

RE: BYLAWS TO AUTHORIZE LAND ACQUISITIONS FROM PARKLAND ACQUISITION LEVY
FOR 1988 AND TO FUND 1989 PLANNED EXPENDITURES

MUNICIPAL MANAGER'S RECOMMENDATION:

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

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TO: MUNICIPAL MANAGER 1989 March 06
FROM: DIRECTOR FINANCE File: C4-70

SUBJECT: BYLAWS TO AUTHORIZE LAND ACQUISITIONS FROM
PARKLAND ACQUISITION LEVY FOR 1988 AND TO
FUND 1989 PLANNED EXPENDITURES

PURPOSE: To obtain Council approval for financing of land acquisitions
from the Parkland Acquisition Levy.

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RECOMMENDATIONS

1. THAT a bylaw be brought down for \$1,231,038.83 to authorize previously approved property expenditures as listed in this report, to be funded from the Development Cost Charges Reserve; and
2. THAT a bylaw be brought down to appropriate \$1,000,000 from the Parkland Acquisition Levy reserve for future land acquisition expenditures.

SUMMARY

REPORT

This report recommends the passage of two bylaws with respect to financing property acquisitions from the Parkland Acquisition Levy Reserve.

The bylaw for \$1,231,038.83 is to authorize the expenditures made in 1988 as required by Section 985(4) of the Municipal Act. This is consistent with the practice that has been in effect for many years whereby a bylaw is brought down to authorize the expenditures made in the previous calendar year.

The bylaw for \$1 million is to appropriate funds from the reserve for the anticipated expenditures in the future. This is to ensure that upon Council approval of an acquisition that funds are in place to proceed. This represents a change in timing only of the reserve appropriation bylaw.

Council approval will still be required before any properties are acquired. When expenditures accumulate to near the \$1 million appropriated, or annually, a report will be presented to Council accounting for the expenditures. At the same time, Council will be asked to adopt another bylaw appropriating funds, again in advance, for the subsequent planned parkland acquisition program.

The current practice of adopting a Parkland Acquisition Levy bylaw at the end of the calendar year was started at the time the Parkland Acquisition Reserve was created and parkland acquisitions were charged against it. The extent that expenditures would be made, and when, couldn't be foreseen and there was not always sufficient time to adopt a bylaw before the expenditure had to be committed and expended. Such expenditures were charged to the development reserve, tabulated, and subsequently a bylaw was passed authorizing the charges, all with the concurrence of the Ministry of Municipal Affairs, albeit not technically in compliance with the Municipal Act. Section 985(4) of the Municipal Act states that authority to make payments for parkland acquisition out of the Development Cost Charges Reserve fund shall be authorized by bylaw. The proposal to fund in advance, by bylaw, for parkland acquisitions from the development reserve, will make our practice consistent with the revised policy adopted for funding land assembly and development expenditures in mid-1988, and also technically comply with the Municipal Act.

BACKGROUND

Burnaby Development Cost Charges Bylaw No. 7328 makes provision to levy development cost charges for neighbourhood parkland acquisitions, public open space in Metrotown, a Canada Way overpass, Metrotown pedestrian linkages and Edmonds pedestrian linkages. Monies collected must be placed in a reserve and appropriations therefrom must be by bylaw.

PRESENT PRACTICE

Since normally there are only a few property purchase transactions in any one year from the Parkland Acquisition Levy, a bylaw is brought down to authorize the expenditures from the reserve only once a year, for the entirety of the preceding calendar year. Council has authorized the purchase of these properties in previous Council reports. This report covers the expenditures for the calendar year 1988.

From an operational standpoint, the funds are advanced from the reserve as the expenditures occur. As a result, the general operating account is not interim financing these expenditures pending passage of the bylaw.

Schedule "A" attached lists the properties purchased in 1988 totalling \$1,231,038.83.

It is recommended that a bylaw be brought down for \$1,231,038.83 to authorize previously approved property expenditures as listed in this report, to be funded from the Development Cost Charges Reserve.

PROPOSED PRACTICE

It is now proposed to appropriate funds for the anticipated property expenditures in advance of the expenditure being approved and disbursed. This is to ensure that upon Council approval of an acquisition that funds are in place to proceed. This represents a change in timing only.

Council approval will still be required before any property is purchased. When expenditures accumulate close to the total of the funds appropriated in advance, a report will be prepared for Council accounting for the expenditures. At the same time, Council will be requested to adopt another bylaw appropriating funds, again in advance, for the subsequent planned acquisitions.

The reason for the proposed change is to standardize our practice of having funding in place, by bylaw, in advance of the expenditure being committed and made, and to technically comply with the Municipal Act. The proposed practice of authorization of funding in advance for parkland acquisitions will be consistent with the revised (in 1988) policy adopted for funding land assembly and development expenditures. It is considered appropriate to have consistent policies for funding expenditures from reserves and bring all our bylaw procedures "in line" with the technical requirements of the Municipal Act.

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This timing change in the adoption of the appropriation bylaw will be reflected in the Reserves Policy when it is updated later this year.

Based on the land acquisition expenditures of the past five years, with an average of \$960,600, and acquisitions of approximately \$1.2 million being made recently in 1987 and 1988, authorization to appropriate \$1 million of funds in advance is being recommended.

This represents a change in timing only. Approval of both the Commission and Council will still be required before any properties are purchased.

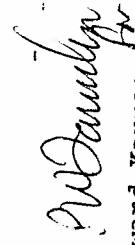
It is recommended that a bylaw be brought down to appropriate \$1,000,000 from the Parkland Acquisition Levy Reserve for future land acquisition expenditures.

STATUS OF THE RESERVE

There are sufficient funds in the reserve for both bylaws being recommended.

The following summarizes the status of the Parkland Acquisition Levy Reserve as at 1988 December 31:

Reserve balance at 1987 December 31	\$10,393,833.57
1988 developers' contributions	900,166.50
1988 investment income	<u>1,024,644.00</u>
	<u>12,318,644.07</u>
Less: 1988 land acquisitions	1,231,038.83
Development expenditures for	
Bonsor Recreation Centre	
(one-time authorization only to use	
portion of interest earned only)	<u>270,000.00</u>
Reserve balance at 1988 December 31	<u>===== \$10,817,605.24</u>



Howard Karras
DIRECTOR FINANCE

TG:PWT:gw
Attach.

cc: Municipal Clerk
Municipal Solicitor
Director Recreation & Cultural Services
Director Planning & Building Inspection

SCHEDULE "A"

<u>Site</u>	<u>Area</u>	<u>Address</u>	<u>Amount</u>
Camrose Park	11	2751 Phillips Avenue 7407, 7419, 7431, 7443 Durham Street	\$ 72,824.15
Bell Park	17	3435 Keswick Avenue	104,396.50
Bell Park	17	3447 Keswick Avenue	5,000.00
Eastburn Park	19	7956 - 13th Avenue	80,160.11
Stride Ravine Park	21	7118 - 17th Avenue	109,639.19
Grey Creek Ravine Park	25	4675 Portland Street	23.50 (1)
Inman Green Park	28	5477 Patterson Avenue	387,464.00
Inman Green Park	28	5499 Patterson Avenue	124,326.77
Bonsor Park	31	6510 Fern Avenue	182,040.22
Bonsor Park	31	6750 Jubilee Avenue	74,563.34
Deer Lake Creek Parkway	35	4924 Sperling Avenue	81,984.67
Clayton Street - Burnaby Park Trail	35	5250 Claude Avenue	<u>8,616.38</u>
			<u>\$1,231,038.83</u>

Note (1) Title Search Fees