Minute No. 702
Report – Standing Policy Committee on Infrastructure Renewal and Public Works – July 4, 2014

Item No. 6 Front-Ending Agreement Amendment – Dr. Jose Rizal Way

COUNCIL DECISION:

Council concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and adopted the following:

1. That the definition of Interest Rate as contained in the draft Front-Ending Agreement attached to the report approved by Council on February 26, 2014 be amended to "…a floating rate of interest equal to the Bank's prime lending rate plus 0.50%".

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

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DECISION MAKING HISTORY:

Moved by Councillor Swandel,
That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On July 9, 2014, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On July 4, 2014, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the Council Motion of June 25, 2014 and submitted the matter to the Executive Policy Committee and Council.

COUNCIL DECISION:

On June 25, 2014, Council ruled automatic referral of the following motion to the Standing Policy Committee on Infrastructure Renewal and Public Works:

Moved by Councillor Pagtakhan,
Seconded by Councillor Browaty,

WHEREAS on December 12, 2012, Council approved a Subdivision and Rezoning generally located north of Old Commonwealth Avenue between Dr. Jose Rizal Way and King Edward Street under File DASZ 15/2012;

AND WHEREAS Council's approval of the Subdivision and Rezoning included the requirements for the Developer to enter into both a Zoning Agreement and Development Agreement with the City;

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DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

AND WHEREAS the terms of the Development Agreement included a requirement for the Developer to finance and construct to substantial completion by the fall of 2014, the twinning of Keewatin Street and Dr. Jose Rizal Way, from Inkster Boulevard to the intersection north of Jefferson Avenue; the City's share of the cost of this work was to be determined in a Front-Ending Agreement supplementary to the Development Agreement and the City shall reimburse the Developer for its share of the cost such that there is no net cost to the Developer for this additional work;

AND WHEREAS on February 26, 2014, Council approved the proposed terms of the Front Ending Agreement with Terrascape Developments Ltd for the twinning of Dr. Jose Rizal Way and Keewatin Street;

AND WHEREAS the draft Front-Ending Agreement attached to the report approved by Council defines Interest Rate as "…a floating rate of interest equal to the prime lending rate the Bank charges its customers";

AND WHEREAS the actual Interest Rate to be charged by the Bank to its customer, Terrascape Developments Inc., is a floating rate of interest equal to the prime lending rate plus 0.50%;

AND WHEREAS the prime lending rate is currently 3.00% meaning the actual Interest Rate to be charged by the Bank to its customer, Terrascape Developments Inc., is currently 3.50%;

AND WHEREAS the assumed rate of interest included in the financial analysis contained in the February 26, 2014 report to Council was a conservative rate of 5.00%;

THEREFORE BE IT RESOLVED THAT the definition of Interest Rate as contained in the draft Front-Ending Agreement attached to the report approved by Council on February 26, 2014 be amended to "…a floating rate of interest equal to the Bank's prime lending rate plus 0.50%".

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DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

On February 26, 2014, Council concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and adopted the following:

1. That the details of the draft Front Ending Agreement (Appendix "A") with Terrascape Developments Ltd. for the twinning of Dr. Jose Rizal Way and Keewatin Street be received as information and the proposed terms be approved.

2. That pursuant to the Council approved terms for the Development Agreement under File DASZ 15/2012, additional capital budget funding in the amount of $765,000 be included in the 2015 budget process for inclusion in the 2017 Capital Forecast to facilitate the twinning of Dr. Jose Rizal Way and Keewatin Street.

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

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On February 12, 2014, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On February 4, 2014, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.