



March 21, 2019

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 LDI Comments**

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 our engagement with staff through the external stakeholder's meetings have been very transparent and a good example of constructive two-way communication.

LDI engaged several specialist consultants to assist us in the review of the IBI Transportation and the in-house One Water (storm, sanitary and SWM) studies. Additionally, a review of the Parks and Recreation DC background information was completed. As mentioned in our December letter to SPPC, some items that were reviewed included the following;

- 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. *Staff and LDI have reached a consensus on these concerns.*

- 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. *As noted below LDI understands that the current splits are a result of past policy agreements. The Growth split policies will be revisited prior to the next DC update.*
- 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. *Staff have reviewed these concerns. Some adjustments were made to the initial calculations and explanations were provided other concerns.*
- 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. *Staff are recommending that water supply not be included with the 2019 bylaw. LDI agrees with this recommendation.*
- 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. *There are still concerns with the impact that the Dingman Class EA and LID policies will have on DC rates. As these studies and initiatives are still ongoing it has been agreed that any changes to the SWM policies will be addressed during the next DC bylaw review.*

- 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 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.*

Through our committee discussions with staff it has been agreed that a number of Growth / Non- growth splits for certain services are not reasonable. As such it has been agreed that policies specific to the G/NG splits will be revisited during the next DC bylaw deliberations. For example, finalization of the Dingman Creek floodplain study and the Dingman Class EA may require changes to the SWM policies and subsequent project costs. These will be addressed prior to the next DC bylaw. In addition, we have also been advised that changes to the BRT master plan may result in the need for an interim DC 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.

Sincerely,

**London Development Institute**



**Mike Wallace**  
**Executive Director, LDI**

cc LDI Members

cc Martin Hayward, City Manager

cc George Kotsifas, Development Services

cc Paul Yeoman, Development Services

cc Jason Senese, Development Services