STAFF REPORT
ACTION REQUIRED

Financial Strategy – Lawrence Allen Secondary Plan

Date:	November 22, 2011
To:	City Council
From:	Deputy City Manager and Chief Financial Officer
Wards:	Ward 15 Eglinton-Lawrence
Reference Number:	P:\2011\Internal Services\SP\CC11006SP (AFS #14845)

SUMMARY

This report presents a financial strategy for the implementation of the Lawrence-Allen Secondary Plan. The financial strategy is intended to provide a fiscally responsible framework for financing the infrastructure identified within the Secondary Plan.

The Secondary Plan allows for, among other things, the revitalization of social housing and the integration of new market housing within the Lawrence Heights area. To accomplish this, the Secondary Plan requires significant reinvestment in City infrastructure and community facilities.

Funding for the revitalization of the social housing stock which comprises 1,208 units entirely owned by the Toronto Community Housing Corporation (TCHC) will be TCHC's responsibility. TCHC's business and financing plans do not rely on City financial assistance for funding the estimated $350 million cost of social housing replacement. Rather, TCHC anticipates, in large part based on the Regent Park revitalization model, that its primary source of funding will come from revenues generated from the sale of land and land rights to private developers who in turn will build market units to provide a mixed-income, mixed-use community.

In addition to the cost of replacing the social housing stock, it is estimated that $205 million (2011 $'s) will be required over the next 20 or more years to fund the cost of upgrading and replacing City infrastructure and community facilities. The financing strategy which is the subject of this report proposes an approach for funding these costs over the next two decades that is based on fiscal responsibility and affordability.

At its core, this approach ensures that development does not proceed until such time that City Council is satisfied that infrastructure costs are appropriately addressed and more

importantly, that corresponding funding has been adequately secured. This principle is further entrenched within the implementation section of the Secondary Plan which provides, among other things, that the required infrastructure and community facilities be secured as a condition precedent to zoning bylaw enactment.

While it is expected that development charges (DC's) will cover some of the cost of this initiative, the remainder of the capital and operating costs have yet to be incorporated into the City's budgets. This report recommends a financial framework to phase-in these infrastructure project elements into the City's Capital Plan and Operating Budget in an orderly and affordable manner, so as to moderate the impacts to all taxpayers, while achieving the objectives of expediting this important redevelopment.

RECOMMENDATIONS

The Deputy City Manager and Chief Financial Officer recommends that:

1. Council adopt the financial strategy for the Lawrence-Allen Secondary Plan as described in this report, the salient features of which include:

    i) development can only proceed once infrastructure required to accommodate it has been identified and funding for such infrastructure has been secured;
    ii) as part of the annual capital budget setting process, affected City Divisions shall give consideration to infrastructure and community facilities required to implement various phases of the Secondary Plan within their Capital Plans, having regard to their overall priorities and prescribed debt target limits;
    iii) the City's Development Charges By-law shall incorporate, to the extent permitted by the Development Charges Act, the growth-related components of infrastructure identified by the Secondary Plan;
    iv) the costs of "local" infrastructure, as defined by the City from time to time, which is not eligible for development charges funding, shall be borne by the development proponent unless the City agrees that it shall assume such costs;
    v) funding from other orders of government for this initiative shall be used, to the extent possible, for the purposes of supporting City infrastructure and community facilities costs; and
    vi) where funding from other orders of government for this initiative cannot specifically be used for supporting infrastructure and community facilities, TCHC shall use its best efforts to absorb infrastructure funding commensurate with the level of support from the other orders of government.

2. The Deputy City Manager, Cluster A, continue to engage the federal and provincial governments in advising them of the opportunity to participate in the revitalization of Lawrence Heights through strategic funding investments in infrastructure, community facilities, and housing.

Financial Impact

It is important to note that adoption of the Secondary Plan or this proposed Financial Strategy does not in itself bind Council to any funding commitment for this initiative at this time. Development will only proceed on an incremental basis as and when funding has been secured (through the capital budget process) from sources such as development charges, third party direct contributions (Federal, Provincial, TCHC) and/or City debt if and when affordable.

At present, the City faces significant financial challenges in meeting its existing capital and operating needs. New initiatives that require immediate and significant capital are not presently affordable. Implementation of the Lawrence-Allen Secondary Plan will require funding estimated at $205 million. However, this requirement is not immediate. It will be phased in over the next 20-plus years and, subject to Council approval of this Financial Strategy, it will be entirely dependent on the City's capacity to afford such potential expenditures in the future.

Chart 1 below provides the estimated cost of city infrastructure replacement and upgrades over the redevelopment phases. These capital elements are not currently contained in the City's 2012-2021 Capital Plan, nor have the operating impacts been fully identified. Development charges are expected to recover potentially up to $72 million towards eligible components of this project, however, the exact amount will not be known until the requisite Development Charges Background Study is updated next year, and a new DC by-law is adopted. This would result in at least $133 million in net capital costs to be funded from the City and/or other sources.

TCHC has responded to City Council's July 2011 request to limit the scope of the first phase of development by focussing initial development on the two development blocks fronting on Ranee Avenue (described as Phase 1a below). This modest approach may be more readily implemented in accordance with the financing strategy recommended in this report as it minimizes the initial capital impacts.

Chart 1
Lawrence-Allen Infrastructure Costs
(2011 dollars $000's)

	1a 2014-2017	1 2016-2020	2 2019-2024	3 2023-2028	4 2027-2032	Future 2032+	Total
Rate Supported:							
Water/Sewer and Below Grade	7,320	18,310	11,400	17,600	7,000	-	61,630
Less: est. DC recoverable	*(1,008)*	*(1,932)*	-	-	-	-	*(2,940)*
Net - Rate Supported	**6,312**	**16,378**	**11,400**	**17,600**	**7,000**	**-**	**58,690**
Tax Supported:							
Roads and Above Grade	1,250	8,182	7,300	19,000	3,700	24,000	63,432
Parks	459	3,235	7,627	3,575	1,188	-	16,084
Library	-	-	-	10,400	-	-	10,400
Recreation Centre	-	-	42,000	-	-	-	42,000
Childcare Facilities	-	-	3,900	3,900	3,900	-	11,700
Sub-total	1,709	11,417	60,827	36,875	8,788	24,000	143,616
Less: est. DC recoverable	*(367)*	*(2,588)*	*(35,408)*	*(17,669)*	*(3,251)*	*(9,855)*	*(69,138)*
Net - Tax Supported	**1,342**	**8,829**	**25,419**	**19,206**	**5,537**	**14,145**	**74,478**
Total	**7,654**	**25,207**	**36,819**	**36,806**	**12,537**	**14,145**	**133,168**
% of Total	5.7%	18.9%	27.6%	27.6%	9.4%	10.6%	100.0%
Cumulative Total	7,654	32,861	69,680	106,486	119,023	133,168	
% of Cumulative Total	5.7%	24.7%	52.3%	80.0%	89.4%	100.0%	

Chart 2 illustrates the City's exposure with respect to debt charges on the assumption that no funding support from the other orders of government or TCHC is made available and City funding is debt financed.

As shown in Chart 2, the full implementation of this plan will require debt-service funding averaging $3.13 million annually in the tax supported programs over the 40-year financing period, peaking at $6.25 million in year 2033. This translates into a one-time average tax increase of approximately 0.14%.

Chart 2
Lawrence-Allen Infrastructure Debt Servicing Costs
Tax Supported Program (nominal $)

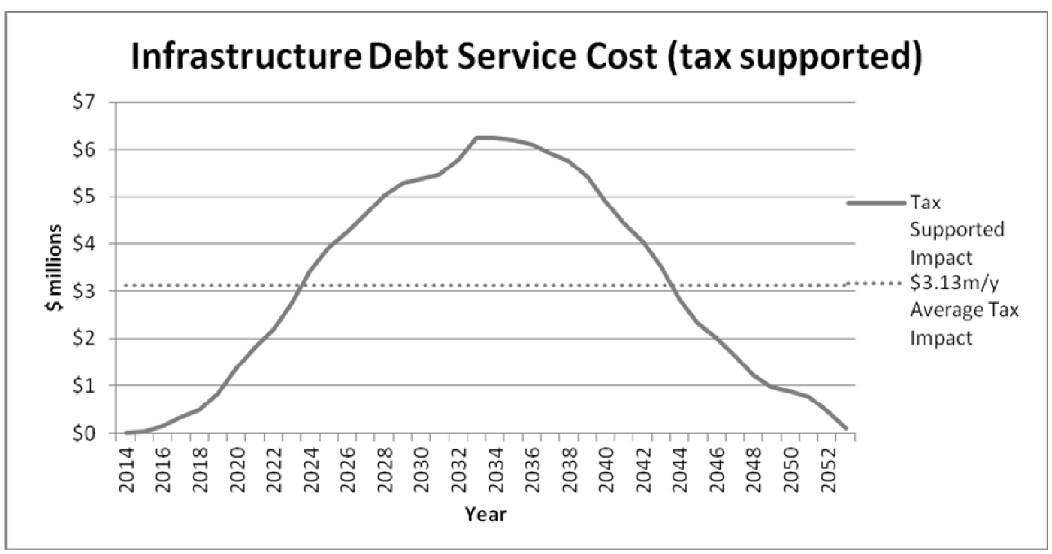
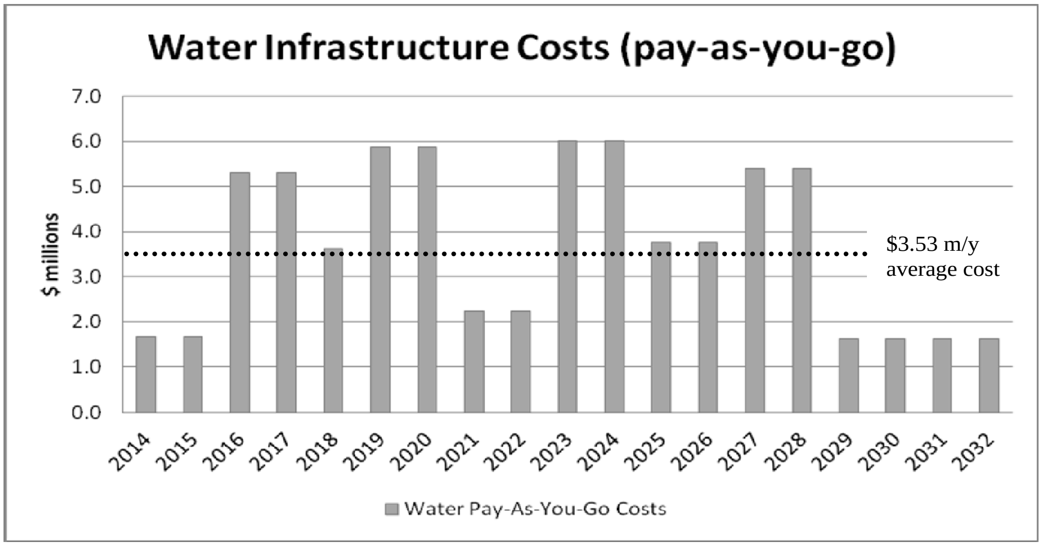


Chart 3 illustrates the impact on the City's rate supported program. It is noted that the City has a pay-as-you-go approach to financing water infrastructure without reliance on debt. As shown in the chart, the average impact on the water rate supported program is estimated to be $3.53 million annually over a twenty year period. This translates into a one-time water rate increase of approximately 0.44%.

Chart 3
Lawrence-Allen Infrastructure Costs
Water Rate Supported Program (nominal $)



It is important to note that these are the maximum estimated impacts on the City which would be reduced should funding for this initiative be provided from other sources.

It is also important to note that City Council at its meeting on September 26, 2011 requested the City Manager to undertake a study of community infrastructure provided through the City's libraries, community centres, community hubs, related agencies and organizations, and report to Executive Committee on a plan that maximizes the use of the City's assets and enhances service coordination.

It is anticipated that work will begin on this study during 2012 and it will include the kind of social infrastructure that is contemplated as part of the Lawrence Heights redevelopment. The findings of this study may further inform the scope and magnitude of this infrastructure with a consequential potential reduction in costs and funding requirements.

DECISION HISTORY

At its meeting of July 16-19, 2007, City Council authorized the Chief Planner to begin the development of a vision and planning framework for the revitalization of Lawrence Heights.
http://www.toronto.ca/legdocs/mmis/2007/cc/decisions/2007-07-16-cc11-dd.pdf

In February 2010, TCHC's Board of Directors considered a business plan for the revitalization of Lawrence Heights. The Board reviewed and approved the plan, and directed TCHC to proceed with the planning application of Phase 1 of the plan in tandem with the City of Toronto.

At its meeting of July 6-8, 2010, City Council endorsed in principle the Lawrence-Allen Revitalization Plan (LARP). The LARP provides the basis for a Secondary Plan for the Lawrence-Allen area. This report introduced preliminary order of magnitude costs for the infrastructure to implement the LARP, wherein the estimated costs of City infrastructure such as roads, sewers, and community facilities such as parks, libraries and child care centres was approximately $240 million (2010 dollars). City Council directed the Deputy City Manager and Chief Financial Officer to report back on a financial strategy to support revitalization at the same time as the City Planning Division brings forward a new Secondary Plan.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.NY35.67

At the same meeting, Council also adopted a report from the Executive Director, Social Development, Finance and Administration Division respecting corporate implementation actions for the Lawrence Heights Revitalization. Amongst other things, TCHC was requested to submit a Phase One business plan in support of the Lawrence Heights revitalization to the Deputy City Manager and Chief Financial Officer and the Deputy City Manager for review as part of the process to determine City/TCHC contribution to infrastructure costs.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2010.CD34.8

In June 2011, North York Community Council adopted a motion by the local Councillor entitled "New Vision for the Redevelopment of Lawrence Heights," that requested the Chief Planner to address certain changes to the Lawrence-Allen Revitalization Plan when bringing forward the new Secondary Plan, generally related to reducing the density of the plan and impact on the surrounding community. This motion was later adopted by City Council at its meeting of July 12, 13, and 14, 2011.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.NY8.46

North York Community Council held the Statutory Public Meeting at its meeting of November 2, 2011 to consider the Lawrence-Allen Secondary Plan and related amendments to the Official Plan. North York Community Council recommended that Council amend the Official Plan by adopting the Lawrence-Allen Secondary Plan. North York Community Council further recommended that the Chief Financial Officer report directly to City Council for its meeting on November 29-30, 2011, on a financial strategy that outlines funding tools and methods to address any potential infrastructure costs associated with the Lawrence-Allen Secondary Plan.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.NY11.24

COMMENTS

The Lawrence-Allen Secondary Plan is largely driven by TCHC's strategy to revitalize the Lawrence Heights community. The Lawrence Heights community contains 1,208 social housing units built over 50 years ago by the then Ontario Housing Corporation. These units are outdated, functionally obsolete, energy inefficient and in need of repair.

TCHC, as part of its broader Asset Management Strategy, has determined that it will be more cost effective and beneficial to replace these units than to repair them in habitable conditions, on the basis that the replacement of their units will be funded by the sale of land and/or rights for additional private sector development and on the basis that new units would be more cost efficient to operate. However, the viability of TCHC's business case is predicated on the City and/or other orders of government funding the capital cost of upgrading and replacing the infrastructure needed to service both the replacement housing, in a socially inclusive configuration, and the increased market development density necessary to pay for TCHC's housing replacement costs.

City staff across a number of program areas completed comprehensive master planning studies that were used to develop the order-of-magnitude cost estimates for the required infrastructure to service the Secondary Plan Area. Originally estimated at $240 million in 2010, the required capital works were further detailed during 2011, resulting in a total estimate of approximately $204 million. More recently, based on additional detailed engineering studies, including provisions for Phase 1a, this total estimate has been further revised to a total cost of $205 million. The detailed order of magnitude costs are included in Appendix A.

Under typical private development scenarios, developers build infrastructure within the development boundaries (i.e., local services) and contribute to the costs of surrounding City infrastructure (i.e., off-site services) by way of a development charge levied on individual housing units. The surrounding City infrastructure, whether in the form of trunk sewers or community centres, is budgeted as capital works and is financed through development charge reserve funds, other third-party sources, and rate or tax supported debt, and implemented over the life-cycle replacement of such capital items.

TCHC expects that it will not be able to make contributions to any infrastructure costs in the same manner as private developers. Little, if any, infrastructure costs for this area is currently included in the City's 10-year Capital Plan. Furthermore, because TCHC will be providing replacement social housing units, those units will be exempted from the payment of development charges under the City's DC By-law. It is estimated that DC's would recover only up to $72 million of the $205 million infrastructure costs, leaving at least $133 million of the infrastructure costs to be funded by the City and/or other orders of government.

TCHC's Fiscal Situation and Lawrence Heights Business Plan

TCHC estimates that it has $650 million in unfunded capital repair needs. TCHC's annual capital repair investment is approximately $50 million in comparison to an estimated annual need in the order of $100 million. The investment is allocated across TCHC's 58,000 unit portfolio to address the most critical needs. TCHC believes that without additional funds and new approaches to address the capital repair needs, the quality of housing will decline and backlog will continue to increase.

The need for significant and sustained funding for building repairs has not been addressed since TCHC was established in 2001. With ageing residential buildings, new needs arise every year to repair elevators, boilers, balconies, roofs and other major building components. TCHC inherited much of the problem when the province downloaded social housing in 2001 without sufficient funding to bring the housing to an acceptable standard of good repair.

The City and Province recently approved declaring TCHC's affordable housing stock as Municipal Housing Capital Facilities eligible for property tax exemption, which will result in a net savings to TCHC of up to approximately $10 million annually from the provincial education share of taxes that would no longer be payable once the exemption takes effect. These savings are being made available for use towards TCHC's Housing Strategy to sustain the housing stock in a state of good repair.
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX11.6

Revitalization is another strategy that TCHC has adopted to address the capital repair backlog in viable communities. Revitalization allows TCHC to generate additional revenues from the sale of land and market-priced units to pay for the costs of replacing and/or improving the social housing stock.

The TCHC revitalization business plan for Lawrence Heights provides the framework for achieving the full replacement of the social housing stock in Lawrence Heights. TCHC will assume responsibility for the cost of replacing their 1,208 affordable housing units, estimated at $350 million. Revitalization allows TCHC to direct capital repair funds that would have otherwise gone to repair outdated housing in revitalization communities to other buildings in the portfolio that do not have the advantage of revitalization.

The business plan envisages TCHC entering into a joint venture with a private developer to rebuild the 1,208 social housing units together with new private market housing units on TCHC lands. On this basis, TCHC has estimated that revenues from private market sales and leveraging long-term financing would be utilized to front the costs of replacing the social housing units, given that there is currently no existing federal/provincial funding program to support replacement housing capital costs. While the Revitalization Plan approved in July 2010 provided for up to 4,800 new market residential units on TCHC lands, the proposed Secondary Plan recommends a limit of 4,100 market units. This reduction may place an additional burden on TCHC's business plan over the 20-year redevelopment period. The business plan also acknowledges that there are no funding sources from TCHC to pay for the necessary municipal infrastructure improvements arising from implementation of the Secondary Plan, whether internal or external to its development boundaries.

Toronto Community Housing has determined that community revitalization, not building-by-building repairs, is the most lasting and effective way to improve the housing in Lawrence Heights and strengthen the community. TCHC estimates that over 20 years, $105 million will be required to repair its housing stock at Lawrence Heights. This figure represents life safety repairs and other priority investments to maintain the units in habitable condition. Furthermore, the $105 million would be invested in outdated buildings that are more costly to maintain and operate than new buildings.

City's Current Fiscal Situation

In the absence of any funding support from the other orders of government, the full implementation of this plan will require at least $133 million in net capital funding by the City over 20-plus years. This capital funding requirement has not been previously considered in the City's long-term capital plan. There are also a number of other high-priority unfunded capital projects such as TTC's existing and emerging needs, long-term care facilities and other state-of-good-repair backlog needs.

The City's Long Term Financial Plan, as adopted by Council from time to time, has addressed the issue of debt management by setting a policy limit that total debt cost not exceed 15% of the City's property tax levy revenues. As of 2011, that ratio is at 11.5%. Based on the City's existing 2011-2020 Capital Plan, the City is projected to reach its debt service cost ceiling by 2015. This does not include any additional pressures that may arise in the 2012-2021 Capital Budget Plan.

The City's current financial situation and capacity for additional debt load is not sustainable. The City has a long-standing funding gap that, without structural changes, can only be addressed by a combination of cost reductions and revenue increases. In this context, the City has adopted a Long Term Financial Plan that promotes a sustainable approach to City asset management. This plan provides that:

- assets should be maintained in a state of good repair;
- new assets should be acquired only when necessary and affordable;
- debt should be held to a manageable level, used only for long-lasting assets;
- appropriate funds should be set aside for future obligations; and
- future trends should be planned for.

The City's Long Term Fiscal Plan policies can be viewed at:
http://www.toronto.ca/finance/long_term_fiscal_plan.htm

Addressing Lawrence-Allen infrastructure costs is the central task and challenge of the Financial Strategy embodied in this report with its goal to identify matching sources of funds that the City can manage and sustain to ensure that the infrastructure can be built. The rebuilding of TCHC's social housing stock at Lawrence Heights will replace assets that are no longer in a state of good repair. The supporting infrastructure and community facilities represent an investment in necessary long-lasting assets. The following section outlines financing principles in keeping with the City's longer term fiscal plan to address the financing needs for the infrastructure component of the Lawrence-Allen Secondary Plan.

Financial Strategy

A key component to achieving the implementation of the Lawrence-Allen Secondary Plan is the ability to plan, fund and build the necessary infrastructure to support the new development envisaged in the land use plan.

The following Financial Strategy, consisting of principles and implementation points, provides the framework for the City to plan and budget for the necessary funds to be in place to build the infrastructure required to support the developments anticipated in the Secondary Plan.

The Financial Strategy is defined by the following guiding principles.

1. Development is comprehensively planned, but incrementally implemented

The Secondary Plan has laid out a comprehensive planning framework to guide development, to be implemented through division of the Lawrence-Allen area into smaller development districts with prescribed boundaries. The plan acknowledges the long-term nature of development and has allowed for the incremental implementation of development over a twenty-plus year time horizon on a district-by-district basis.

Order of magnitude costs have also been prepared detailing a comprehensive list of infrastructure requirements to service the secondary plan area with estimated capital costs contained in Appendix A. It is also anticipated that the capital infrastructure will be phased in over the same twenty-plus year horizon.

2. The pace of development is governed by affordability

The Secondary Plan acknowledges that development cannot occur without the necessary infrastructure already or concurrently in place. New housing units cannot be developed without the requisite roads, sewers and water mains in place. Other infrastructure items such as child care facilities and parks and recreation facilities are required upon or soon after development occupancy has occurred.

In this regard the Secondary Plan includes development control framework provisions, whereby development applications will not be approved until such time as the required infrastructure associated with such development have been planned for and most importantly funding secured for its capital construction.

3. Affordability determined through the City's Capital Budget Process

In turn, the required infrastructure as forecasted will be submitted for consideration in the City's annual ten-year Capital Plan updates. The matching sources of funds will need to be identified and secured as part of the annual budget priority setting process and within the established debt-limit targets in place over time.

Acknowledging that the City budget constraints necessitate the prudent use of scarce resources, a goal will be to maximize sources of funds outside of the City's tax and rate supported debt. Development charges will be used to the maximum extent permitted, and funding from other orders of government will continue to be pursued.

To the extent possible, infrastructure funding will be made to match with development timelines; however, should funding sources for incremental infrastructure costs not be in place, then development timelines will need to be delayed.

4. Pursuing federal/provincial investment opportunities

The federal and provincial governments have potentially important roles to play in the opportunity to make strategic funding investments in infrastructure, community facilities and housing.

The City should continue to pursue an intergovernmental funding strategy which demonstrates the economic and social value of targeted federal and provincial funding investments in the Lawrence Heights revitalization.

The experience from the revitalization of Regent Park demonstrates that only after TCHC and the City of Toronto approved the project and proceeded did the federal and provincial governments follow with a range of capital investments.

While the fiscal challenges facing all governments have become more acute, the City should target opportunities for strategic federal/provincial investments in Lawrence Heights, which have the potential to dovetail with emerging senior government funding priorities.

The following implementation section builds upon the guiding principles by setting out actions and approaches to follow.

Implementation Points

1. No development or development phase within the Secondary Plan area can proceed without having identified infrastructure required to accommodate it and, funding for that infrastructure is fully secured.

    - Development control provisions within the Secondary Plan require applicants to identify all infrastructure elements necessary to support development, provide a phasing and costing plan demonstrating cost effective and efficient implementation and confirm that funding of all such infrastructure elements have been secured.
    - Development control provisions entrenched in the Secondary Plan give City Council authority to withhold zoning and/or removal of holding symbols until such time that funding for the related infrastructure features required to service such development has been identified, planned for and secured.

- Evidence of such infrastructure funding shall be reviewed by the Deputy City Manager and Chief Financial Officer and approved by Council as part of the annual budget process, prior to the release of the zoning.
- If such infrastructure funding is not secured at time of development application, the development will be deemed premature, and Council shall withhold approval of the zoning and/or removal of the holding symbol.

2. As part of the annual capital budget setting process, affected City divisions are to consider, within their Capital Plans, the infrastructure and servicing costs to achieve the objectives of this initiative, having regard to their overall priorities and prescribed debt targets.

   - This is accomplished by submitting the order of magnitude infrastructure costs for Lawrence Allen, with timing forecasts, to the affected City program areas for annual consideration within their prospective capital plans.
   - If sources of funds or re-prioritization opportunities exist to make accommodation, infrastructure funding may be secured within the capital budget.

3. Incorporate to the extent permitted by the Development Charges Act, the cost of infrastructure required to accommodate new development in the City's Development Charge (DC) By-law.

   - The City will be updating its D.C. By-law in 2012 for introduction in 2013. This will allow the City to generate DC revenue to help fund the infrastructure identified under the City's capital budget process noted above.

4. The costs of "local" infrastructure as defined by the City from time to time, which is not eligible for development charge recovery, should be borne by the development applicant, unless the City agrees that it shall assume such costs.

   - Under the usual land development process, private developers are responsible for local services such as roads and sewer infrastructure within the plans of subdivisions. External improvements are often paid by the City and recovered by development charge revenues. In this situation, TCHC will be the developer for a large portion of the secondary plan area.
   - According to its redevelopment business plan, TCHC has indicated that it cannot support contributions to local infrastructure costs.
   - However, over the course of the redevelopment, grants to TCHC, or more favourable development proceeds than expected, may result in TCHC being in a position to contribute to infrastructure costs.
   - As each development phase is submitted, TCHC shall consider its ability to contribute to local infrastructure costs.

- Otherwise, the City may agree to assist TCHC in such local infrastructure costs, in the absence of other sources of funds.

5. Funding from other orders of government for this initiative shall be used, to the extent available and permitted, for the purposes of supporting infrastructure costs.

   - As noted previously, Lawrence Heights was developed as a provincial housing initiative in the late 1950's that was later downloaded to the City in the 1990's. Its physical assets are outdated, outmoded and in need of repair and replacement.
   - Consideration for contributions to such significant infrastructure renewal efforts will be pursued by senior City staff with key Ministry of Municipal Affairs and Housing staff in the areas of infrastructure, community facilities and housing costs.

Conclusion

The Lawrence-Allen Secondary Plan lays the foundation for the redevelopment of TCHC's Lawrence Heights community. An order of magnitude cost of $205 million for infrastructure associated with this development has been identified, however, such costs have not to date been considered in the City's Capital Plan.

The financing strategy recommended in this report provides principles and implementation points that serve as a framework to guide the phasing-in of these infrastructure project elements into the City's Capital Plan and Operating Budget in an orderly and affordable manner, so as to moderate the impacts to all taxpayers, while achieving the objectives of expediting this important redevelopment.

CONTACT

Joe Farag
Director, Special Projects
416-392-8108; jfarag@toronto.ca

Josie LaVita
Director, Financial Planning
416-397-4229; jlavita@toronto.ca

Christopher Toomey
Senior Financial Analyst, Corporate Finance
416-397-4283; ctoomey@toronto.ca

SIGNATURE

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Cam Weldon
Deputy City Manager and Chief Financial Officer

ATTACHMENTS

Appendix A: Lawrence-Allen Order of Magnitude Costs by Phase

APPENDIX A

Lawrence-Allen Order of Magnitude Costs By Phase
(October 28, 2011); Phase 1a and 1b Updated Nov 8, 2011

Elements	District	2011 Total Cost	Tax / Rate	Estimated DC Recoverable	Costs Net Potential DC Recoverable
Phase 1a (Ranee) 2014-2017	**673 housing units**				
Infrastructure: Road and Above Grade	RA	$1,250,000	tax		$1,250,000
Infrastructure: Water, Wastewater and Below Grade Infrastruture	RA	$4,920,000	rate		$4,920,000
External Sanitary Sewer Improvements	RA	$2,400,000	rate	$1,008,000	$1,392,000
Greenway	RA	$459,307	tax	$367,446	$91,861
Total		**$9,029,307**		**$1,375,446**	**$7,653,861**
Phase 1b (NE) 2016-2020	**401 housing units**				
Infrastructure: Road and Above Grade	NE	$8,182,000	tax		$8,182,000
Infrastructure: Water, Wastewater and Below Grade Infrastruture	NE	$13,710,000	rate		$13,710,000
Baycrest Park Improvement	NE	$1,510,612	tax	$1,208,490	$302,122
Local Neighbourhood Park – N/E	NE	$1,724,068	tax	$1,379,254	$344,814
External Sanitary Sewer Improvements	NE	$4,600,000	rate	$1,932,000	$2,668,000
Total		**$29,726,680**		**$4,519,744**	**$25,206,936**
Phase 2 - Commons East (2019 - 2024)	**808 housing units**				
Infrastructure: Road and Above Grade	CE	$2,400,000	tax		$2,400,000
Infrastructure: Water, Wastewater and Below Grade Infrastruture	CE	$11,400,000	rate		$11,400,000
Baycrest New Roadway	CE	$4,900,000	tax	$2,646,000	$2,254,000
Local Neighbourhood Parkette – Rondale	CE	$412,134	tax	$329,707	$82,427
Community Park East	CE	$6,485,781	tax	$5,188,625	$1,297,156
Greenway	CE	$728,624	tax	$582,899	$145,725
Community Recreation Centre w. Pool	CE	$42,000,000	tax	$24,360,000	$17,640,000
Child Care	CE	$3,900,000	tax	$2,301,000	$1,599,000
Total		**$72,226,539**		**$35,408,231**	**$36,818,308**

Elements	District	2011 Total Cost	Tax / Rate	Estimated DC Recoverable	Costs Net Potential DC Recoverable
Phase 3 - Northwest and Commons West (2023 - 2028)	**1,997 housing units**				
Infrastructure: Road and Above Grade	NW,CW	$9,000,000	tax		$9,000,000
Infrastructure: Water, Wastewater and Below Grade Infrastruture	NW,CW	$17,600,000	rate		$17,600,000
Pedestrian Bridge linking Parks	CW	$10,000,000	tax	$4,500,000	$5,500,000
Community Park West	CW	$1,699,439	tax	$1,359,551	$339,888
Local Neighbourhood Park – West	NW	$1,875,130	tax	$1,500,104	$375,026
Library	n/a	$10,400,000	tax	$8,008,000	$2,392,000
Child Care	CW	$3,900,000	tax	$2,301,000	$1,599,000
Total		**$54,474,569**		**$17,668,655**	**$36,805,914**
Phase 4: Replin and John Polanyi (2027 - 2032)	**1,421 housing units**				
Infrastructure: Road and Above Grade	REP, JP	$3,700,000	tax		$3,700,000
Infrastructure: Water, Wastewater and Below Grade Infrastruture	REP,JP	$7,000,000	rate		$7,000,000
Local Neighbourhood Parkette – S/E	JP	$412,134	tax	$329,707	$412,134
Greenway	REP	$775,830	tax	$620,664	$775,830
Child Care	JP	$3,900,000	tax	$2,301,000	$3,900,000
Total		**$15,787,964**		**$3,251,371**	**$12,536,593**
Lawrence Square (2032+)					
Pedestrian Bridge at Lawrence-Allen	n/a	$7,500,000	tax	$3,375,000	$4,125,000
Total		$7,500,000		$3,375,000	$4,125,000
Potential Costs					
Flemington Bridge Improvement	CW	$4,500,000	tax		$4,500,000
401 Ramp Re-alignment	CE	$12,000,000	tax	$6,480,000	$5,520,000
Total		$16,500,000		$6,480,000	$10,020,000
Overall Totals		**$205,245,059**		**$72,078,447**	**$133,166,612**