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TO:	CHAIR AND MEMBERS PLANNING & ENVIRONMENT COMMITTEE
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	CLAIMABLE WORKS FOR 3313-3405 WONDERLAND ROAD SOUTH SITE PLAN DEVELOPMENT AGREEMENT MEETING ON FEBRUARY 22, 2016

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions **BE TAKEN** with respect to the site plan development agreement between The Corporation of the City of London and York Developments for the creation of easements over the land municipally known as 3313-3405 Wonderland Road South:

- (a) the applicant **BE ADVISED** that the Director, Development Finance has summarized the claims and revenues attached as Appendix "A"; and,
- (b) the financing for this project **BE APPROVED** as set out in the Source of Financing Report attached as Appendix "B".

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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"H-8527 – 3313-3405 Wonderland Road South – 1279059 Ontario Limited (removal of holding provision report)," Planning and Environment Committee, February 22, 2016

COMMENTARY

York Developments has submitted a site plan application for 3313-3405 Wonderland Road South to gain final planning approvals for the eventual development of approximately 60,000 square metres of commercial space.

Unlike subdivisions, the provisions of a site plan development agreement are handled administratively through delegated authority and most site plans do not involve agreements associated with the construction of claimable infrastructure. For 3313-3405 Wonderland Road South, York Developments will be installing a number of hard services, most of which are the direct cost of the developer according to the local service standards contained in Schedule 8 of the City's Development Charges By-law.

Some of the services to the site are not "local services." City Staff have identified a number of minor roadworks with costs that are eligible to be claimed from the Development Charge (DC) reserve funds. Council must approve and commit funding to enable a future claim associated with the eligible works, as provided in Appendix "B". The anticipated reimbursements from the Funds are:

- (i) for the construction of a concrete sidewalk along the west side of Wonderland Road South from the Bradley Avenue intersection to Wharncliffe Road South intersection with Wonderland Road (Miscellaneous Works -- Sidewalks DC14-RS00069), the estimated cost of which is \$240,000;
- (ii) for the construction of street lights along the west and east sides of Wonderland Road South from Bradley Avenue intersection to Wharncliffe Road South intersection with Wonderland Road (excluding any costs associated with the relocation of existing street lights) (Miscellaneous Works – Streetlights DC14-RS00070), the estimated cost of which is \$195,500; and,

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- (iii) for the construction of a signalized intersection consistent with the Wonderland Road South Environmental Assessment (including reconfiguration of the London Transit Commission property entrance) and to the satisfaction of the City Engineer (Urban Intersections DC14-00074), the estimated cost of which is \$476,000.

York Developments will also be required to enter into a work plan with the City for the construction of the claimable works, in accordance with the requirements of Schedule 8 of the DC By-law.

CONCLUSION

Although site plan development agreements are handled administratively, there are DC claimable works associated with the site plan application for 3313-3405 Wonderland Road South. The associated development agreement will contain clauses to permit the claims associated with the eligible minor roadworks, which have Capital Budget implications.

Staff are recommending that Council approve the attached Source of Financing in Appendix "B" to enable a future claim for the minor roadworks.

PREPARED BY:	REVIEWED AND SUBMITTED BY:
PAUL YEOMAN, MCIP, RPP MANAGER, DEVELOPMENT FINANCE FINANCE AND CORPORATE SERVICES	PETER CHRISTIAANS, CA, CPA DIRECTOR, DEVELOPMENT FINANCE FINANCE AND CORPORATE SERVICES
RECOMMENDED BY:	
MARTIN HAYWARD, CGA, CPA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

February 16, 2016

cc.: Alan Dunbar, Manager, Financial Planning & Policy,
Eric Conway, Landscape Planner, Development Services,
Alanna Riley, Senior Planner, Development Services

Appendix "A": Summary of Claims and Revenues

Appendix "B": Source of Financing Report

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Appendix “A”: Summary of Claims and Revenues

3313-3405 Wonderland Road South - York Developments
 Site Plan Development Agreement
 SP15-009327

Related Estimated Costs and Revenues

Estimated DC Funded Servicing Costs ^(Note 1)	Estimated Cost (excludes HST)
Claims for developer led construction from CSRF ^{Note 4} - Wonderland Road South sidewalks (DC14-RS00089) - Wonderland Road South streetlights (DC14-RS00070) - Wonderland Road South/Kilbourne Road Signalized Intersection (DC14-00074)	\$240,000 \$195,500 \$476,000
Claims for developer led construction from UWRF N/A	
Claims for City led construction from CSRF N/A	
Total	\$911,500
Estimated Total DC Revenues ^(Note 2)	Estimated Revenue
CSRF	\$12,197,403
UWRF	\$1,746,171
TOTAL	\$13,943,574

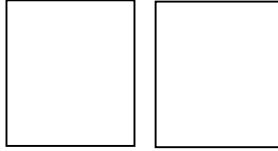
- 1 Estimated Costs are based on approximations provided by the applicant and include engineering, construction and contingency costs without HST. Final claims will be determined based on actual costs incurred in conjunction with the terms of the development agreement and the applicable By-law.
- 2 Estimated Revenues are calculated using 2016 DC rates and may take many years to recover. The revenue estimates includes DC cost recovery for “soft services” (fire, police, parks and recreation facilities, library, growth studies). There is no comparative cost allocation in the Estimated Cost section of the report, so the reader should use caution in comparing the Cost with the Revenue section.
- 3 The revenues and costs in the table above are not directly comparable. The City employs a “citywide” approach to recovery of costs of growth – any conclusions based on the summary of Estimated Costs and Revenues (above table) should be used cautiously.
- 4 New requirements of developer constructed works were incorporated into the 2014 DC By-law. The developer led construction work above will require a work plan to be provided and approved by the City. The work plan should include summary of estimated costs of all Engineering and construction of the works in question.

Reviewed by:

 Date

 Peter Christiaans
 Director, Development Finance

Appendix “B”: Source of Financing Report



Chair and Members
Planning & Environment Committee

RE: Claimable Works for 3313-3405 Wonderland Road South Site Plan
Development Agreement
(Subledger RD160009)
Capital Project TS1651 - Minor Roadworks on Arterials - DC14-RS00069(Sidewalks) - DC14-RS00070(Streetlights)
Capital Project TS4165 - Traffic Signals & Street Light Growth Urban Intersections - DC14-RS00074

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the detailed source of financing for this project is:

	Approved Budget	Proposed 2016 Budget (2)	Revised Budget	Committed to Date	This Submission	Balance for Future Work
SUMMARY OF ESTIMATED EXPENDITURES						
TS1651-Minor Rdwrks on Arterials						
Engineering	\$150,000		\$150,000	\$27,403		\$122,597
Construction	837,339		837,339	191,919	443,165	202,255
Relocate Utilities	50,000		50,000			50,000
	<u>1,037,339</u>	<u>0</u>	<u>1,037,339</u>	<u>219,322</u>	<u>443,165</u>	<u>374,852</u>
TS4165-Traffic Signals & Street Light Growth Urban Intersections						
Engineering	51,882		51,882	51,882		0
Construction	80,378	404,000	484,378		484,378	0
Traffic Signals	202,000		202,000	180,058		21,942
Street Lights	69,740		69,740	64,921		4,819
	<u>404,000</u>	<u>404,000</u>	<u>808,000</u>	<u>296,861</u>	<u>484,378</u>	<u>26,761</u>
NET ESTIMATED EXPENDITURES	\$1,441,339	\$404,000	\$1,845,339	\$516,183	\$927,543 1)	\$401,613
SUMMARY OF FINANCING:						
TS1651-Minor Rdwrks on Arterials						
Capital Levy	\$28,419		\$28,419	\$6,009	\$12,141	\$10,269
Drawdown from City Services - Roads Reserve Fund (Development Charges)	3) 1,008,920		1,008,920	213,313	431,024	364,583
	<u>1,037,339</u>	<u>0</u>	<u>1,037,339</u>	<u>219,322</u>	<u>443,165</u>	<u>374,852</u>
TS4165-Traffic Signals & Street Light Growth Urban Intersections						
Drawdown from City Services - Roads Reserve Fund (Development Charges)	3) 404,000	404,000	808,000	296,861	484,378	26,761
TOTAL FINANCING	\$1,441,339	\$404,000	\$1,845,339	\$516,183	\$927,543	\$401,613

1) FINANCIAL NOTE:	Sidewalk	Street Lights	Signalized Intersection	TOTAL
	TS1651	TS1651	TS4165	
Contract Price	\$240,000	\$195,500	\$476,000	\$911,500
Add: HST @13%	31,200	25,415	61,880	118,495
Total Contract Price Including Taxes	271,200	220,915	537,880	1,029,995
Less: HST Rebate	26,976	21,974	53,502	102,452
Net Contract Price	<u>\$244,224</u>	<u>\$198,941</u>	<u>\$484,378</u>	<u>\$927,543</u>

- 2) Subject to Council approval of the 2016 Capital Budget on March 10, 2016.
- 3) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.

JG

Alan Dunbar
Manager of Financial Planning & Policy