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M. Feldberg

TO:	CHAIR AND MEMBERS PLANNING & ENVIRONMENT COMMITTEE
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	CLAIMABLE WORKS FOR 1030 CORONATION DRIVE HYDE PARK, BLOCK 8 RECONSTRUCTION DC CLAIMABLE WORKS MEETING ON JUNE 20, 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 agreement between The Corporation of the City of London and Carvest Properties Ltd. for the construction of works external to 1030 Coronation Drive:

- (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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- Application by: The Tricar Group, 1040 Coronation Drive; Planning and Environment Committee, Agenda Item #10; March 4, 2014

DISCUSSION

The site plan agreement EBR968158 registered against 1030 Coronation Drive has identified external works to be completed by the developer.

Unlike subdivisions, the provisions of a site plan agreement are handled administratively through delegated authority and do not typically involve works associated with the construction of major infrastructure. In the case of this development agreement, a source of financing and approval from Council is required to give authority to City staff to pay a claim from the DC fund once the work is completed. The claimable works will establish adequate overland flow routes and is consistent with a previously approved site plan.

Stantec Consulting Ltd., on behalf of Carvest Properties Ltd., has submitted an engineering work plan for the reconstruction and re-grading of a commercial driveway located on Block 8, 33M-526 to act as an overland flow route as outlined in 4(f) of the site plan development agreement. The amount of the works eligible for a claim has been capped at \$54,000.

CONCLUSION

Although site plan agreements are handled administratively, there are DC claimable works

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associated with the agreement 1030 Coronation Drive. The registered agreement EBR968158 contains conditions to permit the claims associated with the eligible works 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 stormwater works.

PREPARED BY:	CONCURRED IN BY:
MATT FELDBERG MANAGER, DEVELOPMENT FINANCE FINANCE AND CORPORATE SERVICES	JENNIE RAMSAY, P.Eng. MANAGER, DEVELOPMENT SERVICES AND ENGINEERING LIAISON
SUBMITTED BY:	RECOMMENDED BY:
PETER CHRISTIAANS, CA, CPA DIRECTOR, DEVELOPMENT FINANCE, FINANCE AND CORPORATE SERVICES	MARTIN HAYWARD, CGA, CPA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

May 16, 2016

cc.: Alan Dunbar, Manager, Financial Planning & Policy
David Munteer, Solicitor II, Legal Services

Appendix "A": Summary of Claims and Revenues

Appendix "B": Source of Financing Report

**RE: Claimable Works for 1030 Coronation Drive
 Hyde Park, Block 8 Reconstruction
 DC Claimable Works
 (Subledger NT16GG05)
 Capital Project ES3020-HP1B1 - SWM Facility - Hyde Park 1B1**

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:

<u>SUMMARY OF ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$401,540	\$392,254	\$9,286	\$0
Land Purchase	725,600	725,069		531
Construction	1,485,460	1,403,554	45,664	36,242
NET ESTIMATED EXPENDITURES	<u>\$2,612,600</u>	<u>\$2,520,877</u>	<u>\$54,950</u> 1)	<u>\$36,773</u>
<u>SUMMARY OF FINANCING:</u>				
Debenture Quota	2) \$388,800	\$375,150	\$8,178	\$5,472
Debenture Quota (Serviced through City Services Reserve Fund - SWM (Development Charges))	2&3) 2,223,800	2,145,727	46,772	31,301
TOTAL FINANCING	<u>\$2,612,600</u>	<u>\$2,520,877</u>	<u>\$54,950</u>	<u>\$36,773</u>

1) **FINANCIAL NOTE:**

	<u>Construction</u>	<u>Engineering</u>	<u>Total</u>
Contract Price	\$44,874	\$9,126	\$54,000
Add: HST @13%	5,834	1,186	7,020
Total Contract Price Including Taxes	50,708	10,312	61,020
Less: HST Rebate	5,044	1,026	6,070
Net Contract Price	<u>\$45,664</u>	<u>\$9,286</u>	<u>\$54,950</u>

NOTE TO CITY CLERK:

- 2) Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act, and accordingly the City Clerk is hereby requested to prepare and introduce the necessary authorizing by-laws.

An authorizing by-law should be drafted to secure debenture financing for project ES3020-HP1B1 - SWM Facility - Hyde Park 1B1 for the net amount to be debentured of \$2,612,600.

- 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

1030 Coronation Drive - Carvest Properties Ltd.
 Site Plan Agreement
 SP14-012332

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, 5} - Overland flow route and grading (ES3020-HP1B1) - Engineering fee (ES3020-HP1B1)	\$44,874 \$9,126
Claims for developer led construction from UWRF - N/A	\$0
Claims for City led construction from CSRF - N/A	\$0
Total	\$54,000
Estimated Total DC Revenues^(Note 2)	Estimated Revenue
CSRF	\$1,158,694
UWRF	\$895,224
TOTAL	\$2,053,918

- 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 final development agreement and the applicable By-law.
- 2 Estimated Revenues above represent the amount of DC charges that have been collected to date. 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 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