and Additional Measures for Community Relief:

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=72691>

## 2.0 Discussion and Considerations

### 2.1 COVID-19 Impacts on RBC Place London

Like many organizations, COVID-19 has significantly impacted the City of London and its many agencies, boards and commissions (ABC's). Due to restrictions on public gatherings, RBC Place has been and continues to be particularly impacted. Since mid-March 2020, RBC Place has been almost entirely unable to host events. While social distancing restrictions were eased over the summer and fall months, limits on indoor gatherings remained in place, making most events uneconomical for RBC Place.

RBC Place has provided regular updates on their operations and financial situation to Civic Administration throughout the pandemic, which have been incorporated in previous COVID-19 Financial Impact reports to the Strategic Priorities and Policy Committee. As outlined in the September 22, 2020 report to Committee, RBC Place implemented significant actions to address their financial challenges:

- 90% of the RBC Place London team was laid off;
- Remaining team members accepted a 15%-25% wage reduction;
- Variable costs were eliminated due to the lack of events being held;
- All discretionary spending was cancelled;
- Repairs and maintenance were deferred where not urgent;
- Service contracts were placed on hold as appropriate;
- Building systems were shut down as appropriate to reduce energy consumption;
- Capital plans, with the exception of previously committed contracts, were placed on hold pending further full review of the 10 year capital plan;
- Payments to the City of London for annual insurance premiums and technology support were delayed;
- Approved 2020 capital funding provided by the City of London in the amount of \$648,000 was re-directed to cover operational needs; and
- Fully utilized the funding from the operational reserve (\$500,000) and special projects reserve (\$200,000) to manage cash flow requirements.

As part of the 2020 Mid-Year Operating Budget Monitoring report, Council approved a one-time grant in the amount of \$1.6 million to support RBC Place operations for the remainder of 2020. This grant was comprised of \$1.0 million of operational funding and \$0.6 million to replace 2020 capital funding that was re-allocated to support operations. It was noted in the Mid-Year Budget Monitoring report that this grant represented interim funding and that additional funding was likely to be required to offset COVID-19 pressures that persisted into 2021.

## **2.2 Financial Review of RBC Place London**

The one-time grant provided to RBC Place recommended and approved through the 2020 Mid-Year Operating Budget Monitoring Report was subject to the completion of a financial sustainability review to assess RBC Place's financial condition, validate the amount requested and to analyze the magnitude of potential funding required in 2021. Civic Administration engaged KPMG to review RBC Place's financial position and request for funding. The key findings of the review included:

- As anticipated, the requirement for 2021 operating support is linked to the timing of resumption of public events. In the best-case scenario prepared by RBC Place management and reviewed by KPMG, a forecasted cash operating loss of at least \$1.3 million could be anticipated (if events were to commence in September 2021), with the projected loss increasing if the resumption of events is further delayed. RBC Place may also incur termination and severance costs in 2021 due to a statutory liability to employees laid off in 2020 and not recalled to work within the required 35-week period after starting to receive employment insurance benefits (once the Infectious Disease Emergency Leave period has been lifted by the Government of Ontario).
- Prior to the pandemic, RBC Place was generally able to break-even or generate a small cash profit on its operations; however, similar to most municipally-owned convention centres in Canada, the municipality will typically need to fund the majority of the capital costs of maintaining and upgrading the venue.
- RBC Place's working capital position has been deteriorating since 2017, primarily as a result of annual principal and interest payments associated with the promissory note due to the City of London to fund first floor renovations in 2015 to 2016. Given the financial difficulties experienced by RBC Place due to the pandemic, forgiveness or deferral of the promissory note payments was proposed by KPMG to alleviate some of RBC Place's challenges.
- KPMG recommended that RBC Place management continue exploring opportunities to re-purpose the facility to alternate uses, including potential use as a vaccination centre.
- KPMG recommended that RBC Place consider consulting with a government subsidy program expert to conduct a detailed analysis of RBC Place's eligibility for the Canada Emergency Wage Subsidy (CEWS) program, which provides a subsidy of up to 75% of the remuneration paid to employees, up to a maximum threshold.

## **2.3 Updates Since September 2020**

Since the September 22, 2020 report to the Strategic Priorities and Policy Committee, RBC Place's immediate prospects remain little changed. Reimposed restrictions aimed at limiting the spread of COVID-19 have continued to make events and gatherings impractical and, in many cases, impossible due to restrictions on indoor gathering sizes. RBC Place has taken a number of actions aimed at maximizing opportunities under current restrictions while positioning the organization to generate additional opportunities once restrictions are further lifted. This includes:

- Installation of a studio that can accommodate virtual and hybrid events, with several virtual events currently booked which will generate a small amount of rental revenue;

- Events previously booked are being offered take-out meals, with one group in February 2021 confirming their participation in this program;
- The meal program (offering meals at cost) has been expanded to include the City's temporary shelter program, which will continue until April 2021.

RBC Place has continued to explore opportunities to re-purpose the facility in order to generate additional revenue. With the exception of Chartered Financial Analyst (CFA) exams held at RBC Place in early December 2020, limited success has been realized in securing other opportunities. RBC Place was under consideration for use as a vaccination centre, however alternate sites were ultimately chosen for this purpose. RBC Place management continues to explore all opportunities to generate revenue to mitigate the 2021 operational deficit.

Consistent with the recommendation from the KPMG review, RBC Place management engaged third-party legal expertise in government subsidy programs in order to provide an opinion on RBC Place's eligibility to apply for CEWS. Unfortunately, based on this review, it appears that RBC Place would be considered a "public institution" and therefore is not eligible to apply for CEWS.

As part of deliberations for the 2021 Annual Budget Update approved by Council on January 12, 2021, Budget Amendment #1 requesting forgiveness of the promissory note owing to the City was approved. Consistent with the recommendations of the KPMG review, forgiveness of this loan will reduce RBC Place's annual expenditures by approximately \$220,000 per year, providing financial relief in 2021 and further flexibility to rebuild depleted reserves in future years.

### **3.0 Financial Impact/Considerations**

#### **3.1 Operating Support Required for 2021**

While vaccines provide hope for the lifting of social distancing and gathering restrictions in 2021, it is anticipated that there will remain lingering unease regarding large group gatherings, such as conferences. While the ability to offer virtual events and take-out meals provides the ability to generate limited amounts of revenue, RBC Place management is currently forecasting minimal revenues as many planned events have been postponed or cancelled through September 2021. It is hoped that some small-scale events will occur in the last month or two of the year, however according to RBC Place management, many convention centres across the country are seeing cancellations and postponements for the remainder of 2021. Based on latest projections, RBC Place is currently forecasting a \$1.8 million to \$2.5 million deficit for 2021 inclusive of one-time personnel related costs.

As noted previously, RBC Place was forced to utilize funding from their operational reserve (\$500,000) and special projects reserve (\$200,000) to manage cash flow requirements in 2020. Replenishing these reserves, even partially, would provide some margin of financial flexibility for RBC Place heading into 2022, in the hope that operations will be normalizing by that point.

Based on the above noted needs, Civic Administration is recommending a one-time grant to provide the financial support required to sustain RBC Place through 2021 and start to replenish RBC Place's operational reserves. Recommendation d) i) in the accompanying 2020 Year-end Operating Budget Monitoring Report recommends \$2.5 million be allocated to RBC Place, noting that this amount will be contingent upon regular financial reporting from RBC Place.

### 3.2 Contribution to RBC Place Renewal Reserve Fund

Consistent with the recommendation of the KPMG review noted above, the City of London has generally funded the capital needs of RBC Place through an annual contribution to the RBC Place Renewal Reserve Fund. The City's contributions have been supplemented by parking revenues at RBC Place, and investment income earned on the balance of the reserve fund. Based on the current capital plan, projected reduced parking revenues to be contributed to the Reserve Fund over the next year or two and lower than previously anticipated investment income in the reserve fund, the RBC Place Renewal Reserve Fund balance is effectively nil and forecasted to dip into negative balances in some years. As a result, recommendation d) ii) in the accompanying 2020 Year-end Operating Budget Monitoring Report recommends that an additional \$1.0 million be contributed to the RBC Place Renewal Reserve Fund. This will ensure that the current RBC capital plan remains fully funded, while also enabling RBC Place to take advantage of the closure of the facility to complete urgent capital repairs.

### 3.3 Summary of Recommended Financial Support

The following table summarizes the allocations recommended to ensure the short-term financial sustainability of RBC Place and ensure that RBC Place's current 10-year capital plan remains fully funded:

Description	Amount
Recommended Operating Grant to be Provided to RBC Place	\$2.5 million
Recommended Contribution to RBC Place Renewal Reserve Fund	\$1.0 million

### 3.4 Future Capital Needs

In 2020, subsequent to the approval of the 2020 to 2023 Multi-Year Budget, a property condition assessment was completed by EXP Services and an elevator assessment report was completed by Rooney, Irving and Associates Ltd. The property condition assessment report identified a 2021-2029 capital budget shortfall of approximately \$2.9 million, after adjustments made by management to reflect the onset of the pandemic. The elevator assessment report identified an additional \$2.3 million related to the major re-conditioning of two escalators and six elevators, which has not been included in the RBC Place capital plan.

It is anticipated that these additional capital needs will be brought forward by RBC Place through the 2022 Annual Budget Update. In preparation, this report recommends that Council formally request that RBC Place undertake a full review of their 10-year capital plan to assess priority projects and the adjusted timing of capital needs, given that the facility has been closed for the past year and not experiencing the usual traffic and usage. The objective of this review would be to mitigate, to the extent possible, the capital funding support anticipated to be requested through the 2022 Annual Budget Update.

## **Conclusion**

RBC Place has experienced devastating financial consequences as a result of the COVID-19 pandemic. Despite the financial support provided to date and the promise of the ongoing vaccination effort, 2021 is anticipated to be another challenging year for RBC Place.

This report outlines the immediate operating and future capital budget challenges facing RBC Place and provides context to support the recommended funding support outlined in the accompanying 2020 Year-end Operating Budget Monitoring Report on the April 27<sup>th</sup> Strategic Priorities and Policy Committee agenda.

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

**Recommended by:** Anna Lisa Barbon, CPA, CGA, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members  
Strategic Priorities and Policy Committee

**From:** Anna Lisa Barbon, CPA, CGA, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

**Subject:** 2020 Year-End Operating Budget Monitoring Report & COVID-19 Financial Impacts

**Date:** April 27, 2021

## Recommendation

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to the 2020 Year-End Operating Budget Monitoring Report:

- a) The 2020 Year-End Operating Budget Monitoring Report for the Property Tax Supported Budget, Water, and Wastewater & Treatment Budgets **BE RECEIVED** for information. An overview of the net corporate positions are outlined below:
  - i) Property Tax Supported Budget surplus of \$22.3 million prior to the recommendations listed in this report and contribution to the Operating Budget Contingency Reserve, noting a balanced budget position after factoring in these items.
  - ii) Water Rate Supported Budget surplus of \$5.0 million prior to the contribution to the Water Budget Contingency Reserve.
  - iii) Wastewater and Treatment Rate Supported Budget surplus of \$3.9 million prior to the contribution to the Wastewater and Treatment Budget Contingency Reserve.
- b) The following contributions to reserves in accordance with Council direction from the Mid-Year Report **BE RECEIVED** for information, noting the contributions were endorsed as funding sources to offset potential financial impacts of COVID-19 on the City's 2021 Budget:
  - i) \$12.3 million to the Operating Budget Contingency Reserve, noting the year-end contribution takes into account the contributions listed in items c) and d).
  - ii) \$5.0 million to the Water Budget Contingency Reserve.
  - iii) \$3.9 million to the Wastewater and Treatment Budget Contingency Reserve.
- c) Civic Administration **BE AUTHORIZED** to make the following contributions from the Property Tax Supported Budget surplus:
  - i) An additional \$5.0 million to the Economic Development Reserve Fund to support social and economic recovery measures, it being noted the total 2020 contribution for these purposes would be equal to \$10.0 million.
  - ii) Fleet Management net operational savings of approximately \$1.5 million from the Property Tax Supported Budget be contributed to the Vehicle and Equipment Replacement Reserve Fund to offset increasing vehicle costs, and to mitigate potential near-term budget increases due to these cost pressures.
- d) The following allocations from the Property Tax Supported Budget surplus **BE APPROVED** with respect to RBC Place London:
  - i) A one-time grant to support RBC Place operations for the remainder of 2021 in the amount of \$2.5 million.

- ii) A one-time contribution to the RBC Place Renewal Reserve Fund to ensure funding for the current RBC Place capital plan in the amount of \$1.0 million.
- e) The summary of anticipated COVID-19 impacts on the 2021 Budget **BE RECEIVED** for information, noting these represent updated forecasts and may vary as the impacts of the pandemic and recovery continues to dynamically evolve.
- f) The presentation providing an overview of the 2020 Year-End Budget Monitoring and 2021 COVID-19 Impacts (Appendix C) **BE RECEIVED** for information.

Note: The reported year-end position is subject to completion of the financial statement audit.

## Executive Summary

This report provides a summary of the operating results related to the 2020 Budget for the Property Tax Supported Budget, the Water Rate Supported Budget and Wastewater and Treatment Rate Supported Budget.

The Property Tax Supported Budget incurred a total of \$69.4 million of COVID-19 financial impacts in 2020 (lost revenues and additional costs). Due to restrictions and uncertainty surrounding funding support, actions were taken to mitigate the significant anticipated financial impacts including discretionary spending freezes, deferrals and adjustments to service levels and services available, among other actions. As the year progressed, announcements of significant Federal and Provincial support were made, with the City of London utilizing a total of \$47.4 million through various programs. Combining this funding with the cost saving measures the City had implemented (total savings of \$44.3 million), the City ended the year in a surplus position for the Property Tax Supported Budget of \$22.3 million.

In accordance with Council direction, the Property Tax net surplus will be set aside in the Operating Budget Contingency Reserve to offset further anticipated financial impacts in 2021 and provide the City flexibility in aiding recovery or funding for other initiatives in response to COVID-19 as necessary. Contributing to the Contingency Reserve will allow the City to stabilize service levels, delivering service levels that Londoners are accustomed to (within COVID-19 health restrictions). If recommendations c) and d) are approved, a portion of these funds will be allocated to support economic and social recovery and additional cost pressures. Should COVID-19 impacts not materialize to the extent anticipated, contributions to Contingency Reserves and the Economic Development Reserve Fund provide flexibility to be utilized to address other emerging needs and opportunities.

The Water Rate Supported Budget incurred additional costs of \$0.1 million related to COVID-19, however also realized a significant consumption-based revenue surplus driven by customers spending more time at home. The surplus from consumption-based revenues totalled \$3.6 million. These factors combined with \$1.5 million surplus driven by various operational cost savings and other fee revenue resulted in the Water Rate Supported Budget ending the year in an overall surplus of \$5.0 million. The \$5.0 million will be allocated to the Water Budget Contingency Reserve, noting this Reserve remains below the target balance.

The Wastewater and Treatment Rate Supported budget incurred lost revenues of \$2.8 million as a result of the delay, due to COVID-19, in rate increases associated with the transfer of the Conservation Authorities' costs from the Property Tax Supported Budget. A total of \$2.8 million of Safe Restart Funding was applied to the Wastewater and Treatment Budget to offset these lost revenues. A total of \$2.7 million of surplus was realized primarily from energy efficiency savings and net operational cost savings, with another \$1.2 million in revenue surplus in consumption-based revenues. These factors resulted in the Wastewater and Treatment Rate Supported Budget ending the year in an overall surplus of \$3.9 million. The \$3.9 million will be allocated to the Wastewater and Treatment Budget Contingency Reserve, noting this Reserve remains below the target balance.

## Linkage to the Corporate Strategic Plan

Council's 2019-2023 Strategic Plan for the City of London identifies 'Leading in Public Service' as a strategic area of focus. The City of London's Multi-Year Budget development and monitoring is a strategy to maintain London's finances in a transparent and well-planned manner to balance equity and affordability over the long term. On a semi-annual basis, through the Operating Budget Monitoring Report process, Civic Administration measures the results achieved against approved budgets, and recommends appropriate adjustments in line with City policies and practices. This exercise ensures the operating budget is continuously updated and reflective of the City's Strategic Plan.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

Strategic Priorities and Policy Committee, meeting on September 22, 2020, Agenda Item 2.1, 2020 Mid-Year Operating Budget Monitoring Report & COVID-19 Financial Impacts Report

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=74797>

Strategic Priorities and Policy Committee, meeting on June 23, 2020, Agenda Item 2.3, COVID-19 Financial Impacts – Update Report

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73213>

Strategic Priorities and Policy Committee, meeting on April 28, 2020, Agenda Item 2.1, COVID-19 Financial Impacts and Additional Measures for Community Relief Report

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=72691>

### 2.0 Discussion and Considerations

Budget monitoring is a key component for the governance and accountability process of the 2020-2023 Multi-Year Budget. As part of the move to a Multi-Year Budget for the Corporation of the City of London (the "City"), the budget monitoring process and reporting elements were evaluated to ensure that Council and the community are provided with the appropriate amount of information to understand actual and projected spending against the budget.

Throughout 2020, the novel coronavirus (COVID-19) caused interruption to the daily activities of individuals, businesses and institutions around the world. The City of London, along with municipalities across the country, has experienced significant financial consequences. Both the City and related Boards and Commissions adapted as needed to manage the challenges in 2020. As the pandemic endured, senior levels of government stepped in and provided support through funding to help offset the financial impacts being faced by municipalities. As of the time of writing, COVID-19 continues to create disruptions across many facets of municipal operations while uncertainty in both scale and duration of the financial impacts remains.

The purpose of this report is to:

- Provide an overview of the net financial impacts of COVID-19.
- Provide an overview of the financial results of the operating budgets for the Property Tax Supported Budget and rate supported budgets for Water and Wastewater and Treatment.
- Provide information on the allocation of 2020 year-end surplus and obtain Council's approval as applicable.
- Provide an overview of federal-provincial funding as part of the Safe Restart Agreement (SRF) as well as other forms of grants provided in response to COVID-19.

- Provide an updated summary of the COVID-19 factors projected to impact the 2021 Budget and beyond.
- Provide a summary of other emerging issues that may impact the Multi-Year Budget in 2021-2023.

### **3.0 Financial Impact/Considerations**

#### **3.1 2020 Property Tax Supported Operating Budget Monitoring**

COVID-19 resulted in significant financial impacts to the City's Property Tax Supported Budget. The City incurred a total of \$69.4 million of COVID-19 financial impacts in 2020 (lost revenues and additional costs). Due to the restrictions and uncertainty surrounding potential funding support from other levels of government, actions were taken to mitigate the significant anticipated financial impacts (as outlined in the June 23<sup>rd</sup>, 2020 report). These actions included a discretionary spending freeze, the deferral of some capital projects and additional investments, and adjustments to service levels and services available, among others.

With subsequent announcements of significant Federal and Provincial support for the City of London, Civic Administration was able to adjust service level and operational decisions within the prevailing COVID-19 response framework. The City was ultimately provided a total of \$47.4 million through various programs. Further details on COVID-19 Related Grant Funding can be found in the Safe Restart Agreement Funding and Other Related Funding section of this report. The 2020 COVID-19 financial impacts net of Federal/Provincial support resulted in a net deficit from COVID-19 impacts equal to \$22.0 million.

Combining the net deficit from COVID-19 impacts with the actions the City implemented (total savings of \$44.3 million), the City's ended the year in a surplus position of \$22.3 million prior to the recommendations listed in this report and contribution to the Operating Budget Contingency Reserve. A contribution to the Operating Budget Contingency Reserve was endorsed by Municipal Council through the Mid-Year Report to offset the potential financial impacts of COVID-19 on the City's 2021 Budget. The City's Operating Budget Contingency Reserve offers flexibility in that it can be utilized to mitigate the consequences of unforeseen events or one-time unanticipated revenue losses and expenses such as COVID-19, strategic initiatives to support recovery and other emerging issues as they arise. Contributing to the Contingency Reserve will allow the City to stabilize service levels, delivering service levels that Londoners are accustomed to (within COVID-19 health restrictions). Should COVID-19 impacts not materialize to the extent anticipated, contributions to Contingency Reserves and Economic Development Reserve Fund provide flexibility to be utilized to address other emerging needs and opportunities.

Table 1 provides a summary breakdown of the year-end position.

**Table 1 – 2020 Year-End Position (\$millions)**

<b>Category</b>	<b>Lost Revenues due to COVID-19 (A)</b>	<b>Additional Costs due to COVID-19 (B)</b>	<b>Financial Impacts due to COVID-19 (C) = (A+B)</b>	<b>COVID-19 Related Grant Funding (D)</b>	<b>All Other Factors (E)</b>	<b>Surplus/Deficit (F) = (C)+(D) + (E)</b>
Property Tax Supported Civic Service Areas Budgets	-\$22.5	-\$19.4	-\$41.9	\$35.0	\$29.6	\$22.7
Boards and Commissions Budgets	-\$24.3	-\$3.2	-\$27.5	\$12.4	\$14.7	-\$0.4
<b>Total Civic Areas and Boards and Commissions</b>	<b>-\$46.8</b>	<b>-\$22.6</b>	<b>-\$69.4</b>	<b>\$47.4</b>	<b>\$44.3</b>	<b>\$22.3</b>
Recommendation c) i) for contribution to the Economic Development Reserve Fund for economic & social recovery efforts and flexibility for other related emerging needs and opportunities as required						-\$5.0
Recommendation c) ii) to contribute Fleet operational savings to the Vehicle and Equipment Replacement Reserve Fund						-\$1.5
Recommendation d) i) for a one-time grant to RBC Place London to support operations for the remainder of 2021						-\$2.5
Recommendation d) ii) for a one-time contribution to the RBC Place Renewal Reserve Fund to ensure funding for the RBC Place capital plan						-\$1.0
Contribution to the Operating Budget Contingency Reserve to offset the potential financial impacts of COVID-19 on the City's 2021 Budget and to provide flexibility for other emerging needs and opportunities as required						-\$12.3
<b>Total Civic Areas and Boards and Commissions Surplus/Deficit After Recommendations</b>						<b>\$-</b>

The primary contributing factors driving the year-end position include:

- Lost revenues of \$46.8 million. Main drivers include lost transit revenue due to rear door boarding and reduced ridership, lost user fee revenue due to closure of community centres, recreation facilities and cancellation of recreation events and programming, and lost revenues due to the closure of gaming at the Western Fair.
- Additional costs incurred of \$22.6 million, primarily driven by additional costs to provide temporary housing arrangements for vulnerable populations, costs to support safe re-opening plans, enhanced cleaning and additional personal protective equipment.
- Offset by other grant funding of \$47.4 million primarily driven by the Safe Restart Agreement funding (details outlined in the Safe Restart Agreement Funding and Other Related Funding section of this report).
- Also offset by other factors of \$44.3 million primarily driven by various operational cost savings (net of associated reserve fund contributions) as a result of initiatives and actions undertaken to mitigate and offset negative financial impacts due to the COVID-19 pandemic. Some of the actions taken to mitigate the financial pressures caused by COVID-19 include the deferral of a portion of 2020 capital projects and additional investments approved during the 2020-2023 Multi-Year Budget, and adjustments to capital budget funding sources. Various operational costs savings were driven by temporary closures in various programs and facilities throughout the City as well as a temporary freeze on discretionary spending.

For a breakdown of the surplus/deficit by service grouping, refer to **Appendix A**.

Other COVID-19 2020 Financial Impacts:

Table 2 below shows the updated financial impacts for lost Municipal Accommodation Tax (MAT) revenues and reserve fund investment income for 2020. Lost revenue in these areas does not have a direct impact on the surplus/deficit position for the City's 2020 operating budget, however the loss of revenues has a direct impact on the City's Reserve Fund levels and could have an impact on future year budgets.

**Table 2 – Other Financial Impacts (\$millions)**

Category	2020 Lost Revenues due to COVID-19
Municipal Accommodation Tax Revenues	-\$2.1
Reserve Funds Investment Income	-\$2.4
<b>Total</b>	<b>-\$4.5</b>

- Lost MAT revenue is due to significantly reduced number of hotel & motel stays (including both the City of London's 50% share and Tourism London's 50% share).
- Reduced Reserve Fund investment income is due to the reduction of interest rates by 150 basis points (1.5%) by the Bank of Canada.

### 3.2 2020 Water Rate Supported Operating Budget Monitoring

The 2020 Water Rate Supported Budget surplus is \$5.0 million prior to year-end allocations. The surplus will be allocated to the Water Budget Contingency Reserve which remains below target.

**Table 3 – 2020 Year-End Position (\$millions)**

Category	Lost Revenues due to COVID-19 (A)	Additional Costs due to COVID-19 (B)	Financial Impacts due to COVID-19 (C) = (A+B)	COVID-19 Related Grant Funding (D)	All Other Factors (E)	Surplus/Deficit (F) = (C)+(D) + (E)
Water	\$0.0	-\$0.1	-\$0.1	\$0.0	\$5.1	\$5.0
Contribution to the Water Budget Contingency Reserve						-\$5.0
<b>Total Water Surplus/Deficit After Contribution</b>						<b>\$-</b>

The year-end position is driven by the following:

- Additional costs of \$0.1 million to meet physical distancing requirements and the purchase of additional COVID related personal protective equipment.
- A \$3.6 million surplus in consumption-based revenues driven by residential consumption due to customers spending more time at home and increased outdoor water use.
- A \$0.9 million surplus driven by various operational cost savings.
- A \$0.6 million surplus from other user fee revenue related to increased construction activity.

### 3.3 2020 Wastewater and Treatment Rate Supported Operating Budget Monitoring

The 2020 Wastewater and Treatment Rate Supported Budget surplus is \$3.9 million. The surplus will be allocated to the Wastewater and Treatment Budget Contingency Reserve which remains below target.

**Table 4 – 2020 Year-End Position (\$millions)**

Category	Lost Revenues due to COVID-19 (A)	Additional Costs due to COVID-19 (B)	Financial Impacts due to COVID-19 (C) =(A+B)	COVID-19 Related Grant Funding (D)	All Other Factors (E)	Surplus/Deficit (F) =(C)+(D) +(E)
Wastewater and Treatment	-\$2.8	-\$0.2	-\$3.0	\$2.8	\$4.1	\$3.9
Contribution to the Wastewater and Treatment Budget Contingency Reserve						-\$3.9
<b>Total Wastewater and Treatment Surplus/Deficit After Contribution</b>						<b>\$-</b>

The year-end position is driven by the following:

- Lost revenues of \$2.8 million due to COVID-19 are the result of the delay of the 3.5% additional Wastewater rate increase approved during the 2020-2023 Multi-Year Budget deliberations to fund the portion of the Conservation Authorities' costs shifted from the Property Tax Supported budget to the Wastewater & Treatment budget.
- Additional costs of \$0.2 million to meet physical distancing requirements and the purchase of additional COVID related personal protective equipment.
- Utilization of \$2.8 million of Safe Restart Funding to offset the \$2.8 million in lost revenues due to COVID-19.
- Savings of \$2.9 million driven by energy efficiency savings and various operational cost savings as a result of initiatives and actions undertaken to mitigate and offset potential negative financial impacts due to the COVID-19 pandemic.
- Surplus in consumption-based revenues of \$1.2 million, consistent with high residential water consumption noted above.

### 3.4 Safe Restart Agreement Funding and Other Related Funding

As noted above, significant financial support was provided by the Federal and Provincial governments to municipalities over the course of 2020 and into 2021. This section provides a summary of that funding support.

On July 27, 2020, the Government of Ontario announced it had secured up to \$4 billion as part of the federal-provincial Safe Restart Agreement. This funding is available to all municipalities in Ontario as a relief measure to address the significant financial consequences municipalities have been facing due to COVID-19. A total of \$2 billion is available to provide relief to Ontario municipalities' operating budget pressures and \$2 billion is available to address municipal transit pressures, noting that London received notification of our Phase I funding allocations on August 12, 2020.

#### Phase I Funding: Operating and Municipal Transit

The City of London's share of Phase I funding was \$40.5 million, \$21.9 million of which is available to support COVID-19 operating costs and pressures under the Municipal Operating Funding stream. The remaining \$18.5 million is Municipal Transit Funding to support COVID-19 municipal transit pressures incurred from April 1, 2020 to September 30, 2020, noting any unallocated funding at the end of September must be placed in a reserve to be utilized for COVID-19 related impacts up to and including March 31, 2021.

## Phase II Funding: Operating and Municipal Transit

In December 2020, the Government of Ontario announced it was investing an additional \$695 million under the Safe Restart Agreement's Municipal Operating Stream to help manage the financial impacts of COVID-19 in 2021. The City of London's allocation amounted to \$4.4 million. At the same time, it was announced Phase 2 allocations under the Municipal Transit Program amounted to \$1.5 billion. The allocation under this stream for the City of London was up to \$23.2 million. The municipal transit envelope is for one-time eligible expenditures incurred from October 1, 2020 to March 31, 2021 and reimbursed based on required reporting in accordance with the Province's eligibility criteria.

## Phase III Funding: Municipal Transit

On March 3, 2021, it was announced the Government of Ontario was investing an additional \$650 million of funding related to COVID-19 financial impacts on transit. Of the total \$650 million envelope, the City of London's allocated share will amount to \$18.1 million to be applied against eligible expenditures for the period between April 1, 2021 and December 31, 2021. The Province has also indicated that, at its sole discretion and on a case-by-case basis, it may grant extensions of the Phase 3 period to cover costs incurred after December 31, 2021 but prior to January 1, 2023.

## 2021 COVID-19 Recovery Funds

On March 4, 2021, the Government of Ontario announced an additional \$500 million investment to help municipalities further respond to 2021 operating budget pressures due to COVID-19. The City of London has been notified that its share of this funding will amount to \$11.7 million, noting that a report on the City's use of Safe Restart funding for 2020 and 2021 and a plan on use of funds under the 2021 program will be required in June 2021. A final report will be expected in spring of 2022.

## Other Related Funding

In addition to the major announcements and support mentioned above, additional grant funding has been made available through the following programs in 2020 and 2021:

- Safe Restart Childcare Funding – additional funding support for the child care sector was provided under the Safe Restart program to support safe re-opening plans. Consolidated Municipal Service Managers (CMSMs) are provided funding to allocate to child care operators which can be used for additional personal protective equipment (PPE, such as gloves, gowns, etc.), enhanced cleaning, additional staff to meet health and safety requirements, support for short term vacancies as operators transition to return to full capacity, and minor capital needs.
- Social Services Relief Fund (SSRF) – funding available to assist vulnerable people with their housing needs and to help them find long-term housing solutions
- Federal Economic Response Plan Homeless Prevention Funding – funding available to support the COVID-19 response capacity and prevent the virus from spreading amongst those experiencing, or at risk of experiencing, homelessness.
- Long-Term Care Prevention & Containment Funding, Wage Grants – funding available for prevention, containment and pandemic related costs, as well as other wage supports and personal support worker wage enhancements.
- Other various Wage, Service Support and Personal Protective Equipment (PPE) Grants – funding available to support COVID assessment centre costs, enhanced cleaning, PPE and various wage grants.

A summary of the City's portion of other related funding streams is detailed in the tables below. In most cases, these funding streams are to be applied to specific eligible costs under the various programs and are not available to offset general municipal COVID-19 pressures.

**Table 5 – Other Related Funding Utilized/Recognized in 2020**

<b>2020 Program/Funding</b>	<b>Amount (in millions)</b>
Safe Restart Childcare Funding	\$4.7
Provincial Social Services Relief Funding (SSRF)	\$3.8
Federal Economic Response Plan Homeless Prevention Funding	\$3.1
Long-Term Care Prevention & Containment Funding, Wage Grants	\$1.7
Other various Wage, Service Support and PPE Grants	\$3.5

**Table 6 – Projected Other Related Funding to be Utilized/Recognized in 2021**

<b>2021 Program/Funding</b>	<b>Amount (in millions)</b>
Provincial Social Services Relief Funding (SSRF)	\$7.1
Provincial Child Care and Early Years Re-Investment Funding	\$1.8
Federal Economic Response Plan Homeless Prevention Funding	\$1.6
Long-Term Care Prevention & Containment Funding, Wage Grants	\$1.7
Other various Wage, Service Support and PPE Grants	\$1.9

For the purposes of this monitoring report, COVID-19 related funding has been captured in its own category both for 2020 and 2021 for amounts that have been applied, projected to be applied and/or eligible for each respective year.

## 4.0 Key Issues and Considerations

### 4.1. Future COVID-19 Projected Financial Impacts

#### 2021 Budget

Several services have identified areas of significant uncertainty as they relate to the potential magnitude and duration of COVID-19 financial impacts on the City's 2021 Budget (Table 7). This table contains estimated financial impacts to the City of London in terms of potential lost revenues, additional costs and COVID-19 related grant funding for the 2021 Property Tax, Water, and Wastewater and Treatment Budgets. Civic Administration is continuing to actively monitor factors potentially impacting the 2021 Budget which are anticipated to be significant.

**Table 7 – Summary of Factors Anticipated to Affect 2021 Budget (\$millions)**

Category	2021 Lost Revenues due to COVID-19	2021 Additional Costs due to COVID-19	2021 COVID-19 Related Grant Funding	2021 COVID-19 Total Impact
Property Tax Supported Budget: Civic Service Areas	-\$19.5	-\$14.6	\$28.2	-\$5.9
Property Tax Supported Budget: Boards and Commissions excluding London Transit Commission	-\$5.9	-\$1.1	\$0.5	-\$6.5
Property Tax Supported Budget: London Transit Commission	-\$14.4	-\$0.9	\$15.3	\$0.0
<b>Subtotal Property Tax Supported Budget</b>	<b>-\$39.8</b>	<b>-\$16.6</b>	<b>\$44.0</b>	<b>-\$12.4</b>
Water Rate Supported Budget	\$0.0	-\$0.1	\$0.0	-\$0.1
Wastewater and Treatment Rate Supported Budget	-\$1.4	-\$0.4	\$1.4	-\$0.4
<b>Subtotal Water and Wastewater Budget</b>	<b>-\$1.4</b>	<b>-\$0.5</b>	<b>\$1.4</b>	<b>-\$0.5</b>
<b>Total Property Tax, Water, and Wastewater Budget</b>	<b>-\$41.2</b>	<b>-\$17.1</b>	<b>\$45.4</b>	<b>-\$12.9</b>

Subject to rounding.

Details on COVID-19 Related Grant Funding for 2021 can be found in the Safe Restart Agreement Funding and Other Related Funding section of this report, it being noted that this funding directly offsets financial impacts due to COVID-19 noted in the above table. Service areas included in the table above projecting to have significant financial impacts from COVID-19 or significant uncertainty include, but are not limited to, the following:

#### Civic Service Areas

- Neighbourhood & Recreation Services – User fee revenues would be significantly impacted by closures or reduced hours of community centres, recreation facilities and cancellation of sports and recreation events and programming. Participation rates may be slow to recover as physical distancing and capacity restrictions ease.
- Ontario Lottery & Gaming Revenues – There is great uncertainty with Ontario Lottery and Gaming revenues. With the uncertainty of another wave of COVID-19, it is unknown to what extent revenue will be impacted in 2021.
- Parking – Parking revenues are anticipated to be reduced due to decreased demand for paid parking.
- Investment Income – The City is anticipating a significant reduction to investment income due to the reduction of interest rates by 150 basis points (1.5%) by the

Bank of Canada. The reduced investment income will be somewhat offset by lower interest rates on debenture issuances; however it is anticipated that the lost investment income will exceed the debt servicing savings.

- Various Services – Costs to support safe re-opening plans, enhanced cleaning, and additional personal protective equipment.

#### Boards & Commissions

- Middlesex London Health Unit – There is uncertainty on the impact of costs and funding support related to COVID-19 and vaccine rollout. At this time, the Health Unit cannot quantify the costs related to COVID-19 for 2021, however the Ministry of Health has committed that there will be a process for public health units to request reimbursement of COVID-19 extraordinary costs incurred in 2021.
- RBC Place London – COVID-19 has caused the cancellation of all large events and gatherings, significantly impacting the primary revenue streams of RBC Place London. It is currently anticipated that the convention industry will be slow to recover. See “RBC Place London Funding Request” section below for further information.
- London Transit Commission – LTC is projecting lost revenue of \$14.4 million due primarily to lower-than-normal ridership and related revenue. However, it is anticipated that Municipal Transit Safe Restart Funding will offset any net impacts in 2021.

Current 2021 projections (as noted above) assume that for both transit and municipal operating Safe Restart Agreement funding, all available and eligible funds have been utilized. As a mitigation strategy for residual costs, the City of London has redirected strategic reserve fund contributions to provide contingencies for future COVID-19 impacts in 2021. For the Property Tax Supported Budget, a total of \$12.3 million will be contributed to the Operating Budget Contingency Reserve pending approval of recommendations c) and d) in this report. If necessary, this funding can be utilized to cover the anticipated 2021 financial impacts of COVID-19, currently projected at \$12.4 million after utilizing available grant funding. For the Water and Wastewater and Treatment Budgets, the contributions to the Water and Wastewater Contingency Reserves can be utilized to cover the current projected COVID-19 impacts in 2021, noting that the balances in these Contingency Reserves remain below target. However, if pandemic-related restrictions intensify or persist longer than anticipated and significantly exceed the current projected financial impact, other measures may be necessary to mitigate lost revenues and additional costs for the Property Tax, Water and Wastewater Budgets. These measures may include, but are not necessarily limited to, discretionary spending freezes, deferral of new investments, etc.

#### 2022 Budget

Civic Administration is anticipating further pressures into 2022 such as reductions in revenues of payment in lieu of taxes from the London International Airport Authority as a result of the legislative formula for calculating this payment (based on two year prior passenger traffic and then limited to a 5% cap on annual payment increases). Furthermore, given the unknown duration and magnitude of COVID-19 impacts, there may continue to be additional costs and lost revenues in 2022. Civic Administration will continue to monitor these anticipated impacts as 2021 progresses.

#### **4.2. Social and Economic Recovery Measures**

In accordance with the Council resolution from the Mid-Year Operating Budget Monitoring Report to the Strategic Priorities and Policy Committee on September 22<sup>nd</sup>, 2020, a \$5 million contribution has been made to the Economic Development Reserve Fund to support social and economic recovery measures. This includes recommendations originating from the London Community Recovery Network (LCRN).

Under Phase 1, LCRN members generated 70 Ideas for Action with the potential to impact community recovery. Twelve of these Ideas were implemented by the City and

did not require funding. These included initiatives to provide food, shelter, and basic services to at-risk communities, as well as more streamlined responses for businesses.

25 Ideas required action by the City and were presented to Municipal Council on February 25. Ideas were under the following themes: 1) ideas to explore, support and buy local; 2) ideas to improve the core area and infrastructure; 3) ideas to address business and employment; 4) ideas to improve housing, health, and social supports; and 5) ideas to support arts, culture, tourism, and hospitality industries. 20 of the 25 Ideas were approved by Council with eight Ideas receiving municipal investment totaling \$1.88 million.

A further 24 Ideas for Action were identified to be implemented through the community. Civic Administration is working with community partners to develop implementation plans for these Ideas which will be brought to Strategic Priorities and Policy Committee on May 18, 2021. Some of these Ideas may seek funding from the \$5 million already set aside.

Any of the municipally led or community led Ideas that are not approved by Council or cannot be addressed in the short term will be moved to the LCRN idea bank as a potential resource for future community recovery initiatives. The remaining nine Ideas are medium to long term or require other governments and advocacy.

Phase 2 of the LCRN process will leverage the work underway from Phase 1 with the goal of a strong, deep, and inclusive recovery for the community. Phase 2 should span from May to early fall 2021. Deliverables include a three-year Community Recovery Framework; a commitment to build the Framework into individual recovery efforts of LCRN organizations; and a process for progress reports as a community over the three-year timeframe. Phase 2 may also draw on remaining funding from the \$5 million that was set aside in September 2020.

Recognizing the considerable work still to be done to help the community recover from the impacts of COVID-19, Civic Administration is recommending that an additional \$5 million be contributed to the Economic Development Reserve Fund to support additional social and economic recovery measures, which if approved, would bring the total 2020 contribution for these purposes to \$10.0 million.

#### **4.3. RBC Place London Funding Request**

As outlined in previous reports on COVID-19 financial impacts, the pandemic has had a significant impact on RBC Place London. Physical distancing requirements, limits on indoor gatherings and general apprehension about group events has made most events impossible, impractical and/or uneconomical for RBC Place. This has resulted in most of RBC Place's budgeted revenues not materializing. As part of the 2020 Operating Budget Mid-Year Monitoring Report, Council approved a one-time grant in the amount of \$1.6 million to sustain RBC Place's operations through 2020. Additionally, as part of the 2021 Annual Budget Update, Council approved forgiveness of the outstanding promissory note payable to the City of London, providing further financial relief for RBC Place.

Despite the promise of the end of the pandemic with the vaccine roll-out currently underway, it is anticipated that 2021 will be another challenging year, with only limited events that may be possible in the last month or two of the year. As such, this report recommends a one-time grant in the amount of \$2.5 million to RBC Place in order to sustain RBC Place's operations through 2021 and provide some financial flexibility as RBC Place endeavors to ramp up normal operations in 2022.

Additionally, this report recommends a one-time contribution of \$1.0 million to the RBC Place Renewal Reserve Fund in order to ensure that the current RBC Place capital plan remains fully funded despite pressures on the reserve fund.

For further information, please refer to the accompanying report on the April 27<sup>th</sup>, 2020 Strategic Priorities and Policy Committee agenda entitled "RBC Place London – COVID-19 Financial Impacts."

#### 4.4. Contribution to Vehicle & Equipment Replacement Reserve Fund

This report also recommends the Fleet Management net operational surplus of \$1.5 million be contributed to the Vehicle & Equipment Replacement Reserve Fund. The Vehicle & Equipment Replacement Reserve Fund is expected to experience medium-term pressures due to:

- Escalating vehicle replacement costs due to short-term factors such as strong vehicle demand over the past year, coupled with longer-term factors such as higher raw materials costs and tariffs increasing the cost of new vehicles.
- Several government regulatory requirements related to emission control systems and technology being passed down from manufacturers in the selling prices of vehicles.
- The need to replace aging vehicles with more fuel-efficient alternatives (e.g. electric vehicles, gas-electric hybrids, etc.), which typically have a greater cost.

Contributing the Fleet Management operational surplus of \$1.5 million to the Vehicle & Equipment Replacement Reserve Fund will benefit all civic service areas by preventing a short-term increase to vehicle & equipment rental rates, avoiding a potential near-term budget pressure related to those increased rates.

#### 4.5. Other 2021-2023 Emerging Issues

Several services have identified other potential service delivery pressures that may impact expenditures/revenues in 2021-2023 (Table 8). The table describes some of the more significant issues and the measures taken to mitigate or address these issues. The table does not include all of the potential service delivery pressures. Civic Administration is continuing to actively monitor all emerging issues, including items not listed below. The likelihood of the issue impacting the Multi-Year Budget, high, medium or low, is also presented. The definitions of the likelihood measures are as follows:

- High – the likelihood of the issue occurring over the 2021-2023 period is predicted to be greater than 60%
- Medium – the likelihood of the issue occurring over the 2021-2023 period is predicted to be between 30% and 60%
- Low – the likelihood of the issue occurring over the 2021-2023 period is predicted to be less than 30%

**Table 8 – Summary of Potential Future Budget Impacts**

Category / Emerging Issue	Likelihood of Emerging Issue Impacting 2021-2023 Budget
<b>Legislative</b>	
<p>1. Multiple Services - Federal &amp; Provincial Governments - The Federal and Provincial Governments have taken immediate measures in responding to the economic and social fallout resulting from the COVID-19 pandemic. As outlined in the section above, the City of London has received funding allocations for COVID-19 related municipal operating costs and pressures in 2020 and 2021. However, significant uncertainty remains with regards to magnitude and duration of the recovery from COVID-19. Significant uncertainty also exists regarding senior government funding support for COVID-19 economic recovery in future years.</p> <p><b>What we are doing to mitigate/address the issue:</b> Civic Administration is continuously monitoring projected financial impacts from COVID-19 and will utilize the available funding to mitigate the impacts. In the event that the funding allocations do not fully offset</p>	High

Category / Emerging Issue	Likelihood of Emerging Issue Impacting 2021-2023 Budget
<p>COVID-19 impacts, further actions may be required to balance the Corporation's budget.</p>	
<p>2. London Police Services - Provincial Funding under the Court Security &amp; Prisoner Transportation grant program is under review for the first time since 2008. Some changes are expected to this province wide program.</p> <p><b>What we are doing to mitigate/address the issue:</b> The Ontario Association of Chiefs of Police are in continuous contact with the Ministry to ensure the perspective of local police services is communicated.</p>	High
<p>3. Social &amp; Community Support Services - Employment Services Transformation - The Province of Ontario is transforming employment services across Ontario. On July 2, 2019 the Government of Ontario announced that the new employment services model would first be implemented in the following 3 prototype regions: Region of Peel, Hamilton-Niagara and Muskoka-Kawarthas. Full implementation will be phased in over the next several years. The City of London has not been selected as one of the early sites and there could potentially be significant budgetary impacts if the City is not selected as a permanent employment services program delivery provider.</p> <p><b>What we are doing to mitigate/address the issue:</b> The Ontario Works Administrator is working closely with the Ministry and colleagues across the province to ensure London's input on the desired state of employment service delivery is known.</p>	High
<p>4. Social &amp; Community Support Services - Social Assistance - On February 11, 2021, the Province of Ontario released an update of their plans for Social Assistance Transformation and Human Services Integration. This plan includes centralizing functions, employment services transformation, a human services integration and a change to the funding model and accountabilities. This transformation is expected to occur over the period of 2020-2024. 2020-2022 will be largely "learning and testing years". 2022-2024 will be a period of continued implementation of centralized services and municipalities delivering life stabilization to OW/ODSP. 2024 will be the roll-out of a new human services model with municipalities providing integrated life stabilization supports to social assistance clients, people in crisis and other municipal programs.</p> <p><b>What we are doing to mitigate/address the issue:</b> Financial impacts related to a change in funding model are unknown at this time as the Ministry plans to involve municipalities in the co-design of the model. The Ontario Works Administrator is working closely with the Province and colleagues across the Province to ensure London's input on the desired state of employment service delivery is known. London will actively participate in any prototype opportunities.</p>	High
<p><b>Cost/Revenue Driver</b></p>	
<p>1. Garbage Recycling &amp; Composting - City staff has previously noted the Chinese "National Sword" program as an emerging issue with a high likelihood to impact the operating budget. The program continues to significantly limit global access to the large Chinese recovered materials markets and is placing</p>	High

Category / Emerging Issue	Likelihood of Emerging Issue Impacting 2021-2023 Budget
<p>significant downward pressure on the value of global recovered material end markets for items recovered through Blue Box recycling programs across North America. Revenues received for recovered materials in 2019 were significantly below budget. COVID-19 has further complicated and deteriorated the stability of end markets. It is likely that revenues for recovered materials will be below budget for 2021 and beyond.</p> <p><b>What we are doing to mitigate/address the issue:</b> Staff members have been working with our Blue Box collection and Material Recovery Facility (MRF) operations service provider Miller Waste Systems to ensure that recovered materials produced from the MRF are of a quality required to continue to be marketed during these market conditions. In April 2019, Council approved a staff recommendation to install new mechanical components to upgrade the existing Old Corrugated Cardboard (OCC) screen in an effort to improve recovered material quality and preserve the revenue stream for these materials. Staff will continue to review whether additional capital investment is warranted to preserve the recovered material revenue stream and offset future operating cost increases. This review will be inclusive of the fact that municipalities may no longer be responsible for operating a Blue Box program once operational and financial responsibility is transferred to producers of packaging (i.e., any investment will need to have a quick and simple payback). See emerging issue below for further information on proposed changes to the Blue Box Program.</p>	
<p>2. Garbage Recycling &amp; Composting - On October 19, 2020, the proposed regulation to transition the Blue Box program from 100% municipal responsibility and 50% funding responsibility to 100% industry responsibility and funding was released for comment. London is slated to transition some time in 2023. The regulation is not finalized (as of April 1, 2021).</p> <p><b>What we are doing to mitigate/address the issue:</b> Estimated savings to the City will range between \$1 million and could reach \$4 million by 2026. The actual amount will be based on a negotiation with Industry (Producer Responsibility Organization – PRO) and our current contractor, Miller Waste Systems. Once further information is known, adjustments to the budget will be brought forward to a future annual budget update process. There may be some savings as early as 2023; however that will not be known until late 2021 or early 2022.</p>	High
<p>3. Social &amp; Health Services - Housing Services - Federal funding for social housing is decreasing over time; however, the costs of social housing are not decreasing at the same rate and consequently may impact the City's net Housing Services budget going forward. While this budget pressure is manageable in the short term, a longer-term solution is required to ensure the sustainability of funding.</p> <p><b>What we are doing to mitigate/address the issue:</b> With the receipt of the provincial confirmed &amp; planned Canada-Ontario Community Housing Initiative (COCHI) &amp; Ontario Priority Housing Initiative (OPHI) Housing investment up to March 2022, the Housing Division is planning for the allocation of this funding. Funding for subsequent years, beyond 2022, is unknown at this time. An estimated revenue placeholder has been included in the Multi-Year Budget, however if no additional funding is provided,</p>	High

Category / Emerging Issue	Likelihood of Emerging Issue Impacting 2021-2023 Budget
<p>there will be a shortfall starting in 2022. A budget amendment may need to be considered.</p>	
<p>4. Social &amp; Health Services - Land Ambulance - There continues to be uncertainty in Land Ambulance as it relates to call volume growth as overall demand for paramedic services is expected to continue growing. This is being further compounded by offload delays, uncertainty in provincial funding, overdue capital investments, etc. There have also been ongoing provincial consultations that are occurring with respect to improving future service delivery of land ambulance and public health. The provincial government is seeking input across communities in Ontario to help develop new models for patient care and improved delivery of emergency health services, noting that this review has been delayed as a result of COVID-19.</p> <p><b>What we are doing to mitigate/address the issue:</b> Administration will continue to work with our funding partners to explore opportunities for collaboration and improvements that will benefit the entire system, as well as continue to participate in the consultation opportunities and stay apprised of the latest developments.</p>	<p>High</p>
<p>5. Middlesex-London Health Unit - At its February 21<sup>st</sup> meeting, the Board of Health for the Middlesex-London Health Unit approved a budget that includes unanticipated increases related to inflationary cost pressures and higher occupancy-related costs for the new office space at Citi Plaza. Funding for these cost pressures is being requested from the Health Unit's municipal partners. These cost pressures were not included in the City's 2021 Budget Update process and will represent an in-year pressure on the 2021 budget.</p> <p><b>What we are doing to mitigate/address the issue:</b> Civic Administration is working with Middlesex-London Health Unit staff to ensure that a budget amendment is submitted for consideration as part of the 2022 Budget Update.</p>	<p>High</p>
<p>6. Payment in Lieu (PIL) of Taxation - London Airport - The London International Airport provides a payment in lieu of taxes that is based on a per-passenger rate according to the number of travellers utilizing the airport in previous years. This payment to the City of London is anticipated to decrease in 2022 by \$0.5 million and is attributed to a decline in the total number of enplaned and deplaned passengers in London. This payment reduction will continue thereafter, even after the total number of passengers return to previous levels, as the Municipal Act caps annual increases. Annual increases in the amount of the payment are capped to 5% regardless of the actual increase in number of passengers. It is anticipated that this will impact the City's PIL from the London Airport for numerous years to come.</p> <p><b>What we are doing to mitigate/address the issue:</b> Civic Administration will continue to communicate with the London Airport Authority to monitor the passenger volume that is applicable to PIL to determine what the future potential financial impacts might be. Civic Administration is engaging with the Ministry to advocate for the removal of the 5% cap in light of the future impacts this will have on the City's Budget.</p>	<p>High</p>

## **Conclusion**

The Property Tax, Water, and Wastewater and Treatment Budgets incurred significant financial impacts in 2020 due to COVID-19. Due to restrictions and uncertainty surrounding funding support, actions were taken to mitigate the significant anticipated financial impacts. During the year, announcements of significant Federal and Provincial support were made. With this funding support, and combined with actions taken by the City, the Property Tax, Water, and Wastewater and Treatment Budgets ended the year in a surplus after covering the residual deficit impacts of COVID-19. These budgets are balanced after the recommended contributions in order to continue to provide support for future COVID-19 impacts and support the economic recovery and reopening of services in the City of London for its residents and partners.

**Prepared by:** Rick Lamon, CPA, CMA, Manager, Accounting and Reporting and Martin Galczynski, CPA, CA, Manager, Financial Planning and Policy

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

**Recommended by:** Anna Lisa Barbon, CPA, CGA, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer

## Appendix A – 2020 Year-End Financial Summary – Property Tax Supported Budget (\$millions)

### Property Tax Supported Budget – Civic Service Areas

Category	Lost Revenues due to COVID-19	Additional Costs due to COVID-19	COVID-19 Related Grant Funding	All Other Factors	Surplus/Deficit
Centennial Hall	-0.6	0.0	0.0	0.5	-0.1
Arts, Culture & Heritage Advisory & Funding	0.0	0.0	0.0	0.0	0.0
Heritage	0.0	0.0	0.0	0.0	0.0
Economic Development	0.0	0.0	0.0	0.1	0.1
Community Improvement/BIA	0.0	0.0	0.0	0.1	0.1
Environmental Action Programs & Reporting	0.0	0.0	0.0	0.0	0.0
Garbage Recycling & Composting	-0.3	-0.1	0.0	0.4	0.0
Neighbourhood & Recreation Services	-10.6	-5.3	5.1	11.6	0.8
Parks & Urban Forestry	0.0	0.0	0.0	2.0	2.0
Building Approvals	-0.3	0.0	0.0	1.3	1.0
Planning Services	0.0	0.0	0.0	0.9	0.9
Development Services	-0.3	-0.1	0.0	0.7	0.3
Animal Services	-0.3	0.0	0.0	0.3	0.0
By-law Enforcement	-0.1	0.0	0.0	0.3	0.2
Corporate Security & Emergency Management	0.0	-0.9	0.6	0.3	0.0
Fire Services	0.0	-0.5	0.0	-0.2	-0.7
Housing Services	0.0	0.0	0.0	0.7	0.7
Land Ambulance	0.0	0.0	0.0	0.0	0.0
Long Term Care (Dearness)	-0.3	-1.8	1.7	2.0	1.6
Social and Community Support	0.0	-9.0	8.5	6.7	6.2
Parking	-2.5	0.0	0.0	-0.2	-2.7
Roadways	0.0	-0.3	0.0	7.3	7.0
Rapid Transit	0.0	0.0	0.0	0.0	0.0
Corporate Services	-0.1	-0.8	0.0	10.2	9.3
Corporate Planning & Administration	0.0	0.0	0.0	0.8	0.8
Council Services	0.0	-0.1	0.0	0.6	0.5
Public Support Services	-2.1	0.0	0.0	1.4	-0.7
Corporate Financing	-5.1	-0.5	19.1	-18.3	-4.8
<b>Total Civic Areas Surplus/Deficit</b>	<b>-22.5</b>	<b>-19.4</b>	<b>35.0</b>	<b>29.6</b>	<b>22.7</b>

Subject to rounding.

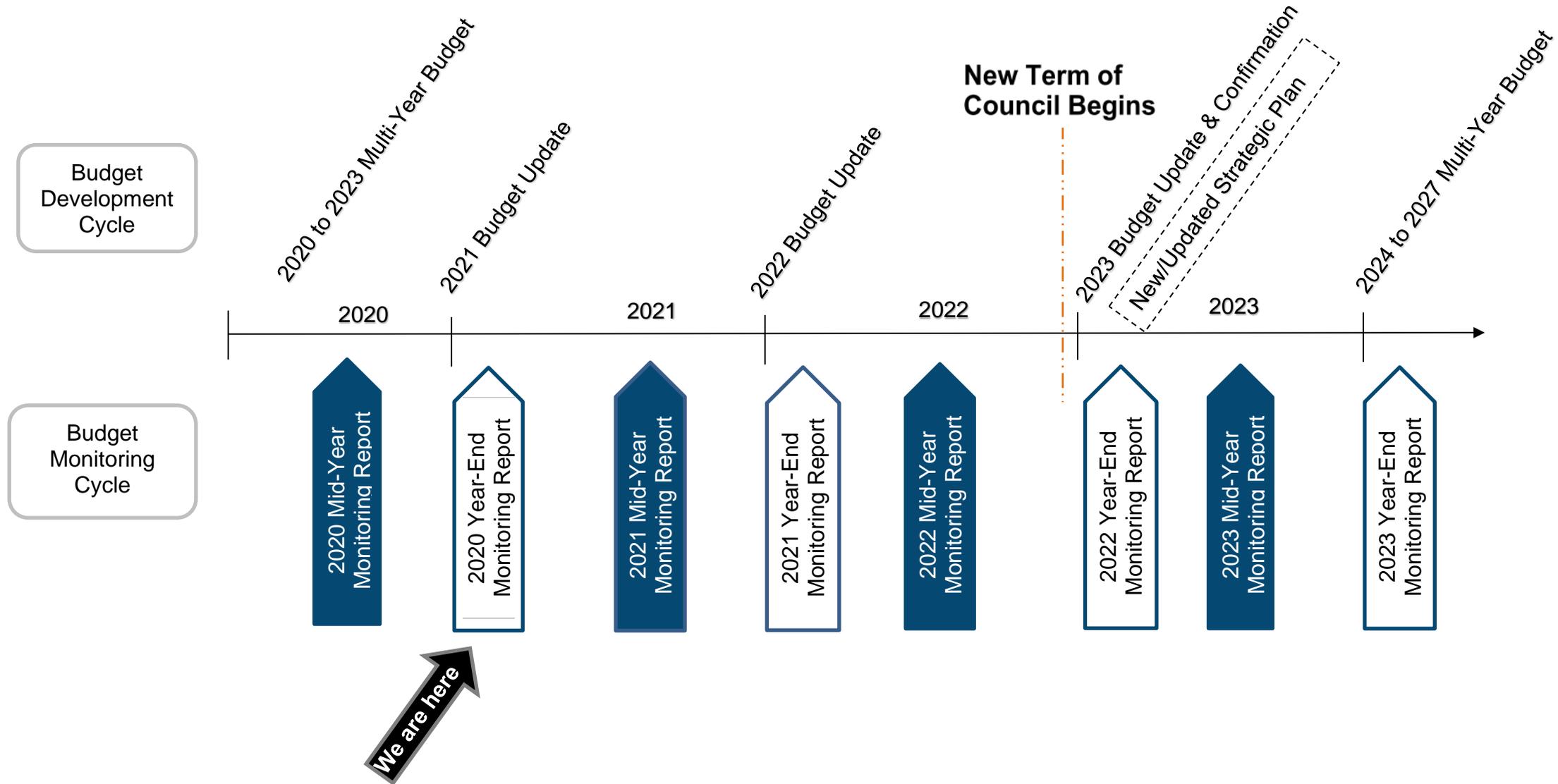
Property Tax Supported Budget – Boards & Commissions

<b>Category</b>	<b>Lost Revenues due to COVID-19</b>	<b>Additional Costs due to COVID-19</b>	<b>COVID-19 Related Grant Funding</b>	<b>All Other Factors</b>	<b>Surplus/Deficit</b>
Museum London	-0.3	0.0	0.6	-0.3	0.0
Eldon House	-0.1	0.0	0.0	0.1	0.0
London Public Library	-0.3	-0.1	0.0	0.4	0.0
RBC Place London	-4.8	0.0	0.0	3.2	-1.6
Tourism	0.0	-0.3	0.3	0.0	0.0
Covent Garden Market	-1.5	-0.1	0.0	1.6	0.0
Conservation Authorities	-0.5	0.0	0.0	0.5	0.0
London Police Services	-0.5	-0.9	0.0	1.4	0.0
Housing Development Corporation	0.0	0.0	0.0	0	0.0
London & Middlesex Community Housing	0.0	-0.2	0.0	0.8	0.6
Middlesex-London Health Unit	0.0	-1.5	0.0	2.1	0.6
London Transit Commission	-16.3	-0.1	11.5	4.9	0.0
<b>Total Boards &amp; Commissions Surplus/Deficit</b>	<b>-24.3</b>	<b>-3.2</b>	<b>12.4</b>	<b>14.7</b>	<b>-0.4</b>
<b>Total Civic Areas and Boards &amp; Commissions Surplus/Deficit Prior to Recommendations</b>	<b>-46.8</b>	<b>-22.6</b>	<b>47.4</b>	<b>44.3</b>	<b>22.3</b>

Subject to rounding

## Appendix B – Multi-Year Budget Cycle

The timeline below illustrates when Council will receive the various reports that form the 2020 to 2023 Multi-Year Budget governance and accountability process.





## **2020 Year-end Budget Monitoring & 2021 COVID-19 Impacts**

**April 27, 2021**

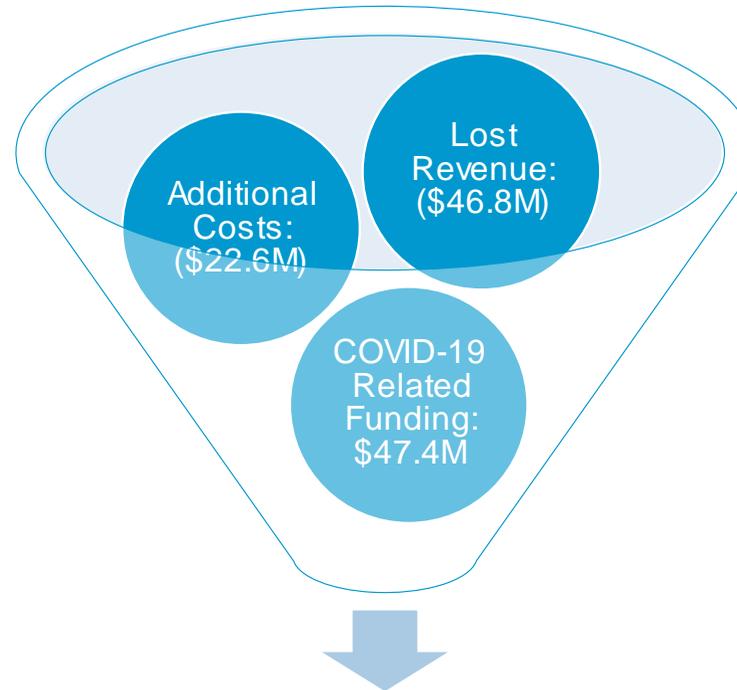
## Summary

- The City incurred total 2020 COVID financial impacts of \$69M (lost revenues & additional costs)
- Due to the COVID restrictions & uncertainty about funding support, actions were taken to mitigate the significant anticipated financial impacts, including:
  - Discretionary spending freeze
  - Deferral of some capital projects & additional investments
  - Adjustments to service levels and services available
- Significant Federal and Provincial support was ultimately provided through various programs (\$47M)
- 2020 COVID impacts net of Federal/Provincial support = \$22M (\$69M - \$47M)

## Summary – continued

- The actions taken to mitigate COVID impacts resulted in total savings of \$44M
- Offsetting the net COVID impacts with these savings results in a total 2020 surplus of \$22M
- The \$22M surplus is recommended to be allocated to
  - Additional \$5M to Economic Development Reserve Fund for economic & social recovery (\$10M total)
  - \$1.5M to Vehicle & Equipment Replacement Reserve Fund to alleviate forecasted pressures
  - \$2.5M to RBC Place for one -time 2021 operating support
  - \$1M to the RBC Place Renewal Reserve Fund to maintain current RBC Place capital plan
  - \$12.3M to Operating Budget Contingency Reserve for 2021 COVID impacts (currently projected to be approx. \$12.4M)

## 2020 COVID-19 Financial Impacts Summary



**2020 Net COVID-19 Impacts: (\$22.0M)**

Note: All figures throughout subject to rounding and refer to Property Tax Supported Budget only.

## 2020 COVID-19 Financial Impacts – Gross Impact

### Lost Revenues: (\$46.8M)

<p><b>Civic Service Areas: (\$22.5M)</b></p> <ul style="list-style-type: none"> <li>• Neighbourhood &amp; Recreation Services</li> <li>• Parking</li> <li>• OLG Revenues</li> <li>• POA</li> <li>• Investment Income</li> </ul>	<p><b>Boards &amp; Commissions: (\$24.3M)</b></p> <ul style="list-style-type: none"> <li>• London Transit</li> <li>• RBC Place</li> <li>• Covent Garden Market</li> <li>• London Police Service</li> </ul>
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### Additional Costs: (\$22.6M)

<p><b>Civic Service Areas: (\$19.4M)</b></p> <ul style="list-style-type: none"> <li>• Homeless Prevention</li> <li>• Child Care</li> <li>• Long-term Care</li> <li>• Corp. Security &amp; Emergency Mgmt.</li> <li>• Facilities</li> <li>• ITS</li> </ul>	<p><b>Boards &amp; Commissions: (\$3.2M)</b></p> <ul style="list-style-type: none"> <li>• Middlesex London Health Unit</li> <li>• London Police Service</li> </ul>
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### Total COVID-19 Impacts: (\$69.4M)

<b>Civic Service Areas: (\$41.9M)</b>	<b>Boards &amp; Commissions: (\$27.5M)</b>
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## 2020 COVID-19 Financial Impacts – Net Impact

### Total COVID-19 Impacts: (\$69.4M)

Civic Service Areas: (\$41.9M)

Boards & Commissions: (\$27.5M)

+

### COVID-19 Related Grant Funding: \$47.4M

**Civic Service Areas: \$35.0M**

- Safe Restart (Municipal Operating)
- Safe Restart (Child Care)
- Social Services Relief Fund
- Federal Economic Response Plan
- Long-term Care

**Boards & Commissions: \$12.4M**

- Safe Restart (Transit)

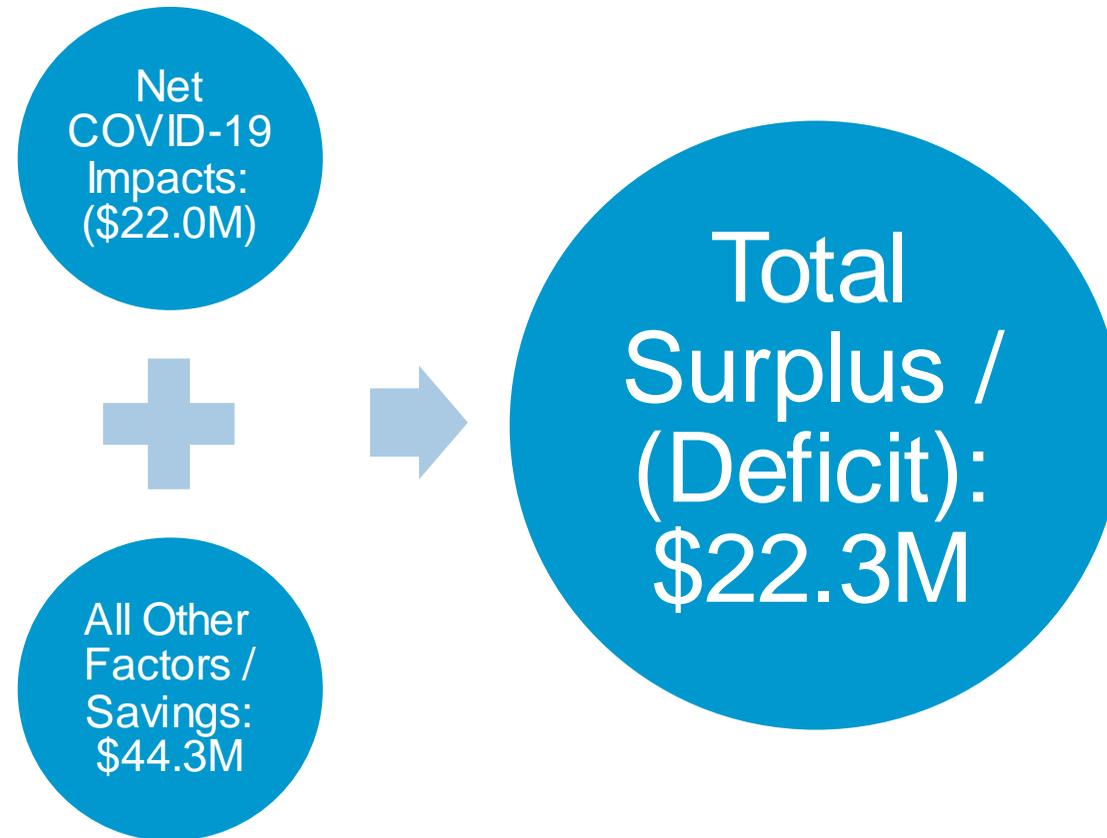
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### Net COVID-19 Impacts: (\$22.0M)

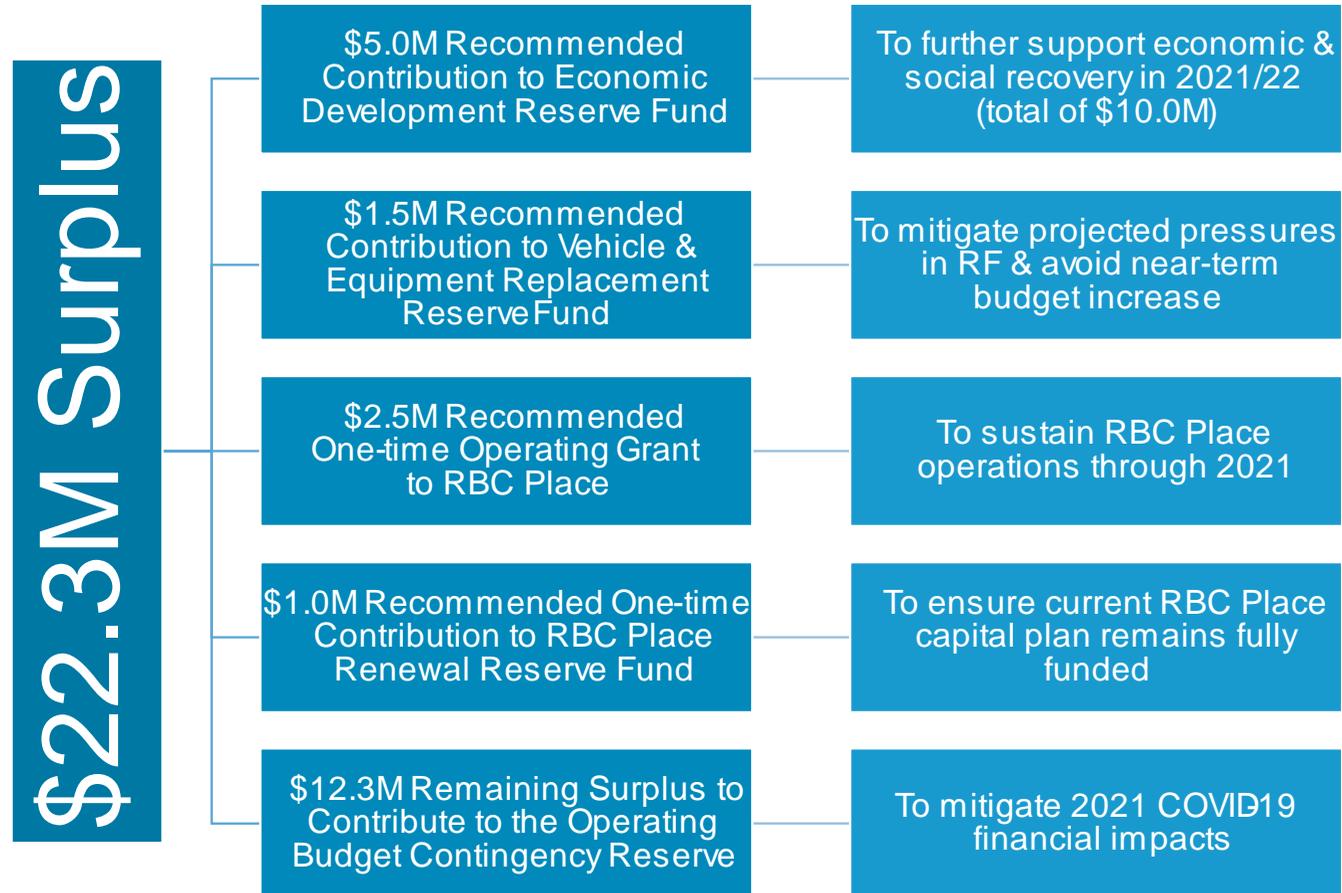
Civic Service Areas: (\$6.9M)

Boards & Commissions: (\$15.1M)

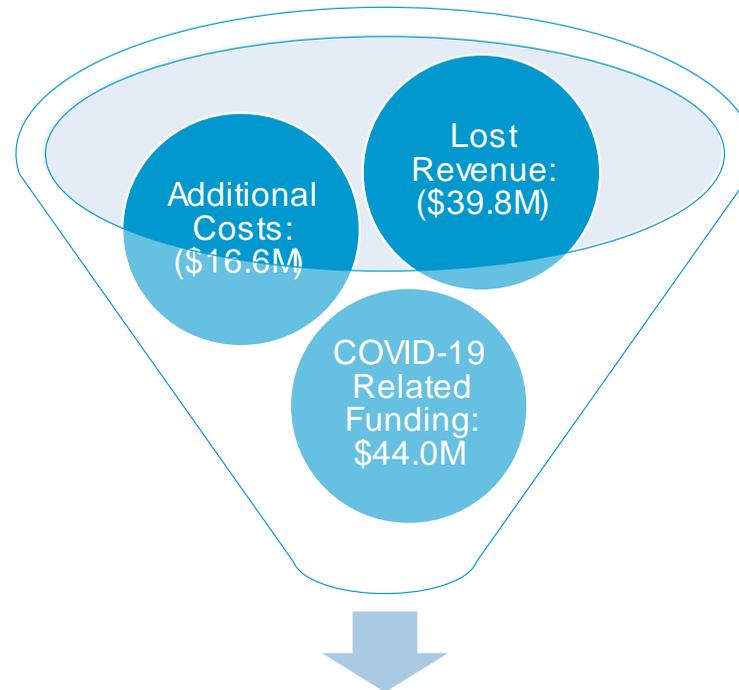
## Pulling Together the 2020 Surplus/Deficit



# Allocation of 2020 Surplus/Deficit

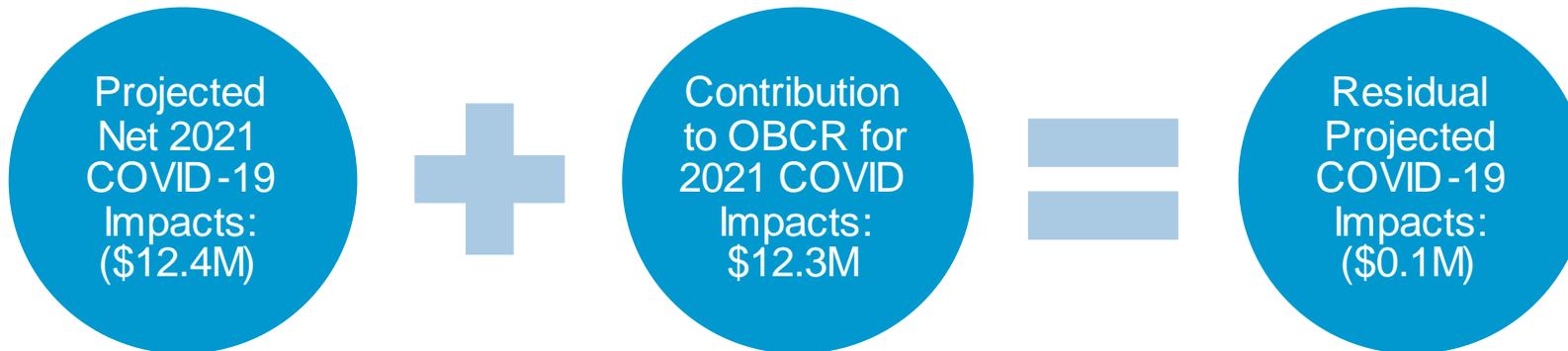


## Preliminary Projected 2021 COVID -19 Financial Impacts



Projected 2021 Net COVID-19 Impacts: (\$12.4M)

## 2021 Forecasted Residual COVID-19 Impacts



**From:** butler.chris

**Sent:** Thursday, April 22, 2021 3:30 PM

**To:** SPPC <sppc@london.ca>

**Cc:** Saunders, Cathy <csaunder@london.ca>

**Subject:** [EXTERNAL] SPPC MTG - April 27 - Added Agenda - Agenda Item 4.2 - OPS BUDGET SURPLUS ALLOCATION

\*\*\* Please consider this submission as added agenda for the upcoming SPPC MTG – April 27 – for agenda item 4.2 - 2020 – Operating Budget Surplus & Allocation \*\*\*\*

Mayor Holder ( Chair ) / Councillor Peloza ( Budget Chief ) / Councillors

As both a long time budget watcher & London Residential tax payer, I'm asking for Councils leadership & tillage to apply a **minimum** of \$6.5 Million of this 2020 OPS Budget surplus to be immediately applied to offset the recently approved 3.4 % taxpayer funded OPS Budget increase for 2021 to mitigate this huge tax increase by approximately - 1.0 % going forward.

**Supporting Considerations ;**

- The City of London has approved the highest % tax increase of any Ontario city in 2021 , even as ALL ratepayers struggle with C-19 impacts both personally & with immediate family . Even Hamilton & Ottawa , our normal bigger tax “ partners “ comparables both came in at or below 2.1 % citing & understanding C-19 ratepayer impacts.
- Based on our own 2021 approved OPS Budget to date – The City of London has been awarded a 2.9 % inflationary increase over 2020 prior to ANY Council related Business Cases changes for well needed new initiatives PLUS the recent allocation of approximately \$13 Million or 1.1 % in Assessment value growth . I honestly don't know anyone or any organization that wouldn't be happy @ a 3.9 % year over year OPS budget increase during these times of crisis.
- The City of London & this Council are more comfortable with the impact & budget mitigation tools required to manage our C-19 issues after a year of experience. This experience combined with a 3.4 % tax increase should drive a plus \$ 30 million surplus by 2021 end based on last years performance.
- RBC Place or the City of London on their behalf have been sitting on the EMPTY corner property of York & Wellington Sts immediate west of RBC place for over 8 years to support the expansion of RBC place. It's time to sell this “ ASSET “ and not burden Taxpayers with further RBC Place loading .
- Council have an equal or greater responsibility to rate payers for the fair distribution of surpluses. This is a Fiscal Fairness issue! To sit back and watch while another \$ 5 Million is added to the Economic Development fund in lieu of a taxpayer credit is truly not supporting YOUR broader rate payer base.

THXS – Chris Butler – 863 Waterloo St

## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members, Strategic Priorities and Policy Committee  
**From:** Anna Lisa Barbon, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer  
**Subject:** 2020 Year-End Capital Budget Monitoring Report and COVID-19 Financial Impacts  
**Date:** April 27, 2021

## Recommendation

That on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to the 2020 Year-End Capital Budget Monitoring Report:

- a) the 2020 Year-End Capital Budget Monitoring Report and COVID-19 Financial Impacts **BE RECEIVED** for information, it being noted that the life-to-date capital budget represents \$2.13 billion with \$1.47 billion committed and \$0.66 billion uncommitted; it being further noted that the City Treasurer, or designate, will undertake the housekeeping budget adjustments identified in the Report, in accordance with the Multi-Year Budget Policy adopted by By-law No. CPOL.-45-241;
- b) the status updates of active 2017 life-to-date capital budgets (2017 and prior) having no future budget requests, attached as Appendix "B", **BE RECEIVED** for information;
- c) the following actions be taken with respect to the completed capital projects identified in Appendix "C", which have a total of \$14.4 million of net surplus funding:
  - i) the capital projects included in Appendix "C" **BE CLOSED**;
  - ii) the following actions be taken with respect to the funding associated with the capital projects approved for closure in c) i), above:

### Rate Supported

- A) pay-as-you-go funding of \$213 thousand **BE TRANSFERRED** to capital receipts;
- B) authorized debt financing of \$2.5 million **BE RELEASED** resulting in a reduction of authorized, but unissued debt;
- C) uncommitted reserve fund drawdowns of \$5.2 million **BE RELEASED** back into the reserve funds which originally funded the projects;

### Non-Rate Supported

- D) authorized debt financing of \$2.7 million **BE RELEASED** resulting in a reduction of authorized, but unissued debt;
- E) uncommitted reserve fund drawdowns of \$2.8 million **BE RELEASED** back into the reserve funds which originally funded the projects;
- F) other net non-rate supported funding sources of \$883 thousand **BE ADJUSTED** in order to facilitate project closings.

## Executive Summary

This report provides a summary of the capital budget results related to the 2020 capital budget for the Property Tax Supported Budget, the Water Rate Supported Budget, and the Wastewater & Treatment Rate Supported Budget.

In response to the COVID-19 pandemic the Strategic Priorities and Policy Committee received reports on June 23, 2020 and September 22, 2020, addressing the COVID-19 Financial Impacts and 2020 Assessment Growth Allocations. The net effect of the capital budget deferrals and subsequent reinstatements through these reports resulted in \$2.6 million of capital budget and associated works permanently deferred. The

deferrals are reflected in the 2020 operating budget net surplus; please refer to the April 27, 2021 report to the Strategic Priorities and Policy Committee titled “2020 Year-end Operating Budget Monitoring Report and COVID-19 Financial Impacts” for further details regarding the 2020 operating budget net position.

At the end of 2020 the City’s life-to-date capital budget stood at \$2.13 billion; \$1.47 billion (68.8%) is committed to capital work, while \$0.66 billion (31.2%) remains uncommitted. During the calendar year 163 discrete contract awards worth \$229.0 million were awarded; 92 by Council and 71 by Civic Administration (Appendix “A”). These awards contributed to total capital spending of \$236.6 million by the end of the year.

In addition to the update provided on the status of the City’s capital budget, the capital monitoring process reviews and evaluates that status of each active capital project. This report identifies (Appendix “B”) capital projects with budgets greater than three years old that have no future budget requests. These projects have a high likelihood of being closed in future iterations of this report. This report recommends closing 107 capital projects with a total budget value of \$129.4 million (Appendix “C”). If approved, the closing of completed capital projects will return a total of \$14.4 million back to their original rate and non-rate sources of financing. As a result of the process to review each capital project Civic Administration has also identified housekeeping budget adjustments that result in \$9.2 million of surplus capital funding being returned to their various original source of financing (Appendix “D”). This funding has been identified on projects that are required to remain open but would otherwise sit idle until eventually being closed at an undetermined future date.

This report also provides a summary of the City’s debt, key capital budget financing strategies, and emerging issues that may impact the 2021 to 2023 capital budgets.

## **Linkage to the Corporate Strategic Plan**

Council’s 2019 to 2023 Strategic Plan for the City of London identifies “Leading in Public Service” as one of five strategic areas of focus. The Capital Monitoring Report supports this strategic area of focus via the strategic priority “The City of London is a leader in public service as an employer, a steward of public funds, and an innovator of service” which includes maintaining London’s finances in a transparent and well-planned manner to balance equity and affordability over the long term.

## **Analysis**

### **1.0 Background Information**

#### **1.1 Previous Reports Related to this Matter**

Corporate Services Committee, March 29, 2021 meeting, Agenda Item # 2.1, 2020 Compliance Report in Accordance with The Procurement of Goods and Services Policy <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=79150>

Strategic Priorities and Policy Committee, September 22, 2020 meeting, Agenda Item # 2.2, 2020 Mid-Year Capital Budget Monitoring Report and COVID-19 Financial Impacts <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=74794>

Corporate Services Committee, September 8, 2020 meeting, Agenda Item # 2.3, Corporate Asset Management Plan 2020 Review <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=74169>

Strategic Priorities and Policy Committee, July 14, 2020 meeting, Agenda Item # 3.1.b, 2021 Development Charges Update Covering Report and Proposed By-law <https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73477>

Strategic Priorities and Policy Committee, June 23, 2020 meeting, Agenda Item # 2.3, COVID-19 Financial Impacts - Update  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=73213>

Strategic Priorities and Policy Committee, April 28, 2020 meeting, Agenda Item # 2.1, COVID-19 Financial Impacts and Additional Measures for Community Relief  
<https://pub-london.escribemeetings.com/filestream.ashx?DocumentId=72691>

## **1.2 Source of Financing Terminology Defined**

Within this report the terms “rate supported” and “non-rate supported” are used when referring to the sources of financing that support the City’s capital budget. Rate supported refers to property tax, and water and wastewater utility rate sources of financing (e.g., capital levy, water rates, reserve funds, debt). Non-rate supported refers to sources of financing primarily supported by development charges and in some cases contributions from parties external to the Corporation of the City of London.

## **2.0 Discussion and Considerations**

### **2.1 COVID-19 Financial Impacts**

Throughout 2020, Council approved various capital budget adjustments (deferrals) to mitigate the impacts of lost revenues and additional costs due to COVID-19. After Council’s approval of these budget adjustments, the City received Federal/Provincial financial support through the Safe Restart Agreement. As a result of this funding, a portion of the previously approved budget adjustments were reinstated.

As it relates to the capital budget, the following summary highlights the initial budget deferrals and subsequent budget reinstatements approved by Council to minimize financial risks in 2020.

#### **Budget Deferrals**

On June 23, 2020, reports to Strategic Priorities and Policy Committee titled “COVID-19 Financial Impacts – Update” and “2020 Assessment Growth Funding Allocation” identified the following budget deferrals:

- 2020 base capital projects totalling \$3,539,000,
- 2020 additional investment capital projects totalling \$230,000,
- 2020 additional investment reserve fund contributions totalling \$750,000,
- 2020 assessment growth capital projects totalling \$485,000, and
- 2020 assessment growth reserve fund contributions totalling \$1,512,638.

#### **Budget Reinstatements**

On September 22, 2020, reports to Strategic Priorities and Policy Committee titled “2020 Mid-Year Operating Budget Monitoring Report and COVID-19 Financial Impacts” and “2020 Assessment Growth Funding Allocation #2” identified the following budget reinstatements:

- 2020 base capital projects totalling \$1,120,000,
- 2020 additional investment capital projects totalling \$30,000,
- 2020 additional investment reserve fund contributions totalling \$750,000,
- 2020 assessment growth capital projects totalling \$485,000, and
- 2020 assessment growth reserve fund contributions totalling \$1,512,638.

The amounts reinstated were less than what was initially deferred based on a review by Civic Administration that considered timing (more than half the fiscal year had elapsed) and resource constraints. The deferrals not reinstated are reflected in the 2020 operating budget net surplus; please refer to the April 27<sup>th</sup> report to Strategic Priorities and Policy Committee titled “2020 Year-end Operating Budget Monitoring Report and COVID-19 Financial Impacts” for further details regarding the 2020 operating budget net position.

In addition to the financial impacts of COVID-19 noted above, the virus also impacted the City’s percentage of uncommitted life-to-date capital budget and annual capital

spending. Over the past 5 years (2015 to 2019) the City’s average uncommitted capital budget at year-end has been 27% and average annual capital spending has been \$249.4 million; this year-end the uncommitted capital budget is 31% (see table 3 below) and capital spending was \$236.6 million (see figure 1 below). While many factors could influence these results, it stands to reason that the 4% increase in the uncommitted life-to-date capital budget and \$12.8 million decrease in capital spending are partially or wholly attributable to COVID-19 impacts such as delays in procurement due to lockdowns/closures, restrictions implemented to maintain public and employee safety, raw material supply shortages, etc.

## 2.2 2020 Life-To-Date Capital Budget Activity and Revisions

After Council approves the capital budget, as the year progresses, reports are presented to Council to approve major contract awards and proceed with capital projects. Each report includes a Source of Financing (SofF). Most awards are within the approved capital budget, but some awards require budget adjustments as detailed in the SofF. Budget adjustments may also result from the application of assessment growth funding, receipt of senior government funding and other revenue sources such as insurance proceeds and private drain connections.

Other capital project awards proceed under Administrative authority granted by the Procurement of Goods and Services Policy; details on these approvals are provided in an annual report from the Purchasing and Supply Division.

Table 1 summarizes 2020 life-to-date capital budget adjustments by Tax Supported, Wastewater and Treatment, and Water budgets. Appendix “A” provides details on the source of these adjustments.

**Table 1 – 2020 Capital Budget Life-To-Date Revisions as of December 31, 2020 (\$Thousands)**

Budget	2020 Life-to-Date Approved Budget (as of January 1, 2020)	2020 Council Budget Adjustments <sup>1</sup>	2020 Administrative Budget Adjustments	2020 Life-to-Date Approved Budget (as of December 31, 2020)
Tax Supported	1,267,513	12,025	5,656	1,285,194
Wastewater	619,321	-10,863	-745	607,713
Water	239,800	-800	-236	238,764
<b>Total</b>	<b>2,126,634</b>	<b>362</b>	<b>4,675</b>	<b>2,131,671</b>

Subject to rounding.

Table Notes:

(1) The material negative amount reported for Wastewater and Treatment is due to the budget changes contained within the 2021 Development Charges Background Study Update.

As of December 31, 2020, there were 163 discrete contract awards worth \$229.0 million (92 were awarded by Council and 71 were awarded administratively). Table 2 summarizes 2020 year-to-date contract awards by Tax Supported, Wastewater and Treatment, and Water budgets. Appendix “A” provides details on all Council approved contract awards.

**Table 2 – 2020 Capital Budget Contract Awards as of December 31, 2020 (\$Thousands)**

Budget	Council Approved Contract Awards	Administration Approved Contract Awards	Total Awards
Tax Supported	102,302	32,021	134,323
Wastewater	57,792	6,267	64,059
Water	25,365	5,255	30,620
<b>Total</b>	<b>185,459</b>	<b>43,543</b>	<b>229,002</b>
Number of Contract Awards	92	71	163

Subject to rounding.

### 2.3 2020 Life-To-Date Capital Budget Status

A summary of the 2020 life-to-date capital budget, including the committed and uncommitted amounts, is summarized in Table 3. This information is essential for budget monitoring to ensure that spending is being managed within the approved budget.

**Table 3 – 2020 Life-To-Date Capital Budget Details as of December 31, 2020 (\$Thousands)**

Budget	Classification	Approved Budget <sup>1</sup>	Actual and Commitments <sup>2</sup>	Uncommitted to Date <sup>2</sup>	Percent Committed
Tax Supported	Lifecycle	402,868	309,290	93,578	76.8%
Tax Supported	Growth	560,157	323,432	236,726	57.7%
Tax Supported	Service Improvement	322,169	208,596	113,573	64.7%
Tax Supported	Sub-Total	1,285,194	841,317	443,877	65.5%
Wastewater	Lifecycle	160,793	140,345	20,448	87.3%
Wastewater	Growth	324,107	200,496	123,611	61.9%
Wastewater	Service Improvement	122,812	90,896	31,917	74.0%
Wastewater	Sub-Total	607,713	431,737	175,976	71.0%
Water	Lifecycle	149,830	123,385	26,445	82.3%
Water	Growth	79,902	66,418	13,484	83.1%
Water	Service Improvement	9,033	4,682	4,351	51.8%
Water	Sub-Total	238,764	194,484	44,280	81.5%
<b>City</b>	<b>Total</b>	<b>2,131,671</b>	<b>1,467,537</b>	<b>664,133</b>	
<b>City</b>	<b>Percentage of Total</b>	<b>100.0%</b>	<b>68.8%</b>	<b>31.2%</b>	

Subject to rounding.

Table Notes:

(1) Totals are for active projects only. Projects approved to be closed during the course of the year are deducted from this table.

(2) Once a capital project has an approved budget, spending or commitments may not be made for several years, for example, longer term projects like multi-purpose recreation centres.

After a review of all active capital projects (excluding projects recommended to be closed as identified in Appendix “C”), it has been determined that there are no projects,

at this time, projected to be over budget by more than \$50 thousand upon project completion.

Appendix “B” contains a status update for capital projects with budgets greater than three years old (2017 and prior) that have no future budget requirements/activity. Appendix “B” provides the status of specific active capital projects that would be targeted as a high likelihood for project closure, it being noted that projects recommended to be closed are contained in Appendix “C”.

## 2.4 Capital Budget Housekeeping Adjustments

On July 24, 2018, Council approved the Multi-Year Budget Policy. Included in the policy is authorization for the City Treasurer or designate to make budget adjustments considered “housekeeping” in nature. These adjustments do not have a material impact on the capital plan. Reporting housekeeping budget adjustments of significance through the budget monitoring process, which occurs twice per year, allows more timely disclosure of capital budget adjustments to Council and the community, better reflects operational requirements, and keeps the capital budget in a more current state. Furthermore, this practice results in the timely release of funding to the original source of the financing (capital receipts, reserve funds, debt, etc.), making it available for future budget approvals and reducing future budget request for additional financing.

The housekeeping budget adjustments completed result in \$9.2 million being returned to their various original source of financing. These savings are primarily attributable to favourable tender results caused by a competitive marketplace at the time of the tender award, and changes to timelines and scopes of projects (e.g., a growth project delayed to a future period). The rate and non-rate source of financing impacts of these housekeeping budget adjustments are summarized in Table 4 and 5 below. For a detailed listing of each capital project refer to Appendix “D”.

**Table 4 – Capital Budget Housekeeping Adjustments Rate Supported Sources of Financing to be Released (\$Thousands)**

Budget	Capital Levy	Debt	Reserve Funds	Total
Tax Supported	10.5	1,361.1	3,616.9	4,988.5
Wastewater	0.0	0.0	0.0	0.0
Water	0.0	0.0	0.0	0.0
<b>Total</b>	<b>10.5</b>	<b>1,361.1</b>	<b>3,616.9</b>	<b>4,988.5</b>

Subject to rounding.

**Table 5 – Capital Budget Housekeeping Adjustments Non-Rate Supported Sources of Financing to be Released (\$Thousands)**

Budget	Reserve Funds <sup>1</sup>	Debt <sup>1</sup>	Other <sup>2</sup>	Total
Tax Supported	3,715.6	0.0	0.0	3,715.6
Wastewater	0.0	500.0	0.0	500.0
Water	0.0	0.0	0.0	0.0
<b>Total</b>	<b>3,715.6</b>	<b>500.0</b>	<b>0.0</b>	<b>4,215.6</b>

Subject to rounding.

Table Notes:

(1) Non-rate supported reserve funds / debt primarily supported by Development Charges.

(2) Represents non-City funding sources such as proceeds from external contributors.

In total, the housekeeping budget adjustments exercise will release uncommitted rate and non-rate reserve fund drawdowns of \$7.3 million, of which, \$3.6 million relates to rate supported reserve funds and \$3.7 million relates to non-rate supported reserve funds. The details of these reserve fund drawdown releases are outlined in Table 6 and 7 below.

**Table 6 – Capital Budget Housekeeping Adjustments Rate Supported Reserve Fund Drawdowns to be Released (\$Thousands)**

Reserve Fund	Amount
City Facilities Renewal Reserve Fund	3,616.9
<b>Total</b>	<b>3,616.9</b>

Subject to rounding.

**Table 7 – Capital Budget Housekeeping Adjustments Non-Rate Supported Reserve Fund Drawdowns to be Released (\$Thousands)**

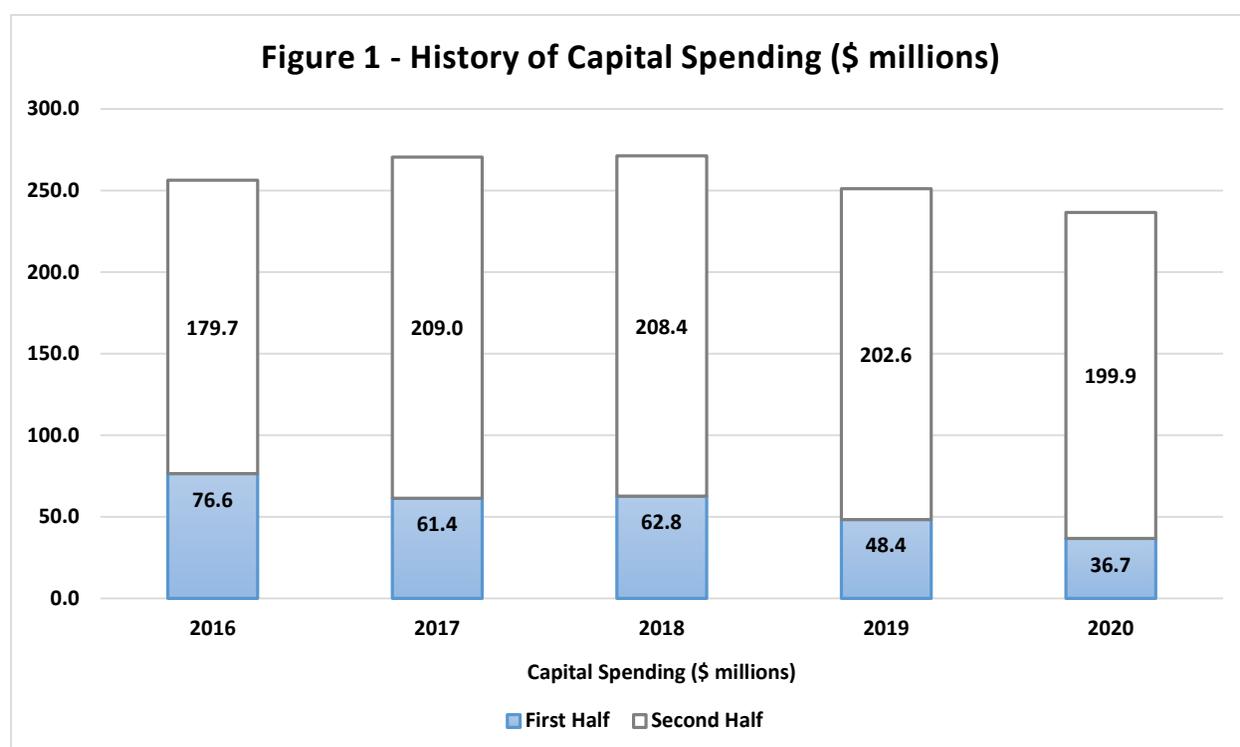
Reserve Fund	Amount
City Services Reserve Fund Roads	3,260.2
City Services Reserve Fund Parks and Recreation	455.4
<b>Total</b>	<b>3,715.6</b>

Subject to rounding.

## 2.5 Capital Cash Flow

Capital spending in a given year is not the same as the capital budget for that year. Spending on capital projects can extend several years after the budget is approved by Council. Spending within a given year is therefore a layering of several capital projects approved in various years and at various stages. Total capital spending tends to be greater during the latter part of the year as construction invoices are received, approved, and paid. This information is important for the timing of debt issuances, reserve fund drawdowns and cash flow management decisions.

As of December 31, 2020, **total capital spending was \$236.6 million** compared to \$251.1 million in 2019 (Figure 1 below). This variance is likely attributable to delays resulting from the stop-and-go nature of adjusting to the impacts of COVID-19.



## 2.6 Completed (Closed) Capital Projects

Civic Administration continues to undertake reviews to close capital projects in a timely manner to ensure the life-to-date capital budget is accurately stated and savings, if any, are returned to their original funding source for future budget utilization. As a result of these reviews, this report recommends closing 107 projects with a total budget value of \$129.4 million. The completed projects that are recommended to be closed were under budget by \$14.4 million in total. The rate and non-rate source of financing impacts of closing the completed capital projects is summarized in Table 8 and 9 below. For a detailed listing of each completed capital project refer to Appendix “C”.

**Table 8 – Completed Capital Projects Rate Supported Sources of Financing to be Released (\$Thousands)**

Budget	Capital Levy	Debt	Reserve Funds	Total
Tax Supported	213.0	259.3	149.6	621.9
Wastewater	0	2,271.5	1,740.2	4,011.7
Water	0	0	3,300.4	3,300.4
<b>Total</b>	<b>213.0</b>	<b>2,530.8</b>	<b>5,190.2</b>	<b>7,934.0</b>

Subject to rounding.

**Table 9 – Completed Capital Projects Non-Rate Supported Sources of Financing to be Released (\$Thousands)**

Budget	Reserve Funds <sup>1</sup>	Debt <sup>1</sup>	Other <sup>2</sup>	Total
Tax Supported	1,281.6	0	341.7	1,623.3
Wastewater	953.0	2,711.1	308.7	3,972.8
Water	600.9	0	232.9	833.8
<b>Total</b>	<b>2,835.5</b>	<b>2,711.1</b>	<b>883.3</b>	<b>6,429.9</b>

Subject to rounding.

Table Notes:

- (1) Non-rate supported reserve funds / debt primarily supported by Development Charges.
- (2) Represents non-City funding sources such as proceeds from external contributors.

In total, the capital project closing exercise, if approved, will release uncommitted rate and non-rate reserve fund drawdowns of \$8.0 million, of which, \$5.2 million relates to rate supported reserve funds and \$2.8 million relates to non-rate supported reserve funds. The details of these pending reserve fund drawdown releases are outlined in Table 10 and 11 below.

**Table 10 – Completed Capital Projects Rate Supported Reserve Fund Drawdowns to be Released (\$Thousands)**

Reserve Fund	Amount
Industrial Oversizing - General Reserve Fund	36.3
Land Acquisition Reserve Fund	-0.8
Fire Facilities, Vehicle, and Equipment Renewal Reserve Fund	-4.3
City Facilities Renewal Reserve Fund	88.7
Capital Infrastructure Gap Reserve Fund	10.0
Operating Economy, Efficiency and Effectiveness Reserve	3.6
Urban Forestry Renewal Reserve Fund	16.1
Water Works Renewal Reserve Fund	3,300.4
Sewage Works Renewal Reserve Fund	1,740.2
<b>Total</b>	<b>5,190.2</b>

Subject to rounding.

**Table 11 – Completed Capital Projects Non-Rate Supported Reserve Fund Drawdowns to be Released (\$Thousands)**

Reserve Fund	Amount
Parkland Reserve Fund	83.7
Child Care and Early Childhood Development Reserve Fund	177.0
City Services Reserve Fund Parks and Recreation	5.8
City Services Reserve Fund Growth Studies	22.2
City Services Reserve Fund Roads	992.9
City Services Reserve Fund Wastewater	688.1
City Services Reserve Fund Stormwater	264.9
City Services Reserve Fund Water	600.9
<b>Total</b>	<b>2,835.5</b>

Subject to rounding.

## 2.7 Capital Budget Financing Strategies – Capital Levy

The overarching capital financing strategy for capital levy, also referred to as pay-as-you-go financing, is to first apply this funding source to lifecycle renewal capital budgets as the purpose of projects in this classification is to maintain existing infrastructure. Administrative targets have been established, consistent with the overarching strategy and Council approved Capital Budget and Financing Policy, as follows:

**Table 12 – Lifecycle Renewal Capital Budget Funding Targets**

Source of Financing	Target <sup>1</sup>	2020	2022
Capital levy (pay-as-you-go) is the primary source	40% - 90% Capital Levy (pay-as-you-go)	55%	60%
Reserve funds can be used if they are eligible	10% - 40% Reserve Funds	40%	40%
Avoiding the use of debt financing for lifecycle renewal projects	0% Debt by 2022	5% <sup>2</sup>	0%

Table Notes:

(1) Targets apply to the rate supported component only. Non-rate funding (e.g., Federal gas tax, one-time senior government funding) fluctuates based on project mix and program guidelines, beyond the control of Civic Administration.

(2) The 2020 to 2023 Multi-Year Budget includes minimal lifecycle renewal debt financing in the years 2020 and 2021 before officially meeting the target in 2022.

## 2.8 Capital Budget Financing Strategies – Reserve Funds

Obligatory reserve funds are primarily used as a source of financing for growth projects. Discretionary reserve funds are primarily used as a source of financing for lifecycle renewal and service improvement projects where appropriate reserve funds and sufficient balances exist.

Obligatory and discretionary reserve funds are categorized as follows:

### **OBLIGATORY**

- 1) **City Services Development Charges (DC)** – dictated by the DC by-law
- 2) **Parkland** – cash-in-lieu of parkland dedication through the Parkland Conveyance and Levy By-law (CP-9) according to the Planning Act (Section 51.1)
- 3) **Federal Gas Tax** – funds received under the Municipal Funding Agreement for Transfer of Federal Gas Tax Revenues

**DISCRETIONARY**

- 1) **Capital Asset Renewal and Replacement** – to support renewal and replacement of existing assets
- 2) **Capital Asset Growth** – to support Development Charges incentive programs and Industrial Land Development Strategy
- 3) **Specific Projects and New Initiatives** – to support specific planned projects (e.g., economic development, affordable housing, community improvement grants and loans)
- 4) **Contingencies/Stabilization and Risk Management** – to provide contingency funding for specific risk areas

Obligatory and discretionary reserve funds are controlled by municipal by-laws and the City’s Reserve and Reserve Fund Policy.

**Reserves and Reserve Funds – Noteworthy Developments**

Civic Administration presented the Reserve Rationalization Report at the September 25, 2018, Corporate Services Committee meeting (agenda item #2.2) and the Capital Asset Renewal and Replacement Reserve Funds Rationalization Report at the September 8, 2020 Corporate Services Committee meeting (agenda item #2.1). These reports aligned a significant portion of the City’s reserve and reserve fund portfolio with key Council approved financial management policies (examples include Reserve and Reserve Fund Policy, Capital Budget and Financing Policy, and Corporate Asset Management Policy). Additionally, through these reports transparency and accountability has been enhanced, target balances have been established, and administrative efficiencies realized.

Civic Administration will continue similar rationalization exercises focusing on the City’s special projects and new initiatives, capital asset growth, and contingency, stabilization and risk management reserves and reserve funds categories. These reports will be brought forward to Council upon completion, noting that Civic Administration’s tentative plans are to complete these reports before the end of 2023.

**2.9 Capital Budget Financing Strategies – Debt**

A summary of the projected debt levels for 2020 is detailed in Table 13 below.

**Table 13 – 2020 Debt Level as of December 31, 2020 (\$Thousands)**

Category	Dec 31, 2019	Issued in 2020	Retired in 2020	Dec 31, 2020 <sup>1</sup>	Authorized 2020	Total Potential
Property Taxes	155,812	15,000	31,155	139,657	122,638	262,296
Wastewater	41,663	0	8,654	33,008	3,199	36,208
Water	876	0	327	549	0	549
Rate Supported Reserve Funds	10,239	0	4,453	5,786	2,873	8,659
Joint Water Boards – City’s Share	12,282	0	2,288	9,994	2,438	12,432
City Services Reserve Funds	79,631	21,000	10,505	90,127	109,376	199,503
<b>Total</b>	<b>300,503</b>	<b>36,000</b>	<b>57,381</b>	<b>279,122</b>	<b>240,525</b>	<b>519,647</b>

Subject to rounding.

Table Note:

(1) Outstanding debt level is subject to completion of 2020 financial statement audit. The City’s Debt Management Policy was last amended by Council on June 26, 2018 (by-law No. CPOL.-354-345). The policy establishes strategies for the management of the City’s debt program. These strategies are outlined the tables 14 and 15 below.

**Table 14 – Debt Management Strategies to Limit and Reduce Authorized Debt**

Strategy	Target	Where Are We? / Results
Avoid the use of debt financing for lifecycle renewal projects	0% debt by 2022 for the rate supported budget	2020 results: 5% debt, on pace to achieve 0% debt target in 2022
Limiting debt financing by way of an internal debt cap	Average of \$36 million over 10-year capital plan for property tax supported initiatives	2020 results: forecasted 10-year average of \$35.17 million in debt financing
Reducing authorized debt as prescribed by the Surplus/Deficit and Assessment Growth Policies	No specified targets, policies direct 50% of any operating surplus and 50% of excess assessment growth funding be applied to reduce authorized debt	2020 results: 2019 year-end surplus diverted to help offset operating impacts of the COVID-19 pandemic on a one-time basis, and 2020 excess assessment growth of \$334 thousand applied.
Applying surplus from the capital financing budget	No specified target, subject to available surplus	2020 results: \$543 thousand in 2020 Mid-Year Capital Budget Monitoring Report and \$2.5 million in 2020 Year-End Capital Budget Monitoring Report

**Table 15 – Debt Management Strategies to Minimize Debt Servicing Costs**

Strategy	Target	Where Are We? / Results
Setting targets for debt servicing costs by budget	Debt servicing costs as a percentage of revenue: Property Tax less than 8%, Wastewater less than 10%, and Water equal to 0%	2020 results: Property Tax 5.6%, Wastewater 9.2%, Water 0.4% <sup>1</sup>
Maintaining a strong credit rating	Aaa (Stable)	2020 result: Aaa (Stable)

Table Note:

(1) Debt servicing costs as a percentage of revenue in the Water budget is temporarily over the established target as a result of prior year debt issuances, noting that the Water capital budget has not included rate supported debt financing since 2010.

## 2.10 Emerging Issues

This section of the report provides information on emerging issues that may impact the capital budget in 2021 and beyond. Within this section, each emerging issue is assigned a likelihood, which estimates the issues probability of impacting the 2021 to 2023 period. These likelihoods are categorized as high, medium, and low, and are defined as follows:

- High – likelihood of the issue impacting the 2021 to 2023 period is predicted to be greater than 60%.
- Medium – likelihood of the issue impacting the 2021 to 2023 period is predicted to be between 30% and 60%.
- Low – likelihood of the issue impacting the 2021 to 2023 period is predicted to be less than 30%.

Budget / Emerging Issue Description	Likelihood of Impact on 2021 to 2023 Budget
Property Tax	
<p><b><u>Infrastructure Funding</u></b></p> <p>In early 2019, the federal government announced the Investing in Canada Infrastructure Program (ICIP), a cost-shared infrastructure funding program between the federal government, provinces and territories, and municipalities and other recipients. This program included two streams applicable for the City of London: 1) the Public Transit Stream (PTS), and 2) the Community, Culture and Recreation Stream.</p> <p><b>Public Transit Stream (PTS)</b></p> <p>The City of London was approved for ten transit related projects under this program for a total project cost of \$375 million, with \$103.1 million from the Government of Ontario, \$123.8 million from the Government of Canada and the balance of funding, approximately \$148 million, coming from municipal and other sources. On April 13, 2020, Municipal Council authorized the Mayor and City Clerk to execute the Transfer Payment Agreement for the ICIP: Public Transit Stream that was received from the Province on March 1, 2021. Construction on some PTS funded projects started in 2020, with most projects continuing or starting construction in 2021.</p> <p><b>Community, Culture and Recreation Stream</b></p> <p>This stream supports community infrastructure priorities. The City of London submitted applications for seven projects and was recently approved for two of them:</p> <ol style="list-style-type: none"> <li>1. Labatt Park (total cost \$2.0 million) – This project will improve accessibility, fan safety, and playability and impact to local neighbourhood.</li> <li>2. Carling Heights Optimist Community Centre – Teaching Kitchen and Elevator (total cost \$1.9 million) – This project will create a teaching kitchen to meet the increasing demands for accessible and inclusive educational cooking and life skills programming, add an elevator to allow full access to the second floor, and complete some lifecycle renewal to the building envelope.</li> </ol> <p><b>COVID-19 Community Resilience Stream</b></p> <p>On August 5, 2020, the Federal Government announced a new COVID-19 Resilience Infrastructure Stream to help with social and economic recovery from the health and economic crisis brought on by COVID-19. Funding previously set aside for the Green Infrastructure Stream under ICIP was reallocated to provide municipalities with funding to act quickly on pandemic-resilient infrastructure priorities. This new stream will provide \$1.05 billion in combined federal and provincial government funding for Ontario’s 444 municipalities. The Federal contribution is 80% of project costs with 20% covered by Ontario. Municipalities are not required to match any funding for this program.</p> <p>On October 29, 2020, the Government of Ontario announced that London’s allocation under the COVID-19 Resilience Infrastructure Stream is \$5.5 million. On November 25, 2020, Municipal Council resolved that Civic Administration submit the following projects for consideration: \$3.5 million for active transportation and \$2.0 million for HVAC rehabilitation at the Carling and Stronach facilities, noting that the approved funding for the HVAC projects be reallocated to support the</p>	High

Budget / Emerging Issue Description	Likelihood of Impact on 2021 to 2023 Budget
<p>municipal contribution for future applications for additional active transportation projects.</p> <p>Subsequently, the City received program guidelines that only made it possible to apply for \$1.75 million of arena HVAC projects, leaving \$3.75 million for active transportation. The City was recently approved for \$1.75 million for the HVAC projects and is currently waiting for approval on the active transportation application.</p> <p><b>Green and Inclusive Community Buildings Program</b></p> <p>In December 2020, the Prime Minister announced A Healthy Environment and a Healthy Economy – Canada’s Updated Climate Plan. Within the Plan, the federal government recognized that municipal and community buildings play a role in Canada’s climate response and allocated \$1.5 billion for retrofits, repairs or upgrades of existing buildings and the construction of new public buildings.</p> <p>On March 11, 2021, the City of London was invited by the Minister of Infrastructure and Communities to submit potential projects through a questionnaire that will help the federal government identify priorities for the upcoming the Green and Inclusive Community Buildings program. A separate application process is expected to follow. Program specifics are not yet available, but key elements include:</p> <ul style="list-style-type: none"> <li>• \$1.5 billion funding (10% reserved for Indigenous projects – on and off-reserve)</li> <li>• Funding is expected to support both rehabilitation and new construction projects</li> <li>• Projects should be ready to showcase environmental, economic, and social benefits, including community benefits for vulnerable Canadians</li> <li>• Emphasis is on community centres, sports/recreation facilities, cultural buildings, multi-purpose community facilities, and indigenous health facilities</li> <li>• Potential emphasis on projects that can start before 2024</li> <li>• Inclusive of projects size from under \$100,000 to \$25 million plus</li> </ul> <p>Staff constantly monitor new program announcements for additional infrastructure fund opportunities and work with the Government Relations team to ensure federal and provincial partners are well-informed of London’s infrastructure needs and able to best support the City’s applications for funding.</p>	
<p><b>Corporate Asset Management Plan</b></p> <p>On August 27, 2019 Municipal Council approved the 2019 Corporate Asset Management Plan (AMP), an update to the 2014 AMP, which is compliant with O.Reg 588/17 for directly owned City assets. On September 8, 2020, the Corporate AMP 2020 Review was released which showed that the City of London owns and maintains assets with a replacement value of approximately \$21.3 billion (including Water and Wastewater) and that the City manages its infrastructure to keep it in generally ‘Good’ condition. Projected spending on lifecycle assets will be more than \$1.8 billion over ten years resulting in an infrastructure investment gap of roughly \$635.0 million over the cumulative 10-year period of 2020 to 2029.</p>	High

Budget / Emerging Issue Description	Likelihood of Impact on 2021 to 2023 Budget
<p>To address the infrastructure gap, Municipal Council approved additional funding for the Capital Infrastructure Gap Reserve Fund through the 2020 to 2023 Multi-Year Budget. The City will also address the gap through different financial strategies including pursuing funding from external sources, incorporating reinvestment rate concepts through assessment growth, and, continuing to utilize one-time funding where available.</p>	
<p><b>Water, and Wastewater and Treatment</b></p>	
<p><b>Dingman Creek Pumping Station - Capital Project Overrun</b></p> <p>The Dingman Creek Pumping Station construction project is scheduled to begin construction Q2-2021 and will provide servicing to areas of southeast London including the new Maple Leaf Food Facility. At the time this report was being drafted the tender closed and is currently being reviewed by the project consultant and City staff. Based on the preliminary review, the construction pricing is higher than anticipated and may be related to increased material and construction costs due to COVID-19 impacts. A report on the award of this contract, including a Source of Financing to request the additional funding, is currently scheduled for Civic Works Committee on May 11.</p>	<p>High</p>
<p><b>Water, and Wastewater and Treatment: Corporate Asset Management Plan 2020 Review</b></p> <p>The Corporate Asset Management Plan outlines the City's plans for the management of its \$21.3 billion worth of infrastructure. The 2020 Corporate Asset Management Plan review was recently completed, and the City of London owns and maintains approximately \$16.0 billion worth of water and wastewater assets representing 75% of all City owned assets. The plan review identified a 10-year cumulative infrastructure gap for wastewater assets of \$18.7 million (there is currently no infrastructure gap for water assets).</p> <p>Based on this update and given the present asset information, the projected investment suggested in the 20-year plan is appropriate. Staff will continue to monitor the infrastructure gap and will take action if necessary. Staff will continue to monitor the wastewater infrastructure gap including undertaking study work to provide higher quality information to better quantify the Wastewater Treatment infrastructure gap moving forward.</p>	<p>High</p>
<p><b>Water, and Wastewater and Treatment: Senior Government Funding Programs</b></p> <p>The first phase of several projects was completed with funding from federal/provincial programs. There is a risk that the subsequent phases of this previously announced funding will not materialize. This would leave the future phases of several major infrastructure projects incomplete and inoperative. One specific example is the pumping station required for the Vauxhall/Pottersburg interconnection. City staff are monitoring the situation with other levels of government and advocating on behalf of these funding programs while also looking for other grant programs to help offset future costs.</p>	<p>High</p>
<p><b>Wastewater and Treatment: Climate Emergency Action Plan (Flood Proofing and Protection)</b></p> <p>Flood proofing of several of the City's wastewater treatment plants and flood control dykes have been identified in the previous 2015 to 2019</p>	<p>Low</p>

Budget / Emerging Issue Description	Likelihood of Impact on 2021 to 2023 Budget
<p>corporate strategic plan. It was anticipated that funding would be available as part of the Federal/Provincial infrastructure program.</p> <p>The Government of Canada created a \$2 billion fund intended to support large infrastructure projects including the resilience of critical infrastructure in the face of increased risks of damage due to climate change. A City proposal for the Greenway and Adelaide Wastewater Treatment Plant Flood Protection Project was accepted.</p> <p>The overall project cost is estimated at \$49.5 million, with the maximum federal share of all project related expenses totalling \$19.8 million (40%). The Contribution Agreement is currently being negotiated, and the final version will be presented to Council for approval in the near future. There are still several remaining wastewater infrastructure projects that require federal/provincial funding. If the federal/provincial program is cancelled, a strategy for addressing this need will need to be established as part of the budget update process.</p>	
<p><b>Wastewater and Treatment: Canada-Ontario Lake Erie Action Plan</b></p> <p>The Great Lakes Water Quality Agreement requires the United States and Canada to reduce phosphorus levels that contribute to algal blooms in Lake Erie by 40% based on levels measured in 2008. The Thames River Watershed has been identified as a priority watershed. The final Canada-Ontario Lake Erie Action Plan was issued by the Federal government in February 2018.</p> <p>The plan includes a series of specific actions to be undertaken by the City of London that were endorsed by Council in the fourth quarter of 2017. The timing and funding of these actions is directly linked with the availability of federal and provincial funding. Staff will continue to monitor the availability of funding and will submit applications for this work at every opportunity.</p>	Low

**Conclusion**

Key items included in the 2020 Year-End Capital Budget Monitoring Report and COVID-19 Financial Impacts include the following:

To safeguard the community from the impacts of lost revenues and cost overruns due to COVID-19, in 2020, Council approved a total of \$2.6 million in capital budget deferrals; \$2.6 million is the net amount of capital budget deferrals remaining after reinstatement of the relevant capital budgets.

The 2020 life-to-date capital budget:

- \$1.47 billion (68.8%) of the \$2.13 billion 2020 life-to-date capital budget is committed, leaving \$0.66 billion (31.2%) of approved capital funding uncommitted.
- A status update for active 2017 life-to-date capital budgets (2017 and prior) that have no future budget requests is provided in Appendix “B”.

Through the housekeeping budget adjustment process, a total of \$9.2 is being returned to various original sources of financing (Appendix “D”). These savings are primarily attributable to favourable tender results caused by a competitive marketplace at the time of the tender award, and changes to timelines and scopes of projects (e.g., a growth project delayed to a future period).

A total of 107 completed capital projects with a total budget value of \$129.4 million and surplus of \$14.4 million are recommended to be closed with surplus funding returned to the original source of financing (Appendix “C”).

Emerging issues were identified that may impact the capital budget in the 2021 to 2023 period. Civic Administration will continue to monitor these issues and report back to Council and the community in a timely manner.

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Ian Collins – Director, Financial Services  
John Millson – Senior Financial Business Administrator  
Meng Liu – Senior Financial Business Administrator

Attachments:

Appendix A - 2020 Capital Budget Activity (Life-To-Date December 31, 2020)

Table 1 - 2020 Council Awards Details

Source of Financing Number	Date of Committee Award	Service Program	Description	Awarded Amount	Budget Adjustments
20001	2020-01-07	Transportation Services	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	2,280,761	0
20001	2020-01-07	Wastewater and Treatment	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	674,017	0
20001	2020-01-07	Water	Appointment of Consulting Engineers - Downtown Loop and Municipal Infrastructure Improvements	449,343	0
20002	2020-01-07	Corporate, Operational and Council Services	RFP 19-55 Replacement of Waterworks Clam Trucks with Dump Bodies	435,218	0
20003	2020-01-06	Transportation Services	Property Purchase - Adelaide Street Grade Separation Project	1,598,665	0
20004	2020-01-07	Wastewater and Treatment	Appointment of Consulting Engineers - Gordon Sanitary Trunk Sewer Rehabilitation	192,530	0
20005	2020-01-07	Wastewater and Treatment	RFP 19-56 SCADA Integration and PLC Programming for the Greenway ORC System	250,149	0
20007	2020-01-20	Corporate, Operational and Council Services	Phase B Roof Repairs and Minor Stabilization Requirements - Old Victoria Hospital Lands	900,000	0
20008	2020-02-04	Wastewater and Treatment	RFP 19-33 Restoration of the Farmhouse at Dingman Creek Pumping Station	146,046	0
20009	2020-02-04	Wastewater and Treatment	RFP 19-59 Installation of Sludge Mixing Systems at Greenway Wastewater Treatment Plant	375,822	0
20010	2020-02-04	Wastewater and Treatment	Sole Source Award - Purchase of Two Turbo Blowers for the Oxford Wastewater Treatment Plant	288,998	0
20012	2020-02-03	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	537,575	0
20013	2020-03-09	Transportation Services	Subdivision Special Provisions - Richardson Subdivision Phase 2	320,703	0
20013	2020-03-09	Wastewater and Treatment	Subdivision Special Provisions - Richardson Subdivision Phase 2	50,122	0
20015	2020-02-19	Transportation Services	Single Source - Transportation Management Centre Fibre Optic Cable	98,354	0
20019	2020-03-10	Transportation Services	Single Source - Transportation Management Centre Video Management System	80,431	0
20022	2020-03-10	Transportation Services	Single Source - Purchase for Replacement Land Surveying Equipment	137,064	0
20023	2020-03-10	Water	RFT 20-23 Watermain Cleaning and Structural Lining	6,904,212	0
20024	2020-03-10	Transportation Services	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	1,718,800	0
20024	2020-03-10	Wastewater and Treatment	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	2,138,755	196,754
20024	2020-03-10	Water	RFT 20-14 Infrastructure Renewal Program - Egerton St., Hamilton Rd and Trafalgar St.	1,294,667	0
20025	2020-03-10	Transportation Services	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	1,597,454	0
20025	2020-03-10	Wastewater and Treatment	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	3,559,936	1,040,669
20025	2020-03-10	Water	RFT 20-01 Infrastructure Renewal Program - Downtown Sewer Separation Phase 3 Richmond Street	1,377,361	0
20026	2020-03-10	Parks, Recreation and Neighbourhood Services	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	27,364	0
20026	2020-03-10	Transportation Services	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	9,774,458	0
20026	2020-03-10	Wastewater and Treatment	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	1,454,229	0
20026	2020-03-10	Water	RFT 20-05 Veterans Memorial Parkway Northward Extension and Huron Street Improvements	1,060,379	0
20027	2020-03-10	Transportation Services	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	58,765	0
20027	2020-03-10	Wastewater and Treatment	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	2,501,407	0
20027	2020-03-10	Water	RTF 20-21 Infrastructure Renewal Program - Churchill Ave., Winnipeg Blvd. and Wavell St.	1,667,606	0
20029	2020-03-10	Parks, Recreation and Neighbourhood Services	T20-15 Wenige Expressway Bridge Rehabilitation	198,115	0
20029	2020-03-10	Transportation Services	T20-15 Wenige Expressway Bridge Rehabilitation	9,298,673	43,787
20029	2020-03-10	Wastewater and Treatment	T20-15 Wenige Expressway Bridge Rehabilitation	300,429	0
20030	2020-03-10	Wastewater and Treatment	UTRCA and CoL Flood Protection Projects	246,555	0
20031	2020-03-10	Corporate, Operational and Council Services	RFT 19-47 Supply and Delivery of Light Duty Fleet Vehicles	1,644,113	0
20032	2020-03-10	Corporate, Operational and Council Services	RFP 20-04 Supply and Delivery of Electric Ice Resurfacers	765,490	0
20033	2020-03-10	Transportation Services	Dundas Street - Old East Village Improvements	8,449,243	1,625,449
20033	2020-03-10	Wastewater and Treatment	Dundas Street - Old East Village Improvements	3,868,757	0
20033	2020-03-10	Water	Dundas Street - Old East Village Improvements	1,880,344	0
20047	2020-04-15	Transportation Services	Appoint Consultant - Exeter Road and Wellington Road Intersection Improvements	206,533	0
20047	2020-04-15	Water	Appointment of Consulting Engineer - Exeter Road and Wellington Road Intersection Improvements	3,053	0
20049	2020-04-16	Wastewater and Treatment	T17-52 Contract Price Increase Infrastructure Renewal Program - Frances St., Margaret St. and Ethel St.	228,960	0
20049	2020-04-16	Water	T17-52 Contract Price Increase Infrastructure Renewal Program - Frances St., Margaret St. and Ethel St.	228,960	0
20052	2020-04-15	Wastewater and Treatment	Appoint Consultant - Infrastructure Renewal Program - Spruce St and Haig St	182,887	0

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Source of Financing Number	Date of Committee Award	Service Program	Description	Awarded Amount	Budget Adjustments
20052	2020-04-15	Water	Appoint Consultant - Infrastructure Renewal Program - Spruce St and Haig St	121,924	0
20053	2020-04-15	Transportation Services	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	587,859	0
20053	2020-04-15	Wastewater and Treatment	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	1,756,664	0
20053	2020-04-15	Water	RFT20-31 Infrastructure Renewal Program - Contract #7 Devonshire	1,171,110	0
20054	2020-04-15	Wastewater and Treatment	RFT20-31 Infrastructure Renewal Program - Contract #5 Chippendale Crescent Reconstruction	2,061,606	0
20054	2020-04-15	Water	RFT20-31 Infrastructure Renewal Program - Contract #5 Chippendale Crescent Reconstruction	1,374,405	0
20055	2020-04-15	Transportation Services	T20-06 Wonderland Road Sanitary Sewer Extension	1,386,643	0
20055	2020-04-15	Wastewater and Treatment	T20-06 Wonderland Road Sanitary Sewer Extension	5,783,918	163,594
20055	2020-04-15	Water	T20-06 Wonderland Road Sanitary Sewer Extension	598,952	0
20058	2020-04-27	Transportation Services	Subdivision Special Provisions - Foxwood Phase 3	30,509	0
20058	2020-04-27	Wastewater and Treatment	Subdivision Special Provisions - Foxwood Phase 3	936,521	0
20059	2020-04-28	Social and Health Services	Specialized Housing - 744 Dundas Street	4,500,000	0
20060	2020-06-09	Parks, Recreation and Neighbourhood Services	RFP20-25 Kiwanis Park Natural Park Playground	304,223	0
20061	2020-04-27	Transportation Services	Subdivision Special Provisions - Pond Mills Subdivision - Drewlo Holdings	101,916	0
20061	2020-04-27	Wastewater and Treatment	Subdivision Special Provisions - Pond Mills Subdivision - Drewlo Holdings	108,970	0
20065	2020-05-11	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	3,670,748	0
20066	2020-05-14	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	709,165	0
20067	2020-05-26	Wastewater and Treatment	Appoint Consultant - Adelaide Wastewater Treatment Plant Upgrades	365,272	0
20069	2020-05-11	Transportation Services	Property Settlement - Veterans Memorial South Extension Project	185,710	0
20070	2020-05-12	Transportation Services	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. and Monsarrat Ave. Reconstruction	31,505	0
20070	2020-05-12	Wastewater and Treatment	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. and Monsarrat Ave. Reconstruction	94,514	0
20070	2020-05-12	Water	T19-41 Contract Price Increase - Infrastructure Renewal Program - Roehampton Ave. and Monsarrat Ave. Reconstruction	399,062	0
20073	2020-05-26	Environmental Services	T20-74 W12A Landfill Site Cell 10 Base and Leachate Collection System Construction	4,555,582	0
20083	2020-06-16	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	183,000	0
20087	2020-06-22	Corporate, Operational and Council Services	RFP 20-19 Microwave Backhaul Replacement	823,465	0
20088	2020-06-22	Corporate, Operational and Council Services	SS 20-16 Single Source Procurement for Router Replacement	262,397	0
20089	2020-06-23	Transportation Services	Single Source Procurement - Additional Sidewalk Sweeper	123,231	0
20090	2020-06-22	Transportation Services	Property Acquisition - Wharncliffe Rd Widening project	783,876	0
20094	2020-06-17	Transportation Services	Property Purchases - Adelaide Street Grade Separation Project	86,105	0
20095	2020-08-11	Transportation Services	Contract Price Increase - T19-18 Traffic Signal Reconstruction Southdale Road West at Wharncliffe Road South	96,672	0
20098	2020-07-14	Wastewater and Treatment	UTRCA and CoL Flood Protection Projects	2,107,148	0
20100	2020-07-14	Transportation Services	Appointment of Consulting Engineers - Infrastructure Renewal Programs	127,202	0
20100	2020-07-14	Wastewater and Treatment	Appointment of Consulting Engineers - Infrastructure Renewal Programs	1,442,246	0
20100	2020-07-14	Water	Appointment of Consulting Engineers - Infrastructure Renewal Programs	857,089	0
20101	2020-07-14	Wastewater and Treatment	RFT20-59 Infrastructure Renewal Program - Contract #12 Highway Ave and Lambeth Ave.	2,188,579	0
20101	2020-07-14	Water	RFT20-59 Infrastructure Renewal Program - Contract #12 Highway Ave and Lambeth Ave.	1,459,053	0
20102	2020-07-14	Transportation Services	Appoint Consultant - Thames Valley Parkway Active Transportation Connection	328,878	0
20103	2020-07-13	Environmental Services	Property Acquisition - W12A Buffer	1,831,011	1,832,423
20104	2020-07-13	Corporate, Operational and Council Services	RFP20-22 Sharepoint Online Migration	577,997	0
20105	2020-07-13	Environmental Services	SS20-23 Contract for the Operation of the City's Material Recovery Facility	620,411	0
20106	2020-07-13	Transportation Services	T20-87 Dundas Street Cycle Track	3,747,575	55,024
20110	2020-08-10	Wastewater and Treatment	Subdivision Special Provisions - Whiterock Village Inc.	230,450	0
20111	2020-08-11	Wastewater and Treatment	Dingman Creek Pumping Station Forcemain Installation - Contract #2	203,520	0
20112	2020-08-11	Water	RFP20-36 South and West London Water Servicing Study	345,636	0
20113	2020-08-11	Wastewater and Treatment	Contract Award - Mud Creek Remediation - Phase 1A Tunnel	8,843,364	0
20114	2020-08-11	Transportation Services	Appoint Consultant - East London Link Rapid Transit and Municipal Infrastructure Improvements	4,168,377	0

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Source of Financing Number	Date of Committee Award	Service Program	Description	Awarded Amount	Budget Adjustments
20114	2020-08-11	Wastewater and Treatment	Appoint Consultant - East London Link Rapid Transit and Municipal Infrastructure Improvements	1,437,157	0
20114	2020-08-11	Water	Appoint Consultant - East London Link Rapid Transit and Municipal Infrastructure Improvements	615,924	0
20115	2020-08-11	Transportation Services	Appoint Consultant - Wellington Gateway Rapid Transit and Municipal Infrastructure Improvements	4,425,446	0
20115	2020-08-11	Wastewater and Treatment	Appoint Consultant - Wellington Gateway Rapid Transit and Municipal Infrastructure Improvements	1,307,818	0
20115	2020-08-11	Water	Appoint Consultant - Wellington Gateway Rapid Transit and Municipal Infrastructure Improvements	871,879	0
20117	2020-08-11	Economic Prosperity	RFT20-35 Huron Industrial Lands Stormwater Management Facilities	828,666	0
20117	2020-08-11	Wastewater and Treatment	RFT20-35 Huron Industrial Lands Stormwater Management Facilities	5,067,205	0
20119	2020-08-10	Transportation Services	Property Purchase - Wharnclyffe Road widening Project	592,247	0
20126	2020-08-11	Wastewater and Treatment	RFT20-97Powell Drain Culvert Replacement	1,102,438	0
20128	2020-09-22	Transportation Services	Appoint Consultant - Windermere Road Improvements	436,957	83,102
20129	2020-09-22	Transportation Services	Appoint Consultant - Hamilton and Gore Road Intersection Improvements	134,800	0
20130	2020-09-08	Parks, Recreation and Neighbourhood Services	Property Purchase - Natural Heritage Open Space	246,954	246,954
20132	2020-09-22	Wastewater and Treatment	Appoint Consultant - North Lambeth Tributary 12 Downstream Channel Reconstruction	226,153	226,153
20133	2020-09-22	Wastewater and Treatment	Appoint Consultant - Biosolids Management Master Plan	417,495	0
20134	2020-09-22	Wastewater and Treatment	Appoint Consultant - Infrastructure Renewal Program	250,861	0
20134	2020-09-22	Water	Appoint Consultant - Infrastructure Renewal Program	568,036	0
20138	2020-10-20	Parks, Recreation and Neighbourhood Services	Appoint Consultant - Richmond North Recreational Crossing and Pathway Extension	521,552	0
20138	2020-10-20	Transportation Services	Appoint Consultant - Richmond North Recreational Crossing and Pathway Extension	7,864	0
20139	2020-09-22	Corporate, Operational and Council Services	Single Source - Purchasing Trackless Machine Attachments	213,793	0
20141	2020-09-22	Environmental Services	Appoint Consultant - Proposed Expansion of the W12A Landfill	48,148	0
20143	2020-10-20	Water	RFP20-44 Appoint Consultant - Springbank Reservoir 1 and 3 Roof Membrane	300,091	0
20144	2020-10-20	Wastewater and Treatment	Appoint Consultant - Vauxhall WWTP Upgrades	287,189	0
20145	2020-10-20	Wastewater and Treatment	Appoint Consultants - Infrastructure Renewal Program	558,895	0
20145	2020-10-20	Water	Appoint Consultants - Infrastructure Renewal Program	230,936	0
20147	2020-10-19	Corporate, Operational and Council Services	RFP20-37 Cognos Modernization	562,852	0
20149	2020-10-19	Transportation Services	Property Purchase - Fanshawe Park Road/Richmond Street Intersection	320,714	0
20150	2020-12-15	Parks, Recreation and Neighbourhood Services	Property Purchase - Woodland/Parkland	734,163	734,163
20153	2020-11-02	Transportation Services	Property Purchase - Bradley Ave Extension project	137,263	0
20154	2020-11-02	Parks, Recreation and Neighbourhood Services	Property Purchase - River Bend Pumping Station project	131,458	131,458
20154	2020-11-02	Wastewater and Treatment	Property Purchase - River Bend Pumping Station project	131,458	0
20155	2020-11-02	Transportation Services	Property Purchase - Wellington Gateway Rapid Transit Project	372,755	0
20156	2020-11-02	Social and Health Services	Capital Repairs - 2 Bonaventure Drive (Social Housing)	786,826	0
20157	2020-11-17	Wastewater and Treatment	RFP20-59 Cured in Place Pipe (CIPP) Sewer Lining Program	4,265,333	0
20158	2020-11-17	Water	Detailed Design of the Springbank Reservoir 2 Replacement	1,585,464	0
20159	2020-11-17	Wastewater and Treatment	West London Dyke Phase 7 and Fanshawe Dam Study	157,559	0
20160	2020-11-17	Corporate, Operational and Council Services	RFP19-29 Tandem Axle Trucks with Dump Boxes and Plow equipment	1,010,680	0
20161	2020-11-16	Transportation Services	Property Purchase - Adelaide Street Grade Separation Project	1,878,532	0
20162	2020-11-16	Transportation Services	Property Purchase - Adelaide Street Grade Separation Project	432,242	0
20163	2020-11-16	Parks, Recreation and Neighbourhood Services	Property Purchase-Natural Heritage Open Space	729,798	729,798
20167	2020-12-15	Parks, Recreation and Neighbourhood Services	Increase in Consulting Fees - East Lions Community Centre	426,230	0
20168	2020-12-15	Social and Health Services	Urgent Transitional and Modular Supported Housing Development	17,369,840	17,369,840
<b>Total</b>				<b>185,459,034</b>	<b>24,479,168</b>

**Appendix A - 2020 Capital Budget Activity (Life-To-Date December 31, 2020)**

**Table 2 - 2020 Council Approved Budget Adjustments Details**

<b>Budget</b>	<b>Description</b>	<b>Budget Adjustment</b>
Property Tax	COVID-19 Budget Adjustments	-1,804,638
Property Tax	2020 Assessment Growth	1,118,055
Property Tax	Adjustments resulting from various Council approved	-10,140,270
Property Tax	Adjustments resulting from various Council approved	22,851,998
Wastewater and Treatment	2020 Development Charges Study Budget Adjustments	-12,489,740
Wastewater and Treatment	Adjustments resulting from various Council approved	1,627,170
Water	Adjustments resulting from various Council approved	-800,000
<b>Total</b>		<b>362,575</b>

**Appendix A - 2020 Capital Budget Activity (Life-To-Date December 31, 2020)**

**Table 3 - Council Approved Awards and Budget Adjustments Summary**

Budget	Awarded Amount	Budget Adjustments
Property Tax Budget	102,301,616	12,025,145
Wastewater and Treatment Budget	57,791,932	-10,862,570
Water Budget	25,365,486	-800,000
<b>Subtotal Council Awards and Budget Adjustments</b>	<b>185,459,034</b>	<b>362,575</b>

**Table 4 - Administrative Awards and Budget Adjustments Summary**

Budget	Awarded Amount	Budget Adjustments
Property Tax Budget	32,021,079	5,655,922
Wastewater and Treatment Budget	6,266,447	-745,440
Water Budget	5,254,975	-236,044
<b>Subtotal Administrative Awards and Budget Adjustments<sup>1</sup></b>	<b>43,542,501</b>	<b>4,674,438</b>

Notes:

1) Civic Administration source of financing awards are in accordance with the Procurement of Goods and Services Policy and are reported annually through that process.

**Table 5 - Combined Council Approved and Administrative Awards and Budget Adjustments Summary**

Budget	Awarded Amount	Budget Adjustments
Property Tax Budget	134,322,695	17,681,067
Wastewater and Treatment Budget	64,058,379	-11,608,010
Water Budget	30,620,461	-1,036,044
<b>Total Council Approved and Administrative Awards and Budget Adjustments</b>	<b>229,001,535</b>	<b>5,037,013</b>

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
ES2436	Weeping Tile Disconnection	Service Improvement	Environmental Services	1,169,936	25,782	1,144,154	Q4 2021	Delayed due to COVID. Design work is complete, but work cannot be initiated as access to interior of homes is not possible at this time. Program is being adjusted so that work can continue without the City requiring access to the interior of homes. Funds needed for later in the year.
ES2476	Elliot-Laidlaw Remediation	Life Cycle Renewal	Environmental Services	200,000	0	200,000	Q4 2023	Project need to be assessed with Dingman Creek Stage 2 Lands EA.
ES2498	SS15C North Talbot Sanitary	Growth	Environmental Services	4,025,754	4,025,756	-2	Q3 2021	Work complete. Warranty period.
ES2681	Mud Creek East BR Stormwater	Growth	Environmental Services	9,259,800	9,165,094	94,706	Q4 2022	Current construction to be complete in 2021 with a subsequent warranty period. Phase 1 project split into two sub-phases for construction. Phase 1A currently under construction. Phase 1B to be constructed in 2021. Noted variance is a result of not constructing Phase 1B with Phase 1A. Noted variance will be utilized for construction of Phase 1B in 2021.
ES2685	Greenway PCP Treatment	Growth	Environmental Services	44,955,855	44,800,933	154,922	Q3 2021	Construction is complete. Deficiency list is almost complete. Expect completion by summer of 2021.
ES3020-HP6	SWM Facility - Hyde Park No. 6	Growth	Environmental Services	2,416,700	1,215,703	1,200,997	Q4 2022	This project will be divided into two Consultant assignments and construction projects to satisfy the required SWM works identified in the Hyde Park EA Amendment. We need this money to pay for the works identified in the Hyde Park EA Addendum in lieu of SWM Facility #6.
ES3020-PD2	SWM Facility - Pincombe Drain No. 2	Growth	Environmental Services	2,456,700	1,547,183	909,517	Q4 2021	Money to be retained for anticipated construction claims by the Developer. This entire amount will be provided to the developer when the claim is submitted.
ES3020-RVBTC	SWM Facility - River Bend	Growth	Environmental Services	13,906,700	4,076,396	9,830,304	Beyond	Decommissioning of the temporary basin is required after 70% subdivision build out. Waiting for build out, we cannot predict when this will occur. This will be expensive, please do not reduce.
ES3045	Horton Sanitary Sewer Upgrades	Life Cycle Renewal	Environmental Services	480,000	221,332	258,668	Q1 2022	Awaiting recommendations from engineering consultant report.
ES3087	Huron Industrial Park Service	Service Improvement	Environmental Services	1,122,673	1,003,879	118,794	Q3 2023	Awaiting completion of SWMF design. Then undertake detailed design and tendering for internal servicing of blocks.
ES3097	Vauxhall - Pottersburg	Service Improvement	Environmental Services	6,000,000	6,000,168	-168	Q4 2021	Restoration and other deficiencies must be addressed in spring 2021.
ES3203	Hyde Park - Stanton Drain	Growth	Environmental Services	287,500	0	287,500	Q4 2023	The RFP will be initiated when the land is purchased to finish the southern part of the Stanton Drain. Negotiations for the land have been initiated with Realty Services.
ES5252	KL1B Kilally Growth Area	Growth	Environmental Services	1,198,600	443,813	754,787	Q4 2021	Waiting for developer to make a final claim. Development finance will make Sewer Engineering aware once all claims have been paid and account can be closed.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
ES5253	RB1B Riverbend Growth Area	Growth	Environmental Services	1,267,966	960,434	307,532	Q4 2021	Waiting for developer to make a final claim. Development finance will make Sewer Engineering aware once all claims have been paid and account can be closed.
ES5425	Interim Works as Identified in Environmental Assessment	Growth	Environmental Services	1,200,000	0	1,200,000	2026	This Growth DC account must be retained to allow for decommissioning of interim SWM facility associated with Riverbend Tributary C.
ES5432	Treatment Plants Technology	Life Cycle Renewal	Environmental Services	1,500,000	1,480,276	19,724	Q2 2021	Expected completion April 2021 - CWWF extension received until September 30, 2023.
ES6066	Dingman Pumping Station Header	Life Cycle Renewal	Environmental Services	500,000	417,444	82,556	Q4 2022	Retain account for support during construction.
ES6074	Pottersburg WWTP CSO and Inlet	Life Cycle Renewal	Environmental Services	1,821,504	1,733,644	87,860	Q4 2022	One project complete but further upgrades at Pottersburg planned.
ES6089	Applegate SWMF Remediation	Service Improvement	Environmental Services	280,000	212,892	67,108	Complete	This project was for construction of the Applegate Stormwater Management Facility retrofit. Project to remain open until purchase orders are closed and legal issues resolved.
ESSWM-HP5	SWM Facility - Hyde Park No. 5	Growth	Environmental Services	6,517,700	367,880	6,149,820	Q4 2022	This project will be divided into two Consultant assignments and construction projects to satisfy the required SWM works identified in the Hyde Park EA Amendment which was completed in Summer 2020. All of this funding will be used to support the recommended EA Addendum strategy.
ESSWM-MM4	SWM Facility - Murray Marr No. 4	Growth	Environmental Services	2,100,000	73,948	2,026,052	Q4 2023	Facility need to be assessed during Dingman Creek Stage 2 EA.
ESSWM-OV1	SWM Facility - Old Victoria No. 1	Growth	Environmental Services	3,085,061	2,696,302	388,759	Q4 2021	Additional monitoring is required until end of warranty. No additional Developer SWM related claims anticipated.
ESSWM-SC2	SWM Facility - Stoney Creek No. 2	Growth	Environmental Services	2,099,000	1,225,497	873,503	Q4 2022	Additional warranty work to be expected, and budget required for land purchase. Not aware of any additional Developer SWM claims. Partial release funds of \$500k from this project.
EW2310	Western Road Watermain	Growth	Environmental Services	2,079,419	1,926,927	152,492	Q3 2021	Construction timing of the Western Road Water main is linked the Western Road Widening Project. Phase 1 and 2 are on track - road widening on Oxford to Platt's Lane.
EW3526	Arva Pumping Station	Life Cycle Renewal	Environmental Services	1,975,189	1,701,448	273,741	Q4 2021	Several process check valves in facility are in need of replacement. Suppliers have been contacted and quotations underway. Expect replacements to occur in 2021.
EW3527	Asset Maintenance Management	Service Improvement	Environmental Services	1,700,000	1,401,841	298,159	Q4 2021	CMMS has been delayed for a significant amount of time, and no known completion date has been provided.
EW3535	Infrastructure Renewal Program	Life Cycle Renewal	Environmental Services	509,000	489,952	19,048	Q4 2021	Construction complete. In warranty.
EW3547	Trunk Watermain Cathodic	Life Cycle Renewal	Environmental Services	295,000	334,621	-39,621	Q4 2021	Construction complete. In warranty.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
EW3551	Hyde Park - Sarnia Road	Growth	Environmental Services	2,068,660	1,709,689	358,971	Q4 2021	Holding funds back for deficiency work. Keep open.
EW3614	SE Pumping Station Reservoir	Growth	Environmental Services	55,728,118	51,558,414	4,169,704	Q4 2022	In process of mediation to resolve outstanding issues.
EW3619	White Oak Pumping Station	Service Improvement	Environmental Services	700,000	70,849	629,151	Q4 2021	Project delayed due to Covid-19 but is back on track for completion in Q4 2021.
EW3624	Burbrook Watermain Upgrade	Life Cycle Renewal	Environmental Services	4,700,000	2,766,412	1,933,588	Q4 2021	Program to construct watermains in the Burbrook area. Remaining funds in project will be used to partially fund Egerton reconstruction as part of the Burbrook area.
EW3628	Expansion of Southeast Pressure Zone	Growth	Environmental Services	2,700,000	2,299,583	400,417	Q4 2021	Working on getting deficiency items rectified before final payment is granted. Some schedule delays due to deficiencies.
EW3652-2	Wickerson High Level Watermain	Growth	Environmental Services	1,361,030	410,536	950,494	2024	Design underway for project planned to be done in conjunction with Transportation project. Project start was delayed to coordinate with Transportation project.
EW3713	Sarnia Road Watermain	Life Cycle Renewal	Environmental Services	1,750,000	681,383	1,068,617	Q4 2021	Holding funds back for deficiency work. Keep open.
GG1730ART	Salvage Heritage Artifacts	Service Improvement	Culture Services	200,000	168,906	31,094	Q4 2023	Project responds to Council request to salvage removeable heritage architectural artifacts for future uses from Old Victoria Hospital buildings to be demolished. A temporary storage site has been retained for these artifacts. Future funds will be needed to move the items from their current temporary storage to their final location and/or to re-install the artifacts as part of the future civic space or future development of the OVH lands.
GG1730HB	Retention of Heritage Buildings	Service Improvement	Economic Prosperity	500,000	479,731	20,269	Beyond	Maintaining building and site until it is sold.
GG1730LCR	Old Victoria Hospital Lands	Service Improvement	Economic Prosperity	1,000,000	878,423	121,577	Beyond	Maintaining building and site until it is sold.
GG1730PHB	Decommissioning of South Street	Service Improvement	Corporate, Operational and Council Services	2,380,000	2,322,546	57,454	Beyond	Maintaining building and site until it is sold.
GGINFRA	Infrastructure ITS	Life Cycle Renewal	Corporate, Operational and Council Services	100,795	0	100,795	2024	This project will deliver server enclosures essential to the City of London Computing environment. Project is early in the initiation phase.. Project is on-track and on budget.
ID1110	Trafalgar Industrial Park	Service Improvement	Economic Prosperity	4,062,233	3,476,033	586,200	Q4 2022	Park is fully assumed for operational costs. Some lots remain to be sold so the possibility of future capital expenses remains until all lots are sold.
ID1150FCS	Forest City South Industrial	Service Improvement	Economic Prosperity	250,000	230,584	19,416	Q4 2021	External works capital project on Wilton Grove Road is ongoing in 2020/2021. Service opportunities will be coordinated. Review status at end of 2021.
ID1150HURC1	Huron Industrial Park Area C1	Service Improvement	Economic Prosperity	50,000	2,921	47,079	Q4 2023	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
ID1150HURC2	Huron Industrial Park Area C2	Service Improvement	Economic Prosperity	125,000	7,380	117,620	Q4 2023	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.
ID1150HURC3	Huron Industrial Park Area C3	Service Improvement	Economic Prosperity	150,000	4,920	145,080	Q4 2023	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.
ID1150HURC4	Huron Industrial Park Area C4	Service Improvement	Economic Prosperity	250,000	766	249,234	Q4 2023	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.
ID1150HURC5	Huron Industrial Park Area C5	Service Improvement	Economic Prosperity	50,000	0	50,000	Q4 2023	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.
ID1150INVP5	Innovation Industrial Park Phase 5	Service Improvement	Economic Prosperity	50,000	26,821	23,179	Q4 2023	Due diligence studies are ongoing. Designs expected to progress in 2021.
ID1167	Forest City Industrial Park	Service Improvement	Economic Prosperity	4,202,798	3,429,113	773,685	Q4 2022	Park is fully assumed for operational costs. Some lots remain to be sold so the possibility of future capital expenses remains until all lots are sold.
ID1170	Huron Industrial Park	Service Improvement	Economic Prosperity	6,012,553	5,437,747	574,806	Q4 2022	Due diligence studies are ongoing. Designs in progress. Awaiting servicing outlets, in progress, prior to detailed design.
ID2058	Innovation Park - SWR Oversizing	Growth	Environmental Services	8,265,000	7,850,548	414,452	Q4 2022	Ongoing ILDS account. Covers Phases 1, 2, 3, and 4. Only Phase 1 is partially assumed. Numerous lots remain to be sold.
ID2058-3A	Innovation Park - Sewer	Growth	Environmental Services	315,000	239,064	75,936	Q4 2022	Ongoing ILDS account. Covers Phases 1, 2, 3, and 4. Only Phase 1 is partially assumed. Numerous lots remain to be sold.
ID2095HURC1	Huron Industrial Park Area C1	Growth	Environmental Services	20,000	6,941	13,059	Q4 2021	Awaiting completion of Huron Industrial SWMF.
ID2095HURC2	Huron Industrial Park Area C2	Growth	Environmental Services	20,000	6,942	13,058	Q4 2021	Awaiting completion of Huron Industrial SWMF.
ID2095HURC3	Huron Industrial Park Area C3	Growth	Environmental Services	15,000	3,002	11,998	Q4 2021	Awaiting completion of Huron Industrial SWMF.
ID2095HURC4	Huron Industrial Park Area C4	Growth	Environmental Services	45,000	24,948	20,052	Q4 2021	Awaiting completion of Huron Industrial SWMF.
MU1200	Fleet Radio Replacement	Life Cycle Renewal	Transportation Services	625,000	0	625,000	Q4 2023	Project on hold until 2023 pending review of legislation regarding the current exemption for transit authorities to use hand held communication devices.
MU1210	Fare Processing Equipment	Life Cycle Renewal	Transportation Services	1,495,000	0	1,495,000	Q1 2022	Project not started given delays in fully implementing smart card and its impacts on phasing out tickets and corresponding cash collection.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
PD1015	South Street Campus Redevelopment	Service Improvement	Planning and Development Services	155,000	139,955	15,045	Q4 2023	This account has been used to pay for a variety of consulting services over several years as required to prepare the Old Victoria Hospital Lands for sale, including an Environmental Impact Study, an assessment of heritage resources, and preparation of a stabilization plan for heritage resources. Phase II of the disposition of the South Street lands is expected to be completed in 2021. These funds should be retained for future redevelopment phases.
PD1018	Smart City Strategy	Service Improvement	Planning and Development Services	125,000	127,200	-2,200	Q4 2023	Ongoing consulting related to Smart City Strategy.
PD1142	Enhanced Veterans Memorial	Service Improvement	Parks, Recreation and Neighbourhood Services	627,085	566,528	60,557	Q3 2021	Further review required after Phragmites is removed with expected completion date of Q3 2021.
PD1145	Placemaking Design Guidelines	Service Improvement	Planning and Development Services	100,000	76,612	23,388	Q4 2022	Funding for the development of Urban Design Guidelines. Schedule delay due to resources. Retain funds for future consultant involvement.
PD1146	Development Management	Life Cycle Renewal	Planning and Development Services	180,000	88,887	91,113	Q4 2021	Development of tracking system upgrade.
PD1213	Archaeological Master Plan	Life Cycle Renewal	Planning and Development Services	75,000	70,941	4,059	Q4 2021	Archaeological Management Plan (AMP) was approved by Council on July 17, 2017. The Official Plan/The London Plan has been amended to add the AMP to the list of Guideline Documents. Remaining funds are allocated for the implementation of the AMP following adoption. The draft implementation guide is complete and awaiting final review by First Nations partners.
PD1215	Back To The River	Service Improvement	Parks, Recreation and Neighbourhood Services	950,000	844,668	105,332	Q2 2022	Surplus fees from B2R EA. Will be used for Harris Park Master Plan consultant contract.
PD1382-15	New Neighbourhood Parks	Growth	Parks, Recreation and Neighbourhood Services	260,000	257,605	2,395	Q2 2021	Victoria on River (waiting for subdivision capital claim) - minor repairs spring 2021.
PD138216	New Neighbourhood Parks	Growth	Parks, Recreation and Neighbourhood Services	220,000	74,525	145,475	Q4 2022	Waiting for developers. Auburn Hunt Lands (\$145k) - 2022 at earliest.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
PD2082	Meadowlily Area Planning Study	Growth	Planning and Development Services	520,000	391,114	128,886	Q1 2022	Meadowlily Secondary Plan was initiated in response to an application to designate and zone lands adjacent to Meadowlily for commercial development. A significant amount of work has been completed to date – including consulting reports, environmental studies, public consultation, etc. Project was put on hold when the initial applicant changed plans and the area's commercial potential diminished. With the adoption of The London Plan, the lands have been placed in the Neighbourhoods Place Type. A major issue related to transportation matters emerged in the previous planning process. In addition, recent development applications have identified the possible need for servicing studies. Remaining funds to be used to undertake any required servicing/transportation studies.
PD2400	Park Farm Trust Fund	Life Cycle Renewal	Planning and Development Services	91,287	80,386	10,901	Beyond	Trust Fund bequeathed in 1990 "for the purpose of such park including additions thereto" by estate of the last private owner of the municipally-owned heritage property. Trust fund serves as a source of funding for projects required to maintain and conserve this municipally-owned heritage property.
PD3023	5-YEAR Official Plan Review	Life Cycle Renewal	Planning and Development Services	650,000	531,274	118,726	Q3 2023	The London Plan was adopted by Council in 2016, using growth projections prepared in 2011. A comprehensive review will be initiated to update growth projections and assumptions, and ensure provincial requirements are being met with regard to land supply and other policies.
RC2428	Enhanced CGAC Aquatic Fund	Life Cycle Renewal	Parks, Recreation and Neighbourhood Services	43,575	38,841	4,734	Q2 2021	This fund is part of an endowment and will be complete in 2021. The money has been earmarked for the installation of additional accessible parking spaces. Curb cuts and concrete complete. Painting will be completed in the spring.
RC2755	South West Multi-Purpose Recreation Centre	Growth	Parks, Recreation and Neighbourhood Services	56,088,465	54,352,278	1,736,187	Q2 2021	Construction completed end of Q3 2018 and deficiencies work completed in 2020. Project has an estimated surplus of \$1.7 million, which will be returned to original sources of financing upon the closeout of the project.
SW6023	Community Environment Depots	Service Improvement	Environmental Services	1,500,000	69,082	1,430,918	Q4 2022	Re-configuration of Clarke Road EnviroDepot expected to be complete by Q4 2022.
SW6035	Landfill Gas Utilization	Service Improvement	Environmental Services	4,000,000	78,921	3,921,079	Beyond	FIT Contract cancelled July 16, 2018. Funds will be used for new projects for the beneficial use of captured landfill gas such as the production of Renewable Natural Gas.
TS1031	Long Term Corridor Protection	Growth	Transportation Services	500,000	500,131	-131	Q4 2023	Annual program for EA's and planning studies.
TS1038	Transportation Development	Growth	Transportation Services	250,000	255,017	-5,017	Q4 2021	Ongoing Development Charges related work until Q4 2021.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
TS1039	Transportation Master Plan	Growth	Transportation Services	100,000	0	100,000	Q4 2023	TMP Updates to start in 2021 with anticipation completion of Q4 2023 - Merge funds into TS1040 for upcoming study.
TS1215	Blackfriars Bridge	Life Cycle Renewal	Transportation Services	2,700,000	2,699,713	287	Q4 2021	Bridge is in the warranty period until later this year.
TS1218	Blackfriars Bridge Rehabilitation	Life Cycle Renewal	Transportation Services	1,500,000	1,499,708	292	Q4 2021	Bridge is in the warranty period until later this year.
TS1325	Veterans Memorial South	Service Improvement	Economic Prosperity	1,148,811	1,144,329	4,482	Q2 2021	Waranty issues with provincial component of work.
TS1346	Corporate Asset Management Development	Life Cycle Renewal	Corporate, Operational and Council Services	1,863,895	850,256	1,013,639	2024	The CAM project includes a total of 7 work units, a contract was executed for the first 6 units over the past years. The final work unit number 7 is significant and includes implementation of all five asset management modules across the remaining 9 service areas included in the scope of the CAM project estimated at a cost of approx. \$1million. Unit 6 has been rescheduled to start Q4 2020 and completed by Q4 2021 while the Final unit 7 of the project is scheduled to start by Q2 2021 and completion date by 2024.
TS1349-2	Sarnia Road Improvements	Growth	Transportation Services	7,910,000	6,989,557	920,443	Q4 2021	Hold funds for legal/deficient work.
TS1350	Corporate Asset Management Software	Life Cycle Renewal	Corporate, Operational and Council Services	360,000	156,336	203,664	2024	Phased implementation of Assetic software is well underway for transportation and Park & Recreation services. This will be followed by full implementation across the City providing CAM the ability to optimize the City Capital budget across all the service areas. The most recent example of the use of Assetic's system was in the City's 2019 Asset Management Plan & 2020 CAM plan annual update. The CAM projected long term condition profiles to optimize service level outcomes and capital expenditures. Assetic's decision making module (Predictor) was used for the City's Core Assets (Water, Wastewater, and Transportation), the majority of Facilities (Recreation and Corporate Facilities) and other service areas such as Fleet and Fire Department.
TS1475-2	Fanshawe Road East Widening Phase 2	Growth	Transportation Services	15,460,000	13,288,896	2,171,104	Q3 2021	Project complete, ready to be closed & release funds - Note - PO#197523 has holdback release/warranty o/s therefore partial holdback release of \$2.1M.
TS1477-2	Hyde Park Road Widening Phase 2	Growth	Transportation Services	15,575,802	14,317,824	1,257,978	Q4 2021	Construction and warranty works complete. Council directed the addition of traffic signals at Hyde Park Road and South Carriage Road in July 2018. Account to remain open to fund until complete Q4 2021.
TS1484	Sarnia Road Widening	Growth	Transportation Services	10,209,820	10,196,071	13,749	Complete	Project to remain open until purchase orders are closed.
TS1487	Wonderland Road Two Land Upgrade	Growth	Transportation Services	10,395,000	9,347,445	1,047,555	Q4 2021	Minor construction legal issues to close.

**Appendix B - Summary of 2017 Life-To-Date Capital Budgets Having No Future Budget Requests**

Project	Project Description	Classification	Service Program	2017 LTD Budget	Committed	Uncommitted	Expected Completion Date	Explanation
TS1523-1	Bradley Avenue Extension Phase 1	Growth	Transportation Services	12,264,375	7,612,672	4,651,703	Q4 2021	Active legal issues to be resolved in 2021.
TS1766	Bradley Avenue Extension	Life Cycle Renewal	Transportation Services	500,000	500,000	0	Q2 2021	Project complete however outstanding legal issues to be resolved.
TS2170	Bradley Avenue From Old Victoria	Growth	Transportation Services	2,350,000	874,670	1,475,330	Q4 2022	Possible work to cover Development Charges for roadworks associated with a future Innovation Park Phase 5. Limits on Bradley are from Bonder easterly to City Limits.
TS4160	Urban Intersections	Growth	Transportation Services	1,259,000	1,267,013	-8,013	Complete	Project to remain open until purchase orders are closed.
TS4209	Improved Parking Technology	Service Improvement	Transportation Services	300,000	258,089	41,911	Q4 2022	Delay due to Covid 19.
TS5036	Downtown Transportation Alliance	Service Improvement	Transportation Services	150,000	86,721	63,279	Q4 2022	Project work into 2021 as per PTIF arrangements. City portion of funding comes from TS031.
TS5037	Bike Parking Infrastructure	Service Improvement	Transportation Services	50,000	53,754	-3,754	Q4 2021	Project work into 2021 as per PTIF arrangements. City portion of funding comes from TS031.
TS6020	Active Transportation	Life Cycle Renewal	Environmental Services	300,000	75,027	224,973	Beyond	Annual program for non-roadway cycling infrastructure identified in the Transportation Master Plan 2030 and Cycling Master Plan.

Appendix C – Completed Capital Projects (as of December 31, 2020)

Table 1 - Tax Supported Budget Completed Capital Projects

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
DS1280 1280 Fanshawe Park Road Security Default	Service Improvement	1,046,782	998,085	48,697		48,697					
GG1062 Southwestern Integrated Fibre Technology (SWIFT) Network Project	Lifecycle Renewal	690,000	690,000	0							
GG1067 Stabilization Spaces - CAAP	Service Improvement	1,172,202	1,172,202	0							
GG1536 Microfiche Digitalization MES Hybrid	Service Improvement	284,928	281,301	3,627				3,627			
GG1545 Indigenous-Led Child Care and Family Care Centre	Service Improvement	1,155,367	978,391	176,976	Land purchase and demolition cost actuals below original estimate.				176,976		
GG1620 Dearness Major Upgrades	Lifecycle Renewal	963,925	963,925	0							
GG162018 Dearness Major Upgrades	Lifecycle Renewal	160,822	160,822	0							
GGAPPL1801 Business Intelligence Reporting	Lifecycle Renewal	285,959	285,959	0							
GGINFRA2001 Backup Services	Lifecycle Renewal	72,523	72,523	0							
GGMOD1702 Telephony Equipment, Mtce and Support Services	Lifecycle Renewal	1,319,921	1,319,921	0							
GGSERVLN1901 City Hall Business Hub	Service Improvement	13,253	13,253	0							
IT3020 CS Acquisition of Computers and Monitors	Lifecycle Renewal	236,414	236,414	0							
ME201902 2019 VandE Repl - Non-TCA	Lifecycle Renewal	48,843	48,843	0							
MU104420 Bus Purchase Replacement	Lifecycle Renewal	9,488,000	9,488,000	0							
MU1435 Dundas Place Transit Re-routing	Service Improvement	2,000,000	1,804,257	195,743	Change to scope of work resulting in a favourable variance.		97,872				97,871
PD102316 Maintain District Parks	Lifecycle Renewal	188,654	188,654	0							
PD1147 Vimy Ridge Park	Service Improvement	155,000	154,616	384							384
PD1173-15 Springbank Park Upgrades	Lifecycle Renewal	333,701	333,701	0							
PD1222 - Three Pedestrian Bridges Rehab Stoney Creek Pathway - PTIF	Service Improvement	600,000	554,576	45,424			45,424				
PD1282-14 Maintain Neighbourhood Parks	Lifecycle Renewal	596,711	596,711	0							
PD2042 2009 New Major Open Space	Growth	484,734	484,734	0							
PD2047 Urban Forest Strategy	Service Improvement	2,400,190	2,400,190	0							
PD2159 Kiwanis Park Pathway Connection - PTIF	Service Improvement	2,100,000	2,100,856	-856		-1,939					1,083
PD2163 Kiwanis Park Pathway Connection	Service Improvement	1,069,772	1,069,772	0							
PD224316 Maintain Environmentally Significant Areas	Lifecycle Renewal	77,000	76,775	225		225					
PD2253 2010 Envir Signif Areas	Growth	243,230	243,230	0							
PD2253-12 New Environmentally Significant Areas	Growth	170,000	170,000	0							
PD2253MEDWAY Medway Valley Trail	Service Improvement	327,591	327,591	0							
PD232417 Mun Owned Heritage Buildings	Lifecycle Renewal	484,699	484,699	0							
PD275417 Woodland Management	Lifecycle Renewal	115,996	115,996	0							

Appendix C – Completed Capital Projects (as of December 31, 2020)

Table 1 - Tax Supported Budget Completed Capital Projects

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
PD275518 Woodland Property Acquisition	Service Improvement	45,177	29,032	16,145				16,145			
PD302018 Maintain Urban Parks	Lifecycle Renewal	324,400	324,400	0							
PD3021 Sherwood Forest Urban Park	Lifecycle Renewal	250,000	250,874	-874				-874			
PK102320A Victoria Park Carrillon Upgr	Lifecycle Renewal	28,900	28,900	0							
PK128220E Huronview Park - Maintain Neighbourhood Parks	Lifecycle Renewal	63,091	63,091	0							
PK128220F Jane Bigelow - Maintain Neighbourhood Parks	Lifecycle Renewal	13,070	13,070	0							
PK273519 2019 Misc Parkland Acquisition	Service Improvement	278,526	194,864	83,662	Some expected costs included in PK273520 with expanded scope.					83,662	
PK302020C Sherwood Forest Park	Lifecycle Renewal	49,752	49,752	0							
PP1032 Radio Equipment	Lifecycle Renewal	1,637,472	1,637,472	0							
PP1033 Apparatus Hoist	Service Improvement	193,365	178,100	15,265				15,265			
PP104216 Non Emergency Fire Vehicles	Lifecycle Renewal	155,776	155,776	0							
PP104217 Non Emergency Fire Vehicles	Lifecycle Renewal	143,701	143,701	0							
PP104218 Non Emergency Fire Vehicles	Lifecycle Renewal	126,613	126,613	0							
PP104219 Non Emergency Fire Vehicles	Lifecycle Renewal	346,986	366,585	-19,599				-19,599			
PP4406 Police Storage Server	Lifecycle Renewal	212,755	212,755	0							
PP444416 Police HQ Bldg Major Repairs	Lifecycle Renewal	572,940	572,777	163		163					
RC2011 Update Master Plan PandR	Growth	400,000	364,098	35,902		13,688			22,214		
RC220116 Recreation Facilities	Lifecycle Renewal	4,352,004	4,352,004	0							
RC246419 Multi Use Park Pathway	Lifecycle Renewal	160,441	161,325	-884		-884					
RC2623 Renovation of Pavilion in Harris Park	Lifecycle Renewal	990,000	822,145	167,855	Varaince due to favourable tendering.			88,701			79,154
RC2782 New Spray Pad - Riverbend	Growth	398,800	392,265	6,535		697			5,838		
SH1050 Immigration Services Portal	Lifecycle Renewal	70,000	45,983	24,017		24,017					
SW602116 W12A New Cell Construction	Lifecycle Renewal	2,253,606	2,253,606	0							
SW602118 W12A New Cell Construction	Lifecycle Renewal	4,292,015	4,292,015	0							
TS1141 Old East Village RT Supportive Parking Lot - PTIF	Lifecycle Renewal	1,300,000	1,279,931	20,069				10,035			10,034
TS1166 New Accessible Transit Pads and Warranted Sidewalks - PTIF	Service Improvement	2,000,000	2,000,002	-2		-2					
TS1409 Kilally Upgrades at Webster Phase 1	Growth	2,695,000	2,358,784	336,216	Project management review of scope and cost control.		43,713		292,503		
TS1430-10 RT10: East London Link (PTIF) Dundas Street-Colborne St to Adelaide St Optimization	Growth	61,569	61,569	0							
TS1430-11 RT11: Wellington Gateway (PTIF) Wellington Rd-Horton St to York St (Optimization)	Growth	36,644	36,644	0							
TS1430-12 RT12: Downtown Loop (PTIF)	Growth	55,604	55,604	0							
TS1430-4 RT4: East London Link (PTIF) Dundas Street-Adelaide St to Highbury Ave	Growth	311,943	311,943	0							
TS1430-5 RT5: East London Link (PTIF) Oxford Street - Highbury Ave to Clarke Road	Growth	232,916	232,916	0							

Appendix C – Completed Capital Projects (as of December 31, 2020)

Table 1 - Tax Supported Budget Completed Capital Projects

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
TS1430-8 RT8: East London Link (PTIF) York Street - Richmond St to Colborne St	Growth	76,833	76,833	0							
TS1430-9 RT9: East London Link (PTIF) Oxford Street - Highbury Ave to Clarke Road	Growth	61,569	61,569	0							
TS1765 Construct New Downtown Cycle Track - PTIF	Service Improvement	1,750,000	1,752,359	-2,359		-2,359					
TS1768 Byron Baseline and Wonderland Bicycle Lane and Sidewalk Improvements - PTIF	Service Improvement	1,750,000	1,657,218	92,782	Varaince due to favourable tendering.	28,838					63,944
TS1769 Separated Bicycle Lane Renewal PTIF	Lifecycle Renewal	1,290,000	1,231,455	58,545	Varaince due to favourable tendering.	29,273					29,272
TS2171 Old Victoria from Hamilton to HWY 401	Growth	2,110,000	1,300,920	809,080	Project management review of scope and cost control.		72,300	36,332	700,448		
TS309319 Parks Major Upgrades	Lifecycle Renewal	390,209	376,864	13,345		13,345					
TS331020 Road Surface Treatment	Lifecycle Renewal	728,934	728,934	0							
TS5018 Audible Pedestrial Signal Updates - PTIF	Service Improvement	390,000	390,000	0							
TS5038 Bike Parking Facility Install Near Bus Rapid Transit Station PTIF	Service Improvement	120,000	767	119,233	Program cancelled and replaced with Bike Lockers program (EV6020).	59,233					60,000
TS6186-15 Centennial Hall Upgrades	Lifecycle Renewal	217,654	217,654	0							
TS620016 Operation Facilities	Lifecycle Renewal	516,723	516,723	0							
TS620017 Operation Facilities	Lifecycle Renewal	271,150	271,150	0							
UF112920 Downtown Street Tree Planting	Lifecycle Renewal	225,000	225,000	0							
<b>Total</b>		<b>62,237,355</b>	<b>59,992,039</b>	<b>2,245,316</b>		<b>212,992</b>	<b>259,309</b>	<b>149,632</b>	<b>1,281,641</b>	<b>0</b>	<b>341,742</b>

Appendix C – Completed Capital Projects (as of December 31, 2020)

Table 2 - Wastewater and Treatment Budget Completed Capital Projects

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
ES182519 Sewer Video Inspection (CCTV)	Lifecycle Renewal	345,194	345,194	0							
ES209220 Basement Flooding Grant	Service Improvement	527,842	527,842	0							
ES244218 Extension of Sanitary Servicing North Routledge Park	Service Improvement	1,672,513	1,672,513	0							
ES2485 Old Oak Servicing (Former)	Service Improvement	2,469,956	315,062	2,154,894	Project replaced by ES3022.		379,395	1,775,499			
ES252319 Sewer Construction, Extensions	Lifecycle Renewal	1,100,000	1,100,000	0							
ES2526 Dingman Creek Subwatershed Infrastructure Program CWWF	Service Improvement	204,000	204,000	0							
ES2532-15 Stormwater Management Facility Remediation Program	Lifecycle Renewal	1,000,316	1,000,316	0							
ES253218 Stormwater Management Facility	Lifecycle Renewal	793,284	793,284	0							
ES2682 Dingman Erosion Control and Wetland Remediation Works	Growth	9,344,333	7,072,439	2,271,894	Favourable variance due to a combination of a very competitive tender and not using all of the tender amounts.		1,892,143	121,181	258,570		
ES3020-FH3 SWM Facility - Fox Hollow 3	Growth	7,945,996	6,995,599	950,397	Favourable variance due to a combination of a very competitive tender and not using all of the tender amounts.			28,419		921,978	
ES3043 Mornington Area Storm Drainage Servicing EA - CWWF	Service Improvement	129,600	119,312	10,288				2,572			7,716
ES5019 Treatment Plants Odour Control Upgrades - CWWF	Lifecycle Renewal	3,352,250	3,350,257	1,993				498			1,495
ES5085 Treatment Plant Energy Reduction with Turbo Blowers CWWF	Lifecycle Renewal	3,776,000	3,777,130	-1,130	Did not receive all of anticipated other contributions, need an additional drawdown from Sewage Works RF to cover coverage.			-212,186			211,056
ES5086 Solids and Floatables Management Equipment at 8 Locations - CWWF	Lifecycle Renewal	2,218,000	2,218,000	0							
ES5248 SS13B Wonderland/Bostwick E Growth Area Greenway PCP Sewershed	Growth	7,501,000	6,812,855	688,145	Variance due to favourable tending pricing and unused contingency.				688,145		
ES5403 East London - Sanitary Servicing Study - CWWF	Lifecycle Renewal	300,000	264,820	35,180				6,461			28,719
ES6075 Power Generation and Waste Heat Recovery System - CWWF	Service Improvement	5,899,000	5,901,184	-2,184				-2,184			
ES6076 Sanitary Pump Stations Variable Frequency Drives - CWWF	Lifecycle Renewal	658,000	578,425	79,575	This project was underbudget due to finding cost efficiencies.			19,894			59,681
ES6078 Facility Improvement Studies CWWF	Service Improvement	171,000	171,000	0							
ESSWM-DCB4 SWM Facility Dingman Creek No. B-4	Growth	3,638,342	1,842,958	1,795,384	Variance due to land acquisition costs being considerably less than initial estimate.				6,248	1,789,136	
<b>Total</b>		<b>53,046,626</b>	<b>45,062,190</b>	<b>7,984,436</b>		<b>0</b>	<b>2,271,538</b>	<b>1,740,154</b>	<b>952,963</b>	<b>2,711,114</b>	<b>308,667</b>

Appendix C – Completed Capital Projects (as of December 31, 2020)

Table 3 - Water Budget Completed Capital Projects

Project	Classification	Approved Budget	Actual	Surplus / (Deficit)	Comments (For Variance Greater Than \$50,000)	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
EW162719 Meter Replacement Program	Lifecycle Renewal	1,000,000	43,903	956,097	Variance as a result of the scope of work being reduced and favourable tender prices.			956,097			
EW2410 Trunk Watermains Syphons and Pipeline - CWWF	Lifecycle Renewal	1,185,000	1,003,100	181,900	Pipelines inspected as part of this project did not show any anomalies so the detailed inspection funds were not spent.			45,475			136,425
EW3540 EMPS - Help Funding Project	Lifecycle Renewal	2,172,096	1,744,835	427,261	Higher than anticipated other contributions received for Hydro One Retrofit Grant.			427,261			
EW3549 Cathodic Protection Program CWWF	Lifecycle Renewal	509,000	380,426	128,574	Efficiencies for this project were realized by combining it with another Infrastructure project (Avalon Street).			32,143			96,431
EW3576 Arva-Huron Pipeline Replacement	Lifecycle Renewal	2,500,000	865,348	1,634,652	The original plan for this project was found to be impossible after inspections were completed. A less intensive replacement of parts was completed instead.			1,634,652			
EW3581 Pond Mills 401 Crossing (New 5A)	Growth	637,317	36,417	600,900	Project cancelled by MTO, actuals covered by MTO, all funding returned to CSRF.				600,900		
EW3754-14 Abandoned Wells Decommissioning	Lifecycle Renewal	357,215	152,421	204,794	The number of wells needing to be serviced by this program was below initial estimates.			204,794			
EW378717 Main Replacement with Major Roadworks	Lifecycle Renewal	3,644,979	3,644,979	0							
EW383316 Main Replacement Maintenance	Lifecycle Renewal	450,760	450,760	0							
EW383317 Main Replacement Maintenance	Lifecycle Renewal	513,865	513,865	0							
EW383319 Main Replacement Maintenance	Lifecycle Renewal	1,119,389	1,119,389	0							
<b>Total</b>		<b>14,089,621</b>	<b>9,955,443</b>	<b>4,134,178</b>		<b>0</b>	<b>0</b>	<b>3,300,422</b>	<b>600,900</b>	<b>0</b>	<b>232,856</b>

**Appendix D - 2020 Year-End Capital Housekeeping Budget Adjustments**

**Table 1 - Tax Supported Housekeeping Budget Adjustments**

Project	Classification	Approved Budget	Amount Released	Released Budget Explanation	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
TS1475-2 Fanshawe Road East Widening Phase 2 - Adelaide Street to Highbury Avenue	Growth	15,460,000	2,100,000	Project under budget due to favourable tender results; remaining budget required for additional warranty work.	0	183,500	0	1,916,500	0	0
TS1476 Clarke Road Widening - Veterans Memorial Parkway Extension to Fanshawe Park Road	Growth	593,063	350,000	Portion of project timeline revised; released budget to be moved to 2028.	10,500	0	0	339,500	0	0
TS1406 Sunningdale Road Upgrades - South Wenige Drive to Highbury Avenue	Growth	437,200	437,200	Timeline of project revised; released budget to be moved to 2026.	0	48,092	0	389,108	0	0
TS1309 Intersection Improvements - Hamilton Road and Highbury Avenue	Growth	990,000	390,000	Portion of project timeline revised; released budget to be moved to 2027.	0	60,100	0	329,900	0	0
TS1477-3 Intersection Improvements - Hyde Park Road and Oxford Street	Growth	310,000	310,000	Timeline of project revised; released budget to be moved to 2026.	0	24,800	0	285,200	0	0
RC2755 South West Multi-Purpose Recreation Centre	Growth	56,088,465	1,500,000	Project under budget due to favourable tender results; remaining budget required for additional warranty work.	0	1,044,600	0	455,400	0	0
GG1555 City Hall Major Upgrades	Lifecycle Renewal	7,312,010	3,616,863	Timeline and scope of major upgrades revised; released budget to be used for future facilities capital works as approved by Council.	0	0	3,616,863	0	0	0
<b>Total</b>		<b>81,190,738</b>	<b>8,704,063</b>		<b>10,500</b>	<b>1,361,092</b>	<b>3,616,863</b>	<b>3,715,608</b>	<b>0</b>	<b>0</b>

**Appendix D - 2020 Year-End Capital Housekeeping Budget Adjustments**

**Table 2 - Wastewater and Treatment Housekeeping Budget Adjustments**

Project	Classification	Approved Budget	Amount Released	Released Budget Explanation	Rate Supported Capital Levy	Rate Supported Debt	Rate Supported Reserve Fund	Non-Rate Supported Reserve Fund	Non-Rate Supported Debt	Non-Rate Supported Other
ESSWM-SC2 Stormwater Management Facility - Stoney Creek No. 2	Growth	2,099,000	500,000	Project under budget due to favourable tender results; remaining budget required for additional warranty work and land costs.	0	0	0	0	500,000	0
<b>Total</b>		<b>2,099,000</b>	<b>500,000</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500,000</b>	<b>0</b>

April 8<sup>th</sup>, 2021

Ms. Heather Woolsey  
City Clerk's Office  
City of London  
P.O. Box 5035,  
London, Ontario  
N6A 4L9

Dear Ms. Woolsey:

The City of London is a nominator for three positions on the Board of Directors of the Greater London International Airport Authority (GLIAA). The current City of London nominees to the Board are Bill Graham, Maureen O'Leary-Pickard and Gus Kotsiomitis. Positions are for three-year periods with a maximum of three terms (total of nine years).

The third term of Mr. Bill Graham was confirmed by the City in your letter to the Board dated August 26, 2020. His term is set to expire July 31, 2023. Mr. Graham has informed the Board of his intention to step down effective May 6, 2021 (immediately following the Airport Annual General Meeting). This will leave one of the City nominee spots vacant.

We are currently undertaking a review of the size and composition of our board and at this time we are not looking to fill this vacancy until that review is complete. The pandemic has allowed us the opportunity to manage our board costs and leaving this position vacant for the short-term helps us with that endeavor.

Our Governance and Nominating Committee has developed a skills matrix and identified key areas where our Board members either lack, or need support in, experience. Our goal is to work with our various Nominators (Federal, Provincial, Municipal) to ensure that nominees fill the skills vacancies we have identified. To that end, we have been collecting resumes of qualified candidates and would like to submit them to you for consideration in your nominating process when the time is appropriate.

I would be happy to discuss this with you further at your convenience.

Yours truly,



Michelle T. Faysal, FCPA, FCA  
Chair, Board of Directors  
m: 519.670.3262

c.c. Mr. Bill Graham  
Mr. Don Bryant, Vice Chair and Chair of the Governance and Nominating Committee  
Mr. Michael Seabrook, President and CEO, London International Airport

## Report to Strategic Priorities and Policy Committee

**To:** Chair and Members  
**Strategic Priorities and Policy Committee**  
**From:** Lynne Livingstone, City Manager  
**Subject:** COVID-19 – City of London Services Update (Spring/Summer 2021)  
**Date:** April 27, 2021

## Recommendation

That, on the recommendation of the City Manager, the report dated April 27, 2021, entitled “Covid-19 – City of London Services Update (Spring/Summer 2021)”, **BE RECEIVED** for information.

## Executive Summary

Since COVID-19 first emerged in the London area at the beginning of 2020, there have been significant impacts on City operations and services.

The purpose of this report is to provide an overview of the City of London programs and services that we anticipate will be available to the community during the Spring and Summer of 2021, as well as to identify any additional impacts that COVID-19 will have on services and programs during that time.

Throughout this time, the City of London is guided by Provincial Orders that impact programs, services, and facilities. Changes in Provincial guidance may have an impact on City operations at any given time, including the current stay-at-home order.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

Strategic Priorities and Policy Committee, meeting on June 23, 2020, Agenda Item 2.1 - COVID-19 - City of London Services.

<https://pub-london.escribemeetings.com/FileStream.ashx?DocumentId=73221>

Strategic Priorities and Policy Committee, meeting on September 22, 2020, Agenda Item 2.4 – City of London Fall Services

<https://pub-london.escribemeetings.com/FileStream.ashx?DocumentId=74819>

Strategic Priorities and Policy Committee, meeting on December 16, 2020, Agenda Item 2.2 – COVID-19 - City of London Services Update (Winter)

<https://pub-london.escribemeetings.com/filestream.ashx?DocumentID=74440>

### 2.0 Discussion and Considerations

#### The City’s Approach

Since COVID-19 first emerged as an issue, the City’s response has been guided by a set of principles. At the forefront has been the mission and values that have been set through the Strategic Plan for the organization.

Mission:

To be a responsive and modern public service partner that fosters change to build a better London for all.

#### Values:

Good governance  
Driven by community  
Acting with compassion  
Moving forward with innovation

#### Guiding Principles:

Based on the mission and values, guiding principles were defined early in the City's process to respond to COVID-19. These principles have served as the foundation for all that has been done throughout the time the City's operations have been significantly modified. These principles include:

- Health and safety for residents and staff is a priority and is an ongoing commitment.
- Every effort will be made to minimize the harm to people and organizations impacted by decisions.
- Efforts to support economic recovery and those most vulnerable will be prioritized.
- A consistent, enterprise-wide approach will be taken.
- Communicating about service changes will be transparent, frequent, and ongoing.

#### Commitment to Health and Safety:

Throughout its response to COVID-19, the City has maintained an ongoing commitment to the health and safety of its employees and residents. This has been a priority through every stage of the COVID-19 response. Throughout all operations, health and safety precautions have been incorporated, including efforts that allow for health screening upon entry of City facilities, appropriate personal protective equipment, physical distancing, frequent hand washing and hand sanitizing, and frequent sanitization of high touch areas.

#### Precautions introduced in 2020 that have continued include the following:

- Enhanced use of plexiglass to support physical distancing where there is customer contact
- Extension of existing remote working arrangements to June 30, 2021. Civic Administration is currently considering an extension to this timeline.
- Elimination of any non-essential, in-person training for staff, with virtual training continuing
- Elimination of any non-essential, in-person meetings for the Civic Administration, with virtual meetings continuing
- Restricted movement between facilities, limited to essential duties only

As health guidance has changed, all efforts have been made to ensure that City practices and procedures are aligned with these changes, taking every precaution to prevent the spread of COVID-19. In recent months, these changes have included the requirement for a surgical mask and eye protection for employees whose roles may require them to come within 2 metres of physical distance.

#### Alignment with the Province:

All actions taken at the municipal level have been aligned with the safety, recovery and restarting activities of the Province of Ontario. Decisions made at the Provincial level have had a direct impact on the City's operations. Most recently, this has included adherence to the Provincial stay-at-home that was enacted on April 8, 2021.

The full Ontario framework can be found here: [Keeping Ontario Safe and Open](#).

The full list of Provincial emergency orders can be found here: [Ontario Emergency Orders](#).

#### COVID-19 Working Group:

The COVID-19 Working Group has been in place since January 2020 to monitor the threat of this virus spreading in our community, and in our workplace. This team continues to meet two to three times per week, with an ongoing focus on supporting the organization and the community as COVID-19 impacts continue to evolve.

#### Operational Task Forces:

As an extension of the COVID-19 Working Group, three operational task forces were formed, focusing on People, Technology and Facilities. These task forces remain in place to ensure an effective approach to the delivery of services for Londoners across the organization, and support employees as they deliver services to the community. Each of these task forces is comprised of individuals from across the organization to help ensure that the City's approach has a strong focus on customer service, is consistent across all service areas, and that employees have the tools, policies, and processes in place to work and deliver effectively.

#### Culture of Safety:

In late 2020, a culture of safety task force was formed, recognizing that the City's culture also needs to reinforce the importance keeping everyone safe on the job in terms of both physical safety and mental health. The focus of this task force extends beyond COVID-19 to enhance safety overall. Initial work through this task force has begun, including identification of a work plan and team members.

### **3.0 Program and Service Impacts – April 1 – September 1**

#### **3.1 Current State:**

On April 16, 2021, the Province announced an Ontario-wide stay-at-home order and introduced additional restrictions to control the spread of COVID-19. Impacts on City services during these times include closure of the following:

- Golf courses
- Soccer pitches
- Baseball diamonds
- Tennis courts and pickleball courts
- Basketball courts
- Skate parks
- Picnic areas, park shelters and outdoor exercise equipment

Parks, green spaces, and trails remain open for walking and biking, but residents are required to maintain physical distance and to attend these only with members of their own household, a member of one other household in which there is a single resident, or a caregiver. Playgrounds remain open, with the gathering restrictions applying. Off-leash dog parks and park benches also remain open.

During these times, By-law officers will continue to address infractions at outdoor recreation amenities where activities are prohibited, essential business operations that are not following protocols, gatherings that are above the limits, and violations of the mask and face coverings regulations in all settings. They have actively patrolled locations where there have been complaints or where infractions have been observed. By-law officers will continue to use all available options, which may include engagement, education, and enforcement.

As Ontario continues to experience the third wave of COVID-19, these extraordinary measures are in place to prevent further spread. The service overview provided anticipates current measures will be lifted as planned following the six-week stay-at-home order. If these orders are not lifted and/or additional measures are put in place, all City services and operations will adhere to all measures in place at all times.

### 3.2 Service Overview

Throughout the pandemic, preventing the spread of COVID-19 creates restrictions that continue to have impacts for many of the City's services and programs. As a result, modifications that have been made to ensure that all health precautions are in place and all Provincial orders are followed will continue into 2021.

It is important to note that throughout 2020, there was a great deal of uncertainty related to the impacts that COVID-19 would have on the organization and on the community. As staff planned for the summer of 2020, that uncertainty included potential impact of COVID-19 on the health of the Civic Administration and members of the public, potential restrictions on operations, and uncertainty about the full financial impacts that the City could face because of COVID-19. These factors were considered in decisions to mitigate impacts on services and service levels.

Moving forward, the approach through 2021 will be to stabilize service delivery to levels Londoners are accustomed to as best as possible within COVID-19 restrictions. Two things will inform the type and levels of service provided:

- Our ability to follow all health precautions and guidance (such as physical distancing)
- Our obligation to adhere to any and all Provincial orders related to COVID-19

As well, as the Province has moved through its Keeping Ontario Open Framework, the Civic Administration has focused on delivering as many services as possible to Londoners. This has meant modifying how and when some services are delivered; however, many services have been able to continue with these modifications.

Looking ahead to services that will be offered in the coming months, high level impacts include:

- In-person recreation programming will include 14 day camps, indoor and outdoor Recreation Guide programs, and pending health measures, and some free half-day Playground programs for children.
- Virtual and phone-based programming will continue through the summer, such as fitness classes for seniors and Seniors Centres Without Walls
- Seasonal operations that were paused last summer will resume.
- To ensure that all physical distancing requirements can be adhered to safely in yards, vehicles, and buildings, the temporary seasonal workforce will be 75% of what is typically hired during summer months; however, we will prioritize work to mitigate impacts on services.
- Service levels for the Coordinated Informed Response and the Core Area Action Plan will be maintained.
- Free emergency childcare for school aged children starting April 19, 2021 for eligible health care and other frontline workers (dependent on available spaces in licensed childcare centres and home childcare).

Current information about all services is available online at [www.london.ca/covid-19](http://www.london.ca/covid-19) .

Appendix A - Overview of City Services Provided During the COVID-19 Pandemic - provides an overview of all services that have been delivered through this time, from vital services to services that have been permitted as Provincial orders and health guidance has evolved. Where services have been identified for the spring and summer of 2021, the delivery of services is dependent on when the Provincial Framework, or additional measures permit them.

## Conclusion

It has been more than a year since COVID-19 first had an impact on City of London programs and services. Throughout this time, the City has provided vital services to the community, and the Civic Administration has responded quickly to changes to Provincial orders, restarting programs and services where it is safe and possible to do so, and modifying and restricting services when it was not.

Looking ahead, the delivery of programs will continue to be impacted by the Province's progression through its [Keeping Ontario Safe and Open Framework](#). This will also be impacted on any additional measures that may be enacted.

Decisions about how these impacts are reflected at the local level will continue to be guided by the principles developed at the onset of this event, and all health and safety precautions will be followed to help protect the well-being of the community and of staff.

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**Recommended by:** Lynne Livingstone, City Manager

**CC:** Senior Leadership Team  
COVID-19 Working Group

## Appendix A: Overview of City Services Provided During the COVID-19 Pandemic

### Service Impacts – Overview:

At all times, all of the actions taken at the municipal level have been aligned with the safety, recovery and restarting activities of the Province of Ontario. Decisions, guidance, and restrictions imposed at the Provincial level have had a direct impact on the City’s operations, and modifications may be required because of changes in Provincial directions. During the times when the Province has enacted an Ontario-wide shut down or stay-at-home order, some in-person services and access to City facilities including City Hall may not be permitted in efforts to adhere to the orders and prevent the spread of COVID-19.

<b>Services that have been available throughout the pandemic</b>	<b>In-Person Services Available (when permitted by the Province)</b>	<b>Anticipated Spring/Summer Services available (when permitted by the Province)</b>	<b>Services that have not resumed</b>
<ul style="list-style-type: none"> <li>• Clerk’s Office</li> <li>• Marriage licences</li> <li>• Commissioning documents</li> <li>• City Clerk’s – general phone/email inquiries (661-CITY)</li> <li>• Council Services</li> <li>• Council and Standing Committee Meetings</li> <li>• Burial Permits</li> <li>• MFIPPA requests</li> <li>• Tax payments</li> <li>• Provincial Offences Administration payments and inquiries and early resolution meetings</li> <li>• Public Participation Meetings</li> </ul>	<p>City Hall (in person):</p> <ul style="list-style-type: none"> <li>• Marriage licences</li> <li>• Commissioning documents</li> <li>• Civil Ceremonies (with limits to the number of participants, based on Provincial Orders)</li> <li>• Tree removal permits (by phone or online, with payments accepted online or in person)</li> <li>• Inquiries related to development, building permit and business licensing applications</li> <li>• Building permit and business licensing inquiries</li> <li>• Tax payments</li> <li>• Payment of invoices</li> </ul>	<ul style="list-style-type: none"> <li>• Outdoor sporting amenities</li> <li>• Benches, picnic tables and park shelters</li> <li>• Playgrounds</li> <li>• Skate parks</li> <li>• Basketball courts</li> <li>• Tennis and pickleball courts</li> <li>• Disc golf</li> <li>• Indoor, outdoor pools/spray pads and wading pools</li> <li>• Dry pads in arenas for programmed use and ice availability at Bostwick arena</li> <li>• Off-leash dog parks</li> <li>• Community gardens</li> <li>• Private indoor rentals at all recreation facilities will be evaluated monthly, beginning in July</li> <li>• In-person recreation programming, including 14 Day Camps, Storybook Gardens, indoor</li> </ul>	<ul style="list-style-type: none"> <li>• Desk side appointments in Social Services</li> <li>• Community hoteling partners (Social Services)</li> <li>• Ontario Works offices at Glen Cairn Community Resource Centre</li> <li>• Desk side appointments in Children’s Services</li> <li>• Special Events will not be permitted through Canada Day and will be evaluated monthly, beginning in July</li> <li>• Provincial Offences Administration Office: in-person or trial proceedings have not been authorized by the Ontario Court of Justice until Virtual proceedings commence (anticipated Q2 2021)</li> </ul>

<ul style="list-style-type: none"> <li>• Public hearings</li> <li>• Committee of Adjustment meetings</li> <li>• Advisory Committee meetings</li> <li>• Fire Services</li> <li>• Emergency Management and Corporate Security</li> <li>• Facilities Operations</li> <li>• Traffic Services</li> <li>• By-law Enforcement</li> <li>• Planning, Building and Development Services</li> <li>• Road operations</li> <li>• Park maintenance</li> <li>• Long-term care (Dearness home)</li> <li>• Garbage Collection, Recycling, and Envirodepots</li> <li>• Children’s Services Fee Subsidy</li> <li>• Virtual and phone-based recreation programs</li> <li>• Social Services (Ontario Works)</li> <li>• Housing Services, Housing Access Centre (HAC)</li> <li>• Homeless Prevention and Supports</li> <li>• Water and Wastewater Services</li> <li>• Household Special Waste Depot and Landfill (these were closed briefly in March 2020, but have remained open since)</li> </ul>	<ul style="list-style-type: none"> <li>• Hearings conducted by the City of London’s Hearings Officers</li> </ul> <p>206 Dundas Street (in person, by appointment):</p> <ul style="list-style-type: none"> <li>• Heritage alteration permits</li> <li>• Development application consultations</li> <li>• Pre-application consultation meetings</li> <li>• Application review meetings</li> <li>• Engineering review meetings</li> </ul> <p>Public Meetings:</p> <ul style="list-style-type: none"> <li>• Public Participation Meetings</li> <li>• Public hearings</li> <li>• Committee of Adjustment meetings</li> <li>• Advisory Committee meetings (since these resumed in February 2021, gathering restrictions have not allowed for in-person meetings. When permitted, these will return to in person)</li> <li>• Internal inspection of occupied dwellings (alterations)</li> <li>• Ontario works open for front counter services for cheque pick up, cheque encashment, and emergency services at designated times</li> <li>• Housing Access Centre, Homeless Prevention, and Coordinated Access front counter services are available for</li> </ul>	<p>and outdoor Recreation Guide programs, and, pending health measures, a limited number of free half-day Playground programs for children.</p> <ul style="list-style-type: none"> <li>• Golf courses</li> <li>• Some virtual and phone-based programming will continue through the summer, such as fitness classes for seniors and Seniors Centres Without Walls</li> <li>• London Animal Care Centre</li> <li>• New sign programs, such as area speed limits</li> <li>• Walkway cleaning</li> <li>• All-way stop sign counts, traffic signal and pedestrian accommodation counts, traffic calming studies</li> <li>• Sign replacements and other traffic management operations</li> <li>• Road maintenance (manhole and catch basin resetting)</li> <li>• Sidewalk, curb, and gutter repairs</li> <li>• Interior inspection of business and rental units</li> <li>• Children’s Services – Emergency Child Care for school aged children beginning April 19, 2021 dependent on available spaces in licensed childcare centres and home childcare)</li> </ul>	<ul style="list-style-type: none"> <li>• Summer neighbourhood outdoor movie nights, neighbourhood equipment lending, neighbourhood small events fund (these will be evaluated monthly to determine whether they may be permitted)</li> </ul>
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<ul style="list-style-type: none"> <li>• Property tax (online and by phone)</li> <li>• Service London</li> <li>• Recreation customer service</li> <li>• Hearings conducted by the City of London's Hearings Officers</li> <li>• Internal support and corporate services such as Finance, Human Resources, Legal, Information Technology Services, and Communications</li> </ul>	<p>housing and emergency shelter supports for emergencies, by appointment only</p> <ul style="list-style-type: none"> <li>• Children's Services front counter services for fee subsidy application support at designated times</li> <li>• Recreation programming for all ages</li> <li>• Catty Shack</li> </ul>		
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At all City facilities, health and safety precautions are in place to stop the spread of COVID-19, and to protect the public and employees. These include health assessments upon entry, limiting the number of people in the building, a requirement to wear a mask under the by-law, and efforts to ensure a minimum of 2 metres of physical distance. Hand sanitizer is also available at all locations to allow for frequent hand sanitization, and rigorous cleaning practices have been established.

The City has maintained up-to-date information about facilities, programs and services on a dedicated web site, [www.london.ca/covid-19](http://www.london.ca/covid-19).