

RE: M.F.A. FINANCING - LOCAL IMPROVEMENT WORKS

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER 1988 October 12
FROM: DIRECTOR FINANCE File: G70-1-1
Xref: I52-7

SUBJECT: M.F.A. FINANCING - LOCAL IMPROVEMENT WORKS

PURPOSE: To obtain final financing for completed local improvement works from the Municipal Finance Authority through the Greater Vancouver Regional District.

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RECOMMENDATIONS

1. THAT a security issuing bylaw be brought down to finance local improvement works constructed totalling \$1,231,000; and
2. THAT the Director Finance be directed to make application to the Greater Vancouver Regional District for this financing.

REPORT

Council has approved bylaws to authorize the construction of various local improvement street works contained in the 1986 local improvement program. A construction bylaw gives the authority to do the work, but a security issuing bylaw is necessary when it comes time to finance that work on a long term basis.

Schedule "A" attached lists those construction bylaws for which the work has been completed but for which the long term financing has not been completed. It is now being recommended that a security issuing bylaw be brought down and an application made to the Greater Vancouver Regional District to finance \$1,231,000 in completed works as shown in Schedule "A".

All long term municipal financing in the Province, with the exception of the City of Vancouver, is done through the Municipal Finance Authority (M.F.A.), and local communities make application through their Regional District. To have the authority to make application to the Regional District we need a security issuing bylaw in place.

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The M.F.A. usually approves new issues in the Spring and Fall, depending upon the market conditions and the amount of capital needed. The Spring 1988 issued raised \$17.5 million at a rate of 10%.

Debt charges to finance the works totalling \$4,195,000 affect operating budgets as follows:

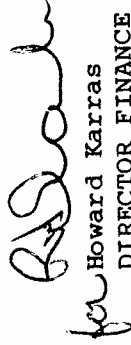
- . 1988 increased by \$342,000 net - i.e. debt costs less frontage taxes charged to benefiting owners
- . 1989 to be increased by a further \$64,000, representing one-half year's interest on the \$1,231,000 proposed to be borrowed - as per this report
- . 1990 to be increased by a further \$102,000, representing repayment of principal and a full year's interest cost on the \$1,231,000

In summary, the final annual debt cost figures for the total \$4,195,000 program will be \$637,000 less \$129,000 paid by frontage taxes, for a net annual cost increase of \$508,000 for 15 years.

A security issuing bylaw requires the approval of the Inspector of Municipalities. This is in addition to the Inspector's separate approval to borrow the sum required for the local improvement program, which we obtained before the construction bylaws were adopted.

It is recommended that a security issuing bylaw be brought down to finance local improvement works constructed totalling \$1,231,000;
and

That the Director Finance be directed to make application to the Greater Vancouver Regional District for this financing.


for Howard Karras
DIRECTOR FINANCE

RAE:gw
Attach.

cc: Municipal Clerk
Municipal Solicitor
Director Engineering

LOCAL IMPROVEMENT STREET WORKS
TERM OF ISSUE - 15 YEARS

Construction	Bylaw	Description	Bylaw Estimate	Cost of the Work (1)	Amount Already Borrowed (2)	Amount to be Borrowed (3)
8714		8.5 m pavement (28'), curbs both sides and trees as required	55,000	54,171	44,000	10,171
		Wakefield Court - Smith Avenue west to cul-de-sac				
8715		8.5 m pavement (28'), curbs both sides, storm sewers and trees as required	190,000	225,135	152,000	73,135
		Rugby Street - from Lot 4 (5265 Canada Way) east to cul-de-sac and south to Gordon Avenue				
		Bryant Court - Griffiths Avenue east to cul-de-sac				
8716		8.5 m pavement (28'), walks both sides and trees as required	145,000	182,002	116,000	66,002
		17th Street - Canada Way to Mary Avenue				
		Carleton Avenue - Frances Street to Georgia Street				
8717		8.5 m pavement (28'), walks both sides, storm sewers and trees as required	213,000	227,955	170,400	57,555
		Lakeview Avenue - from the north property line of Lot A (6170 Lakeview) south to the south property line of Lot 1 (6640 Lakeview)				

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LOCAL IMPROVEMENT STREET WORKS
TERM OF ISSUE - 15 YEARS

Construction	Bylaw	Description	Bylaw Estimate	Cost of the Work (1)	Amount Already Borrowed (2)	Amount to be Borrowed (3)
8718		8.5 m pavement (28'), walk one side, curb other side, and trees as required <hr/> 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 McKay Avenue - Portland Street to Southwood Street	99,000	96,280	79,200	17,080
8719		8.5 m pavement (28'), walk one side, curb other side, storm sewers and trees as required <hr/> Ingleton Avenue - Pender Street to Union Street Cambridge Avenue/Beta Avenue - Gamma Avenue to Penzance Drive	210,000	209,447	168,000	41,447
8720		11 m pavement (36'), walk east side, replacement walk west side, storm sewers and trees as required <hr/> Spurling Avenue - Oakland Street to Arcola Street	700,000	793,624	560,000	233,624
8721		11 m pavement (36'), curb east side, walk west side, storm sewers and trees as required <hr/> Sussex Avenue - Imperial Street to Rumble Street	569,000	640,738	455,200	185,538
8722		11 m pavement (36'), curbs both sides, with walk, storm sewers and trees as required <hr/> Curtis Street - Spurling Avenue to Aysshire Drive	555,000	609,707	444,000	165,707

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LOCAL IMPROVEMENT STREET WORKS
TERM OF ISSUE - 15 YEARS

Construction Bylaw	Description	Bylaw Estimate \$	Cost of the Work (1) \$	Amount Already Borrowed (2) \$	Amount to be Borrowed (3) \$
8723	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	872,000	1,050,797	697,600	353,197
8731	Gilley avenue - Dickens Street to Rumble Street 8.5 m pavement (28'), curbs both sides, storm sewers and trees as required	68,200	75,343	54,400	20,943
8732	Emerson Street - Brantford Avenue east to east property line of Lot 8 (6659 Emerson Street) 8.5 m pavement (28'), curbwalks both sides and trees as required Wright Street from Sixteenth Avenue to Seventeenth Avenue	29,000	29,801	23,200	6,601
		<u>3,705,200</u>	<u>4,195,000</u>	<u>2,964,000</u>	<u>1,231,000</u>

NOTES

- (1) Cost of the work includes construction costs, overhead, interim financing costs, and estimated M.F.A. issue costs.
 (2) 80% of the estimated cost of the works was borrowed when the construction bylaw was passed.
 (3) Pending long term financing, amounts to be borrowed are financed on a temporary basis by our Local Improvement Fund reserve.

