Agenda - Executive Policy Committee - November 17, 2004

Report - Standing Policy Committee on Public Works - November 9, 2004

Item No. 5 Fairfield Park Local Improvement District - Amendment to By-law 125/2003 to allow construction of all remaining stages in 2005 File SL-1

STANDING COMMITTEE RECOMMENDATION:

On November 9, 2004, the Standing Policy Committee on Public Works did not concur in the recommendation of the Riel Community Committee and concurred in the administrative recommendation outlined in the report dated November 3, 2004, and submits the following to Council:

1. That the Fairfield Park Local Improvement District By-law No. 125/2003 be amended as follows:

   A. To provide for the installation of services (except for Boulevard Services outlined in Section 7) in Stage III and Stage IV in 2005 in conjunction with the installation of the services in Stage II, rather than in 2006 and 2007 as originally contemplated in the Fairfield Park Local Improvement District Proposal;

   B. That the installation of services in Stage II be commenced prior to the commencement of the installation of services in Stage III and Stage IV;

   C. To provide for the installation of Boulevard Services, outlined in Section 7, in Stage II, Stage III and Stage IV in 2006; and

   D. That the local improvement taxes for the services in Stage II, Stage III and Stage IV, be imposed upon completion of the work of the Fairfield Park Local Improvement District, rather than upon completion of the work in each stage as provided in the Fairfield Park Local Improvement District Proposal.

2. That the City Solicitor/Manager of Legal Services be directed to prepare the necessary amending by-law.

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

Agenda - Executive Policy Committee - November 17, 2004

Report - Standing Policy Committee on Public Works - November 9, 2004

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On November 9, 2004, the Standing Policy Committee on Public Works did not concur in the recommendation of the Riel Community Committee and concurred in the administrative recommendation outlined in the report dated November 3, 2004, and submitted the matter to the Executive Policy Committee and Council.

COMMUNITY COMMITTEE RECOMMENDATION:

On October 18, 2004, the Riel Community Committee concurred in the administrative recommendation and recommends to the Standing Policy Committee on Public Works:

1. That the Fairfield Park Local Improvement District (LID) By-law No. 125/2003 be amended to allow the installation of the services in Stage III and Stage IV to be carried out in 2005 in conjunction with Stage II rather then in 2006 and 2007 respectively.

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

Further, the Riel Community Committee recommends to the Standing Policy Committee on Public Works:

1. That the levies for the installation of services for the Fairfield Park Local Improvement District not be assessed until 2007.

2. That the services for Stage II of the Fairfield Park Local Improvement District be installed on a priority basis as per the original time schedule

Re: Fairfield Park Local Improvement District - Amendment to By-Law 125/2003 to Accelerate the Schedule for the Staging

RECOMMENDATION:

That the Fairfield Park Local Improvement District (LID) By-law No. 125/2003 be amended to allow the installation of the services in Stage III and Stage IV to be carried out in 2005 in conjunction with Stage II rather then in 2006 and 2007 respectively.

REASON:

Council approval is required to amend the Fairfield Park Local Improvement District By-law.

HISTORY:

The Fairfield Park Local Improvement District By-law, No. 125/2003 was passed and given second and third readings by City Council on October 22, 2003. The By-law provided for the construction of a Retention Pond and the installation of municipal services in four stages with the costs to be levied against the properties within the District. The proposal stipulated that the pond would be constructed in 2004 and the stages would proceed at the rate of one stage per year from 2004 to 2007 so as to not bring the serviced lots on to the market all at the same time.

In the intervening time since the By-law was finalized the demand for and absorption of serviced lots in the southwest quadrant of the City has increased significantly. Therefore after discussions with the Executive of the Fairfield Park Owners Group and the Ward Councillor, an amendment to the By-law has been initiated to accelerate the timing of the remaining stages.

DISCUSSION:

When the Fairfield Park LID proposal was being studied the demand for serviced lots in this area was at historical levels and it was felt that it would be to the Owners advantage to stage the servicing so that the lots would be brought on to the market over several years rather then all at once. Since that time however, there has been an upturn in the housing demand such that at this time there is a definite shortage of serviced lots in the southwest quadrant of the City. For this reason the Administration was requested to investigate the possibility of speeding up the staging. Because the original proposal and By-law was very specific as to the timing of the stages, an amendment to the LID By-law is required to change the timing.

The original proposal was quite specific as to the timing of the stages. This was done deliberately to spread out the servicing over a four-year period so that the market for the new serviced lots would not be flooded with all of the lots coming forward at once. The estimated demand at that time was for 60-70 lots per year.

Over the several years since the proposal was finalized the housing market has experienced an increase in the absorption of serviced lots, especially in the southwest quadrant where Fairfield

Park is located. This has resulted in an unsatisfied demand for serviced lots. If the staging of Fairfield Park is accelerated it will make lots available sooner to take advantage of this demand that in turn should increase the value of the lots.

Impact on the Assessment of Levies

Accelerating the timing of the remaining stages will also impact on the timing of the imposition of the various levies for the LID services. The rules for Local Improvement Districts require that the levies would be assessed in the year following the installation of the services. **If the installation were moved up, the levies would be as well.** If the remaining stages are re-scheduled to proceed in 2005 then all of the levies could be assessed in 2006.

Budgetary Impact

City Council approved budget funds for all of the original proposed works in the 2004 Capital Budget. Additional funding has been approved for the lot line connections in Stage I and funding for the lot line connections in Stages II, III and IV is proposed to be approved and included in the 2005 Capital Budget. So it is anticipated that funding for all of the works will be in place for 2005.

Accelerating the staging will result in the funding being expended at a faster rate then originally anticipated. However this should not adversely impact the City because although the funds will be spent several years in advance of the original schedule, all of the funds are recoverable through the Local Improvement District Levies, and the recoveries will begin earlier as well.

Recommendation

The original timing called for Stage II to be constructed in 2005 in any case. If the timing were to be accelerated it would mean that Stage III and possibly Stage IV would be constructed in 2005 as well. **The recommendation is to amend the Fairfield Park LID by-law to allow the construction of all of the remaining stages in 2005.**

THIS REPORT SUBMITTED BY:

Planning, Property and Development Department
C.D. Torpey, Land Development Administrator
October 7, 2004
File No. 902/89

cc Councillor Angus
Kim Raban, Water and Waste Department
Tony Zielonko, Public Works Department
Tim Austin, Corporate Finance Department
George Wladyka, Corporate Finance Department

November 3, 2004

SUBMISSION FROM THE PLANNING, PROPERTY AND DEVELOPMENT DEPARTMENT

On October 18, 2004, the Riel Community Committee held a Public Hearing for an amendment to the Fairfield Park Local Improvement District By-law. The Committee recommends to the Standing Policy Committee on Public Works that the By-law be amended to provide for the acceleration of the timing for the remaining Stages such that Stages II, III and IV shall all proceed in 2005.

The Committee also made two separate accompanying recommendations concerning priorizing the servicing for Stage II and deferring the levies for these stages until 2007. Subsequent to that hearing that Administration reviewed the Committee's recommendations and concluded that all of the recommendations should appropriately be included in the amendment to the By-law to implement the intent of the Committee.

Therefore the following amended recommendation which addresses all of the Riel Community Committee's recommendations is submitted for consideration by the SPCPW at its meeting on November 9, 2004.

Recommendation:

1. That the Fairfield Park Local Improvement District By-Law 125/2003 be amended as follows:
   - A) to provide for installation of the services, except for Section 7. Boulevard services, in Stage III and Stage IV in 2005 in conjunction with the installation of the services in Stage II, rather than in 2006 and 2007 as originally contemplated in the Fairfield Park Local Improvement District Proposal;
   - B) to provide that the installation of services in Stage II be commenced prior to the commencement of the installation of services in Stage III and Stage IV;
   - C) to provide for the installation of the Section 7. Boulevard services in Stage II, Stage III and Stage IV in 2006;and
   - D) to provide that the local improvement taxes for the services in Stage II, Stage III and Stage IV be imposed upon completion of the work of the Fairfield Park Local Improvement District, rather than upon completion of the work in each stage as provided in the Fairfield Park Local Improvement District Proposal.

2. That the City Solicitor/Manager of Legal Services be directed to prepare the necessary amending by-law.

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