

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities and Policy Committee

From: Scott Mathers, MPA, P. Eng
Deputy City Manager, Planning and Economic Development

Subject: Appointment of Consultant for RFP 2024-113 Community Improvement Plan to Encourage Residential Development Near Transit

Date: June 18, 2024

Recommendation

That, on the recommendation of the Deputy City Manager, Planning and Economic Development, the following actions **BE TAKEN** with respect to the appointment of a consultant for a Community Improvement Plan to Encourage Residential Development Near Transit:

- a) N. Barry Lyon Consulting, **BE APPOINTED** Consultant to undertake the said project, in the amount of \$106,280.00 (excluding HST), in accordance with Section 12.2 (b) of the Procurement of Goods and Services Policy;
- b) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- c) the approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract with the consultant for the work; and,
- d) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

Executive Summary

This report recommends that N. Barry Lyon Consulting be appointed to carry out consulting services for developing a Community Improvement Plan to Encourage Residential Development near Transit.

The recommended consultant appointment is consistent with and funded through London's approved Housing Accelerator Fund (HAF) application.

Linkage to the Corporate Strategic Plan

This project supports the 2023-2027 City of London Strategic Plan and directly aligns with the following areas of focus:

Housing and Homelessness

- Increased access to a range of quality, affordable, and supportive housing options that meet the unique needs of Londoners.
- The City of London supports faster/streamlined approvals and increasing the supply of housing with a focus on achieving intensification targets.

Well-Being and Safety

- Housing in London is affordable and attainable.
 - Prioritize approval of housing projects that increase the depth of affordability in available housing options.
 - Ensure there is an adequate supply of lands for new homes and services.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- June 11, 2024 – Planning and Environment Committee – Community Improvement Plans Review for Increasing Affordable Housing
- April 16, 2024 – Strategic Priorities and Policy Committee -- Targeted Actions to Increase London's Housing Supply: Supporting Council's Pledge for 47,000 Units by 2031
- September 19, 2023 – Strategic Priorities and Policy Committee -- London's Approved Housing Accelerator Fund Application
- June 12, 2023 – Planning and Environment Committee -- 5-Year Review Community Improvement Plans and Financial Incentive Programs
- February 7, 2023 – Planning and Environment Committee -- London's Housing Pledge with respect to the City of London Municipal Housing Target of 47,000 units
- August 10, 2020 – Planning and Environment Committee – Protected Major Transit Station Areas Information Report

1.2 Housing Accelerator Fund

In April 2023, the Canada Mortgage and Housing Corporation (CMHC) released details on the Housing Accelerator Fund. HAF is a \$4 billion incentive program targeting local municipal governments, with an anticipated outcome of 100,000 additional building permits issued in Canada over a three-year period.

HAF's aim is to encourage new municipal initiatives that will increase housing supply at an accelerated pace and enhance certainty for developers in the approvals and building permit processes, resulting in transformational change to the housing system.

London's approved HAF application provides a housing target of 2,187 additional units between 2024-2026 for eligibility of up to \$74,058,143 in funding under the HAF. These units must be over and above London's recent unit construction average.

Initiative #1 is most relevant to this project:

- Promoting high-density development without the need for privately initiated rezoning (as-of-right zoning), e.g., for housing developments up to 10 stories that are in proximity (within 1.5km) of rapid transit stations and reducing car dependency.

Noting: The City would also tie these incentives to inclusion of housing unit types for families, students, and seniors at various levels of affordability to ensure a diverse and inclusive community is created. This initiative will also include implementing incentives for conversions from non-residential to residential and multi-unit housing within close proximity to transit through the development of a Community Improvement Plan.

Of the approved up to \$74M in HAF funding, \$10M is earmarked for financial incentives to support per-unit Financial Incentive Programs offered through Community Improvement Plans aimed at building multi-unit transit-oriented housing.

2.0 Discussion and Consideration

2.1 Project Description

The project will retain the approved qualified consultant to submit a recommended Community Improvement Plan (CIP) to encourage residential development near transit areas in London, including CIP implementation methods such as financial incentive programs.

The two key deliverables of this project are:

- 1) A Background Study for a CIP Encouraging Housing Near Transit Areas and,
- 2) A Proposed CIP to Encourage Residential Development Near Transit Areas

The Background Study for this project will provide foundational information to help define the purpose of the CIP and provide the rationale for recommended CIP implementation measures. The proposed CIP will help the City achieve the objectives and expected outcomes of the CIP and meet initiative 1 of the Housing Accelerator Fund agreement.

2.2 Procurement Process

The procurement process was undertaken in accordance with the City of London's Procurement of Goods and Services Policy, Section 12.2 (b). Facilitated by Procurement & Supply Services, a request for Proposal invited consulting firms to submit proposals for this assignment. Proposals were submitted from the following consultants:

- Arcadis Professional Services (Canada) Inc.
- Colliers Project Leaders Inc.
- Ernst & Young LLP
- N. Barry Lyon Consulting
- NPG Planning Solutions Inc.
- SHS Inc.
- Stantec Consulting Ltd.
- StrategyCorp Inc.

The consultant procurement process used a two-stage process beginning with an open advertised request for proposal including a technical review of the proposed project. Each proposal was reviewed and scored by a panel composed of Planning & Economic Development staff. A shortlist of three (3) consulting firms was created based on the received and scored submissions and the firms were invited to submit additional details for the assignment and an opportunity to interview. N. Barry Lyon Consulting received the highest weighted score among the proposals received. The total fee estimate was \$106,280.00, excluding HST, to complete the assignment.

2.3 Schedule

The project is scheduled to be completed by March 2025.

3.0 Financial Impact/Considerations

In addition to the \$10 million of HAF funding earmarked to fund the plans and programs to support multi-unit transit-oriented housing, additional HAF funding has been identified to establish the plans and programs. As a result, the awarding of this consulting contract and the subsequent work plan will have no impact on the tax levy between 2024-2026.

Conclusion

N. Barry Lyon Consulting was found to provide the best value to the City through the RFP selection process for consulting services for the Community Improvement Plan to Encourage Residential Development near Transit. The N. Barry Lyon Consulting team has demonstrated ability to complete this project on time and within budget and has demonstrated a solid understanding of the project in their proposal. It is recommended that N. Barry Lyon Consulting be awarded this assignment.

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Manager, Core Area and Urban Regeneration

Recommended by: **Scott Mathers, MPA, P. Eng**
 Deputy City Manager, Planning and Economic
 Development

Cc: Steve Mollon, Senior Manager, Procurement and Supply
 Alan Dunbar, Manager, Financial Planning & Policy
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