

18TH REPORT OF THE
STRATEGIC PRIORITIES AND POLICY COMMITTEE

Meeting held on October 30, 2017, commencing at 4:02 PM, in the Council Chambers, Second Floor, London City Hall.

PRESENT: Mayor M. Brown and Councillors M. van Holst, B. Armstrong, M. Salih, J. Helmer, M. Cassidy, J. Morgan, P. Hubert, A. Hopkins, V. Ridley, S. Turner, H.L. Usher, T. Park and J. Zaifman and L. Rowe (Secretary).

ABSENT: Councillor P. Squire.

ALSO PRESENT: M. Hayward, A.L. Barbon, B. Card, B. Coxhead, S. Datars Bere, K. Dawtrey, J.M. Fleming, T. Gaffney, A. Hagan, L. Livingstone, M. Marcellin, S. Mathers, J. Millson, K. Murray, D. O'Brien, D. Popadic, A. Ripepi, C. Saunders, J. Senese, S. Spring, S. Stafford, T. Thomas and B. Westlake-Power.

I. CALL TO ORDER

1. Disclosures of Pecuniary Interest

That it BE NOTED that Councillor P. Hubert disclosed a pecuniary interest in those matters related to Ontario Works.

II. CONSENT ITEMS

None.

III. SCHEDULED ITEMS

2. Tabling of the 2018 Budget (Tax Supported, Water and Waste Water Treatment)

That the following actions be taken with respect to the 2018 Annual Update of the 2016-2019 Multi-Year Budget:

- a) the attached overview presentation by the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer BE RECEIVED;
- b) the draft Tax-Supported Operating, Capital, Water and Wastewater Treatment Budgets, as well as the related Business Cases, BE REFERRED to the 2018 Annual Update process for the 2016-2019 Multi-Year Budget; and
- c) the City Manager BE REQUESTED to report back with potential adjustments to the City of London's Strategic Initiatives, as well as any other potential adjustments, that might offset the 2018 Budget.

IV. ITEMS FOR DIRECTION

None.

V. DEFERRED MATTERS/ADDITIONAL BUSINESS

None.

VI. CONFIDENTIAL

(See Confidential Appendix to the 18th Report of the Strategic Priorities and Policy Committee enclosed for Members only.)

The Corporate Services Committee convened in camera from 4:34 PM to 5:18 PM after having passed a motion to do so, with respect to the following matter:

C-1 A matter pertaining to labour relations and employee negotiations, advice or recommendations of officers and employees of the Corporation including communications necessary for that purpose, and for the purpose of providing instructions and directions to officers and employees of the Corporation.

VII. ADJOURNMENT

The meeting adjourned at 5:19 PM.

16 MULTI-YEAR BUDGET FOR THE CITY OF LONDON

19 2018 ANNUAL UPDATE

INVESTING IN OUR FUTURE

Strategic Priorities & Policy Committee
October 30, 2017



Distribution of Budget Packages



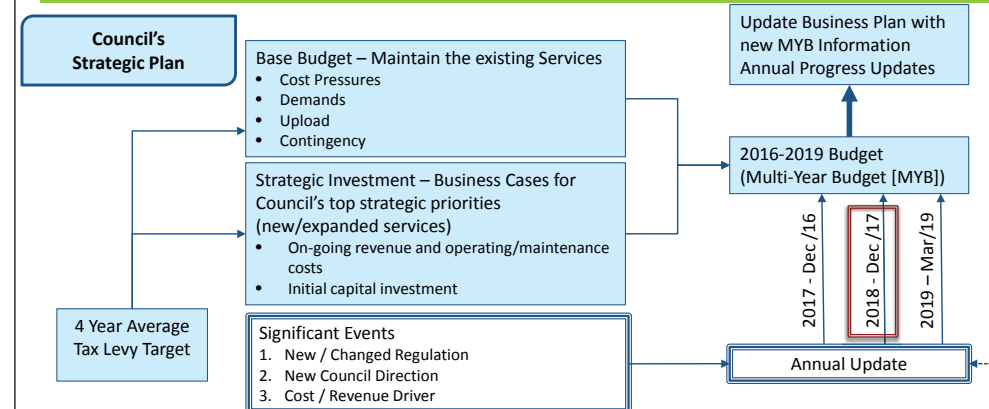
1. **Property Tax Supported Budget**
 - a) 2018 Annual Budget Update Document
 - b) 2018 Budget Amendment Cases
2. **Water and Wastewater & Treatment Rate Supported 2018 Annual Budget Update Document**
(Includes 2018 Budget Amendment Cases)

Agenda



- Multi-Year Budget Process Refresher
- 2016-2019 Multi-Year Budget Recap
- 2018 Budget Amendment Requests
 - Operating
 - Capital
 - Other Budget Related Items
- 2018 Water and Wastewater & Treatment Annual Budget Update
- Budget Timetable
- How We Will Inform The Public

Multi-Year Budget Process Refresher



Service Review – Target included in budget. Reported on separately by City Manager in September of each year. Will form part of the annual budget update if targets cannot be met.

Assessment Growth – Set by policy and delegated to City Treasurer or delegate for distribution based on assessment growth business cases. Staff report for transparency in February of each year.

Annual Surplus – Set by policy. Reported in April of each year following financial year-end confirmation.

What Qualifies for a Budget Amendment?



There Are Three Types Of Budget Amendments:

1. New or Changed Regulation

A new or changed legislation or regulation with a financial impact to the municipality

2. New Council Direction

A new Council direction that has transpired after the approval of the multi-year budget

3. Cost or Revenue Driver

A corporate or service area budget adjustment as a result of changes in economic conditions

2018 Budget Amendment Requests



There are a total of **19** budget amendment cases

Operating Amendments

- There are 8 operating budget amendments
 - 1 does not have an impact on the tax levy
 - 2 result in budget reductions
 - 5 result in budget increases

Capital Amendments

- All of the capital budget amendments can be accommodated within the capital plan
 - No impact to the tax levy

2016-2019 Multi-Year Budget Recap

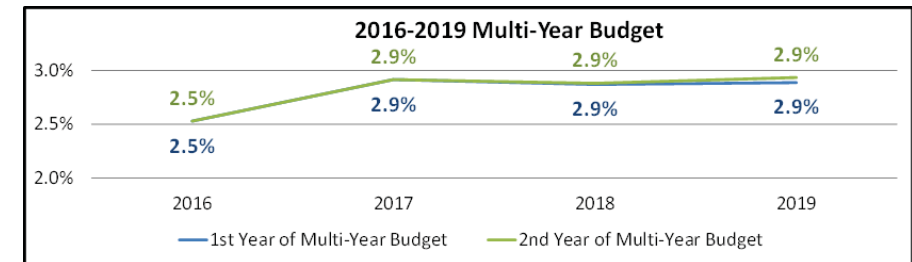


Year 1 Highlights (2016)

- The City's first ever multi-year budget approved (2016-2019 period)
- Average annual increase from rates of 2.8% for the 2016-2019 multi-year budget period
 - 2.4% to maintain existing service levels
 - 0.4% to fund strategic investments (25 strategic investments with gross expenditure of \$47.8 million)

Year 2 Highlights (2017)

- 20 budget amendments were approved resulting in marginal tax levy increase
- Average annual increase from rates for 2016-2019 maintained at 2.8%



2018 Operating Budget Amendment Requests



Budget Amendment	Net Cumulative (\$000's)		Page
	2018	2019	
New Council Direction			
1. London Music Industry Development Office	-	-	15
2. Councillors' Annual Compensation	-	245	15
Cost/Revenue Driver			
3. UTRCA 10 Year Environmental Targets Strategic Plan	191	400	16
4. Dundas Place - Ongoing Place Management	-	375	17
Phased-In Strategy			
5. Elimination of the Annual Payment to the Stillier Centre	(224)	(228)	17
6. Increased Ontario Works Administration Subsidy	(600)	(600)	18
Tax Levy Reduction			
New Regulation			
7. Proposed Minimum Wage Increases	1,453	2,024	18
"In-Camera"			
8. Confidential Matter - "In-Camera"	1,455	2,485	19

2018 Budget Amendment Requests

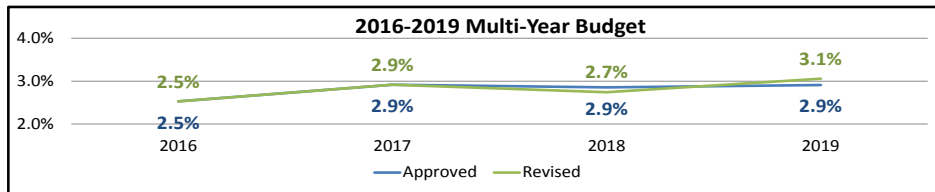


If all recommended budget amendments are approved, excluding minimum wage and an "in-camera" corporate budget matter, the 2016-2019 average annual tax levy increase would **remain at 2.8%**

2018 Multi-Year Budget Update	Net Budget \$000's				Average Annual %	Avg. Annual Rate Payer Impact ¹
	2016	2017	2018	2019		
Approved % Increase From Rates	2.5%	2.9%	2.9%	2.9%	2.8%	76
Approved Net Budget (Tax Levy)	536,434	556,980	572,887	589,551		
Budget Amendments (Total Net Request)			(632)	191		
Revised Net Budget (Tax Levy)	536,434	556,980	572,255	589,743		
Incremental Net Increase / (Decrease)		-	(632)	823		
Revised % Increase From Rates	2.5%	2.9%	2.7%	3.1%	2.8%	76

Subject to rounding

1) Average rate payer owning a home with an assessed value of \$221,000 in 2015 (excludes Education tax portion).



2018 Budget Amendment Requests

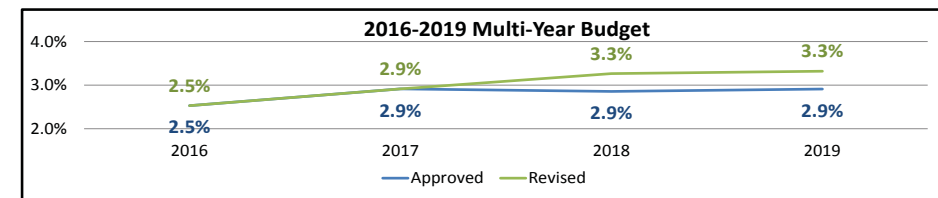


If all recommended budget amendments are approved the 2016-2019 average annual tax levy would **increase from 2.8% to 3.0%**

2018 Multi-Year Budget Update	Net Budget \$000's				Average Annual %	Avg. Annual Rate Payer Impact ¹
	2016	2017	2018	2019		
Approved % Increase From Rates	2.5%	2.9%	2.9%	2.9%	2.8%	76
Approved Net Budget (Tax Levy)	536,434	556,980	572,887	589,551		
Budget Amendments (Total Net Request)			2,275	4,700		
Revised Net Budget (Tax Levy)	536,434	556,980	575,162	594,252		
Incremental Net Increase / (Decrease)		-	2,275	2,425		
Revised % Increase From Rates	2.5%	2.9%	3.3%	3.3%	3.0%	82

Subject to rounding

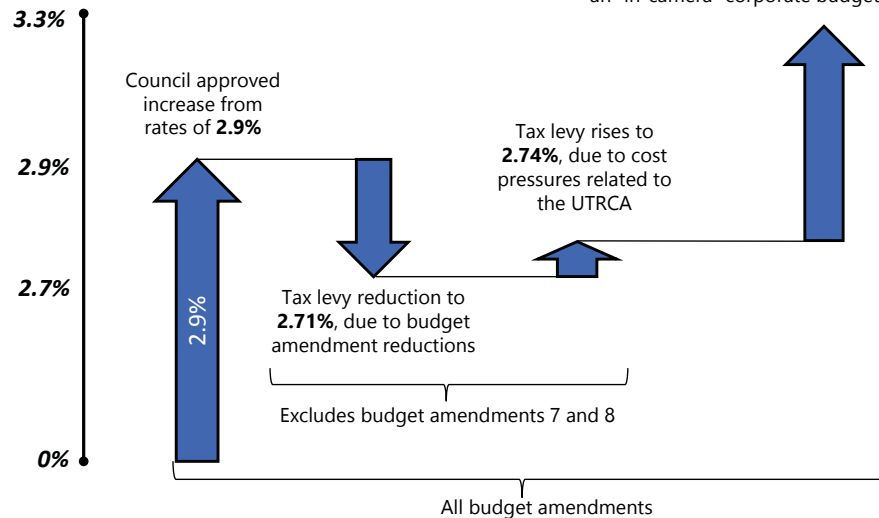
1) Average rate payer owning a home with an assessed value of \$221,000 in 2015 (excludes Education tax portion).



2018 Increases From Rates



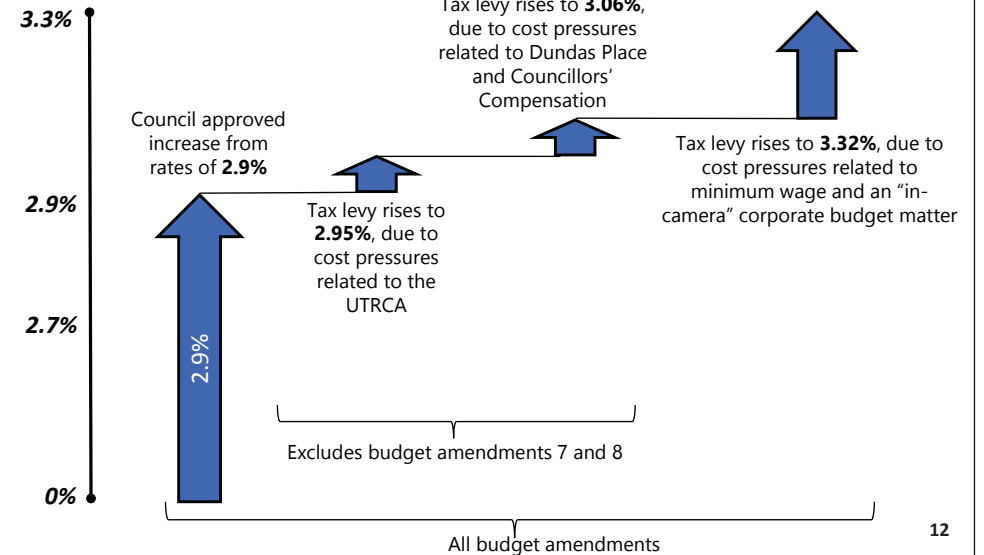
Tax levy rises to **3.26%**, due to cost pressures related to minimum wage and an "in-camera" corporate budget matter



2019 Increases From Rates



Tax levy rises to **3.06%**, due to cost pressures related to Dundas Place and Councillors' Compensation



What's Included In the Multi-Year Budget?



- The recommended 2016-2019 average annual increase has accommodated the following:
 - The delivery of over 90 unique value added services to the community
 - Strategic investments totaling \$47.8 million
 - An overview of the strategic investments as well as a status update was provided in the operating budget mid-year monitoring report on September 26, 2017
 - Significant budget challenges, most of which are beyond the control of Civic Administration

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Other Budget Related Matters



The following items are not included in the budget submission, primarily due to timing, but will be brought forward for consideration:

- **Reduced Rate Transit Pass for Youth (ages 13-17)**
*On October 17, Municipal Council directed administration to bring forward a budget amendment in the **2018** Annual Budget Update outlining the options, and the associated financial implications, for a reduced rate transit pass for youth.*
- **Income-Related Subsidized Transit for Adults 18 and Over**
*On October 17, Municipal Council approved the income-related subsidized public transit program for adults 18 and over. For 2018, this program will be funded from any potential 2018 Property Tax Supported Operating Budget Surplus and then, if required, with a drawdown from contingency reserves. A **2019** Budget Amendment will be prepared to provide for permanent funding of the program.*

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Other Budget Related Matters



• **London Children's Museum**

On September 18, Municipal Council directed administration to work with the London Children's Museum to prepare a 2018 Budget Amendment related to the Children's Museum's request for capital funding for the costs associated with relocating to another facility.

*Through further discussions with Children's Museum representatives, it was decided that this request would be deferred to the **2019** Annual Budget Update process. A further report on the rationale for this decision will be provided to SPPC on November 27, 2017.*

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What Has Been Done to Mitigate Budget Pressures?



- Strategic use of a City reserve fund to provide funding for temporary expenditure pressures
 - Case 1 – London Music Industry Development Office
 - Case 4 – Dundas Place (Ongoing Place Management)
- Civic Administration has submitted two budget amendments resulting in tax levy reductions
 - Case 5 – Elimination of Annual Payment to the Stiller Centre
 - Case 6 – Increased Ontario Works Administration Subsidy

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What Has Been Done to Mitigate Budget Pressures?



- User Fees
 - Modest increases to the minimum wage were anticipated and factored into the user fee rates for 2017 to 2019, however, proposed minimum wage increases are far greater than anticipated.
 - Case 7 – Proposed Minimum Wage Increases



Further increases to user fees may result in reduced participation and have an adverse impact on total user fee revenue.

Other Options to Mitigate the Tax Levy

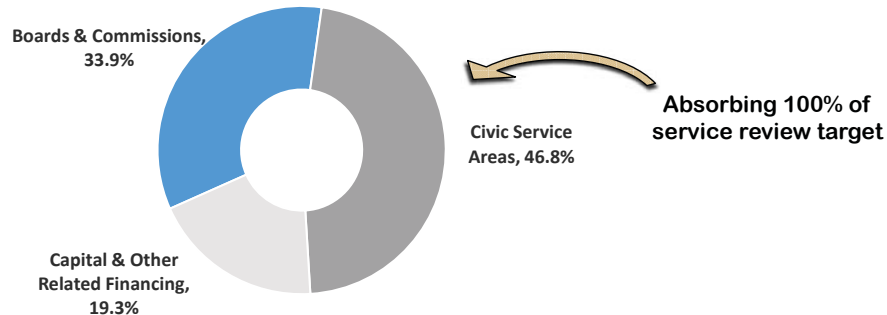


- Remaining net budget pressures from the recommended budget amendments have been funded from a tax levy increase.
- To further mitigate the tax levy, other options to consider include:
 - Service level reductions; and/or
 - Deferral of previously approved strategic investments

Service Reviews



- 2016-2019 budget **has been reduced by \$4 million**
 - 2016 target of \$0.5m: Achieved ✓
 - 2017 target of \$1.0m: Achieved ✓
 - 2018 target of \$1.5m: Pending
 - 2019 target of \$1.0m: Pending
- Civic Administration has been directed to fill the “gap” through service review initiatives, noting that Civic Service Areas represents less than 50% of the net operating budget



2018 Capital Budget



	2016-2019 Multi-Year Budget					2020-2025 Forecast	2016-2025 Capital Plan
	2016	2017	2018	2019	Total		
Total Approved Budget	213,725	268,521	167,495	173,100	822,841	1,314,346	2,137,187
Total Revised Budget (submitted October 30, 2017)	213,725	268,521	159,336	192,232	833,814	1,373,619	2,207,433
Total Capital Expense Increase/(Decrease)	-	-	(8,159)	19,132	10,973	59,273	70,246
Sources of Financing							
Capital Levy (CL)	-	-	-	-	-	-	-
Debtenture (D)	-	-	(3,800)	8,387	4,587	27,237	31,824
Reserve Fund (RF)	-	-	852	855	1,707	6,234	7,941
Other (O)	-	-	-	-	-	-	-
Non-tax Supported (NTS)	-	-	(5,211)	9,890	4,679	25,802	30,481
Total Revenue Increase/(Decrease)	-	-	(8,159)	19,132	10,973	59,273	70,246
Net Tax Levy Impact	-	-	-	-	-	-	-

Subject to rounding

All of the capital budget amendments can be accommodated within the capital plan

No Tax Levy Impact

2018 Capital Budget Amendment Requests



Budget Amendment	2018	2019	Total	2020-2025 Forecast	2016-2025 Capital Plan	Page
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Lifecycle Renewal

#9 Invasive Species Management Strategy	350	350	700	-	700	22
#10 London Police Service – Capital Plan Changes	77	80	157	574	731	22
#11 Exterior Light Redesign Replacement LMHC Sites	500	500	1,000	-	1,000	22

Growth

#12 Realignment of Growth Parks Projects	(1,617)	807	(810)	810	-	24
#13 Deferral of New Fire Station 15	-	(200)	(200)	611	411	24
#14 Adelaide Street – CPR Grade Separation ★	7,100	12,800	19,900	40,000	59,900	25
#15 Western Road Widening – Platts Lane to Oxford Street	3,500	-	3,500	-	3,500	25
#16 Realignment of Growth Transportation Projects	(11,623)	4,215	(7,408)	7,408	-	25

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2018 Capital Budget Amendment Requests



Budget Amendment	2018	2019	Total	2020-2025 Forecast	2016-2025 Capital Plan	Page
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Service Improvement

#4 Dundas Place Field House	-	280	280	-	280	27
#17 Farquharson, Glen Cairn and Silverwoods Arenas Decommissioning	54	-	54	126	180	27
#18 Relocation of Existing Resources to New Fire Station 16	(500)	300	(200)	597	397	28
#19 Western Road and Philip Aziz Ave. Improvements Deferred	(6,000)	-	(6,000)	6,000	-	28

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2018 Water Annual Budget Update



- **3%** rate increase for 2018 & 2019 **BE READOPTED**
 - Average ratepayer impact = \$11/year
- **No** operating budget amendments being recommended to the 2018-2019 Water budget.
- **5** capital budget amendments being recommended to defer project costs to align with transportation projects and the 2019 Development Charges Background Study.

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2018 Wastewater & Treatment Annual Budget Update



- **3%** rate increase for 2018 & 2019 **BE READOPTED**
 - Average ratepayer impact = \$14/year
- **No** operating budget amendments being recommended to the 2018-2019 Wastewater & Treatment budget.
- **2** capital budget amendments being recommended to defer project costs to align with the completion of the Dingman Creek Environmental Assessment.

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Budget Timetable



What / Where	Date
Tabling of the 2018 Annual Budget Update <i>SPPC at 4pm (immediately preceding the Council meeting)</i>	October 30
Budget Sessions <i>Byron Library, Byron Meeting Room</i> <i>November 7, 6:00pm-8:00pm</i> <i>East London Library, East London Rotary Room</i> <i>November 9, 6:00pm-8:00pm</i>	November 7 & November 9
Public Participation Meeting <i>SPPC at 4pm</i>	November 22
2018 Annual Budget Update Review <i>SPPC at 1pm</i>	November 27
2018 Annual Budget Update Review <i>SPPC at 4pm *If Needed*</i>	November 30
Final Approval of the 2018 Annual Budget Update <i>Council at 4pm</i>	December 12

Note: Dates apply to Tax Supported, Water and Wastewater & Treatment Budgets

How We Will Inform The Public



What	Date
Budget Web Page (london.ca/budget) – Provides Londoners an opportunity to view the 2018 Annual Budget Update, Amendment Cases, Budget Presentations and other budget information.	October 30
Budget Sessions – Provides an opportunity for Londoners to come out and speak face-to-face with staff. This can be to ask questions, provide input, and/or clarify any outstanding concerns.	November 7 & 9 (Evening)
Public Participation Meeting – Members of the public are invited to provide input into the 2018 Annual Budget Update at a scheduled meeting of the Strategic Priorities and Policy Committee.	November 22
Time With Finance Staff – Provides an opportunity for community groups to request a budget presentation and question and answer period with Finance staff.	As Requested
Social Media, Email and Phone Calls – Finance staff will be responding to questions or concerns from the public via social media, email or phone calls.	Throughout Budget Process



London
CANADA



LondonCanada



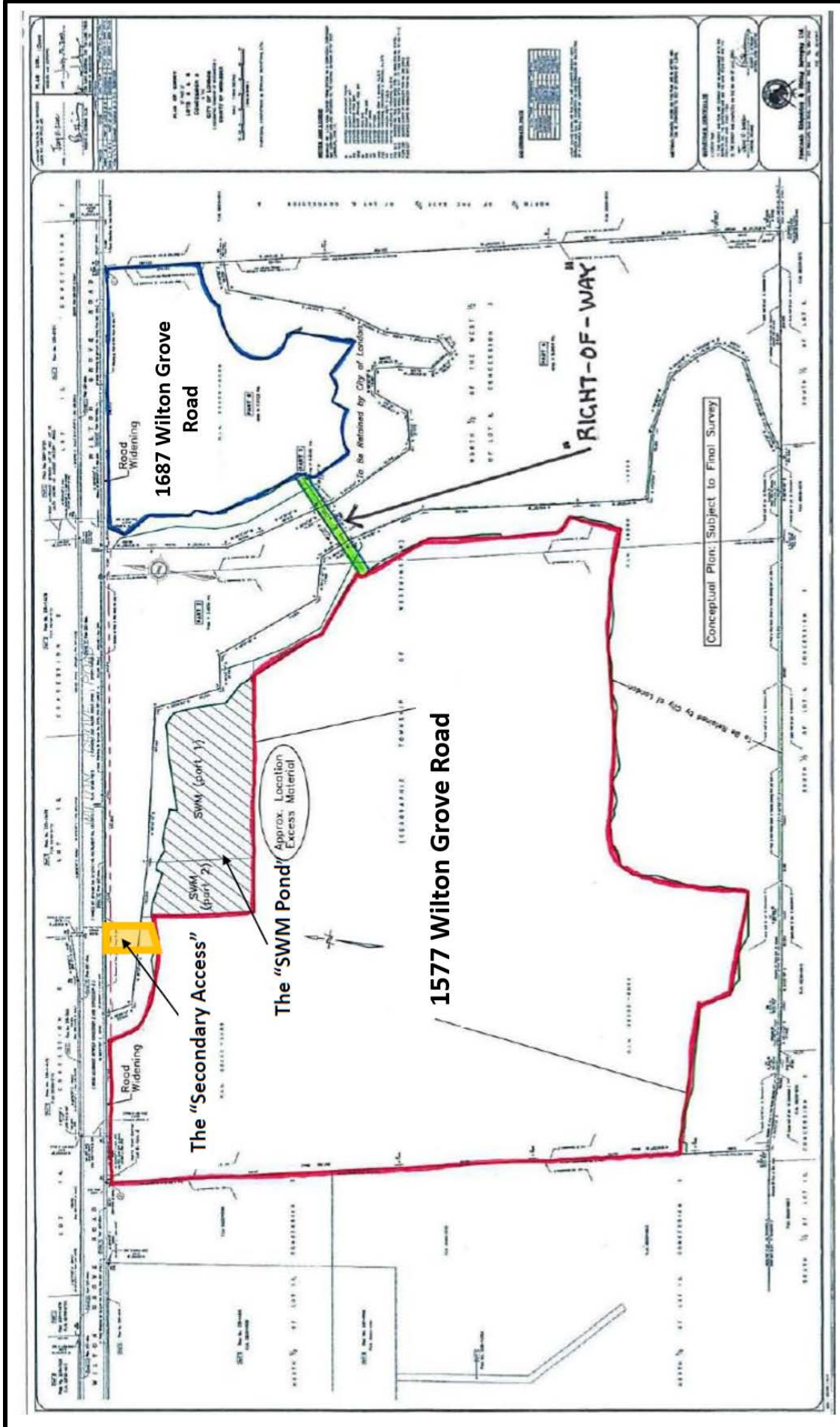
@CityofLdnOnt or #LdnBudget

SCHEDULE "A"

PART OF LOTS 8 AND 9, CONCESSION 3, LONDON/WESTMINSTER, AND BEING A PORTION OF PIN 08200-0079(LT)

&

PART OF LOT 8, CONCESSION 3, LONDON/WESTMINSTER, AND BEING A PORTION OF PIN 08200-0081(LT)



MEMORANDUM OF UNDERSTANDING

BETWEEN:

UPPER THAMES RIVER CONSERVATION AUTHORITY

(“UTRCA”)

- and -

THE CORPORATION OF THE CITY OF LONDON

(“London”)

This Memorandum of Understanding (“MOU”) sets the terms and understanding between the UTRCA and London.

BACKGROUND:

1. The Glengowan Dam and Reservoir Project hereinafter referred to as the “Glengowan Project” was originally recommended in 1952 as forming part of the system of controls on the Thames River and several of its tributaries to reduce flood risk and provide local augmentation to benefit water quality. In 1975 the Province of Ontario completed a Thames River Basin Study (the “TRBS”) which promoted the principal function of the dam structure as flow augmentation to support downstream waste water management with flood control as a secondary adjunct.
2. In 1977, London, having been identified as the principal beneficiary, began to make contributions for the purpose of purchasing land for the Glengowan Project. On March 31, 1978, the UTRCA and London entered into an Agreement relating to the Glengowan Project (the “1978 Agreement”) involving the acquisition by UTRCA of the necessary lands.
3. In 1983 an environmental assessment recommended that Glengowan not proceed although it recommended that the lands previously acquired be retained and that property acquisition continue.
4. On May 15, 1987 the UTRCA and London entered into a second Agreement to replace the 1978 Agreement and to reaffirm their mutual commitment to the Glengowan Project (the “1987 Agreement”) and the land acquisition.

5. Land acquisition and disposition continued until the mid-1990s when provincial funding was no longer available. No further land acquisition or dispositions have taken place in the last 21 years. As a result of the success of alternative strategies with respect to flow augmentation and advances in waste treatment, the UTRCA and London agree that the time has officially come to close the Glengowan Project.

6. Having determined that the Glengowan Project will not proceed and pursuant to the wishes of the UTRCA to retain the lands previously acquired for its overall purposes, the parties wish to release each other from any continuing obligations in relation to the Glengowan Project and as part of the process, London wishes to acquire the interest of the UTRCA in the Properties.

PURPOSE

7. This MOU will set out the parameters between the UTRCA and London with respect to the acquisition by London of the interests of the UTRCA in the Properties.

UNDERSTANDING AND AGREEMENT OF THE PARTIES:

8. UTRCA and London agree to terminate the Glengowan Project.

9. The UTRCA and London agree that the termination of the Glengowan Project allowing the UTRCA to retain lands acquired for its overall purposes and the acquisition by London of the interest of the UTRCA in the Properties is a unique and one time only agreement and solution and will not affect future dispositions or current and future levies which may be assessed pursuant to the provisions of the *Conservation Authorities Act*.

10. UTRCA shall, in its absolute discretion and for the overall benefit of the Conservation Authority, retain or dispose of the lands acquired for the Glengowan Project.

11. In consideration of the termination of the Glengowan Project, the UTRCA shall transfer to London at fair market value as determined by a qualified appraisal acceptable to UTRCA and London, three (3) properties more particularly described in Schedule "A" attached hereto (the "Properties"). Title to the Properties shall be free and clear of all encumbrances.

12. The Revenue the UTRCA receives from London for the transfer of the Properties shall be held on deposit in the City's account at the UTRCA and will be credited against the City's future levy expenses with the UTRCA.
13. The Board of Directors of the UTRCA has approved the process and proceedings outlined under the within MOU and will further seek the approval of the Minister of Natural Resources with respect to the Transfer to the City of the Properties.
14. London has obtained the approval of Council to the terms of the within proposal with respect to the termination of the Glengowan Project.
15. The parties acknowledge that the sale and transfer by UTRCA to London of the Properties represents the end of all obligations between the UTRCA and London with respect to or its contribution to the Glengowan Project save and except the obligations of the UTRCA to use the revenue received from the land sales to offset future London levy expenses to the UTRCA.
16. The UTRCA and London agree to release each other from any claims with respect to the Glengowan Project with the terms of such releases to be mutually agreed.
17. This MOU sets out the terms under which UTRCA and London have agreed to proceed with the termination of the Glengowan Project.

Intentionally left blank

The parties agree to negotiate in good faith and to use their respective best efforts to conclude the necessary Agreements of Purchase and Sale and to obtain whatever approvals are necessary to give effect to the terms of this MOU.

IN WITNESS WHEREOF the parties hereto have executed this MOU.

Dated at London this _____ day of October, 2017.

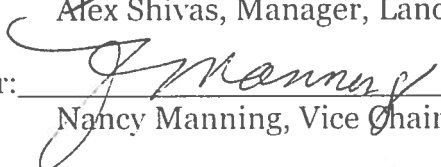
THE CORPORATION OF THE CITY OF LONDON

Per: _____
Mayor Matt Brown

Per: _____
Catharine Saunders, City Clerk

**UPPER THAMES RIVER CONSERVATION
AUTHORITY**

Per:  _____
Alex Shivas, Manager, Land & Facilities

Per:  _____
Nancy Manning, Vice Chair

Schedule B
Agreement of Purchase and Sale

AGREEMENT OF PURCHASE AND SALE

VENDOR: UPPER THAMES RIVER CONSERVATION AUTHORITY

PURCHASER: THE CORPORATION OF THE CITY OF LONDON

REAL PROPERTY:

Address: 1536 Hamilton Road, London, Ontario

Location: East side of Hamilton Road and south side of River Road

Measurements: Irregular shaped parcel totaling approx. 120.22 acres

Legal Description: Part of Lot 3 & 4, Concession A; Lots 4 & 5, south side of Patrick Street; Part of Lot 5, north side of Patrick Street, Plan 38; and Part of Lot 2, Concession A, as in 309575, 319852, & 320269, Geographic Township of London, City of London, County of Middlesex, being all of PIN 08132-0039. (the "Property") as shown on Schedule "A"

1. **OFFER OF SALE:** The Vendor agrees to sell the Property to the Purchaser in accordance with the terms and conditions as set out in this Agreement.
2. **SALE PRICE:** The sale price shall be:

ONE MILLION EIGHT HUNDRED THOUSAND DOLLARS CDN (\$1,800,000.00)
 - a) a deposit of TWO DOLLARS (\$2.00) cash or cheque on the date hereof as a deposit; and
 - b) the balance of the sale price, subject to adjustments, in cash or by cheque on completion of this Agreement.
3. **ADJUSTMENTS:** Any unearned fire insurance premiums, rents, mortgage interest, realty taxes including local improvements rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to the Purchaser.
4. **SCHEDULE(S):** The following Schedule(s) form(s) part of this Agreement:
Schedule "A" Description of the Property
Schedule "B" Additional Terms and Conditions
5. **IRREVOCABILITY:** This Offer shall be irrevocable by Vendor until November 6, 2017, after which date, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest or deduction.
6. **TITLE SEARCH:** The Purchaser shall be allowed until 4:30 p.m. on December 15, 2017 (Requisition Date) to examine the title to the Property and at its own expense and to satisfy itself that there are no outstanding work orders or deficiency notices affecting the Property and that its present use may be lawfully continued.
7. **COMPLETION DATE:** This Agreement shall be completed by no later than 60 days after the consent of the Ministry of Natural Resources and Forestry, Province of Ontario. Upon completion, vacant possession of the Property shall be given to the Purchaser unless otherwise provided for in this Agreement.
8. **NOTICES:** Any notice relating to or provided for in this Agreement shall be in writing.
9. **HST:** If this transaction is subject to Harmonized Sales Tax (H.S.T.) then such H.S.T. shall be in addition to and not included in the sale price, and H.S.T. shall be collected and remitted in accordance with applicable legislation. If this transaction is not subject to H.S.T., the Vendor agrees to provide, on or before completion, to the Purchaser's solicitor, a certificate in a form satisfactory to the Purchaser's solicitor certifying that the transaction is not subject to H.S.T.
10. **FUTURE USE:** Vendor and the Purchaser agree that there is no representation or warranty of any kind that the future intended use of the Property by the Purchaser is or will be lawful except as may be specifically provided for in this Agreement.
11. **TITLE:** Provided that the title to the Property is good and free from all encumbrances. If within the specified times referred to in paragraph 6 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to the Vendor and which Vendor is unable or unwilling to remove, remedy or satisfy and which the Purchaser will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and any deposit paid shall be returned without interest or deduction and Vendor shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, the Purchaser shall be conclusively deemed to have accepted Vendor's title to the Property.
12. **DOCUMENTS AND DISCHARGE:** The Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of Vendor. If

requested by the Purchaser, Vendor will deliver any sketch or survey of the Property within Vendor's control to the Purchaser as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by the Purchaser on completion, is not available in registerable form on completion, the Purchaser agrees to accept Vendor's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registerable form and to register same on title within a reasonable period of time after completion, provided that on or before completion Vendor shall provide to the Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registerable form at the expense of the Vendor. If requested by the Purchaser, Vendor covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50 (22) of the *Planning Act*, R.S.O. 1990.
14. **RESIDENCY:** The Purchaser shall be credited towards the Purchase Price with the amount, if any, necessary for the Purchaser to pay to the Minister of National Revenue to satisfy the Purchaser's liability in respect of tax payable by Vendor under the non-resident provisions of the Income Tax Act by reason of this sale. The Purchaser shall not claim such credit if Vendor delivers on completion the prescribed certificate or a statutory declaration that Vendor is not a non-resident of Canada.
15. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Vendor and the Purchaser or their respective lawyers who are hereby specifically authorized in that regard.
16. **TENDER:** Any tender of documents or money hereunder may be made upon Vendor or the Purchaser or their respective solicitors on the day set for completion. Money may be tendered by bank draft or cheque by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
17. **FAMILY LAW ACT:** Vendor warrants that spousal consent is not necessary to this transaction under the provisions of the *Family Law Act*, R.S.O. 1990 unless Vendor's spouse has executed the consent provided
18. **CLOSING ARRANGEMENTS:** Where each of the Vendor and Purchaser retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O., Chapter L4, and any amendments thereto, the Vendor and Purchaser acknowledge and agree that the delivery of documents and the release thereof to the Vendor and Purchaser may, at the lawyer's discretion: (a) not occur contemporaneously with the registration of the Transfer/Deed (and other registerable documentation) and (b) be subject to conditions whereby the lawyer receiving documents and/or money will be required to hold them in trust and not release them except in accordance with the terms of a written agreement between the lawyers.
19. **AGREEMENT IN WRITING:** This Agreement, including any Schedule attached, shall constitute the entire Agreement between the Purchaser and Vendor. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.
20. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

I / WE the undersigned Transferor(s) agree to the above offer, SIGNED, SEALED AND DELIVERED IN WITNESS where I/We hereunto set my hand and seal.

UPPER THAMES RIVER CONSERVATION AUTHORITY

Witness _____
 Per: Alex Shivas
 ALEX SHIVAS, MANAGER,
 LANDS & FACILITIES

OCTOBER 16, 2017
 Date

Witness _____
 Per: Nancy Manning
 NANCY MANNING, VICE CHAIR

OCTOBER 16, 2017
 Date

The Corporation of the City of London hereby accepts the above Agreement of Purchase and Sale and agrees to carry out the same on the terms and conditions herein contained.

IN WITNESS WHEREOF the Corporation of the City of London hereto has hereunto caused to be affixed its Corporate Seal attested by the hands of its proper signing officers pursuant to the authority contained in By-Law No.A-1 of the Council of the Corporation of the City of London consolidated the 1st day of May, 2012.

THE CORPORATION OF THE CITY OF LONDON

 Matt Brown, Mayor

 Catharine Saunders, City Clerk

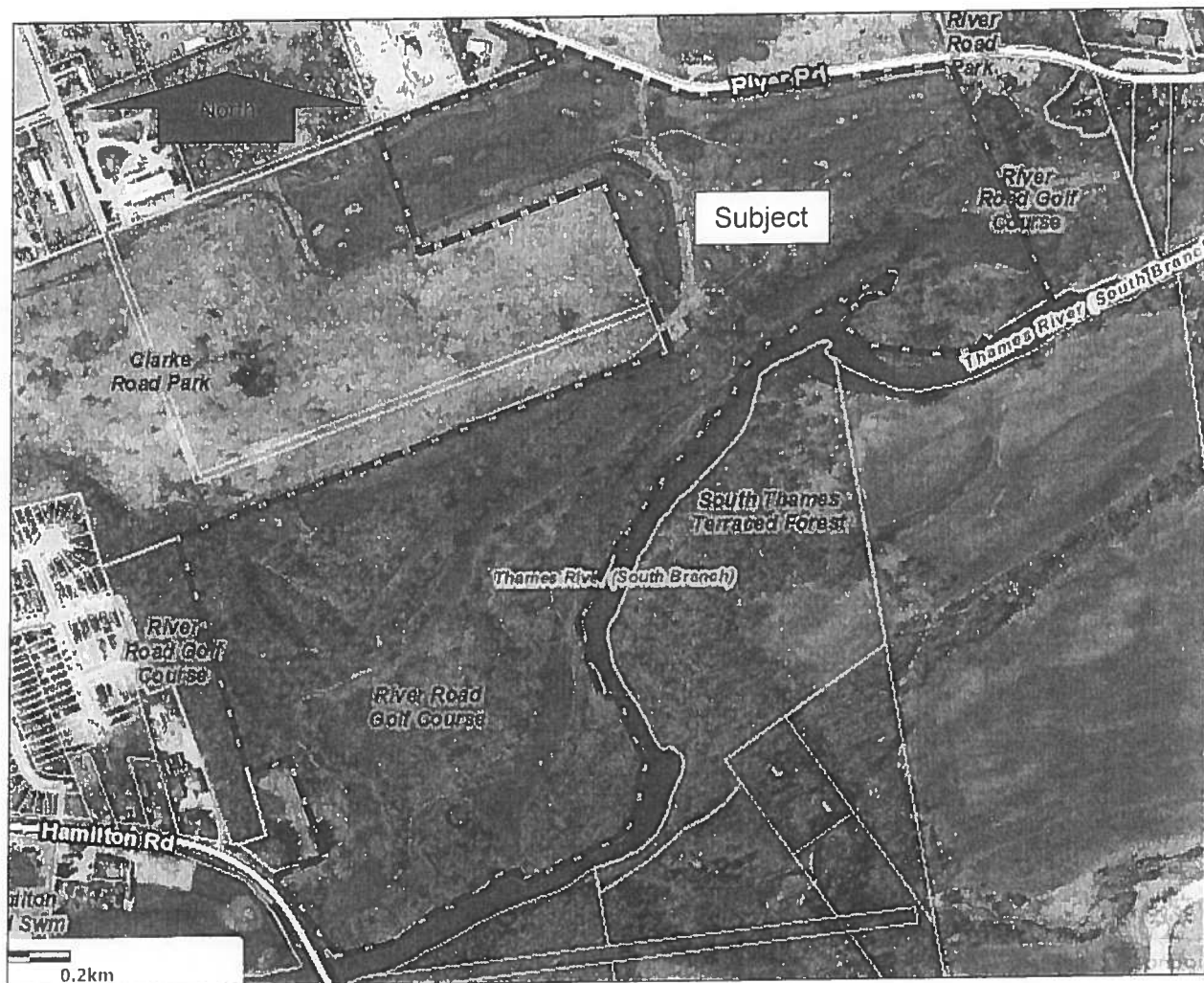
VENDOR'S LAWYER: Grant Inglis, 148 Wortley Road, (519) 672-5415 Fax: (519) 672-3906

PURCHASER'S LAWYER: David G. Munteer, Solicitor, (519) 661-2500 Ext. 4709 Fax: (519) 661-5530

SCHEDULE A

DESCRIPTION OF THE "PROPERTY"

Part of Lot 3 & 4, Concession A; Lots 4 & 5, south side of Patrick Street; Part of Lot 5, north side of Patrick Street, Plan 38; and Part of Lot 2, Concession A, as in 309575, 319852, & 320269, Geographic Township of London, City of London, County of Middlesex, being all of PIN 08132-0039. (the "Property")



SCHEDULE B

ADDITIONAL TERMS AND CONDITIONS

1. **ENVIRONMENTAL CLAUSE:** The Purchaser acknowledges that the Property is being purchased on an "as is" basis. The Purchaser acknowledges that the Vendor has not made, did not make and shall not be required to provide any representations or warranties of any kind with respect to whether the Property and processes and undertakings performed thereon have been and are in compliance with all applicable environmental laws, regulations and orders and whether the Property is suitable for any specific use including and without limitation to any construction or development. The Purchaser acknowledges and agrees that the Vendor shall not be liable for any damages of loss whatsoever arising out of or pursuant to any claims in respect to the foregoing.
2. **COMPLETION CONDITIONAL ON MNRF APPROVAL:** The completion of the transaction contemplated pursuant to this Agreement is conditional upon the approval of the Provincial Ministry of Natural Resources and Forestry.

Schedule C
Agreement of Purchase and Sale

AGREEMENT OF PURCHASE AND SALE

VENDOR: UPPER THAMES RIVER CONSERVATION AUTHORITY

PURCHASER: THE CORPORATION OF THE CITY OF LONDON

REAL PROPERTY:

Address: None Assigned

Location: East side of Wellington Street, west of Waterloo Street and north of the Thames River

Measurements: Irregular shaped parcel totaling approx. 42,700 square feet

Legal Description: Part of Lot 3, northeast of Nelson Street, as in LC176553; Part of Lot 2, northeast of Nelson Street designated as Part 1 on 32R-75 & as in LC186768 & 563726; Part of Lot 2, northeast of Nelson Street and Part of Lot 2, southeast of South Street designated as Part1 on 33R-1289; and Part of Lot 1, northeast of Nelson Street as in LC187359, 416462, & 478620, City of London, County of Middlesex, being all of PIN 08330-0016. (the "Property") as shown on Schedule "A"

1. **OFFER OF SALE:** The Vendor agrees to sell the Property to the Purchaser in accordance with the terms and conditions as set out in this Agreement.
2. **SALE PRICE:** The sale price shall be: FORTY FOUR THOUSAND DOLLARS CDN(\$44,000.00)
 - a) a deposit of TWO DOLLARS (\$2.00) cash or cheque on the date hereof as a deposit; and
 - b) the balance, subject to adjustments, in cash or by cheque on completion of this Agreement.
3. **ADJUSTMENTS:** Any unearned fire insurance premiums, rents, mortgage interest, realty taxes including local improvements rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to the Purchaser.
4. **SCHEDULE(S):** The following Schedule(s) form(s) part of this Agreement:
Schedule "A" Description of the Property
Schedule "B" Additional Terms and Conditions
5. **IRREVOCABILITY:** This Offer shall be irrevocable by Vendor until November 6, 2017, after which date, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest or deduction.
6. **TITLE SEARCH:** The Purchaser shall be allowed until 4:30 p.m. on December 15, 2017 (Requisition Date) to examine the title to the Property and at its own expense and to satisfy itself that there are no outstanding work orders or deficiency notices affecting the Property and that its present use may be lawfully continued.
7. **COMPLETION DATE:** This Agreement shall be completed by no later than 60 days after the consent of the Ministry of Natural Resources and Forestry, Province of Ontario. Upon completion, vacant possession of the Property shall be given to the Purchaser unless otherwise provided for in this Agreement.
8. **NOTICES:** Any notice relating to or provided for in this Agreement shall be in writing.
9. **HST:** If this transaction is subject to Harmonized Sales Tax (H.S.T.) then such H.S.T. shall be in addition to and not included in the sale price, and H.S.T. shall be collected and remitted in accordance with applicable legislation. If this transaction is not subject to H.S.T., the Vendor agrees to provide, on or before completion, to the Purchaser's solicitor, a certificate in a form satisfactory to the Purchaser's solicitor certifying that the transaction is not subject to H.S.T.
10. **FUTURE USE:** Vendor and the Purchaser agree that there is no representation or warranty of any kind that the future intended use of the Property by the Purchaser is or will be lawful except as may be specifically provided for in this Agreement.
11. **TITLE:** Provided that the title to the Property is good and free from all encumbrances. If within the specified times referred to in paragraph 6 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to the Vendor and which Vendor is unable or unwilling to remove, remedy or satisfy and which the Purchaser will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and any deposit paid shall be returned without interest or deduction and Vendor shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, the Purchaser shall be conclusively deemed to have accepted Vendor's title to the Property.

12. **DOCUMENTS AND DISCHARGE:** The Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of Vendor. If requested by the Purchaser, Vendor will deliver any sketch or survey of the Property within Vendor's control to the Purchaser as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by the Purchaser on completion, is not available in registerable form on completion, the Purchaser agrees to accept Vendor's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registerable form and to register same on title within a reasonable period of time after completion, provided that on or before completion Vendor shall provide to the Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
13. **DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registerable form at the expense of the Vendor. If requested by the Purchaser, Vendor covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50 (22) of the *Planning Act*, R.S.O. 1990.
14. **RESIDENCY:** The Purchaser shall be credited towards the Purchase Price with the amount, if any, necessary for the Purchaser to pay to the Minister of National Revenue to satisfy the Purchaser's liability in respect of tax payable by Vendor under the non-resident provisions of the Income Tax Act by reason of this sale. The Purchaser shall not claim such credit if Vendor delivers on completion the prescribed certificate or a statutory declaration that Vendor is not a non-resident of Canada.
15. **TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Vendor and the Purchaser or their respective lawyers who are hereby specifically authorized in that regard.
16. **TENDER:** Any tender of documents or money hereunder may be made upon Vendor or the Purchaser or their respective solicitors on the day set for completion. Money may be tendered by bank draft or cheque by a Chartered Bank, Trust Company, Province of Ontario Savings Office, Credit Union or Caisse Populaire.
17. **FAMILY LAW ACT:** Vendor warrants that spousal consent is not necessary to this transaction under the provisions of the *Family Law Act*, R.S.O. 1990 unless Vendor's spouse has executed the consent provided.
18. **CLOSING ARRANGEMENTS:** Where each of the Vendor and Purchaser retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O., Chapter L4, and any amendments thereto, the Vendor and Purchaser acknowledge and agree that the delivery of documents and the release thereof to the Vendor and Purchaser may, at the lawyer's discretion: (a) not occur contemporaneously with the registration of the Transfer/Deed (and other registerable documentation) and (b) be subject to conditions whereby the lawyer receiving documents and/or money will be required to hold them in trust and not release them except in accordance with the terms of a written agreement between the lawyers.
19. **AGREEMENT IN WRITING:** This Agreement, including any Schedule attached, shall constitute the entire Agreement between the Purchaser and Vendor. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. This Agreement shall be read with all changes of gender or number required by the context.

20. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

I / WE the undersigned Transferor(s) agree to the above offer, SIGNED, SEALED AND DELIVERED IN WITNESS where I/We hereunto set my hand and seal.

UPPER THAMES RIVER CONSERVATION AUTHORITY

Witness

Per: Alex Shivas
ALEX SHIVAS, MANAGER,
LANDS + FACILITIES

OCTOBER 16, 2017
Date

Witness

Per: Nancy Manning
NANCY MANNING, VICE CHAIR

OCTOBER 16 2017
Date

The Corporation of the City of London hereby accepts the above Agreement of Purchase and Sale and agrees to carry out the same on the terms and conditions herein contained.

IN WITNESS WHEREOF the Corporation of the City of London hereto has hereunto caused to be affixed its Corporate Seal attested by the hands of its proper signing officers pursuant to the authority contained in By-Law No.A-1 of the Council of the Corporation of the City of London consolidated the 1st day of May, 2012.

THE CORPORATION OF THE CITY OF LONDON

Matt Brown, Mayor

Catharine Saunders, City Clerk

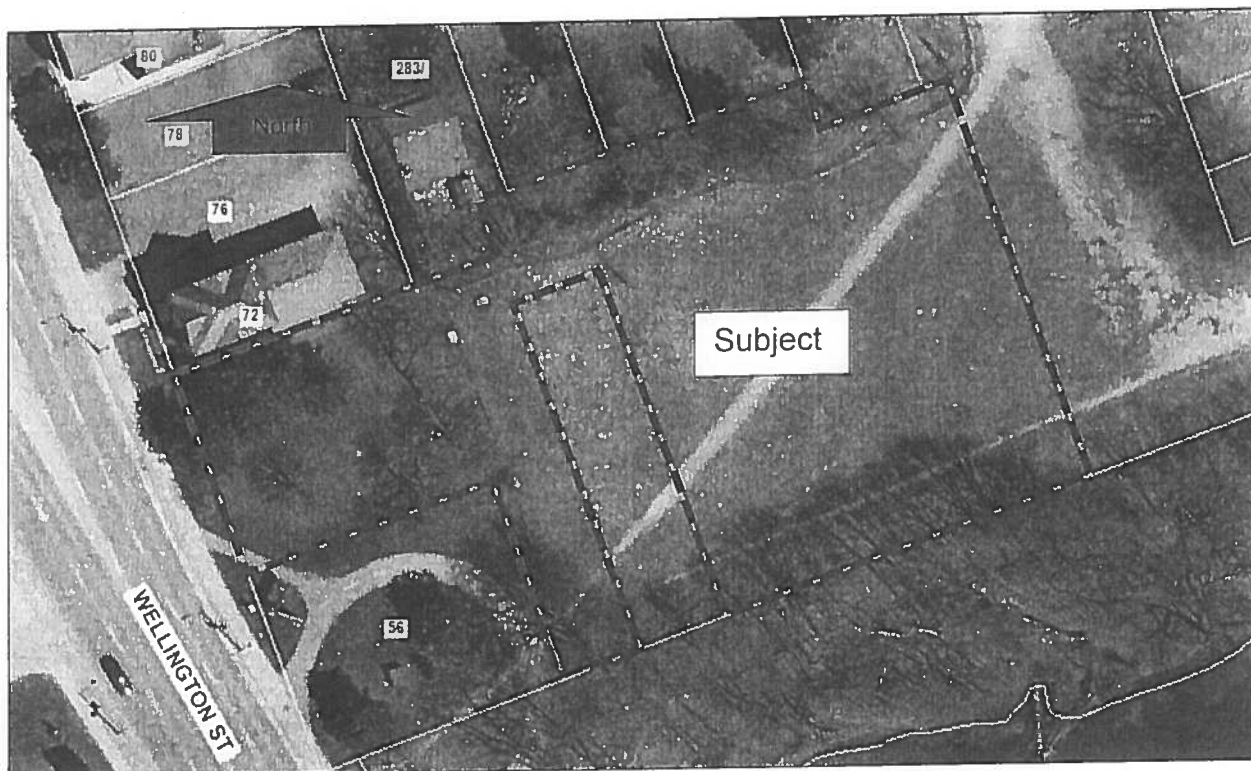
VENDOR'S LAWYER: Grant Inglis, 148 Wortley Road, (519) 672-5415 Fax: (519) 672-3906

PURCHASER'S LAWYER: David G. Munteer, Solicitor, (519) 661-2500 Ext. 4709 Fax: (519) 661-5530

SCHEDULE A

DESCRIPTION OF THE "PROPERTY"

Part of Lot 3, northeast of Nelson Street, as in LC176553; Part of Lot 2, northeast of Nelson Street designated as Part 1 on 32R-75 & as in LC186768 & 563726; Part of Lot 2, northeast of Nelson Street and Part of Lot 2, southeast of South Street designated as Part 1 on 33R-1289; and Part of Lot 1, northeast of Nelson Street as in LC187359, 416462, & 478620, City of London, County of Middlesex, being all of PIN 08330-0016. (the "Property")



SCHEDULE B

ADDITIONAL TERMS AND CONDITIONS

1. **ENVIRONMENTAL CLAUSE:** The Purchaser acknowledges that the Property is being purchased on an "as is" basis. The Purchaser acknowledges that the Vendor has not made, did not make and shall not be required to provide any representations or warranties of any kind with respect to whether the Property and processes and undertakings performed thereon have been and are in compliance with all applicable environmental laws, regulations and orders and whether the Property is suitable for any specific use including and without limitation to any construction or development. The Purchaser acknowledges and agrees that the Vendor shall not be liable for any damages of loss whatsoever arising out of or pursuant to any claims in respect to the foregoing.
2. **REFERENCE PLAN:** The Vendor agrees to prepare and deposit on title, on or before closing and at its expense, a reference plan describing the Property.
3. **COMPLETION CONDITIONAL ON MNRF APPROVAL:** The completion of the transaction contemplated pursuant to this Agreement is conditional upon the approval of the Provincial Ministry of Natural Resources and Forestry.

Schedule D
Agreement of Purchase and Sale

AGREEMENT OF PURCHASE AND SALE

VENDOR: UPPER THAMES RIVER CONSERVATION AUTHORITY

PURCHASER: THE CORPORATION OF THE CITY OF LONDON

REAL PROPERTY:

Address: 13 King Street, London, Ontario

Location: South side of King Street, north side of York Street and east of Thames Street

Measurements: Rectangular shaped parcel totaling approx. 41,000 square feet

Legal Description: Part of Lot 25, southwest of King street as in 581543; and Part of Lot 25, northwest of York Street as in LC178598, LC180523, LC185430, 413673 & 581543, City of London, County of Middlesex, being all of PIN 08322-0020. (the "Property") as shown on Schedule "A"

1. **OFFER OF SALE:** The Vendor agrees to sell the Property to the Purchaser in accordance with the terms and conditions as set out in this Agreement.
2. **SALE PRICE:** The sale price shall be: FORTY SEVEN THOUSAND DOLLARS CDN(\$47,000.00)
 - a) a deposit of TWO DOLLARS (\$2.00) cash or cheque on the date hereof as a deposit; and
 - b) the balance, subject to adjustments, in cash or by cheque on completion of this Agreement.
3. **ADJUSTMENTS:** Any unearned fire insurance premiums, rents, mortgage interest, realty taxes including local improvements rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to the Purchaser.
4. **SCHEDULE(S):** The following Schedule(s) form(s) part of this Agreement:
Schedule "A" Description of the Property
Schedule "B" Additional Terms and Conditions
5. **IRREVOCABILITY:** This Offer shall be irrevocable by Vendor until November 6, 2017, after which date, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Purchaser in full without interest or deduction.
6. **TITLE SEARCH:** The Purchaser shall be allowed until 4:30 p.m. on December 15, 2017 (Requisition Date) to examine the title to the Property and at its own expense and to satisfy itself that there are no outstanding work orders or deficiency notices affecting the Property and that its present use may be lawfully continued.
7. **COMPLETION DATE:** This Agreement shall be completed by no later than 60 days after the consent of the Ministry of Natural Resources and Forestry, Province of Ontario. Upon completion, vacant possession of the Property shall be given to the Purchaser unless otherwise provided for in this Agreement.
8. **NOTICES:** Any notice relating to or provided for in this Agreement shall be in writing.
9. **HST:** If this transaction is subject to Harmonized Sales Tax (H.S.T.) then such H.S.T. shall be in addition to and not included in the sale price, and H.S.T. shall be collected and remitted in accordance with applicable legislation. If this transaction is not subject to H.S.T., the Vendor agrees to provide, on or before completion, to the Purchaser's solicitor, a certificate in a form satisfactory to the Purchaser's solicitor certifying that the transaction is not subject to H.S.T.
10. **FUTURE USE:** Vendor and the Purchaser agree that there is no representation or warranty of any kind that the future intended use of the Property by the Purchaser is or will be lawful except as may be specifically provided for in this Agreement.
11. **TITLE:** Provided that the title to the Property is good and free from all encumbrances. If within the specified times referred to in paragraph 6 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to the Vendor and which Vendor is unable or unwilling to remove, remedy or satisfy and which the Purchaser will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and any deposit paid shall be returned without interest or deduction and Vendor shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, the Purchaser shall be conclusively deemed to have accepted Vendor's title to the Property.
12. **DOCUMENTS AND DISCHARGE:** The Purchaser shall not call for the production of any title deed, abstract, survey or other evidence of title to the Property except such as are in the possession or control of Vendor. If requested by the Purchaser, Vendor will deliver any sketch or survey of the Property within Vendor's control to the Purchaser as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by the

Purchaser on completion, is not available in registerable form on completion, the Purchaser agrees to accept Vendor's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registerable form and to register same on title within a reasonable period of time after completion, provided that on or before completion Vendor shall provide to the Purchaser a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Vendor directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

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20. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

I / WE the undersigned Transferor(s) agree to the above offer, SIGNED, SEALED AND DELIVERED IN WITNESS where I/We hereunto set my hand and seal.

UPPER THAMES RIVER CONSERVATION AUTHORITY

Witness	Per: <u><i>Alex Shivas</i></u> ALEX SHIVAS, MANAGER LANDS + FACILITIES	OCTOBER 16, 2017 Date
Witness	Per: <u><i>Nancy Manning</i></u> NANCY MANNING, VICE CHAIR	OCTOBER 16, 2017 Date

The Corporation of the City of London hereby accepts the above Agreement of Purchase and Sale and agrees to carry out the same on the terms and conditions herein contained.

IN WITNESS WHEREOF the Corporation of the City of London hereto has hereunto caused to be affixed its Corporate Seal attested by the hands of its proper signing officers pursuant to the authority contained in By-Law No.A-1 of the Council of the Corporation of the City of London consolidated the 1st day of May, 2012.

THE CORPORATION OF THE CITY OF LONDON

Matt Brown, Mayor

Catharine Saunders, City Clerk

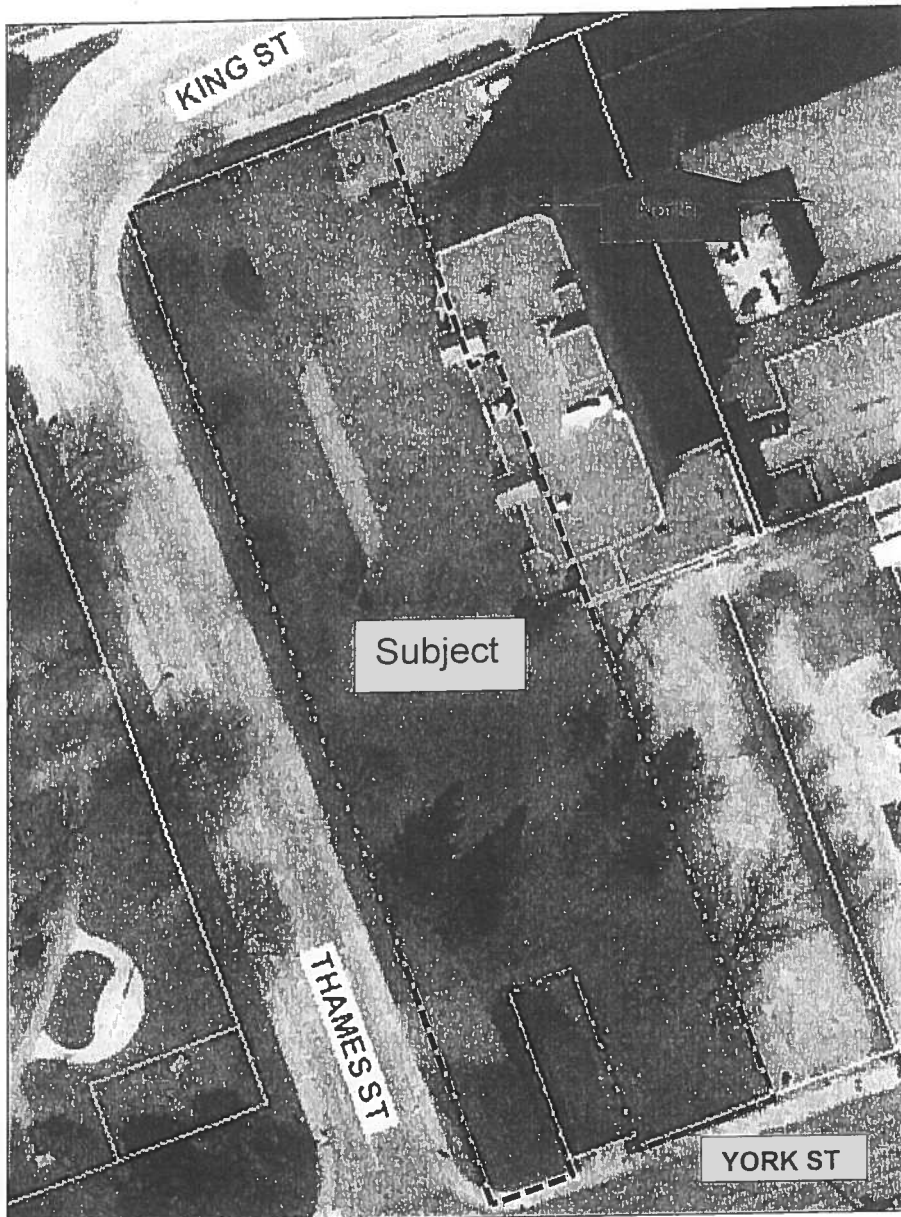
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PURCHASER'S LAWYER: David G. Munteer, Solicitor, (519) 661-2500 Ext. 4709 Fax: (519) 661-5530

SCHEDULE A

DESCRIPTION OF THE "PROPERTY"

Part of Lot 25, southwest of King street as in 581543; and Part of Lot 25, northwest of York Street as in LC178598, LC180523, LC185430, 413673 & 581543, City of London, County of Middlesex, being all of PIN 08322-0020. (the "Property")



SCHEDULE B

ADDITIONAL TERMS AND CONDITIONS

1. **ENVIRONMENTAL CLAUSE:** The Purchaser acknowledges that the Property is being purchased on an "as is" basis. The Purchaser acknowledges that the Vendor has not made, did not make and shall not be required to provide any representations or warranties of any kind with respect to whether the Property and processes and undertakings performed thereon have been and are in compliance with all applicable environmental laws, regulations and orders and whether the Property is suitable for any specific use including and without limitation to any construction or development. The Purchaser acknowledges and agrees that the Vendor shall not be liable for any damages of loss whatsoever arising out of or pursuant to any claims in respect to the foregoing.
2. **REFERENCE PLAN:** The Vendor agrees to prepare and deposit on title, on or before closing and at its expense, a reference plan describing the Property.
3. **ASSIGNMENT OF LEASE AND MAINTENANCE AGREEMENT:** The Purchaser acknowledges that the Property is subject to a Lease and a Maintenance Agreement dated November 18, 1987. The Vendor agrees to assign it's landlord rights contained in the Lease and the Maintenance Agreement to the Purchaser.
4. **COMPLETION CONDITIONAL ON MNRF APPROVAL:** The completion of the transaction contemplated pursuant to this Agreement is conditional upon the approval of the Provincial Ministry of Natural Resources and Forestry.

APPENDIX 'A'

CONFIDENTIAL

#17196

Chair and Members
Corporate Services Committee

October 24, 2017

RE: **Glengowan Dam and Reservoir Project**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase is not included in the Capital Budget, but can be accommodated as a drawdown from the Land Acquisition Reserve Fund 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 purchase would be:

<u>ESTIMATED EXPENDITURES</u>	<u>This Submission</u>
Land Acquisition	\$1,957,211
NET ESTIMATED EXPENDITURES	<u>\$1,957,211</u> 1)
 <u>SOURCE OF FINANCING:</u>	
Drawdown from Land Acquisition Reserve Fund 2)	\$1,957,211
TOTAL FINANCING	<u>\$1,957,211</u>

1) <u>Financial Note:</u>	<u>Parcel 1</u>	<u>Parcel 2</u>	<u>Parcel 3</u>	<u>Total</u>
Purchase Cost	\$1,800,000	\$44,000	\$47,000	\$1,891,000
Add: Land Transfer Tax	32,475	220	235	32,930
Add: HST @13%	234,000	5,720	6,110	245,830
Less: HST Rebate	(202,320)	(4,946)	(5,283)	(212,549)
Total Purchase Cost	<u>\$1,864,155</u>	<u>\$44,994</u>	<u>\$48,062</u>	<u>\$1,957,211</u>

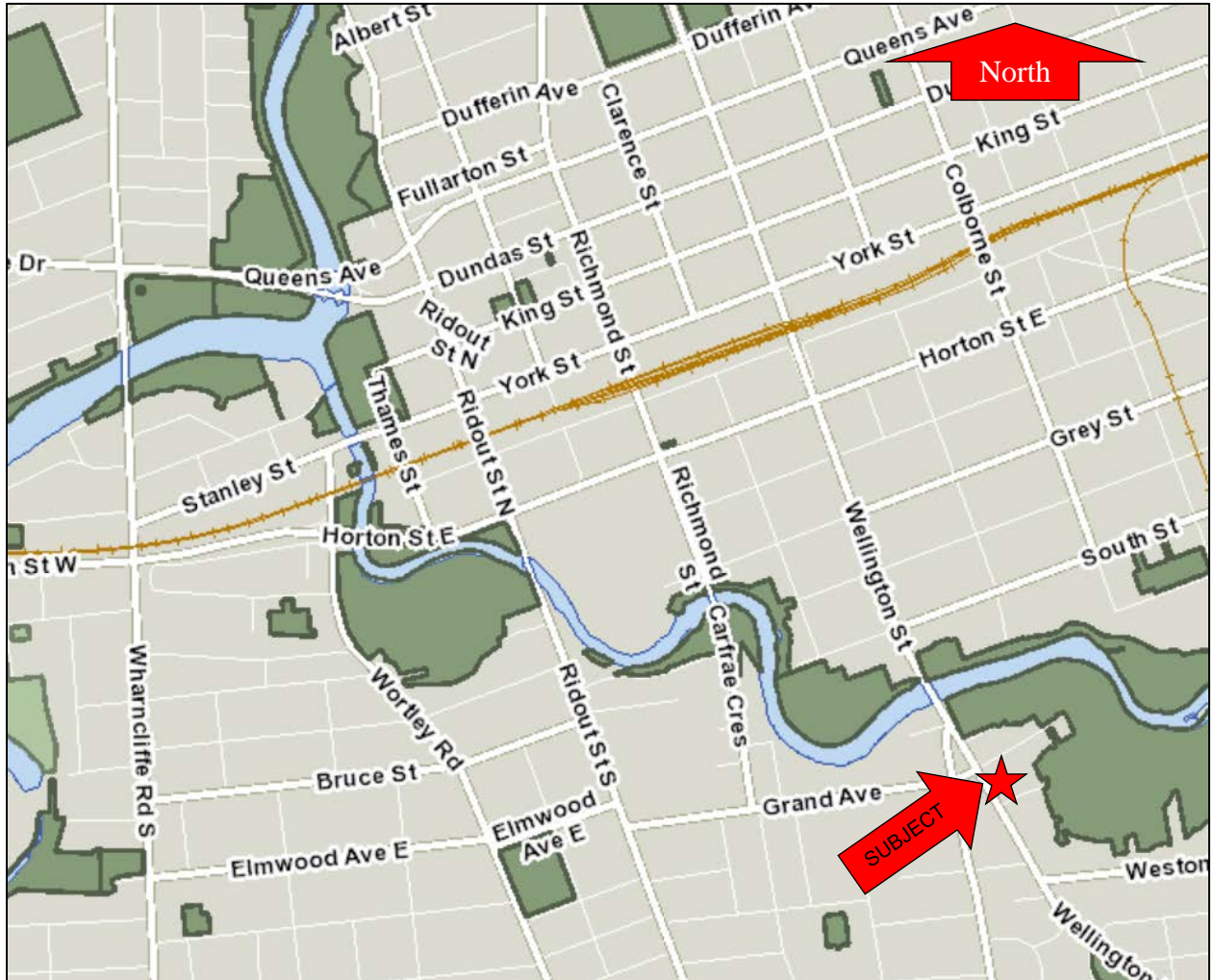
2) The required funding is available as a temporary drawdown from the Land Acquisition Reserve Fund, noting that the UTRCA has agreed to reimburse the full cost of the purchase over approximately a seven month period. The reimbursement will be returned to the Land Acquisition Reserve Fund. The projected ending balance in this reserve fund at December 31, 2017 after this drawdown is approximately \$1.3 million.



Larry Palarchio
Director of Financial Planning & Policy

ad

Location Maps





**APPENDIX "A"
CONFIDENTIAL**

#17194

Chair and Members
Corporate Services Committee

October 24, 2017
(Property Purchase)

**RE: Property Acquisition - Shift Rapid Transit Project
(Subledger LD170062)
Capital Project TS1430-1 - RT 1: Wellington Rd - Bradley Ave to Horton St S Leg Widening
28 Wellington Road South**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this purchase 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 purchase is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed To Date</u>	<u>This Submission</u>	<u>Balance For Future Work</u>
Engineering	\$7,475,000	\$2,077,893		\$5,397,107
Land Acquisition	29,563,000	174,314	189,831	29,198,855
Construction	24,998,712	300,445		24,698,267
Relocate Utilities	2,140,000			2,140,000
City Related Expenses	26,288	26,288		0
NET ESTIMATED EXPENDITURES	<u>\$64,203,000</u>	<u>\$2,578,940</u>	<u>\$189,831</u> 1)	<u>\$61,434,229</u>
 SOURCE OF FINANCING				
Capital Levy	\$1,445,800	\$58,076	\$4,275	\$1,383,449
Debenture By-law No. W.-5609-239 (Serviced through City Services - Roads Reserve Fund (Development Charges))	2) 19,552,900			19,552,900
Drawdown from City Services - Roads Reserve Fund (Development Charges)	2) 935,600	822,993	60,579	52,028
PTIF (Public Transit Infrastructure Fund)	2,232,873	1,697,871	124,977	410,025
Senior Government	3) 40,035,827			40,035,827
TOTAL FINANCING	<u>\$64,203,000</u>	<u>\$2,578,940</u>	<u>\$189,831</u>	<u>\$61,434,229</u>

1) Financial Note:

Purchase Cost	\$185,000
Add: Land Transfer Tax	1,575
Add: HST @13%	24,050
Less: HST Rebate	<u>(20,794)</u>
Total Purchase Cost	<u><u>\$189,831</u></u>

- 2) Development charges have been utilized in accordance with the underlying legislation and the Development Charges Background Studies completed in 2014.
- 3) The scope and timing of the Shift Rapid Transit Initiative is subject to securing Senior Government Funding.

JG

Jason Senese
Manager of Financial Planning & Policy