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**2017 Growth Management
Implementation Strategy
(GMIS) Update**

*Milestone 6: Strategic Priorities and
Policy Committee*

June 9, 2016



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2017 GMIS Update: Outline

- GMIS – a refresher
- Context for 2017 GMIS Update
- Overview of process (consultation and analysis)
- Results and GMIS project adjustments
- Summary remarks



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2017 GMIS Update:

BACKGROUND

Council Role in DC-Related Items

Approval of Development Charges (DC) Background Study – established 20 year growth program and cost recovery (approved, summer, 2014)

Yearly DC Monitoring – examines DC revenues and project cost actuals vs. estimates (assess need to trigger a DC Study update)

Annual GMIS Updates – opportunity to adjust project timing to reflect ability to pay for projects and market conditions

Future DC Study – tweaks to previous DC Study and adding an additional 5 years of growth



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Council adopted principles (2008):

- **Timely, cost effective servicing**
- **Affordable**
- **Optimize existing services**
- **Sufficient land**
- **Growth Management Policies**
- **Completion of existing development**
- **Healthy housing market**
- **Phasing of development approvals with scheduling of works**





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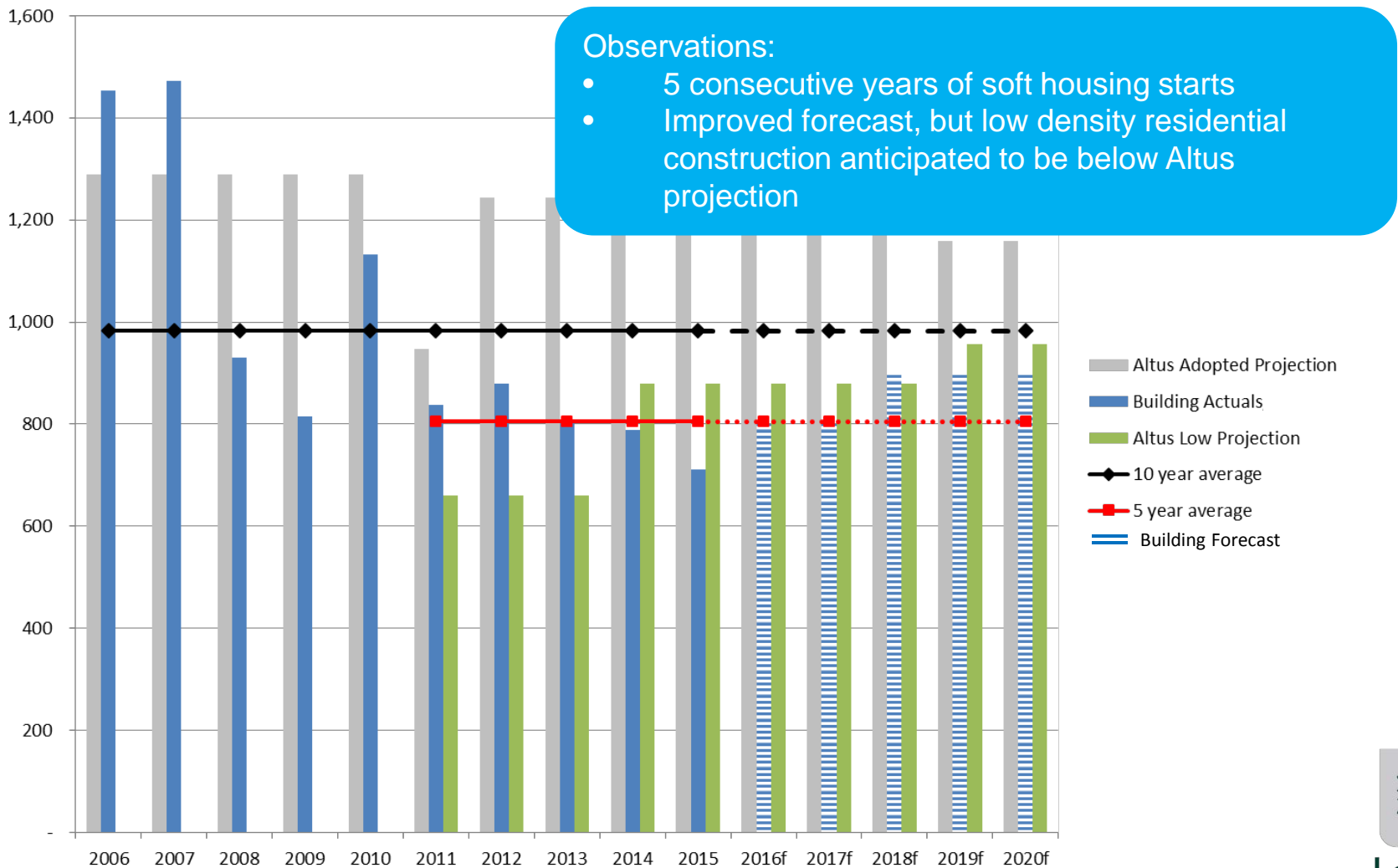
2017 GMIS Update:

GMIS CONTEXT



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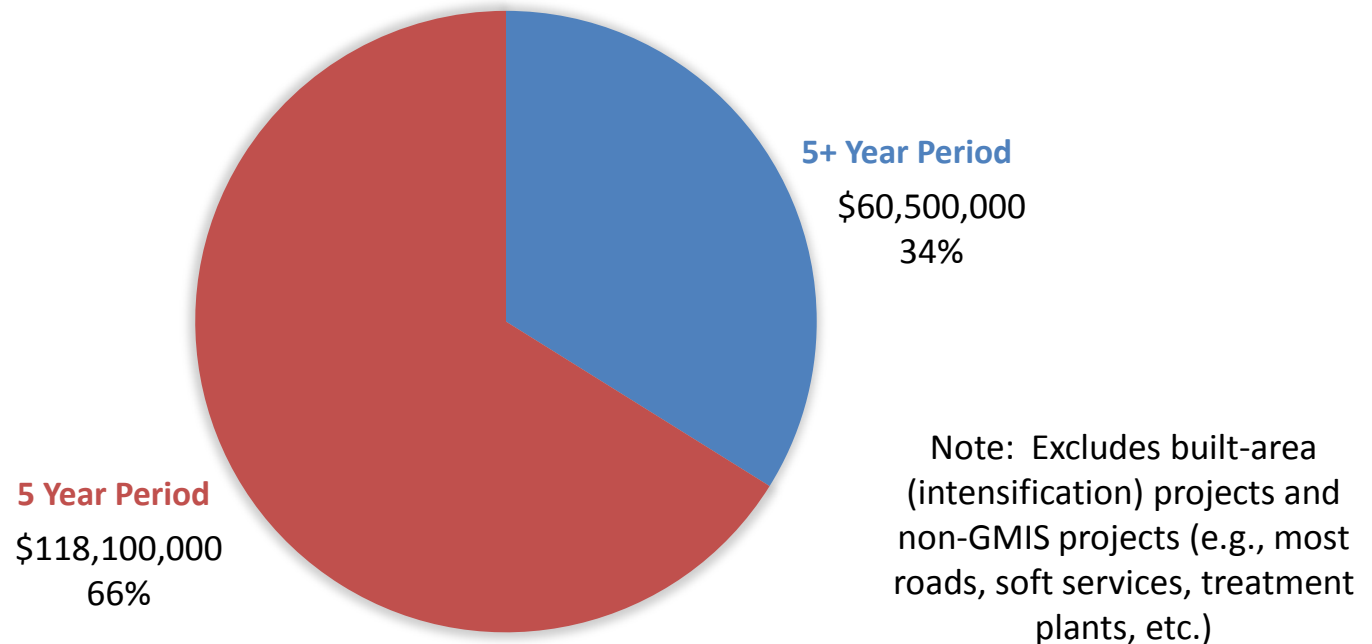
Comparison of Low Density Residential Projected Growth and Actual Growth: 2006 - 2020



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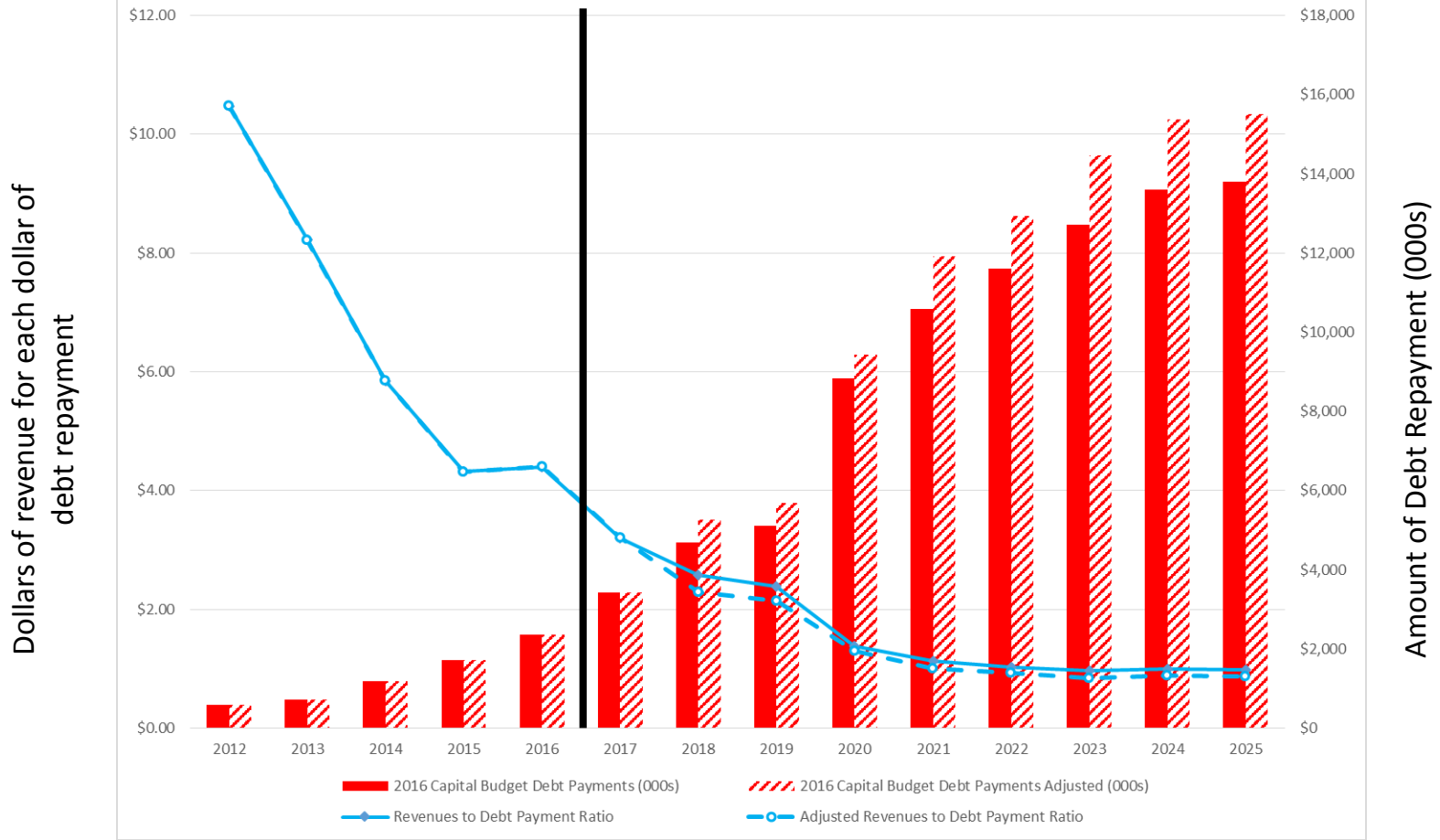
2016 GMIS Growth Infrastructure Spending

GROSS PROJECT COSTS



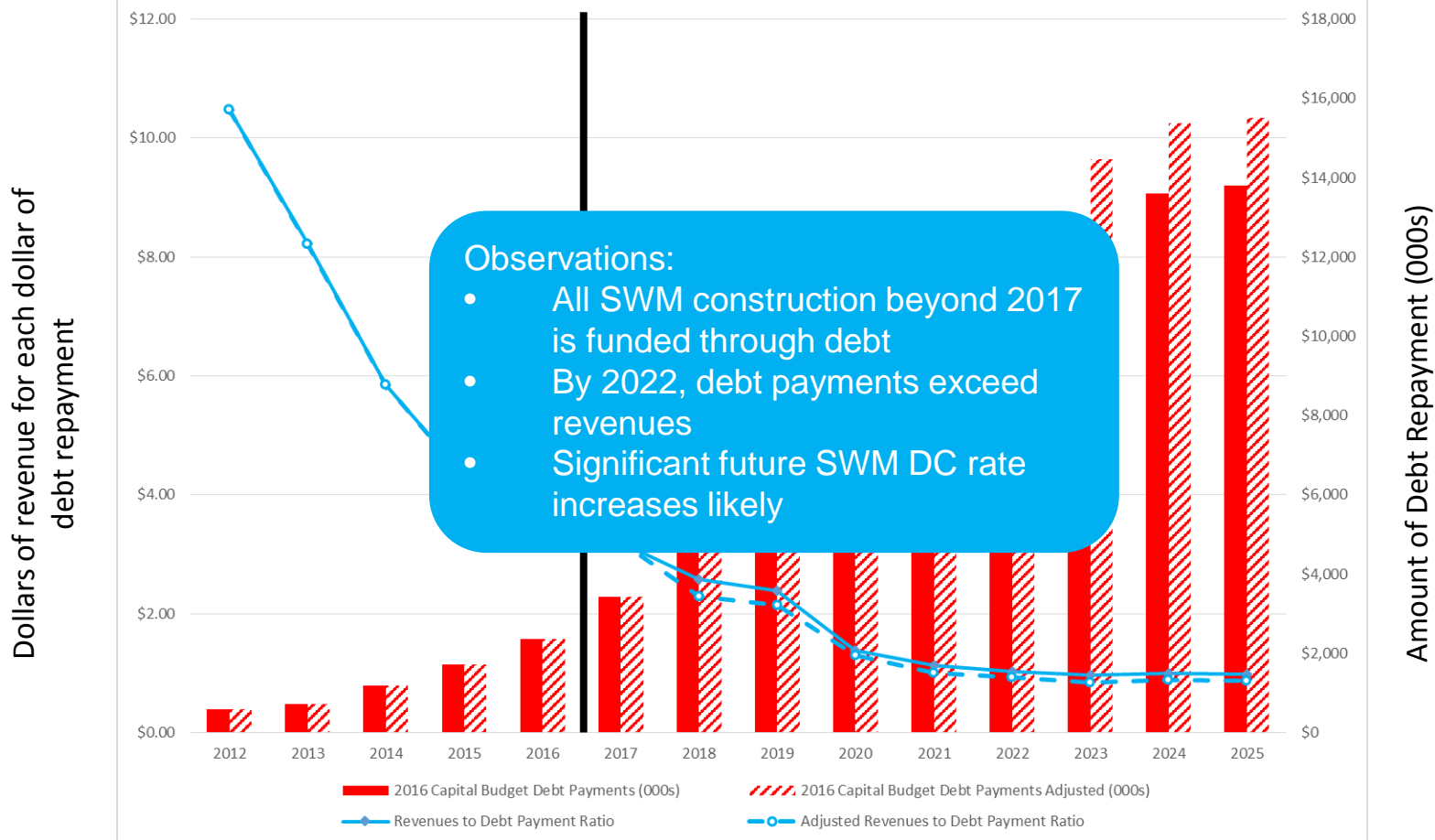
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Stormwater Management DC Reserve Fund Analysis



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Stormwater Management DC Reserve Fund Analysis



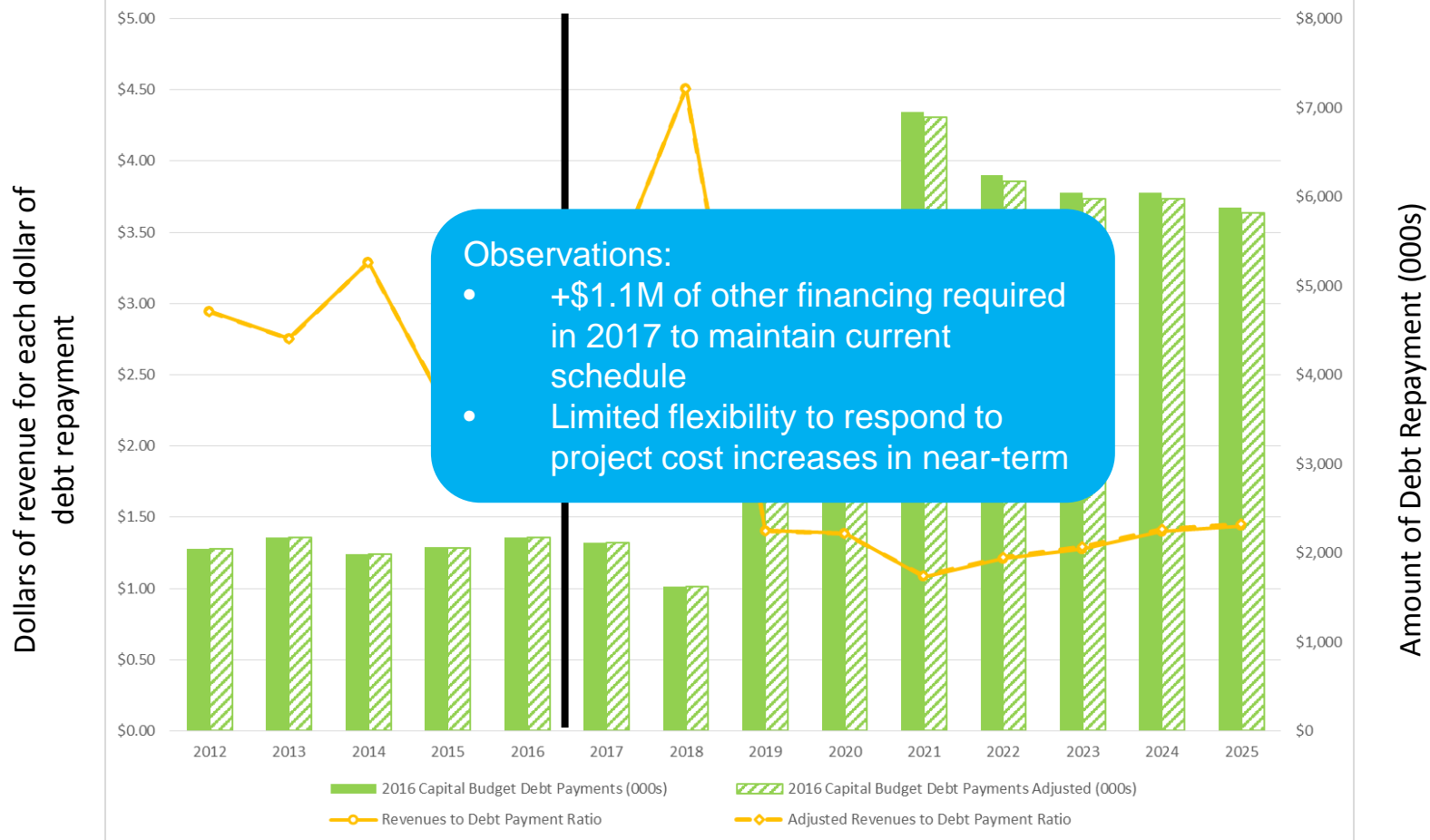
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Sanitary DC Reserve Fund Analysis



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Sanitary DC Reserve Fund Analysis





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2017 GMIS Update:

PROCESS OVERVIEW

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Next Steps 2017 GMIS Schedule

Timing	Milestone
February 5, 2016	Milestone 1: GMIS Update Kick-off Meeting
February 22, 2016 (All week)	Milestone 2: Development Stakeholder Interviews
March 8, 2016	Milestone 3: Internal Division Project Managers Meeting
March 11, 2016	Milestone 4: Internal City Development Management Team Meeting (Internal Steering Committee)
April 7, 2016	Milestone 5a: Development Community Stakeholder Session Meeting
April 11 – 22, 2016	Milestone 5b: Development Stakeholder Follow-up Meetings
April 29, 2016	Milestone 5c: Development Community Stakeholder Session Meeting
May 16, 2016	Milestone 6: City Staff GMIS Update Presentation to the Strategic Priorities and Policy Committee Public Meeting

NEW

NEW

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Demand/Supply
by Area

Progression of
Developments

Health of
Reserve Funds

All three tests must be met to maintain project timing.

GMIS “Tests”

1. Is the project needed to provide additional buildable lots to meet demand in the growth area?
(GROWTH & BUILD-OUT ANALYSIS)
 - If no, re-schedule project
2. Has a developer sufficiently progressed a development proposal to warrant the construction project next year or the following year?
(SUBDIVISION STATUS ANALYSIS)
 - If no, defer project
3. Can we afford the project?
(RESERVE FUND ANALYSIS)
 - If no, other projects must be deferred to accommodate



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2017 GMIS Targets/Modelling

- “Permit-ready lands” vs. serviced land supply
- DC Study growth allocations (single family units) model assumptions
 - North: 20%
 - Northwest: 22%
 - Northeast: 8%
 - Southeast: 15%
 - Southwest: 20%
 - West: 15%
- Rolling target: three (3) years of permit ready supply in each greenfield area (where possible)
- Subdivision timing and phasing based on feedback received from developers
- Registration occurs 1 year after infrastructure constructed (buffer)
- Provide opportunities in multiple locations and for multiple developers (where possible)



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GMIS Growth Model

North Demand and Supply Analysis

Assume 850 units/year 719 20% 144
 * 95% on greenfield lands
 * 11% of unit construction as VLC

FINAL MAY 2016

	0	1	2	3	4	5	6	7	8	9	10
Opening Supply	440	323	252	281	425	537	668	806	954	992	1030
Add: New Supply	27	73	173	288	256	275	282	292	182	182	182
Subtract: Demand	144	144	144	144	144	144	144	144	144	144	144
Remaining	323	252	281	425	537	668	806	954	992	1030	1068

Years of Serviced Supply	2	2	2	3	4	5	6	7	7	7	7
	2	2	2	3	4	5	6	7	7	7	7

Subdivisions Legend	
	Infrastructure construction year
	Estimate as no application received to date
	Subdivision build-out date

GMIS Timing Legend	
	2016 GMIS construction timing maintained
	Suggested 2017 GMIS project deferral
	Suggested 2017 GMIS construction timing

Subdivisions	Serviced Year	Reg'n Yr	Total	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
T-09501 Ph 1	2017	2018	73			18	18	18	18	0	0	0	0	0	0	0	0	0	0
T-09501 Ph 2	2017	2019	372				74	74	74	74	74	0	0	0	0	0	0	0	0
T-11502	2017	2020	124				25	25	25	25	25	0	0	0	0	0	0	0	0
T-07502 Ph1	Serviced	2018	229			38	38	38	38	38	38	0	0	0	0	0	0	0	0
T-07502 Ph2	Serviced	2024	229									38	38	38	38	38	38	0	0
T-07502 Ph3	2027	2028	16													16	0	0	0
T-04513	Serviced	2016	53	27	27	0	0	0	0	0	0	0	0	0	0	0	0	0	0
T-05508	Serviced	2018	28			28	0	0	0	0	0	0	0	0	0	0	0	0	0
T-15504	Serviced	2017	91		46	46	0	0	0	0	0	0	0	0	0	0	0	0	0
SD101	Serviced	2018	38			19	19	0	0	0	0	0	0	0	0	0	0	0	0
UP100 (portion)	Serviced	2019	250				42	42	42	42	42	42	0	0	0	0	0	0	0
UP 100 (portion)	Serviced	2024	250										42	42	42	42	42	42	0
UP100 (portion)	2020	2021	288						48	48	48	48	48	48	0	0	0	0	0
SC102 (portion)	2020	2023	238								40	40	40	40	40	0	0	0	0
SC102 (portion)	2020	2028	239													40	40	40	40
SD100 (portion)	2018	2019	120				30	30	30	30	0	0	0	0	0	0	0	0	0
SC100	Serviced	2018	26			13	13	0	0	0	0	0	0	0	0	0	0	0	0
SD102	Serviced	2018	88			29	29	29	0	0	0	0	0	0	0	0	0	0	0
UP101	Serviced	2022	49							25	25	0	0	0	0	0	0	0	0
SC101	2029	2029	14														14	0	0
SC103	2023	2024	55									14	14	14	14	0	0	0	0
Total			2870	27	73	173	288	256	275	282	292	182	182	182	134	176	134	82	40

GMIS Timing (Infrastructure Projects)	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Stoney Creek 7.1 SWM								5								
Stoney Creek SWM 10							4									
Sunningdale SWM 6A																
Stoney Creek SWM 2																
Sunningdale SWM E1					2											
Stoney Creek SWM 8												3				



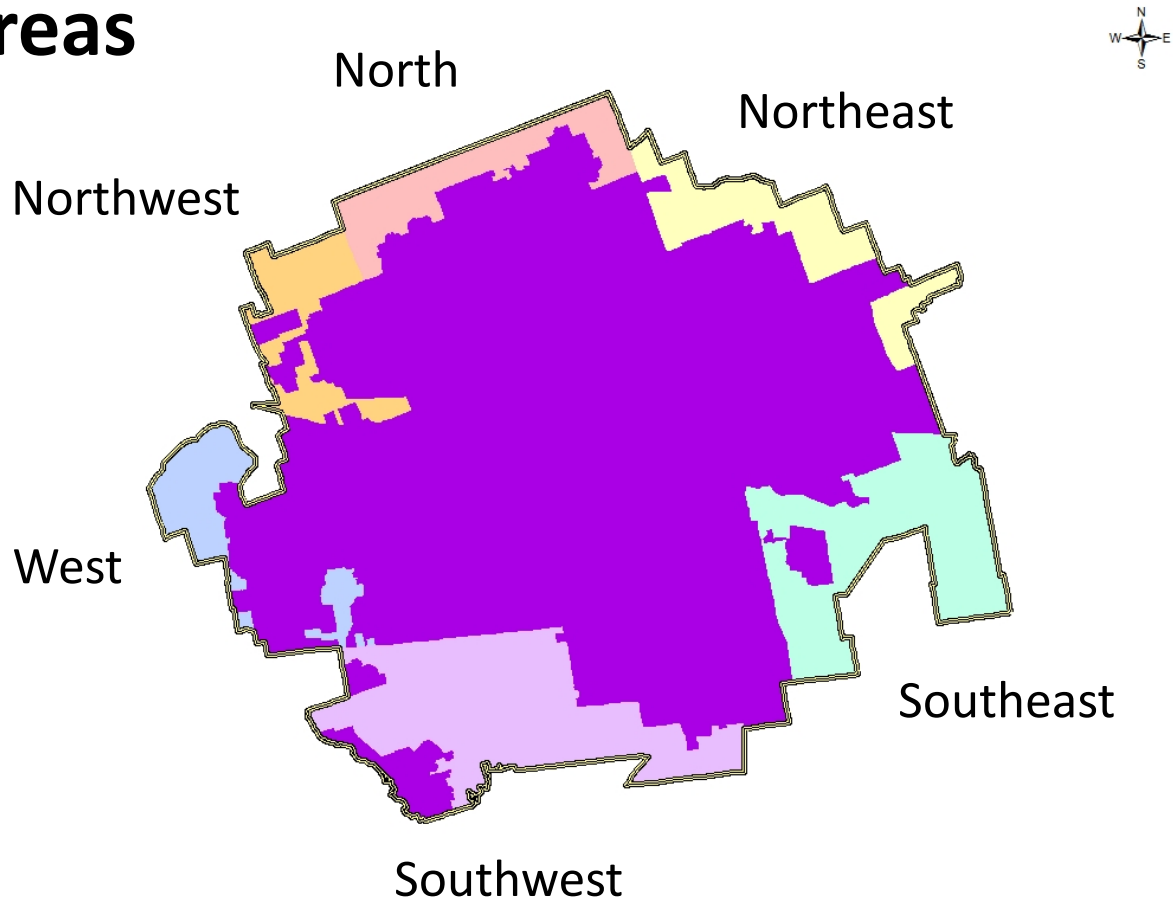
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2017 GMIS Update:

RESULTS AND PROJECT ADJUSTMENTS

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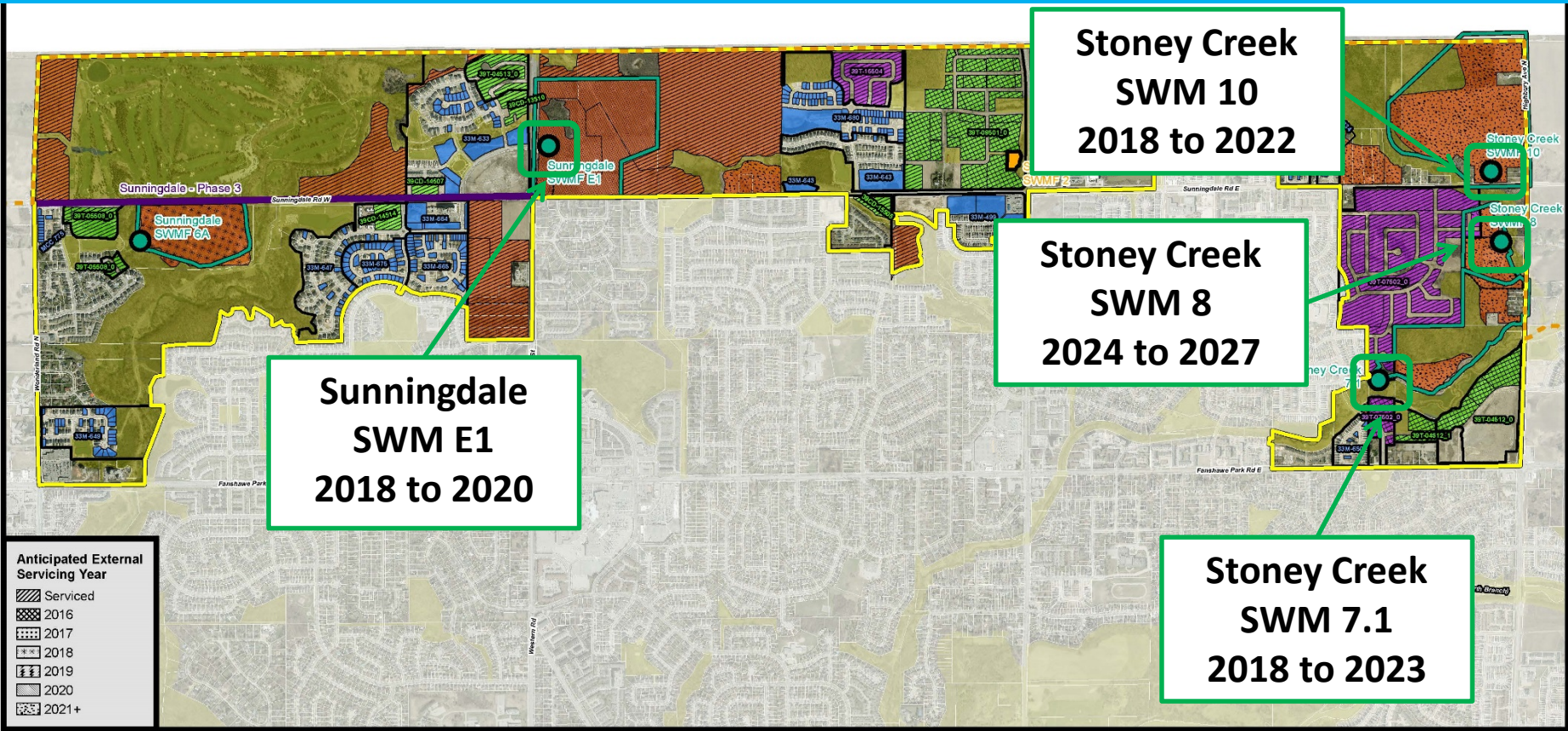
GMIS Areas





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2017 GMIS Project Timing Adjustments: North



Anticipated External Servicing Year

[Pattern]	Serviced
[Pattern]	2016
[Pattern]	2017
[Pattern]	2018
[Pattern]	2019
[Pattern]	2020
[Pattern]	2021+

NORTH GMIS AREA
APRIL 2015 AERIAL PHOTO

GMIS Area	Open Space Zones	Potential Development	Approved Construction Pending
Registered Subdivision/Condo Plans	Developable Areas With No Applications	SWM Catchments	SWM Facilities
Draft Approved Subdivision/Condo Plans	Assessment Land Parcels	Transportation	
Under Review Subdivision/Condo Plans	Urban Growth Boundary		

0 200 400 Meters

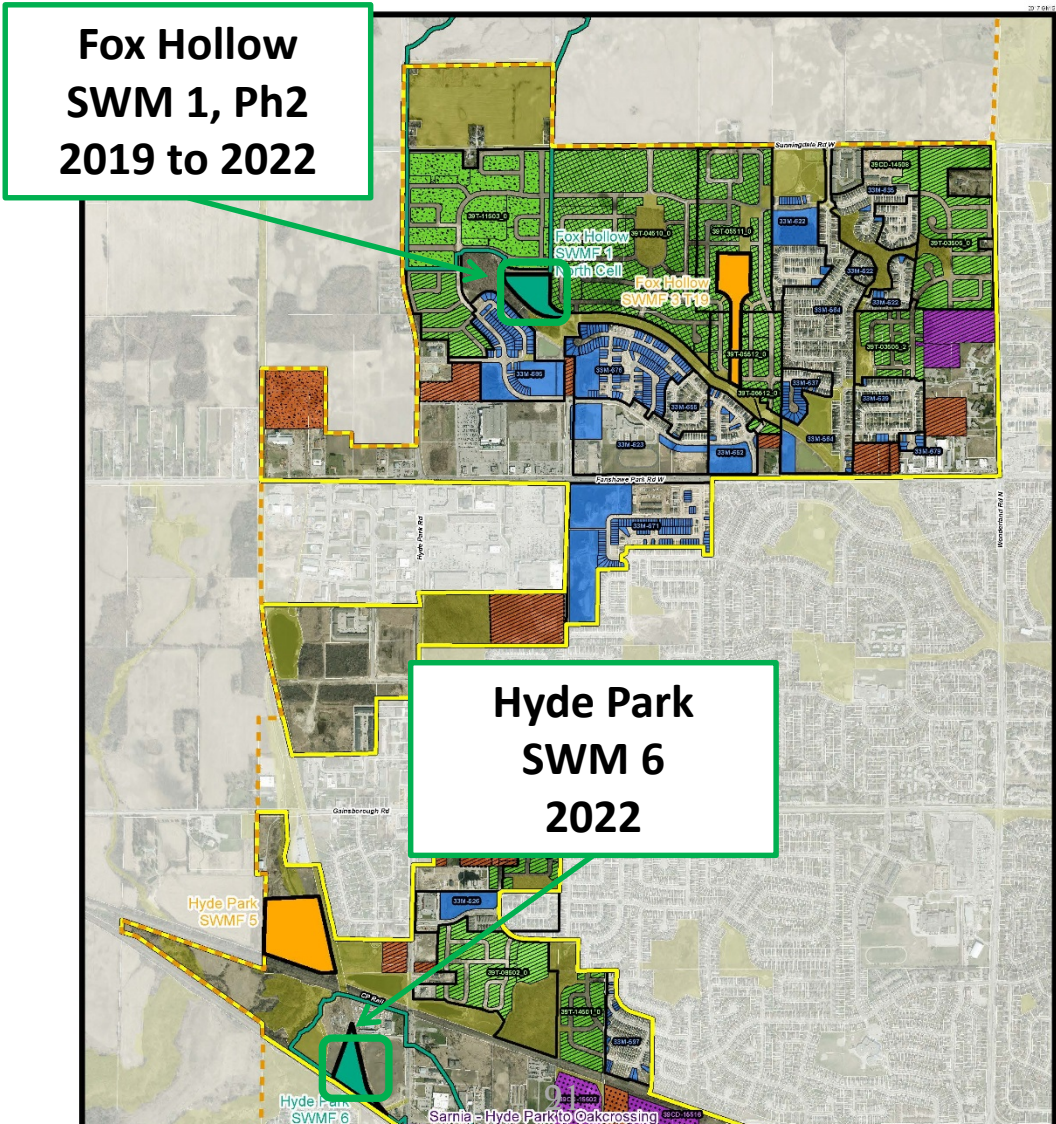
PREPARED BY: Development Services/10
LOCAL OFFICE: Planning/10
DATE: May 11, 2017
LOCAL OFFICE: Planning/10
DATE: May 11, 2017
GMIS_2017_Updated_Summary_2017_05_11_17





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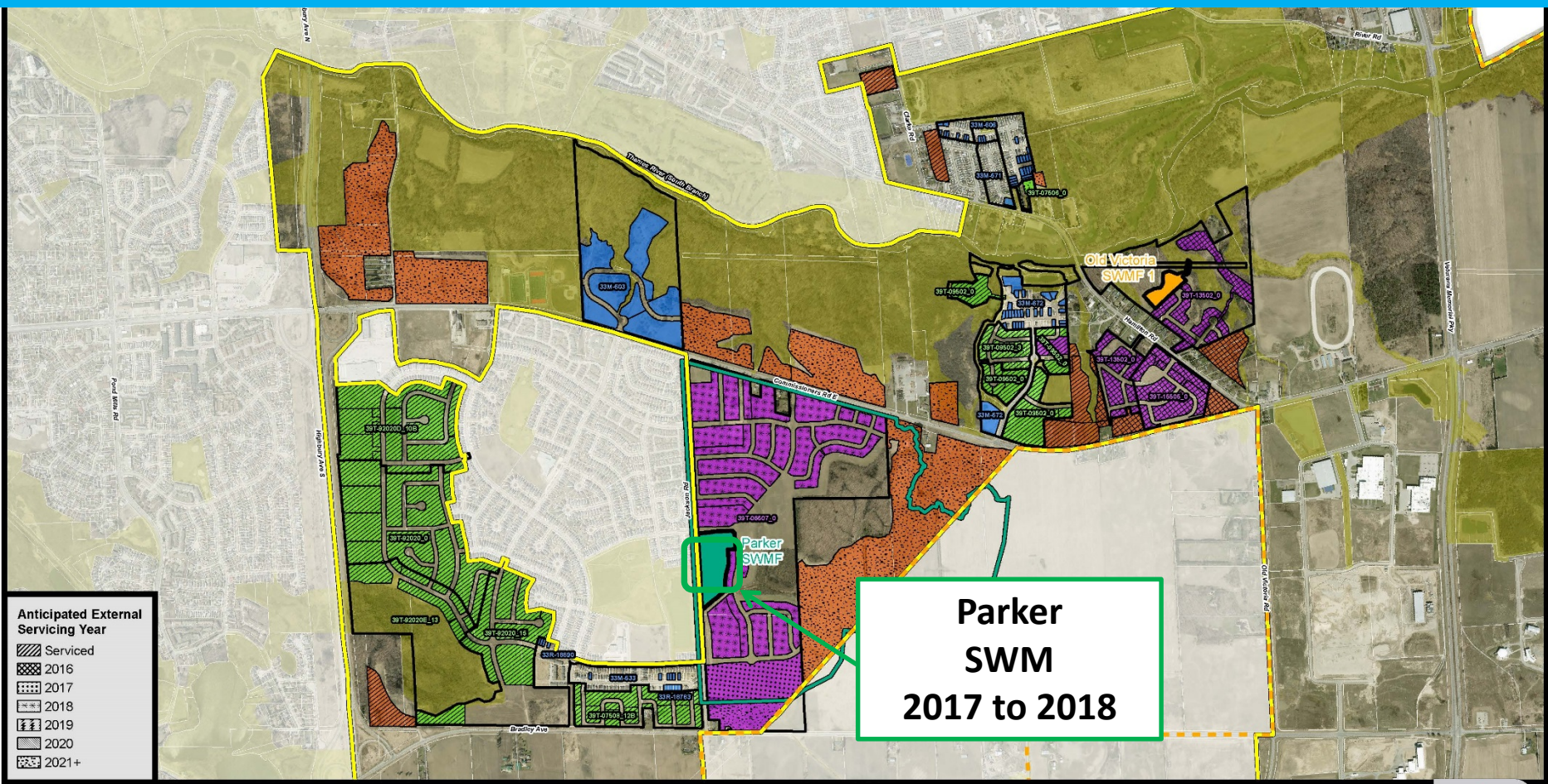
2017 GMIS Project Timing Adjustments: Northwest





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2017 GMIS Project Timing Adjustments: Southeast



Anticipated External Servicing Year

[Hatched pattern]	Serviced
[Orange pattern]	2016
[Green pattern]	2017
[Purple pattern]	2018
[Blue pattern]	2019
[Grey pattern]	2020
[White pattern]	2021+

Parker SWM 2017 to 2018

SOUTHEAST GMIS AREA

APRIL 2015 AERIAL PHOTO

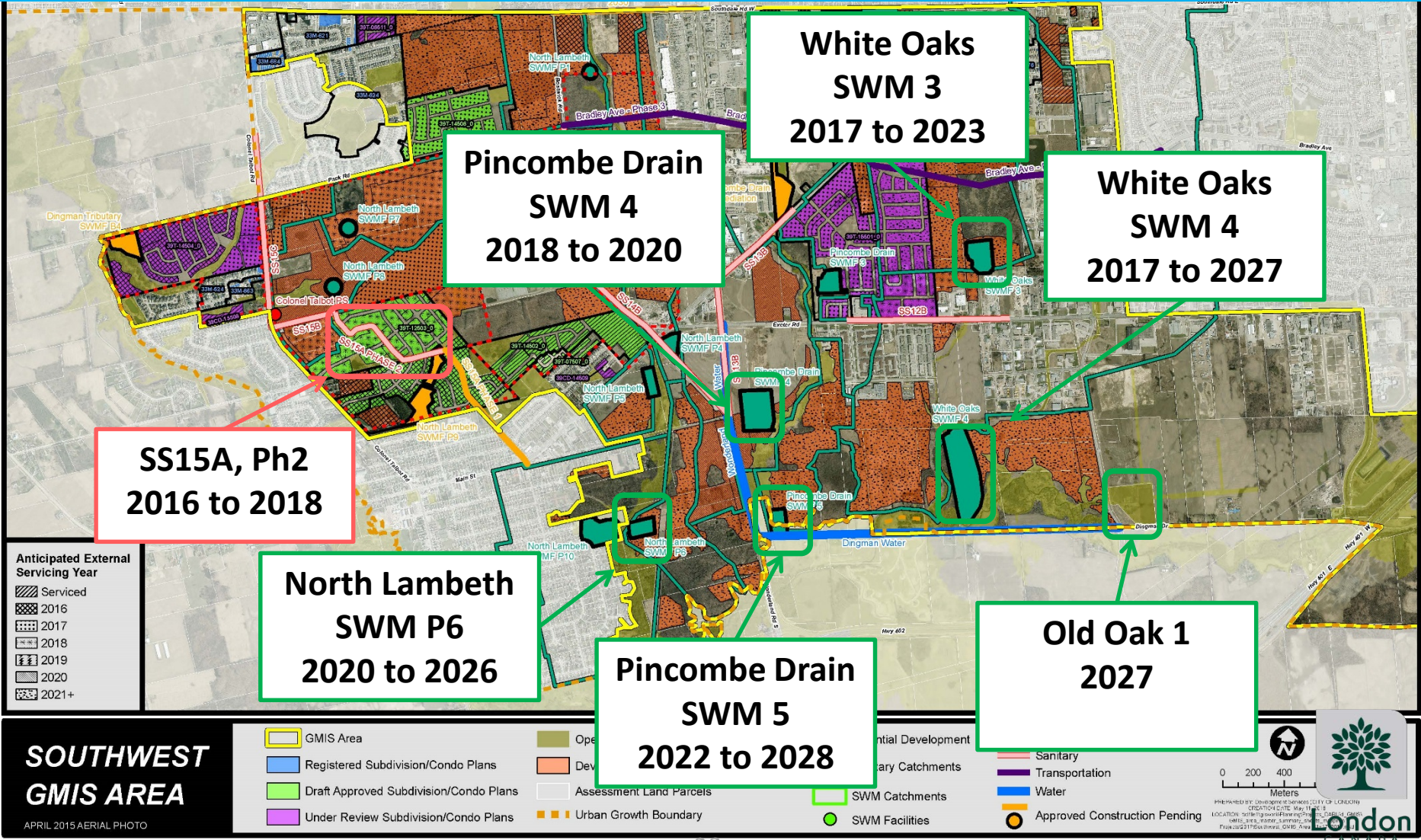
[Yellow outline]	GMIS Area	[Green outline]	Open Space Zones	[Dotted pattern]	Potential Development
[Blue outline]	Registered Subdivision/Condo Plans	[Orange outline]	Developable Areas With No Applications	[Green circle]	SWM Catchments
[Green outline]	Draft Approved Subdivision/Condo Plans	[Grey outline]	Assessment Land Parcels	[Green circle]	SWM Facilities
[Purple outline]	Under Review Subdivision/Condo Plans	[Orange dashed line]	Urban Growth Boundary	[Orange circle]	Approved Construction Pending

0 200 400
Meters

THESE BY DEVELOPERS ONLY CITY OF LONDON
LOCALITY: CADAM PROJECT: 140-2016-016
O/S area master plan: 140-2016-016

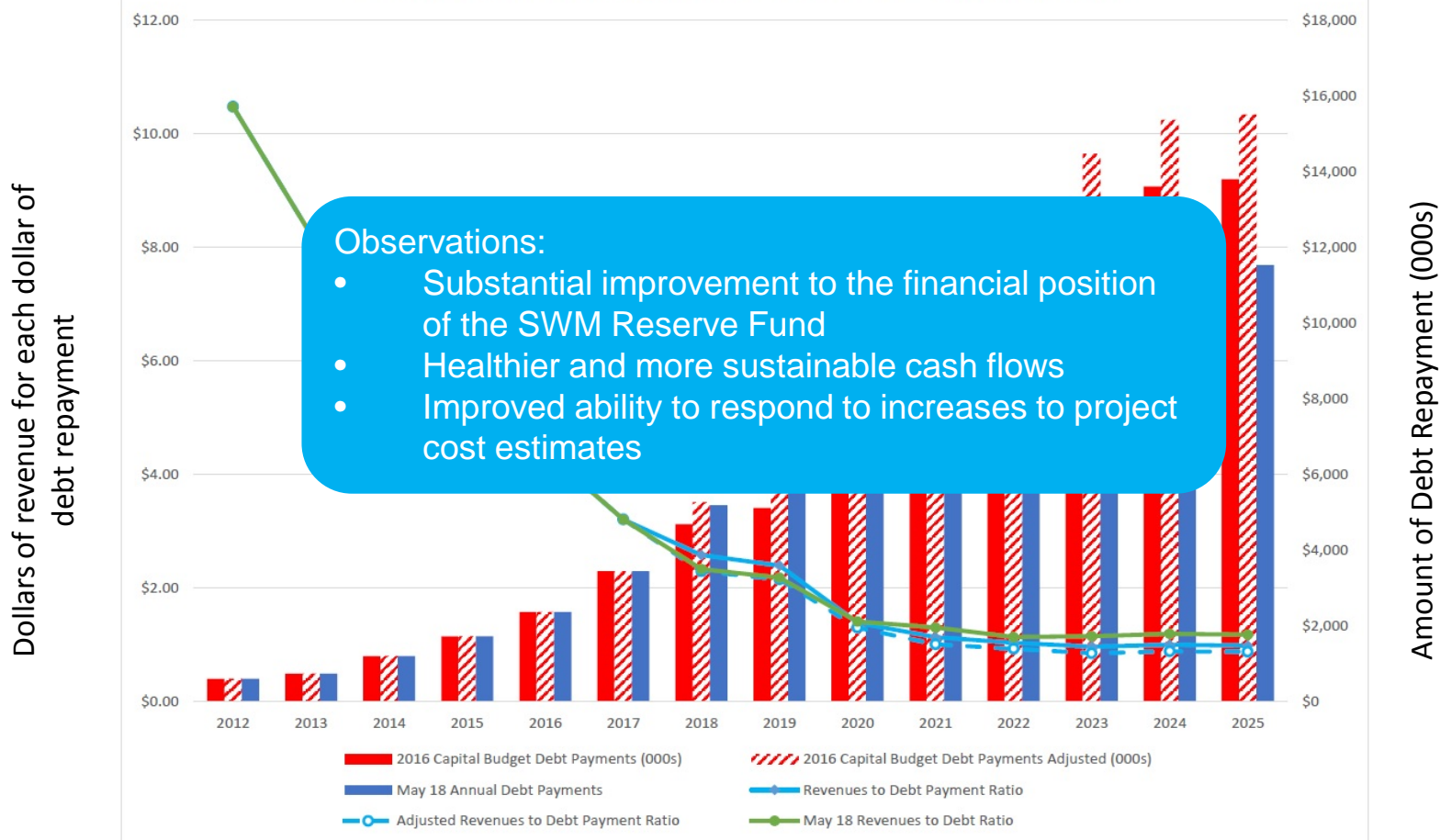
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CANADA

2017 GMIS Project Timing Adjustments: Southwest



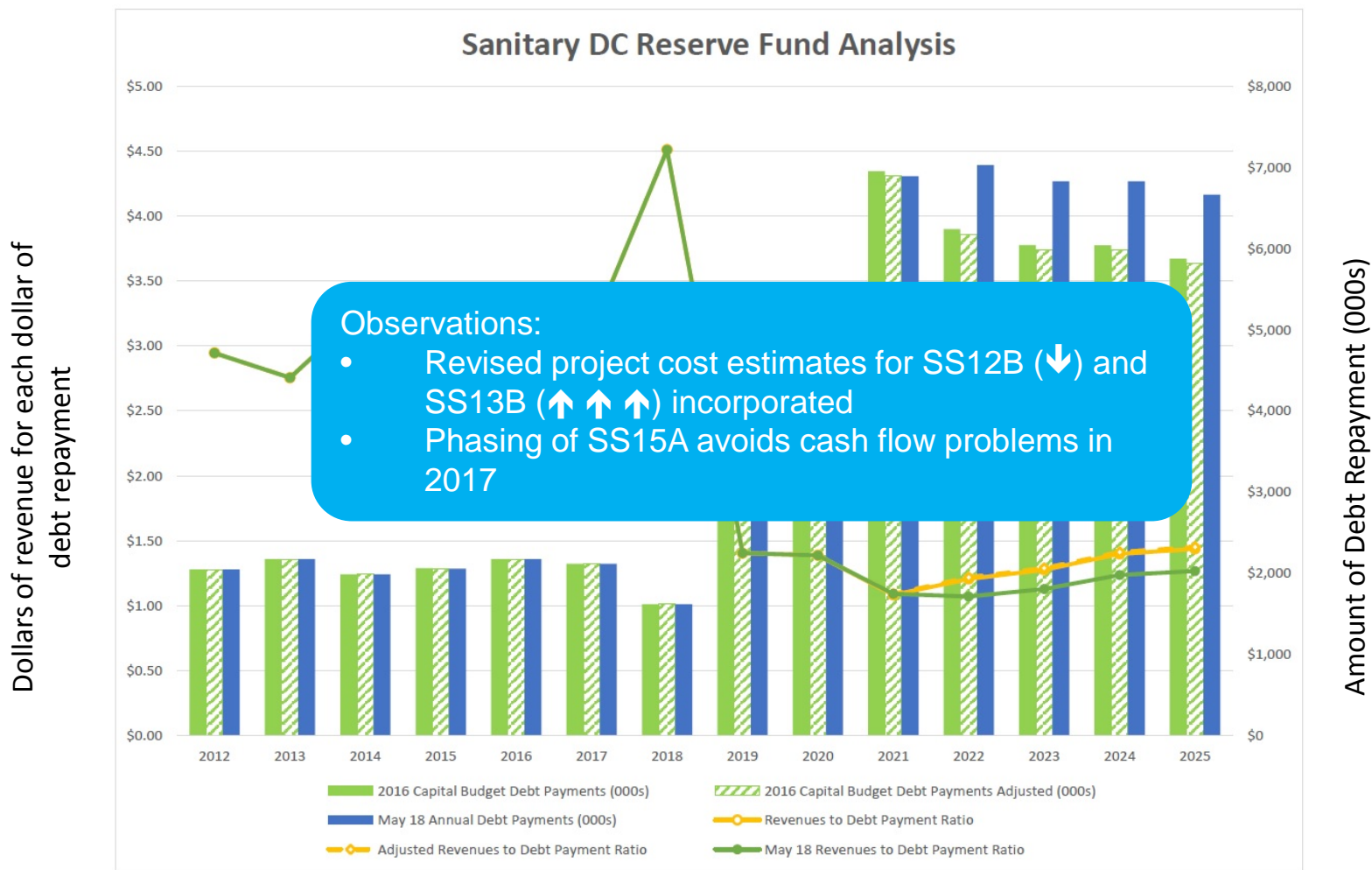
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Stormwater Management DC Reserve Fund Analysis



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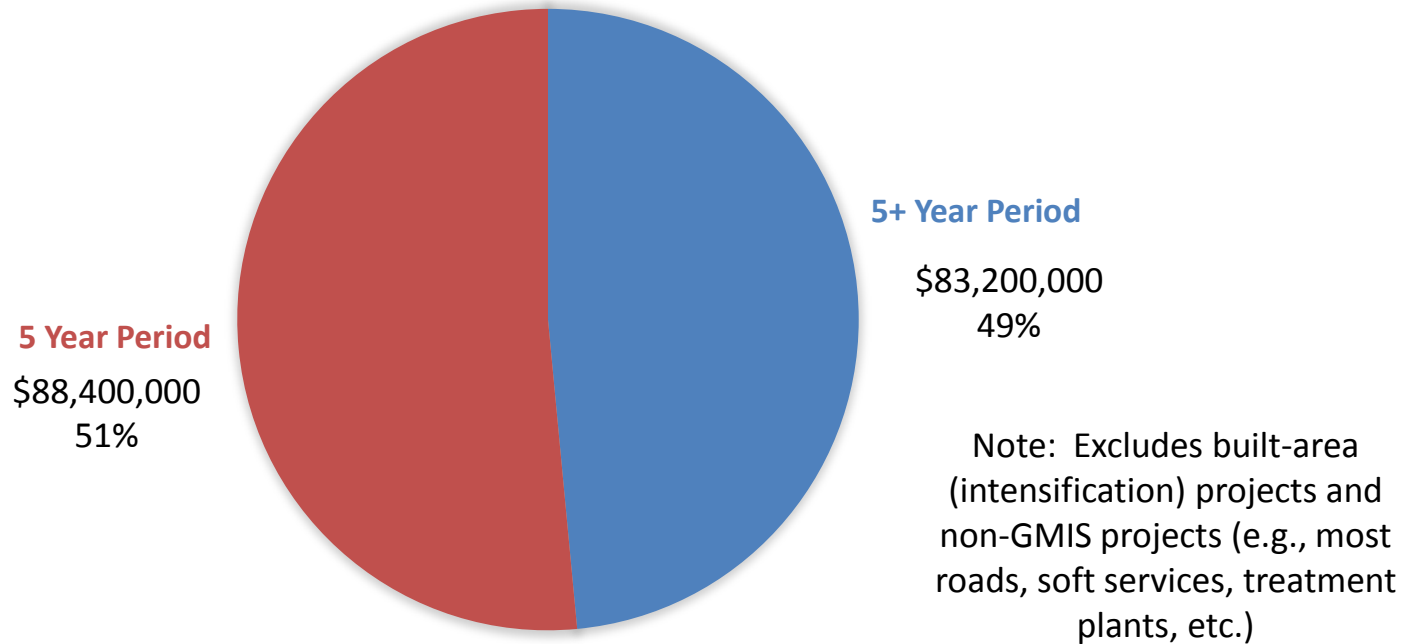
Sanitary DC Reserve Fund Analysis



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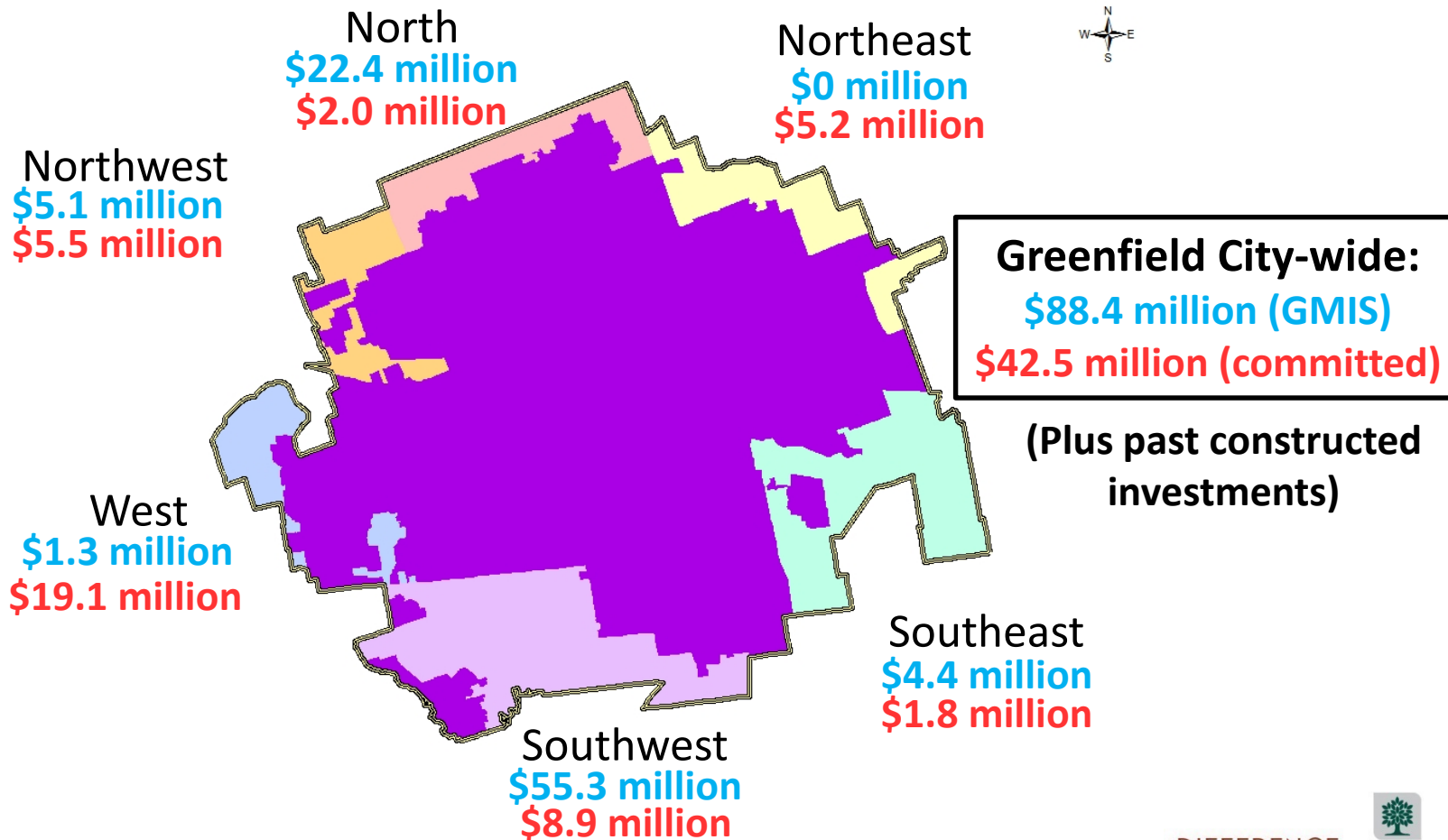
2017 GMIS Growth Infrastructure Spending

GROSS PROJECT COSTS



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GMIS Infrastructure Investments: 2017 - 2021





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City-wide Low Density Residential Demand and Supply

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
Opening Supply	1354	954	1124	1617	2327	2783	3246	3547	3887	4036	4094
Add: New Supply	277	890	1213	1430	1176	1183	1021	1060	869	778	592
Subtotal	1631	1844	2337	3047	3503	3966	4267	4607	4756	4814	4686
Less: Demand	719	719	719	719	719	719	719	719	719	719	719
Carry-over	954	1124	1617	2327	2783	3246	3547	3887	4036	4094	3966
Years of Serviced Supply	1	2	2	3	5	5	5	5	6	6	6

Achievable Timelines to Bring Permit Ready Lots to Market

Ward	Plan No.	Address	Area	Phase	Permit Ready	Conditional Clearance	Start of Construction	Completion	Units
Ward 1

Ward 2

Ward 3

} **Baseline** **1354 lots**
 (Permit Ready as of Dec. 31, 2015)

} **By 2016 Year End**

} **By 1st Half of 2017**

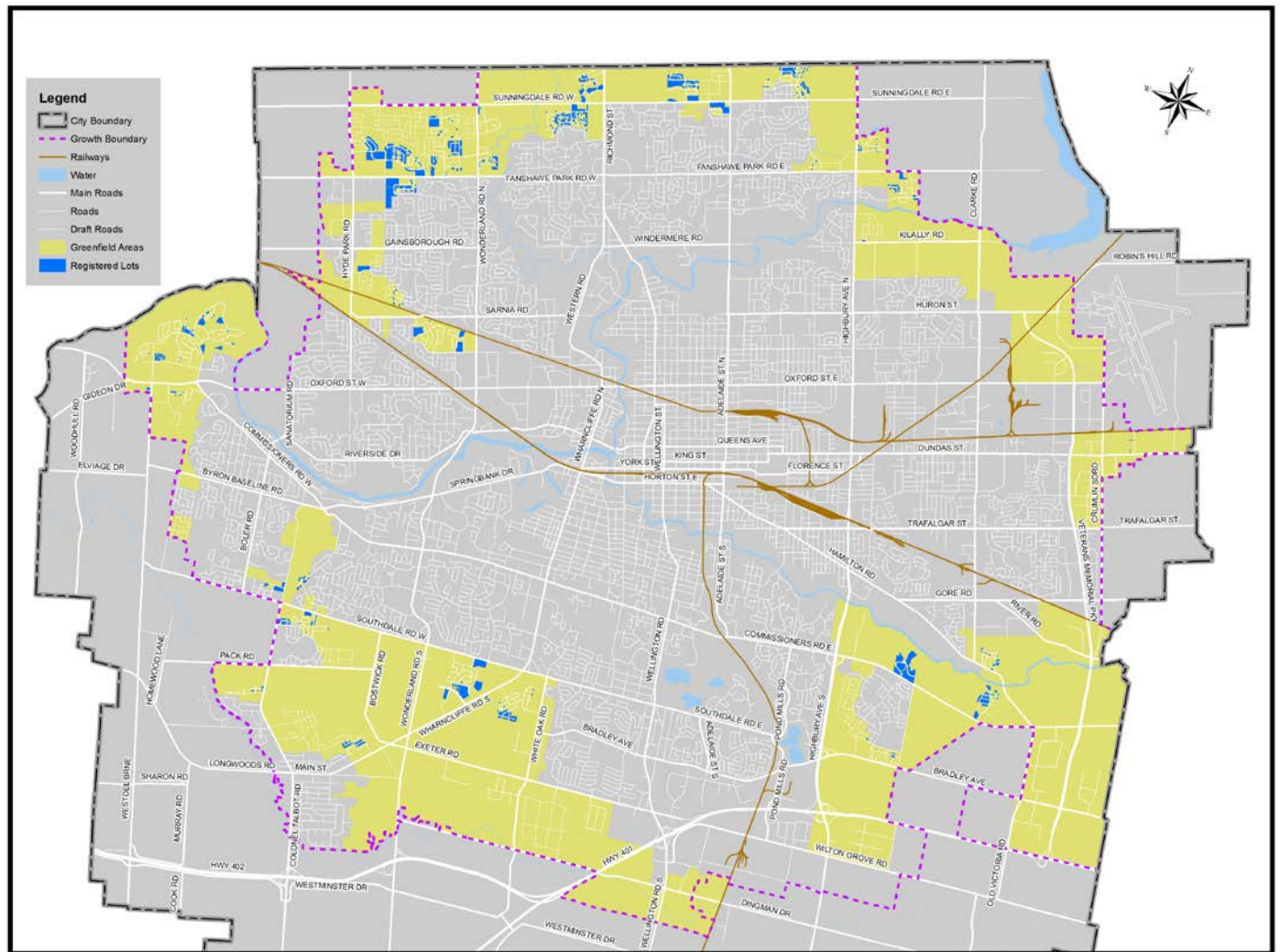
} **By 2nd Half of 2017**

} **Possibly Early 2018** **Potential for more**

} **2400 lots**

- List focuses on active plans that can reach Conditional Clearance in 2016/17
- Considers Single Family lots in first / next phase (no VLC)
- Does not Consider plans with only block development (MD, HD, Commercial)
- Does not include plans in Built Area

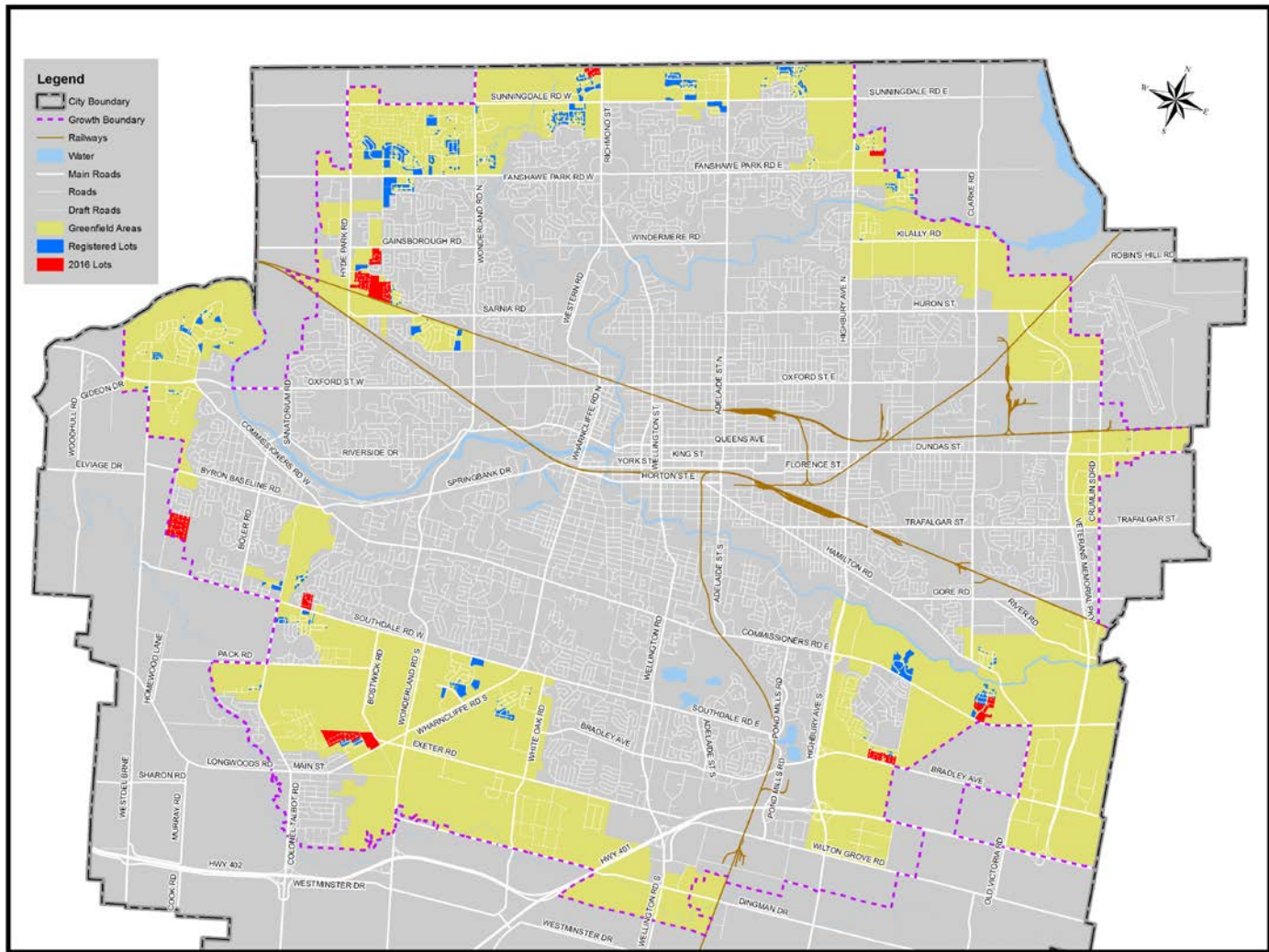




Baseline

1354*

* As of Dec.31, 2015



Baseline

End of 2016

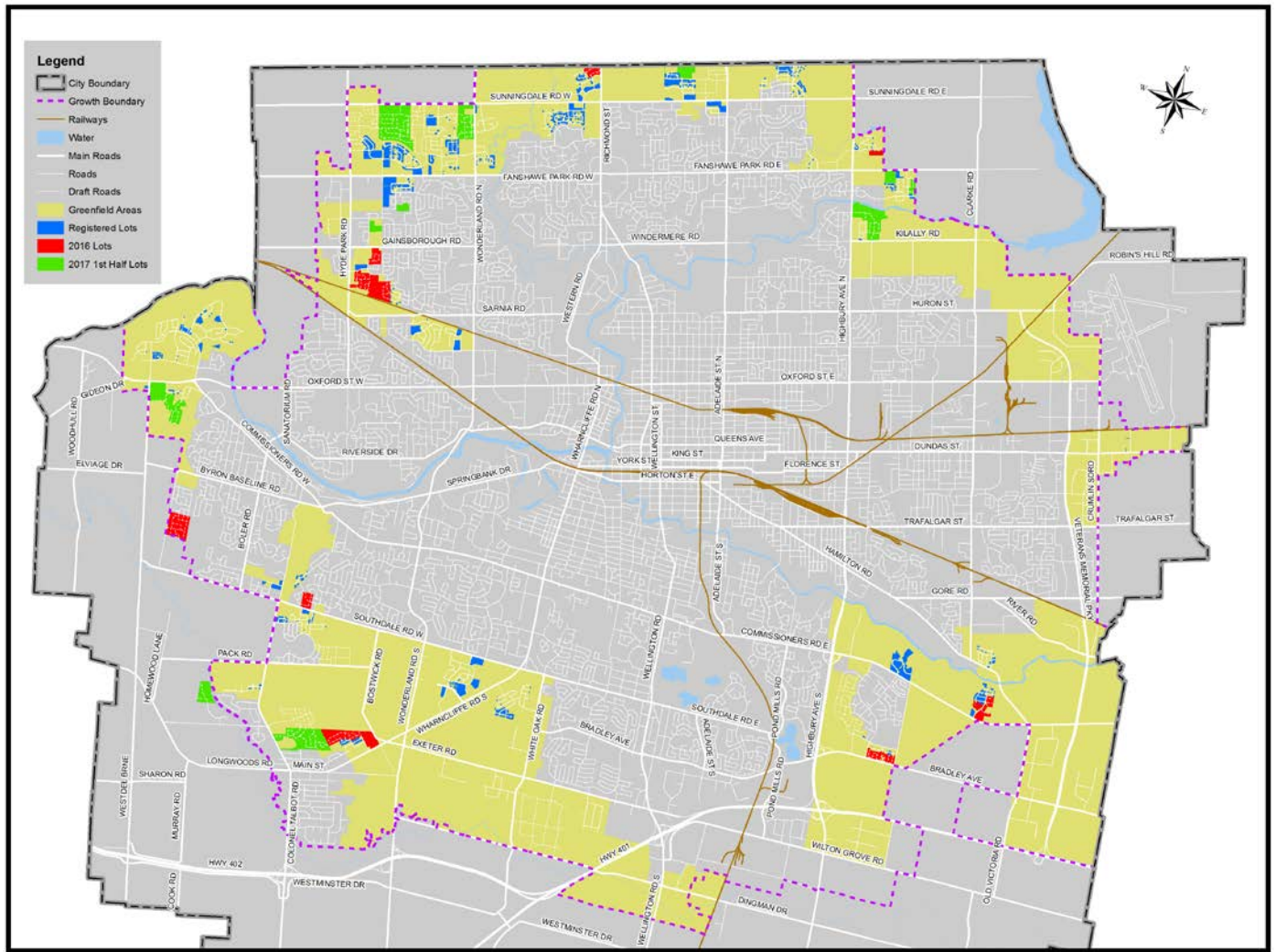
1354

815

TOTAL

2,169

* As of Dec.31, 2015



Baseline

End of 2016

1st Half 2017

1354

815

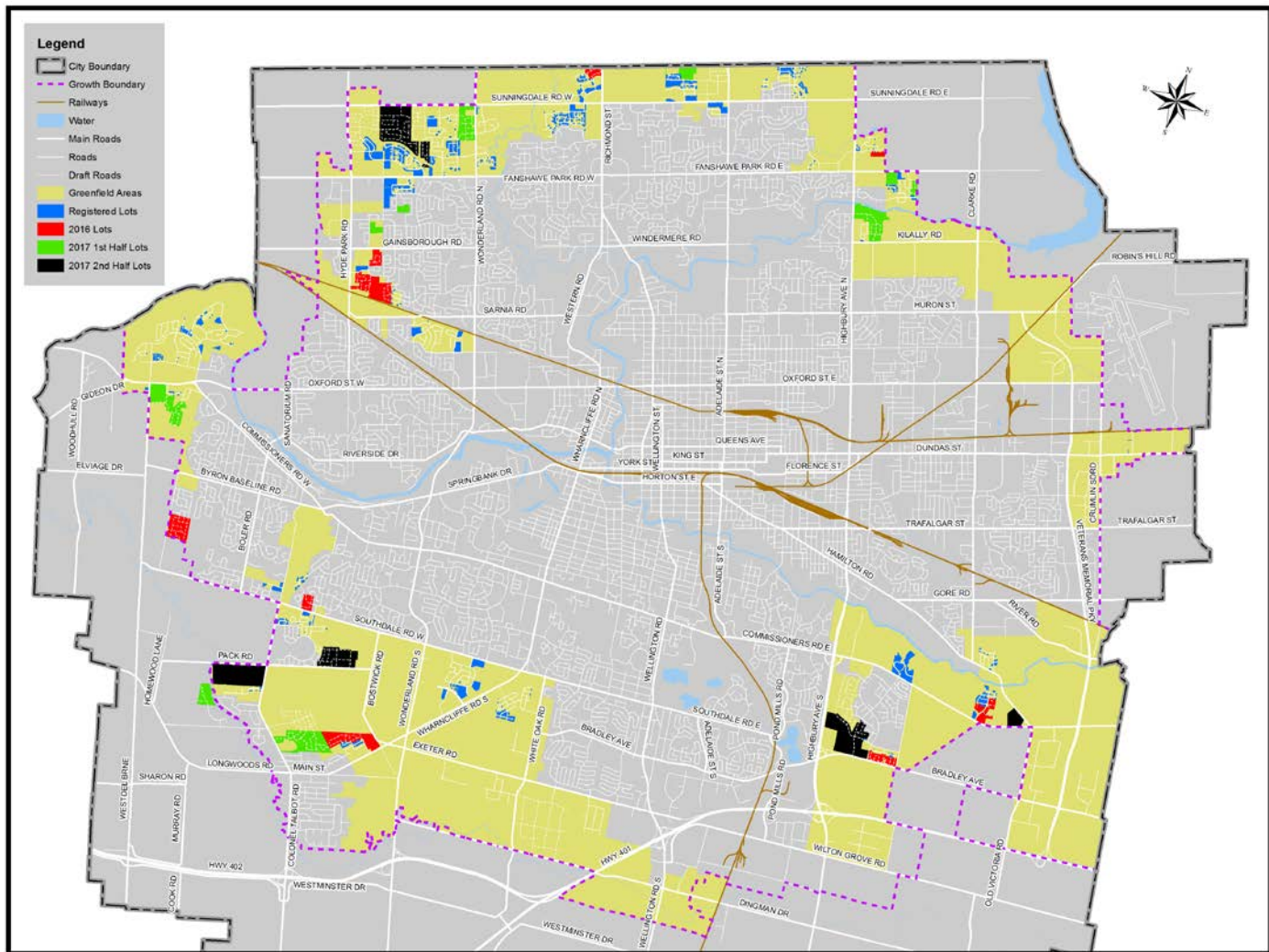
789

TOTAL

2,169

2,958

* As of Dec.31, 2015



Baseline	End of 2016	1 st Half 2017	2 nd Half 2017
1354	815	789	797
TOTAL	2,169	2,958	3,755

* As of Dec.31, 2015



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2017 GMIS Update:

SUMMARY



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What are we improving with the 2017 GMIS Update?

Sustainable debt

Stability of DC rates

Complete communities

2018 GMIS Update: “We’re good.”

Avoid premature/underutilized
investments

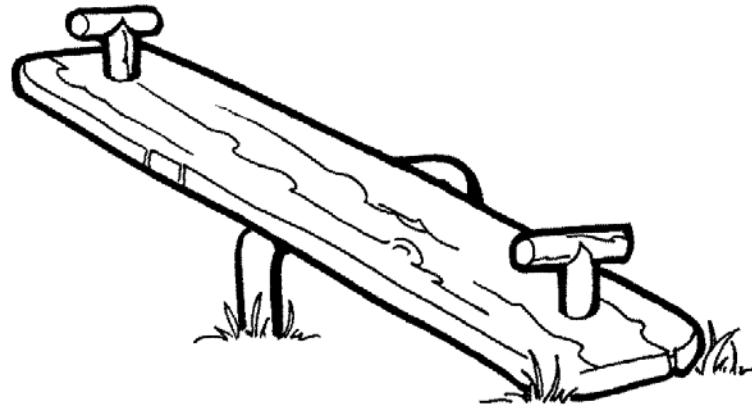
Greater certainty for project
timing

Provide substantial market
choice and competition

Maximize development
associated with infrastructure

Maximize new opportunities for growth

Less DC revenues to pay for projects



The 2017 GMIS aims to provide investments in growth infrastructure that we can afford.



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Recommendation:

- a. Endorsement of GMIS Infrastructure Project Evaluation Framework (Appendix 'A')
- b. Approval of 2017 GMIS Update (Appendix 'B')
- c. GMIS Update will be reflected in 2017 Multi-year Capital Budget Update