



**LONDON**



**2018 Growth Management  
Implementation Strategy  
(GMIS) Update**

*Milestone 6: Strategic Priorities and  
Policy Committee*

*May 15, 2017*



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## 2018 GMIS Update: Outline

- Context for 2018 GMIS Update
- Overview of process (consultation and analysis)
- Results and GMIS project adjustments
- Summary remarks





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*2018 GMIS Update:*

## **BACKGROUND**

# Council Role in DC-Related Items

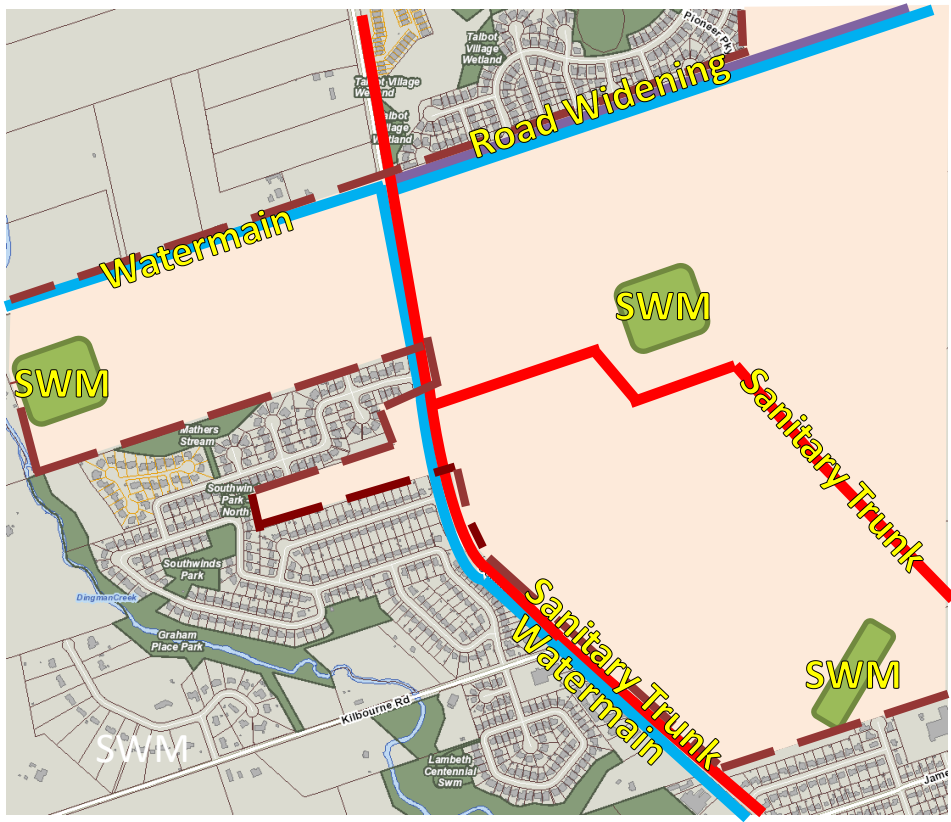
**Approval of Development Charges (DC) Background Study** – established 20 year growth program and cost recovery (approved, summer, 2014)

**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

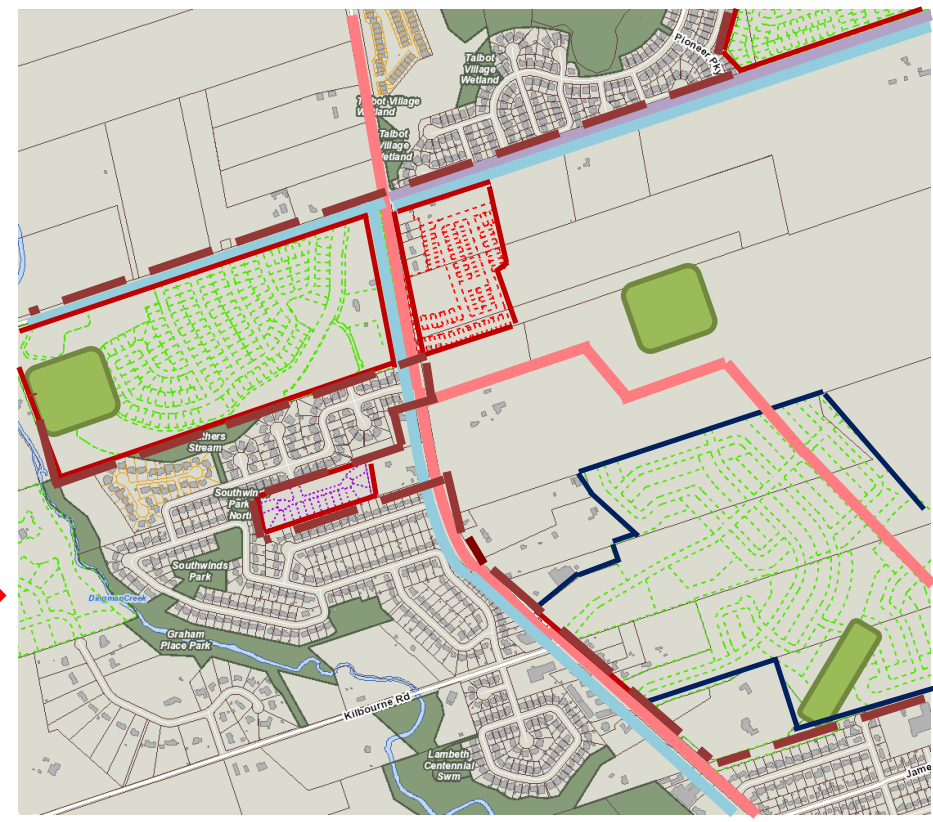
**Future DC Study** – tweaks to previous DC Study and adding an additional 5 years of growth

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GMIS

(Major infrastructure timing)



Plan of Subdivision

(Planning Act lot creation)





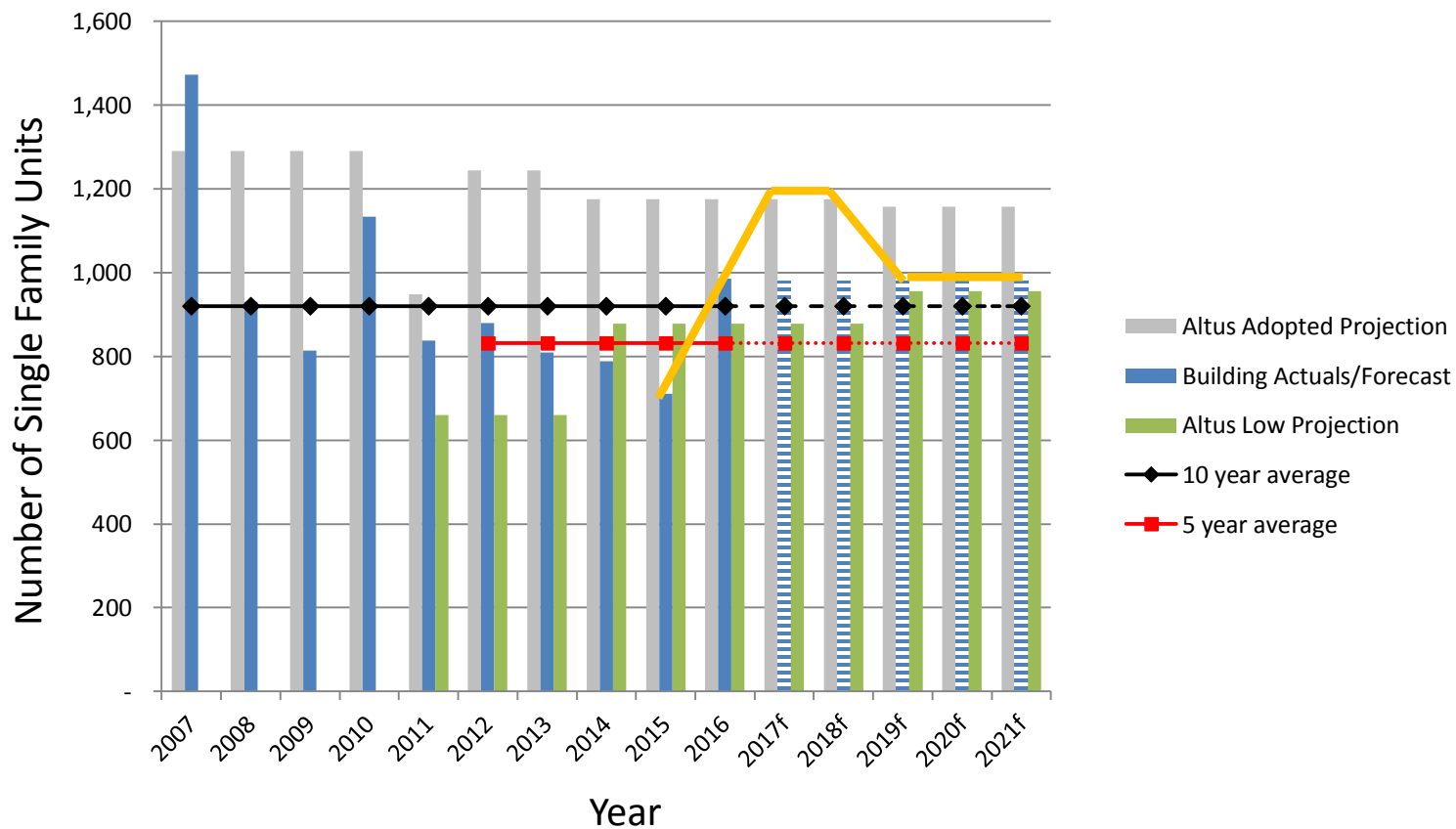
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## **GMIS CONTEXT**

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## Comparison of Low Density Residential Projected Growth and Actual Growth: 2007 - 2021



# Projects to be Constructed in 2017

Project	Type	Area	Investment
Stoney Creek SWM 2*	Stormwater	North	\$2.1M
Fox Hollow SWM 3	Stormwater	Northwest	\$5.8M
Sarnia Road – Stage 2	Roads	Northwest	\$4.1M
KL1B Sewer Trunk**	Sewer	Northeast	\$1.2M
Kilally Water	Watermain	Northeast	\$1.3M
Kilally Road at Webster	Roads	Northeast	\$2.7M
Old Victoria SWM 1*	Stormwater	Southwest	\$3.1M
SS12B Sewer Trunk	Sewer	Southwest	\$3.9M
SS15A Sewer Trunk Phase 1*	Sewer	Southwest	\$1.6M
SS15C Sewer Trunk	Sewer	Southwest	\$4.0M
Colonel Talbot PS	Sewer	Southwest	\$6.1M
Dingman SWM B4*	Stormwater	Southwest	\$3.6M
North Lambeth SWM P9*	Stormwater	Southwest	\$5.2M
Bradley Road Ext. – Phase 1	Roads	Southwest	\$12.3M
Tributary C - 'A' 'F' 'G'	Stormwater	West	\$13.9M
<b>TOTAL</b>			<b>\$69.8M</b>

**3600 potential single detached lots**

\* Contingent on development timing

\*\* Developer led UWRF project



## 2017 GMIS Timing: 2018

Project	Type	Area	Investment
Sunningdale SWM 6*	Stormwater	North	\$1.8M
Hyde Park SWM 5	Stormwater	Northwest	\$6.5M
Parker SWM*	Stormwater	Southeast	\$6.1M
North Lambeth SWM 7*	Stormwater	Southwest	\$3.9M
North Lambeth SWM 10*	Stormwater	Southwest	\$4.3M
Pincombe SWM 13*	Stormwater	Southwest	\$2.6M
Pincombe Remediation	Stormwater	Southwest	\$4.3M
SS13B Trunk Sewer	Sewer	Southwest	\$7.5M
SS15A Phase 2 Trunk Sewer*	Sewer	Southwest	\$1.6M
Southdale Water	Watermain	West	\$1.4M
Wickerson Water	Watermain	West	\$1.4M
<b>TOTAL</b>			<b>\$41.4M</b>

1850 potential single detached lots

## 2017 GMIS Timing: 2020

Project	Type	Area	Investment
Sunningdale SWM E1*	Stormwater	North	\$2.1M
Sunningdale SWM E2*	Stormwater	North	\$1.5M
Pincombe SWM 4*	Stormwater	Southwest	\$5.4M
North Lambeth SWM 8*	Stormwater	Southwest	\$4.0M
<b>TOTAL</b>			<b>\$29.8M</b>

1600 potential single detached lots

\* Contingent on development timing



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## **PROCESS OVERVIEW**

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## 2018 GMIS Schedule

<i>Timing</i>	<i>Milestone</i>
<i>February 10, 2017</i>	<i>Milestone 1: GMIS Update Kickoff Meeting</i>
<i>February 20 – March 2, 2017 (Two weeks)</i>	<i>Milestone 2: Development Community Rep Interviews</i>
<i>March 8, 2017</i>	<i>Milestone 3: Internal Divisions Project Managers Meeting</i>
<i>March 22, 2017</i>	<i>Milestone 4: Internal City Development Management Team Meeting (Internal Steering Committee)</i>
<i>April 7, 2017</i>	<i>Milestone 5: Development Community Stakeholder Session Meeting</i>
<i>April 10, 2017 – May 12, 2017</i>	<i>Milestone 5a: Development Community Stakeholder Follow-Up Meetings</i>
<i>May 15, 2017</i>	<i>Milestone 6: City Staff GMIS Update Presentation to the Strategic Priorities and Policy Committee Public Meeting</i>



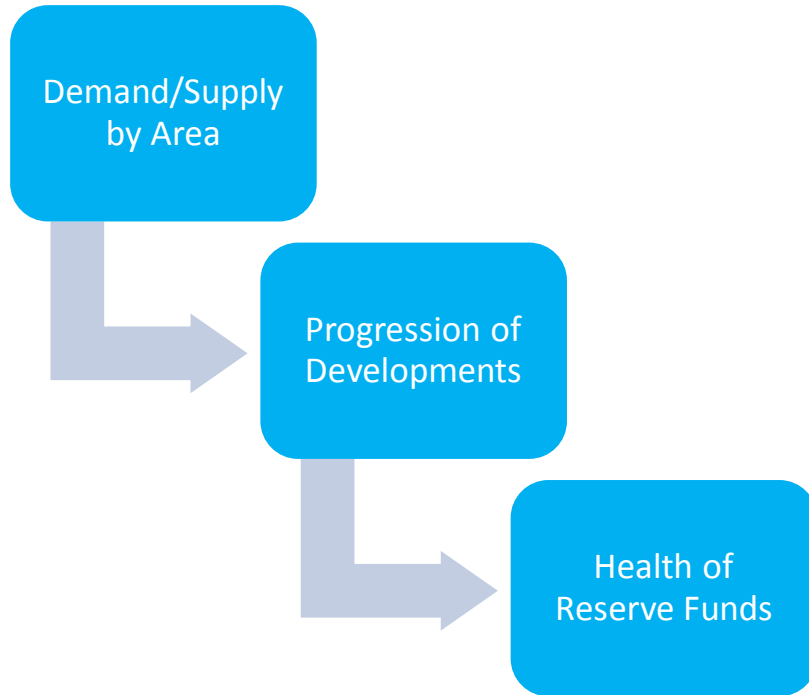


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## Stakeholder Interviews: What we Heard

- Strengthening housing market into the foreseeable future
- Increased migration from the GTA – commuters and retirees
- Southwest: some would like projects to be accelerated, others feel that too many projects are advancing and that is restricting the City's ability to respond to pressures in other growth areas
- Northeast: Sanitary sewer trunk extension is contingent on development proceeding; restricting opportunity further east.
- Current permit ready lot supply is tight; need to focus on accelerating Planning Act approvals and increasing supply to 'turn the curve'

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**All three tests must be met.**

## GMIS “Tests”

1. Is the project needed to provide additional buildable lots to meet demand in the growth area? **(GROWTH & BUILD-OUT ANALYSIS)**
  - If yes, proceed to Test 2
  - If no, maintain timing/defer 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 yes, proceed to Test 3
  - If no, maintain timing/defer project
3. Can we afford the project? **(RESERVE FUND ANALYSIS)**
  - If yes, consider project acceleration
  - If no, other projects must be deferred to accommodate



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## 2018 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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## 2017-2027 Projected Single Detached Permit Ready Lot Supply in Years @ 950 units / year

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
North	Yellow	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
Northwest	Yellow	Yellow	Green	Green	Green	Green	Green	Yellow	Yellow	Red	Red
Northeast	Red	Red	Red	Yellow	Yellow	Yellow	Yellow	Green	Green	Green	Green
Southeast	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green	Green	Green
Southwest	Red	Red	Yellow	Green	Green	Green	Green	Green	Green	Green	Green
West	Red	Yellow	Yellow	Yellow	Yellow	Yellow	Red	Red	Red	Grey	Grey

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## 2017-2027 Projected Single Detached Permit Ready Lot Supply in Years @ 950 units/year (1,200 in 2017 and 2018)

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	
North	X	X		Sufficient Supply								
Northwest	X	X	X	Sufficient Supply								
Northeast	Sufficient Supply			X	Sufficient Supply			Sufficient Supply				
Southeast	X	X	Sufficient Supply									
Southwest	Sufficient Supply			Sufficient Supply								
West	Sufficient Supply				X	Sufficient Supply		Build-out				

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## Scenario: Increase Subdivision Phase Sizes by 33% over the next 3 Years

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
North			✓							Sufficient Supply	
Northwest		✓	✓								
Northeast		✓	✓	✓							
Southeast	✓	✓								Sufficient Supply	
Southwest										Sufficient Supply	
West		✓			✓					Build-out	





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## **RECOMMENDED PROJECT ADJUSTMENTS**

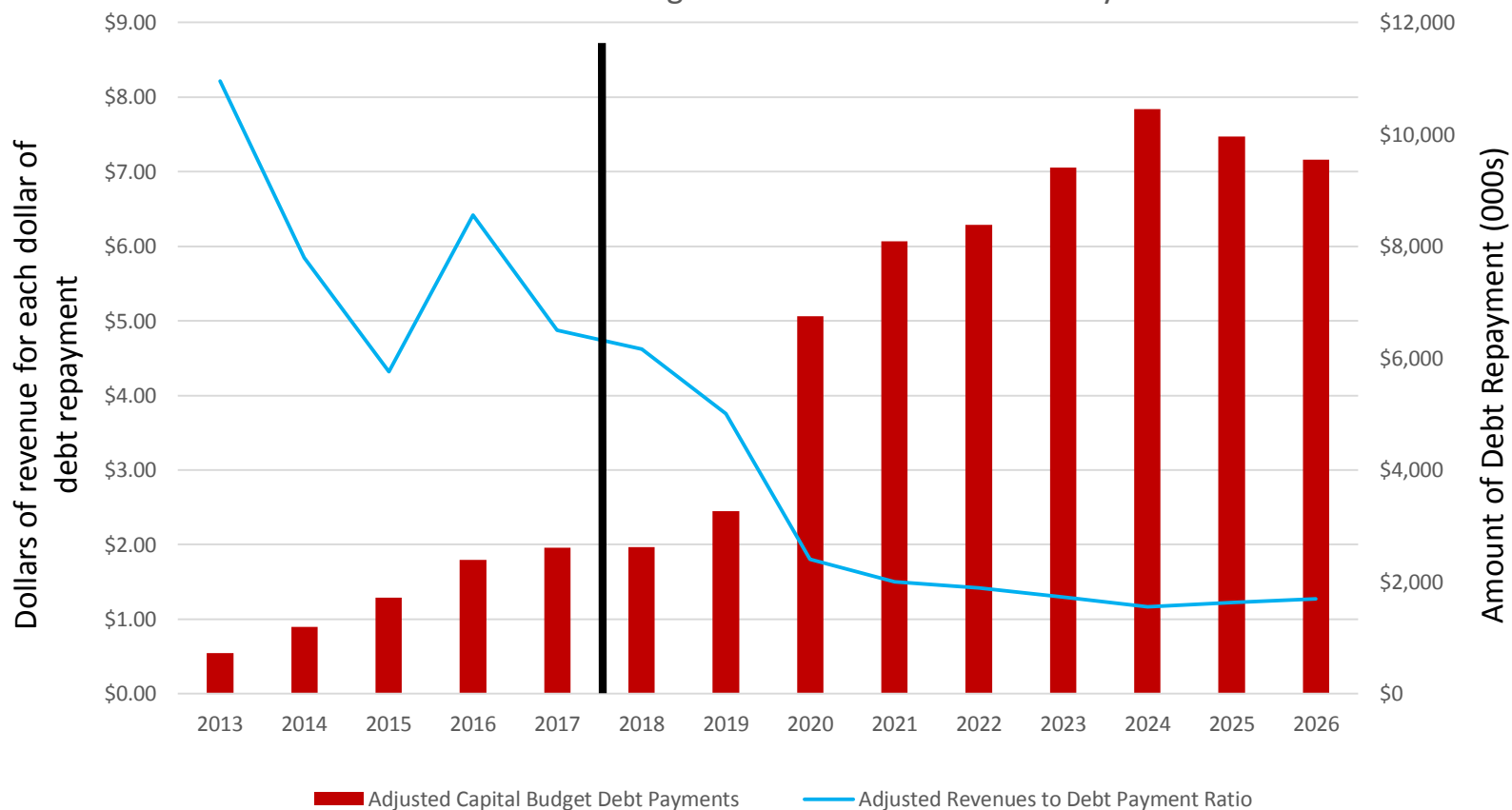
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## Draft 2018 GMIS Timing Changes

Service	Project Description	2017 GMIS Year	Rationale for Timing Change	2018 GMIS Year	Total Gross Cost
Stormwater	Fox Hollow SWM1 North Cell	2022	Support meeting mid-term greenfield area lot supply target	2019	\$3.0M
Stormwater	North Lambeth SWM 10	2018	No development activity to warrant construction	2021	\$3.6M
Water	Wickerson Water	2024	Align timing with Capital Budget	2018	\$1.4M
Water	Watermain A30 (Kilally)	2030	Align timing with Capital Budget	2025	\$1.6M
Water	Watermain A20 (Dingman)	2028	Align timing with Capital Budget	2026	\$2.9M
Water	Watermain A21 (Wonderland)	2024	Maintain project timing but advance design to 2017	2024	\$0.07M

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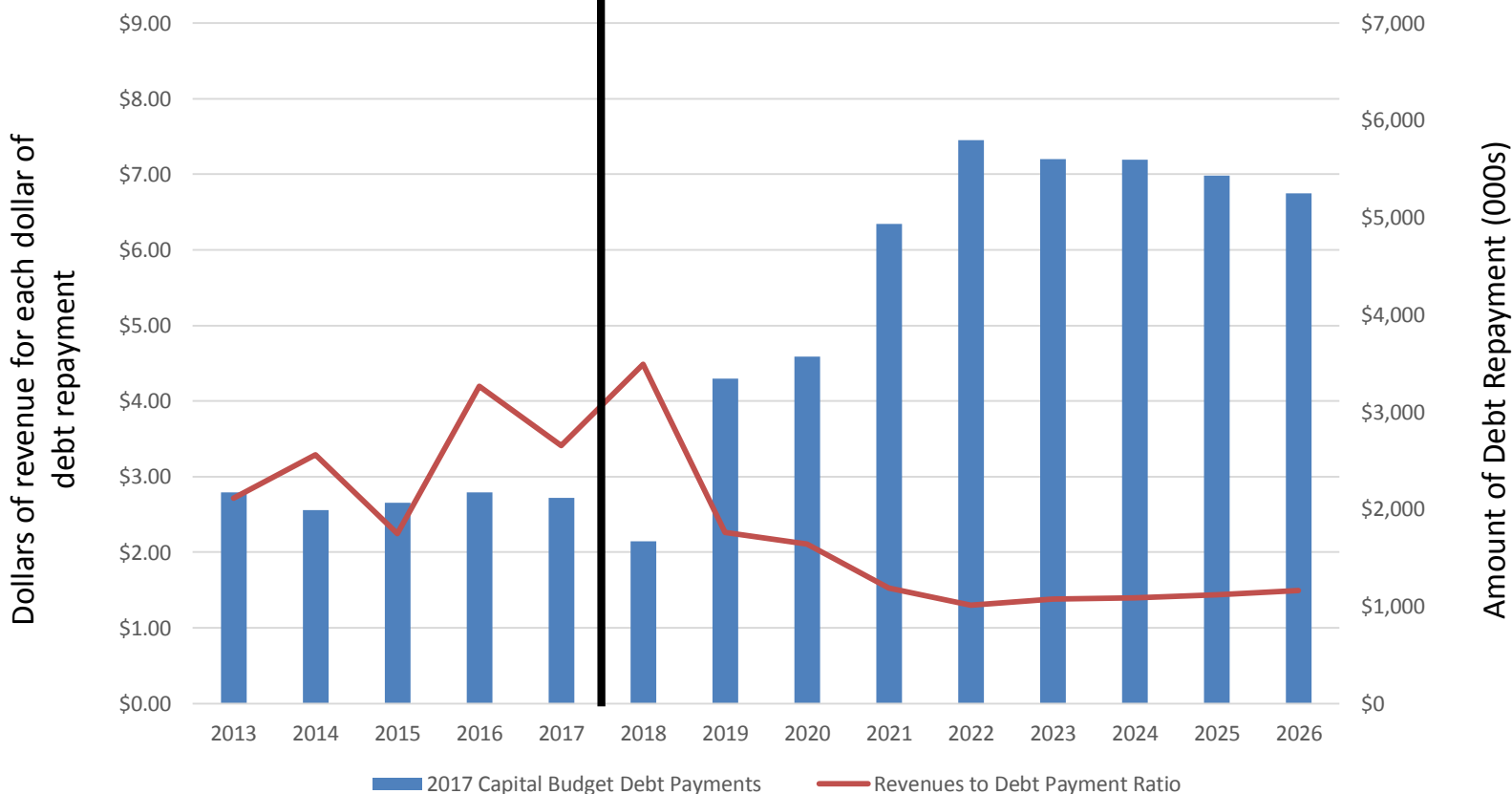
Stormwater Management DC Reserve Fund Analysis





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Sanitary DC Reserve Fund Analysis





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## **Municipal Servicing and Financing Agreements (MSFA)**

- Means to accelerate infrastructure project from GMIS timing
- Decisions guided by City's MSFA Policy (Appendix R of 2014 DC Study)
- Projects within the 0-5 year GMIS timeframe are eligible
- Benefiting lands must be contiguous to existing development and EA's must be completed for proposed work
- Acceleration of project by City will be accomplished via a loan from the developer
- No project can exceed \$3M; total projects capped at \$10M.



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## Summary

- Ambitious GMIS Schedule of Works over the next few years will provide major servicing to lands capable of accommodating a range of demand trends
- Council has approved \$70mln in infrastructure this year from previous GMIS's that provides opportunity for 3,600 single detached lots.
- Based on growth modelling, demand can be met in each growth area of the City even if it reaches 1,200 singles.
- We're moving toward our 3 year supply target in each growth area and we've brought forward a project based on demonstrated need
- Considerable debt pressures still exist for stormwater and sanitary reserve funds





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## Recommendation:

- a. Approval of 2018 GMIS Update (Appendix 'B')
- b. GMIS Update will be reflected in 2018 Multi-year Capital Budget Update