

TORONTO STAFF REPORT

June 21, 2006

To: Policy and Finance Committee

From: Deputy City Manager and Chief Financial Officer
Chief Planner and Executive Director, City Planning Division

Subject: Establishment of the King-Parliament Community Improvement Plan Reserve Fund Group
Toronto Centre-Rosedale - Ward 28

Purpose:

The purpose of this report is to establish a reserve fund group and associated funds within the Planning Act Reserve Fund for the purpose of receiving and holding funds to support implementation of the King-Parliament Community Improvement Plan. The purpose of this report is also to amend the City Planning Division Operating Budget in order to implement a component of the King-Parliament Community Improvement Plan.

Financial Implications and Impact Statement:

The King-Parliament Community Improvement Plan Reserve Fund Group will provide funding for the implementation of the King-Parliament Community Improvement Projects as outlined in the King-Parliament Community Improvement Plan. Funds collected for these Projects will be accumulated in the Reserve Fund Group until sufficient funds have been collected to allow for their implementation.

Adoption of this report will result in the creation of Reserve Funds within the Reserve Fund Group for all funds that are collected for the purpose of implementing the King-Parliament Community Improvement Plan. This includes \$200,000 in relation to approved development at 247 Richmond Street East (247 Richmond Street East Reserve Fund) - currently held in Accounts Payable and Held As Cash In Lieu (Account no. 67990000) - and \$95,000 in relation to approved development at 226 King Street East (226 King Street East Reserve Fund) - currently held in the Deferred Revenue Account for City Planning (Planning GL Account no. 220096). These funds will comprise the initial contribution of \$295,000 to the Reserve Fund Group.

Additional funding in the amount of \$425,000 for the Reserve Fund Group may potentially be secured by the City Planning Division on a case-by-case basis, conditional on development approval. Currently, additional funding earmarked for the Reserve Fund Group includes \$100,000 related to 311 Adelaide Street East; \$100,000 related to 101 Sherbourne Street;

\$150,000 related to 252 Adelaide Street East; and \$75,000 related to 108-116 George Street and 234 Adelaide Street East.

Initial implementation of the King-Parliament Community Improvement Project will be in the form of a plaques and markers project to be completed by Heritage Toronto. This project, to be funded through the 226 King Street East Reserve Fund of the King-Parliament Community Improvement Plan Reserve Fund Group, will cost \$63,000. Adoption of this report will necessitate the incorporation of \$20,000 gross, \$0 net to the City Planning Division 2006 approved Operating Budget for the implementation of the initial phase of this plaques and markers project. The withdrawal of additional funds for this project will be contingent upon prior approval by City Council, with likely cash flow of \$20,000 in 2007 and \$23,000 in 2008.

Recommendations:

It is recommended that:

- (1) City Council establish a reserve fund group within the Planning Act Reserve Fund, called the “King-Parliament Community Improvement Plan Reserve Fund Group”, to accumulate funds acquired through development in the King-Parliament Community Improvement Project Area, to support implementation of the King-Parliament Community Improvement Plan;
- (2) City Council establish funds within the King-Parliament Community Improvement Plan Reserve Fund Group for agreements respecting 247 Richmond Street East and 226 King Street East entitled the '247 Richmond Street Reserve Fund' and the '226 King Street Reserve Fund' with similar purposes and criteria as the Group itself as per Attachments 3 and 4 and authority be delegated to the Deputy City Manager/Chief Financial Officer to establish such other reserve funds with purposes and criteria similar to the Group which from time to time are required to hold funds resulting from other Section 37 and Section 45 agreements under the Planning Act within the King-Parliament Community Improvement Project Area;
- (3) Municipal Code Chapter 227 (Reserves and Reserve Funds) be amended by adding the King-Parliament Community Improvement Plan Reserve Fund Group and its respective reserve funds - 247 Richmond and 226 King and other funds created by delegated authority in Recommendation 2 - to Schedule 10 – Planning Act Reserve Fund;
- (4) \$200,000 be transferred from Accounts Payable and Held as Cash-in-Lieu to the 245 Richmond Street East Reserve Fund and \$95,000 from the Deferred Revenue Account to the 226 King Street East Reserve Fund;
- (5) the 2006 City Planning Division Operating Budget be amended by increasing the gross by \$20,000 recovered from the 226 King Street East Reserve Fund resulting in a net of \$0 - for the purchase of plaques and markers from Heritage Toronto for the King-Parliament area; and
- (6) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto, and that leave be granted for the introduction of any necessary bills in Council to give effect thereto.

Background:

The King-Parliament Community Improvement Project Area (see Attachment 1) includes the original ten city blocks of the 1793 Town of York, and incorporates archaeological sites, landscapes and buildings that help explain key themes in the city's historical development. At its meeting held on September 22 and 23, 1997, the former Toronto City Council adopted the recommendations contained in Clause 45, Report No. 12 of the Neighbourhoods Committee titled "The King-Parliament Community Improvement Plan – Covering Report" (August 28, 1997), and in so doing adopted the Community Improvement Plan for King-Parliament. The Plan is aimed at assisting in the reinvestment and revitalization of the King-Parliament area. This is to be accomplished through the implementation of a number of "Community Improvement Projects" as they relate to nine identified "Community Improvement Themes". These Projects are intended to promote awareness of the area's heritage value as well as reinvestment and revitalization within the King-Parliament area. The City Planning Division has presently collected \$295,000 for implementation of the King-Parliament Community Improvement Projects through associated development within the project area.

Comments:

Funds for the implementation of the Community Improvement Projects have been secured by the City Planning Division through the development review process. Additional funds for the Community Improvement Projects are also anticipated. Creation of a reserve fund group for these funds will provide a repository for any additional funds resulting from development agreements in the designated area, and will allow the funds to be held for as long as necessary until such time as they can be applied to the Community Improvement Projects. The distribution of funds secured for each Community Improvement Project will be specified in the relevant legal agreements or conditions of approval through which they are obtained, pursuant to Section 37 or Section 45 of the Planning Act. Staff are recommending that City Council establish funds within the new King-Parliament Community Improvement Plan Reserve Fund Group to hold undertakings resulting from the application of Section 37 or Section 45 of the Planning Act within the King-Parliament Community Improvement Project Area.

King-Parliament Community Improvement Plan Reserve Fund Group

The criteria for the establishment of the King-Parliament Community Improvement Plan Reserve Fund Group, and the fund accounts for agreements respecting 247 Richmond Street East and 226 King Street East, is addressed in Attachment 2, 3 and 4 respectively, and follow the requirements for Reserves and Reserve Funds as set out in Municipal Code Chapter 227, Article II.

Implementation of the Community Improvement Projects

There are sufficient existing funds to begin phased implementation of the Heritage Interpretation Program. The King-Parliament Community Improvement Plan states that the Heritage Interpretation Program will include plaques and displays of important sites and buildings. There are a variety of interpretation plaques and markers within the King-Parliament area already, consisting of plaques from Heritage Toronto, as well as from federal, provincial and private agencies. However, there are a number of significant sites in the area that have not been

plaqued. These sites were identified through a survey in the summer of 2005, and include sixty-six buildings on the City's Inventory of Heritage Properties.

Heritage Toronto staff prepared a proposal to plaque these buildings according to the objectives of the King-Parliament Heritage Interpretation Program. At a meeting held on July 20, 2005, this proposal was considered by City Planning staff, community stakeholders, and the Ward 28 Councillor's office. The group expressed unanimous support for pursuing this proposal, which Heritage Toronto estimated to cost \$63,000 and take between two and three years to complete. The estimated cash flow for this is \$20,000 in 2006, \$20,000 in 2007 and \$23,000 in 2008. This report is recommending that the City Planning Division 2006 Operating Budget be amended by \$20,000 gross \$0 net, funded from the 226 King Street East Reserve Fund. In order to implement the plaquing project, Heritage Toronto will invoice the City Planning Division according to this estimated cash flow schedule. Funds required by Heritage Toronto for the plaques and markers project beyond 2006 will be drawn from the King-Parliament Community Improvement Plan Reserve Fund Group and will be contingent upon prior approval by City Council.

The Heritage Toronto Plaques and Markers Program will be the first phase of the King-Parliament Heritage Interpretation Program. In recognition of the broader techniques available for heritage interpretation, City Planning staff are preparing a Request for Proposal (RFP) for the provision of consulting services to prepare a Heritage Interpretation Master Plan for the King-Parliament Community Improvement Project Area. The Master Plan will build upon existing methods of heritage interpretation and identify a coordinated approach to further forms of heritage interpretation to be implemented within the area. Staff will be requesting approval of funds to prepare the Heritage Interpretation Master Plan in a subsequent report to City Council. Associated budget adjustments from the King-Parliament Reserve Fund Group will be requested at that time.

Conclusions:

Funds for the implementation of the Community Improvement Projects have been secured by the City Planning Division through the development review process. These funds are currently being held in two separate locations: Accounts Payable and Held As Cash In Lieu, and the Deferred Revenue Account for City Planning. Staff recommend that City Council authorize the creation of a King-Parliament Community Improvement Plan Reserve Fund Group to provide a single repository for these funds. Adoption of this report would initially result in the creation of two specific funds within the reserve fund group for the funds already collected. These funds relate to agreements respecting 247 Richmond Street East (\$200,000) and 226 King Street East (\$95,000), and total \$295,000. Additional funding for implementation of the King-Parliament Community Improvement Projects, potentially in the amount of \$425,000, may be secured by the City Planning Division, conditional on development approval. These funds will also be deposited into the Reserve Fund Group, through the establishment of additional specific funds.

There are sufficient existing funds to begin phased implementation of the Heritage Interpretation Program. Heritage Toronto have prepared a plaquing proposal according to the objectives of the King-Parliament Heritage Interpretation Program, with an estimated cash flow of \$20,000 in 2006, \$20,000 in 2007 and \$23,000 in 2008. This program would be funded by the City Planning Division and administered by Heritage Toronto. To enable implementation of the 2006 phase of the plaques and markers project, Staff also recommend that City Council authorize the

withdrawal of \$20,000 from the 226 King Street East Reserve Fund. Adoption of this report will result in the incorporation of \$20,000 gross, \$0 net to the City Planning 2006 Approved Operating Budget. Funds required for the plaques and markers project beyond 2006 will be drawn from the King-Parliament Community Improvement Plan Reserve Fund Group and will be contingent upon prior approval by City Council.

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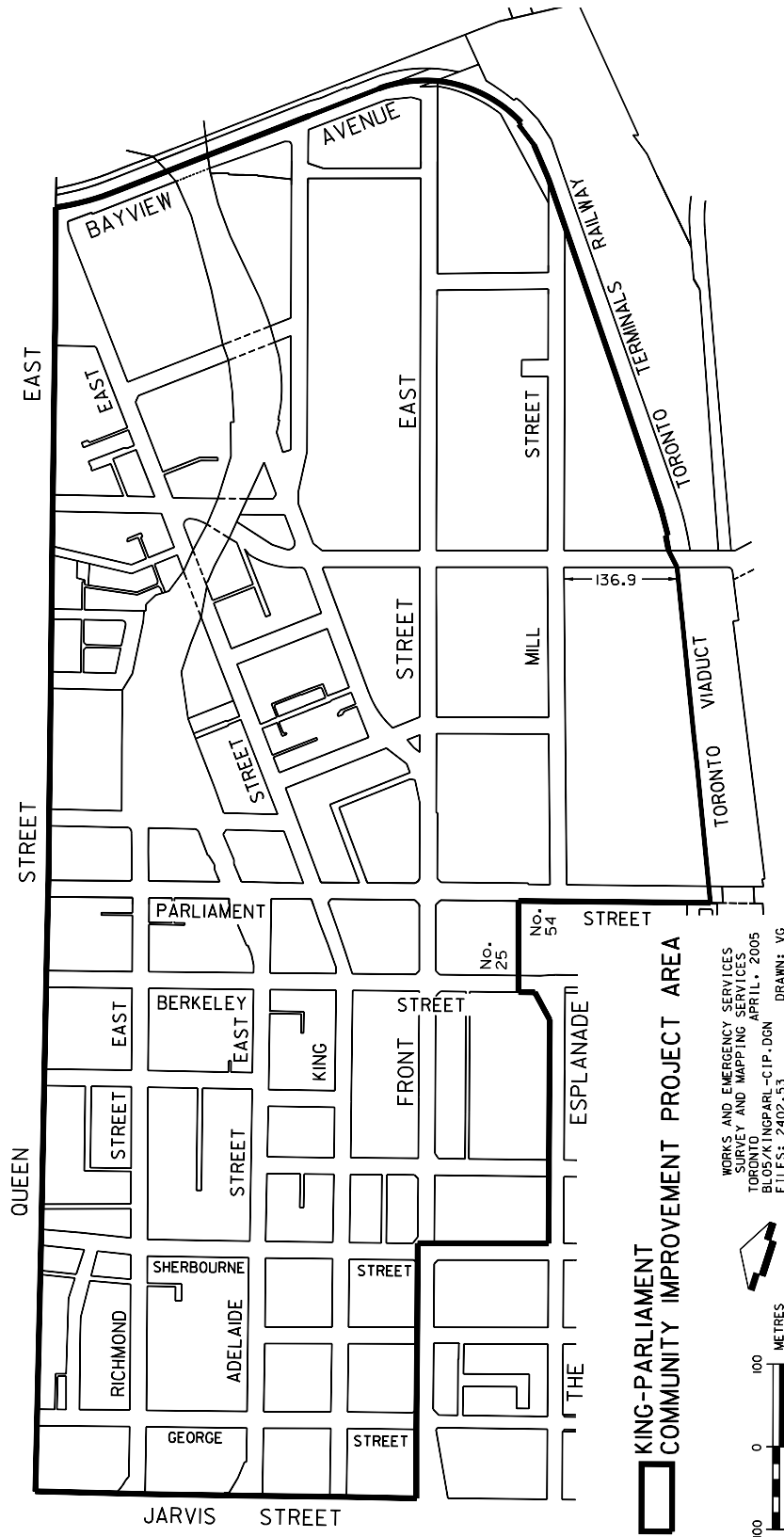
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List of Attachments:

Attachment 1 – King-Parliament Community Improvement Project Area
Attachment 2 - King-Parliament Community Improvement Plan Reserve Fund Group
Attachment 3 - 247 Richmond Street East Reserve Fund
Attachment 4 - 226 King Street East Reserve Fund

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KING-PARLIAMENT COMMUNITY IMPROVEMENT PROJECT AREA ATTACHMENT NO. 1



ATTACHMENT NO. 2

KING-PARLIAMENT COMMUNITY IMPROVEMENT PROJECT AREA

King-Parliament Community Improvement Plan Reserve Fund Group

(a) Statement of Purpose:

The King-Parliament Community Improvement Plan Reserve Fund Group will provide funding for the implementation of the King-Parliament Community Improvement Projects as outlined in the King-Parliament Community Improvement Plan.

(b) Service Area or Beneficiary Program:

For accounting purposes the City Planning Division shall have primary responsibility for the Reserve Fund.

(c) Initial Contribution:

The 247 Richmond St. E. development has contributed \$200,000.00 to be deposited in the 247 Richmond Street East Reserve Fund and similarly the 226 King St. E. development has contributed \$95,000.00 to be deposited in the 226 King Street East Reserve Fund.

(d) Contribution Policy:

Additional money received by the City through Section 37 or Section 45 of the Planning Act for the purpose of implementing the King-Parliament Community Improvement Plan, will be deposited into the Reserve Fund account.

(e) Withdrawal Policy:

Funds to be withdrawn from the reserve account are for the purpose of implementing the King-Parliament Community Improvement Projects as specified in the relevant legal agreements through which funds were obtained, and as consistent with the City's normal operating and capital budget processes.

Withdrawal of additional funds will be contingent upon prior approval by City Council.

(f) Review Cycle:

The King-Parliament Community Improvement Plan Reserve Fund Group will be reviewed every five years to assess the appropriateness of the account, and the conditions, if any, on which the reserve fund may be closed.

ATTACHMENT NO. 3

KING-PARLIAMENT COMMUNITY IMPROVEMENT PROJECT AREA

247 Richmond Street East Reserve Fund

(g) Statement of Purpose:

The 247 Richmond Street East Reserve Fund will be a repository for funds collected through a Section 45 Agreement under the Planning Act, and intended to support implementation of the King-Parliament Community Improvement Plan.

(h) Service Area or Beneficiary Program:

For accounting purposes the City Planning Division shall have primary responsibility for the Reserve Fund.

(i) Initial Contribution:

The contribution to this fund is \$200,000.00 collected through approved development at 247 Richmond Street East.

(j) Contribution Policy:

Not applicable.

(k) Withdrawal Policy:

Funds to be withdrawn from the reserve fund are for the purpose of implementing the King-Parliament Community Improvement Projects as specified in the relevant legal agreement through which funds were obtained, and as consistent with the City's normal operating and capital budget processes.

Withdrawal of funds will be contingent upon prior approval by City Council.

(l) Review Cycle:

The 247 Richmond Street East Reserve Fund will be reviewed every five years to assess the appropriateness of the account, and the conditions, if any, on which the reserve fund may be closed.

ATTACHMENT NO. 4

KING-PARLIAMENT COMMUNITY IMPROVEMENT PROJECT AREA

Rationale for Creation of the 226 King Street East Reserve Fund

(m) Statement of Purpose:

The 226 King Street East Reserve Fund will be a repository for funds collected through Section 45 Agreement under the Planning Act, and intended to support implementation of the King-Parliament Community Improvement Plan.

(n) Service Area or Beneficiary Program:

For accounting purposes the City Planning Division shall have primary responsibility for the Reserve Fund.

(o) Initial Contribution:

The contribution to this fund is \$95,000.00 collected through approved development at 226 King Street East.

(p) Contribution Policy:

Not applicable.

(q) Withdrawal Policy:

Funds to be withdrawn from the reserve fund are for the purpose of implementing the King-Parliament Community Improvement Projects as specified in the relevant legal agreement through which funds were obtained, and as consistent with the City's normal operating and capital budget processes.

The first call on the funds will be to fund a plaques and markers program which is likely to cost \$63,000 with cashflows of \$20,000 in 2006, \$20,000 in 2007 and \$23,000 in 2008. Withdrawals for 2007 and 2008 for this program and subsequent withdrawals in general are contingent upon prior approval by City Council. \$20,000.00 will be transferred from the 226 King Street East Reserve Fund to City Planning Account UR0012 in 2006 for the purpose of implementing the initial phase of the Heritage Toronto plaques and markers project

(r) Review Cycle:

The 226 King Street East Reserve Fund will be reviewed every five years to assess the appropriateness of the account, and the conditions, if any, on which the reserve fund may be closed.