




# LONDON

## 2019 Growth Management Implementation Strategy (GMIS) Update

*Milestone 6: Strategic Priorities and Policy Committee*

*May 7, 2018*

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## 2019 GMIS Update: Outline

- Context for 2019 GMIS Update
- Overview of process (consultation and analysis)
- Results and GMIS project adjustments
- Summary remarks

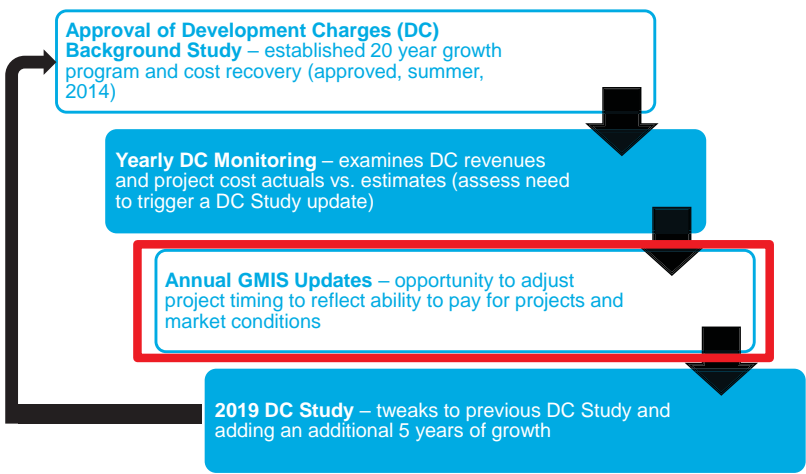
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## Council Role in DC-Related Items




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graph TD
    A["Approval of Development Charges (DC) Background Study – established 20 year growth program and cost recovery (approved, summer, 2014)"] --> B["Yearly DC Monitoring – examines DC revenues and project cost actuals vs. estimates (assess need to trigger a DC Study update)"]
    B --> C["Annual GMIS Updates – opportunity to adjust project timing to reflect ability to pay for projects and market conditions"]
    C --> D["2019 DC Study – tweaks to previous DC Study and adding an additional 5 years of growth"]
  
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## 2019 GMIS Update:

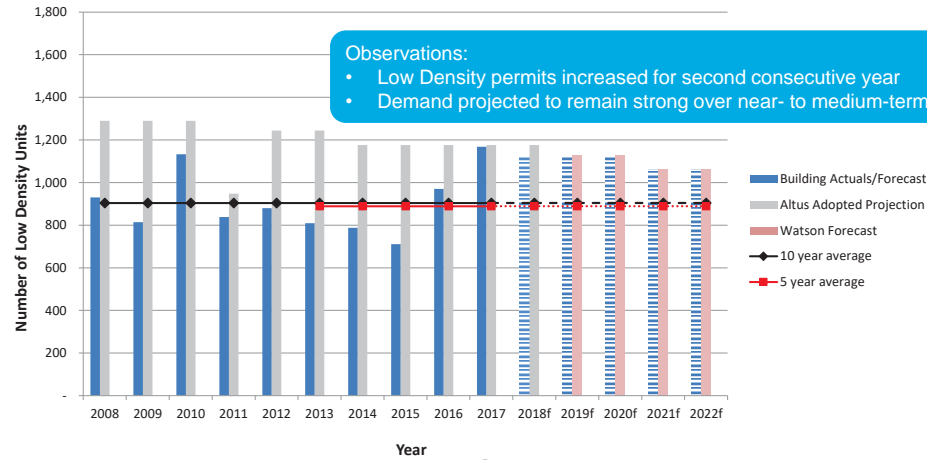
### GMIS CONTEXT

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Comparison of Low Density Residential Projected Growth and Actual Growth: 2008 - 2022



GMIS Projects to be completed in 2019

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 3*	Stormwater	Southwest	\$2.6M
SS15A Phase 2 - Full Sewer	Sewer	Southwest	\$2.6M
SS15C Sewer Trunk	Sewer	Southwest	\$4.0M
Colonel Talbot PS	Sewer	Southwest	\$8.2M
Southdale Water	Watermain	West	\$1.4M
Wickerson Water	Watermain	West	\$1.4M
<b>TOTAL</b>			<b>\$41.8M</b>

2019 GMIS Timing: 2019-2020

Project	Type	Area	Investment
Sunningdale SWM E1*	Stormwater	North	\$2.1M
Sunningdale Road Stage 2	Road	North	\$18.3M
Fox Hollow 1 - Phase 2	Stormwater	Northwest	\$3.1M
Pincombe SWM 4*	Stormwater	Southwest	\$5.4M
North Lambeth SWM 8*	Stormwater	Southwest	\$4.0M
<b>TOTAL</b>			<b>\$32.9M</b>

\* Contingent on development timing

GMIS Projects to be completed in 2018

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	Southeast	\$2.3M
SS12B Sewer Trunk	Sewer	Southwest	\$3.9M
SS15A Sewer Trunk Phase 1*	Sewer	Southwest	\$1.6M
SS13B Trunk Sewer	Sewer	Southwest	\$8.0M
Pincombe Remediation	Stormwater	Southwest	\$4.3M
Dingman SWM B4*	Stormwater	Southwest	\$3.6M
North Lambeth SWM P9*	Stormwater	Southwest	\$5.2M
Bradley Road Ext. - Phase 2	Roads	Southwest	\$12.3M
<b>TOTAL</b>			<b>\$58.4M</b>

\* Contingent on development timing

\*\* Developer led UWRF project



2019 GMIS Update:

# ANALYSIS



### Stakeholder Interviews: What we Heard

- Strong housing market into the foreseeable future
- Southwest: mid-term to long-term development interest in several locations; requests to consider advancing groups of projects
- Northeast: Servicing ‘bottleneck’ is restricting opportunity further east
- Current available lot supply is scarce; need to continue to focus on accelerating development approvals and increasing supply

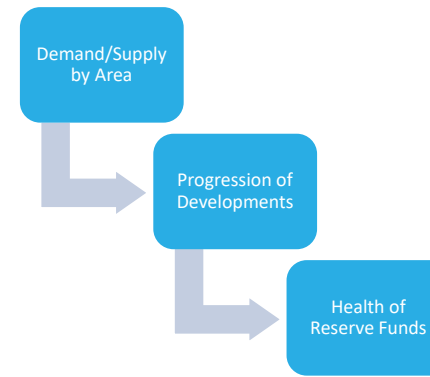


2019 GMIS Update:

## RECOMMENDED PROJECT ADJUSTMENTS



### GMIS “Tests”



**All three tests must be met.**

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

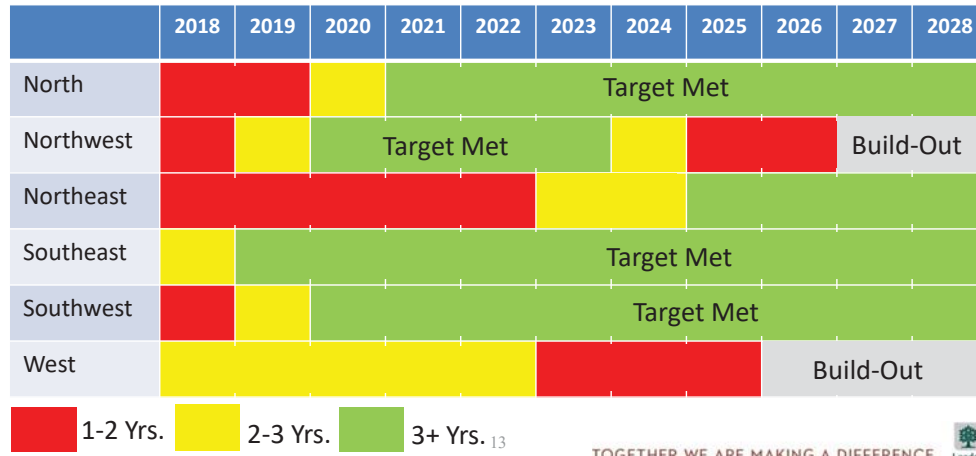


### Draft 2019 GMIS Timing Changes

Service	Project Description	2018 GMIS Year	Rationale for Timing Change	2019 GMIS Year	Total Gross Cost
Stormwater	Stoney Creek SWM 8	2027	Support meeting greenfield area lot supply target	2020	\$1.1M
Stormwater	Stoney Creek SWM 10	2022	Developer deferral request to align with development	2025	\$2.1M
Stormwater	Sunningdale SWM E1	2020	Developer deferral request to align with development	2021	\$2.1M
Stormwater	Kilally South, East Basin	2024	Support meeting greenfield area lot supply target	EA-2018 2022	\$4.0M
Water	Watermain A30 (Kilally)	2025	Support meeting greenfield area lot supply target	2022	\$1.8M
Stormwater	White Oaks SWM 3	2023	Align timing with Bradley Ave Phase 1 Extension	2022	\$2.9M



### 2018-2028 Projected Single Detached Registered Lot Supply in Years @ 1,128 units/year (2018-2020)

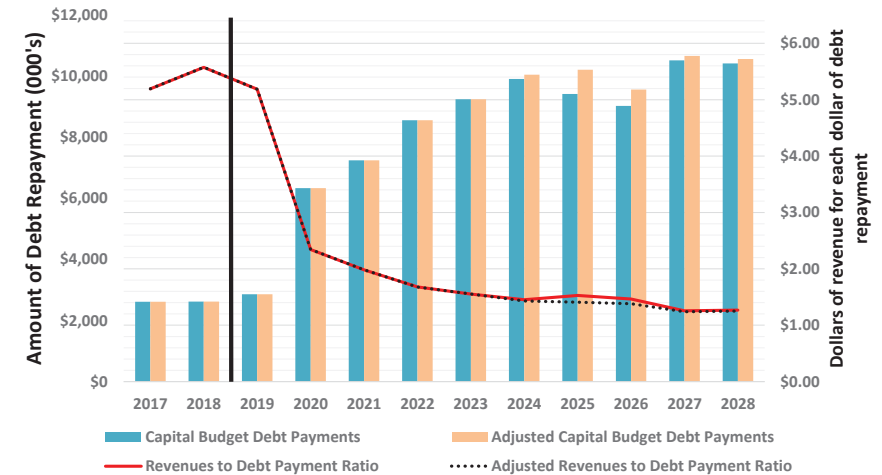


### Industrial Sanitary Servicing

- Being collected under the 2014 DC to fund industrial sanitary servicing projects between 2014 and 2024.
- Currently timed under the Capital Budget for 2025
- Recommendation to advance timing to allow the City to use the funds to further prepare for industrial growth needs as envisioned by the 2014 DC Study.



### Stormwater Management DC Reserve Fund Analysis



### Permit Ready Lot Supply

- Stakeholder concerns with availability of 'permit ready lots' (ie. registered Plan of Subdivision lots currently available for construction)
- Development Services has undertaken a review and made changes to improve timelines (pilot subdivision approvals process)
- Subdivision Tracking Database
- Permit Ready Lot (PRL) Working Group established to develop an improved model for short-term available lot supply
  - Complete preliminary PRL report by Fall 2019
  - Bi-Annual reporting – Q1 and Q3



## Summary

- Council has approved \$58mln in growth infrastructure to be constructed this year that could provide opportunity for 3,500 single detached lots.
- Based on growth modelling, demand can be met in each growth area of the City.
- We're moving toward our 3 year supply target in each growth area and projects have been brought forward based on demonstrated need
- Considerable debt pressures still exist for stormwater and sanitary reserve funds; will inform 2019 DC Study rate calculations
- This is the last GMIS under the 2014 DC Study; upcoming 2019 DC Study will review and set DC project timing for future GMIS updates

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## RESERVE DECK

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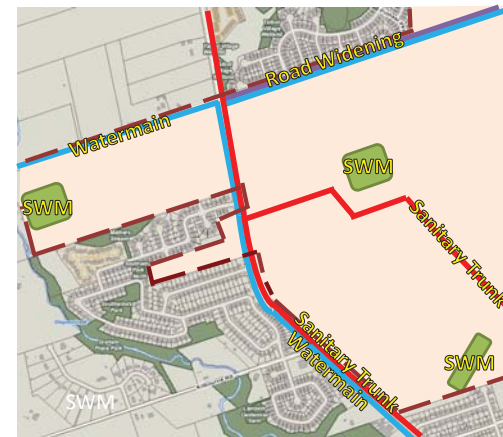


## Recommendation:

- Approval of 2019 GMIS Update (Appendix 'B')
- Industrial Sanitary Servicing be rescheduled from 2025 to 2018
- Timing changes will be reflected in the Capital Budget

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GMIS  
(Major infrastructure timing)



Plan of Subdivision  
(Planning Act lot creation)

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## 2019 GMIS Schedule

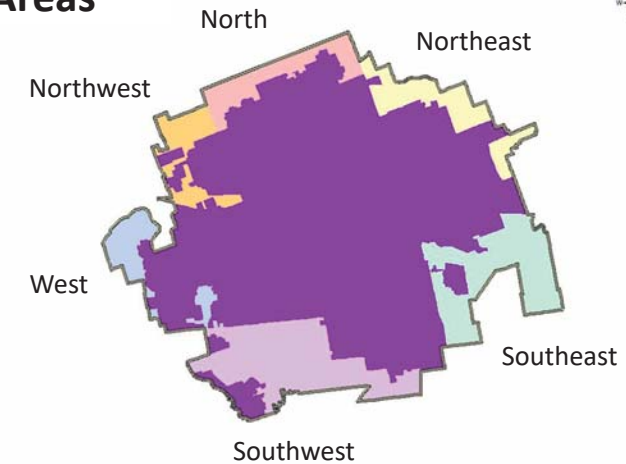
Timing	Milestone
February 14, 2018	Milestone 1: GMIS Update Kickoff Meeting
February 19 – March 2, 2018 (Two weeks)	Milestone 2: Development Community Rep Interviews
March 7, 2018	Milestone 3: Internal Divisions Project Managers Meeting
March 15, 2018	Milestone 4: Internal City Development Management Team Meeting (Internal Steering Committee)
April 4, 2018	Milestone 5: Development Community Stakeholder Session Meeting
April 9 – May 4, 2018	Milestone 5a: Development Community Stakeholder Follow-Up Meetings
May 7, 2018	Milestone 6: City Staff GMIS Update Presentation to the Strategic Priorities and Policy Committee Public Meeting

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## GMIS Areas



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## 2019 GMIS Targets/Modelling

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

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## GMIS Growth Model

**North Demand and Supply Analysis**  
 Assume 950 units/year  
 \* 95% on greenfield lands  
 \* 11% of unit construction as VLC

	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Opening Supply	265	156	184	310	362	410	513	626	677	728	749
Add: New Supply	40	189	287	213	209	264	274	212	212	182	184
Subtotal	311	345	471	523	571	674	787	838	889	910	933
Subtract: Demand	161	161	161	161	161	161	161	161	161	161	161
Years of Serviced Supply	2.0	2.1	2.6	3.2	3.5	4.2	4.9	5.3	5.5	5.7	5.5
Carry-Over	156	184	310	362	410	513	626	677	728	749	722

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

**GMIS Timing Legend**  
 2017 GMIS construction timing maintained  
 Suggested 2018 GMIS construction timing

Subdivisions	Serviced Year	Reg's Yr	Total	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
T-09501	Serviced	2017	140															
T-11502	Serviced	2017	117															
T-07502 Ph1	Serviced	2018	230															
T-07502 Ph2	Serviced	2024	230															
T-07502 Ph3	Serviced	2027	16															
T-05508	Serviced	2018	84															
T-16503	Serviced	2019	45															
T-15504	Serviced	2017	95															
SD101	Serviced	2018	38															
UP100 (assume 250 of 788)	Serviced	2019	250															
UP 100 (assume 250 of 788)	Serviced	2024	250															
UP100 (assume 288 of 788)	Serviced	2021	288															
SC101 (assume 238 of 477)	Serviced	2020	238															
SC102 (assume 239 of 477)	Serviced	2020	239															
SD100 (assume 120 of 241)	Serviced	2018	120															
SD100 (assume 121 of 241)	Serviced	2018	121															
SC100	Serviced	2018	26															
SD102	Serviced	2018	88															
UP101	Serviced	2022	49															
SC103	Serviced	2023	55															
Total			2719	48	189	287	213	209	264	274	212	212	182	184	178	120	82	40

**Infrastructure Projects**

Project	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Stoney Creek SWM 2																	
Summingdale SWM 6A																	
Summingdale SWM E1																	
Stoney Creek SWM 10																	
Stoney Creek 7.1 SWM																	
Stoney Creek SWM 8																	

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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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## Council adopted principles (2008):

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

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## Stakeholder Requests from GMIS Interviews

Project	Area	2018 GMIS Timing	Requested Timing
Stoney Creek SWM 8	North	2027	2020
Stoney Creek SWM 10	North	2022	2025
Sunningdale SWM E1	North	2020	2021
Kilally East, South Basin	Northeast	2024	Advance EA/2020
Watermain A30	Northeast	2025	2020
White Oaks SWM 3	Southwest	2023	2021
Watermain A21	Southwest	2024	2020
Oxford Rd. W. Phase 2	West	2032	2025

Servicing Areas	Area	Request
Kilally East (2024+)	Northeast	Consider alternative sanitary solutions
Dingman (2026-2028)	Southwest	Consider advancing timing of area projects
Bostwick (2029-2032)	Southwest	Consider advancing timing of area projects



## 2019 DC Master Plan Considerations

Project Description	2019 GMIS Year	Comments
Kilally East Sanitary Servicing	n/a	Consider alternative sanitary solutions to service eastern portion of Northeast Growth Area
Watermain A21 Phase 1	2024	Consider advancing project and including temporary restoration and widening costs in new cost estimate
Bostwick Area Infrastructure	2029-2033	Consider project timing advancement and alternative sanitary and stormwater solutions
Dingman Area Infrastructure	2026-2028	Consider project timing advancement and alternative stormwater solutions
Oxford Rd. W. Phase 2	2032	Consider advancing project timing in response to current growth
Sunningdale High-Level Watermain Extension	n/a	Consider alternative water servicing solutions for Adelaide/Sunningdale area

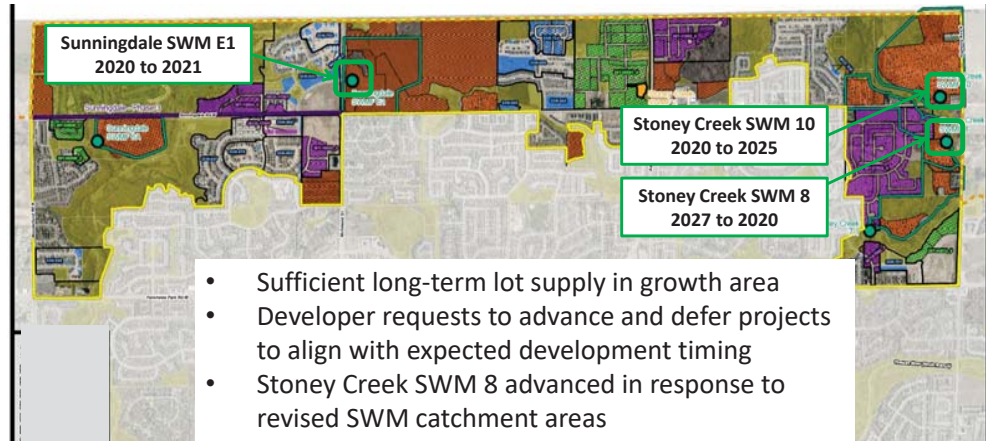
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## North Growth Area Request

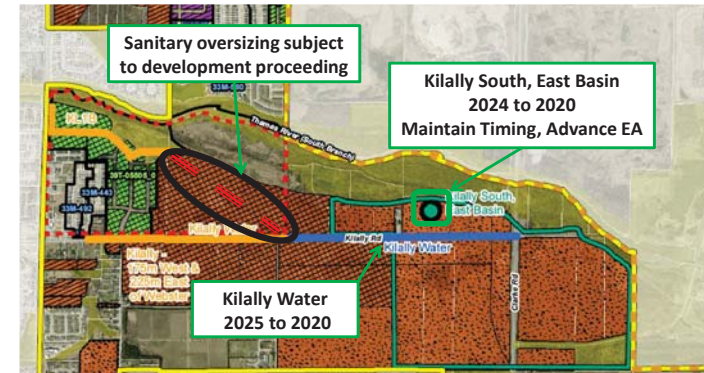


- Sufficient long-term lot supply in growth area
- Developer requests to advance and defer projects to align with expected development timing
- Stoney Creek SWM 8 advanced in response to revised SWM catchment areas

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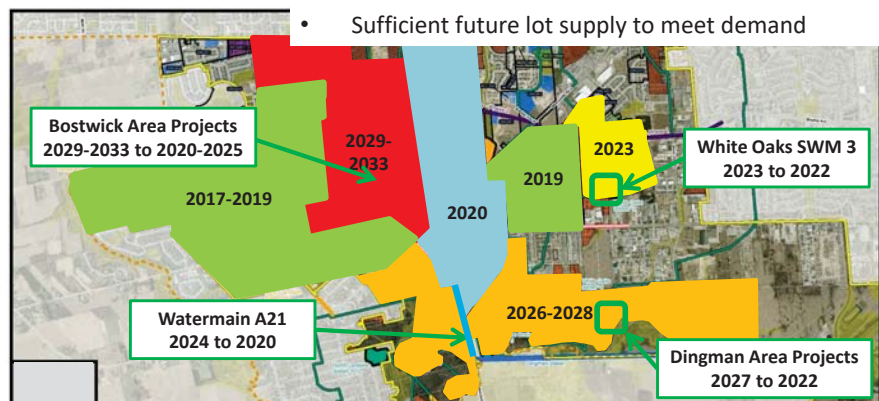
## Northeast Growth Area Requests



- Advancing Water and SWM does not resolve Sanitary constraint
- Explore alternative sanitary solutions through Master Plan process
- Advance SWM EA to 2018 and Water and SWM projects to 2022



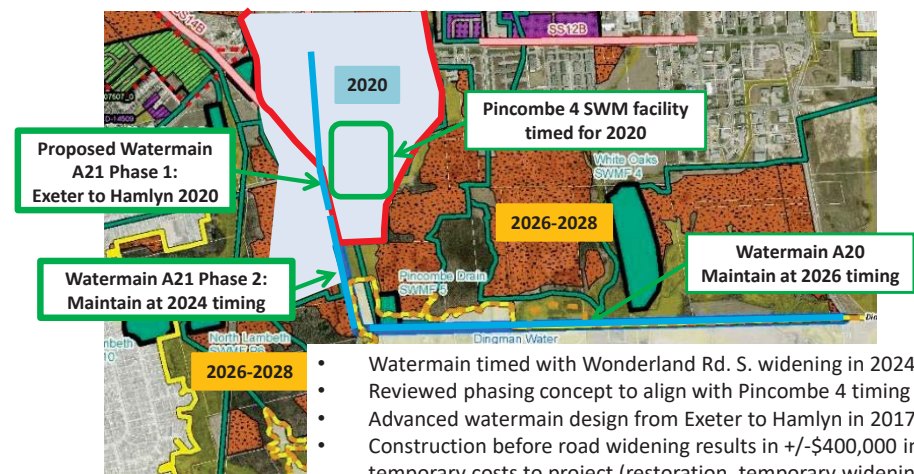
## Southwest Growth Area Requests



- Sufficient future lot supply to meet demand
- White Oaks 3 proposed to be advanced to align with Bradley Ave Phase 1 Extension
- Bostwick and Dingman area requests involve several projects to be reviewed comprehensively through the Master Plan process



## Watermain A21 Request

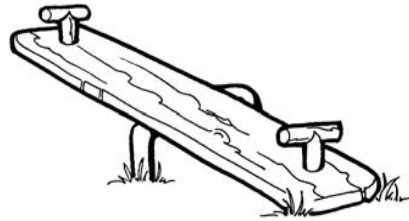


- Watermain timed with Wonderland Rd. S. widening in 2024
- Reviewed phasing concept to align with Pincombe 4 timing in 2020
- Advanced watermain design from Exeter to Hamlyn in 2017
- Construction before road widening results in +/- \$400,000 in temporary costs to project (restoration, temporary widening): temporary works would need to be borne by the developer



Maximize new opportunities for growth

Less DC revenues to pay for projects



The 2019 GMIS aims to provide investments in growth infrastructure that we can afford.

## Urban Growth Boundary

- Provincial Policy Statement (PPS)
  - Min. 3 years serviced (intensification, registered and draft approved)
  - Min. 10 years designated land
  - Max. 20 years land supply
- Land Needs Background Study (2013)
  - Sufficient supply of residential land for 20 year period (Council adopted)
- UGB Realignment Review (2013)
  - Proposed lands categorized A, B, C based on servicing requirements
  - No “swap out for in” proposals received from landowners
  - Council directed further review with next Official Plan update

