

RE: LOCAL IMPROVEMENT PROGRAM - STREETS

MUNICIPAL MANAGER'S RECOMMENDATION:

1. THAT the recommendation of the Director Finance be adopted.

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TO: MUNICIPAL MANAGER 1986 October 15
File: I52-8

FROM: DIRECTOR FINANCE

RE: LOCAL IMPROVEMENT PROGRAM 1986 - STREETS

RECOMMENDATIONS

1. THAT Council approve the frontage taxes as shown on Schedule 1; and
2. THAT Council approve the commutation charges as shown on Schedule 2; and
3. THAT a by-law be brought forward to amend Burnaby Local Improvement Charges By-law No. 8417 to reflect the above frontage taxes and commutation charges; and
4. THAT Council approve and adopt the cost report per Section 662 of the Municipal Act, as shown on Schedule 3; and
5. THAT the Municipal Clerk initiate the 1986 program as approved.

SUMMARY

This local improvement street program in 1986 is the second major program initiated since 1980. The 1985 program initiated for \$6,207,000 by Council on 1985 July 29 (Item 23, Report No. 51) had \$4,966,000 or 80% approval by the taxpayers, and this work is now nearing completion. This program, to be initiated in 1986 and constructed in 1987, is for \$5,184,000. We have obtained permission from the Inspector of Municipalities to borrow up to \$5,000,000.

The Director Engineering has now finalized the local improvement program cost of the basic "average" improvement upon which the foot frontages are based (see Schedule 1 attached). The rates are based on the currently anticipated financing costs in 1987. Schedule 2 attached summarizes the commutation charges as permitted by Section 663 of the Municipal Act. Schedule 3 attached summarizes the program and estimated costs as required by Section 662 of the Municipal Act. The report shows an analysis of the costs by owners' and Corporation's share of expenditure, outlines the borrowing approvals by the Inspector of Municipalities, and discusses the debt charges of the program.

The street lighting program will be discussed in a separate, pending report.



FOOT FRONTAGE RATES AND COMMUTATION RATES

The Director Engineering has reviewed the costs of a basic "average" local improvement 8.5 metre (m) street with curbs and with a curbwalk, of pavement widening with curbs, and of a sidewalk. He has also reviewed the costs of ornamental street lighting and lane construction. The Director Finance has calculated the foot frontage rates of various improvement categories expected to be undertaken in the 1986 program and summarized in Schedule 1 attached. The foot frontage rates are based on the basic "average" costs plus the anticipated cost of long term borrowing from the Municipal Finance Authority estimated to be 11%.

The frontage rates for full street work with curbs and walks, and pavement of lanes are unchanged from the previous 1985 program as established in By-law No. 8417. However, some improvement categories have been deleted because no such works are currently being planned nor initiated and some new proposed categories have been added. The commutation charges in By-law No. 8417 as permitted under Section 663 of the Municipal Act will have to be revised to reflect the currently anticipated financing costs. The proposed commutation charges appear in Schedule 2 attached.

Current rates for local improvement street works are based on the directly abutting property owners paying for 60% of the cost of a basic "average" 8.5 metre wide street, with provision for financing and amortization of the construction costs over a period of 15 years. It is considered that the abutting property owners' share of 60% should be retained for this program as a continuation of the current policy. 1980 rates, except for pavement widening, are still valid in today's construction market.

A review of construction costs for sidewalk crossings indicates that current costs have risen since the last rate change in 1979/1980 from \$32 to \$35 for residential crossings, and from \$97 to \$140 for commercial crossings. The amortization charges per crossing have been included in Schedule 1 at the anticipated interest rates.

It is recommended that Council approve the frontage taxes as shown in Schedule 1.

It is also recommended that Council approve the commutation charges as shown in Schedule 2.

It is further recommended that a by-law be brought forward to amend Burnaby Local Improvement Charges By-law No. 8417 to reflect the above frontage taxes and commutation charges.

FRONTAGE RULES

Frontage rules for assessing costs to benefiting owners, as previously approved by Council, are listed below for the information of Council:

For works undertaken in the 1986 local improvement program you will be charged on the actual foot frontage of your property except in cases of corner lots or triangular or irregularly shaped parcels of land (cul-de-sacs, etc.) as described below where the following regulations will apply:

- (i) where a parcel of land is situated at the junction or intersection of highways and the work or service is provided on or along more than one side of the parcel, the taxable foot-frontage shall be the actual foot-frontage of the shortest of the two frontages; plus 25% of the actual frontage of the longer of the two frontages;

- (ii) where a parcel of land is situated at the junction or intersection of highways and the work is provided on or along the longer of the two frontages of the parcel, the taxable foot-frontage shall be the actual foot-frontage of the shortest of the two frontages;
- (iii) where a similar work or service payable by special charges has previously been provided on or along one side of a parcel, the taxable foot-frontage shall be the actual foot-frontage of the shortest of the two frontages plus 25% of the actual frontage of the longer of the two frontages;
- (iv) where the frontage of a parcel of land abutting the works is less than five feet, the taxable frontage shall be established at five feet;
- (v) where a frontage tax is levied on a triangular or irregularly shaped parcel of land, or a parcel of land wholly or in part unfit for building purposes, the taxable front-footage shall be the number of feet fixed by the Assessor, who, in fixing the number of feet shall have due regard to the conditions, situation, value and superficial area of the parcel as compared to other parcels of land, or to the benefit derived from the work or service, so as to bring the frontage tax, when imposed, to a fair and equitable basis.

SECTION 662 REPORT

Schedule 3 attached summarizes the 1986 local improvement program for streets and sidewalks. It is prepared in accordance with Section 662 of the Municipal Act. As described earlier, and in accordance with Council policy, the owners' share of the cost of the program has been calculated at 60% of the cost of a basic "average" 8.5 m pavement plus sidewalks or curbs, as the case may be, irrespective of street width. The balance of the cost is borne by the Corporation. Also included in the Corporation's share is the cost of planting trees where required; the installation of storm sewers where required; and on 14 m streets, ornamental street lighting where required.

The costs of the program, including financing costs, are broken out as follows:

Owners' share of costs - 60% of an 8.5 m street widening, and sidewalks	\$1,404,811
Corporation's share:	
Street works, including costs of streets with widths over 8.5 m, widening, and sidewalks	\$2,586,189
Trees	179,000
Storm sewers	964,000
Ornamental street lighting	<u>50,000</u>
Total 1986 street program cost	\$5,184,000

Although the owners' cost is about 60% of the basic "average" 8.5 m pavement, plus curbs or sidewalks, the owners' share is about 27% of the cost of the total program. The owners' share is less of the total program because the Corporation pays for the balance of the costs for wider streets, for trees, for storm sewers, and for ornamental street lighting. This proportion can vary from program to program because it depends on the mix of street widths, the complexity of construction terrain, and the amount of tree planting and storm sewer installation.

It is recommended that Council approve and adopt the cost report per Section 662 of the Municipal Act, as shown in Schedule 3.

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INITIATION OF PROGRAM

It is recommended that the Municipal Clerk initiate the 1986 program as approved.

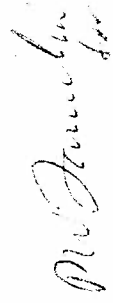
BORROWING APPROVALS

Prior to 1985, our experience was that only about half of the programs initiated have been approved for construction by the taxpayers. However, in 1985, 80% of the initiated program was approved by the taxpayers. In view of this more recent experience, it is expected that more than 50% of the 1986 initiation will be approved, but not the full program of \$5,184,000. To ensure that sufficient approval is in place, we have obtained permission from the Inspector of Municipalities to borrow up to \$5,000,000 for paving and sidewalks for the 1986 initiation.

DEBT IMPLICATIONS OF THE PROGRAM

Prior to the 1985 initiated street improvement and lighting programs, local improvements annual debt repayment was about \$3.3 million in 1985 and forecast to decline at about \$150,000 per year on average for the next five years. Completion of the borrowing of the 1985 programs will increase this debt repayment schedule, net after recovery from ratepayers, by about \$500,000 per year for 15 years for the street program, and about \$20,000 per year for 10 years for the street lighting program. In other words, net debt repayments annually for local improvements in 1989 will be at about the same level as in 1985.

The proposed 1986 street program will increase the debt repayment schedule as follows. If taxpayers approved 80%, or \$4,147,000 of this initiation, the Corporation would incur a net debt of about \$3,027,000 after ratepayers' payments, with repayments of about \$420,000 per year for 15 years at anticipated interest costs of 11% per year.



Howard Karras
DIRECTOR FINANCE

PWT:gw
Attach.

cc: Director Engineering
Director Planning & Building Inspection
Municipal Clerk
Municipal Solicitor

FRONTAGE RATES FOR 1986 LOCAL IMPROVEMENT PROGRAM

<u>Description of Work</u>	<u>Annual Charge Per Taxable Front Foot</u> \$	<u>Number of Annual Instalments</u>
1. 8.5 m pavement with sidewalks both sides of the street	3.73	15 years
2. 8.5 m pavement with curbs both sides of the street	3.27	15 years
3. 8.5 m pavement, curb one side of the street, sidewalk on the other side	3.27 curb side 3.73 walk side	15 years
4. 8.5 m pavement with curbs both sides of the street and tree planting as required	3.27	15 years
5. 8.5 m pavement with curbs both sides of the street, storm sewers and tree planting as required	3.27	15 years
6. 8.5 m pavement with sidewalks both sides of the street and tree planting as required	3.73	15 years
7. 8.5 m pavement with sidewalks both sides of the street, storm sewers and tree planting as required	3.73	15 years
8. 8.5 m pavement with curb one side of the street, sidewalk on the other side, and tree planting as required	3.27 curb side 3.73 walk side	15 years
9. 8.5 m pavement with curb one side of the street, sidewalk on the other side, storm sewers and tree planting as required	3.27 curb side 3.73 walk side	15 years
10. 11 m pavement with walks both sides of the street and tree planting as required	3.73	15 years
11. 11 m pavement with curbs both sides of the street and tree planting as required	3.27	15 years
12. 11 m pavement with curbs both sides of the street, walk where necessary, storm sewers and tree planting as required	3.27 curb side 3.73 walk side	15 years
13. 11 m pavement with sidewalks both sides of the street, replacement walk where necessary and tree planting as required	3.50 replacement walk side 3.73 walk side	15 years
14. 11 m pavement with sidewalks both sides of the street, replacement walk where necessary, storm sewers and tree planting as required	3.50 replacement walk side 3.73 walk side	15 years
15. 11 m pavement with curb one side of the street, sidewalk on the other side and tree planting as required	3.27 curb side 3.73 walk side	15 years

<u>Description of Work</u>	<u>Annual Charge Per Taxable Front Foot</u> \$	<u>Number of Annual Instalments</u>
16. 11 m pavement with curb one side of the street, sidewalk on the other side, storm sewers and tree planting as required	3.27 curb side 3.73 walk side	15 years
17. 14 m pavement with curbs both sides of the street, ornamental street lighting, storm sewers and tree planting as required	3.27	15 years
18. 14 m pavement with sidewalks both sides of the street, ornamental street lighting and tree planting as required	3.73	15 years
19. 14 m pavement with sidewalks both sides of the street, replacement walk where necessary, storm sewers and tree planting as required	3.50 replacement walk side 3.73 walk side	15 years
20. Pavement widening and curb one side of the street only	1.85	15 years
21. Pavement widening and curb or sidewalk one side of the street only and tree planting as required	1.85 curb side 2.65 walk side	15 years
22. Pavement of lanes	1.00	5 years
23. Ornamental street lighting	0.75	10 years
24. Sidewalk crossings	* 4.86 residential * 19.47 commercial	15 years

* Annual charge per crossing

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SCHEDULE 2

COMPUTATION TABLE FOR FRONTAGE TAX
RATES REPAYABLE OVER 15 YEARS

<u>Number of Annual Special Charges Unpaid</u>	<u>Factor</u>
15	7.191
14	9.294
13	8.852
12	8.383
11	7.886
10	7.360
9	6.801
8	6.209
7	5.582
6	4.917
5	4.212
4	3.465
3	2.673
2	1.833

COMPUTATION TABLE FOR FRONTAGE TAX
RATES REPAYABLE OVER 10 YEARS

<u>Number of Annual Special Charges Unpaid</u>	<u>Factor</u>
10	5.889
9	6.801
8	6.209
7	5.582
6	4.917
5	4.212
4	3.465
3	2.673
2	1.833

COMPUTATION TABLE FOR FRONTAGE TAX
RATES REPAYABLE OVER 5 YEARS

<u>Number of Annual Special Charges Unpaid</u>	<u>Factor</u>
5	3.696
4	3.465
3	2.673
2	1.833

Project No.	Location of Work	Length in Metres	Taxable Foot Frontage	Actual Foot Frontage	Estimated Cost \$	Owners Cost \$	Frontage Tax Rate \$
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8.5 m pavement (28'), curbs both sides and trees as required

86-020	Wakefield Court - Smith Avenue west to cul-de-sac	184	1,232.68	1,271.56	55,000	28,980	3.27
86-021	Wright Street - 16th Avenue to 17th Avenue	90	555.37	581.58	27,000	13,056	3.27
86-022	Yale Street - McDonald Avenue to Gilmore Avenue	136	807.17	884.23	63,000	18,977	3.27

86-009 Emerson Street/Empress Avenue - Brantford Avenue to Empress Avenue and south to south property line of Lot C (5970 Empress)

86-017 Rugby Street - From Lot 4 (5265 Canada Way) east to cul-de-sac

86-004 Bryant Court - Griffiths Avenue east to cul-de-sac and south to Gordon Avenue

180	1,074.08	1,156.58	93,000	25,252	3.27
308	1,760.50	2,019.22	129,000	41,389	3.27
110	837.14	796.36	61,000	19,681	3.27
598	3,671.72	3,972.16	283,000	86,322	

8.5 m pavement (28'), walks both sides and trees as required

86-023 17th Street - Canada Way to Mary Avenue
86-006 Carleton Avenue - Frances Street to Georgia Street

366	2,262.51	2,383.51	119,000	60,681	3.73
80	122.00	488.00	26,000	3,272	3.73
446	2,384.51	2,871.51	145,000	63,953	

8.5 m pavement (28'), walks both sides, storm sewers and trees as required

86-012 Lakeview Avenue - from the north property line of Lot 4 (6170 Lakeview) south to the south property line of Lot 1 (6640 Lakeview)

464	2,754.54	3,093.00	213,000	73,877	3.73
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Project No.	Location of Work	Length in Metres	Taxable Foot Frontage	Actual Foot Frontage	Estimated Cost \$	Owners Estimated Cost \$	Frontage Tax Rate \$
86-007	Carson Street - MacPherson Avenue to 10 feet east of the west property line of Lot 15 (5720 Carson) on the south, and to the east property line of Lot 20 (5707 Carson) on the north	160	W) 500.38 C) 410.99	530.00	63,000	13,420	3.73
86-013	McKay Avenue - Portland Street to Southwood Street	114	W) 306.04 C) 373.56	374.15	36,000	8,208	3.73
		274		1,763.86	99,000	40,072	3.27
8.5 m pavement (28'), walk one side, curb other side, trees as required							
86-003	Aubrey Street - Burnwood Street east to east property line of Lot 139 (7641 Aubrey) on the north and to 16 m east of the west property line of Lot 163 (1203 Pinhurst) on the south	370	W) 1,038.13 C) 1,218.44	1,117.85	132,000	27,843	3.73
86-011	Ingleton Avenue - Pender Street to Union Street	270	W) 242.50 C) 258.03	614.05	84,000	6,504	3.73
86-005	Cambridge Avenue/Beta Avenue - Gamma Avenue to Penzance Drive	280	W) 469.08 C) 1,018.29	469.08	126,000	12,581	3.73
		920		5,414.55	342,000	105,580	3.27
11 m pavement (36'), walks both sides, replacement walk and trees as required							
86-015	Oxford Street - Boundary Road to Willingdon Avenue	1,460	W) 6,882.11 C) 1,190.93	7,433.24	595,000	173,223	3.50
		1,460		8,624.17	595,000	205,164	3.73

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Project No.	Location of Work	Taxable Foot Frontage	Actual Foot Frontage	Estimated Cost	Owners Estimated Cost	Frontage Tax Rate
86-018	Sperling Avenue - Oakland Street to Arcola Street 11 m pavement (36'), walks both sides, replacement walk, storm sewers and trees as required	1,094 (rw) 3,322.16 w) 2,494.18	3,372.65	700,000	83,619	3.50
86-014	Moscrop Street - Boundary Road to east property line of Lot A (4687 Huxley) on the north and to the east property line of Lot 1 (4314 Moscrop) on the south 11 m pavement (36'), walks both sides and trees as required	1,174	5,096.84	495,000	136,697	3.73
86-019	Sussex Avenue - Imperial Street to Rumble Street 11 m pavement (36'), curb one side, walk other side, storm sewers and trees as required	920 (w) 2,116.45 c) 2,272.72	2,246.96	569,000	56,763	3.73
86-008	Curtis Street - Sperling Avenue to Aysshire Drive 11 m pavement (36'), curbs both sides, with walk, storm sewers and trees as required	1,419 (w) 472.74 c) 6,851.11	580.85	555,000	12,679	3.73
		1,419	7,323.85	555,000	173,749	3.27

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LOCAL IMPROVEMENT COST REPORT PER SECTION 662, MUNICIPAL ACT

Project No.	Location of Work	Length in Metres	Taxable Foot Frontage	Actual Foot Frontage	Estimated Cost \$	Owners Estimated Cost \$	Frontage Tax Rate \$
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86-010 GILLEY Avenue - Dickens Street to Rumble Street
 11 m pavement (36'), walks both sides and 14 m pavement (46'), walks both sides and replacement walk, storm sewers, ornamental lighting and trees as required

3.50	39,395	872,000	1,758.71	530 (11 m)	1,565.15 (rw)	4,101.74 (w)	784 (14 m)	1,314	5,666.89	7,084.47	872,000	149,404
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Pavement widening to 11 m (36') one side with curbs, walks and trees as required

3.73	5,050	171,000	231.11	764 (w)	188.31	1,838.46 (c)	2,207.78	764	2,438.89	2,026.77	171,000	48,272
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86-016 Paterson Avenue - Imperial Street to Rumble Street, west side

3.27	43,222	1,404,811	64,162.59	55,634.33	11,257	2,438.89	2,026.77	764	2,438.89	2,026.77	171,000	48,272
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TOTALS

Estimated Lifetime of works 20 years
 Number of years of Levy 15 years

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