

Item:



Committee of the Whole Report

DATE: Monday, September 17, 2018

WARD(S): 3

TITLE: BLOCK 39 WOODLOT REIMBURSEMENT – CAPITAL PROJECT

FROM:

Michael Coroneos, Chief Financial Officer and City Treasurer

ACTION: DECISION

Purpose

To obtain Council approval to create a 2018 Capital project “Woodlot Acquisition Block 39” in the amount of \$1,400,000 funded from the Woodlot Reserve, to make payments as funds become available through collections of the Woodlot Acquisition charge.

Report Highlights

- This report seeks approval to create a 2018 capital project titled “Woodlot Acquisition Block 39” to facilitate the payment for woodlots conveyed to the City in Block 39
- There is no financial impact, as reimbursement of the woodlots to the developers is made from the Woodlot Acquisition Reserve, as funds are collected from developers in the OPA 400 and 600 area
- There are sufficient funds in the Woodlot Reserve to make a payment this year

Recommendations

1. That a new 2018 capital project “Woodlot Acquisition Block 39” be created in the amount of \$1,400,000 for the reimbursement of the Block 39 Woodlot, funded from the Woodlot Acquisition Reserve.
2. That the inclusion of this matter on a Public Committee or Council agenda with respect to the Capital Budget request identified as “Woodlot Acquisition Block 39” is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

Background

In 2001, the City entered into a front ending agreement with the Block 39 developers group as part of the City's woodlot acquisition strategy. The front ending agreement is the device that all landowners with identified woodlots were/are required to enter into, to conform to Official Plan Amendment (OPA) 400 and OPA 600. Since the execution of the front ending agreement, approximately 87 acres of woodlot within Block 39 have been deeded to the City. Through credits and/or reimbursements to the Block 39 developers group, the remaining balance owed to the Block 39 group is approximately \$1.4 million.

As of June 30, 2018, the Woodlot Acquisition Reserve has accumulated sufficient funds to make a partial payment against the outstanding balance. The front ending agreement prescribes payments to be made on a timely basis as funds become available and the request for payment was made earlier this year. A new project is required to be created in order to proceed with the partial reimbursement. Also, as additional funds are collected within the Woodlot Acquisition reserve, future reimbursements to Block 39 will occur, through the new capital project.

Previous Reports/Authority

[Woodlot Acquisition Development Charge - April 1998](#)

[OPA 400 Woodlot Acquisition Development Charge Front End Agreement - May 1999](#)

[Woodlot Acquisition Strategy Update](#)

Analysis and Options

As of June 30, 2018, the Woodlot Acquisition Reserve, has a sufficient balance to allow staff to process a partial payment of \$296,850 to the Block 39 Developers Group, against the balance owing for the woodlots deeded. Once this payment is processed, the remaining balance will be reimbursed as additional woodlot acquisition charges are collected in the reserve.

Financial Impact

There is no financial impact, as reimbursement of the woodlots to the developers, is funded through Woodlot Acquisition Reserve. Funds within this reserve are collected from developers as residential units are developed within specified blocks. Payments are only processed as sufficient funds are made available in the reserve.

Broader Regional Impacts/Considerations

Not applicable.

Conclusion. A new capital project is recommended to be created in 2018 to facilitate a reimbursement to the Block 39 developers group. This project will be funded by the Woodlot Acquisition Reserve and payments will be made as funds are available in the reserve.

For more information, please contact: Nelson Pereira, Senior Financial Analyst, Development Finance, ext. 8393

Prepared by

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