

File #: 4025-01 ASE 2-4

ADMINISTRATIVE REPORT

TO: Development Services Committee
FROM: Administration
DATE: September 18, 2017
RE: Alexander Street East Local Improvement Charges

ISSUE

To proceed with a local improvement charges (LIC) bylaw process for the reconstruction of Alexander Street from 2nd Avenue to 4th Avenue.

REFERENCE

- Municipal Act
- Whitehorse Sustainability Plan
- Local Improvement Charge Policy
- Bylaw 2017-32
- Schedule A – Local Improvement Charges
- Sketch of Project Area

HISTORY

Alexander Street is identified for full reconstruction of the roadway and deep utilities. The Engineering Services Department initiated the process early in 2017 for Alexander Street between 4th-6th Avenues. The preliminary feedback for this segment of Alexander showed strong opposition for the project, mainly due to the cost to owners and the pending disruption to businesses during construction. It was decided not to advance this segment to the LIC process and instead explore the next segment on the 4-year Capital Plan. The next segment is Alexander Street East (2nd-4th Avenues).

An information letter was sent to property owners on this segment to explain the project and invite the owners to an open house that was held at the Public Library on August 9, 2017. An online survey was also available and advertised in the information letter. Preliminary feedback has been positive and there has been no strong opposition to advancing this project to the LIC process. One property owner attended the meeting and indicated preliminary support; one property owner completed the online survey indicating being undecided at the time. Seven property owners were contacted by phone, all indicating preliminary support. Responses received from notifications associated with Bylaw 2017-32 will confirm the support/opposition of the benefitting property owners.

Engineering services has developed a preliminary design for the project area based on the input received, local factors, technical considerations, and City standards. The project area extends along Alexander Street from 2nd to 4th Avenue. The section of 3rd Avenue from Alexander to Black Street is also included in the project scope. The proposed work includes:

- Replacement of water and sewer mains to meet current infrastructure standards and increasing capacity needs;
- Replacement of water services that bleed with recirculating services to meet current standards for frost protection and improve efficiency in the distribution of water;
- Enhanced street lighting and landscaping;

- Monolithic sidewalks and angled parking on both sides of the street;
- New asphalt road surface and removal of frost susceptible soils below roadways; and
- Construction of concrete curbs and gutters to improve drainage.

The budgetary cost estimate to complete this project is \$3,237,300. Approximately \$475,557.33 will be contributed through a Local Improvement Charge applied to benefitting (fronting) properties. Federal Building Canada Funding has been secured for the remainder of the costs. The earliest potential date for construction is spring 2018.

ALTERNATIVES

1. Bring forward a bylaw to authorize local improvement charges for the project
2. Do not bring the bylaw forward

ANALYSIS

Replacing aging water and sewer infrastructure on Alexander Street will contribute to meeting sustainability goals by reducing the amount of water wasted by services that bleed for frost protection. Reductions will be achieved in the energy and costs associated with treating, heating, and circulating water within the distribution system. Additional benefits include upsizing the capacity of infrastructure to meet a growing population density in downtown and the increase in service needs.

Achieving universal accessibility in surface works is an important goal for the City. Alexander Street consists of a combination of paved and gravel surfacing, on which potholes, ponding, and dusty conditions are common occurrences. The proposed work includes concrete sidewalks, curbs, gutters, and new asphalt paving which will significantly improve accessibility and pedestrian safety.

The proposed charge to residential properties and not-for-profits is \$633.33 per metre of frontage. The proposed charge for commercial properties is \$1,266.67 per metre. Government owners would be charged \$1,900.00 per metre. Owners have the option to amortize these costs over a 15-year period. Bylaw 2017-32 authorizes the levy of these charges to the benefitting property owners with the balance provided from City reserves.

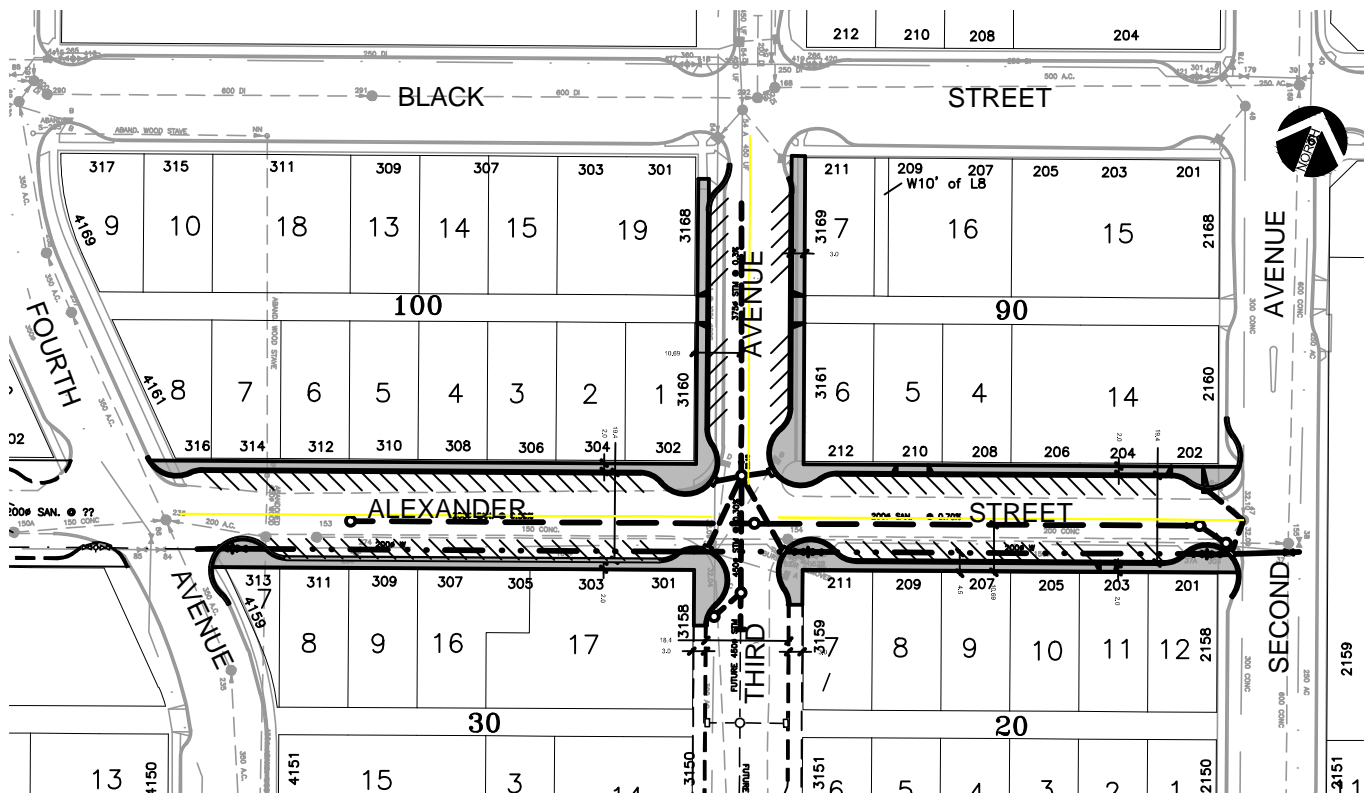
A tentative schedule for the next steps in the process is as follows:

September 25	First Reading of the bylaw, launching the property owner response
September 27	Bylaw, information and response forms mailed to property owners
October 10	Public Hearing
November 2	Conclusion of the response period
November 6	Report on the public hearing and results of the response
November 14	2 nd & 3 rd reading of the bylaw (Council may proceed or defeat)

If the overall response from benefitting property owners is positive and the bylaw is adopted, the project will be considered in the 2018 capital budget.

ADMINISTRATIVE RECOMMENDATION

THAT council direct that Bylaw 2017-32, a bylaw to authorize local improvement charges with respect to the reconstruction of Alexander Street from 2nd Avenue to 4th Avenue, be brought forward for consideration under the bylaw process.



SCALE	NTS	DWN. BY:	BCB
DATE	AUGUST 2017	CKD:	
REV.			

CITY OF WHITEHORSE

ALEXANDER STREET
2nd to 4th AVENUE



CITY OF WHITEHORSE
BYLAW 2017-32

A bylaw to provide for a work of local improvement on Alexander Street – East -----

WHEREAS section 267(1) of the *Municipal Act* (R.S.Y. 2002) provides that a municipality may undertake any local improvement it considers necessary for the benefit of all or part of a municipality; and

WHEREAS section 267(2) of the *Municipal Act* requires that a bylaw to provide for and authorize a local improvement will prescribe which properties will benefit and how to determine the total cost or a portion of that cost that is to be levied against properties that will benefit from a local improvement, and determine the levy to be charged against each property that will benefit over the probable life of the local improvement; and

WHEREAS section 267(2) of the *Municipal Act* provides that council may by bylaw levy the total cost or a proportion of the cost of a local improvement against the properties that will benefit from the local improvement, and provide the means for assessment, collection, and payment of the cost; and

WHEREAS the actual cost of the said design and construction is estimated to be \$3,237,300.00 of which \$475,557.33 will be raised by way of a special frontage charge, and \$2,761,742.67 will be contributed by the municipality at large; and

WHEREAS in order to construct and complete the project it will be necessary to borrow up to the sum of \$456,557.33 on the credit of the city by issuing debentures as herein provided; and

WHEREAS the amount of taxable assessment as last determined and fixed by the Assessment Review Board for 2017 was \$3,003,402,176; and

WHEREAS the amount of debenture debt of the city as at December 31, 2016 was \$8,706,662, no part of which is in arrears; and

WHEREAS the estimated life of the project exceeds 15 years; and

WHEREAS it is considered necessary and expedient that the city undertake certain local improvement works, namely the construction of underground and surface works on the portion of Alexander Street from Second Avenue to Fourth Avenue;

NOW THEREFORE the council of the municipality of the City of Whitehorse, in open meeting assembled, hereby ENACTS AS FOLLOWS:

1. Pursuant to section 269(1) of the *Municipal Act*, notice is hereby given that the council of the City of Whitehorse hereby authorizes a work of local improvement, being the construction of underground and surface works on the roadways abutting the properties as set out in Schedule "A" attached to and forming part of this bylaw.

Alexander Street – East: Local Improvement Charges Bylaw 2017-32

2. The properties benefiting from this work of local improvement and their frontages have been determined in accordance with the provisions of City of Whitehorse Bylaw 2011-21 and are as set out in Schedule "A" to this bylaw.
3. The total cost of the local improvement has been determined in accordance with the provisions of Bylaw 2011-21.
4. A portion of the cost of the work is to be paid for by way of a frontage tax to be levied on those properties as set out in Schedule "A" to this bylaw, and a portion is to be paid for out of capital general funds.
5. For the purposes aforesaid, the sum of up to \$475,557.33 is to be borrowed by way of debentures issued on the credit and security of the city at large.
6. The sum of \$475,557.33 is to be collected by way of a special frontage charge assessment as provided in Schedule "A" to this bylaw.
7. The debentures to be issued under this bylaw shall be dated upon such day as may be appropriate having regard to the date of the borrowing. The debentures shall be issued for the term of 15 years and shall be issued in such manner that the principal and interest will be combined and be made payable in, as nearly as possible, equal annual instalments during the said 15 years.
8. The debentures shall bear interest during the currency of the debenture at a rate not exceeding the rate as fixed from time to time by the Department of Finance of the Government of Yukon as being the rate of interest applicable on loans to municipalities and others.
9. The said debentures shall be signed by the mayor and the clerk of the city and the clerk shall affix thereto the corporate seal of the City of Whitehorse.
10. There shall be levied and raised in each year of the currency of the local improvement hereby authorized the amount necessary to pay the annual amount of interest and principal falling due in each year on such debenture by levying a special assessment under the *Assessment and Taxation Act*. There is hereby imposed on all lands set out in Schedule "A" attached hereto and forming part of this bylaw an annual fee for each of 15 years to be computed at date of borrowing and based on the same interest rate as the borrowing allowed for in section 8 of this bylaw. The said special assessment shall be in addition to all other rates and taxes.
 - (1) The property owner has the option of paying the total property charge prior to its due date, or of paying equal annual instalments each of 15 years, commencing on the due date.
 - (2) The property owner may reduce the balance owing on the total property charge by making a lump sum payment in any year during the life of the bylaw. Such lump sum payments shall be accepted only in the month of January each year.
 - (3) The property owner may pay off the balance owing at any point during the 15-year life of the bylaw.

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11. The frontage rate is determined as residential or non-residential in accordance with the property's assessment class. Should this assessment class change during the life of the bylaw, it is hereby authorized that the unit rate may also change as required.
12. Any existing local improvement charges for surface works abutting any properties set out in Schedule "A" are hereby rescinded.
13. The provisions of section 269 and 270 of the *Municipal Act* respecting the giving of notice and hearing of objections shall be followed prior to final passage of this bylaw.
14. A public hearing will take place at the regular council meeting on Tuesday, October 10, 2017 at which council will hear and consider any submissions respecting the proposed project and local improvement charges. The meeting will be in Council Chambers at City Hall, beginning at 5:30 p.m.
15. The provisions of this bylaw shall come into full force and effect pending budget approval.

FIRST READING:

NOTICE GIVEN: By Registered Letter sent

PUBLIC HEARING:

SECOND READING:

THIRD READING and ADOPTION:

Mayor

City Clerk

Downtown Reconstruction

Full Rate (Gov't): 1,900.00

Local Improvement Charge

BYLAW 2017-32

Residential/Non-Profit rate 1/3 633.33

Alexander St (2nd-4th)

Commercial Rate 2/3 1,266.67

Estimated Interest Rate for 15 Years =

6.25%

Lot Block Plan	Owner Address 1	Civic Address	Roll #	Assessed Use/Class	Surface Frontage Charge (\$/M)	Assessed Frontage (m)	Total Property Charge	Annual Property Charge OVER 15 YEARS
12 20 18415	97 WICKSTROM ROAD WHITEHORSE YT Y1A 6N2	2158 2ND AVENUE	3010201200	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
14 90 2003-0023	200-205 BLACK STREET WHITEHORSE YT Y1A 2M8	2160 2ND AVENUE	3010901400	CMS	1266.67	45.72	\$ 57,912.00	\$ 6,060.56
11 20 18415	97 WICKSTROM ROAD WHITEHORSE YT Y1A 6N2	203 ALEXANDER STREET	3010201100	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
8,9,10 20 40413	410H JARVIS STREET WHITEHORSE YT Y1A 2C6	207 ALEXANDER STREET	3010200800	GOVT	1900	45.72	\$ 86,868.00	\$ 9,090.84
4 90 20295	19 DRIFT DRIVE WHITEHORSE YT Y1A 0B1	208 ALEXANDER STREET	3010900400	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
5 90 20295	20 AQUAMARINE PLACE WHITEHORSE YT Y1A 6G8	210 ALEXANDER STREET	3010900500	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
7 20 18415	3159-3RD AVENUE WHITEHORSE YT Y1A 1G1	3159 3RD AVENUE	3010200700	Non-Profit	633.33	15.24	\$ 9,652.00	\$ 1,010.09
6 90 20295	PO BOX 33011. RPO OGILVIE WHITEHORSE YT Y1A 5Y5	3161 3RD AVENUE	3010900600	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
1 100 18415	206 HANSON STREET WHITEHORSE YT Y1A 1Y4	3162 3RD AVENUE	3011000110	CMS	1266.67	15.24	\$ 19,304.00	\$ 2,020.19
UNIT 1 CC239	105 PLATINUM ROAD WHITEHORSE YT Y1A 5M3	303 ALEXANDER STREET	3010239001	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 2 CC239	403-303 ALEXANDER STREET WHITEHORSE YT Y1A 2L5	#402 303 ALEXANDER STREET	3010239002	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 3 CC239	403-303 ALEXANDER STREET WHITEHORSE YT Y1A 2L5	#403 303 ALEXANDER STREET	3010239003	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 4 CC239	404-303 ALEXANDER STREET WHITEHORSE YT Y1A 2L5	#404 303 ALEXANDER STREET	3010239004	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 5 CC239	171 INDUSTRIAL ROAD WHITEHORSE YT Y1A 5M7	#405 303 ALEXANDER STREET	3010239005	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 6 CC239	406-303 ALEXANDER STREET WHITEHORSE YT Y1A 2L5	#406 303 ALEXANDER STREET	3010239006	RS1	633.33	3.41	\$ 2,159.67	\$ 226.01
UNIT 7 CC239	105 PLATINUM ROAD WHITEHORSE YT Y1A 5M3	#100 303 ALEXANDER STREET	3010239007	CMS	1266.67	20.46	\$ 25,916.00	\$ 2,712.14
2,3,4,PTS 100 43307	306 ALEXANDER STREET WHITEHORSE YT Y1A 2L6	306 ALEXANDER STREET	3011000300	Non-Profit	633.33	45.72	\$ 28,956.00	\$ 3,030.28

