

COMMITTEE AGENDA



TO **Corporate Administration, Finance and Enterprise Committee**

DATE December 4, 2012

LOCATION Council Chambers, Guelph City Hall, 1 Carden Street

TIME 5:00 p.m.

DISCLOSURE OF PECUNIARY INTEREST AND GENERAL NATURE THEREOF

CONFIRMATION OF MINUTES November 12, 2012 open and closed meeting minutes

PRESENTATIONS (Items with no accompanying report)

None

CONSENT AGENDA

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with separately. The balance of the Corporate Administration, Finance & Enterprise Committee Consent Agenda will be approved in one resolution.

ITEM	CITY PRESENTATION	DELEGATIONS	TO BE EXTRACTED
CAFE-46 Banking RFP			
CAFE-47 40 Wellington Street – Downtown Guelph Community Improvement Plan (DGCIP) – Major Downtown Activation Grant (DAG)			

Resolution to adopt the balance of the Corporate Administration, Finance & Enterprise Committee Consent Agenda.

ITEMS EXTRACTED FROM CONSENT AGENDA

Once extracted items are identified, they will be dealt with in the following order:

-
- 1) delegations (may include presentations)
 - 2) staff presentations only
 - 3) all others.

NEXT MEETING – February 11, 2012

**The Corporation of the City of Guelph
Corporate Administration, Finance, and Enterprise Committee
Monday November 12, 2012, 5:00 p.m.**

A meeting of the Corporate Administration, Finance and Enterprise Committee was held on Monday November 12, 2012 in the Council Chambers at 5:00 p.m.

Present: Councillors Hofland, Kovach (*arrived at 5:25 p.m.*), Laidlaw and Mayor Farbridge

Absent: Councillor Wettstein

Also Present: Councillors Bell, Dennis, Furfaro and Guthrie

Staff Present: Ms. A. Pappert, Chief Administrative Officer; Mr. M. Amorosi, Executive Director, Corporate & Human Resources; Ms. C. Bell, Executive Director, Community & Social Services; Dr. J. Laird, Executive Director, Planning, Building, Engineering and Environment; Mr. D. McCaughan, Executive Director, Operations, Transit & Emergency Services; Ms. T. Agnello, Deputy City Clerk; and Ms. J. Sweeney, Council Committee Co-ordinator

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

1. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw

THAT the minutes of the Corporate Administration, Finance and Enterprise Committee meeting held on October 9, 2012 and the closed minutes of the Corporation Administration, Finance and Enterprise Committee meeting held on October 9, 2012 be confirmed as recorded and without being read.

VOTING IN FAVOUR: Councillors Hofland, Laidlaw and Mayor Farbridge (3)

VOTING AGAINST: (0)

Carried

Consent Agenda

The following items were extracted from Corporate Administration, Finance & Enterprise Committee November 12, 2012 Consent Agenda:

- | | |
|----------------|---|
| CAFE-2012 A.44 | Corporate Strategic Plan (CSP) Work Plan 2013-2016 and 2013 Resource Requirements |
| CAFE-2012 A.45 | Standard and Poor's Credit Rating |

Councillor Kovach arrived at the meeting.

Corporate Strategic Plan (CSP) Work Plan 2013-2016 and 2013 Resource Requirements

Ms. Ann Pappert, Chief Administrative Officer addressed the Corporate Strategic Plan Work Plan 2013-2016 and 2013 Resource Requirements report as contained in the meeting agenda. She advised that the work plan builds on the Corporate Strategic Plan adopted by Council in June 2012. She highlighted the initiative evaluation process and the items moved to another year to adjust the pace.

REPORT

2. Moved by Mayor Farbridge

Seconded by Councillor Laidlaw

THAT Council approve in principle, the "Corporate Strategic Plan (CSP) Work Plan 2013-2016" as outlined in the November 12, 2012 CAFE report CAO-S-1202 and as described in Appendix A of the report;

AND THAT the financial resources required to implement the 2013 CSP Strategic Initiatives as detailed in Appendix B of CAFE report CAO-S-1202 be referred to the 2013 budget process, for Council consideration.

VOTING IN FAVOUR: Councillors Hofland, Kovach, Laidlaw and Mayor Farbridge (4)

VOTING AGAINST: (0)

Carried

Standard and Poor's Credit Rating

Mr. Al Horsman, Executive Director, Finance & Enterprise addressed the Standard and Poor's Credit Rating report contained in the meeting agenda.

Mr. A. Horsman

3. Moved by Mayor Farbridge

Seconded by Councillor Laidlaw

THAT Finance Report titled "FIN-12-46 Standard & Poor's Credit Rating", be received for information.

VOTING IN FAVOUR: Councillors Hofland, Kovach, Laidlaw and Mayor Farbridge (4)

VOTING AGAINST: (0)

Carried

Citizen Appointments to Various Committees

Mr. B. Labelle

4. Moved by Mayor Farbridge
Seconded by Councillor Kovach

THAT the matter of decoupling the appointment of incumbents from the advertising of vacancies on boards and committees be referred to the 2013 planned review of the process to appoint citizens to boards and committees.

VOTING IN FAVOUR: Councillors Hofland, Kovach, Laidlaw and Mayor Farbridge (4)

VOTING AGAINST: (0)

Carried

5. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw

THAT the Corporate Administration, Finance & Enterprise Committee now hold a meeting that is closed to the public with respect to:

- Appointment of Citizens to Various Committees**
S. 239 (2) (b) of the *Municipal Act* – personal matters about identifiable individuals.

Carried

Closed Meeting

REPORT

6. Moved by Councillor Kovach
Seconded by Mayor Farbridge

THAT staff be given direction with respect to citizen appointments to the Downtown Advisory Committee.

Carried

REPORT

7. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw

THAT staff be given direction with respect to citizen appointments to the Economic Development Advisory Committee.

Carried

REPORT

8. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw

THAT staff be given direction with respect to citizen appointments to the Economic Development Advisory Committee.

November 12, 2012

Corporate Administration, Finance & Enterprise

Carried

Page 4

9. Moved by Mayor Farbridge
Seconded by Councillor Laidlaw
That the meeting of the Corporate Administration, Finance &
Enterprise Committee of, 2012 be adjourned.

Carried

The meeting adjourned at 5:55 p.m.

.....
Chairperson

**CORPORATE ADMINISTRATION, FINANCE & ENTERPRISE COMMITTEE
CONSENT AGENDA**

December 4, 2012

Members of the Corporate Administration, Finance & Enterprise Committee.

SUMMARY OF REPORTS:

The following resolutions have been prepared to facilitate the Committee's consideration of the various matters and are suggested for consideration. If the Committee wishes to address a specific report in isolation of the Consent Agenda, please identify the item. The item will be extracted and dealt with immediately. The balance of the Corporate Administration, Finance & Enterprise Committee Consent Agenda will be approved in one resolution.

A Reports from Administrative Staff

REPORT	DIRECTION
<p>CAFE-2012 A.46) BANKING RFP</p> <p>THAT Report FIN-12-50 dated December 4, 2012, with respect to the banking RFP be received for information.</p>	Receive
<p>CAFE-2012 A.47) 40 WELLINGTON STREET – DOWNTOWN GUELPH COMMUNITY IMPROVEMENT PLAN (DGCIP) – MAJOR DOWNTOWN ACTIVATION GRANT (DAG)</p> <p>THAT Downtown Renewal Report FIN-DR-12-05 dated December 4, 2012 regarding a Major DAG application for the property municipally known as 40 Wellington Street West pursuant to the Downtown Guelph Community Improvement Plan, be received;</p> <p>AND THAT Council approve the Major DAG for 40 Wellington Street West and that the Mayor and Clerk be authorized to execute the Major Downtown Activation Grant Agreement between 2065404 Ontario Inc. and the City of Guelph, subject to the satisfaction of the Corporate Manager of Downtown Renewal and the General Manager of Legal and Realty Services/City Solicitor.</p>	Approve

attach.

COMMITTEE REPORT



TO Corporate Administration, Finance & Enterprise Services

SERVICE AREA Finance & Enterprise Services
DATE December 4, 2012

SUBJECT Banking RFP
REPORT NUMBER FIN-12-50

REPORT SUMMARY

Purpose of Report: A request for proposal (RFP) related to banking services for the City of Guelph was issued publicly to the banking community. The following banks responded to the request for proposal: Royal Bank of Canada, Toronto Dominion, Scotia Bank, and Canadian Imperial Bank of Commerce. Based on predetermined evaluation criteria aligned with the RFP terms an objective assessment was made on all four bids. Toronto Dominion scored the highest and is therefore recommended for the award.

Council Action: Receive for information

RECOMMENDATION

That report FIN-12-50 dated December 4, 2012, with respect to the banking RFP be received for information.

BACKGROUND

The current banking contract has expired and management determined that a request for proposal for the City of Guelph's banking services would be needed.

The banking services include but are not limited to paying interest on deposits, matching data on cheques to those that are processed (payee match to reduce the risk of fraud), payroll transactions, and online services such as wire payments, bank transfers, and statements of daily transactions.

REPORT

The Royal Bank of Canada, Toronto Dominion, Scotia Bank, and Canadian Imperial Bank of Commerce responded to the RFP. The process was transparent and open in conjunction with the requirements of the purchasing by-law and conducted by the

Purchasing Department. Evaluation criteria were published as part of the RFP and the submissions were then reviewed by a panel of three members of Finance. Using the published evaluation criteria, consensus was reached on the highest ranked proponent.

The evaluation criteria was made up of seven components; each with a different weighting.

Financial Considerations	25%
Technological Capabilities	25%
Value added services / Commitment to Community Activities	20%
Range of Services Offered	15%
Facility Location in Relation to City Hall	5%
Account Representative's Experience	5%
Reference List of Three; one of which must be a Municipality	5%

All proponents attended an interview with the evaluation committee to respond to a list of clarification questions; and to allow them to introduce themselves and make a brief presentation.

The highest ranked proponent is Toronto Dominion.

FINANCIAL IMPLICATIONS

Savings of approximately \$20,000 in service fees each year over the five year life of the agreement. These have been incorporated into the proposed 2013 tax supported Operating Budget for Council consideration at its meetings of November 22, 2012 and December 5, 2012 respectively.

DEPARTMENTAL CONSULTATION/CONCURRENCE

Finance

COMMUNICATIONS

None noted

ATTACHMENTS

None

“original signed by David Haylett”

Prepared By:

David Haylett
Supervisor, Accounting Services
519-822-1260 ext. 2309
David.Haylett@guelph.ca

“original signed by Al Horsman”

Recommended By:

Al Horsman
Executive Directory, CFO, Finance & Enterprise Services
519-822-1260 ext. 5606
Al.Horsman@guelph.ca

COMMITTEE REPORT



TO Corporate Administration, Finance & Enterprise Committee
(CAFE)

SERVICE AREA Finance & Enterprise Services: Downtown Renewal
DATE December 4, 2012

**SUBJECT 40 Wellington Street West - Downtown Guelph
Community Improvement Plan (DGCIP) - Major
Downtown Activation Grant (DAG)**

REPORT NUMBER FIN-DR-12-05

SUMMARY

Background

Spurring investment in Downtown Guelph is a strategic direction in Prosperity 20/20, Guelph's economic development strategy. Council has supported the Downtown Secondary Plan and major amendments to the Downtown Community Improvement Plan to achieve results in creating more jobs and residents through private investment in the core.

Based on these plans and tools, 2012 has seen real momentum develop in Downtown in both residential and commercial development. Over 200 new housing units and over 70,000 sqft of commercial/office space (including this application) are in stream.

40 Wellington Street represents the redevelopment of a long-standing underutilised Brownfield in the southern half of downtown. Over 35,000sqft of new commercial space is proposed which represents over 50 jobs (based on standard floor space ratios) and over \$190,000 per year in local tax income growth (a seven-times increase from its current performance).

Purpose of Report

This is a Downtown CIP tax increment-based grant application (TIBG). The grant is for eligible costs related to off-site infrastructure upgrades, municipal planning and building permit fees, and parkland dedication contributions.

Part of the eligible costs in this application relate to the reconstruction of City owned land (the former Dublin Street extension south of Wellington) adjacent to the baseball diamond on Royal City Park. The project is creating new public parking facilities to support the ball diamond and shared access to the Dublin Street intersection.

This site has been previously awarded a Brownfield CIP TIBG covering eligible costs under that program. Staff have coordinated these applications to ensure the eligible costs under each program remain within the total tax increment created by the project. TIBG grants do not flow until the projects are complete and reassessed.

Return on Investment for these combined programs are 10 years or better depending on tax performance.

Committee Action

Approve

RECOMMENDATION

“THAT Downtown Renewal Report FIN-DR-12-05 dated December 4, 2012 regarding a Major DAG application for the property municipally known as 40 Wellington Street West pursuant to the Downtown Guelph Community Improvement Plan, be received;

AND THAT Council approve the Major DAG for 40 Wellington Street West and that the Mayor and Clerk be authorized to execute the Major Downtown Activation Grant Agreement between 2065404 Ontario Inc. and the City of Guelph, subject to the satisfaction of the Corporate Manager of Downtown Renewal and the General Manager of Legal and Realty Services/City Solicitor.”

BACKGROUND

Downtown Major Activation Grant

The City of Guelph has a Downtown Guelph Community Improvement Plan (DGCIP) which includes incentive programs for redeveloping underutilized sites within the planning area. The incentive programs are meant to address the outstanding barriers and create an investment environment that will long-term intensification results for the City.

One of the programs in the DGCIP is the Major Downtown Activation Grant. This is a tax increment-based grant for major redevelopment projects involving significant redevelopment for commercial and/or residential buildings. This grant is based on the difference between property taxes collected on a property before development and the estimated taxes that will be collected after development. They are reconfirmed upon completion of the project and against actual taxes created before any grant monies are paid.

REPORT

2065404 Ontario Inc. has applied for the Major Downtown Activation Grant pursuant to the DGCIP for **40 Wellington Street West**, which is located near the southwest corner of Gordon Street and Wellington Street West (See Attachment 1). The property is currently vacant and was historically used to manufacture radio electronic and power tools, most recently by Rockwell International.

On June 5, 2012 City Council approved a Zoning By-law Amendment for the lands at 40 Wellington Street West to permit a multi-building retail/office building. Redevelopment of the site includes new commercial retail buildings with approximately 3,688 m² of space at grade, and is now in the final stages of the site plan approval process with the City.

This application for the Downtown Major DAG is for TIBG funding for costs related to municipal fees, parkland dedication contributions, and off-site infrastructure upgrades not routinely required such as significant right of way improvements on Gordon and Wellington Streets, as well as upgrades to Royal City Park and the city-owned section of Dublin Street South which is becoming additional park parking.

Evaluation Criteria

As outlined in the DGCIP Implementation Guidelines, the application was assessed by the following criteria:

CRITERIA	REQUIREMENTS	THIS APPLICATION
1. Eligibility	Minimum of eight residential units or 800 square metres of office/commercial space.	This 3,688 m ² project will consist of 4 commercial buildings.
	Eligible costs include:	Applicant has applied for the following costs:
	• Parkland Dedication contributions	\$41,625
	• Municipal planning and building permit fees	\$64,047
	• Off-site infrastructure improvement costs but exclude costs that are not <i>routinely</i> required for servicing the site.	Up To \$1,437,081 Includes: • Gordon and Wellington Streets Right-of-way Improvements • Royal City Park and Dublin Street South parking lot upgrades
	• Construction cost premium for the provision of underground parking or structured spaces vs. surface parking	N/A
	Total Eligible Costs:	\$1,542,753
	Total 10 Year TIBG Estimate: (difference between pre & post development)	\$1,976,857
Brownfield TIBG (Approved April 2012)	Applicant Portion \$565,730 <u>City Portion \$299,665</u> \$865,395	

	Remaining Tax Increment available for Downtown CIP (total-brownfield)	\$1,111,462
	Total Eligible Downtown TIBG = \$1,111,462 (max. available)	
	Recommended Annual Grant	Up to \$111,146 for 10 years
2. Type of Development	Priority to residential or mixed use projects. Commercial projects are eligible.	√ Commercial development
3. Meets CIP Principles and Goals	The project meets all CIP Principles and Goals including the creation of a new focal area for investment in employment, entertainment and tourism uses.	√
4. Project Excellence	As established through the CIP, the project must reinforce the role of urban design and adhere to principles within City approved policy documents (e.g. Urban Design Action Plan, 2009.)	√ The building will contribute to the urban streetscape on Wellington Street and provide a pedestrian friendly design. This investment will add significant new commercial inventory in the downtown core.
5. Quality of Application	Complete application and pre-consultation with Downtown Renewal Staff	√

The Downtown Renewal Office is recommending that this project has met the eligibility requirements and that the City proceed with a Major DAG agreement with the applicant.

For this application, City staff have estimated a **seven-fold** increase of the municipal tax levy from its current state to its redeveloped state.

FINANCIAL IMPLICATIONS

Grant payments are to be funded by the Downtown TIBG Reserve which was established on April 23, 2012 when City Council approved a total program cap for all multi-year redevelopment incentive programs. The total program cap for the Downtown TIBG is \$12.4M for the five year program.

Total Downtown TIBG Funding	\$12,400,000
Less 3 applications to date	\$5,042,553
Less current application	\$7,357,447
	\$1,111,462
Downtown TIBG Funding Remaining/Available	\$6,245,985

This application has been coordinated with the earlier Brownfields CIP application awarded to this site in April 2012.

CORPORATE STRATEGIC PLAN

Strategic Focus Area 2: Innovation in Local Government

2.1 Build an adaptive environment for government innovation to ensure fiscal and service sustainability

Strategic Focus Area 3: City Building

3.1 Ensure a well designed, safe, inclusive, appealing and sustainable City

3.2 Be economically viable, resilient, diverse and attractive for business

DEPARTMENTAL CONSULTATION

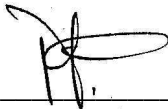
Finance
Planning
Engineering
Legal
Executive Team

COMMUNICATIONS

This is a routine application report under the Downtown Community Improvement Plan. The annual results of the Downtown CIP are reported to Council through the Downtown Renewal Annual Report, which is coming forward in February 2013.

ATTACHMENTS

Attachment 1 – Location Plan



Prepared & Recommended By:

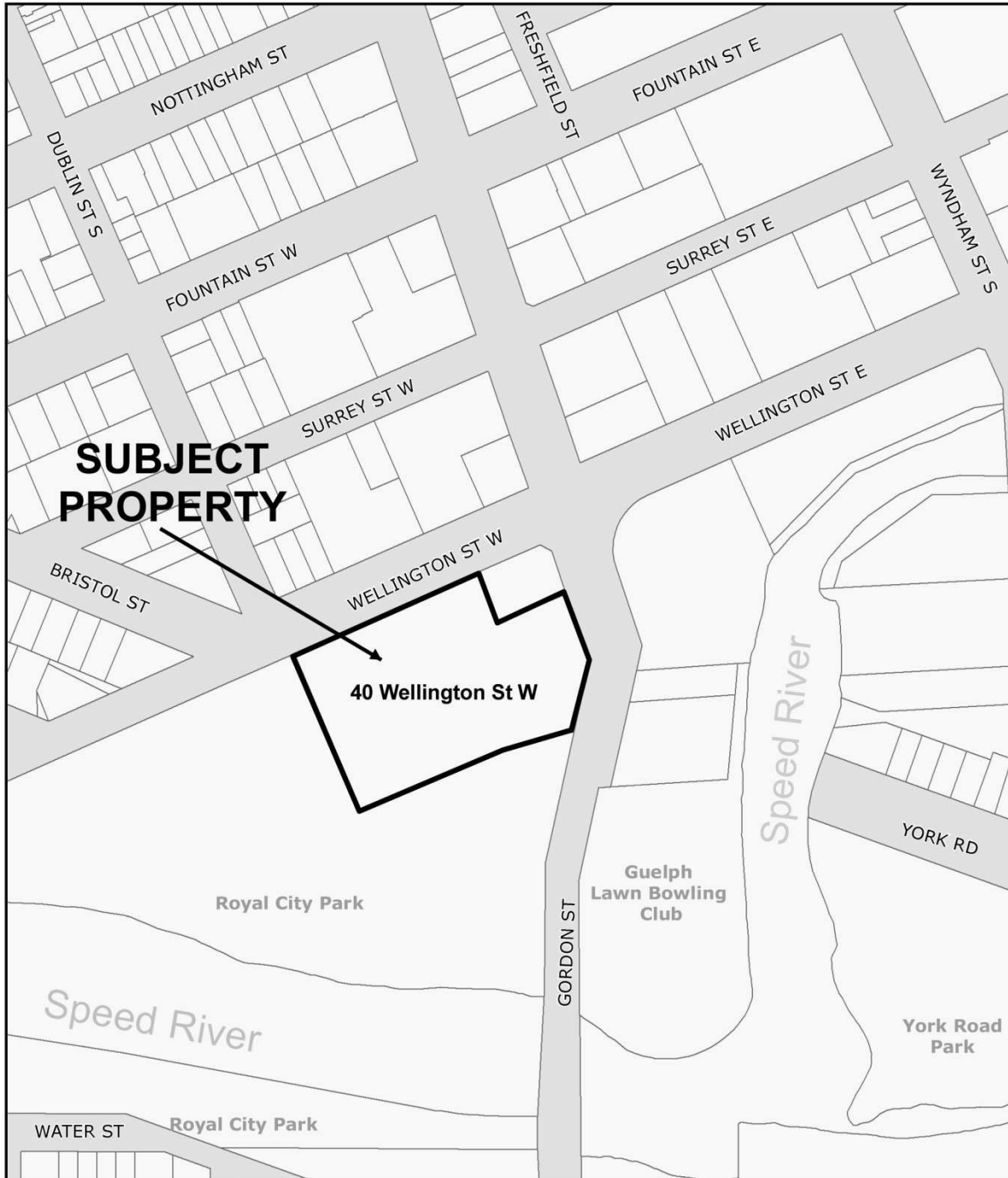
Ian Panabaker
Corporate Manager, Downtown Renewal
Finance and Enterprise Services
T (519) 822-1260 x2475
E ian.panabaker@guelph.ca

“original signed by Al Horsman”

Recommended By:

Al Horsman
Executive Director
Finance and Enterprise Services
T (519) 822-1260 x5606
E al.horsman@guelph.ca

Attachment 1 – Location Map



Produced by the City of Guelph
Planning & Building, Engineering and Environment
Planning Services

Location Map
40 Wellington St W