

FULL COST RECOVERY OPTIONS FOR ALTERNATIVE FUNDING AND FINANCING PROPOSALS – DEFERRAL REQUEST

EXECUTIVE SUMMARY

This is a deferral request for the report on full cost recovery options for the processing of alternative funding and financing proposals. This report was requested by Council for 2014 July, the deferral requested is to the budget deliberations in November when the overall fee schedule will be presented.

Information has been gathered from the various departments involved in the processing of these proposals. Further investigation is required to ensure that this fee captures the incremental costs since some technical analysis is also covered in other fees such as for outline plans. In addition, direction provided through the 2014 October 27 Council Strategic Session on capital budgets will assist with developing options.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommend that Council approve Administration's request to defer reporting on the Full Cost Recovery for Alternative Funding and Financing Proposals to the Business Plan and Budget Deliberations in 2014 November when the overall fee schedule is presented.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2014 July 28 Regular Meeting of Council, it was moved as a Motion Arising by Councillor Farrell, seconded by Councillor Colley-Urquhart, that with respect to Report PFC2014-0568, Council direct Administration to report to the Priorities and Finance Committee in 2014 September on full cost recovery options for alternative funding and financing proposals submitted under the Alternative Funding and Financing Strategy (PUD2013-0772), endorsed by Council in 2013 December.

BACKGROUND

Alternative Funding and Financing proposals were identified as a potential mechanism for developers to advance development without creating financial impacts to The City.

Council provided direction (PUD2013-0772) to utilize the East Keystone Alternative Funding and Financing Proposal as a demonstration case for advancing growth. A second proposal for West Keystone is also being processed at this time. Analyzing and preparing these agreements requires staff time which is not captured in other fees charged for processing development proposals. The work that is currently being done on these two proposals will inform the processing of future construction financing agreements and streamline the process.

A number of other developers have indicated that they may be interested in submitting alternative funding and financing proposals.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Information has been gathered from the various departments involved in the processing of these proposals. Further investigation is required to ensure that this fee captures the incremental costs since some technical analysis is also covered in other fees such as for outline plans. In

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addition, direction provided through the 2014 October 27 Council Strategic Session on capital budgets will assist with developing options.

Further information will be provided through the ongoing processing of the current Keystone applications, and through the 2014 October 27 Council Strategic Session on capital budgets. This additional information will assist with the development of appropriate options for charging a fee for the processing of funding and financing proposals. This analysis will be finalized and brought forward as part of the November budget deliberations as part of the overall fee schedule.

Stakeholder Engagement, Research and Communication None

Strategic Alignment There are no implications associated with this deferral request.

Social, Environmental, Economic (External) There are no implications associated with this deferral request.

Financial Capacity **Current and Future Operating Budget:** There are no implications associated with this deferral request.

Current and Future Capital Budget: No capital expenditures associated with this deferral request.

Risk Assessment There are no implications associated with this deferral request.

REASON(S) FOR RECOMMENDATION(S):

This report requests a deferral of the full cost recovery options for alternate funding and financing proposals, which was directed by Council in 2014 July 28. With a deferral, Administration will use the additional time to incorporate guidance from the 2014 October 27 Strategic Session on capital budget and the information gained from the current alternative funding and financing processes. This report is in response to the Motion Arising at the Regular Meeting of Council 2014 July 28.

ATTACHMENT(S) None