STANDING POLICY COMMITTEE ON INFRASTRUCTURE RENEWAL

AND PUBLIC WORKS

MOTIONS

Minute No. 615
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;

AND WHERAS 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%;

Standing Policy Committee on Infrastructure Renewal and Public Works - Motions

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%".

The Speaker ruled automatic referral to the Standing Policy Committee on Infrastructure Renewal and Public Works in accordance with Rule 16.1 of the Procedure By-law.

Councillor Wyatt called Notice on the Item.

Councillor Swandel called for the rule to be suspended to reconsider the vote.

The motion to suspend the rule to reconsider the vote was put and declared carried

Councillor Pagtakhan moved that the item be referred to the Standing Policy Committee on Infrastructure Renewal and Public Works.

The motion for referral was put and declared carried.