

# Agenda

## Corporate Services Committee

18th Meeting of the Corporate Services Committee

October 23, 2023

12:00 PM

Council Chambers - Please check the City website for additional meeting detail information. Meetings can be viewed via live-streaming on YouTube and the City Website.

The City of London is situated on the traditional lands of the Anishinaabek (AUh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run).

We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. The City of London is currently home to many First Nations, Métis and Inuit today.

As representatives of the people of the City of London, we are grateful to have the opportunity to work and live in this territory.

Members

Councillors S. Lewis (Chair), H. McAlister, S. Stevenson, S. Trosow, D. Ferreira, Mayor J. Morgan

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A matter pertaining to the proposed or pending lease of building by the municipality, including communications necessary for that purpose; advice that is subject to solicitor-client privilege; commercial and financial information, that belongs to the municipality and has monetary value or potential monetary value and a position, plan, procedure, criteria or instruction to be applied to any negotiations carried on or to be carried on by or on behalf of the municipality.

## **7. Adjournment**

## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee

**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

**Subject:** Declare Surplus - City Owned Property - 39 Redwood Lane

**Date:** October 23, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, on the advice of the Director, Realty Services, with respect to City owned vacant property located at 39 Redwood Lane, legally described as Lot 96-1, Plan 33-M200, in the City of London, the following actions be taken:

- a) the subject property **BE DECLARED SURPLUS**; and
- b) the subject property (“Surplus Lands”) **BE TRANSFERRED** to the abutting property owner, in accordance with the City’s Sale and Other Disposition of Land Policy.

## Executive Summary

This report recommends declaring the City owned land at 39 Redwood Lane as surplus and disposing of it in accordance with the City's Sale and Other Disposition of Land Policy.

The subject property was originally designated as a holding block for future access to external lands at 1458 Huron Street therefore eliminating the need for direct access to Huron Street and enhancing transportation safety. The City acquired this property at no cost from the developer with no reversion clause specifically for this access purpose. A condition of the subdivision agreement dating back to 1988 mandated the City to maintain 39 Redwood Lane for future access, a condition that is now being realized as the proposed site plan disallows access from Huron Street. This surplus declaration ensures that the property serves its intended purpose of preserving historical agreements and relieves the City of future liabilities and maintenance responsibilities.

## Linkage to the Corporate Strategic Plan

Municipal Council’s 2023-2027 Strategic Plan identifies “Well-Run City” and “Housing and Homelessness” as strategic areas of focus.

Well-Run City: The surplus declaration reflects the City's efficient and responsible management of its assets. The decision to declare surplus land indicates a proactive approach to resource optimization, demonstrating the City's commitment to being a well-run and fiscally responsible municipality.

### Housing and Homelessness:

1.1 Increased access to a range of quality, affordable, and supportive housing options that meet the unique needs of Londoners.

3.1: London’s growth and development is well planned and considers use, intensity, and form.

By recommending the conveyance of the surplus property at 39 Redwood Lane to a developer for the construction of 24 townhouse units, the City is actively contributing to the goal of providing more housing.

The Transportation and Planning Departments set forth the acquisition of the subject property as a prerequisite for the development application at their meeting on August 17, 2023.

The land will be disposed of in accordance with the City's Sale and Other Disposition of Land Policy.

## **Analysis**

### **1.0 Background Information**

#### **1.1 Previous Reports Related to this Matter**

None

#### **1.2 Summary**

The subject property is vacant land located at 39 Redwood Lane, legally described as Lot 96-1, Plan 33M200. The subject property is rectangular in shape with a total of approximately 0.09 acres in size. The land is currently zoned as R1-4.

The subject property was originally designated as a holding block for future access to external lands (1458 Huron Street), eliminating the need for direct access to Huron Street, thereby enhancing transportation safety. The City acquired this property at no cost from the developer, with no reversion clause, specifically for this access purpose.

The City has received a development application for 1458 Huron Street whereby the disposal of the land would be inevitable for the development project. The transfer of the lands will create a private access road to the future development site to the south and will also serve to provide servicing connections to be made off of Redwood Lane.

The land will be transferred to the abutting owner at a nominal consideration in accordance with the City's Sale of Other Disposition of Land Policy.

### **2.0 Discussion**

The key impetus behind this recommendation is the necessity to fulfill the original purpose of the 39 Redwood Lane property, primarily its use as an access point.

The Transportation and Planning Departments set forth the acquisition of the mentioned property as a prerequisite for the development application during their meeting on August 17, 2023.

The discussions centers around the proposed disposal of the 39 Redwood Lane property, which was originally designated as a holding block for future access to 1458 Huron Street. The primary issue at hand is the need to ensure that this property fulfills its intended function and purpose effectively, particularly as a crucial access point.

It is recommended the conveyance of the property be carried out at nominal consideration. This decision aligns with historical practices, equitable principles and the absence of acquisition costs incurred by the City. Moreover, it respects a 1988 subdivision agreement, which mandated the property's maintenance for future access, now realized due to the site plan's restrictions on Huron Street access.

### 3.0 Benefits to the City

The proposed surplus declaration and conveyance of the 39 Redwood Lane property carry several significant advantages for the City of London. Firstly, this action aligns with our commitment to enhancing transportation safety. By retaining the property for future access to 1458 Huron Street, we contribute to the overarching goal of safer traffic management, a principle supported by Transportation Engineering.

Moreover, this course of action honors a historical agreement dating back to 1988. By maintaining the property for future access, we demonstrate our commitment to fulfilling past obligations.

The absence of acquisition costs incurred by the City justifies a nominal consideration approach, mirroring past practices of transferring similar properties with a similar set of circumstances at nominal value.

The surplus and sale of the subject property is supported by Transportation and Planning and Development.

In conclusion, the surplus declaration and conveyance of the 39 Redwood Lane property at nominal consideration offer a range of substantial benefits to the City, spanning from improved transportation safety to responsible land management, compliance with historical agreements, and equitable treatment—all while reducing future liabilities and securing the support of key stakeholders.

### 4.0 Financial Impact

The proposed surplus declaration and conveyance of the 39 Redwood Lane property at nominal consideration adhere to a fiscally responsible approach for the City. By transferring future maintenance and liabilities via a transfer of the subject property, the City reduces long-term financial obligations. The decision also aligns with responsible land management practices and enjoys the support of key stakeholders, enhancing overall fiscal responsibility and efficiency.

## Conclusion

It is therefore recommended that the subject property be declared surplus, allowing the City to proceed with a future transfer of the subject lands. This decision not only aligns with transportation safety principles and historical agreements but also demonstrates reducing future maintenance obligations.

A Location Map of the subject property is shown as Appendix A.

The Development Application Site Plan is shown as Appendix B.

**Prepared by:** Bryan Baar, Manager II, Realty Services

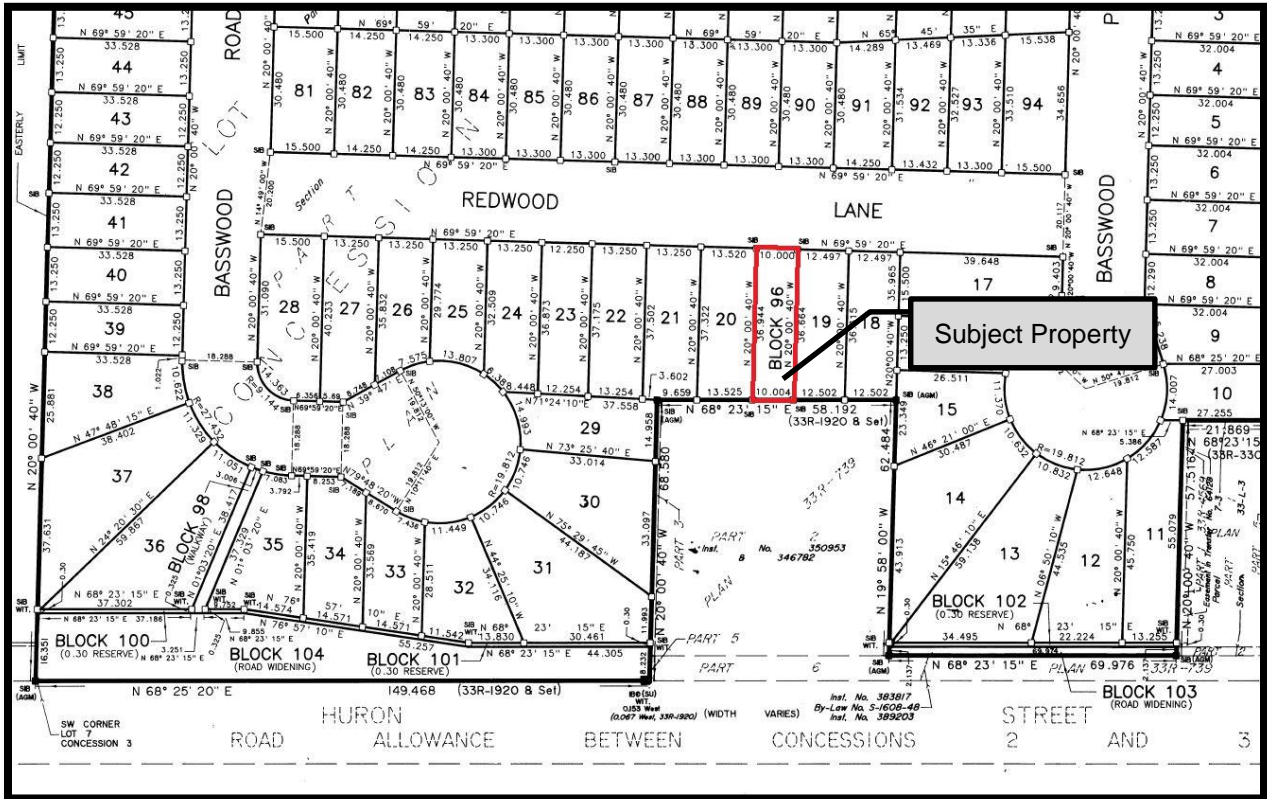
**Submitted by:** Bill Warner, Director, Realty Services

**Recommended by:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics  
Sachit Tatavarti, Solicitor

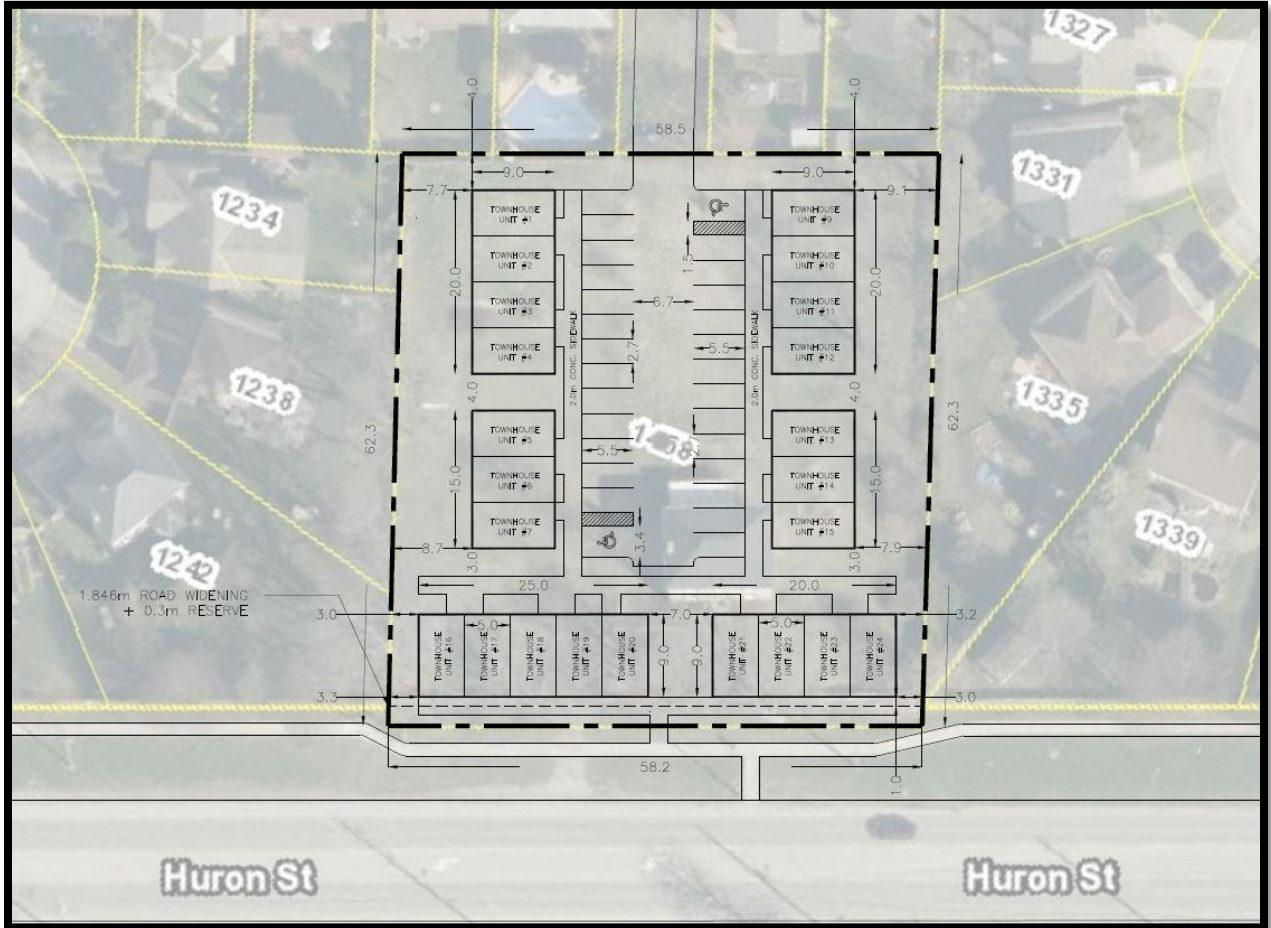
October 4, 2023

# Appendix A - Location Map – Area to be Declared Surplus



# Appendix B - Development Application Site Plan

## Development Application -Site Plan



## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee

**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

**Subject:** Declare Surplus - City Owned Property  
Part of Berkshire Park - 510 Berkshire Drive

**Date:** October 23, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, on the advice of the Director, Realty Services, with respect to City owned property, the following actions be taken:

- a) the subject property being a portion of Berkshire Park located at 510 Berkshire Drive, in the City of London, legally described as Parts of Block P, Plan 932, London / Westminster, being Parts of PIN 084050053, to be described in a reference plan to be deposited, **BE DECLARED SURPLUS**; and
- b) the subject property (“Surplus Lands”) **BE TRANSFERRED** to the abutting property owner in accordance with the City’s Sale and Other Disposition of Land Policy.

## Executive Summary

This report presents a formal recommendation for the surplus declaration of a portion of Berkshire Park, a City owned property situated at 510 Berkshire Drive, to resolve a decades long encroachment issue. The proposal is in alignment with the City’s Sale and Other Disposition of Land Policy and will facilitate an appropriate disposal of portions of the subject property. The decision to declare this portion of Berkshire Park as surplus is based on a thorough assessment, which indicates that retention of the land is not deemed necessary for municipal purposes.

One of the primary factors influencing this recommendation is the ongoing encroachment by Sifton Properties Limited (Sifton), located to the east and north of the subject property. Sifton has offered a solution to address this encroachment issue by proposing to purchase the affected areas. In addition to this, Sifton is also completing improvements within their private property to help minimize operational overlap in the park and improve overall park safety. This coordination supports our goal to resolve the encroachment issue. Furthermore, it establishes a collaborative approach in line with the Corporate Strategic Plan emphasizing efficient land management and ensuring the safety and well-being of our community.

## Linkage to the Corporate Strategic Plan

Municipal Council’s 2023-2027 Strategic Plan identifies “Well-Run City” and “Economic Growth, Culture, and Prosperity” as strategic areas of focus.

Economic Growth, Culture, and Prosperity: As part of the surplus declaration process, the City can collaborate with private partners, such as Sifton to explore resolving a long-standing encroachment issue to benefit of both Sifton and the City



Well-Run City: The surplus declaration reflects the City's efficient and responsible management of its assets. The decision to declare surplus land indicates a proactive approach to resource optimization, demonstrating the City's commitment to being a well-run and fiscally responsible municipality.

A property inquiry liaison was completed and responses are further detailed in this report.

The land will be disposed of in accordance with the City's Sale and Other Disposition of Land Policy.

## **Analysis**

### **1.0 Background Information**

#### **1.1 Previous Reports Related to this Matter**

None

#### **1.2 Summary**

The subject property is a portion of the Berkshire Park located 510 Berkshire Drive, legally described as Parts of Block P, Plan 932, in the City of London, being Parts of PIN 084050053, to be described in a reference plan to be deposited.

The subject property consists of three different portions of Berkshire Park all being irregular shapes, totalling approximately 7,965 square feet in size. The land is currently zoned as Open Space.

The Civic Administration recommends the surplus declaration of a portion of Berkshire Park in accordance with the City's Sale and Other Disposition of Land Policy. The decision is founded on an assessment that indicates the subject property is no longer required for municipal purposes.

Declaring the specified portion of Berkshire Park as surplus aligns with prudent land management practices allowing the City to resolve the encroachment matter while effectively utilizing the land to serve the best interests of the community.

Sifton Properties Limited, the abutting owner, reached out to Realty Services stating an interest in solving its encroachment issue by purchasing the subject City owned property. Some of the subject lands were previously considered in the context of a Licence Agreement.

The subject land will be transferred to the abutting owner at fair market value in accordance with the City's Sale of Other Disposition of Land Policy.

### **2.0 Discussion**

The primary driver for this recommendation is the ongoing encroachment by Sifton on the east and north side of the subject property. To address this issue, Sifton has proposed the purchase of the encroached areas, offering an efficient solution that enables the City to optimize land usage and potentially generate revenue through the disposal of surplus land.

A liaison process was circulated in 2023.

In the circulation, the following was determined:

- No documented objections to the sale of municipally owned subject lands

- It was noted that there is archaeological potential for lands in the area and any existing development agreements impacts by the transfer of the lands may need to be updated

The City Sale and Other Disposition of Land policy under Section 4 Methods of Sale allows for the disposition of lands to abutting property owners through direct negotiation.

Any future land transfer will be subject to the above considerations which have been shared in their entirety with the proponent's representative.

The disposition of these small parcels of parkland is not expected to impact current or future design and public use of Berkshire Park.

### **3.0 Benefits to the City**

**Resolution of Encroachment:** The surplus declaration offers a practical solution to address the ongoing encroachment issue by Sifton Properties. By selling the encroached portions to the adjacent property owner, the City can efficiently resolve the matter while maintaining a cooperative relationship with neighboring stakeholders.

**Enhanced Safety and Operational Efficiency:** The transfer of the triangular portion in the southeast quadrant will also facilitate a turn around being constructed at Sifton's expense to improve the efficiency of garbage collection from the site. Additionally, planned improvements to Berkshire Park will ensure that long-standing operating arrangements between Sifton and the City are more appropriately observed, further enhancing safety and operational efficiency within the park environment.

While there may be some financial gain through the sale of the surplus land, it's important to emphasize that this gain is minimal and not the primary motivation behind this decision. Our main focus is on resolving encroachment issues, improving safety, and enhancing the overall operations within Berkshire Park. These benefits align with our commitment to serving the community's best interests and maintaining a harmonious neighborhood environment.

### **4.0 Financial Impact**

There are no significant cost implications to the City to declare this property surplus and transfer ownership to Sifton Properties Inc. in accordance with the City's Sale and Other Disposition of Land Policy. Clauses within the license agreement effectively distribute financial responsibilities to the Purchaser, allowing the City of London to minimize its financial exposure to costs associated with the conveyance. By ensuring that legal expenses, and reference plan costs related to the property are borne by the Purchaser, the City can safeguard its financial interests.

## **Conclusion**

The benefits of declaring the subject land as surplus are twofold: releasing the City from liability and maintenance responsibilities and resolution of a decades old encroachment issue.

By declaring the land as surplus and transferring it to Sifton Properties Limited in accordance with the City's Sale and Other Disposition of Land Policy, the City can efficiently relinquish ownership and associated liabilities. This strategic decision allows the City to focus on its core functions and responsibilities while maximizing the potential of the surplus property.

Considering these advantages, it is recommended that the subject property be declared surplus and transferred to Sifton Properties Limited.

A Location Map of the subject property is shown as Appendix A.

**Prepared by:**                    **Bryan Baar, Manager II, Realty Services**

**Submitted by:**                **Bill Warner, Director, Realty Services**

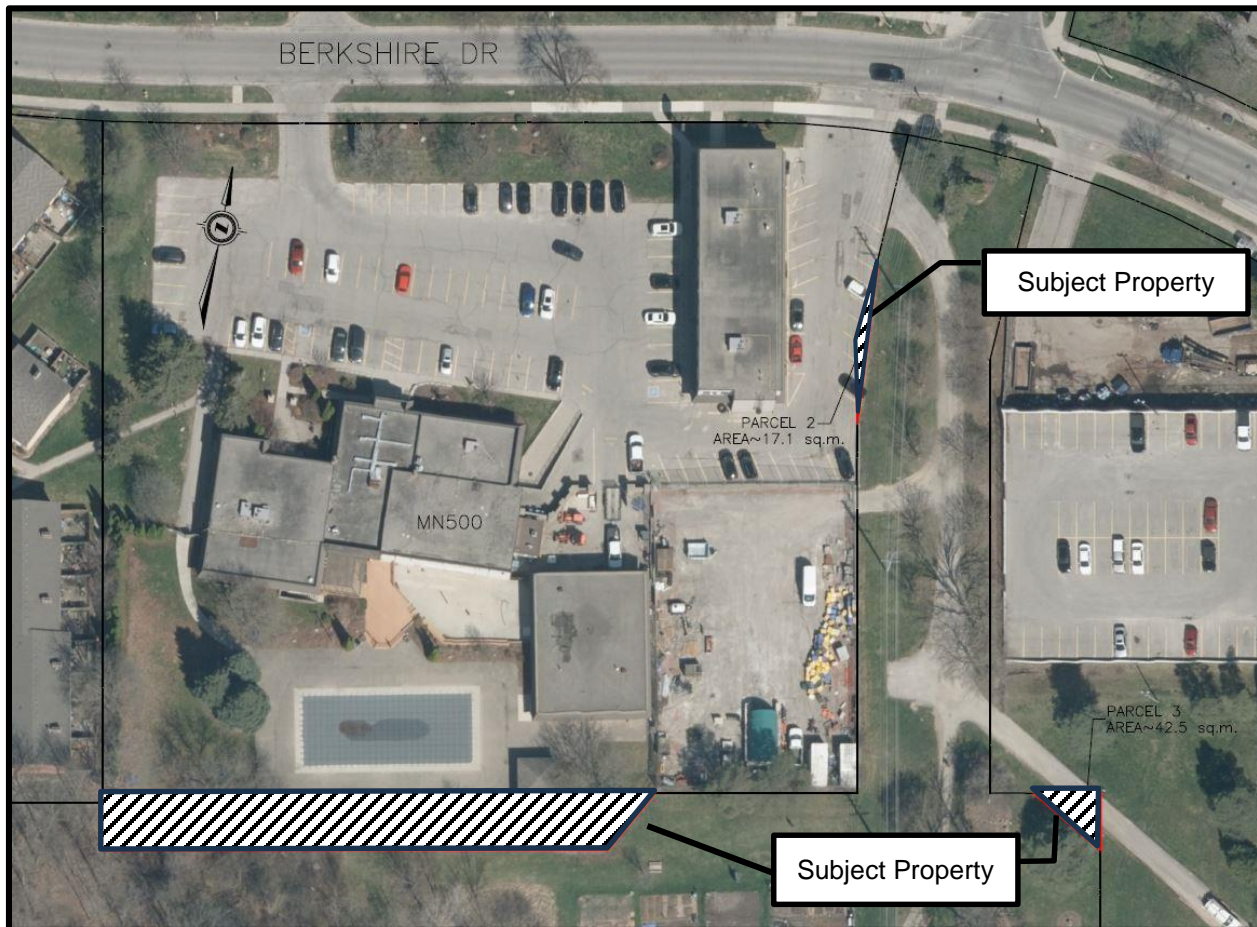
**Recommended by:**        **Anna Lisa Barbon, Deputy City Manager, Finance  
Supports**

cc:     Gary Irwin, Division Manager and Chief Surveyor, Geomatics  
        Sachit Tatavarti, Solicitor  
        Paul Yeoman, Director, Parks & Forestry  
        Jeff Bruin, Manager, Parks Design and Construction, Environment and Infrastructure

October 10, 2023

**Appendix A - Location Map – Area to be Declared Surplus**

*The Subject land is shaded White*



## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee

**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

**Subject:** Declare Surplus - City Owned Property  
Public Walkway South of 10 Rossmore Court

**Date:** October 23, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, on the advice of the Director, Realty Services, with respect to City owned property, the following actions be taken:

- a) the subject property being a public walkway south of 10 Rossmore Court, legally described as PIN 08461-0118, **BE DECLARED SURPLUS**; and
- b) the subject property (“Surplus Lands”) **BE TRANSFERRED** to the abutting property owner, in accordance with the City’s Sale and Other Disposition of Land Policy.

## Executive Summary

This report recommends that the City owned public walkway located at the south of 10 Rossmore Court be declared surplus and disposed of in accordance with the City’s Sale and Other Disposition of Land Policy.

The walkway in question is elevated approximately 5 meters above adjacent significant woodland, notably Highland Woods. Historically, the City had a raised boardwalk in place that connected to a hike only trail system. Following a public engagement process in 2021, the boardwalk was removed due to a combination of environmental and technical considerations, regulatory constraints, and funding limitations. The continued existence of the subject walkway has presented several operational challenges notably, it has become a hotspot for illegal dumping, and it also provides access to protected wetlands, which raises environmental concerns.

## Linkage to the Corporate Strategic Plan

Municipal Council’s 2023-2027 Strategic Plan identifies “Well-Run City” and “Wellbeing and Safety” as strategic areas of focus.

Well-Run City: The surplus declaration reflects the City’s efficient and responsible management of its assets. The decision to declare surplus land indicates a proactive approach to resource optimization, demonstrating the City’s commitment to being a well-run and fiscally responsible municipality.

Climate Action and Sustainable Growth: The Strategic Plan emphasizes the importance of well-planned, sustainable community growth while safeguarding London’s natural environment. By recommending the declaration of surplus for the City-owned public walkway, we are directly addressing the plan’s core strategies.

By addressing the operational challenges posed by the walkway, including access to protected wetlands and illegal dumping, we are taking steps to protect our vital wetlands, in line with the Strategic Plan’s objectives.

Wellbeing and Safety: This surplus declaration report underscores the City's commitment to enhancing the safety and quality of life for all Londoners. The decision to declare as surplus is a strategic move that resonates with the broader objectives outlined in the Strategic Plan.

The Strategic Plan places "Wellbeing and Safety" at the forefront of its strategic areas of focus. It acknowledges that community safety is a paramount concern for Londoners, directly impacting their overall quality of life. This surplus declaration report echoes this sentiment by addressing the safety concerns associated with the continued existence of the elevated walkway in Highland Woods.

The walkway's current state does not support any recreational benefits and has posed operational challenges, including its unfortunate transformation into a hotspot for illegal dumping. Such activities negatively impact protected woodland and wetland environments in Highland Woods and the overall quality of life for residents in the vicinity.

The mandate to discontinue use of the walkway block was provided to Realty Services by the Environment and Infrastructure service area.

The land will be disposed of in accordance with the City's Sale and Other Disposition of Land Policy.

## **Analysis**

### **1.0 Background Information**

#### **1.1 Previous Reports Related to this Matter**

None

#### **1.2 Summary**

The subject property is a public walkway located south of 10 Rossmore Court, legally described as PIN 08461-0118, in the City of London, to be described in a reference plan to be deposited. The subject property has rectangular-like shape, total of approximately 2,421.88 square feet in size. The land is currently zoned as R1-13.

The abutting owner was contacted by Realty Services to determine if there was an interest in purchasing and closing off the public walkway which would include removing the fences and concrete.

The land will be transferred to the abutting owner at fair market value in accordance with the City's Sale of Other Disposition of Land Policy.

### **2.0 Discussion**

The primary driver for this recommendation is the pressing need to rectify the operational challenges and environmental concerns associated with the continued existence of the subject land. To address this issue, it is imperative that we take proactive steps through the disposal of this land. This strategic action not only resolves the current problems but also aligns with responsible resource management and policy compliance, demonstrating our commitment to enhancing public safety and environmental preservation.

The City Sale and Other Disposition of Land policy under Section 4 Methods of Sale allows for the disposition of lands to abutting property owners through direct negotiation.

There are multiple condominium owners to the north of the pathway that would create a high degree of complexity in disposing of the pathway. The abutting owner to the south was solicited for interest in the property. The abutting owner expressed an interest in acquiring the property and subject to this report a negotiated outcome will follow.

The disposition of this municipal walkway block is not expected to impact current or future design and public use of Highland Woods.

### **3.0 Benefits to the City**

**Ecological Preservation:** By declaring the property surplus, the City can better protect the adjacent significant woodland and wetland environment, which should be the focal point of this decision. This ecological protection is of utmost importance and aligns with the City's commitment to environmental conservation and sustainability.

While there may be a potential for some financial gain through the sale of the land, it's important to emphasize that this gain is minimal and not the primary motivation behind this decision. The revenue generated from the potential sale can be seen as a secondary benefit, albeit a minor one.

Additionally, it's worth noting that retaining the land without the need for costly maintenance and improvements is a strategic approach. This approach ensures the efficient allocation of resources while still achieving our primary goal of ecological preservation. This decision reflects the City's commitment to prudent fiscal management and responsible use of taxpayer funds while prioritizing environmental stewardship.

### **4.0 Financial Impact**

There are no significant cost implications to the City in declaring this property surplus and transferring ownership to the abutting owner, in accordance with the City's Sale and Other Disposition of Land Policy. A sale of the subject property indeed has the potential to generate revenue for the City.

It's important to note that while revenue generation is a possibility, there may be associated remediation costs related to the removal of site improvements. However, the goal is to have all these costs reimbursed by the proponent. Any necessary expenses will be deducted from the transaction amount, ensuring that the City does not bear the financial burden of remediation.

This approach demonstrates our commitment to responsible financial management and ensures that the City's fiscal position remains stable throughout the transaction.

## **Conclusion**

The benefits in declaring the subject land surplus include enhanced protection of significant woodland and wetland environments within Highland Woods and releasing the City from liability and maintenance responsibilities.

It is therefore recommended that the subject property be declared surplus, allowing the City to efficiently allocate resources, prioritize essential projects, and streamline its operations while safeguarding its financial interests. This decision exemplifies the City's commitment to responsible resource management and the well-being of its community.

A Location Map of the subject property is attached as Appendix A.

**Prepared by:** Bryan Baar, Manager II, Realty Services

**Submitted by:** Bill Warner, Director, Realty Services

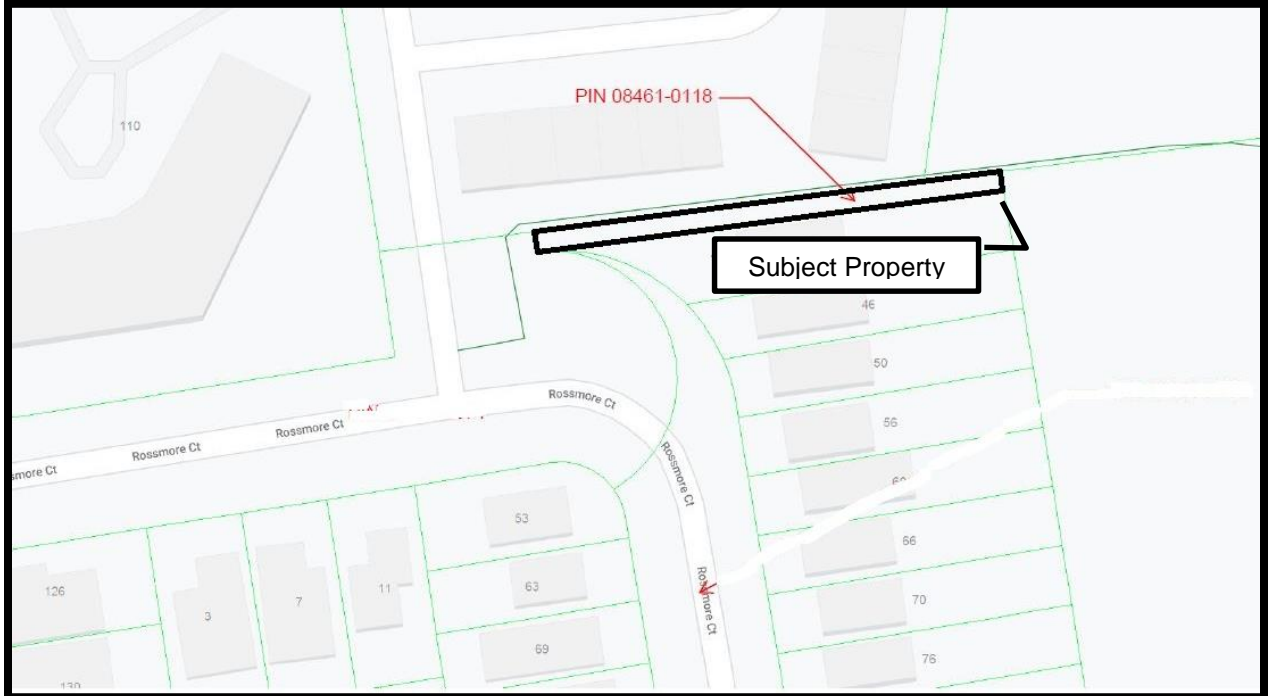
**Recommended by:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics  
Sachit Tatavarti, Solicitor  
Paul Yeoman, Director, Parks & Forestry  
Jeff Bruin, Manager, Parks Design and Construction, Environment and Infrastructure

October 12, 2023



**Appendix A - Location Map – Area to be Declared Surplus**



## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee

**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports

**Subject:** Declare Surplus - City Owned Property  
Part of 20 Granville Street

**Date:** October 23, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, on the advice of the Director, Realty Services, with respect to a portion of City owned property municipally known as 20 Granville Street, being Part of Lot 2, West of Wharncliffe Road, Crown Plan 30, City of London, as shown in Appendix “B” and to be further described in a reference plan to be deposited (the “Subject Property”), the following actions be taken:

- a) the Subject Property **BE DECLARED SURPLUS**; and,
- b) the Subject Property **BE OFFERED** for sale in accordance with the City’s Sale and Other Disposition of Land Policy.

## Executive Summary

The City of London is considering a land exchange with the London Christian Academy School for the purposes of completing the future Parks pathway connection to Charles Street and for securing the necessary easement rights required for the Cavendish Phase III Sewer Project. This report recommends that part of 20 Granville Street be declared surplus and sold in accordance with the City’s Sale and Other Disposition of Land Policy.

## Linkage to the Corporate Strategic Plan

Municipal Council’s 2023-2027 Strategic Plan identifies “Wellbeing and Safety” is achieved through investing in publicly-owned facilities, parks, open spaces, and natural amenities that provide cultural, social, and recreational opportunities, programming and engagement and the strategic focus of “Climate Action and Sustainable Growth” as a strategic area of focus with an outcome of infrastructure and systems being built, maintained, and operated to meet the long-term needs of the community.

The recommendation in this report will support the aforementioned strategic area by declaring part of 20 Granville Street (located on the edge of West Lions Park) as surplus in exchange for land rights being acquired for a future public pathway connection from Charles Street to West Lions Park as well as benefiting the Cavendish Phase III Sewer Replacement Project by securing additional easement rights for new infrastructure.

# Analysis

## 1.0 Background Information

### 1.1 Previous Reports Related to this Matter

Civic Works Committee – June 2, 2015 – Appointment of Consulting Engineers, Infrastructure Renewal Program 2016-2017

Civic Works Committee – June 8, 2016 – Appointment of Consulting Engineers, Infrastructure Renewal Program 2017-2018

Civic Works Committee – April 17, 2018 – 2018 Infrastructure Renewal Program Consultant Construction Supervision Awards Cavendish Crescent and Avalon Street Projects

Civic Works Committee – February 20, 2019 – Contract Award: Tender No. RFT 19-13 2019 Infrastructure Renewal Program Cavendish Crescent and Mount Pleasant Avenue Phase 2 Reconstruction Project

## 2.0 Discussion and Considerations

### 2.1 Parks Requirement

The current situation in West Lions Park requires park users living south of the park to walk through the London Christian Academy's driveway and parking lot to access the various amenities situated in this District-level park (sports fields, basketball courts, playground, spray pad, skateboard park, community garden, etc.) as well as the Kinsmen Recreational Centre.

Over several years, high level discussions have taken place between Parks and Forestry and the London Christian Academy (the "School") on a potential land exchange to benefit both parties. For the City, it would secure a much-required public pathway connection through the School and in return, a small portion of City land would be exchanged to replace and expand some parking that the School was looking to do.

The land exchange contemplated herein would allow for the creation of a direct access route from Charles Street into West Lions Park. This will be safer and more functional for both cyclists and pedestrians using the park, as well as for drivers using the school parking lot. The pathway lands area is shown in green on the attached Appendix B. Also included is the preliminary design concept attached as Appendix C.

In most recent consultation with Parks and Forestry, the lands being declared surplus do not preclude the remaining use of the park and amenities. Furthermore, the pathway re-alignment would occur should the land exchange move forward.

### 2.2 Cavendish Infrastructure Project Background

The Cavendish area sanitary and stormwater sewer system has been under construction for the past several years.

Phase 1 was completed in 2018 and Phase 2 was completed in 2019. Phase 3 is currently slated for construction in the next 1 to 3 years pending funding availability and securing the final property rights required for the project. The project limits map for Cavendish Phase III is provided in Appendix "A" attached with this report.

The overall Phase 3 project will consist of a watermain replacement, storm sewer replacement, sanitary sewer replacement and road replacement. The open storm channel that runs along the west limit of West Lions Park will also require rehabilitation.

As part of the project needs, the preferred alternative was securing additional easement rights to run new underground sewer lines through the School property which is shown in red in the attached Appendix “B”.

### 2.3 Property Descriptions

The subject property being declared surplus is approximately 0.18 acres or (732 square metres) and shown in purple in Appendix B. The subject property is located near the edge of the City property. As noted above, the lands being declared surplus would be utilized by the school to create parking to add some additional spaces and replace some existing spaces which will be lost due the new public pathway connection.

As part of the subject property being declared surplus, the City will enter into real estate agreements, at nominal consideration (i.e. \$5.00 dollars) to allow for the acquisition of lands from the School for (a) fee simple lands to be acquired by the City for the future public pathway connection and (b) new easement rights for new infrastructure going in which is the preferred alternative for the project.

The area required for the pathway connection is approximately 0.12 acres (or 516 square metres) and the easement area over the School is approximately 0.09 acres (or 396 square metres). All areas are subject to a new survey. In addition, the School will require a small easement, between the School property and the subject property, to connect a sanitary line which needs to be re-routed as part of the renewal project.

In review with City Legal Services, a nominal land exchange is permitted under the Sale and Other Disposition of Land Policy and with disposition of lands through direct negotiation with the abutting property owner. Furthermore, an internal review of the lands has been completed by a Realty Services accredited AACI appraiser and the land exchange considered herein is supported from a market value perspective.

The Subject Property’s further characteristics are described below:

Address:	Part of 20 Granville
Zoning:	Community Facility Zone 1 and Community Facility Zone (CF1 and CF2)
Topography:	Generally Flat
Improvements:	Existing Pathway (to be re-routed) as a new public pathway connection.
Subject Property Size:	0.18 acres (732 square metres) – subject to final survey

### 2.4 Property Inquiry Liaison Circulation

A Property Liaison Circulation Report (PILR) was administered internally and to agencies included in the circulation. No objections were received in the disposition of the subject property. The Upper Thames River Conservation Authority (UTRCA) did highlight that a Section 28 permit may be required. The City is currently undergoing all necessary environmental reports and ecological restoration plans as part of the Cavendish Phase III Project for the open channel work and general area. Overall, a net benefit of trees and restoration work will be implemented subject to final UTRCA permit issuance.

### 3.0 Benefits to the City

There are several benefits to consider declaring the subject property as surplus. First, it will allow for the creation of a public pathway connection between Charles Street and West Lions Park, something that has been contemplated for several years. Secondly, the School will provide additional easement rights for the Cavendish Phase III project which is the preferred alternative and at no cost to the City. Thirdly, there is opportunity

in the future to secure a joint-use agreement with the School for car parking for programs running in West Lions Park. Lastly, as noted, there is no acquisition costs for either requirement by Environment & Infrastructure.

#### **4.0 Financial Impact**

There are no significant cost implications to the City to declare the subject property as surplus. The cost of the Reference Plan would be the responsibility of the City.

In review with Finance Supports, funding for the Reference Plan and any incidental charges are available through the Environment and Infrastructure Division current operating budget.

### **Conclusion**

The Civic Administration is recommending to Municipal Council to declare the Subject Property as surplus and be sold in accordance with the City's Sale and Other Disposition of Land Policy in exchange for land rights being acquired for a future public pathway connection.

A project map of the Cavendish Phase III project is shown in Appendix A.

A Location Map and Aerial showing the subject property is shown in Appendix B.

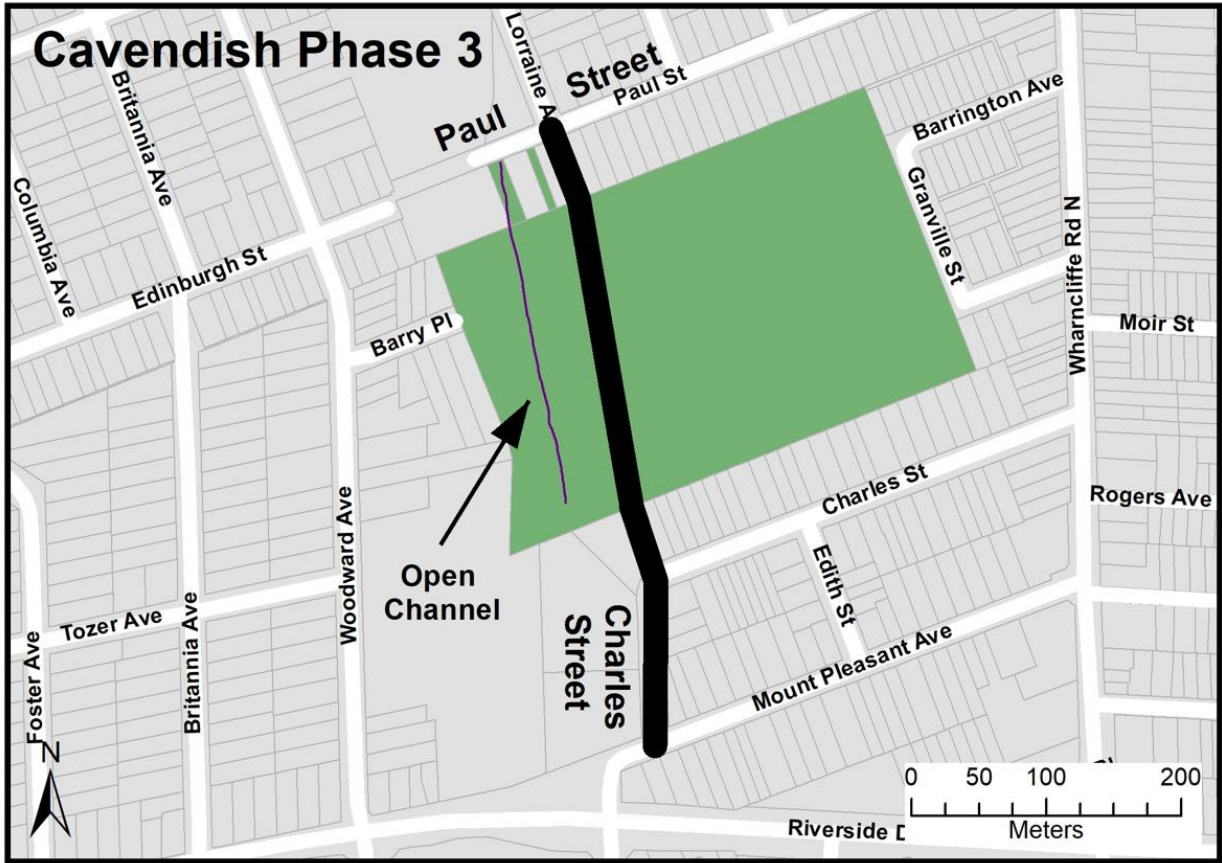
A Preliminary Design Concept of proposed public pathway connection shown in Appendix C.

**Prepared by:** Adam Ostrowski, Manager II, Realty Services  
**Submitted by:** Bill Warner, AACI, Papp, Director of Realty Services  
**Recommended by:** Anna Lisa Barbon, CPA, CGA, Deputy City Manager, Finance Supports

cc: Gary Irwin, Division Manager and Chief Surveyor, Geomatics  
Sachit Tatavarti, Solicitor  
Paul Yeoman, Director Parks & Forestry  
Stephanie Wilson, Manager, Parks Long Range Planning & Design  
Kyle Chambers, Division Manager, Sewer Engineering

October 12, 2023

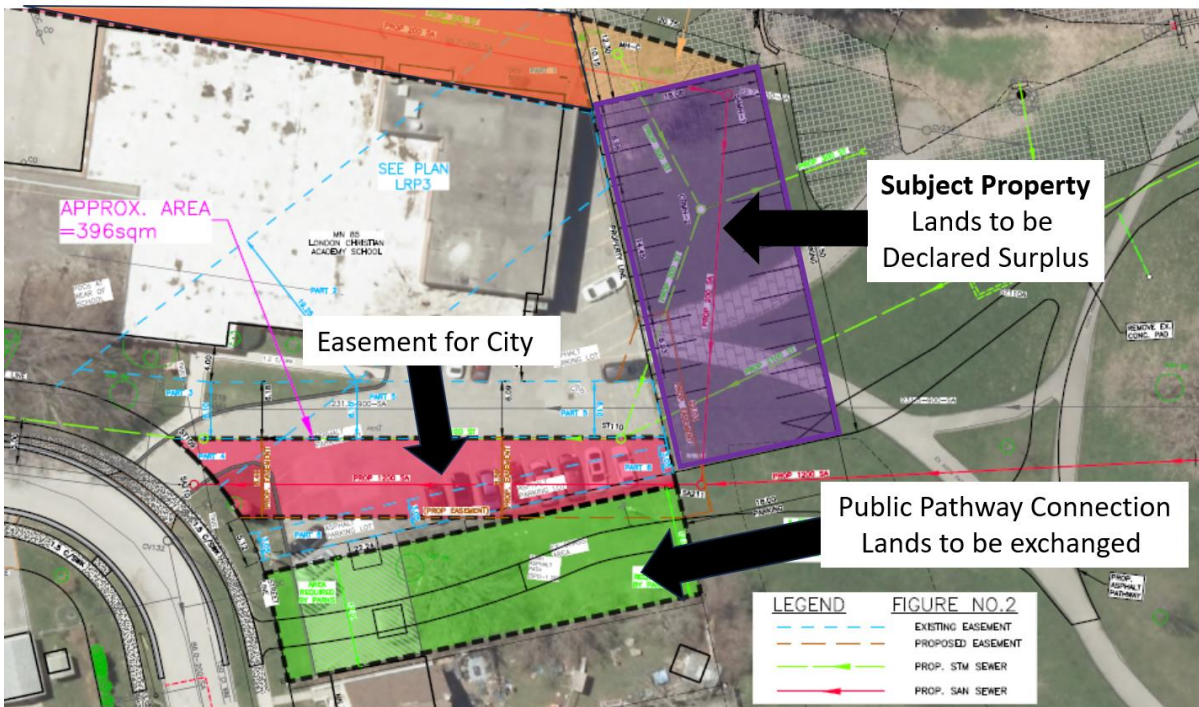
**Appendix A – Map of Cavendish Phase III Project**



## Appendix B – Location Map and Aerial of Subject Property

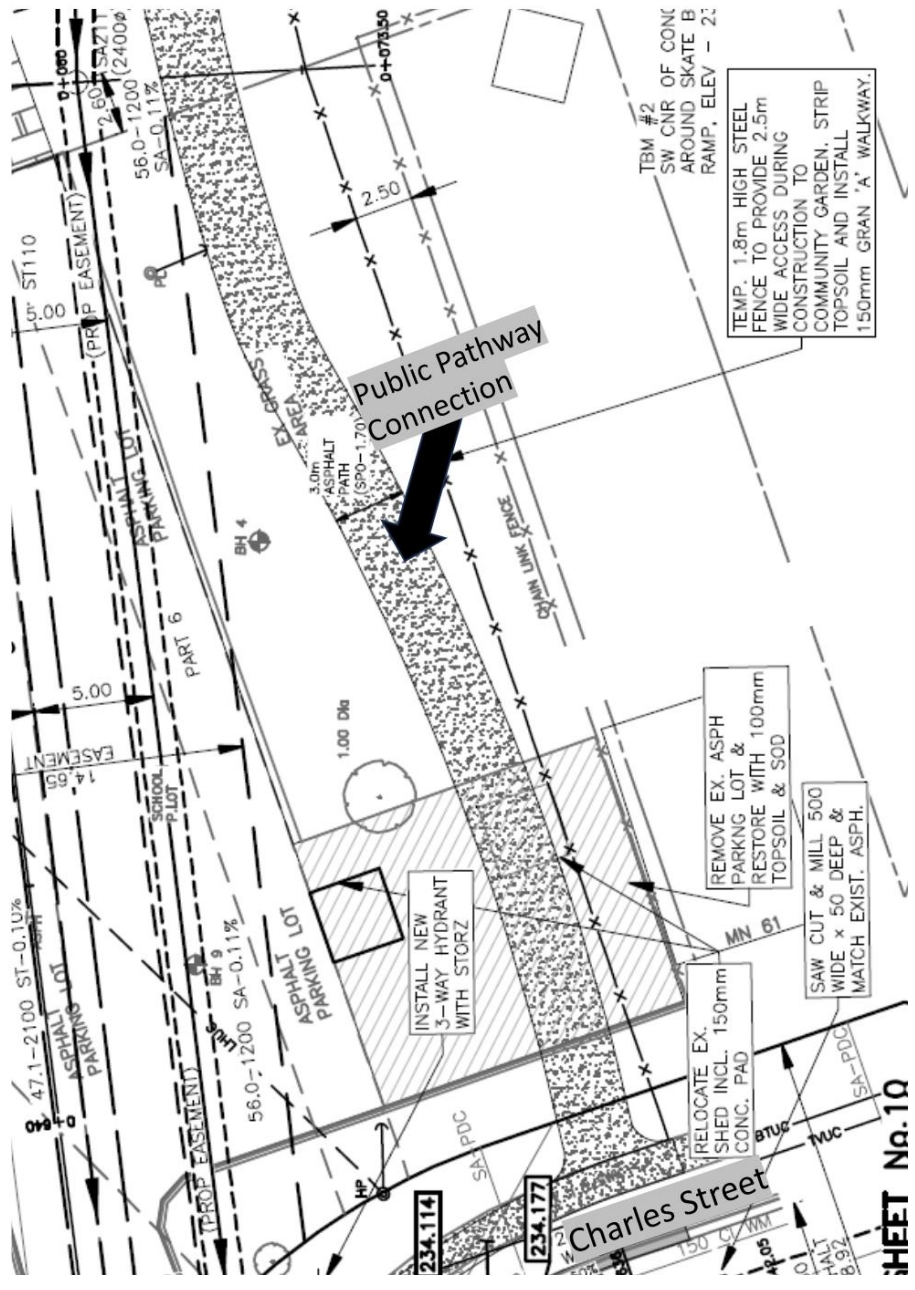


Location Map  
(For Illustration Purposes and Not to Scale)



Subject Property Shown (subject to Final Survey)

**Appendix B – Preliminary Pathway Design Concept**



**SHEET No. 10**



## Report to Corporate Services Committee

**To:** Chair and Members  
Corporate Services Committee  
**From:** Anna Lisa Barbon, Deputy City Manager, Finance Supports  
**Subject:** Pre-Authorized Tax Payment Plan By-Law and Collection of Property Taxes By-Law  
**Date:** October 23, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the following actions be taken with respect to property taxation for 2024:

- a) The attached by-law (Appendix A) BE INTRODUCED at the Council meeting on November 7th, 2023, to amend By-law A.-5505-497 being “a by-law to authorize the implementation of a pre-authorized payment plan” so that the calculation of pre-authorized payments is based on the previous year’s taxes increased by the average increase in total property tax rates in the residential class of the previous year.
- b) The attached by-law (Appendix B) BE INTRODUCED at the Council meeting on November 7th, 2023, to enact a Property Tax Collection by-law and to repeal By-law A-8 as amended.

## Executive Summary

The Pre-Authorized Payment Plan and Property Tax Collection by-laws are updated annually to incorporate increases to the residential property tax rate in the previous year and outline how property taxes are collected. This report details the recommended interim property tax rate and percentage increase to estimated pre-authorized payments for tax collection in 2024 and updates the Tax Collection By-law accordingly.

## Linkage to the Corporate Strategic Plan

Council’s 2023 to 2027 Strategic Plan for the City of London identifies a “Well-Run City” as a strategic area of focus. The information contained in this report would assist in continuing to ensure the strength and sustainability of London’s finances in alignment with Council priorities of the Strategic Plan.

## Analysis

### 1.0 Background Information

#### 1.1 Legislation Related to Interim Property Tax Billing

Section 317 of the *Municipal Act, 2001* permits a municipality to levy interim taxes prior to the completion of its annual budget and the determination of education tax rates by the Province. Sections 342 and 307 of the Act provide additional flexibility with respect to due dates and payment arrangements. In accordance with section 317 the amount that can be levied on each property prior to the adoption of the budget is limited to fifty percent of the total property taxes applicable to the property in the previous year. Interim tax levies provide the municipality with funds to operate and make remittances to school boards prior to the finalization of municipal and education tax rates for the year. Interim tax levies do not affect the determination of total final taxes for the year as any taxes not billed at the interim time are included on the final tax bill.

## **2.0 Discussion and Considerations**

### **2.1 Interim Property Tax Calculation for 2024**

Beginning in 2011, the City adopted the practice of adjusting the interim billing tax rate each year by the approximate amount of the average tax increase in the residential property class of the previous year. This annual adjustment permits the City to bill five (5) instalments each year and ensures that the amounts of each instalment are approximately equal. Each instalment is roughly 20% of the total taxes for the year (5x 20% = 100%). Two (2) instalments are billed as an interim levy in January each year (40%) and three (3) instalments are billed in May as the final tax instalments for the year (60%). In 2023, the average increase in total property tax rates for the residential property class was 2.73%. Using this basis of calculation, the interim tax rate for 2024 would be based approximately on 41.09% (40% x 1.0273) of the 2023 taxes levied.

It is therefore recommended that an interim levy of 41.09% of the previous year's taxes be set for the 2024 interim billing in the property tax collection by-law. The proposed by-law would have results consistent with past practice and would also divide the annual tax billing into five (5) approximately equal instalments for the convenience of the individual property owners.

### **2.2 Repeal and Replace Tax Collection By-Law A-8**

By-law A-8, a by-law to provide for the Collection of Property Taxes, was first passed November 15, 1993. Since then, legislative changes, including a new Municipal Act, have necessitated the deletion or addition of sections of the original by-law through numerous amendments. This report, produced annually, normally includes a by-law amendment which removes and replaces one section of the by-law to update the property tax year and interim tax multiplier to be used. For this report, instead of changing one section of the by-law, it is recommended that the Property Tax Collection By-Law A-8 be repealed and replaced in its entirety to reflect legislative changes and to provide additional clarity regarding property tax due dates, property tax payments, and the treatment of assessment changes in the billing process.

Since By-Law A-8's inception, amendments were passed to delete or repeal several sections which still appear in the by-law. Further, there are also several sections which shall be deleted as they apply to a time period that has past or make reference to past legislation. Below are sections that are being deleted;

Section 1.3 – Interim Levy – calculation was deleted by by-law A-8-11017 on December 20, 2010.

Section 1.4 – Interim Levy – due date – certain classes – this section was repealed by by-law A-8-98006.

Section 1.5 – Levy – on whole assessment – calculation – former city area – this section was deleted by by-law A-8-11017 on December 20, 2010.

Section 1.6 – Levy – on whole assessment – calculation – annexed area – this section was deleted by by-law A-8-11017 on December 20, 2010

Section 1.10 – Factor Estimate – this section was deleted by by-law A-8-11017 – December 20, 2010

Section 3.2 – Business Taxes – one instalment – July 15, was repealed by by-la A-8-98006.

Section 3.4 – 1994 additional payments – due dates, refers to additional payments and due dates for 1994. As no amendments have been made to update rates or due dates, and additional rates are no longer used, this section will be deleted.

Section 3.5 – Final billing – dates – determined by City Treasurer, refers to the year 1999 exclusively and establishes the City Treasurer authority to set due dates for the capped assessment area. As the time frame has past and the City has exited the capping program, this section will be deleted.

Section 3.6 Definition – capped assessment area, refers to subsection 399(11) of the *Municipal Act*, which was repealed in 2018. As the City exited the capping program in 2020, and the referenced subsection has been repealed, this section will be deleted.

Section 3.7 – Final billings – calculation – year 2000, refers to the previous Municipal Act which was replaced by the current legislation, *Municipal Act, 2001*. This section outlines the final billing calculation for the year 2000, the final year prior to implementation of the new *Municipal Act, 2001*. Final billing calculations are prescribed under Part X Tax Collection of the *Municipal Act, 2001*, and a by-law establishing the calculation is no longer required. This section will be deleted.

Section 3.8 – Due in one instalment – August 31 – certain circumstances, provides additional calculations and is an addendum to Section 3.7 above. For the same reason as Section 3.7, this section will also be deleted.

Section 3.11 – Real property taxes – 3 instalments – due dates for the year 2020, was used to change the due dates for the year 2000 exclusively in response to the pandemic. As the City has reverted to the due dates established in Section 3.1 of By-law A-8, this section is no longer applicable and will be deleted.

Section 5.5 - City Treasurer – authority – tax assistance, refers to a tax assistance program as prescribed in Ontario Regulation 291/94 that expired in 2003 and has been repealed. As this section is no longer applicable it will be deleted.

Section 5.7 - Penalty/interest calculation, was used to delay interest charges in 2020 in response to the pandemic. As the City has resumed imposing penalty/interest charges monthly, this section is no longer applicable and will be deleted.

After removal of these sections, the remaining sections will be renumbered, as required. However, to further add clarity to the Tax Collection By-Law, section 4.6 will be added as follows.

Section 4.6 – Correction of interest and penalties arising from certain errors or changes. This section is being added to provide clarity regarding the treatment of penalty and interest in the event of an error or assessment change, consistent with what is set out in section 345(7) of the *Municipal Act, 2001*.

### **2.3 Pre-Authorized Payment Plan Amendment**

In accordance with section 342 (1)(b) of the *Municipal Act, 2001*, the City of London passed by-law A.-5505-497, which authorized the implementation of an optional Pre-authorized Payment Plan for property owners. Payments are deducted from the authorized bank account on the last business day of the month over ten (10) months. The first five (5) payments (January – May) are estimated and needed to be amended annually based on the increase in total property tax rates for the residential class in the previous year. It is therefore recommended that the pre-authorized payments for 2024 be based on the previous year's taxes which increased by 2.73% representing the average tax increase that occurred in the residential class in 2023.

## **3.0 Financial Impact/Considerations**

### **3.1 Cash Flow Considerations**

The proposed by-law amendments would ensure that the City has sufficient funds to carry on operations and make required remittances to local school boards. Section

257.11 of the *Education Act* prescribes when a municipality shall pay amounts levied for school purposes.

## **Conclusion**

It is recommended that the pre-authorized payment by-law be amended so that payments for 2024 are based on what the taxes of the previous year increased by based on the average increase in total residential property tax rates of the previous year (i.e. 2.73%). It is also recommended that the Property Tax Collection By-law be repealed and replaced so that it reflects only current legislation and set the interim tax payments for 2024 on the same basis. This would result in an interim levy based on 41.09% of the previous year's annualized taxes in 2024.

<b>Prepared by:</b>	<b>Joseph McMillan, Division Manager, Taxation &amp; Revenue</b>
<b>Submitted by:</b>	<b>Ian Collins, Director, Financial Services</b>
<b>Recommended by:</b>	<b>Anna Lisa Barbon, Deputy City Manager, Finance Supports</b>

“Appendix A”

Bill No.

By-law No.

A by-law to amend By-law No. A.-5505-497 being “A by-law to authorize the implementation of a pre-authorized tax payment plan for The Corporation of the City of London” by changing the multiplier to determine the pre-authorized property tax payment from 1.0245 to 1.0273 effective January 1, 2024.

WHEREAS subsection 5(3) of the *Municipal Act*, 2001, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act*, 2001 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS subsection 10(1) of the *Municipal Act*, 2001 provides that a municipality may provide any service or thing that the municipality considers necessary or desirable for the public;

AND WHEREAS subsection 342(1) of the *Municipal Act*, 2001, provides the municipality with the power to pass by-laws regarding the payment of taxes;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. Schedule “A” of By-law No. A.-5505-497 is amended by repealing and replacing paragraph 10 with the following new paragraph:
  10. For 2024 the amount of the pre-authorized payment for the period January to May shall be calculated as the most recently available assessments consistent with the previous year’s assessment valuations multiplied by the total tax rates applicable to the property in the previous year and then multiplied by 1.0273 and then increased by any local improvement or similar charge applicable to the property in 2024 and then divided by 10 and rounded to the nearest dollar.
2. Paragraph 2 of By-law No. A.-5505-497 is amended by deleting the words “By-law A-8,”
3. This by-law comes into force and effect on January 1, 2024 subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

PASSED in Open Council on November 7, 2023 subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – November 7, 2023  
Second Reading – November 7, 2023  
Third Reading – November 7, 2023

“Appendix B”

Bill No.

By-law No.

A by-law to enact a Property Tax Collection by-law and to repeal By-law A-8 as amended.

WHEREAS subsection 5(3) of the *Municipal Act*, 2001, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act*, 2001 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 317 of the *Municipal Act*, 2001 provides for the passing of by-laws for the levying of interim rates of taxation;

AND WHEREAS sections 342 and 307 of the *Municipal Act*, 2001, provide the municipality with additional flexibility with respect to due dates and payment arrangements;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Property Tax Collection by-law attached hereto as Schedule “A” is hereby adopted.
2. By-law A-8, as amended, is hereby repealed.
3. This by-law comes into force and effect on January 1, 2024 subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

PASSED in Open Council on November 7, 2023 subject to the provisions of PART VI.1 of the *Municipal Act*, 2001.

Josh Morgan  
Mayor

Michael Schulthess  
City Clerk

First Reading – November 7, 2023  
Second Reading – November 7, 2023  
Third Reading – November 7, 2023

SCHEDULE "A"

**PROPERTY TAX COLLECTION BY-LAW**

**Part 1**

**INTERIM PROPERTY LEVY**

**1.1 Levy - on whole assessment - calculation**

In each year there shall be imposed, before the final tax billing, an interim property tax levy.

**1.2 Payment - two instalments - set out**

The payment of the levy under section 1.1 of this by-law is required to be made by two instalments:

- (a) the first of which shall be due on the last business day of February in the year in which they are levied; and
- (b) the remainder of which shall be due on the last business day of March in the year in which they are levied;

and, if in default of payment of any instalment by the day named for payment thereof, the subsequent instalment or instalments shall forthwith become payable.

**1.3 Interim Levy - calculation**

Where the rate otherwise authorized to be levied under this part exceeds the maximum permitted by Provincial regulation, then the maximum rate permitted by Provincial regulation shall be deemed to be the amount authorized to be levied on the property or portion of the property subject to Provincial regulation.

**1.4 Interim Levy – rates**

For the year 2024 the interim levy for a property shall be calculated as 41.09% of the total amount of taxes for municipal and school purposes levied on the property for the previous year.

**1.5 Interim Levy – treatment of additional assessment**

Notwithstanding section 1.8 where assessment was added to the collector's roll during the previous year, paragraph 3 of Section 317(3) of the *Municipal Act, 2001* shall apply in calculating the interim levy.

**Part 2**

**CURRENT TAXES AND RATES**

**2.1 Real property taxes - 3 instalments - due dates**

Except as provided by sections 1.2, 2.2 and 2.4 of this by-law, the payment of real property taxes including local improvement assessments, and all other rents or rates payable as taxes is required to be made by three instalments:

- a) the first of which shall be due and payable on the last business day of June in the year in which they are levied;
- b) the second of which shall be due and payable on the last business day of August in the year in which they are levied; and
- c) the third of which shall be due and payable on the last business day of October in

the year in which they are levied;  
and, if in default of payment of any instalment by the day named for payment thereof, the subsequent instalment or instalments shall forthwith become payable.

## **2.2 Taxes - Assessment Act - instalments - notice**

Taxes levied under sections 33 and 34 of the *Assessment Act, R.S.O. 1990, c. A.31*, as amended, shall be due in one or more instalments, the first of which shall be due not less than 21 days after the date of the mailing of the notice of taxes due.

## **2.3 Separate billing of different property classes**

The Treasurer is hereby authorized to direct the billing of any class of real property separately from any other class.

## **2.4 Property taxes – final instalments – due dates**

For the year 2001 and future years, the Treasurer is authorized to delay due dates for the final instalments of property taxes and to set different due dates for properties in all assessment classes.

### **Part 3**

#### **NOTICE OF PAYMENT**

### **3.1 Mailing - delivery - by Treasurer- Tax Collector**

The Treasurer or Tax Collector, as the case may be, is authorized to mail or deliver notices in accordance with the *Municipal Act* or cause them to be mailed or delivered to the address of the residence or place of business of the person charged with the payment of a levy under section 1.1 or 2.1 of this by-law or taxes or instalment thereof.

### **3.2 Levies - payment - as directed**

The person charged with the payment of a levy under section 1.1 of this by-law or taxes or instalment thereof is directed to pay money payable to the municipality therefore to the Treasurer or Tax Collector, as the case may be, or electronically or in person most financial institutions as defined in section 346(3) of the *Municipal Act, 2001* on or before the day named for payment thereof.

### **3.3 Payments - partial - accepted - procedure**

The Treasurer or Tax Collector may accept part payment from time to time on account of any taxes and give a receipt therefor, but the acceptance of any such part payment shall not affect the imposition and collection of the penalty for non-payment of a levy under section 1.1 of this by-law or taxes or instalment thereof by the due date named for payment.

### **Part 4**

#### **GENERAL PROVISIONS**

### **4.1 Payment due - on weekend - holiday - procedure**

Whenever any day mentioned in section 1.2 or section 3.1 of this by-law falls on a Saturday, Sunday, Easter Monday, or a legal holiday under the Bills of Exchange Act (Canada), the payment shall be due on the immediately preceding day not being a Saturday, Easter Monday or a legal holiday.



#### **4.2 Non-payment - penalty**

A percentage charge as a penalty for non-payment of a levy under section 1.1 of this by-law or taxes or instalment thereof equal to 1 ¼ percent shall be imposed on the first day of default and on the first day of each calendar month thereafter in which default continues, but not after the end of the year in which the levy is made under section 1.1 of this by-law, or in which taxes are levied.

#### **4.3 Non-payment - previous years taxes - penalty**

The Tax Collector shall add to the amount of all taxes due and unpaid interest at the rate of 1 ¼ percent per month for each month from the 31<sup>st</sup> day of December in the year in which the taxes were levied until the taxes are paid.

#### **4.4 Tax Collector - failure to collect - procedure**

In case the Tax Collector fails or omits to collect the taxes or any portion thereof by the day appointed for the return of the Collector's roll, the Tax Collector is authorized to continue the levy and collection of unpaid taxes and penalties and interest in the manner and with the power provided by law for the general levy and collection of taxes.

#### **4.5 Correction of interest and penalties arising from certain errors by Canada Post**

In those circumstances where an error in delivery of a tax bill by Canada Post results in return of the bill to the City, if the taxpayer pays the taxes billed on or before the end of the month following the due date, and requests cancellation of the interest and penalties, the Treasurer be authorized to cancel such interest and penalties.

#### **4.6 Correction of interest and penalties arising from certain errors or changes**

Pursuant to section 345(7) of the *Municipal Act, 2001*, late payment charges on overcharges of taxes arising as a result of errors or changes as set out in section 345(6) of the *Municipal Act, 2001*, the Treasurer be authorized to cancel such interest and penalties.

### **Part 5**

## **ENFORCEMENT**

#### **5.1 Fine - for contravention**

Any person who contravenes any provision of this by-law is, upon conviction, guilty of an offence and is liable to any penalty as provided in the *Provincial Offences Act*.

**Meeting Date:** October 23, 2023

**Submitted to:** City of London, Corporate Services Committee

**Submitted by:** Emily Williams, CEO, Middlesex-London Health Unit

**Subject:** Request for Redirection of 2022 Surplus Funds

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**BACKGROUND: MLHU Financial Overview 2022 – 2024: Dramatically Shifting Context Year Over Year**

**2022 Financial Situation:** In 2022, the MLHU was still largely focused on coming out of the COVID-19 pandemic, with staff continuing to be redeployed and regular programs not fully resumed. This resulted in a surplus in the cost-shared base budget of just over \$2 million; noting however that the MLHU submitted a 2022 balanced budget projection (\$0 surplus/deficit) as part of the City of London's 2022 Year-end Operating Budget Monitoring process, due to the timing of that process relative to the audit. The annual audit of the MLHU 2022 financial year faced significant delays due to the change in lead auditor mid-process. As such, the audited financial statements were not approved by the Board of Health (BOH) until July of 2023. The BOH did not meet in August, which explains why the discussion regarding the utilization of the 2022 surplus funds did not occur until the September BOH meeting.

The related motions from the September BOH meeting are as follows:

It was moved by **M. Steele, seconded by S. Menghsha**, *that the Board of Health approve that the municipal portions of 2022 surplus funds be applied as payment on the Middlesex-London Health Unit's variable loan.*

**Carried**

It was moved by **M. Steele, seconded by M. Smibert**, *that the Board of Health direct staff to engage in required proceedings with the City of London and the County of Middlesex to enable surplus funds to be redirected to the Canadian Imperial Bank of Commerce (CIBC) for payment to the Health Unit's variable loan in the following amounts: City of London: \$611,898 and The County of Middlesex: \$116,552.*

**Carried**

**2023 Financial Situation:** In 2023, the MLHU resumed all regular programs, and continued to provide baseline COVID-19 activities. The Health Unit received its funding letter from the Ministry of Health on August 29<sup>th</sup>. The financial forecast for year end is currently projecting a deficit, requiring holding recruitment of several vacant positions to ensure a balanced budget at year end.

**2024 Financial Situation:** Planning for 2024 budget is underway, and the MLHU is facing a significant shortfall, despite the Ministry of Health announcing a 1% increase to base funding in 2024, and additional commitments to 1% growth of the provincial portion of the cost-shared base budget for a further two years. Inflationary pressures are 2% for employee salaries (unionized and non-union) and an estimated 3.9% for corporate expenses. The Board of Health approved requesting a 3% increase from both municipalities (City of London and Middlesex County) for the 2024 budget year. Despite the 1% and 3% increases to funding, the MLHU shortfall is between \$2.6 and \$2.8 million, and significant strategic disinvestments will be required, which will impact programs and services.

## **ANALYSIS:**

As noted above, there was a year end surplus for cost-shared base funded programs in 2022 of \$2,016,902 (audited). A breakdown of the surplus according to the cost-sharing methodology (75:25 provincial-municipal, with the 25% further broken down to 84:16 for City of London and County of Middlesex) produces the following amounts: Ministry of Health \$1,512,677; City of London \$423,548; County of Middlesex \$80,676.

One of the current pressures facing the Health Unit are the loan payments for two bank loans associated with the fit-up of the Citi Plaza office location, which have a 20-year term and a 5-year renewal. The MLHU relocated to Citi Plaza in 2020 from its previous two locations at 50 King Street and 200 Queens Avenue, leasing space sufficient to accommodate staff from both locations. At the time of the relocation project, the MLHU optimized use of its reserve funds for the fit-up of the space, with the remaining costs financed with the Canadian Imperial Bank of Commerce (CIBC).

The Health Unit is financing two bank loans:

1. Fixed \$3,050,000. Outstanding \$2,729,454 (*as at July 2023*).
2. Variable \$1,150,000. Outstanding \$1,001,458 (*as at July 2023*).  
Variable loan has interest charged at: Prime less 0.75% = 6.45% (*as at September 18, 2023*).

The annual payments for the variable loan include a fixed portion at \$57,500 plus interest. When the loan was taken, prime was 2.45%; the current CIBC prime rate is 7.2%, increasing the overall annual loan payments from \$74,647 to \$122,558 – an additional \$47,911 of interest.

**FINANCIAL IMPLICATIONS:**

The MLHU is requesting both the City of London and the County of Middlesex permission to use the Municipal portions of the 2022 audited surplus to pay down the variable bank loan, given the uncertain inflationary environment and the significant budget pressures facing the agency in 2024. The City of London portion of \$423,548 and the County of Middlesex portion of \$80,676 combined would reduce the variable bank loan from \$1,001,458 to \$497,234 (as at July 2023) and provide significant additional financial relief to the agency.

**RECOMMENDATION:**

THAT *the application of the City of London's share of MLHU's 2022 surplus in the amount of \$423,548 to reduce the outstanding amount of MLHU's variable bank loan for the fit-out of the Citi Plaza office space* **BE APPROVED**.


Your consideration of this request is greatly appreciated.



Emily Williams BScN, RN, MBA, CHE  
Chief Executive Officer

## Proclamation Request Form

Request for the issuance of proclamations is governed by Council Policy. Requests are recommended **2 months** in advance of the requested issuance date and may be emailed [ClerksApprovalRequests@london.ca](mailto:ClerksApprovalRequests@london.ca) or mailed to City Hall, P.O. Box 5035 London, ON N6A 4L9.

<u>Name of Organization</u> Hindu Legacy
<u>Proclamation Name</u> Hindu Heritage Month
<u>Date of Proclamation Requested</u> November 1, 2023
<u>Proclamation Type</u> (day, week or month) Month
<b>Organization's Direct Connection to London</b> (provide specific details) Hindu Legacy has been actively involved in London since 2022. We are an umbrella organization representing over 8 Hindu organizations and a population of over 10,000. We have been very active in the London diversity and heritage scene by actively participating in Canada Day, Doors Open London, and Heritage Fair. We actively led the discussions with the city regarding the fireworks by-law. Therefore, we feel we are an integral part of the London community.
<u>Required Supporting Documents:</u> <input type="checkbox"/> Detail information on the Organization <input type="checkbox"/> Detail information on the Event <input type="checkbox"/> Confirmation of authorization from the Organization to submit request
<u>Category</u> (public awareness campaigns, charitable funding campaigns, arts and cultural celebrations) Advocacy, Public Awareness, and Education
<u>Requester Name</u> Paresh Soni (ED for Hindu Legacy)
<u>Requester Address</u> Balnagowan Pl, London ON N6G4E6
<u>Requester Phone Number and Email</u> connect@hindulegacy.org
The undersigned confirms that I am the Official Representative of the Organization requesting the Proclamation and that by signing this Application, I acknowledge and agree that my organization complies with all City of London's Policies and By-laws.
<div style="display: flex; justify-content: space-between; align-items: flex-end;"> <div style="text-align: center;">                   _____                  Signature             </div> <div style="text-align: center;">                 2023-10-12                  _____                  Date             </div> </div>
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