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  
UPDATE TO DC CLAIMABLE WORKS  
MEETING ON SEPTEMBER 6, 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 amended claims and revenues attached as Appendix "A"; and,

(b) the financing for this project BE APPROVED as set out in the amended Source of Financing Report attached as Appendix "B".

PREVIOUS REPORTS PERTINENT TO THIS MATTER

June 20, 2016 - Planning and Environmental Committee- Source of Financing for DC claimable works related to a site plan development agreement for 1030 Coronation Drive (Agenda item#14).

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 site development agreement had identified an upset limit for anticipated reimbursement based on early construction estimate of $54,000+HST. The initial Source of Financing recommended at PEC on June 20, 2016 was based on the amount indicated in the agreement.

Following execution of the agreement, the Owner submitted a DC Work Plan for eligible claims in accordance with the DC Bylaw for review and approval by the City. The final approved work plan identified eligible consulting fees of $8,076+HST that were not included in the agreement upset amount. Also, the tender for the above works was called with three (3) contractors invited to bid the work. The low bid came in higher than the initial estimate at $59,083.70+HST. The original agreement and report capped the claim at $54,000. The purpose of this report is to seek approval for the increased claim anticipated as a result of both the exclusion of the consulting
M. Feldberg

fees, and increase of tendered construction cost over original estimates – an increase of approximately $13,000.

The claimable works establish an overland flow route needed to safely convey flows to the downstream SWM facility. Recognizing that rectification of the overland flow constraint will benefit the larger drainage area and implement the intended drainage patterns of a DC eligible SWM facility the actual construction value and approved consulting fees are considered eligible for claim.

CONCLUSION

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

The original approval contained a cap that has since proved deficient to cover the entire cost of the work. Staff are recommending that Council approve the increase of $13,160 as reflected in the attached updated Source of Financing in Appendix “B”.

PREPARED BY:

MATT FELDBERG
MANAGER, DEVELOPMENT FINANCE
FINANCE AND CORPORATE SERVICES

CONCURRED BY:

JENNIE RAMSAY, P.Eng.
MANAGER, DEVELOPMENT SERVICES
AND ENGINEERING LIAISON

SUBMITTED BY:

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

May 16, 2016

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

Appendix “A”: Summary of Claims and Revenues - Amended
Appendix “B”: Source of Financing Report- Amended
The construction claim is based on the tendered value of the work. 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.

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.

The developers consultant has provided a work plan that has been approved by the City. The work plan includes a summary of estimated costs of all engineering and construction of the works in question.

Reviewed by:

_________________________  _______________________
Date                    Peter Christiaans
                        Director, Development Finance
**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:

### SUMMARY OF ESTIMATED EXPENDITURES

<table>
<thead>
<tr>
<th></th>
<th>Approved</th>
<th>Committed to Date</th>
<th>This Submission</th>
<th>Balance for Future Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineering</td>
<td>$409,758</td>
<td>$392,254</td>
<td>$8,218</td>
<td>$9,286</td>
</tr>
<tr>
<td>Land Purchase</td>
<td>730,242</td>
<td>725,069</td>
<td>5,173</td>
<td>8,923</td>
</tr>
<tr>
<td>Construction</td>
<td>1,472,600</td>
<td>1,458,504</td>
<td>5,173</td>
<td>8,923</td>
</tr>
</tbody>
</table>

**NET ESTIMATED EXPENDITURES**

- Total: $2,612,600
- Committed to Date: $2,575,827
- This Submission: $13,391
- Balance for Future Work: $23,382

### SUMMARY OF FINANCING:

<table>
<thead>
<tr>
<th>Financing Source</th>
<th>Approved</th>
<th>Committed to Date</th>
<th>This Submission</th>
<th>Balance for Future Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debenture By-law No. W.-5604-211</td>
<td>$388,800</td>
<td>$383,328</td>
<td>$1,993</td>
<td>$3,479</td>
</tr>
<tr>
<td>Debenture By-law No. W.-5604-211 (Serviced 3)</td>
<td>2,223,800</td>
<td>2,192,499</td>
<td>11,398</td>
<td>19,903</td>
</tr>
</tbody>
</table>

*Debenture By-law No. W.-5604-211 (Serviced 3) through City Services - SWM Reserve Fund (Development Charges)*

**TOTAL FINANCING**

- Total: $2,612,600
- Committed to Date: $2,575,827
- This Submission: $13,391
- Balance for Future Work: $23,382

1) **FINANCIAL NOTE:**

- Estimated Expenditure: $67,160
- Less: Amount Previously Approved by Council June 23, 2016: $54,000
- Contract Price: $13,160
- Add: HST @13%: $1,710
- Total Contract Price Including Taxes: $14,870
- Less: HST Rebate: $1,479
- Net Contract Price: $13,391

2) 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