



December 5, 2018

by email [sppi@london.ca](mailto:sppi@london.ca)

City of London  
300 Dufferin Avenue  
London, Ontario  
N6A 4L9

Attn; Chair and Members of Strategic Priorities and Policy Committee

**Re: Development Charges 2019 Industry Review of Background Studies**

Chair and Members of the Committee;

The London Development Institute has been participating as an external stakeholder to the Development Study process with the City of London for many years. Over this past year we have participated in the 2019 DC review process and have had an opportunity to provide input to the many policy and background documents that have been provided through Development Services. We are pleased to advise that the process has been very transparent and the resulting preliminary DC rates are quite reasonable and not a dramatic change from the current rates. We are also very encouraged with the transparency of the reporting of the background studies and the updates to the policies for the 2019 DC bylaw.

Notwithstanding that the preliminary calculations show that the residential DC rates should not change significantly in 2019, the industry will continue to work with staff to address our concerns and issues. Some items that LDI are still reviewing with staff and that we wish to address in the next few months include;

- LDI has reviewed the table of proposed projects for each of the various DC services and have noted a handful of projects that have significantly increased in cost or scope from the previous DC study. The industry will continue to work with staff to understand why these changes have occurred.

- LDI has also noted several projects where the non-growth benefit or the benefit to future development has been identified to be lower than anticipated. The industry will continue to work with staff to address these anomalies.
- The industry has noted that there appears to be a significant increase in the number and value of Parks and Recreation projects that have been added to the schedule of works. LDI will continue to review these with staff to better understand the rationale for this change and to confirm the appropriate growth splits.
- Although the value of the study for water supply is quite insignificant to the rate, through past DC's the LDI and the City have agreed that due to the method that the supply of water is charged to the ratepayers in the City (regional water board) that water supply would not be included in the DC rates. The industry has requested that this principle be adhered to again for this DC bylaw.
- The industry has noted that there are several new programs added to the storm water management section of the DC studies. LDI is continuing to work with staff to further understand the impact of these changes.
- The industry has noted that there are a few new programs added to the Roads component (additional programs). The industry will continue to work with staff to understand the impact and appropriate growth splits for these added programs. LDI also acknowledges should the BRT initiative be terminated or change significantly the anticipated road works (and other infrastructure works) will change. Accordingly, we have been advised that a new DC bylaw may be required prior to the expiry of the 5 year anniversary of the 2019 bylaw.

LDI wishes to thank staff for the significant efforts to complete these thorough and comprehensive background studies and policy reviews required for the 2019 DC update. Upon completion of this process the LDI is convinced that the new DC bylaw should provide the appropriate growth of the City, while trying to maintain affordability for home ownership.

Sincerely,  
**London Development Institute**



**Bill Veitch**  
**President, LDI**

cc LDI Members

cc Martin Hayward, City Manager

cc George Kotsifas, Development Services

cc Paul Yeoman, Development Services

cc Jason Senese, Development Services