Agenda – Executive Policy Committee – March 16, 2011

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – March 8, 2011 adjourned to March 15, 2011

Item No. 3 2011 Local Improvement Projects in Van Hull Way (St. Norbert Ward)

STANDING COMMITTEE RECOMMENDATION:

On March 15, 2011, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Riel Community Committee and submits the following to Council:

1. That the Local Improvement Projects in Van Hull Way, as shown in Attachment 1 to the report from the Winnipeg Public Service dated February 2, 2011, proceed as part of the 2011 Local Improvement Program.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – March 8 adjourned to March 15, 2011

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On March 15, 2011, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Riel Community Committee and submitted the matter to the Executive Policy Committee and Council.

COMMUNITY COMMITTEE RECOMMENDATION:

On February 14, 2011, the Riel Community Committee concurred in the recommendation of the Winnipeg Public Service and recommends to the Standing Policy Committee on Infrastructure Renewal and Public Works:

1. That the proposed Local Improvement Projects in Van Hull Way, as shown in Attachment 1 to the Report from the Director of Assessment and Taxation dated February 2, 2011, proceed as part of the 2011 Local Improvement Program.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

ADMINISTRATIVE REPORT

Title: **PROPOSED 2011 LOCAL IMPROVEMENT PROJECTS IN VAN HULL WAY**

Critical Path: **Riel Community Committee - Standing Policy Committee on Infrastructure Renewal and Public Works - Executive Policy Committee - Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Cull Manager of Taxation and Finance	N. Karpa Director of Assessment and Taxation		

RECOMMENDATIONS

1. That the proposed Local Improvement Projects in Van Hull Way, as shown in *Attachment 1,* proceed as part of the 2011 Local Improvement Program.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Since these proposed Local Improvement Projects are within the Riel Community and Ward boundary, the Riel Community Committee is requested to specifically review and recommend to the Standing Policy Committee on Infrastructure Renewal and Public Works that these Local Improvement Projects proceed as part of the 2011 Local Improvement Program.

IMPLICATIONS OF THE RECOMMENDATIONS

FINANCIAL IMPLICATIONS

As the Developer will pay all construction costs for these proposed projects, there are no out-of-pocket costs incurred by the City. As per the Development Agreement, the City will collect annual levies from benefitting property owners and remit to the Developer annually. In this process, the City charges a 1% administration fee to offset overhead costs of administering the Local Improvement process.

HISTORY

On January 24, 2007, the *City of Winnipeg* (the City) entered into a Development Agreement AG16/06 (the Agreement) with Enterprise 7777 Canada Limited (the Developer) whereby the Developer was obliged to install and pay for improvements and municipal services and works that would be installed across lands owned by the Developer or adjacent privately owned lands. The Agreement also provided that the Developer could request the City to advertise local improvements to allow him to recover costs from adjacently privately owned lands.

On December 9, 2010, at the request of the Developer, proposed 2011 local improvement projects within the Riel Community and Ward boundary were advertised in the *Winnipeg Free Press* newspaper as shown in the two drawings per Attachment 2.

These projects were advertised pursuant to Clause 8 of the Agreement, whereby the City is obligated to pay the Developer in cash for benefiting privately owned lands on the south side of Van Hull Way, when monies are so received from the adjacent privately owned lands.

As information, this local improvement process provides the following benefits:

- The Developer is guaranteed reimbursement in a timely manner for works already completed.
- The owners of the privately owned lands will now have the option to have the cost of the improvements levied on their Realty Tax bills rather than having to make a large lump-sum payment to the City prior to the issuance of building permits on their land.

On January 6, 2011, a registered property owner on Van Hull Way had requested an official *"Notice of Objection"* form pertaining to the Concrete Frontage Road Local Improvement. However, this form was never returned by the Objector (deadline had lapsed on January 7, 2011).

The estimated construction costs of these projects (which exclude advertising costs – Developer had paid for the cost of the advertisement) and the amounts that are to be recovered from the registered property owners are shown below.

Project Number	Local Improvement Type	Estimated Project Costs ($)	Estimated Recoverable Amount Of Costs ($)	Estimated Percentage Recoverable (%)
1420010110	Wastewater Sewer	110,000.00	98,890.00	89.90
1420020110	Land Drainage Sewer-Laterals Only	45,000.00	39,556.00	87.90
1420060110	Watermain	90,000.00	79,112.00	87.90
1420200110	Concrete Street Pavement	190,000.00	178,585.45	93.99
1420250110	Concrete Frontage Road	385,000.00	365,893.00	95.04
1420270110	Ornamental Street Lighting	10,000.00	9,097.88	90.98
	Total	**830,000.00**	**771,134.33**	**92.91**

FINANCIAL IMPACT

Financial Impact Statement

Date: February 2, 2011

Project Name:

First Year of Program **2011**

Proposed Wastewater Sewer, Land Drainage Sewer - Laterals Only, Watermain, Concrete Street Pavement, Concrete Frontage Road & Ornamental Street Lighting Local Improvements on Van Hull Way in compliance with Development Agreement AG 16/06.

	2011	2012	2013	2014	2015
Capital					
Capital Cost of Proposed Projects	$ 830,000	$ -	$ -	$ -	$ -
Less: Costs paid by Developer	830,000	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Annual Developer Paybacks	$ -	$ 104,286	$ 104,286	$ 104,286	$ 100,683
Less: Local Improvement Annual Levies	-	109,728	109,728	109,728	106,056
Net Cost/(Benefit)	$ -	$ (5,442)	$ (5,442)	$ (5,442)	$ (5,373)
Less: Existing Budget Amounts	-	(5,442)	(5,442)	(5,442)	(5,373)
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. The estimated construction cost, paid fully by the Developer, is $830,000. There are no out-of-pocket costs paid by the City. The costs will be recovered from registered property owners via an annual Local Improvement Levy (estimated recovery at 92.91% of total developer cost). Note that these projects have local improvement terms ranging from three to twenty years. The Local Improvement Levies will be collected annually by the City and remitted to the Developer in the same year prior to year-end.
2. Net benefits shown above reflect the 1% administration fee charged by the City to administer the Local Improvement Levies on the property owners and for remittance of same to the Developer each year.

[original signed by]
Radhika Abeysekera
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:

Internal:

Legal Services (as to legal matters only)
Planning, Property & Development Department

SUBMITTED BY

Department: Assessment and Taxation
Division: Taxation and Finance
Prepared by: G. Wladyka, Senior Local Improvement Clerk
Date: February 2, 2011
File No. n/a

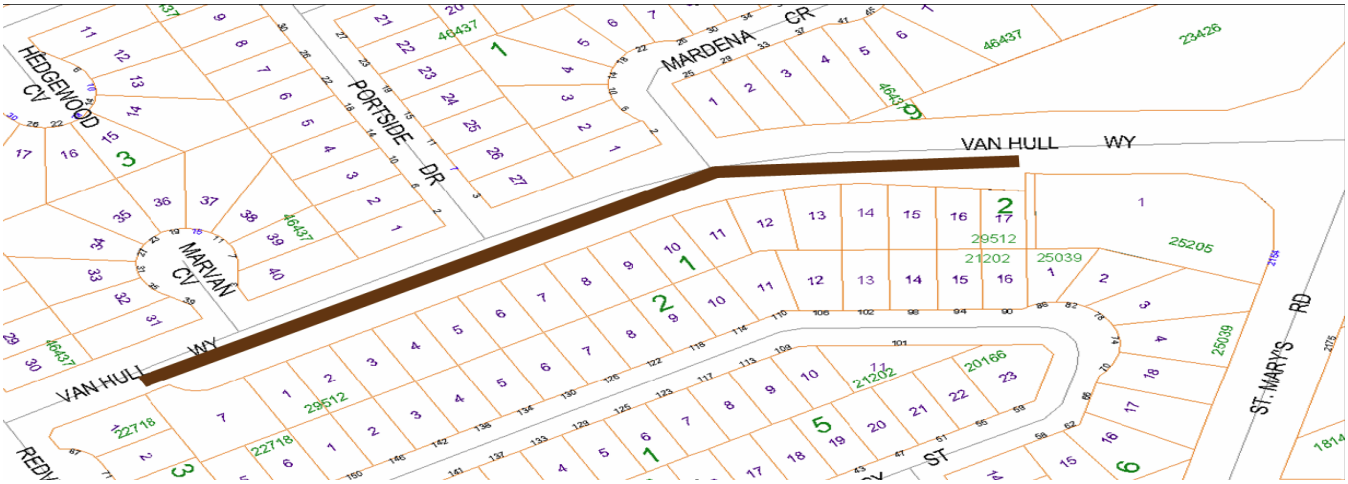
ATTACHMENT 1

Proposed 2011 Local Improvements in Van Hull Way

PROJECT NUMBER	LOCAL IMPROVEMENT TYPE	LOCATION
1420010110	WASTEWATER SEWER	IN VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD.
1420020110	LAND DRAINAGE SEWER – LATERALS ONLY	IN VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD.
1420060110	WATERMAIN	IN VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD.
1420200110	CONCRETE STREET PAVEMENT	33 FEET WIDE (8 INCHES THICK) ON VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD. [NOTE: THE FRONTING PROPERTY OWNERS ARE TO BE ASSESSED ON THE BASIS OF A 25 FEET WIDE (6 INCHES THICK) CONCRETE STREET PAVEMENT.]
1420250110	CONCRETE FRONTAGE ROAD	20 FEET WIDE (6 INCHES THICK) ON VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD. [NOTE: THE PROPERTY ON THE SOUTH SIDE OF THE STREET WILL BE ASSESSED FOR THE CONSTRUCTION OF THIS IMPROVEMENT.]
1420270110	ORNAMENTAL STREET LIGHTING	ON VAN HULL WAY FROM APPROXIMATELY 127.9 FEET EAST OF THE EAST LIMIT OF REDVIEW DRIVE TO APPROXIMATELY 274 FEET WEST OF THE WEST LIMIT OF ST. MARY'S ROAD.

ATTACHMENT 2

PROPOSED WASTEWATER SEWER, LAND DRAINAGE SEWER – LATERALS ONLY, WATERMAIN, CONCRETE STREET PAVEMENT AND ORNAMENTAL STREET LIGHTING LOCAL IMPROVEMENTS DRAWING:



PROPOSED CONCRETE FRONTAGE ROAD LOCAL IMPROVEMENT DRAWING:

