

Capital Budget Amendment – 2013 Strategic Land Purchase**Report Purpose**

To amend the 2013 Capital Budget for a change in funding only for the 2013 Strategic Land Purchase to align with current requirements.

Recommendation

THAT an amendment to 2013 Capital Budget for a change in funding only for the 2013 Strategic Land Purchase in the amount of \$5,100,000 from municipal taxes to development levy, to be financed by the existing debenture, be approved.

Council History

December 11, 2012 - Council approved the 2013 Consolidated Capital Budget.

July 2, 2013 – Council approved capital budget amendments for the acquisition of Strategic Land in the amount of \$20,000,000 to be funded \$4,000,000 from the Industrial Area 2 Levy (1.4713), \$1,860,000 from the General Land Reserve (1.4104), \$1,215,000 from the Capital Projects Reserve (1.4266), and \$12,925,000 from municipal debenture.

July 2, 2013 – Council gave first reading to by-law 49-2013 for \$12,925,000 to finance a Strategic Land Purchase.

August 13, 2013 – Council gave second and third reading to by-law 49-2013.

Strategic Plan Priority Areas

Economy: The acquisition of land is necessary for servicing, which will contribute to effective and efficient municipal infrastructure to meet the needs of our growing community. This enables the County to strategically manage, invest and plan for sustainable municipal infrastructure within the Urban Services Area.

Governance: n/a

Social: Investing in necessary municipal infrastructure contributes to building strong neighborhoods/ communities to support the diverse needs of our residents and the business community.

Culture: n/a

Environment: n/a

Other Impacts

Policy: FIN-001-027 Accounting for Tangible Capital Assets; SER-012-001 Land Acquisition; FIN-001-025: Debt Management

Legislative/Legal: n/a

Interdepartmental: Transportation Planning and Engineering, Planning and Development Services, Corporate Finance, Corporate Planning

Summary

The 2013 Strategic Land Purchase for \$20 million was approved to address land requirements at that time. The original funding distribution included \$4 million developer levy with interim financing from reserve and \$16 million municipal taxes of which \$3.1 million was from reserves and \$12.9 million was to be financed by debentures and repaid with municipal taxes. A portion of these purchases are complete such as land for the Meltwater Facility and other strategic land totaling \$8.4 million in expenses.

Based on a reassessment of the remaining land requirements within the scope of this project, the funding distribution requires an administrative adjustment to align to current allocations. The land purchases will continue to be debenture financed as previously approved, and the portion of the debt repayments being funded from developer levies will be increased by the amended amount. Debt repayments funded by developer levies require interim financing from reserves until the funds are collected. This amendment will allow continuation of these strategic land purchases.

Further discussions will be brought forward to Council to address additional requirements in the new year.