TO:	**CHAIR AND MEMBERS STRATEGIC PRIORITIES AND POLICY COMMITTEE MEETING ON MARCH 1, 2017**
FROM:	**MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER & ACTING CITY MANAGER**
SUBJECT:	**2017 ASSESSMENT GROWTH FUNDING ALLOCATION**

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer & Acting City Manager, the 2017 Assessment Growth Funding Allocation Report **BE RECEIVED** for information.

BACKGROUND

Assessment growth refers to the net increase in assessment attributable to new construction. Each year, weighted assessment growth is calculated as it generates incremental tax revenue. For 2017, the weighted assessment growth is 0.91%, or $4,907,000. This amount, along with the prior year carryover of $1,243,550 is available to fund costs associated with an expanding and growing city for 2017. The total assessment growth funding available for 2017 is $6,150,550 as follows;

2017 Assessment Growth (AG) Summary	
AG Funding Available	
Weighted AG at 0.91%	$4,907,000
Prior Year AG Carryover	1,243,550
Total AG Funding Available	**$6,150,550**

Civic service areas, boards & commissions that incur costs to provide existing core services to new growth areas are required to submit business cases to the Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate. The business cases provide justification and rationale for the assessment growth funding request and include a description of the need for growth funding, the associated financial impacts as well as metrics. These business cases are included in Appendix “A”.

The process for allocating assessment growth funding is outlined in Council approved policy 8(30) Assessment Growth Policy adopted on March 10, 2016. The policy establishes a priority framework for the allocation of assessment growth funds. The first available assessment growth funding is allocated to assessment growth business cases approved by the Managing Director, Corporate Services & City Treasurer, Chief Financial Officer or designate.

During the 2017 Annual Budget Update, Council approved assessment growth funding for the Upper Thames River Conservation Authority (UTRCA) – Environmental Targets Strategic Plan, Case #4 in the amount of $179,000. The remaining funding available to allocate to assessment growth business cases for 2017 is $5,971,550.

The following table provides a summary of the allocation of the 2017 assessment growth funding.

2017 ASSESSMENT GROWTH					
Progam /Case #	**Service Area**	**Total Funding**	**One-time Funding**	**Permanent Funding**	**FTE Impact**
APPROVED BY COUNCIL DEC. 6, 2016 - 2017 ANNUAL UPDATE					
	Upper Thames River Conservation Authority - Environmental Targets Strategic Plan	$ 179,000	$ -	$ 179,000	1.0
ASSESSMENT GROWTH BUSINESS CASES					
CULTURE SERVICES					
1	Library Services - London Public Library	$ 21,255	$ -	$ 21,255	-
ENVIRONMENTAL SERVICES					
2	Uppper Thames River Conservation Authority	91,000	-	91,000	1.0
3	Recycling & Composting (EnviroDepot operating costs)	101,400	-	101,400	-
4	Recycling Collection	56,025	-	56,025	-
5	Garbage Collection & Disposal	80,952	-	80,952	0.3
6	Garbage Collection & Disposal (Disposal at W12A)	21,000	-	21,000	-
TOTAL ENVIRONMENTAL SERVICES		350,377	-	350,377	1.3
PARKS, RECREATION & NEIGHBOURHOOD SERVICES					
7	Community Centres	95,000	-	95,000	1.0
8	Parks & Horticulture	93,650	29,000	64,650	0.5
9	Parks and Natural Areas Planning & Design	23,534	-	23,534	-
10	Urban Forestry - Forestry Operations	189,379	-	189,379	1.0
TOTAL PARKS, RECREATION & NEIGHBOURHOOD SERVICES		401,563	29,000	372,563	2.5
PROTECTIVE SERVICES					
11 & 12	Police	1,670,899	60,000	1,610,899	14.0
TRANSPORTATION SERVICES					
13	Public Transit - London Transit Commission	1,343,900	1,100,400	243,500	12.0
14	Roadway & Winter Maintenance/Planning & Design □	660,867	-	660,867	2.7
15	Traffic Control & Street Lighting/Street Light Maintenance	62,202	-	62,202	-
16	Roadways/Traffic Signal Maintenance □	14,008	-	14,008	-
TOTAL TRANSPORTATION SERVICES		2,080,977	1,100,400	980,577	14.7
CORPORATE, OPERATIONAL & COUNCIL SERVICES					
17	Corporate Services & Corporate Planning □	511,479	-	511,479	5.0
18	Public Support Services	150,000	-	150,000	2.0
TOTAL CORPORATE, OPERATIONAL & COUNCIL SERVICES		661,479	-	661,479	7.0
FINANCIAL MANAGEMENT					
19	Capital Financing	500,000	-	500,000	-
20	Finance□	285,000	-	285,000	3.0
TOTAL FINANCIAL MANAGEMENT		785,000	-	785,000	3.0
TOTAL ASSESSMENT GROWTH BUSINESS CASES		**$5,971,550**	**$1,189,400**	**$4,782,150**	**42.5**
TOTAL ASSESSMENT GROWTH FUNDING		**$6,150,550**	**$1,189,400**	**$4,961,150**	**43.5**
Note: One-time funding will be carried forward to the following year as a permanent source for future growth costs.					

Assessment growth funding not permanently allocated i.e. one-time funding, will be carried forward to the following year as a permanent source for future growth costs. For 2017, a total of $1,189,400 of one-time funding will be available for growth costs in 2018. One-time funding requests relate to capital costs required on a one-time basis.

As noted in the table above, there is a total of 43.5 FTEs being added, which consists of 15.5 FTEs for civic service areas and 28.0 FTEs for boards & commissions.

Conclusion
Assessment growth from new homes and businesses generates incremental tax revenue that is used to fund the extension of municipal services required for an expanding City. This funding is allocated to growth costs as per the Council approved policy.

PREPARED BY:	REVIEWED AND CONCURRED BY:
Annette Ripepi **Manager, Financial Planning & Policy**	**Larry Palarchio** **Director, Financial Planning & Policy**
RECOMMENDED BY:	
Martin Hayward **Managing Director, Corporate Services and City Treasurer, Chief Financial Officer & Acting City Manager**	

Appendix "A" Business Cases

Appendix “A”

Detailed business cases to follow.

2017 Assessment Growth Business Case #1

Service Grouping	Libraries
Service	Library Services
Background/Description of Change	Library Collections: London Public Library (LPL) collections are a key means of delivering high quality, accessible and relevant library service to all Londoners. LPL collections serve diverse users with a variety of needs and expectations. Collections connect people of all ages and abilities to a range of ideas, creative thought and expression, information and viewpoints. People can access, use and borrow items from a comprehensive collection of fiction and nonfiction materials across multiple platforms including, but not limited to, print, audio visual and electronic formats.

1. Background

a) Area Currently Served by Unit of Measure
London Public Library is accessible to all Londoners (385,100 people) and provides services in-person through the Central Library and 15 neighbourhood branches, by telephone, and virtually through its website. In 2015, nearly 3,900,000 library books, magazines, CDs, DVDs, and other materials were circulated.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$2,150,000		

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$5.45 per Londoner	

d) If this is a Contracted Service, what is the Percentage Contracted Out?
NA

e) Assets Currently Used to Provide Service
NA

2. Request

a) Growth Area by Unit of Measure
Population of the City of London in 2017 is expected to be 389,000; that is an increase of 3,900 people.
3,900 x $5.45 = $21,255.

b) Impact of Growth - Staffing

Staffing FT#	**Staffing FTE#**	**Staffing FTE $**
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$21,255
Capital Cost of Incremental Assets	0
Total Growth Request	$21,255

d) Impact on Assets Used to Provide Service
To effectively respond to community needs and expectations by meeting demand, improving access, maintaining the currency and scope of the collection, replacing outdated and worn materials, keeping current with new formats, and supporting the Library's 'User First' service philosophy.

2017 Assessment Growth Business Case #2

Service Grouping	**Upper Thames River Conservation Authority (UTRCA)**
Service	**Upper Thames River Conservation Authority (UTRCA)**
Background/Description of Change	**Hiring of One Additional Full Time (FT) Position** The UTRCA has not increased Regulations staff capacity since 2008. Increases in the number of; Conservations Authorities Act permits; Technical input to Planning Act applications; and the number of growth related initiatives (Environmental Assessments, Secondary Plans etc.,) have increased as housing continues to increase in the City of London. Hiring of one (1) additional Full Time (FT) position is required to avoid delays in the development review process while maintaining the level of service the City requires.

1. Background

a) Area Currently Served by Unit of Measure
(Describe in terms of lane kms of road, acres of parkland, sq. feet of building space, additional residents, etc.)

Growth is directed to the areas within the City of London urban growth boundary. These areas are all located within the UTRCA's watershed. The population and housing statistics outlined in Appendix H of the *Financial Planning and Policy Budget Development Guidelines 2016-2019 of the City of London further support this trend in housing showing 1.1% increases since 2012 and forecast at 1.2% increases for 2016 and beyond*. As housing continues to grow the need for the UTRCA to review development applications also increases.

The Environmental Planning & Regulations unit has four main roles in the development process:

- <u>The Conservation Authorities Act (CA Act)</u>: empowers the UTRCA to prepare Regulations and require permits within our area of jurisdiction. In reviewing applications and issuing permits within the Regulation Limit, the Authority considers natural hazard natural heritage and water quantity and quality concerns. As the City's housing increases, so has the need for UTRCA permit reviews. Historically, UTRCA permits within the City of London have increased by at least 10% per year with housing increasing from 1.0% to 1.2% over the same time period.

- <u>Planning Act Technical Input</u>: currently this unit provides technical support to a number of City Departments to successfully advance Planning Act files to approval. Although the Land Use Planners are the file coordinators, we routinely liaison with over 30 City staff to support Development Services in 12 City departments.

- <u>Municipal Class Environmental Assessments (EA) / Area Plans / Secondary Plans</u>: UTRCA staff review and provide comments on all Class and Individual Environmental Assessments that are proposed within the watershed. Staff ensure that environmental and resource concerns pertaining to air, land and water as well as plant, animal and human life are identified through this process. Staff need to be involved with these projects to ensure there is an appropriate balance between the level of detail needed to support a decision while allowing specific detailed design components to be deferred to a later point in the development process. Staff are involved throughout this process to ensure consistency with permit requirements under Section 28 of the Conservation Authorities Act. We note that there are currently 65 active EA project files on the August 2016 EA status summary on the City of London web site, with UTRCA interests in at least 55 of them. Historically, the average number of EA's we are involved with annually has been 40.

- <u>Inquiry Services</u>: The Authority is routinely asked to provide property information to landowners and other stakeholders. Inquiries vary from telephone requests for general information to specific requests for information about development restrictions on a property which routinely require a site visit to confirm existing and proposed conditions. The UTRCA considers its inquiry service as an opportunity to provide valuable information and to educate stakeholders about the Natural Hazards and Natural Heritage Features on the subject property. It also provides an indication of the potential limitations on development to a landowner or prospective home-buyer. As the number of homeowners increases the number of inquiries will also continue to increase.

Currently, the UTRCA employs two Land Use Regulations Officers and a part time Regulations Technician for our 3432 km^2 watershed. In addition, technical staff with expertise in the areas of; Land Use Planning, Ecology, Stormwater Management, Water Resources Engineering, and Hydrogeology are relied upon to assist in the review of submissions to support development proposals. One position has been dedicated to projects undertaken within the City of London. This staffing capacity has not increased since 2008. UTRCA has relied on employment programs to assist with our workload (i.e., Human Resources Skills Development Canada, Co-op work terms, Summer Careers Opportunity etc.) The requirements for these programs have changed over time resulting in reduced funding and fewer positions. With the increases in development activities, primarily in the City of London, forecasted an FTE is required to maintain the level of service to support the watershed.

a) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$1,057,405	5	7.35

b) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$143,864 per FTE	1 FTE = 1750 hours

b) If this is a Contracted Service, what is the Percentage Contracted Out?
This is not a contracted service.

c) Assets Currently Used to Provide Service
(List only assets that will be impacted by changes due to growth)
Office space, computer, furniture, vehicle, equipment, etc.

2. Request

a) Growth Area by Unit of Measure
(Same unit of measure used in current case)

The UTRCA permits have increased as the City continues to grow. Pressures to support growth have continued to increase within the City of London portion of the UTRCA's watershed. Factors which contribute to increase the strain on development approvals include: the recently approved Southwest Area Plan; Intensification policies (OPA 438); and the Development Charges Adjustment with a 5 year stepped implementation that will drive the approvals for commercial site plans as applicants submit in advance of rate increases.

The Population and housing statistics outlined in Appendix H of the *Financial Planning and Policy Budget Development Guidelines 2016-2019 of the City of London* demonstrate that housing will continue to grow at a rate of 1.2 percent per year from 2016 to 2019. These factors create a need for an additional FTE to maintain a consistent level of service expected from the City of London. The table below outline the increases expected and the hours of staff time required to maintain the same level of service.

City of London Applications	Forecasted Increases from 2016 and beyond	Average hours per application	Additional Hours
Conservation Authority Permits (growth rate 10-12% per year)	*35*	*30*	*1050*
Municipal Environmental Assessments / Area Plans / Secondary Plans	*10*	*40*	*400*
General Inquiries, mapping requests etc.	*50*	*0.5*	*50*
Permit Requirements & technical Liaison for Planning Act Applications:			
Minor Variance	*12*	*0.5*	*6*
Consents	*5*	*1*	*5*
Subdivisions	*5*	*25*	*125*
Condominium	*3*	*5*	*15*
Site Plans (standard)	*12*	*10*	*120*
Site Plans (intensification)	*10-15*	*5*	*75*
		TOTAL	***1846***

Overall, the workload resulting from City of London growth related responsibilities and implementation of planning policy is estimated above. Therefore, the total hours required to respond to the increasing growth related workload (1846 hours) exceeds that of a full time position.

This budget request is for one (1) full time position in the Environmental Planning and Regulations unit, to address the increasing number of development applications in these areas. The City's development initiatives are expected to increase application numbers and the volume of the workload. The UTRCA staff are finding it difficult to maintain the current level of service required by the City to process applications, as growth continues to be forecasted additional staffing is required to maintain that level of service.

b) Impact of Growth – Staffing

This position will be cost shared among the 17 watershed Municipalities. The City of London's share is approximately 65% of the total cost of the position.

Staffing FT#	Staffing FTE#	Staffing FTE $
1	1	$92,948

Note: Costs above represent the gross salary & fringe costs to UTRCA of additional staff. City of London share currently represents approximately 65% of this total.

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)* *London's share of wages, benefits and overhead*	$91,000 ($143,864 X approx. 65%)
Capital Cost of Incremental Assets	No additional costs are expected.
Total Growth Request	$91,000

d) Impact on Assets Used to Provide Service

Fleet, Information Systems and equipment asset impacts are included in the overhead costs above.

2017 Assessment Growth Business Case #3

Service Grouping	Garbage, Recycling & Composting
Service	Recycling & Composting
Background/Description of Change	Leaf and Yard Waste Composting -The City collects yard materials and fall leaves from homes. These materials can also be dropped off at the EnviroDepots. Growth of new homes is contributing to the amount of all materials requiring management at the depots. For example, the quantity of yard materials and fall leaves composted has increased by an average of 7% per year over the last 4 years as bushes, shrubs, other vegetation, starts to mature; planted trees increase in size; and existing trees are now part of the urban environment.

1. Background

a) Area Currently Served by Unit of Measure
Composting of yard materials and fall leafs is provided to 122,310 household units. Approximately 26,000 tonnes of material were composted in 2015.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$1,680,000 (excluding collection but includes EnviroDepot operations)	2	2.0

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$52 per tonne (contractor processing fee)	Not applicable

d) If this is a Contracted Service, what is the Percentage Contracted Out?
90% of this service is contracted out.

e) Assets Currently Used to Provide Service
None.

2. Request

a) Growth Area by Unit of Measure

The quantity of yard materials and fall leaves composted has increased by an average of 7% per year over the last 4 years as bushes, shrubs, other vegetation, starts to mature; planted trees increase in size; and existing trees are now part of the urban environment. This is on top of increases associated with growth from homeowners continued investment in natural vegetative landscaping, bushes, shrubs and trees. The base quantity of 26,000 tonnes in 2015 is expected to increase to 29,770 tonnes by the end of 2017 (i.e. 2016 increase - 26,000 x 7%= 1,820 tonnes, 2017 increase - 27,820 x 7% = 1,950 tonnes).

The growth in composting amounts to $101,400 (1,950 tonnes X $52 per tonnes cost).

b) Impact of Growth – Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$101,400
Capital Cost of Incremental Assets	0
Total Growth Request	$101,400

d) Impact on Assets Used to Provide Service

N/A

2017 Assessment Growth Business Case #4

Service Grouping	Garbage, Composting and Recycling
Service	Recycling Collection
Background/Description of Change	Every year collection of recyclables must be expanded to include newly constructed homes that receive curbside and multi-residential units that receive multi-residential collection. These materials are collected under contract.

1. Background

a) Area Currently Served by Unit of Measure
Currently providing recycling collection to 122,310 curbside household units and 53,900 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
5,288,506	0	0

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$38.25 per curbside household unit and $11.32 per multi-residential unit	Not applicable

d) If this is a Contracted Service, what is the Percentage Contracted Out?
100% of this service is contracted out.

e) Assets Currently Used to Provide Service
None.

2. Request

a) Growth Area by Unit of Measure
Expect to add approximately 1,225 curbside household units (assume 1% growth) and 810 multi-residential units in 2017 (assume 1.5% growth). The incremental additional cost of adding one household unit is estimated to be $38.25 and adding one multi-residential unit is $11.32.

The growth in Recycling Collection amounts to $56,025 (1,225 curbside household units X $38.25 + 810 multi-residential units X $11.32).

b) Impact of Growth – Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$56,025
Capital Cost of Incremental Assets	0
Total Growth Request	$56,025

d) Impact on Assets Used to Provide Service
N/A

2017 Assessment Growth Business Case #5

Service Grouping	Garbage, Recycling & Composting
Service	Garbage Collection & Disposal
Background/Description of Change	Every year collection of garbage, yard materials and fall leaves must be expanded to include newly constructed homes that receive curbside collection and multi-residential units that receive multi-residential collection. These materials are primarily collected by City forces.

1. Background

a) Area Currently Served by Unit of Measure
Currently providing garbage collection to 122,310 curbside household units and 53,900 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$8,232,907	62	74.7

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$43.80 per curbside household unit and $33.70 per multi-residential unit	2,359 units per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out?
5% of this service is contracted out.

e) Assets Currently Used to Provide Service
Garbage collection vehicles.

2. Request

a) Growth Area by Unit of Measure

Expect to add approximately 1,225 curbside household units (assume 1% growth) and 810 multi-residential units in 2017 (1.5% growth). The incremental additional cost of adding one household unit is estimated to be $43.80 and adding one multi-residential unit is $33.70.

The growth in Garbage Collection amounts to $80,952 (1,225 curbside household units X $43.80 + 810 multi-residential units X $33.70).

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0.3	$30,000

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$80,952
Capital Cost of Incremental Assets	0
Total Growth Request	$80,952

d) Impact on Assets Used to Provide Service

None.

2017 Assessment Growth Business Case #6

Service Grouping	Garbage, Recycling and Composting
Service	Garbage Collection and Disposal
Background/Description of Change	Disposal at W12A - Every year long term disposal capacity requirements increase because of newly constructed homes that receive curbside collection, multi-residential units that receive multi-residential collection and waste from City operations serving these areas (e.g., more street sweepings). There is a need to increase the contribution to the Sanitary Landfill Reserve Fund to cover capital costs associated with this growth.

1. Background

a) Area Currently Served by Unit of Measure
Currently providing garbage disposal services to 122,310 curbside household units and 53,900 multi-residential units.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
Varies*	Not applicable	Not applicable

*contributions to the Sanitary Landfill Reserve Fund can vary based on tonnage received.

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$15 per tonne	Not applicable

d) If this is a Contracted Service, what is the Percentage Contracted Out?
100% of the capital projects at the W12A landfill are contracted out. 65% of the operating budget is expended on contracted or private services at the landfill.

e) Assets Currently Used to Provide Service
The cost to replace capacity at the W12A landfill and cover long term perpetual care costs is estimated to be $15 per tonne.

2. Request

a) Growth Area by Unit of Measure
Each year approximately 2,000 stops (about 1% growth) are added which generate about 1,000 tonnes of garbage (0.5 tonnes of garbage per stop). City operations (e.g., street sweepings from roads, garbage from parks, etc.) typically bring approximately 35,000 to 40,000 tonnes of waste to the landfill each year. This quantity is expected to grow by about 400 tonnes per year as new roads and parks are built to service growth.

The growth in the City will require an increase in contributions to the Sanitary Landfill Reserve Fund of $21,000 (1,400 tonnes X $15/tonne). Operating costs are not impacted by this small amount of waste that arrives (i.e., the amount of 5 or 6 tonnes per day) is absorbed into the existing operations therefore no increase in operating dollars are required, rather a contribution to the reserve fund is required.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$21,000
Capital Cost of Incremental Assets	0
Total Growth Request	$21,000

d) Impact on Assets Used to Provide Service
Growth in City has been taken into account when estimating remaining life of landfill.

2017 Assessment Growth Business Case #7

Service Grouping	Neighbourhood and Recreation Services
Service	Community Centres
Background/Description of Change	A full time position is required to lead the planning, development and implementation of the program activity and service plan for the new community centre planned for East London (capital project RC2756). The community centre is to be built at East Lions Park at 1731 Churchill Avenue. Design work started in 2015/16 with an opening estimated for late 2018 or early 2019.

1. Background

a) Area Currently Served by Unit of Measure

N/A – position requested to support the planning, development of operations of the new facility.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
N/A	N/A	N/A

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
N/A	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?

N/A

e) Assets Currently Used to Provide Service

N/A

2. Request

a) Growth Area by Unit of Measure

i. In November 2009, the City finalized its Parks and Recreation Strategic Master Plan Update. A major capital expenditure was recommended to construct new recreation and community centre components (indoor pool, gymnasium, multi-purpose activity rooms and twin pad arena) in Southeast/East London in 2018.

Currently there is no indoor swimming pool or larger scale community centre gym and community space complex serving the southeast/east sector of the City.

The previous Master Plan (2003) recommended the construction of one large multi-purpose recreation facility to be built in the southeast part of the City to service the growth areas of Jackson Planning District in the immediate area and the existing larger populations west in Glen Cairn and north of the river in East London, Hamilton Road and Argyle Planning Districts. Community consultations during the Master Plan update in 2009 heard the geographic complexity of the southeast/east area of the City and the inability of one large district facility to meet the complex needs of existing neighbourhoods north of the river. The updated Master Plan therefore recommended a facility provision model with a greater neighbourhood-focus and instead of building one large multi-purpose centre the City should consider the divisibility of the various components and construct them on two sites. The community centre in East London will be anchored by an indoor swimming pool, gymnasium and multi-purpose activity space. The planned community centre in Southeast London (design work in 2019/2020) is to be anchored by two ice pads, gymnasium and multipurpose activity space. The community centres could serve as both neighbourhood community hubs and district facilities and better serve the overall population in the area.

ii. In 2015 Council advanced the timing of the East Community Centre so it could be opened by December 2018 or early 2019. This facility is intended to serve as:

- A recreation centre and community hub for the immediate neighbourhood(s) of Argyle, Hamilton Road, Huron Heights, East London; and,
- As a district destination recreation centre and gathering place for the larger Southeast area of the city, including Jackson (Summerside) and Glen Cairn.

iii. The East London Community Centre at East Lions Park at 1731 Churchill Avenue will be an $18 million facility that will include: an indoor pool, a gymnasium, multipurpose activity rooms, artisan space, lobby/gathering space with customer service area, parking and landscape features and integration of the facility with the existing park.

iv. The requested position will be instrumental in discussions/planning with potential partners around operational agreements and will help support any sponsorship opportunities arising from the project. As the pre-opening phase progresses, this position will be engaged in: operational budget development, fit-out and equipment purchasing, detailed operational plans (recreation programs, rental opportunities, community access plans, special events etc.), staffing models and custodial/cleaning plans. Nearer to the opening this position will participate in grand opening planning and marketing strategies to promote opportunities at the facility. Upon completion, the new supervisor will be responsible for daily operations of the community centre. It is important that this position be hired in 2017 in order to provide adequate time to complete the aforementioned activities required to support the opening of this facility.

v. It should be noted that planning and preparations for the Southeast Community Centre will be following closely after completion of the East Community Centre.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
1.0	1.0	$89,000

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$95,000
Capital Cost of Incremental Assets	$0
Total Growth Request	$95,000

d) Impact on Assets Used to Provide Service

This position requires a workstation and chair, computer/software, desk phone and mobile phone, totaling an estimated $6,000, which are included in the above cost.

2017 Assessment Growth Business Case #8

Service Grouping	**Parks & Urban Forestry**
Service	**Parks & Horticulture**
Background/Description of Change	The current budget for parks property management is based upon a service level frequency achieved in 2016. In order to maintain the 2016 level of service additional resources are required to service new parks and new roadway planters on Hyde Park Road and Fanshawe Park Road. A total of 7.36 hectares (Ha) of maintained parkland has been added to the system across the city. Any increase to the amount of maintained park property acquired through growth without an increase in the corresponding funding will erode the current service levels throughout the city.

1. Background

a) Area Currently Served by Unit of Measure
1,034 Ha of maintained parkland

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$6,277,605	0	64.50

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$6,070/Ha	0.06 FTE/Ha

d) If this is a Contracted Service, what is the Percentage Contracted Out?
5%

e) Assets Currently Used to Provide Service
Internal fleet resources, which will be increased to account for the additional property management expenses.

2. Request

a) Growth Area by Unit of Measure
*7.36 Ha (7.36 * $6,070)*

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0.46	$17,198

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$17,198+$27,452*+$20,000**
Capital Cost of Incremental Assets	$29,000***
Total Growth Request	$93,650

d) Impact on Assets Used to Provide Service

Increase in fleet capacity for parks and horticulture maintenance.

** Includes materials and supplies, external rental costs, and internal rent charges for equipment.*

*** Contracted services costs for the maintenance of new horticultural roadway planters on Hyde Park Road and Fanshawe Park Road.*

**** Turf maintenance equipment and a trailer will be added to the fleet. These assets will be used by additional temporary staff to maintain the new hectares of parkland added to the system.*

2017 Assessment Growth Business Case #9

Service Grouping	**Parks & Urban Forestry**
Service	**Parks and Natural Areas Planning & Design**
Background/Description of Change	As the city grows, we continue to acquire more lands for traditional parks, urban parks and natural areas. Upon acquisition, each area requires planning, design and construction of new amenities, along with on-going maintenance and life cycle renewal. All of these projects also require public consultation. Staff levels to support this process have not kept up with growth. This incremental funding increase will be used to pay for consultants to carry out the work until such time as the growth supports hiring an additional full time employee (FTE).

1. Background

a) Area Currently Served by Unit of Measure:
At the time of the submission of the last assessment growth business case, the City managed 2,629 hectares of park land.

b) Current Cost and Labour for Service or Program Provided:

Total (Annual) Operating Cost	FT#	FTE#
$982,113	8	8.4

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$982,113 / 2,629ha = $373.56/hectare	8.4 FTE / 2,629ha = 0.003 FTE/hectare

d) If this is a Contracted Service, what is the Percentage Contracted Out?
Although this is not a contracted service, the additional funds will be used to fund the hiring of professional consultants to assist City staff in coordinating park related work.

e) Assets Currently Used to Provide Service
Each full time employee within the Planning Department requires typical office and work station equipment. There are also three corporate vehicles shared among planning staff.

2. Request

a) Growth Area by Unit of Measure:
*Since the previous assessment growth case was prepared, staff estimate that 63 additional hectares of park land will be assumed, for a total of 2,692 hectares managed by December 31, 2016. An additional 63 hectares of park land correlates to a $23,534 increase in operating costs (*63ha x $373.56/ha).

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	63ha x $373.56/ha = $23,534
Capital Cost of Incremental Assets	$0
Total Growth Request	$23,534

d) Impact on Assets Used to Provide Service
The Planning Department does not anticipate any impact to current assets under this assessment growth business case. A minor increase in office related assets would be required in the future if/when the FT number reaches 9 staff.

2017 Assessment Growth Business Case #10

Service Grouping	Parks & Urban Forestry
Service	Forestry Operations
Background/Description of Change	Increase in the number of new trees planted in parks, on boulevards, open spaces and in recently assumed subdivisions. Increase in the number of assumed Woodlands. Request also includes an additional full time equivalent position to assist with Forestry Operations.

1. Background

a) Area Currently Served by Unit of Measure
Over 200,000 trees on boulevards and manicured parks and over 100 woodlands.

Total (Annual) Operating Cost	FT#	FTE#
$3.1 million	16	19.6

b) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$13 per tree and $2,000 per woodland	1 FTE:12,500 trees

c) If this is a Contracted Service, what is the Percentage Contracted Out?
Based on 2016 approved budget, 28% is contracted out.

d) Assets Currently Used to Provide Service
Internal fleet and contracted services.

2. Request

a) Growth Area by Unit of Measure
5883 (5883*$13) new trees and 1 (1 * $2,000) assumed woodlands with trees= $78,479

1 full time position maintains 12,500 trees. Since 2015 and including 2017 request, a total of 18,363 trees have been added with the existing staff for a ratio of 13,648 for every FTE. The request for 1 additional full time equivalent position with the additional trees will maintain the existing service levels of the approximate 1 FTE: 12,500 trees.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
1.0	1.0	$104,400(83,862+ 20,538)

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	Tree care: $76,479; Woodland tree care: $2,000 1 full time equivalent position: $104,400 Outfitting costs: $6,500
Capital Cost of Incremental Assets	
Total Growth Request	$189,379

d) Impact on Assets Used to Provide Service
The position requires furniture and computer/software.

2017 Assessment Growth Business Case #11

Service Grouping	**Protective Services**
Service	**London Police Service**
Background/Description of Change	**Increase complement to address growth related impacts**

1. Background

a) Area Currently Served by Unit of Measure

Population of 385,100 (2016)

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$106,259,631	814	814.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$106,259,631 / 385,100 = $275.93	814.5 FTE / 385,100 = .0021 FTE/person

d) If this is a Contracted Service, what is the Percentage Contracted Out?

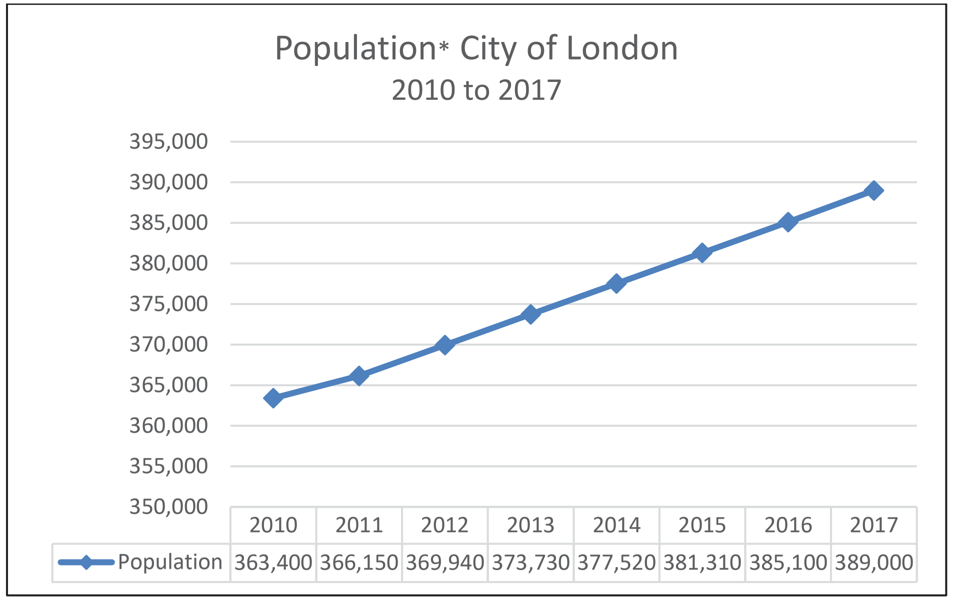
n/a

e) Assets Currently Used to Provide Service
Vehicles, training, materials and supplies (e.g. fuel, ammunition, outfitting costs and equipment)

2. Request

a) Growth Area by Unit of Measure
In general, increased population will translate to increased demands for policing within the community. London's population in 2016 is approximately 385,100 and is projected for 2017 to be approximately 389,000, an increase of 1% over 2016.

The following chart represents the population growth within the City of London 2010 through 2017:

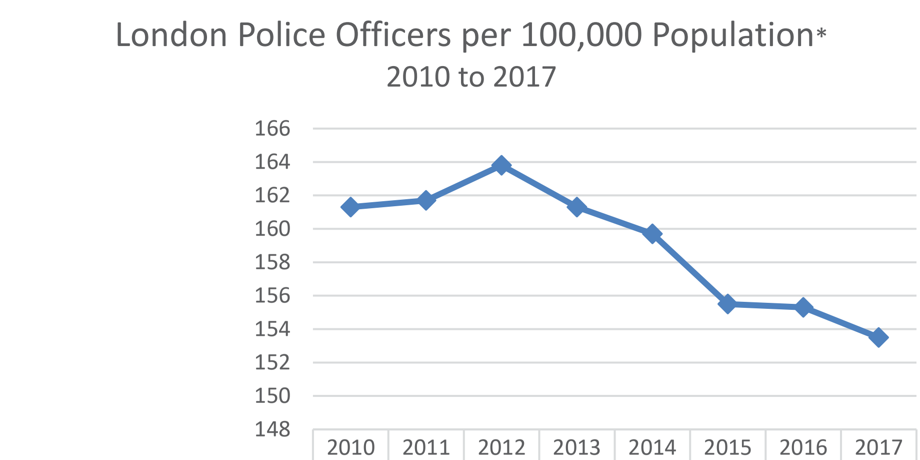


*Source: Population (City of London)

Population density and, in particular, intensification will also impact demands for policing. Typically, where there is a greater density, greater police resources are required, including proactive police activities. Recent developments, for example in the Old East Village and downtown, have impacted population density and will, therefore, require more police resources to maintain public safety and respond to calls. Strategic initiatives introduced by the City to attract and retain population downtown will increase these effects.

In an audit completed during 2015, pwc states that:
"LPS has a similar number of sworn officers per 100,000 people compared to the average police service. While sworn officers per capita is relatively consistent with other services, LPS has a lower actual operating cost per capita. This means there are strong cost reduction measures at LPS around non-personnel expenses. It could also indicate that the same level of service is being provided, but at a better price."

In London, the measurement of Police Officers per 100,000 Population has been steadily declining since 2012.



	2010	2011	2012	2013	2014	2015	2016	2017
Authorized Police Officers per 100,000 population	161.3	161.7	163.8	161.3	159.7	155.5	155.3	153.5

*Source: Population (City of London); Authorized Complement (LPS Revised Budget)

To maintain a Police:Population Ratio of 155.3 (from 2016) for 2017, a total of 7 Officers (FTE) would be required in 2017

To maintain a Police:Population Ratio of 161.3 (from 2010) for 2017, a total of 30.5 Officers (FTE) would be required in 2017**

***The authorized police complement in 2010 does not include provisions for the recommended increase of 87 Police Positions. Further, the Police:Population ratios do not include Civilian and Cadet staff.*

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
8	8	$1,010,899

In order to keep pace with and provide adequate and effective police service to a growing City, the following eight (8) positions (5 Police and 3 Civilian) are required for 2017.

Community Foot Patrol Unit (2)

Members of the Community Foot Patrol Unit provide a visible and interactive presence in the core area in an effort to enhance public safety and security. By maintaining close communication with merchants and residents, members are responsible for anticipating and identifying issues of concern, and developing and implementing solutions to improve quality of life and enhance community safety. A key component of their responsibilities is the prevention and deterrence of crime through high visibility.

In 2015, proactive efforts for this unit fell to 21% from 86% in 2011. At the same time, calls for service have increased by 250%. Present staffing levels do not allow for a consistent and effective police response. The demand for high police visibility in the core and other neighbourhoods is increasing.

Use of Force Training Unit (1)

Members of the Use of Force Training Unit deliver legislated training to ensure public safety and to enhance officer safety. This includes training on all use of force options, defensive tactics, high-risk vehicle stops, containment, and extra-ordinary rapid deployment. An appropriate level of training ensures that members have the required skills, knowledge, and ability to safely perform their duties. Training Unit members also inspect and maintain use of force equipment, and provide expert analysis and reports on use of force issues for internal purposes and court.

Training is mandated and requires that all London Police Service Officers be trained annually in accordance with the Police Services Act and/or Adequacy Standards. In order to meet demands, members have been transferred from other areas, leaving those areas short staffed and it has been necessary to suspend/cancel some training. At present, there is a total of 3,989 hours of workload which exceeds available human resources assigned to the Use of Force Training Unit and the demands for mandated training have only increased since then (one member equates to approximately 1,570 hours). Equipment is not being maintained to the standard that it should be.

Career Development Coordinator (1)
This position will be responsible for the implementation and management of a service-wide career development and performance management program that is required in an organization of this size in order to provide effective services to a growing community. This will facilitate career development of members by identifying career paths and competencies required to achieve goals, and identify and facilitate appropriate training and education opportunities to effectively meet the needs of the community and ensure alignment between the goals of the member with those of the organization.

This is a vital component of succession planning for all ranks, sworn and civilian, that will result in increased job satisfaction and retention.

Scenes of Crime Officer (1)
Members of the Forensic Identification Section (FIS) provide forensic support through the collection, preservation, interpretation, and presentation in court of evidence. Members also provide specialty services such as explosives disposal, video analysis, and blood spatter analysis. A Scenes of Crime Officer (Civilian) would attend to matters not requiring the services of a fully trained Forensic Identification Officer Specialist (Police) which would free the Specialist to attend to core duties that require a sworn member and/or a higher degree of specialization.

The addition of this position will allow the FIS area to manage service requests and investigations in a timely manner, stay current on mandated training, and maintain the integrity of evidence. This represents a more efficient deployment of human resources and will also serve to alleviate the workload of sworn specialists, allowing them to concentrate on tasks and responsibilities that must be done by a police officer.

Investigative Response Unit (2)
Members of the Investigative Response Unit (IRU) provide support for criminal investigations during complex investigations, projects, or long term staffing shortages. They also assist in the location and arrest of high risk violent offenders.

The current complement within IRU is unable to address all service requests. The 2010 Workload Analysis recommended an increase of 4 members. Combined with a restructuring of the General Investigation Section, these additions to complement will allow IRU to operate more effectively and enhance public safety.

Freedom of Information (1)
Freedom of Information Analysts process formal and informal requests for access to records made pursuant to the Freedom of Information and Protection of Privacy legislation. This includes recognizing, interpreting, and preparing legal documents/arguments and assessing the legitimacy of requests and, when required, arguing the non-applicability of a specific request for information.

There are legislated timelines for responding to requests which are not being met. In 2010, the compliance rate was at 35%. At the same time the number of requests continues to increase: from 291 in 2001 to 857 in 2015.

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$1,010,899*
Capital Cost of Incremental Assets	$ 60,000**
Total Growth Request*	$1,070,899

*The Operating allocation (Growth area X unit of measure cost of service) equates to $1,076,127 (3,900 residents X $275.93/resident). The requested amount is less than the growth calculation would dictate but is sufficient to provide the staffing resources requested.

** Represents the costs of 2 vehicles and 2 bicycles.

d) Impact on Assets Used to Provide Service

These positions require various one-time outfitting costs. Ongoing costs include uniforms, supplies, maintenance, equipment, vehicles and training costs.

2017 Assessment Growth Business Case #12

Service Grouping	**Protective Services**
Service	**London Police Service**
Background/Description of Change	**Increase complement to address growth related impacts**

1. Background

a) Area Currently Served by Unit of Measure

Population of 385,100 (2016)

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$106,259,631	814	814.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$106,259,631 / 385,100 = $275.93	814.5 FTE / 385,100 = .0021 FTE/person

d) If this is a Contracted Service, what is the Percentage Contracted Out?

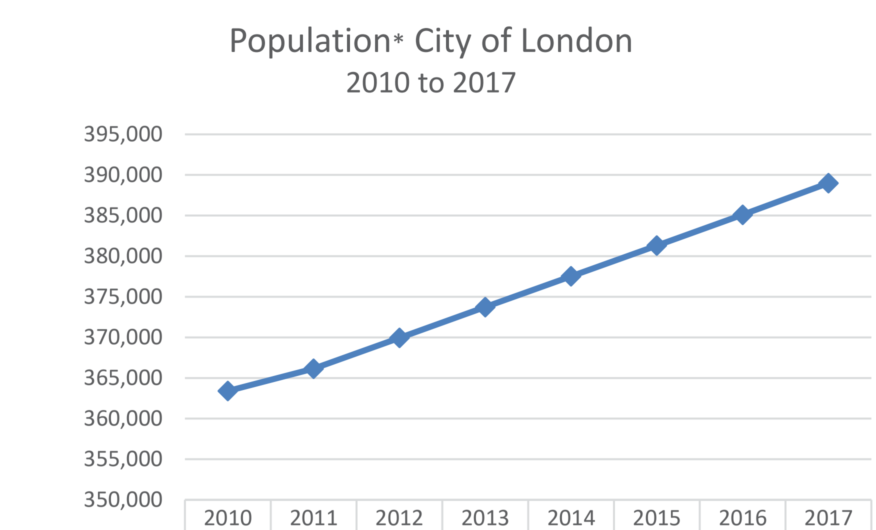
n/a

e) Assets Currently Used to Provide Service
Vehicles, training, materials and supplies (e.g. fuel, ammunition, outfitting costs and equipment)

2. Request

a) Growth Area by Unit of Measure
In general, increased population will translate to increased demands for policing within the community. London's population in 2016 is approximately 385,100 and is projected for 2017 to be approximately 389,000, an increase of 1% over 2016.

The following chart represents the population growth within the City of London 2010 through 2017:



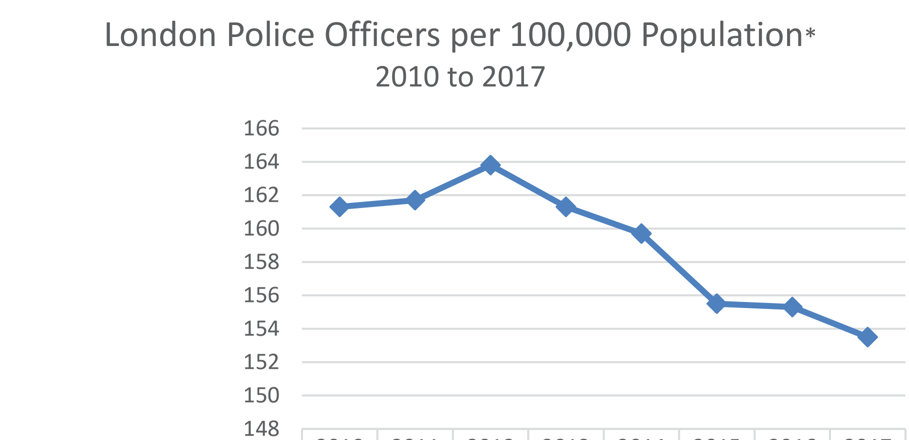
	2010	2011	2012	2013	2014	2015	2016	2017
Population	363,400	366,150	369,940	373,730	377,520	381,310	385,100	389,000

*Source: Population (City of London)

Population density and, in particular, intensification will also impact demands for policing. Typically, where there is a greater density, greater police resources are required, including proactive police activities. Recent developments, for example in the Old East Village and downtown, have impacted population density and will, therefore, require more police resources to maintain public safety and respond to calls. Strategic initiatives introduced by the City to attract and retain population downtown will increase these effects.

In an audit completed during 2015, pwc states that:
"LPS has a similar number of sworn officers per 100,000 people compared to the average police service. While sworn officers per capita is relatively consistent with other services, LPS has a lower actual operating cost per capita. This means there are strong cost reduction measures at LPS around non-personnel expenses. It could also indicate that the same level of service is being provided, but at a better price."

In London, the measurement of Police Officers per 100,000 Population has been steadily declining since 2012.



	2010	2011	2012	2013	2014	2015	2016	2017
Authorized Police Officers per 100,000 population	161.3	161.7	163.8	161.3	159.7	155.5	155.3	153.5

*Source: Population (City of London); Authorized Complement (LPS Revised Budget)

To maintain a Police:Population Ratio of 155.3 (from 2016) for 2017, a total of 7 Officers (FTE) would be required in 2017

To maintain a Police:Population Ratio of 161.3 (from 2010) for 2017, a total of 30.5 Officers (FTE) would be required in 2017**

***The authorized police complement in 2010 does not include provisions for the recommended increase of 87 Police Positions. Further, the Police:Population ratios do not include Civilian and Cadet staff.*

b) Impact of Growth - Staffing

Staffing FT#	**Staffing FTE#**	**Staffing FTE $**
6	6	$600,000

In order to keep pace with and provide adequate and effective police service to a growing City, the following six (6) positions (5 Police and 1 Civilian) are required:

<u>Community Foot Patrol (2)</u>
Foot patrol officers offer a visible and interactive presence in certain areas of the City in an effort to enhance public safety and strengthen community partnerships. Foot patrol officers are responsible for anticipating, recognizing, and appraising issues of concern within their assigned work areas and working cooperatively with the community and other London Police Service (LPS) members to address community concerns.

Additional resources will provide greater visibility, the benefits of which include deterrence of crime as well as greater coverage over a geographic area, help to promote community based initiatives and improved perception of safety. Additionally, community partnerships will be enhanced, and expanded pro-active engagement with the public will be beneficial.

The core area of London continues to experience residential and commercial growth but the services of the Foot Patrol Unit have not kept pace. Calls for service in the downtown and Old East Village have increased 250% since 2011 and proactive efforts for this unit fell to 21% in 2015 from 86% in 2011. SoHo, Hamilton Road, Old East Village and Argyle Business Districts are under serviced or not serviced despite public demand. Additions to this unit will allow for consistent foot patrols in these areas, and it will be possible to provide a service level commensurate with development and infill in the core in accordance with the City of London Strategic Plan.

<u>Human Trafficking (2)</u>
Human trafficking investigators will conduct proactive and reactive investigations of crimes involving trafficking of persons and prostitution and also promote awareness of human trafficking through active participation in community outreach events.

This is a new unit which will focus on the protection and support of victims, preventing human trafficking, prosecuting offenders and cultivating partnerships domestically and internationally. Officers must work proactively to disrupt this type of covert criminal activity. This is a matter of public safety.

The City of London is a growing city situated on a major transportation corridor and there is evidence that our City is prone to human trafficking for that reason alone. The LPS “Vice” Unit disbanded in the late 1990’s leaving no dedicated response or capacity to investigate human (sex) trafficking despite significant evidence and intelligence of its prevalence in our community. Since 2001, the population within the City of London has increased by more than 14%. An intelligence “snapshot” conducted during seven months in 2015 revealed 64 active human traffickers and 94 victims in our city during that time period. On any given day there are between 30 to 200 online advertisements for escorts in the City of London.

There are no accurate historic comparators relative to human trafficking as the LPS has not had resources to investigate these offences. Generally, there is a lack of hard statistical information in this area due to the nature of this crime category where offences are usually not reported nor reflected in traditional reported crime statistics.

<u>Use of Force (1)</u>
These Officers provide legislated use of force training to LPS members to ensure public safety while optimizing officer safety. As the total number of Officers increases, a greater investment in human resources dedicated to training these officers is required. Duties of Use of Force Officers include responsibility for use of force equipment utilized by officers, including input into the procurement of equipment, range equipment, and armouring all use of force equipment.

Currently, the workload demands are substantially greater than available resources to ensure compliance with the Police Services Act Regulations and the Police Standards Manual. In total, the Use of Force Unit is training for 4,657 hours more than in 2010 with 2,088 hours representative of one full time equivalent. The need for additional resources in the Use of Force Unit was identified in the 2010 Workload Analysis.

With additional Human Resources added to this unit, better risk management in relation to required training will result. Without human resources investments, the LPS has a risk of not complying with legislation and increased risks associated with improperly maintained use of force equipment.

<u>Communications Operator (1)</u>
Communications Operators answer 911 calls and internally generated queries. They are responsible for the efficient transfer of information and communications received by the LPS which includes calmly managing calls for emergency service and, where applicable, transferring to the appropriate emergency service (e.g. fire or ambulance). There have been no staffing increases in this area since 2007. Since 2007, the police complement has increased by 24 positions which, in turn, impacts the demands for the Communications Operators. This staffing enhancement is required to keep pace with growth.

The CRTC has mandated that 911 service shall be provided to deaf, hard of hearing, and the speech impaired community. New technology will serve as a foundation for enhancements which will include multi-media communications (e.g. photos, video). This will impact the duties of Communications Operators significantly as a result of slower, more complex processes.

Appropriate, timely response when the public calls 911 will continue. There is a standard to answer all 911 calls within 3 rings. This standard is in jeopardy without the addition of staff to this area. In London, we answer 31% more calls than Waterloo Region and 20% more than Niagara Region with fewer staff working day shift which is when the majority of calls are received. LPS Communications Operators experience 25% greater workload compared to provincial comparators. Staff turnover is an issue in this work area.

Beginning in 2015, data can be tracked with respect to dropped calls. There were 23,909 dropped calls in 2015. These are calls from a cell phone where the caller hangs up before it is answered by Communications Operators. Each of these dropped calls requires follow up by the Communications Operator.

The LPS is a Public Services Answering Point for the City of London and the County of Middlesex. All 911 calls within this geographic area are first answered by LPS Communications Operators. The radio system infrastructure supports police, fire, ambulance, and environmental services.

Changes to communications are already occurring and largely beyond the control of the LPS. For instance, we could receive emergency calls via text message and/or video in the very near future. There must be sufficient staff in this area to answer and route emergency calls for service from the public.

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$600,000*
Capital Cost of Incremental Assets	
Total Growth Request	$600,000*

*The requested amount is less than the growth calculation would dictate but is sufficient to provide these staffing resources which were first identified as required for 2016. A further assessment growth request will be submitted for 2018 to fund the remaining incremental cost of these resources.

d) Impact on Assets Used to Provide Service

Initial investment in outfitting and equipment costs combined with annual increases in maintenance, equipment, and training costs.

Service Grouping	Public Transit (London Transit Commission)
Service	London Transit Commission – Conventional and Specialized Transit Services
Background/Description of Change	Increase in service hours to address the growth in the transit system. Additional funding is required to provide service hours to conventional services.

Conventional Transit Service

1. Background

a) Area Currently Served by Unit of Measure

In April 2015, the Commission approved the final recommendations set out in the Strategic Route Review and Service Guidelines Study. The study recommendations include the need to grow the current route structure in terms of areas and times of coverage as well as frequency in order to respond to ongoing service quality issues and requests for additional services. The recommendations relating to service growth are based on the following guiding principles:

Address Overcrowding and Missed Trips: A review of passenger load data confirmed the busiest routes in the system. As such, a key focus of the plan was to improve frequency on routes that experience periodic crowding.

Enhance Overall Service Levels with a Focus on a Frequent Transit Network and Strategic Corridors: The transit mode share target identified in the City of London's Transportation Master Plan identifies a need to significantly grow transit ridership over the next 20 plus years. To attract new customers and respond to growing population and employment in the City, enhancements to the transit system are required to capture a larger share of transportation demand. A Frequent Transit Network was identified based on the existing demand along each of the transit corridors. A Frequent Transit Network is defined as the portion of the network on which service is operated at a frequency that eliminates the need for passengers to plan their trips around a published timetable. In addition, existing planning objectives were reviewed to identify other Strategic Corridors that would complement the Frequent Transit Network. Strategic Corridors were identified as corridors that connect to major destinations and/or future Transit Villages as identified in the London Plan and/or are designated as Rapid Transit or Urban Corridors in the London Plan (with a focus on transit supportive land use and intensification).

In order to implement the recommendations set out in the 5 Year Service Plan, approximately 17,700 annual service hours need to be added to the conventional service for each of the years 2016-2019. In addition to the annual increased hours, the 5 Year Service Plan sets out significant changes to the service, which will be accommodated through the repurposing of existing hours from under-performing routes to routes where demand is high. The investment in service is considered critical, noting without same, ridership loss can be anticipated.

b) Current Cost and Labour for Service or Program Provided

	Operating Cost	Total Revenue	Increased City Requirement	Service Hours	Rides	FTE	Fleet
2017 only	387,100	316,100	71,000	6,000	150,200	12	4
Annualized	1,141,900	898,400	243,500	17,700	455,200		

Note: The City investment for assessment growth of $71,000 for 2017 only (annualized amount of $243,500) is proportionally less than the 2016 assessment growth due to the following:

- A higher portion of the operating cost is offset due to the planned fare adjustment*;
- A portion of the increased operating cost is offset by the annualized 2016 assessment growth allocation*.

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	2017
Municipal investment per trip	1.06
Total operating cost per trip	2.86

2. Request – Conventional Transit

a) $71,000 in 2017 or $243,500 on an annualized basis in City investment requested to be funded by assessment growth

= Operating cost *(municipal investment per trip/total operating cost per trip)

= $387,100*(1.06/2.86) = $143,471-72,471(factors noted above*)

= $71,000

b) Fleet expansion 4 buses to accommodate growth service hours
   i. 4 buses for total capital investment $2,200,800 – City investment of $1,100,400

Specialized Transit Service

1. Background

a) Area Currently Served by Unit of Measure

Specialized transit services have experienced significant growth in registrants, directly attributable to demographic changes and population growth. The growth in eligible registrants is currently averaging 10% per year. Service growth has not kept pace with registrant growth and related trip demand. This has resulted in non- accommodated trips growing from the standard 2% of total bookings to an average of 5% of total bookings in 2014 (15,000 trips). Progress is being made on bringing the non-accommodated trip rate down; noting certain of the accommodation has been supported by the move to larger vehicles. Adding to the service challenge is the change in origin/destination as registrants' trip origin and/or destinations have moved to the new growth areas of the City.

There are 6,500 growth hours being added to the specialized service for 2017 primarily intended to address demand.

b) Current Cost and Labour for Service or Program Provided

	Operating Cost	Total Revenue	Increased City Requirement	Service Hours	Rides	FTE	Fleet
2017 only	149,400	149,400	0	3,500	8,500	N/A	N/A
Annualized	277,500	277,500	0	6,500	15,900		

2. Request – Specialized Transit

Specialized Transit Services in 2017 does not require a request for assessment growth funding due to the following:

- A higher portion of the operating cost is offset due to the planned fare adjustment;
- A portion of the increased operating cost is offset by the annualized 2016 assessment growth allocation.

Summary Total Request – Public Transit Services

	2017	Annual
Conventional		
Operating	71,000	243,500
Capital	1,100,400	1,100,400
Specialized		
Operating	0	0
Total	**1,171,400**	**1,343,900**

2017 Assessment Growth Business Case #14

Service Grouping	Roadways
Service/Program	Roadway Maintenance / Winter Maintenance/ Roadway Planning & Design
Background/Description of Change	Roadway Maintenance: Increase in the amount of road and sidewalk assets due to newly assumed subdivisions, warranted sidewalk program, walkways, ditches, boulevards, downtown maintenance and roadside maintenance. Additional funding is required to provide services to these areas. Earlier this year, the Draft London ON Bikes Cycling Master Plan was reported to Committee and Council providing information pertaining to the normal and winter maintenance costs for the cycling routes. An August 2016 Civic Works Committee report also identified proposed changes to the Minimum Maintenance Standards related to winter maintenance of cycling facilities. Funding is required to provide service to the on road bike lanes that have been added to the network. Winter Maintenance: Increase in amount of the road and sidewalk assets due to newly assumed subdivisions, warranted sidewalk program and road widening. Additional funding is required to provide winter control service to those areas. Roadway Planning & Design: On October 7, 2013, the Civic Administration reported to the Civic Works Committee the Transportation Infrastructure deficit that currently exists as a result of capital funding not keeping pace with the growth of the City. As identified in the report, an average of $52,170,000 is needed annually to maintain the existing transportation network. This capital funding need increases with the expansion of the system. This is a request for additional lifecycle capital funding for the 16 km that will be added to the infrastructure as a result of growth.

1. Background

a) Area Currently Served by Unit of Measure
3,629 lane kms of road, including parking bays and turning lanes, 1,487 km of sidewalk and 34 lane kms of bike lanes.

b) Current Cost and Labour for Service or Program Provided

Service/Program	Total (Annual) Operating Cost	FT#	FTE#
Roadway Maintenance	$10.0M	89	112.3
Winter Maintenance	$13.4M	55	65.4
Roadway Planning & Design	$2.0M	34	34.5

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Service/Program	Unit of Measure Cost	Unit of Measure FTE
Roadway Maintenance	$5,397.42 per road lane km $300 per sidewalk lane km $3,675 per lane km	Not applicable
Winter Maintenance	$3,279.03 per lane km $1,350 per km of sidewalk $3,675 per lane km	Not applicable
Roadway Planning & Design	$52,170,000/3,629 lane km =$14,376/lane km	Ratio of lane km per FTE.

d) If this is a Contracted Service, what is the Percentage Contracted Out?
Roadway Maintenance: Not applicable.
Winter Maintenance: Based on the pieces of equipment, 50% is contracted out.
Roadway Planning & Design: Capital Projects (construction) 90%

e) Assets Currently Used to Provide Service
Roadway Maintenance: Numerous vehicles managed through the city's internal fleet.
Winter Maintenance: 65 Road Plows, 25 Spreaders, 37 Sidewalk plows plus additional service vehicles both contracted and city owned.

2. Request

a) Growth Area by Unit of Measure

Roadway Maintenance:	16 lane kms of road (16*$5,397.42) and 15 km of sidewalk (15*$300) and 34 km of bike lanes (34*$3,675)
Winter Maintenance:	16 lane kms of road (16*$3,279.03) and 15 of sidewalk (15*$1,350) and 34 km of bike lanes (34*$3,675)
Roadway Planning & Design:	16 lane kms of road (16*$14,376)

b) Impact of Growth - Staffing

Service/Program	Staffing FT#	Staffing FTE#	Staffing FTE $
Roadway Maintenance	0	2.4	$105,756
Winter Maintenance	0	0	0
Roadway Planning & Design	Not applicable	0.3	$16,000

c) Impact of Growth – Costs

Cost	Roadway Maintenance	Winter Maintenance	Roadway Planning & Design (A)	Total
Operating	$215,809	$197,952	$17,090*	$430,851
Capital			$230,016	$230,016
Total Growth Request	$215,809	$197,952	$247,106	$660,867

*Request includes staff cost of $16,000 and $1,090 for computer.

Note (A) – Growth area x unit of measure cost of service.

d) Impact on Assets Used to Provide Service

Roadway Maintenance: Partial use of the City's equipment. The funding is required to support additional temporary resources and materials.

Winter Maintenance: Partial use of the City's winter equipment. The funding is required to support additional contracted resources and materials.

Roadway Planning & Design: Ongoing renewal of additional infrastructure and associated engineering added as a result of growth. Existing lane km of 3,629 maintained by 17 FTE which equates to approximately 213 lane km/FTE. Since 2016 and including 2017 request, a total of 60 lane km have been added. With the addition of 60 lane km, 0.3 FTE (60/213) is being requested to manage increase in the growth in road projects.

2017 Assessment Growth Business Case #15

Service Grouping	Roadways
Service	Traffic Control & Street Lighting/Street Light Maintenance
Background/Description of Change	Additional street lights are added to the City's network as new subdivision streets are assumed. This increases the maintenance and energy costs of providing this service. Additional funding is required to operate the additional street lights the city will add to its base.

1. Background

a) Area Currently Served by Unit of Measure
35,806

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$7.4 M	3	3.1

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$207.34/street light	

d) If this is a Contracted Service, what is the Percentage Contracted Out?
The maintenance (34%) and energy (63%) components of this service are contracted out.

e) Assets Currently Used to Provide Service

2. Request

a) Growth Area by Unit of Measure
300 street lights (300*$207.34)

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$62,202
Capital Cost of Incremental Assets	0
Total Growth Request	$62,202

d) Impact on Assets Used to Provide Service

2017 Assessment Growth Business Case #16

Service Grouping	Roadways
Service	Traffic Control & Street Lighting/Street Light Maintenance
Background/Description of Change	Additional traffic signals are added to the City's network as traffic volumes grow associated with new residential, commercial and institutional development. This increases the maintenance and energy costs of providing this service. Additional funding to operate the additional traffic signals that the city will add to its base.

1. Background

a) Area Currently Served by Unit of Measure
396

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$2.8 M	3	3.7

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$7,004/traffic signal	N/A

d) If this is a Contracted Service, what is the Percentage Contracted Out?
75% maintenance.

e) Assets Currently Used to Provide Service
396 traffic signals

2. Request

a) Growth Area by Unit of Measure
2 traffic signals (2*$7,004)

Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
0	0	0

b) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$14,008
Capital Cost of Incremental Assets	0
Total Growth Request	$14,008

c) Impact on Assets Used to Provide Service

2017 Assessment Growth Business Case #17

Service Grouping	Corporate Services & Corporate Planning
Service	Corporate, Operational, and Council Services
Background/Description of Change	Corporate Services and Corporate Planning & Administration account for approximately 5.8% of the overall 2017 property tax supported budget. These costs are not directly attributable to a particular service; however they are required for the on-going delivery and support of municipal services. These costs include, but are not limited to; information technology services, legal services, information and archive management. On top of the cost to support these services, there are services such as Facilities that are directly impacted by growth, in the case of Facilities, the growth in number of municipal facilities that require continued facility management and planning.

1. Background

a) Area Currently Served by Unit of Measure
Corporate Services and Corporate Planning currently support $850 + million in municipal services.

b) Current Cost and Labour for Service or Program provided

Total (Annual) Operating Cost	FT#	FTE#
34,358,460	350	364.1

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
NA	$94,365 per FTE

d) If this is a Contracted Service, what is the Percentage Contracted Out?
$12.4 million or 21.5% of the $57.7 million expenditure budget is related to purchase of services.

e) Assets Currently Used to Provide Service
N/A

2. Request

a) Growth Area by Unit of Measure

Assessment growth is anticipated to generate $4.9 million in incremental tax revenue along with $1.2 million in assessment growth carryover from the prior year is available to maintain the existing level of municipal services such as; road maintenance, snow plowing, garbage collection, street lighting, recreation, library, and police services. To adequately maintain the existing level of support, additional funding is being requested to fund services such as Information Technology Services (2 FTEs), Legal Services (1 FTE), and Records Management (1 FTE) given that these 3 areas over the years have experienced an increased demand for their service brought on by growth in municipal service as a result of an expanding city.

Aside from those pressures that are being anticipated, Facilities (1 FTE) has also faced steady and increasing demand for space planning, and project development due to growth projects (i.e. Community Centres)

Staffing FT#	Staffing FTE#	Staffing FTE $
5	5	488,980

b) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	Full Time Positions - $488,980 Outfitting costs - $22,499 (computers, software, memberships)
Capital Cost of Incremental Assets	0
Total Growth Request	$511,479

c) Impact on Assets Used to Provide Service
N/A

2017 Assessment Growth Business Case # 18

Service Grouping	Public Support Services
Service	Customer Relations - Service London Business
Background/Description of Change	The volume of licensing activity in the Development & Compliance Service Area has increased significantly in recent years. Two (2) full time positions are required in response to this growth. These positions will lead the provision of front line business services and will support core work in the Licensing Division of Development & Compliance Services. The staff will be located in the Service London Business Hub. Renovations to the Service London Business Hub in the lobby of City Hall are scheduled for 2017.

1. Background

a) Area Currently Served by Unit of Measure

According to data collected as part of the MBN Canada benchmarking initiative, London's volume of licenses issued per 100,000 population (taxi driver, taxi plate-holder and business licenses) totaled 1,806 licenses in 2012 (or a total of approximately 6,681 licenses[1]). By 2015, the volume had grown to 2,411 licenses issued per 100,000 population (or a total of approximately 9,193 licenses[2]). This represents a 38% increase in the volume of licenses processed. Meanwhile, there has been no corresponding growth in staffing resources since 2012 to mitigate the increase in licensing activity.

While the demand for these resources is tied to a growing city population as well as a growing number of households and businesses, it also reflects a changing economic and employment climate where more and more people are pursuing entrepreneurial opportunities, which drives increased demand for licensing services. In addition to the growing need to address transaction volume in the Licensing Division, housing these positions in the Service London Business Hub will improve our efforts to provide one-stop, seamless customer service in the City Hall lobby for the City's growing business community. Service London Business is identified in the 2015-2019 Strategic Plan, under Growing our Economy.

[1] Based on a 2012 population of 369,940.
[2] Based on a 2015 population of 381,310.

b) Current Cost and Labour for Service or Program Provided

Total (Annual) Operating Cost	FT#	FTE#
$934,333[3]	12	12.3

c) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
$139.85/license[4]	0.002 FTE/license

d) If this is a Contracted Service, what is the Percentage Contracted Out?

N/A

e) Assets Currently Used to Provide Service
Various office furniture & equipment including a multi-use printer, a Point of Sale system and camera/card printer system to create licensing identification cards.

2. Request

a) Growth Area by Unit of Measure

- As noted above, the volume of licenses processed has increased 38% since 2012 with no corresponding increase in staffing resources. A strict growth calculation would suggest that additional resources in the amount of $351,303[5] should be added to accommodate the growth in service provision that has occurred since 2012.
- Other factors will continue to increase pressures on licensing activities in the future, including:
    - The current business licensing by-law has not had a full review done in decades and is finally undergoing considerable change. Amendments to the existing number of categories and the proposed addition of new categories is estimated to result in a net increase of new applications.
    - The rental unit licensing by-law was implemented in 2010 and continues to bring in more applications each year. As London grows, so does the number of rental properties available. It is believed that there are a total of 8,000 units to licence, and the recent amendment to allow accessory suites to be rented out in owner-occupied homes is expected to further increase the volume of applications.
    - With the expected taxi licensing by-law to accommodate private vehicles for hire, businesses such as UBER will be interacting with City staff on a much more frequent basis.

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[3] Reflects 2017 gross expenditure budget for Licensing Division of Development & Compliance Services.
[4] Annual gross operating cost of $934,333 divided by 6,681 licenses processed (2012).
[5] $139.85/license x 2,512 increase in licenses processed since 2012.

- Located in the City Hall lobby, the Service London Business Connector had 1,100 interactions with new customers, staff and external agencies in 2015 and 1,900 interactions in 2016. This 73% increase in interactions indicates the growing attention on business service-centered activity in the City Hall lobby. This activity will eventually be focused in the Service London Business Hub.
- The work of these new positions will provide crucial support to the core objectives of the Licensing Division within Development & Compliance Services (business licensing and rental unit licensing, with the possibility of including taxi licensing services in the future). It is essential that these important City services are offered by competent and knowledgeable staff that understand the importance of customer service. The addition of these positions will ensure a consistent level of business and licensing service in response to the growing volume pressures on the Licensing Division. Placing these positions within the Service London Business Hub creates an opportunity to provide these core services in the lobby of City Hall, while actualizing a flagship project of the Service London Implementation Plan.

b) Impact of Growth - Staffing

Staffing FT#	**Staffing FTE#**	**Staffing FTE $**
2	2.0	$146,421

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$150,000*
Capital Cost of Incremental Assets	$0
Total Growth Request	$150,000

* The requested amount is less than the growth calculation would dictate but is sufficient to provide the staffing resources requested at this time.

d) Impact on Assets Used to Provide Service

These positions require workstations and chairs, computers/software and desk phones. A portion of these costs are included in the capital costs already approved in 2017 for the renovation of the Service London Business Hub, while the remaining operating costs are included in the total growth request noted above.

2017 Assessment Growth Business Case # 19

Service Grouping	**Corporate Financing**
Service	**Capital Financing**
Background/Description of Change	Increased contribution to the Capital Infrastructure Gap Reserve Fund to mitigate growth in the infrastructure gap, specifically addressing further deteriorations of asset conditions.

1. Background

a) Area Currently Served by Unit of Measure

As identified in the *State of Infrastructure Report 2013* along with the *Corporate Asset Management Plan (AMP) 2014*, the replacement value of city's assets was identified at $10.9 billion. At that time, the infrastructure gap was $52.1 million, which was anticipated to grow to $ 466.1 million by 2022. Since the issuance of those reports, Council through the Multi-Year Budget, surplus policy, and assessment growth allocations have managed to make positive progress towards managing and mitigating the growth of the gap. However, as identified in the *Corporate Asset Management Plan 2016 Review* report to the Corporate Services Committee, that although "condition improvements over time have slowed the rate of growth, the infrastructure gap continues to increase but at a slower pace."

Total (Annual) Operating Cost*	FT#	FTE#
$1,000,000	-	-

*2017 budgeted contribution to the Capital Infrastructure Gap Reserve Fund.

b) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

Unit of Measure Cost	Unit of Measure FTE
-	-

c) If this is a Contracted Service, what is the Percentage Contracted Out?

d) Assets Currently Used to Provide Service

N/A

2 Request

a) Growth Area by Unit of Measure

Increase the permanent contribution to the Capital Infrastructure Reserve fund by $0.5 million from $1.0 million to $1.5 million in 2017 recognizing that the Corporate Asset Management Plan 2014 recommended a permanent increased contribution of $9.3 million (1.77% tax levy increase) to the reserve fund to mitigate the growth in the infrastructure gap. The recommended increased contribution to the reserve fund was predicated on the growth in gap from $52.1 million (2013) growing to $466.1 million (2022).

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
-	-	-

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	$500,000
Capital Cost of Incremental Assets	N/A
Total Growth Request	**$500,000**

d) Impact on Assets Used to Provide Service

N/A

2017 Assessment Growth Business Case # 20

Service Grouping	**Financial Management**
Service	**Finance**
Background/Description of Change	Increase in corporate assets and capital projects related to growth requiring additional financial management, monitoring, and administration.

1. Background

a) Area Currently Served by Unit of Measure

The Tangible Capital Assets (TCA) service area is responsible for the legislative reporting of corporate capital assets. The TCA service area manages $4.5 billion of assets with an annual addition value in excess of approximately $200 million. An additional requirement that was introduced as a legislative reporting requirement in 2015 was the contaminated site liability which requires an extensive master land data base maintenance and reporting.

There are currently five (5) staff that respond to the legislative reporting and expenditure control.

A portion of this budget request is in response to an increase in volume of corporate capital assets. The percentage increase in the amount of capital assets as a result of a growing city has resulted now in requiring the increase of an FTE to maintain the appropriate accounting processes that are regulated for reporting.

Also, in response to an increase in volume of corporate capital assets, budget requests from Purchasing and Emergency Management are being recommended.

Purchasing supports all services in the procurement of goods and services and supply services at the best value possible while ensuring customers' needs are met. There are currently seventeen (17) staff that provide purchasing services. The number of capital projects and assets have steadily increased with an increase in complexity and size of tenders.

The percentage increase in the amount of capital assets as a result of a growing city has resulted now in requiring the increase in FTEs to maintain the appropriate processes at the City.

Approved Budget Growth Capital Projects	2013	2014	2015	2016	2017	2018	2019	2020
(In $millions)	40.3	49.2	51.0	104.3	116.0	171.0	122.3	56.7

Total (Annual) Operating Cost*	**FT#**	**FTE#**
$1,678,511 (net)	25	25

b) Unit of Measure Cost of Service (Current Cost/Labour divided by Current Area)

The valuation of corporate assets have increased significantly from the initiation of the legislated TCA reporting. In 2009, the total value of additional assets was $182.0 M with a projected asset addition value in 2016 of $350.0 M.

Unit of Measure Cost	**Unit of Measure FTE**
Four Year Average Growth Capital Budget	4 Year Average Growth Budget Per FTE

c) If this is a Contracted Service, what is the Percentage Contracted Out?

No component of this service is contracted out

d) Assets Currently Used to Provide Service
N/A

2 Request

a) Growth Area by Unit of Measure

4 Year Average Growth in Capital Budget	# of FTE's	Growth Budget Per Employee
2013 – 2016 $61.2 M	25	$2.45 M
2017 – 2020 $116.5 M	28	$4.16 M

Since 2009, staff have achieved efficiencies through the refinement of processes, education of project managers and the leveraging of technology. Although efficiencies have been implemented to accommodate an increased volume per staff, significant overtime has been required to manage the increasing volume.

b) Impact of Growth - Staffing

Staffing FT#	Staffing FTE#	Staffing FTE $
3	3	$274,500

c) Impact of Growth – Costs

Operating *(Growth area x unit of measure cost of service)*	Full Time Positions $274,500 (salary and fringes) $10,500 (software plus staff outfitting – computer, scanner, phone, etc)
Capital Cost of Incremental Assets	N/A
Total Growth Request	**$285,000**

d) Impact on Assets Used to Provide Service

N/A