

ITEM 1
MANAGER'S REPORT NO. 3
COUNCIL MEETING 88/01/11

RE: FINANCING - LOCAL IMPROVEMENT WORKS

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER

1988 January 06

FROM: DIRECTOR FINANCE

File: 152-4

RE: FINANCING - LOCAL IMPROVEMENT WORKS

RECOMMENDATION

1. THAT a by-law be brought down to permit the expenditure of monies from the local improvement fund to temporarily finance the works identified in Schedule A attached.

SUMMARY

This report seeks authority to bring down a by-law to allow the use of the local improvement reserve fund to temporarily finance the cost of a local improvement ornamental street lighting program. The work in the program, costing \$676,200, is scheduled to begin in 1988 January.

REPORT

The municipality has a local improvement reserve fund which is used to temporarily finance local improvement works pending receipt of long term financing from the Municipal Finance Authority. The reserve fund is also used to permanently finance the cost of lane construction, and is currently being used to interim finance a portion of the 1985 and 1986 street construction program.

Council in 1987 approved Local Improvement Construction By-law 8891 to authorize the construction of various ornamental street lighting works totalling \$676,200 identified in Schedule A attached.

Construction is expected to start in 1988 January. During the construction period we will be using the local improvement fund to the extent that monies are available to interim finance construction costs. So that we may do this, we need the authority of a temporary financing by-law. Any costs in excess of the local improvement funds available will be paid out of general revenues pending receipt of long term financing.

It is recommended that a by-law be brought down to permit the expenditure of monies from the local improvement fund to temporarily finance the works identified in Schedule A attached.

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All amounts that are borrowed from the fund are repaid with interest once the long term financing is received. In past years a 6% interest rate was used. That was the maximum rate allowed without approval of the Inspector of Municipalities. In 1987 the Municipal Act was amended repealing the restrictions. For purposes of this interim borrowing, it is intended that the interest rate used be the same rate that we use for all other internal long term financing. That rate is determined annually when the annual budget is prepared. The rate is tied to our normal yield on investments, and in 1987 was 8%. It is intended that this method of determining the interest rate on local improvement reserve fund advances be stated as policy when next our Reserves Policy Manual is updated in the Fall of 1988.

Rick Dault

for Howard Karras
DIRECTOR FINANCE

AML:gw
Attach.

cc: Municipal Clerk
Municipal Solicitor

SCHEDULE A

ORNAMENTAL STREET LIGHTING - BY-LAW NO. 8891

| <u>Description of Work</u> | <u>By-law Est. Cost</u> |
|---|-----------------------------|
| Balmoral Street from Colbourne Avenue to Sperling Avenue | \$ 18,400 |
| Beta Avenue from Loughheed Highway south to cul-de-sac | 20,700 |
| Booth Avenue from Grafton Street to Grange Street | 9,200 |
| Burford Street from Griffiths Avenue to Imperial Street | 11,500 |
| Canada Way - Sixth Street being area generally bounded by Canada Way, Sixth Street, 11th and 19th Avenues | 140,300 |
| Carnegie Street from Kensington Avenue to Brooklyn Avenue | 11,500 |
| Chaffey Avenue from Grange Street to Burke Street | 23,000 |
| Clinton Street from Hedley Avenue west to lane east of Gilley Avenue | 13,800 |
| Eglinton Street east from west property line of Lot 172 (5734 Eglinton Street) on the south and the west property line of Lot 168 (5735 Eglinton Street) on the north to cul-de-sac | 2,300 |
| Elsom Avenue from Sardis Street to Grafton Street | 9,200 |
| Elwell Street from Canada Way to Sixth Street | 13,800 |
| Fir Street from Smith Avenue to MacDonald Avenue | 13,800 |
| Goodlad Street from Canada Way to Sixth Street | 16,100 |
| Harken Drive area - Limits: Pioneer Avenue from Grassmere Street north to north property line of Lot B (4927 Pioneer Avenue) and on Harken Drive - Pioneer Avenue east to north property line of Lot 262 (4661 Harken Drive); and on Harken Drive from west property line of Lot 251 (4560 Harken Drive) to east property line of Lot 280 (4584 Harken Drive); and on Beamish Court - Harken Drive north to north property line of Lot 256 (4968 Beamish Court) | 23,000 |
| MacDonald Avenue from Fir Street to Pine Street | 4,600 |
| MacDonald Avenue from William Street to Kitchener Street | 9,200 |
| McKay Avenue from Rumble Street to Boxer Street | 20,700 |
| Malvern Avenue from Burris Street to Imperial Street | 36,800 |
| Napier Street from Douglas Road to Gilmore Avenue | 18,400 |

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SCHEDULE A (cont'd)

Description of Work

Patterson Avenue from Kingsway south to the south property line of NW 2265, D.L. 151, Lots 1 to 238 (4134 and 4194 to Maywood Street)

Paulus Crescent area being the area bounded by Cliff Avenue, Duthie Avenue, Buchanan Street and Paulus Crescent

Price Street from Boundary Road to Smith Avenue

Randolph Avenue from Imperial Street to Bryant Street

Ridgelawn Drive from Woodway Place to Springer Avenue

Seventeenth Avenue from Canada Way to Mary Avenue

Springer Avenue from Parker Street to Loughheed Highway

Burns Place from Kisbey Street east to cul-de-sac

TOTAL ESTIMATED COST

By-law
Est. Cost

\$ 52,900

89,700

11,500

13,800

9,200

16,100

62,100

4,600

\$676,200