



REVISED AGENDA
STANDING POLICY COMMITTEE ON FINANCE
PUBLIC MEETING

Monday, August 17, 2015, 2:00 p.m.

Council Chamber, City Hall

Committee Members:

Councillor T. Paulsen, (Chair), Councillor A. Iwanchuk, (Vice-Chair), Councillor C. Clark, Councillor R. Donauer (Leave of Absence), Councillor E. Olauson, His Worship Mayor D. Atchison (Ex-Officio)

Pages

1. CALL TO ORDER

2. CONFIRMATION OF AGENDA

Recommendation

1. That Financial Reports be added as Item 11.8 under In Camera Agenda Items; and
2. That the agenda be confirmed as amended.

3. DECLARATION OF PECUNIARY INTEREST

4. ADOPTION OF MINUTES

Recommendation

That the minutes of Regular Meeting of the Standing Policy Committee on Finance held July 20, 2015 be adopted.

5. UNFINISHED BUSINESS

6. COMMUNICATIONS (requiring the direction of the Committee)

6.1 Delegated Authority Matters

6.2 Matters Requiring Direction

6.2.1 2016 Proposed Budgets - Advisory Committees

As required for all advisory committees, proposed budgets are submitted for consideration by the Standing Policy Committees prior to placement in the 2016 Business Plan and Budget document for review at the time of budget deliberations. The

following proposed budget has been put forward by the Saskatoon Accessibility Advisory Committee for consideration by the Standing Policy Committee on Finance:

Saskatoon Accessibility Advisory Committee (Same as 2015 Approved Budget)

\$3,000 – Conference Attendance

Recommendation

That the proposed 2016 budget of the Saskatoon Accessibility Advisory Committee be forwarded to the 2016 Business Plan and Budget deliberations for consideration at the appropriate time.

6.2.2 Internal Audit Plan 2015 to 2019 (File No. CK. 1600-3) 8 - 28

Representatives of Price Waterhouse Coopers LLP will be in attendance to present the report.

Recommendation

That the Internal Audit Plan - 2015 to 2019 be approved and forwarded to City Council for information at its meeting to be held on September 28, 2015.

6.3 Requests to Speak (new matters)

6.3.1 Saskatoon Chapter of Alliance for Equality of Blind Canadians (AEBC) - Accessibility Issues (File No. CK. 100-17) 29 - 30

A request for a representative of the Saskatoon Chapter of Alliance for Equality of Blind Canadians to speak on this matter has been received from Ms. Judy Prociuk, Secretary/Treasurer, Saskatoon Chapter, AEBC.

Recommendation

1. That Mr. Mike Simmons, Vice President, Saskatoon Chapter AEBC be heard; and
2. That the information be received.

7. REPORTS FROM ADMINISTRATION

7.1 Delegated Authority Matters

7.1.1 Request for Direct Sale to Saskatchewan Housing Corporation for Group Home Lots in Evergreen (Files CK. 4215-1, AF. 4214-1, LA. 4215-014-224 and 4215-014-265) 31 - 36

Recommendation

1. That the Director of Saskatoon Land be authorized to offer, by direct sale, Lot 21, Block 669, Plan 102137633; and Lot 62, Block 669, Plan 102146891 to Saskatchewan Housing Corporation for the purpose of constructing group homes; and
2. That the City Solicitor be requested to prepare the sale agreements and that His Worship the Mayor and the City Clerk be authorized to execute the agreements under the Corporate Seal.

- 7.1.2 Quarterly Report - Builder and Developer Lot Supply - July 15, 2015 (Files CK. 4110-1, AF. 4131-1, 4125-1, and LA. 4110-1) 37 - 43**

Recommendation

That the information be received.

- 7.1.3 Western Development Museum (WDM) Parking Lot (File No. CK. 465-1) 44 - 45**

Mr. Jason Wall, Manager, and Ms. Joan Champ, Western Development Museum will be in attendance to address questions.

Recommendation

That the information be received.

7.2 Matters Requiring Direction

- 7.2.1 Business Improvement Districts' 2014 Financial Statements (Files CK. 1680-1, AF. 1680-2, 1680-3, 1680-4 and 1680-5) 46 - 86**

Recommendation

1. That the 2014 Audited Financial Statements from the Saskatoon Downtown Business Improvement District, Broadway Business Improvement District, Riversdale Business Improvement District, and the Sutherland Business Improvement District be received as information; and
2. That the report of the A/CFO/General Manager, Asset & Financial Management be forwarded as information to City Council at its meeting to be held on September 28, 2015.

- 7.2.2 Acquisition of Land for Future Development NW 33-37-5 W3 (Files CK. 4020-1, AF. 4020-1 and LA. 4020-015-005) 87 - 90**

Recommendation

That the Standing Policy Committee on Finance recommend to City Council at its meeting to be held on August 20, 2015:

1. That the Director of Saskatoon Land be authorized to purchase the NW ¼ 33-37-5 W3 comprising of approximately 155.18 acres from Ritva Helena Wheaton at a purchase price of \$4,207,240;
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal; and
3. That the Property Realized Reserve be used as the funding source for this purchase, including legal, administrative costs and disbursements.

7.2.3 Purchase of Abandoned Spur Lines from Canadian National Railway Company (Files CK. 4020-1, x 4225-1, AF. 4020-1 and LA. 4020-015-005)

91 - 95

Recommendation

That the Standing Policy Committee on Finance recommend to City Council at its meeting held August 20, 2015:

1. That the Real Estate Manager be authorized to purchase three abandoned spur lines in the North Downtown and Kelsey/Woodlawn areas from Canadian National Railway Company at a total purchase price of \$2,235,000;
2. That the Real Estate Manager be authorized to enter into market-rate licence agreements with Pattison Signs for seven existing billboard poster faces situated on redundant Canadian National Railway Company spur lines;
3. That the City Solicitor be requested to prepare the sale agreements and that His Worship the Mayor and the City Clerk be authorized to execute the agreements under the Corporate Seal; and
4. That the Property Realized Reserve and the Dedicated Roadway Reserve be used as the funding sources for the purchase price, including legal, administrative costs and disbursements.

7.2.4 Farm Land Fixed Taxation Agreement Extension (Files CK. 1920-1, AF. 1920-1)

96 - 99

Recommendation

That the Standing Policy Committee on Finance recommend to City Council at its meeting to be held on September 28, 2015:

1. That the extension of the Farm Land Fixed Taxation Agreement with Mr. Brian Sutherland be approved; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

7.2.5 Amendments to the Industrial Land Incentive Program - Policies (Files CK. 3500-13, AF. 4001-0 and LA. 4226-0) 100 - 110

Recommendation

That the Standing Policy Committee on Finance recommend to City Council at its meeting to be held on September 28, 2015:

1. That the revisions to Council Policy No. C09-009 and Administrative Policy No. A09-009, Industrial Land Incentives Program, be adopted; and
2. That the City Clerk be requested to update the policies as reflected in this report.

7.2.6 Leasing of Civic Facility - Sutherland Memorial Hall - 1112 Central Avenue (Files CK. 600-3, AF. 600-1, 290-1 and LA. 4225-80-1) 111 - 115

The Committee has requested that the Administration review and report on the general matter of service group facility rental management agreements.

Recommendation

That the Administration submit a report to City Council at its meeting to be held September 28, 2015 recommending:

1. That the lease of the City-owned facility known as Sutherland Memorial Hall, located at 1112 Central Avenue, be mutually terminated with the Sutherland Memorial Hall Corporation and a new lease agreement be entered into with the POW City Kinsmen Club of Saskatoon at a lease rate of \$1.00 per year for a period of five years with an option for renewal, based on the terms as set out in

- the report of the A/CFO/General Manager, Asset & Financial Management dated August 17, 2015; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

7.2.7 Enterprise Resource Planning (ERP) System Business Case Contract Award (Files CK. 115-1 and AF. 115-1) 116 - 119

Recommendation

That the Standing Policy Committee on Finance recommend to City Council at its meeting to be held on August 20, 2015:

1. That the Request for Proposal for Consulting Services for an Enterprise Resource Planning Business Case be awarded to Deloitte;
2. That the City Solicitor prepare the necessary Agreement and that His Worship the Mayor and the City Clerk be authorized to execute the Agreement under the Corporate Seal; and
3. That an additional \$75,000 be allocated to Project 1829 – Corporate Enterprise Resource Planning (ERP) System from the Asset and Financial Management Department Capital Reserve.

7.2.8 North Commuter Parkway and Traffic Bridge - Intent to Borrow (Files CK. 6050-10, x6050-8 and AF. 6050-10) 120 - 124

Recommendation

That the Administration submit a report to City Council at its meeting to be held on August 20, 2015 recommending that the planned Public Private Partnership range of borrowing from \$109M to \$122M, plus or minus a 10% variance, for the North Commuter Parkway and Traffic Bridge project (Capital Project 2407), through a capital asset financing agreement between the City of Saskatoon (City) and the Preferred Proponent be approved (such borrowing structured as payments to the Preferred Proponent over a period of 30 years, including to repay the capital costs of the project).

8. URGENT BUSINESS

9. MOTIONS (notice previously given)

10. GIVING NOTICE

11. IN CAMERA AGENDA ITEMS

Recommendation

That the Committee move *In Camera* to consider items 11.1 to 11.8.

11.1 Terms of Reference - Audit (File No. CK. 1600-17)

[In Camera - Economic, Financial and Other Interests, Audits and Tests, and Policy Options/Advice]

11.2 Proposed Internal Audit Process (File No. CK. 1600-1)

[In Camera - Policy Options/Advice]

11.3 Land Sales (Files CK. 4215-1 and AF. 4110-1)

[In Camera - Economic/Financial - Land]

11.4 Land Sales (Files CK. 4215-1, AF. 4214-1 and LA. 4221-015-008)

[In Camera - Economic/Financial - Land]

11.5 Land Exchange (Files CK. 4020-1, x6050-9, AF. 4020-1, 6050-1 and LA. 4022-015-001)

[In Camera - Economic/Financial - Land]

11.6 Land Sales (Files CK. 4215-1, x4110-44, AF. 4214-1 and LA. 4131-26)

[In Camera - Economic/Financial - Land]

11.7 Verbal Update - Land - Policy Review

[In Camera - Economic/Financial - Land]

11.8 Financial Reports (File No. CK. 1610-9)

[In Camera - Economic, Financial and Other Interests and Audits and Tests]

12. ADJOURNMENT

City of Saskatoon Internal Audit Plan 2015 – 2019

City of Saskatoon

*For presentation to
the Public Committee
on August 17, 2015*



City of
Saskatoon

PwC Internal Audit for City of Saskatoon

We are pleased to present our audit plan in respect of the various internal audit projects of the City of Saskatoon (the City) for the next 5 years (2015 to 2019).

In developing our audit approach for the five year plan, we have worked closely with management and councillors to understand the key risks facing the City.

In the planning that our team has undertaken to date, we have enjoyed open and challenging discussions with the management and Council of the City.

We look forward to continuing to work with you and discussing your views on our plan.



Lee Braaten



Arun Gupta



Jesse Radu

August 10, 2015

1. Objectives



Our internal audits are based on a series of elements that ensure quality, rigour, relevance and the highest level of professionalism. They are also focused on identifying the high risks and most impactful issues for the City.

Our audit risk assessment, strategy and approach are built on a firm understanding of how the City operates. This understanding is enhanced by the breadth of expertise and experience both within the audit team and the wider firm, which enables us to provide meaningful perspectives for the City.

The objective of this brief document is to be a source of review and finalization of the internal audit plan for 2015 to 2019 by the Public Committee, including the prioritization of the specific projects. It is also important to ensure that no items of priority/significance are missing from the plan.

2. Background and Approach



We met with over 40 individuals, including all of the councillors, to identify key risks. These were presented to, and agreed upon, with management and councillors.

Initially, management performed a ranking of risks and a survey was then held with Council to get their perspective on which risks they would consider as high, medium and low risk items.

Each of the risks was evaluated based on an assessment framework that incorporates ratings for likelihood and impact and was prepared by the City's management.

3. Five Year Audit Plan



Prioritization of the plan was done by management and the Council based on the final risk ratings. As part of this process, we obtained input by conducting surveys and follow-up discussions with both parties.

Management and the SPCF have responsibility for audit priorities based on risk. PwC is responsible for executing the plan and reporting on audits.

The plan currently does not include any effort for risk management related work, follow-up of audit findings or an annual refresh of the plan. Management is expected to provide revised risks for us as they are identified, which we would in turn use to revisit and update our plan.

Please refer to the Appendix to this document for full details of the internal audit plan. Audit effort during each year has been kept to 1400 hours in line with current budget and expectations.

4. Next Steps



We know the outcome and output of our audits is important and has relevance to a range of stakeholders. We will continue to seek feedback throughout the process each year. Through this dialogue, we can continue to evolve in our understanding of your needs and commit to your expectations in order to deliver optimal value.

Over the coming months, we intend to work with management to begin work on the first internal audit projects, present our first audit reports and refresh the audit plan in December 2015, if necessary.

Appendix A

Five Year Audit Plan: 2015-2019

2015

Audit Area	Scope	Estimated Hours	Fees (\$ 000)	Risk Level	Type of Audit / Assurance / Advisory
Risk Assessment	Initial risk assessment and audit plan preparation	550	95	N/A	(Assurance & Advisory)
Road Maintenance	Assess the economy, efficiency and effectiveness of the road maintenance process	400	67		Value for Money (Assurance)
Snow Removal	Assess economy, efficiency and effectiveness of snow clearing function	350	61		Value for Money (Assurance)
	Total	1300	223		

■ High Risk Areas
 ■ Medium Risk Areas
 ■ Low Risk Areas

2016

Audit Area	Scope	Estimated Hours	Fees (\$ 000)	Risk Level	Type of Audit / Assurance / Advisory
Snow Removal (Cont.)	Assess economy, efficiency and effectiveness of snow clearing function (Cont.)	75	13		Value for Money (Assurance)
Sidewalks	Assess efficiency and effectiveness of sidewalk maintenance	400	65		Value for Money (Assurance)
Bridge Maintenance	Assess economy, efficiency and effectiveness of the bridge maintenance processes	425	70		Assurance
Business Continuity	Review current disaster recovery and business continuity plans for the City and identify improvements	400	65		Value for Money (Assurance)
Revenue Generation	Assess potential options with respect to additional revenue generation options through a benchmarking exercise with other cities	100	15		Advisory
	Total	1400	228		

High Risk Areas
 Medium Risk Areas
 Low Risk Areas

2017

Audit Area	Scope	Estimated Hours	Fees (\$ 000)	Risk Level	Type of Audit / Assurance / Advisory
Revenue Generation (Cont.)	Assess potential options with respect to additional revenue generation options through a benchmarking exercise with other cities .	300	48	High Risk	Advisory
Citizen Engagement Process	Review current processes for engaging with citizens and their effectiveness. Review customer response mechanism	400	67	High Risk	Operational (combined)
Asset Life Cycle Costs	Review current capital budgeting process and identify improvements to incorporate asset life cycle costs	250	42	Medium Risk	Advisory
Infrastructure Investment Evaluation	Review process for evaluating infrastructure investments and management's process to minimize risk of under/over investments	300	50	Medium Risk	Assurance
Budgeting Process	Assess efficiency and effectiveness of budgeting process	150	25	Medium Risk	Value for Money (Assurance)
	Total	1400	232		

■ High Risk Areas
 ■ Medium Risk Areas
 ■ Low Risk Areas

2018

Audit Area	Scope	Estimated Hours	Fees (\$ 000)	Risk Level	Type of Audit / Assurance / Advisory
Budgeting Process	Assess efficiency and effectiveness of budgeting process	200	34	Medium Risk Areas	Value for Money (Assurance)
Transit Services	Assess the economy, efficiency and effectiveness of the transit services	425	72	Medium Risk Areas	Value for Money (Assurance)
IT Security	Review current state of privacy of information and overall IT security policies, procedures and practices	375	63	Medium Risk Areas	IT (Assurance)
Buildings Maintenance	Perform a Value for Money review of the buildings maintenance process covering economy, efficiency and effectiveness of the activities undertaken	400	68	Medium Risk Areas	Assurance
Total		1400	237		

High Risk Areas
 Medium Risk Areas
 Low Risk Areas

2019

Audit Area	Scope	Estimated Hours	Fees (\$ 000)	Risk Level	Type of Audit / Assurance / Advisory
Parks and Recreation	Assess economy, efficiency and effectiveness of parks and recreation facilities	400	69	Medium Risk Areas	Value for Money (Assurance)
IT Governance Audit:	Review current governance process around IT goals & initiatives and their alignment to business needs	325	56	Medium Risk Areas	Operational (Assurance)
Succession Planning	Review process design for overall succession planning for critical positions and how leadership development process supports that	350	60	Medium Risk Areas	People Advisory
Workforce Planning	Review overall process with respect to workforce planning and decisions with respect to additional staff. Benchmark with other municipalities	325	57	Medium Risk Areas	People Advisory
Total		1400	242		

■ High Risk Areas
 ■ Medium Risk Areas
 ■ Low Risk Areas

Unassigned Lower Rated Risks

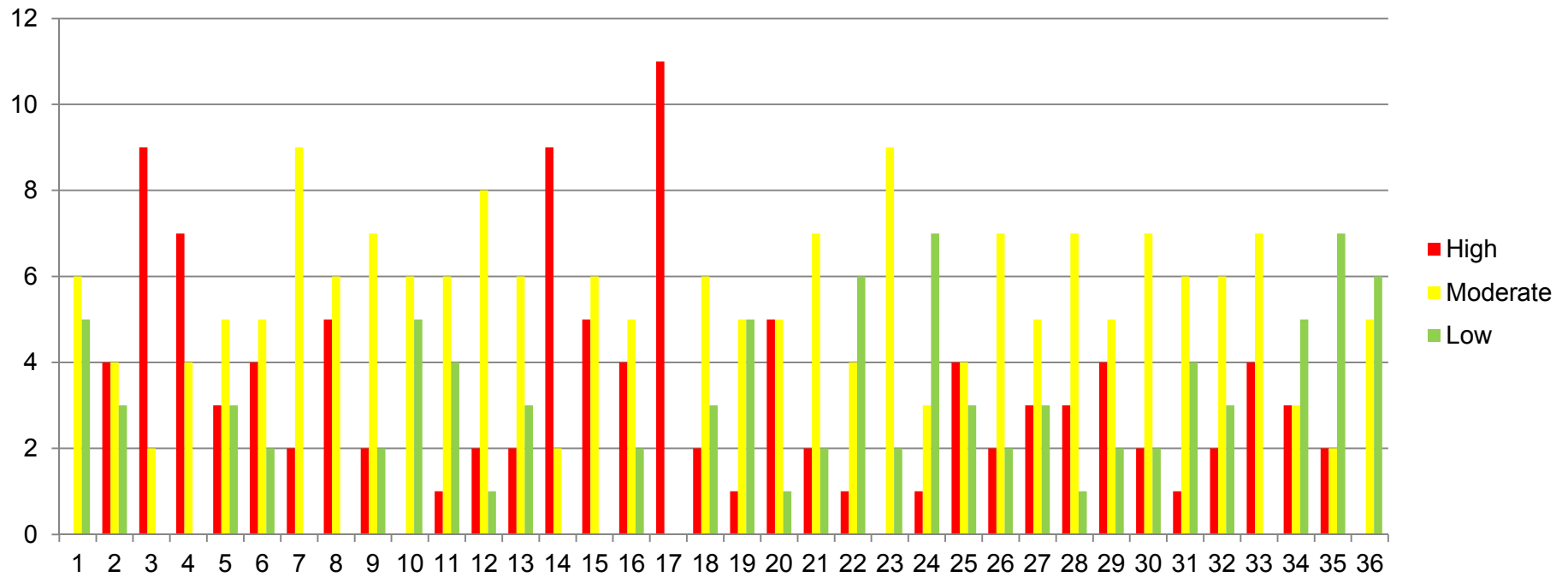
Audit Area	Scope	Risk Level	Type of Audit / Assurance / Advisory
Integrated Asset Management System	Review benefits and drivers for an integrated asset management system and create roadmap for implementation	Medium Risk	IT (Advisory)
Systems Integration	Assess business case for integration of IT systems and related benefits that can be achieved by the organization	Medium Risk	Advisory
Staff Turnover and Retention	Assess root causes for high turnover and review current processes to address this within the City	Medium Risk	Assurance
Climate Change Strategy	Evaluate the City's climate change strategy and efforts to manage related risks	Medium Risk	Assurance
Garbage Collection	Assess efficiency and effectiveness of garbage collection function	Medium Risk	Value for Money (Assurance)
Procurement and Sole Sourcing	Assess compliance with procurement and sole sourcing processes for key contracts for the last 2-3 years	Low Risk	Assurance
Regional Growth Plan	Assess the City's current growth plan, related risks and efforts undertaken to align efforts with neighbors	Low Risk	Advisory
CO2 Reduction Initiatives	Review the current environmental strategy of the City and benchmark with other cities to identify what CO2 Reduction initiatives could be considered	Low Risk	Advisory
Fleet Maintenance	Review current condition of fleet across the City and help identify how to manage them more effectively. Advice on how to build a lease vs buy option	Low Risk	Operational (Advisory)
Cross Charging of Costs	Review the current process for cross charging costs from different areas and assess whether the distribution is fair and what can be done to improve the methodology to accurately reflect actual costs	Low Risk	Assurance

■ High Risk Areas
 ■ Medium Risk Areas
 ■ Low Risk Areas

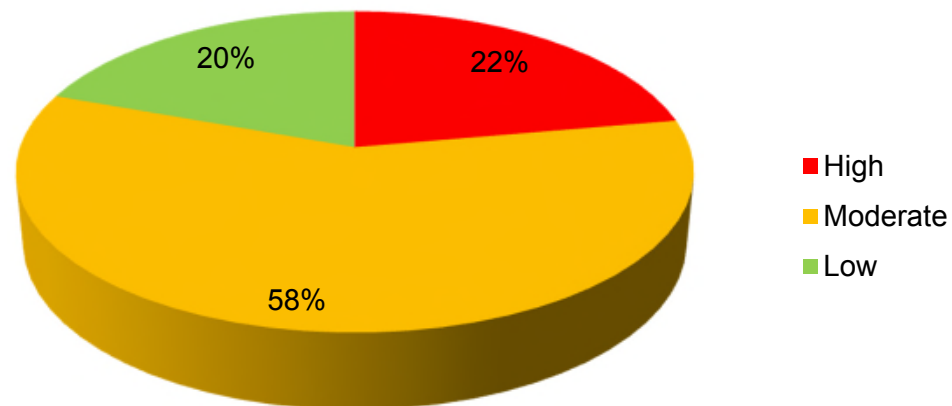
Appendix B

Key Risks and Their Ranking By Council Members

Overall Results



Somewhat divided view on different risks



A mix of different ratings for final risks




Infrastructure & Operations

Risk	Ranking
1. The current investment within the overall infrastructure renewal and maintenance over the last ten years may not have been adequate. Some areas need fresh infrastructure investment:	
<ul style="list-style-type: none"> • Roads 	High Risk Areas
<ul style="list-style-type: none"> • Transit 	Medium Risk Areas
<ul style="list-style-type: none"> • Fleet Management 	Low Risk Areas
<ul style="list-style-type: none"> • Park and Recreation 	Medium Risk Areas
<ul style="list-style-type: none"> • Sidewalks 	High Risk Areas
2. While making capital investment decisions, adequate funding for asset lifecycle costs may not be getting identified.	Medium Risk Areas
3. The city carries the risk of over/under investing within its future infrastructure and not being aligned to economic scenario within the city/province.	Medium Risk Areas

■ High Risk Areas
 ■ Medium Risk Areas
 ■ Low Risk Areas

Infrastructure & Operations

Risk	Ranking
4. The City may not be delivering expected level of services to citizens or internal stakeholders:	
<ul style="list-style-type: none"> Road Maintenance, Snow Removal, Bridges 	High Risk
<ul style="list-style-type: none"> Garbage Collection, IT, Transit, Buildings, Parks Maintenance 	Medium Risk
<ul style="list-style-type: none"> Fleet 	Low Risk
5. The City may not have adequate business continuity planning and/or emergency preparedness in place.	High Risk
6. The lack of Integrated Asset Management approach and systems may be affecting the overall process of asset maintenance	Medium Risk




 High Risk Areas
  Medium Risk Areas
  Low Risk Areas

Financial

Risk	Ranking
1. The lack of a regional growth plan that includes all of the city’s neighbors could restrict the city’s growth in the future.	Low Risk Areas
2. There may be limitations on non-property tax revenue options and taxing powers, resulting in an over-reliance on property tax.	High Risk Areas
3. The current budgeting process may make it difficult to see the “big picture” and identify priority based funding. A good understanding of what is needed for baseline operations and what’s considered as an add-on may not exist.	Medium Risk Areas
4. Current system of cross-charging costs may be inefficient.	Low Risk Areas
5. Strategic initiatives may not be reviewed for key risks during the business case evaluation in a structured and comprehensive way.	Medium Risk Areas
6. Procurement activities may not be in adherence with policies and procedures, especially with respect to sole source contracts.	Low Risk Areas




People

Risk	Ranking
1. Current succession planning and leadership development may not be adequate considering ageing workforce and staff turnover.	
2. With the economic growth of the province, the City may be experiencing a high degree of staff turnover which may require better talent management and retention strategies.	
3. Overall workforce planning process may not be adequate to highlight what the future organization would look like and align it with citizen needs and expected service levels.	

 High Risk Areas  Medium Risk Areas  Low Risk Areas

Information Technology

Risk	Ranking
1. Some IT Systems and Hardware may be outdated resulting in inability to meet business needs.	
2. There may be a lack of clear IT strategy for the organization which may result in higher IT costs and inability for IT to function as an enabler	
3. Financial and operational systems are not well integrated which makes it difficult to make data based decisions. (Asset management, maintenance, ERP, HR etc.).	
4. Inadequate management of privacy and security of information may be a risk. Data management may be insecure due to use of cloud services.	
5. Current IT skills may not match the future needs of the organization	




 High Risk Areas
  Medium Risk Areas
  Low Risk Areas

Stakeholders

Risk	Ranking
1. City may lack the right initiatives to adequately engage and inform citizens. An expectation gap between citizens and the City may be leading to dissatisfaction with services.	

Environment

Risk	Ranking
1. City may be lacking a clearly articulated strategy on how to manage climate change related risks	
2. Absence of CO2 reduction initiatives may lead to a bigger than expected carbon footprint. Initiatives could include environmental impact assessments, landfill emissions, green energy initiatives etc.	
3. City may need to do more to create community awareness with respect to increase awareness, educate and change people's attitude about carbon footprint.	

 High Risk Areas
  Medium Risk Areas
  Low Risk Areas

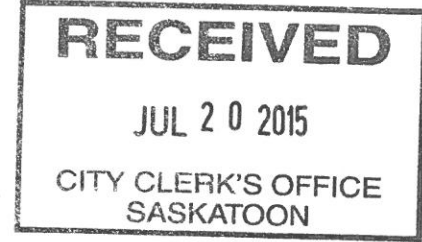


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June 22, 2015

Mayor, Don Atchison
City Hall
222-3rd Ave. N
Saskatoon, Sk. S7K OJ5



Ms. Judy Prociuk
134 Silverwood Road
Saskatoon, Sk. S7K 5R7

His Worship the Mayor & City council:

I am writing on behalf of the Saskatoon Chapter of AEBC to request a meeting with the Mayor, Don Atchison, and any interested city council members to discuss issues that impact on the lives of blind, deaf/blind & partially sighted citizens of Saskatoon. Alliance for Equality of Blind Canadians (AEBC), is a National organization of Canadians who are Blind, Deaf/Blind and partially sighted, who are working together to increase awareness of common issues and to advocate for greater opportunities for full and equal access to all Public services and benefits available in Canadian Society.

At our annual general meeting, held on June 6, 2015, it was agreed that we ask for a meeting to discuss certain accessibility issues, failing this we would be prepared to make a presentation before city council.

On the City of Saskatoon web page, there are listed City initiatives addressing Accessibility issues.

“Regular Transit – installing automated voice technology to call out bus stops for patrons who are visually impaired”

We were told several years ago that bus drivers would call out stops on transit buses until the technology has been installed, this is still not happening on a consistent basis.

Taxi service in Saskatoon

Since the City of Saskatoon licenses taxi drivers, it is incumbent upon the city to enforce the rules and regulations that are laid out before taxi drivers are licensed. Our members consistently have had problems with taxi drivers who have no knowledge of the city, very limited language skills, customers being taken to incorrect addresses & drivers refusing to transport service animals.

We are pleased that the city of Saskatoon is taking initiatives to improve access for all its citizens including the disabled; however, the new parking meters being located in the downtown core are proving to be major barriers for independent travel for blind, deaf/blind and partially sighted pedestrians.

Audible pedestrian signals:

We appreciate the audible pedestrian signal (APS) which are being installed in Saskatoon, but in many cases the audible component cannot be heard and there is still the necessity to push buttons to engage a signal in the downtown core.

In closing, I trust that you will give due consideration to our request, as tax paying citizens of Saskatoon, we have the same rights to equal access to the benefits and opportunities of society.

Respectfully submitted;

Judith Prociuk, Secretary/treasurer

Saskatoon Chapter AEBC

Request for Direct Sale to Saskatchewan Housing Corporation for Group Home Lots in Evergreen

Recommendation

1. That the Director of Saskatoon Land be authorized to offer, by direct sale, Lot 21, Block 669, Plan 102137633; and Lot 62, Block 669, Plan 102146891 to Saskatchewan Housing Corporation for the purpose of constructing group homes; and
2. That the City Solicitor be requested to prepare the sale agreements and that His Worship the Mayor and the City Clerk be authorized to execute the agreements under the Corporate Seal.

Topic and Purpose

The purpose of this report is to obtain authorization for the direct sale of Lot 21, Block 669, Plan 102137633 (203 Baltzan Boulevard) and Lot 62, Block 669, Plan 102146891 (474 Boykowich Street) to Saskatchewan Housing Corporation.

Report Highlights

1. Policy No. C09-033, Sale of Serviced City-Owned Lands, supports the direct sale of land to Saskatchewan Housing Corporation as it is a situation where a registered non-profit corporation is seeking a site for development of a community centre or similar project or a housing project directed at the provision of affordable housing units or special needs housing.
2. Saskatoon Land is requesting authorization to enter into a Direct Sale Agreement for two designated group home lots in the Evergreen neighbourhood at previously approved prices.

Strategic Goal

This report supports the long-term strategy of increasing revenue sources and reducing reliance on residential property taxes, and the four-year priority of developing funding strategies for expenses related to new capital expenditures including core services such as fire halls, roadways, and underground services, under the Strategic Goal of Asset and Financial Sustainability.

Background

Saskatchewan Housing Corporation (SHC) is a Crown corporation owned by the Government of Saskatchewan, dedicated to providing a range of programs and services to help Saskatchewan people in greatest housing need.

The occupants of these group homes live in a variety of residential options in regular neighbourhoods within Saskatchewan communities. These citizens enjoy a lifestyle that includes employment in a variety of vocations in their communities and provide economic enhancement through their participation in the labour force. Some of the individuals enjoy a retirement-type lifestyle due to their age or preferred lifestyle, which

includes in-home recreation as well as participation in community activities of their choice. Three to four individuals normally reside in these group homes which are staffed 24 hours a day with support staff.

On June 2, 2015, the Manager of Housing Development & Real Estate at SHC sent a letter to Saskatoon Land requesting a direct sale of two designated group home lots in Evergreen (Attachment 2).

Report

Request to Purchase City-Owned Land

SHC has requested to purchase two care home lots in Evergreen (Attachment 1) for the purpose of constructing two group homes. These homes will have less than five residents, qualifying as Type I Care Homes under Zoning Bylaw No. 8770, and do not require an application for discretionary use. The homes are estimated to be approximately 2,100 square feet and are subject to the same developmental controls as adjacent single-family homes.

The direct sale is in accordance with Council Policy No. C09-033, Sale of Serviced City-Owned Lands, as follows:

- “3.2 The Administration may pursue or entertain direct sale, or long-term leases under the City’s Industrial Land Incentives Program, of civic lands when one or more of the following conditions are present:
- h) a situation where a registered non-profit corporation is seeking a site for development of a community centre or similar project or a housing project directed at the provision of affordable housing units or special needs housing.”

Terms and Conditions

Saskatoon Land is requesting authorization to enter into a direct sale agreement for two care home lots at fair market value of \$344,800. Pricing of the sites was previously approved by City Council on May 5, 2014.

The terms and conditions for each lot are parallel with the exception of the purchase price and the deposit, and are as follows:

Lot 21, Block 669, Plan 102137633:

- Purchase Price – \$165,800
- Deposit – Deposit in the amount of 10% of the purchase price (\$16,580) to be paid within 10 business days of approval by the Standing Policy Committee on Finance.

Lot 62, Block 669, Plan 102146891:

- Purchase Price - \$179,000
- Deposit – Deposit in the amount of 10% of the purchase price (\$16,580) to be paid within 10 business days of approval by the Standing Policy Committee on Finance.

Lot 21, Block 669, Plan 102137633 and Lot 62, Block 669, Plan 102146891:

- Price Includes – All direct and offsite service levies.
- Costs – Each to pay own legal and title fees.
- Easements – Purchaser to agree that the City and other utility agencies will register easements for new and existing utilities within the lot.
- Possession Date – Upon payment of the balance in full and issuance of title for Transfer in Trust.
- Conditions Precedent – Subject to approval by the Standing Policy Committee on Finance.
- Environmental Condition of Land – As is.
- Build Time - Requirement of five years in which the City would have the option of repurchasing the sites from SHC at the original sale price if the five year build requirement was not met.

Options to the Recommendation

The only other option would be not to proceed with the direct sale of land and offer the parcels for sale via public tender.

Financial Implications

The proceeds from the sale of this land will be deposited to the Evergreen Neighbourhood Development Fund.

Other Considerations/Implications

There are no policy, environment, privacy or CPTED implications or considerations, and neither public and/or stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

There is no due date for follow-up and/or project completion.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Map of Proposed Direct Sale Lots – Saskatchewan Housing Corporation
2. Direct Purchase Request from Saskatchewan Housing Corporation – Letter dated June 2, 2015

Report Approval

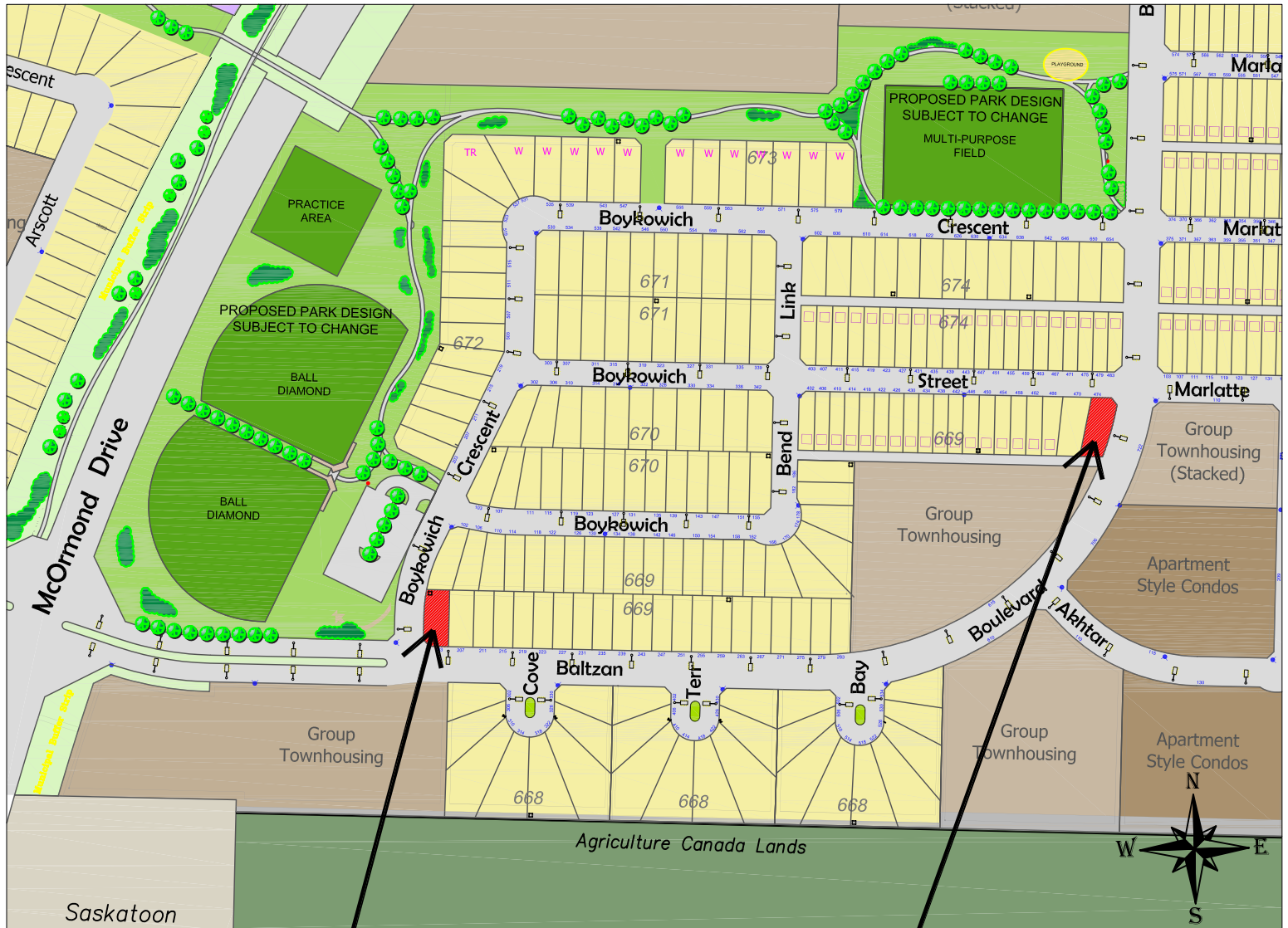
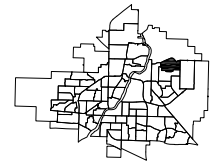
Written by: Chelsea Mamer, Staff Accountant

Reviewed by: Jeremy Meinema, Finance and Sales Manager
Keith Pfeil, Acting Director of Saskatoon Land

Approved by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management Department

Direct Sale to Sask Housing Corp_Group Home Lots.docx

MAP OF PROPOSED DIRECT SALE LOTS
SASKATCHEWAN HOUSING CORPORATION



203 Baltzan Blvd.
Lot 21, Block 669
Plan No.102137633
\$ 165,800

474 Boykowich St
Lot 62, Block 669
Plan No.102146891
\$ 179,000

Proposed Direct Sale Lots

Core Parks, Drainage Areas and Linear Parks

Single Family

1234 Civic Addresses

Buffers and Open Space

Low/Medium Density Multiple-Unit Dwelling



D = Dwelling Group Townhouse
ST = Street Townhouse

Note: Saskatoon Land does not guarantee the accuracy of this plan. To ensure accuracy, please refer to the Registered Plan of Survey. This plan is not to scale. Distances are in metres unless shown otherwise. This is not a legal plan. Lot dimensions and the location of other features are compiled from available information and are subject to change without notice. For verification please check with the appropriate authority. Do not scale.

DIRECT PURCHASE REQUEST FROM
SASKATCHEWAN HOUSING CORPORATION

ATTACHMENT 2



Ministry of Social Services

11th Floor, 1920 Broad Street
Regina, Canada S4P 3V6

306-787-2005
1-800-667-7567 (Toll Free)
306-798-3110 (Fax)

June 2, 2015

Jeremy Meinema
Finance and Sales Manager
City of Saskatoon
201 3rd Avenue North
SASKATOON SK S7K 2H7

Dear Mr. Meinema:

Re: 474 Boykowich Street – Lot 62 Block 669 Plan 102146891
203 Baltzan Boulevard – Lot 21 Block 669 Plan 102137633

Saskatchewan Housing Corporation would like to place an Offer to Purchase on the above two properties from the City of Saskatoon for the quoted prices of \$179,000 for 474 Boykowich Street and \$165,800 for 203 Baltzan Boulevard.

Our offer to purchase will be conditional on the following items:

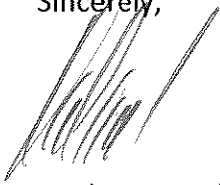
1. Appropriate zoning for the intended use.
2. Phase 1 Environmental Report satisfactory to SHC at Buyers expense
3. Geo-tech Report satisfactory to SHC at Buyers expense
4. Surveyor's Certificate to be provided by the Seller to SHC
5. Appraisal satisfactory to SHC at Buyers expense (value being equal to or greater than the purchase price)
6. Confirmation of adequate water supply for sprinkler system installation
7. Confirmation of services to the lot (water, sewer, power, gas)

The intended use of the lots is to build a 4-space group home on each lot.

City of Saskatoon
Page 2
June 2, 2015

If you have any questions please contact me directly at 306.787.2005.

Sincerely,

A handwritten signature in black ink, appearing to read 'Keith Krawczyk', written in a cursive style.

Keith Krawczyk
Manager, Housing Development & Real Estate

Quarterly Report – Builder and Developer Lot Supply – July 15, 2015

Recommendation

That the information be received.

Topic and Purpose

This report provides information on builder and developer inventory levels for residential and industrial land in Saskatoon.

Report Highlights

1. Land developers in Saskatoon have 653 residential lots in inventory. There is a builder inventory of 1,202 residential lots.
2. Land developers in Saskatoon are projected to service 695 single-family lots in the remainder of 2015.
3. Land developers and builders have approximately 125 acres of multi-family land in inventory, which can potentially accommodate approximately 2,700 dwelling units.
4. Estimates of current builder/developer serviced land inventory levels could accommodate population growth close to 4%.
5. There is a healthy supply of vacant industrial land held by recent industrial land purchasers.

Strategic Goal

Measuring serviced land supply on an ongoing basis ensures sufficient inventory is available to accommodate new employment and housing growth in Saskatoon's economy. This supports the long-term strategy of increasing revenue sources and reducing reliance on residential property taxes under the Strategic Goal of Asset and Financial Sustainability.

Background

The Land Bank Committee, at its meeting held on March 18, 2011, resolved, in part:

“that the Administration be requested to provide a quarterly update on the Builder and Developer Inventory Report.”

Report

Residential Lot Inventory

This report identifies single-family and multi-family inventory held by homebuilders and land developers, as well as projected single-family lot availability by neighbourhood for 2015 from major land developers in Saskatoon. In addition, this report also identifies industrial inventory held by Saskatoon Land and recent purchasers of industrial land in the city's industrial growth areas.

Figure 1 (Attachment 1) identifies historic new single-family, two-family and multi-family dwelling units per year from 1996 to July 15, 2015.

Single-family Inventory

Table 1 identifies single-family lot inventory held by homebuilders and land developers as of July 15, 2015. All lots held by developers are ready for home construction and are available for immediate purchase

Table 1: Single-Family Inventory, July 15, 2015

Neighbourhood	Builder Inventory	Developer Inventory		Totals
		City	Private	
Stonebridge	213	0	0	213
Hampton Village	9	3	0	12
Evergreen	275	81	0	356
Rosewood	203	12	115	330
Willowgrove	6	0	0	6
Briarwood	4	0	4	8
Kensington	474	217	60	751
Arbor Creek	2	0	0	2
Parkridge	16	158	0	174
Westview	0	3	0	3
Totals	1,202	474	179	1,855

Table 2 identifies new single-family lot availability projected for 2015.

Table 2: Projected New Residential Lot Availability, 2015

Neighbourhood	City	Dream	Other Developers	Totals
	July - Dec	July - Dec	July - Dec	July - Dec
Rosewood	0	0	150	150
Aspen Ridge	134	0	0	134
Brighton	0	411	0	411
Totals	134	411	150	695
Total - 2015				1,390

Saskatoon Land anticipates holding a lot draw later in 2015 for 134 single-family lots in the first phase of the Aspen Ridge neighbourhood. In addition, Saskatoon Land has the capability of releasing additional lots in Kensington should the current inventory absorption increase and the demand for single-family lots increase.

The projected residential lot availability as shown in Table 2 is an adjustment from the Three-Year Land Development Report (November 2014). Projected lot availability in the Three-Year Land Development Report for 2015 was 2,025 lots. However, due to increased levels of builder and developer inventory, adjustments were made by major

land developers to push back the lot availability in the Elk Point and Kensington neighbourhoods from 2015 to future years.

The Monthly Building Permit Report indicates that as of July 15, 2015, building permits were issued for 411 single-family dwelling units and 36 two-family dwelling units. By comparison, at this time in 2014, building permits were issued for 664 single-family dwelling units and 74 two-family dwelling units. Year over year, this is a decrease of approximately 38% in new single-family dwelling units and 50% in two-family dwelling units.

Figure 2 (Attachment 1) shows historical single-family inventory levels held by builders and developers since 2011.

Multi-family Inventory

Table 3 identifies the multi-family inventory held by home builders and land developers as of July 15, 2015.

Table 3: Multi-family Inventory, July 15, 2015

Neighbourhood	Builder Inventory		Developer Inventory				Totals	
	Acres	Possible Dwelling Units	City		Private		Acres	Possible Dwelling Units
			Acres	Possible Dwelling Units	Acres	Possible Dwelling Units		
Stonebridge	14.71	424	0	0	4.90	119	19.61	543
Willowgrove	2.03	81	0	0	0	0	2.03	81
Hampton Village	7.58	114	1.13	45	0	0	8.71	159
Blairmore Suburban Ctr	4.05	243	0	0	0	0	4.05	243
Lakewood Suburban Ctr	3.81	152	0	0	0	0	3.81	152
Rosewood	10.08	151	0	0	4.38	79	14.46	230
Evergreen	30.80	600	21.06	327	0	0	51.86	927
Kensington	0	0	7.65	137	12.81	247	20.46	384
Totals	73.06	1,765	29.84	509	22.09	445	124.99	2,719

Note: The average density of development indicated in Table 3 is approximately 22 units per acre. This ranges from 15 units per acre for most group townhouse sites to 40 units per acre for three-storey buildings to 60 units per acre for M3 lands in the Blairmore Suburban Centre and Stonebridge.

According to the Monthly Building Permit Report, as of July 15, 2015, building permits were issued for a total of 872 residential units on multi-family sites. By comparison, at the same time in 2014, building permits for 800 units on multi-family sites had been issued. Year over year, this is an increase of approximately 9% in multi-family dwelling unit permits in the city.

Figure 3 (Attachment 1) shows multi-family inventory levels held by builders and developers since 2011. The upward trend of developer inventory since April 2015 is due to servicing work that has been completed within the Kensington neighbourhood. This inventory is expected to be sold and allocated to builders in the near future. The downward trend in multi-family builder inventory since April 2015 results from a large

number of multi-family parcels being developed within the Evergreen and Stonebridge neighbourhoods.

Population Growth Rates

Table 4 demonstrates the potential population growth rate which can be accommodated based on current builder and developer single-family and multi-family inventories.

Table 4: 2015 Residential Availability and Potential Population Growth Rates

Land Use Type	# of Dwelling Units	Potential Pop. Increase	Potential Pop. Growth Rate
Single-Family Inventory (Builder/Developer)	1,855	5,194	1.99%
Multi-Family Inventory (Builder/Developer)	2,719	5,166	1.98%
Current Inventory – Total	4,574	10,360	3.97%

Note: Based on a calculation of 2.8 persons per single-family dwelling and 1.9 persons per multi-family dwelling unit. A base population of 260,933 was used, which represents the City's June 30, 2015, population projection.

Industrial Land Inventory

Table 5 identifies industrial land inventory held by Saskatoon Land and recent purchasers in the Marquis and Southwest Industrial areas (as of July 15, 2015).

Table 5: Industrial Inventory, July 15, 2015

Neighbourhood		Vacant Sites (Sold/Optioned)		Unsold Sites (Inventory)		Total
		IL	IH	IL	IH	
Marquis Industrial	No. of sites	31	37	8	6	82
	Area (ac)	75.92	94.69	12.52	17.47	200.60
Southwest Industrial	No. of sites	11	0	0	0	11
	Area (ac)	15.54	0	0	0	15.54
Total No. of Vacant Sites						93
Total Area (ac)						216.14

Note: IL denotes Light Industrial Zoning District, IH denotes Heavy Industrial Zoning District.

As indicated in Table 5, there are 216.14 acres of industrial land held by developers or recent purchasers.

Saskatoon Land anticipates the completion of servicing for approximately 117 acres of industrial land in the Marquis Industrial area in 2015. The timing and amount of future industrial land offered for sale via public tender in 2015 will be determined based on a review of industrial land market demand.

The absorption rate within industrial areas remains steady. Since the Quarterly Report – Builder and Developer Lot Supply – April 1, 2015, permits have been issued for three parcels, totalling approximately 6.35 acres within the Marquis Industrial area.

Due Date for Follow-up and/or Project Completion

The third quarter report will be included within the Three-Year Land Development Program Report, 2016 to 2018, which will be tabled at the November Standing Policy Committee on Finance.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Report Figures

Report Approval

Written by: Ian Williamson, Planner 16

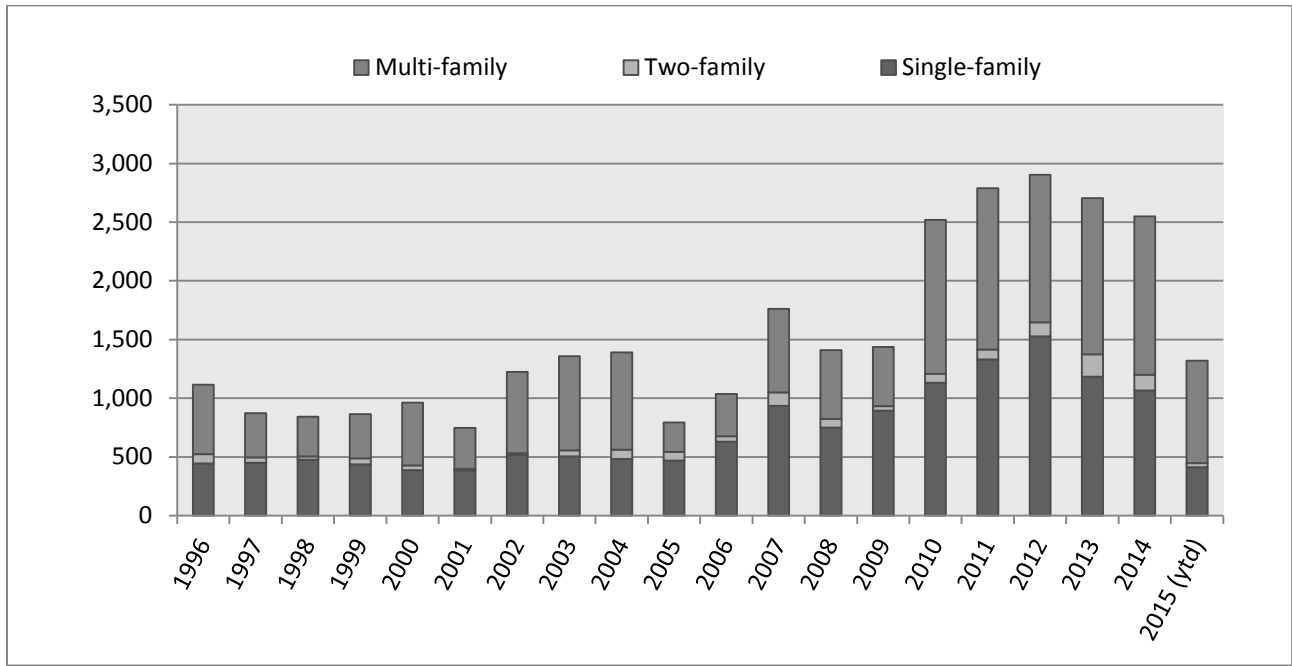
Reviewed by: Derek Thompson, Acting Director of Saskatoon Land

Approved by: Clae Hack, Acting General Manager, Asset & Financial Management
Department

Builder Developer Quarterly Report (July 2015).docx

REPORT FIGURES

Figure 1: New Dwelling Units by Building Classification in Saskatoon, 1996 to July 15, 2015



Source: City of Saskatoon, Building Standards, Monthly Building Permit Report

Figure 2: Single-Family Builder and Developer Inventory Levels, 2011 to July 15,

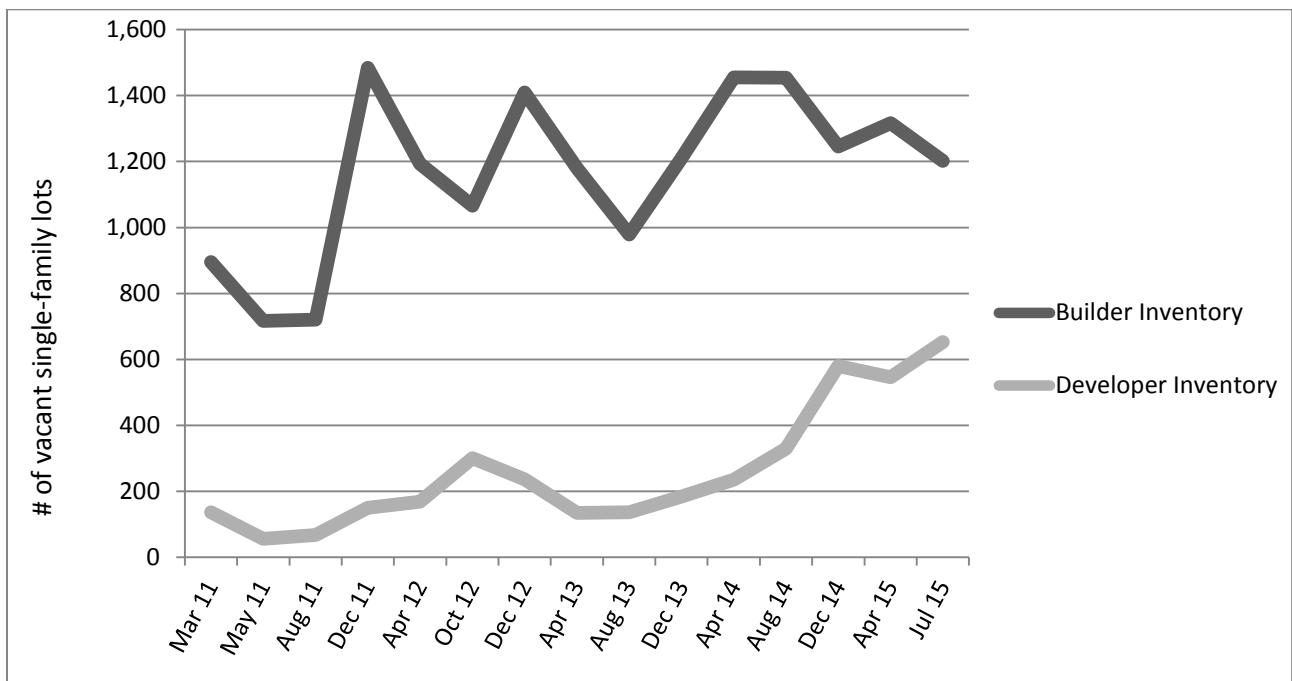
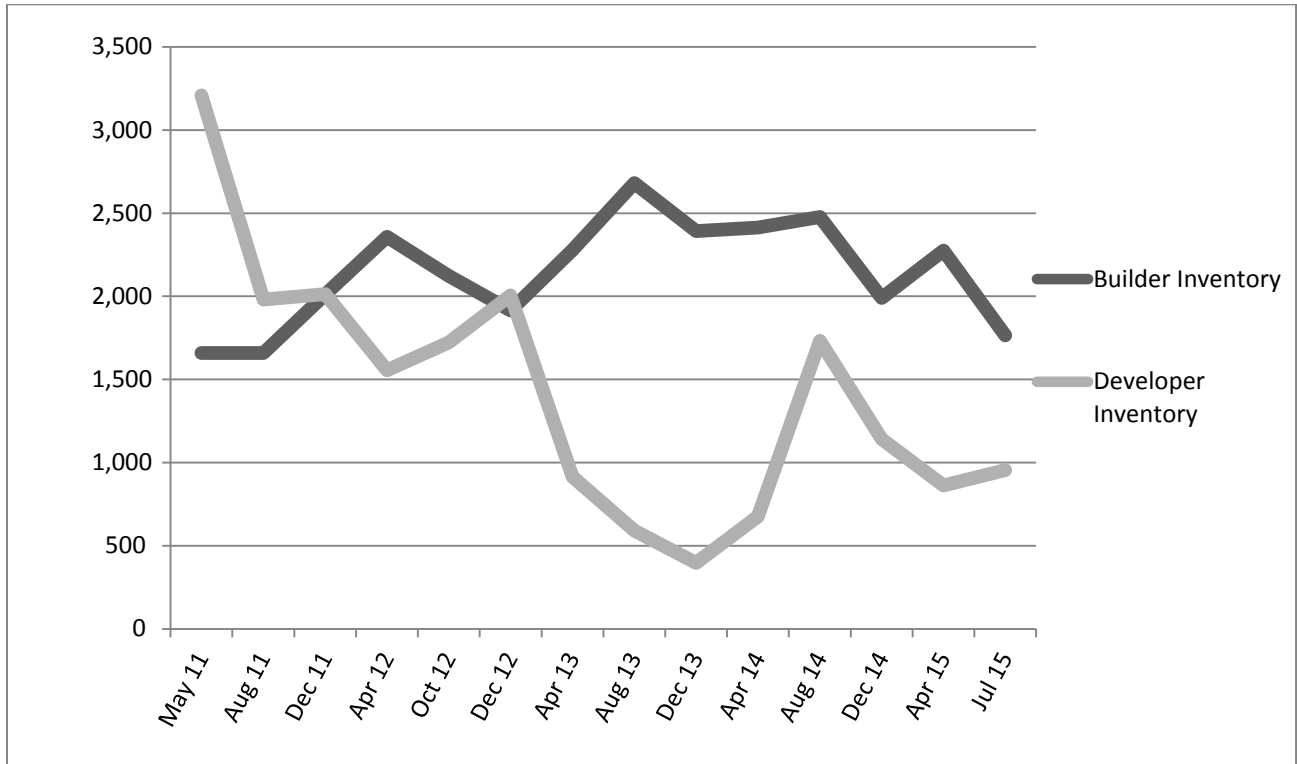


Figure 3: Multi-Family Dwelling-Unit Builder and Developer Inventory Levels, 2011 to July 15, 2015



WDM (Western Development Museum) Parking Lot

Recommendation

That the information be received.

Topic and Purpose

The purpose of this report is to provide an update on the request from the Western Development Museum (WDM) for funding assistance to pave a section of their parking lot.

Report Highlights

1. The Western Development Museum has requested financial support from the City of Saskatoon to improve the parking lot at the Museum.
2. The City of Saskatoon currently leases the land to the Western Development Museum for \$1/year; the market value of the lease is approximately \$1.1 million.
3. The Lease Agreement between the City of Saskatoon and the WDM states that the WDM is responsible for the operation and the maintenance of the parking lot.

Strategic Goal

This report addresses the strategic goal of Asset and Financial Sustainability where the services we provide are aligned with what our citizens expect and are able to pay, and we are open, accountable and transparent with decisions related to resource allocation.

Background

At its meeting on April 20, 2015 the Executive Committee heard Ms. Joan Champ, CEO Western Development Museum, express appreciation to the City for its support. She expressed concerns regarding the disrepair of the current parking lot at the WDM and requested that the parking lot project be placed on the City's project list for capital funding in 2016. It was noted that the parking lot is on City-owned property and Saskatoon Transit utilizes it for its routes.

It was resolved that the matter be referred to the Administration.

Report

There is a portion of the WDM parking lot that is not paved. The water table below the gravel is extremely high, thus creating problems for vehicles to use this portion of the parking lot. The proposed solution is to address the gumbo conditions with proper subsurface work, and then pave over top. The work proposed would be a large capital expenditure that exceeds the WDM's financial capacity.

The WDM currently leases their land, including the parking lot, from the City of Saskatoon (City) for an annual fee of \$1. The market value is estimated at \$16.3M, and our standard lease rate is 7% of market value per year. The annual lease value of this property is approximately \$1.1 million based on market lease rates. The Western

WDM (Western Development Museum) Parking Lot

Development Museum is a legislated agency of the Province of Saskatchewan, and operates within the jurisdiction of the Ministry of Parks, Culture and Sport. The City has encouraged the WDM to share this information with the Province to demonstrate that the City is providing a significant level of support to the WDM.

The terms of the 1988 Lease Agreement between the City of Saskatoon and the WDM include that the WDM is to operate and maintain the parcel during the term of the Lease Agreement.

The estimated cost of the parking lot repair is \$3 million. There is no available funding source from the City of Saskatoon to contribute to these repairs.

Options to the Recommendation

The option is to refer this request to the 2016 Business Plan and Budget deliberations to determine if funding can be re-allocated to support the parking lot project.

Public and/or Stakeholder Involvement

The Administration has consulted directly with the WDM to advise that the City of Saskatoon does not have a funding source for the parking lot project.

Communication Plan

A communication plan is not required.

Other Considerations/Implications

There are no policy, financial, environmental, Privacy, or CPTED implications or considerations.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by: Catherine Gryba, General Manager, Corporate Performance
Department
Reviewed by: Blair Bleakney, Solicitor
Jeff Jorgenson, General Manager, Transportation and Utilities
Department
Approved by: Catherine Gryba, General Manager, Corporate Performance
Department

Administrative Report – WDM Parking Lot.docx

Business Improvement Districts' 2014 Financial Statements

Recommendation

1. That the 2014 Audited Financial Statements from the Saskatoon Downtown Business Improvement District, Broadway Business Improvement District, Riversdale Business Improvement District, and the Sutherland Business Improvement District be received as information; and
2. That a copy of this report be forwarded to City Council for information.

Topic and Purpose

The purpose of this report is to present the 2014 Audited Financial Statement as provided by each of the four Business Improvement Districts (BIDs) for information.

Report Highlights

1. The Saskatoon Downtown, Broadway, Riversdale and Sutherland Business Improvement Districts have submitted their financial statements for the year ended December 31, 2014.

Strategic Goal

Being open, accountable and transparent is a key factor in achieving the Strategic Goal of Asset and Financial Sustainability. The four BIDs are organizations created by the City of Saskatoon to create stewardship of a defined business improvement district's identity and to complete projects within these districts to improve, beautify and maintain publicly-owned lands, buildings and structures in the BID, in addition to any improvement, beautification or maintenance that is provided at the expense of the urban municipality at large.

Report

The bylaws for each of the BIDs state that "on or before the 31st day of March in each year, the Board shall submit its annual report for the preceding year to the Council, and that report shall include a complete audited and certified financial statement of its affairs, with balance sheet and revenue and expenditure statement."

The 2014 Audited Financial Statements are being presented after the March 31 date due to delays in the audit process.

Attached are copies of the audited financial statements for the Saskatoon Downtown, Broadway, Riversdale and Sutherland BIDs for the year ended December 31, 2014.

Public and/or Stakeholder Involvement

There is no public/stakeholder involvement.

Other Considerations/Implications

There are no policy, financial, environmental, privacy, or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

There is no follow-up required.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. 2014 Financial Statements, Saskatoon Downtown BID
2. 2014 Financial Statements, Broadway BID
3. 2014 Financial Statements, Riversdale BID
4. 2014 Financial Statements, Sutherland BID

Report Approval

Written by: Arthur Smith, Corporate Accounting Manager

Approved by: Clae Hack, Acting General Manager, Asset & Financial Management Department

BIDSFInStmnts2014.docx

bllp.ca

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2014





**BUCKBERGER BAERG
& PARTNERS LLP**
CHARTERED PROFESSIONAL ACCOUNTANTS

bbllp.ca

10 - 1132 COLLEGE DRIVE
SASKATOON SK S7N 0W2

306-657-8999

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Ashley Buckberger CPA CA CFA*
Terry Baerg CPA CA*
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Jennifer Funk CPA CA*
Tyler Kachur CPA CA*
Alan Koop CPA CA*
Paul Pastor CPA CA CBV*
Jeff Persic CPA CA CFE*

* services provided through
professional corporation

INDEPENDENT AUDITOR'S REPORT

To the Members of Saskatoon Downtown Business Improvement District

We have audited the accompanying financial statements of Saskatoon Downtown Business Improvement District, which comprise the statement of financial position as at December 31, 2014, and the statement of operations, statement of changes in net assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Saskatoon Downtown Business Improvement District as at December 31, 2014, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative Figures

The financial statements for the Saskatoon Downtown Business Improvement District for the year ended December 31, 2014, prior to the restatement described in Note 11, were audited by another auditor who expressed an unmodified opinion on those financial statements dated May 30, 2014.

As part of our audit of the financial statements of Saskatoon Downtown Business Improvement District for the year ended December 31, 2014, we have also audited the adjustments described in Note 11, that were applied to restate the financial statements for the year ended December 31, 2013. In our opinion, such adjustments were appropriate and have been properly applied. We were not engaged to audit, review or apply any procedures to the financial statements of Saskatoon Downtown Business Improvement District for the year ended December 31, 2013 other than with respect to the adjustments, and, accordingly, we do not express an opinion or any other form of assurance on the financial statements for the year ended December 31, 2013 as a whole.

SASKATOON, SASKATCHEWAN

June 3, 2015

Buchberger Baerg & Partners LLP

Chartered Professional Accountants

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2014

	<u>2014</u>	<u>(restated - Note 11) 2013</u>
<u>ASSETS</u>		
Current assets		
Cash and cash equivalents	\$ 650,040	\$ 209,299
Accounts receivable	65,769	67,308
Prepaid expenses	8,482	9,205
Short-term investments	<u>-</u>	<u>317,204</u>
	724,291	603,016
Long-term investments	-	103,030
Capital assets (Note 3)	<u>35,275</u>	<u>42,571</u>
	<u>\$ 759,566</u>	<u>\$ 748,617</u>

LIABILITIES

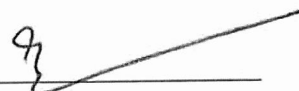
Current liabilities		
Accounts payable and accrued liabilities (Note 4)	\$ 142,920	\$ 98,729
Deferred revenue (Note 5)	<u>107,787</u>	<u>216,101</u>
	<u>250,707</u>	<u>314,830</u>
Commitments (Note 7)		
Contingency (Note 8)		


NET ASSETS

Internally restricted (Note 6)	200,000	200,000
Unrestricted	<u>308,859</u>	<u>233,787</u>
	<u>508,859</u>	<u>433,787</u>
	<u>\$ 759,566</u>	<u>\$ 748,617</u>

See accompanying notes

Approved on behalf of the members

Director 

Director 

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2014

	<u>Partnership</u>	<u>Community Support Program</u>	<u>Total 2014</u>	<u>(restated - Note 11) Total 2013</u>
Revenue				
Business tax levy	\$ 573,131	\$ -	\$ 573,131	\$ 481,797
Parking grants	35,900	-	35,900	35,900
Street maintenance	19,916	-	19,916	19,533
Investment and other earnings	20,495	-	20,495	17,193
City of Saskatoon grant	-	336,325	336,325	367,580
	<u>649,442</u>	<u>336,325</u>	<u>985,767</u>	<u>922,003</u>
Expenses				
Amortization	14,383	9,354	23,737	28,502
Events	28,389	-	28,389	29,832
Marketing	31,069	-	31,069	37,476
Meetings	5,653	-	5,653	5,405
Office and administration	97,762	52,018	149,780	137,616
Research and education	14,916	4,279	19,195	89,109
Street cleaning	131,851	-	131,851	156,188
Wages and benefits	250,347	270,674	521,021	546,789
	<u>574,370</u>	<u>336,325</u>	<u>910,695</u>	<u>1,030,917</u>
Excess (deficiency) of revenue over expenditures	<u>\$ 75,072</u>	<u>\$ -</u>	<u>\$ 75,072</u>	<u>\$ (108,914)</u>

See accompanying notes

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2014

	<u>Unrestricted</u>	<u>Internally restricted</u>	<u>Total 2014</u>	<u>Total 2013</u>
Balance, beginning of year	\$ 268,787	\$ 200,000	\$ 433,787	\$ 542,701
Excess (deficiency) of revenue over expenditures (as restated Note 11)	<u>75,072</u>	<u>-</u>	<u>75,072</u>	<u>(108,914)</u>
Balance, ending of year	<u>\$ 343,859</u>	<u>\$ 200,000</u>	<u>\$ 508,859</u>	<u>\$ 433,787</u>

See accompanying notes

BUCKBERGER BAERG & PARTNERS LLP

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	(restated - Note 11) <u>2013</u>
Operating activities		
Excess (deficiency) of revenue over expenditures	\$ 75,072	\$ (108,914)
Amortization	<u>23,737</u>	<u>28,502</u>
	98,809	(80,412)
Change in non-cash working capital items		
Accounts receivable	1,539	(72,508)
Prepaid expenses	723	(665)
Deferred revenue	(108,314)	30,459
Accounts payable and accrued liabilities	<u>44,191</u>	<u>78,850</u>
	<u>36,948</u>	<u>(44,276)</u>
Investing activities		
Purchase of capital assets	(16,441)	-
Repayment of notes receivable	-	3,500
Disposal of investments	<u>420,234</u>	<u>-</u>
	403,793	3,500
Increase (decrease) in cash	440,741	(40,776)
Cash and cash equivalents, beginning of year	<u>209,299</u>	<u>243,005</u>
Cash and cash equivalents, end of year	<u>\$ 650,040</u>	<u>\$ 209,299</u>

See accompanying notes

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Nature of operations

Saskatoon Downtown Business Improvement District (the "organization") is a non-profit organization established through the Bylaws of the City of Saskatoon. The organization's mandate is to make the downtown core a better place to live, work, shop, visit, play and invest. The organization is exempt from income taxes under Section 149 of the Income Tax Act.

The organization also entered into a Memorandum of Agreement with the City of Saskatoon to deliver and manage the Community Support Program (CSO Program) for the period from April 1, 2012 to March 31, 2014. The purpose of the CSO Program is to deploy community support officers who will endeavour to address the community issues in the area of the downtown core. During the year, the organization signed another Memorandum of Agreement with the City of Saskatoon to extend the CSO Program until December 31, 2015.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

Cash and cash equivalents

Cash and cash equivalents are defined as cash and short-term deposits with term maturity of three months or less from year end.

Capital assets

Capital assets are recorded at cost, less accumulated amortization. The organization provides for amortization using the straight-line method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Computer equipment	45%
Leasehold improvements	20%
Office equipment	20%
Office signage	20%
Vehicles	30%

Revenue recognition

Revenue is recognized when the amount is received or receivable or if the amount to be received can be reasonably estimated and collection is reasonably assured.

Investment income comprising of interest from fixed income investments is recognized on an accrual basis.

Donated material and services

The work of the organization is dependant on a substantial number of individuals that have made significant contributions of their time to the organization. The value of the contributed time is not reflected in these financial statements.

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

2. Significant accounting policies (continued)

Financial instruments

The organization initially records a financial instrument at its fair value except for a related party transaction which is recorded at the carrying or exchange amount depending on the circumstances.

Transaction costs are recognized in excess of revenues over expenditures in the period incurred. However, transaction costs associated with financial instruments carried at cost or amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the expected life of the instrument.

Financial assets and financial liabilities subsequently measured at amortized cost include cash, accounts receivable, and accounts payable and accrued liabilities.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected, the proceeds that could be realized from the sale of the financial asset, or the amount that could be realized by exercising the right to any collateral held to secure repayment of the asset. Such impairments can be subsequently reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Actual results could differ from those estimates.

3. Capital assets

	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Total 2014</u>	<u>Total 2013</u>
Computer equipment	\$ 25,218	\$ 25,218	\$ -	\$ 1,188
Leasehold improvements	43,851	26,053	17,798	26,569
Office equipment	35,468	28,996	6,472	7,888
Office signage	60,122	54,418	5,704	104
Vehicles	16,903	11,602	5,301	6,822
	<u>\$ 181,562</u>	<u>\$ 146,287</u>	<u>\$ 35,275</u>	<u>\$ 42,571</u>

4. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities is \$131,069 (2013 - \$nil) of unspent revenues from the first contract relating to the Community Support Program.

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

5. Deferred revenue

The balance of deferred revenue as at December 31, 2014 is comprised of \$nil (2013 - \$35,900) from the City of Saskatoon for the parking grant for 2014. The Community Support Program has an amount of \$107,787 (2013 - \$180,201) for 2014 for their program.

6. Internally restricted

In 1996, the organization adopted the policy of segregating and restricting a portion of its net assets for specific designated purposes. The Board of Directors reviews the amounts designated as internally restricted and transfers amounts between unrestricted net assets and the various internally-restricted amounts to reflect the changing needs of the organization on an annual basis.

The net assets reflected as internally restricted are not available for other purposes without the authorization of the Board of Directors.

7. Commitments

The organization has committed to the following minimum annual lease payments under certain building operating leases with third parties:

2015	\$	11,261
2016		11,597
2017		7,418

8. Contingent liability

The organization estimates and accrues for the possible repayment of the levy to the City of Saskatoon in the event of successful municipal tax appeals by one or more the Downtown Business Improvement District property owners. The organization's assessment of its potential liability for such matters could change, with the result that the amounts for this contingent liability recorded in the organization's financial statements could increase by a material amount. No liability has been recorded in this regard.

9. Economic dependence

The organization receives its funding from the City of Saskatoon through a special levy on property assessments from the businesses located in the downtown district. The organization's ability to continue its viable operations is dependent upon maintaining that funding.

SASKATOON DOWNTOWN BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

10. Financial instruments

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. However, the organization has a significant number of customers which minimizes concentration of credit risk.

11. Prior period adjustment

The organization's financial statements for the year ended December 31, 2013 have been retroactively restated to reflect wages and benefits for that period that were payable to employees at December 31, 2013. As a result, accounts payable and accrued liabilities at December 31, 2013 and deficiency of revenues over expenditures for the year ended December 31, 2013 increased by \$35,000.

12. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year.

BROADWAY BUSINESS IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2014





Ashley Buckberger CPA CA CFA*
Terry Baerg CPA CA*
Kathryn Bankowski CPA CA*
Jennifer Funk CPA CA*
Tyler Kachur CPA CA*
Alan Koop CPA CA*
Paul Pastor CPA CA CBV*
Jeff Persic CPA CA CFE*

* services provided through
professional corporation

INDEPENDENT AUDITOR'S REPORT

To the Members of
Broadway Business Improvement District

We have audited the accompanying financial statements of Broadway Business Improvement District, which comprise the statement of financial position as at December 31, 2014, and the statements of operations, changes in fund balances and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

INDEPENDENT AUDITOR'S REPORT (continued)

Basis for Qualified Opinion

Broadway Business Improvement District derives a material amount of revenue from donations and fundraising activities. We were not able to obtain sufficient appropriate audit evidence about the completeness of the reported amounts for accounts receivable, donation and fundraising revenue, revenue in excess of expenditure and changes to net assets because there is no direct relationship between assets or services given up in exchange for amounts received or receivable. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

Qualified Opinion

Except as noted in the above paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Comparative Information

The statement of financial position as at December 31, 2013 and the statements of operations, changes in fund balances and cash flows for the year then ended were reported on by another firm of Chartered Professional Accountants who issued a qualified opinion in their report dated March 17, 2014.

SASKATOON, SASKATCHEWAN

March 17, 2015

Buchberger Baerg & Partners LLP

Chartered Professional Accountants

BROADWAY BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF FINANCIAL POSITION


DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
Current assets		
Cash	\$ 11,250	\$ 46,397
Restricted cash	3,540	3,500
Investments (Note 3)	70,274	68,339
Inventory	12,184	5,362
Accounts receivable	30,199	23,546
GST receivable	3,965	4,220
	<u>131,412</u>	<u>151,364</u>
Capital assets (Note 4)	<u>5,468</u>	<u>6,939</u>
	<u>\$ 136,880</u>	<u>\$ 158,303</u>
<u>LIABILITIES</u>		
Current liabilities		
Accounts payable and accrued liabilities	\$ 14,048	\$ 10,886
Unearned revenue	-	35,900
	<u>14,048</u>	<u>46,786</u>
<u>FUND BALANCES</u>		
Restricted Fund	3,540	3,327
General Fund	<u>119,292</u>	<u>108,190</u>
	<u>122,832</u>	<u>111,517</u>
	<u>\$ 136,880</u>	<u>\$ 158,303</u>

See accompanying notes

Approved by the Board

 _____ Member

 _____ Member

BROADWAY BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
General Fund		
Revenues		
Business tax levy	\$ 174,968	\$ 163,574
Events	54,718	55,897
Parking meter	35,900	35,900
Marketing and new initiatives	12,154	3,976
Employment grant	9,499	5,250
Maintenance	6,032	5,712
Interest income	1,103	2,672
	<u>294,374</u>	<u>272,981</u>
Expenditures		
Advertising	15,690	20,161
Amortization	1,470	1,507
Bad debts	580	780
Board expenses	471	279
Events	49,077	43,790
Insurance	1,525	1,450
Office	9,196	8,346
Professional and business development	3,316	5,719
Professional fees	16,865	9,028
Rent	10,934	10,888
Repairs and maintenance	3,941	3,566
Wages and benefits	170,207	159,760
	<u>283,272</u>	<u>265,274</u>
Excess of revenues over expenditures from General Fund	<u>11,102</u>	<u>7,707</u>
Restricted Fund		
Walk of Stars interest income	463	35
Walk of Stars expenses	<u>(250)</u>	<u>(843)</u>
Excess (deficiency) of revenues over expenditures from Restricted Fund	<u>213</u>	<u>(808)</u>
Excess of revenues over expenditures	<u>\$ 11,315</u>	<u>\$ 6,899</u>

See accompanying notes

BROADWAY BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CHANGES IN FUND BALANCES

YEAR ENDED DECEMBER 31, 2014

	<u>General Fund</u>	<u>Restricted Fund</u>	<u>Total 2014</u>	<u>Total 2013</u>
Balance, beginning of year	\$ 108,190	\$ 3,327	\$ 111,517	\$ 104,618
Excess of revenues over expenditures	<u>11,102</u>	<u>213</u>	<u>11,315</u>	<u>6,899</u>
Balance, end of year	<u>\$ 119,292</u>	<u>\$ 3,540</u>	<u>\$ 122,832</u>	<u>\$ 111,517</u>

See accompanying notes

BROADWAY BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
Cash flows from (used in) operating activities		
Excess of revenues over expenditures	\$ 11,315	\$ 6,899
Item not affecting cash		
Amortization	1,470	1,507
Net change in non-cash working capital items:		
Inventory	(6,822)	(1,506)
Accounts receivable	(6,653)	(7,703)
GST receivable	255	(1,614)
Accounts payable and accrued liabilities	3,163	1,501
Unearned revenue	(35,900)	-
	<u>(33,172)</u>	<u>(916)</u>
 Cash flows used in investing activities		
Purchase of capital assets	-	(2,739)
Purchase of investments	(1,935)	(7,273)
	<u>(1,935)</u>	<u>(10,012)</u>
 Net decrease in cash during the year	(35,107)	(10,928)
 Cash, beginning of year	<u>49,897</u>	<u>60,825</u>
 Cash, end of year	<u>\$ 14,790</u>	<u>\$ 49,897</u>

See accompanying notes

BROADWAY BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. Nature of operations

Broadway Business Improvement District (the "organization") was established in 1986 for the purpose of supporting and advancing the interests of all businesses situated within the boundaries of the Broadway district in Saskatoon, Saskatchewan.

2. Significant accounting policies

These financial statements have been prepared by management in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Cash equivalents

Cash equivalents consist of short-term investments with an initial maturity of three months or less.

Fund accounting

The organization follows the restricted fund method of accounting.

The General Fund accounts for the general operations and events of the organization. Unrestricted contributions and restricted contributions to be used for operations are reported in this fund.

The Restricted Fund consists of donations to be used for the Walk of Stars program. This program is designed to recognize individuals who have made significant contributions to the district by having a commemorative star created and placed in areas of the district designated for this purpose. Only expenses relating to the creation, installation and maintenance of the ceremonial star and to the ceremony to unveil the star can be paid for out of the externally-restricted fund.

Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined using the first-in, first-out method.

Investments

Investments are recorded at fair market value.

Capital assets

Capital assets are recorded at cost, less accumulated amortization. The organization provides for amortization using the declining balance method at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates are as follows:

Computer equipment	25%
Event equipment	20%
Office equipment	20%

BROADWAY BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

2. Significant accounting policies (continued)

Revenue recognition

The organization follows the restricted fund method whereby externally-restricted contributions are recognized in the fund corresponding to the purpose for which they were contributed. Unrestricted contributions are recognized as revenues in the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty. The effect of changes in such estimates on the financial statements in future periods could be significant.

Financial instruments

The organization initially records a financial instrument at its fair value except for a related party transaction which is recorded at the carrying or exchange amount depending on the circumstances.

Transaction costs are recognized in excess of revenues over expenditures in the period incurred. However, transaction costs associated with financial instruments carried at cost or amortized cost are recorded as adjustments to the initial fair value recognized and amortized over the expected life of the instrument.

Financial assets and financial liabilities subsequently measured at amortized cost include cash, accounts receivable, and accounts payable and accrued liabilities.

When there is an indication of impairment and such impairment is determined to have occurred, the carrying amount of financial assets measured at amortized cost is reduced to the greater of the discounted future cash flows expected, the proceeds that could be realized from the sale of the financial asset, or the amount that could be realized by exercising the right to any collateral held to secure repayment of the asset. Such impairments can be subsequently reversed to the extent that the improvement can be related to an event occurring after the impairment was recognized.

Donated material and services

Donated materials and services are recorded at fair value when fair value can be reasonably estimated and when the materials and services are purchased.

The organization is dependent on the voluntary services of many individuals to the activities of the organization. Since these services are not normally purchased and because of the difficulty in determining their fair value, no amounts have been reflected in these financial statements for volunteer services.

BROADWAY BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

3. Investments

	<u>2014</u>	<u>2013</u>
Term deposits cashable within one year	\$ 34,014	\$ 33,042
Term deposits cashable after one year	<u>36,260</u>	<u>35,297</u>
	<u>\$ 70,274</u>	<u>\$ 68,339</u>

4. Capital assets

	<u>2014</u>		<u>2013</u>	
	<u>Cost</u>	<u>Accumulated amortization</u>	<u>Net book value</u>	<u>Net book value</u>
Computer equipment	\$ 2,926	\$ 1,687	\$ 1,239	\$ 1,652
Event equipment	5,378	2,327	3,051	3,814
Office equipment	<u>2,046</u>	<u>868</u>	<u>1,178</u>	<u>1,473</u>
	<u>\$ 10,350</u>	<u>\$ 4,882</u>	<u>\$ 5,468</u>	<u>\$ 6,939</u>

5. Line of credit

The organization has established a line of credit with the Affinity Credit Union with an authorized limit of \$10,000. At year end, no amount had been drawn on this line of credit.

6. Lease commitments

The organization is committed to lease agreements related to its office premises, expiring on September 14, 2015. The monthly lease payments including occupancy costs under the current lease agreement are \$911.

7. Economic dependence

The organization relies on a significant amount of its funding from the City of Saskatoon in order to finance its operations. Without this funding, there would be doubt regarding the organization's ability to sustain its current level of operating activities.

BROADWAY BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

8. Financial instruments

The organization is exposed to various financial risks through transactions in financial instruments. The following provides helpful information in assessing the extent of the organization's exposure to these risks.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The organization's main credit risk relates to its accounts receivable.

Liquidity risk

Liquidity risk is the risk that the organization will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its accounts payable and accrued liabilities and operating lease commitments.

9. Comparative figures

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

Financial Statements

For the year ended December 31, 2014

and Auditors' Report

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The management of Riversdale Business Improvement District is responsible for management of the District. The accompanying financial statements have been prepared by management in accordance with Canadian Accounting Standards for Not-for-Profit Organizations, and necessarily include amounts which are based on informed judgment and management estimates. Financial data presented elsewhere in this annual report is consistent with that in the financial statements.

Ensuring the integrity and objectivity of financial information is an integral part of management's responsibility. Management maintains an appropriate system of internal accounting and administrative controls, policies and procedures to provide reasonable assurance that all transactions are authorized, financial records are complete and accurate, and assets are safeguarded against loss.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting. The Board has reviewed and approved these financial statements.

Davies & Drury Chartered Accountants, the District's independent auditors, have examined the financial statements of the District. Their responsibility is to conduct an independent and objective audit and to report on the fairness of presentation of the District's financial position and results of operations as shown in the financial statements. The Auditors' Report outlines the scope of their examination and their opinion.

On behalf of management,

Executive Director

AUDITORS' REPORT

To the Members of
Riversdale Business Improvement District:

We have audited the accompanying financial statements of Riversdale Business Improvement District, which comprise the statement of financial position as at December 31, 2014 and the statements of operations, of changes in net assets and of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations (ASNFP) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Riversdale Business Improvement District as at December 31, 2014 and the results of its operations and its cash flows for the year then ended in accordance with Canadian ASNFP.


Chartered Accountants

April 24, 2015

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 91,687	\$ 99,381
Restricted cash	233	292
Short-term investments	39,015	59,407
Accounts receivable	14,675	16,353
Prepaid expenses	1,197	1,015
	<u>146,807</u>	<u>176,448</u>
PROPERTY AND EQUIPMENT (Note 3)	<u>3,994</u>	<u>5,195</u>
	<u>\$ 150,801</u>	<u>\$ 181,643</u>
<u>LIABILITIES AND NET ASSETS</u>		
CURRENT LIABILITIES:		
Accounts payable and accrued liabilities	\$ 400	\$ 1,027
Deferred contributions	-	35,900
	<u>400</u>	<u>36,927</u>
NET ASSETS:		
Internally restricted net assets	233	292
Unrestricted net assets	150,168	144,424
	<u>150,401</u>	<u>144,716</u>
	<u>\$ 150,801</u>	<u>\$ 181,643</u>

Approved by the Board:

_____ Director

_____ Director

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
REVENUE:		
City of Saskatoon surtaxes	\$ 150,653	\$ 144,279
Parking grant	35,900	35,900
Other grants	14,971	10,377
Interest income	1,440	1,557
	<u>202,964</u>	<u>192,113</u>
EXPENDITURES:		
Advertising and promotion	21,326	13,754
Amortization	1,201	1,639
Bank charges and interest	1,153	461
Board meetings and education	2,733	5,403
Insurance	2,126	3,516
Memberships and dues	2,109	2,043
Office	6,694	4,687
Professional fees	7,591	7,183
Projects	-	1,155
Rent	5,355	5,100
Repairs and maintenance	3,911	3,570
Salaries and benefits	135,417	118,977
Seminars and conventions	4,420	2,266
Telephone	3,184	3,179
	<u>197,220</u>	<u>172,933</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>\$ 5,744</u>	<u>\$ 19,180</u>

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CHANGES IN NET ASSETS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>Internally restricted net assets</u>	<u>Unrestricted net assets</u>	<u>2014</u>	<u>2013</u>
Net assets at beginning of the year	\$ 292	\$ 144,424	\$ 144,716	\$ 125,595
Excess of revenue over expenditures	-	5,744	5,744	19,180
Net interest incurred on restricted cash	<u>(59)</u>	<u>-</u>	<u>(59)</u>	<u>(59)</u>
Net assets at end of the year	<u>\$ 233</u>	<u>\$ 150,168</u>	<u>\$ 150,401</u>	<u>\$ 144,716</u>

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM (TO) OPERATING ACTIVITIES:		
Excess of revenue over expenditures	\$ 5,744	\$ 19,180
Net interest incurred on restricted cash	(59)	(59)
Item not affecting cash:		
Amortization	1,201	1,639
Net change in non-cash working capital items:		
Accounts receivable	1,678	1,416
Prepaid expenses	(182)	55
Accounts payable and accrued liabilities	(628)	365
Deferred contributions	(35,900)	-
	<u>(28,146)</u>	<u>22,596</u>
CASH FLOWS FROM (TO) INVESTING ACTIVITIES:		
Net increase (decrease) in short-term investments	<u>20,393</u>	<u>(1,011)</u>
(DECREASE) INCREASE IN CASH DURING THE YEAR	(7,753)	21,585
CASH AT BEGINNING OF THE YEAR	<u>99,673</u>	<u>78,088</u>
CASH AT END OF THE YEAR	<u>\$ 91,920</u>	<u>\$ 99,673</u>
CASH CONSISTS OF:		
Cash in bank - unrestricted	\$ 91,687	\$ 99,381
Restricted cash	233	292
	<u>\$ 91,920</u>	<u>\$ 99,673</u>

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

1. NATURE OF OPERATIONS:

Riversdale Business Improvement District is an unincorporated entity set up to revitalize the business district in the Riversdale area of Saskatoon, Saskatchewan. The District's mission statement is as follows: *to provide a mutually-beneficial business environment for participating members in the Riversdale Business Improvement District by promoting area development and celebrating our uniqueness and cultural diversity.*

No provision for income taxes has been made in these financial statements as the entity is a not-for-profit organization. To the extent the District maintains its not-for-profit status, no income taxes will be payable.

2. SIGNIFICANT ACCOUNTING POLICIES:

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Property and Equipment

Property and equipment are recorded at cost. The District provides for amortization using the declining balance method at rates designed to amortize the cost of property and equipment over their estimated useful lives. The annual amortization rates are as follows:

Automotive	30%
Office equipment	20%
Office furniture and fixtures	20%
Computer equipment	45%
Maintenance equipment	20%

Revenue Recognition

The District follows the deferral method of accounting for contributions, which include grants and surtaxes. Contributions are recognized in the accounts when received or receivable if the amount to be received can be reasonably estimated and collection is assured. Unrestricted contributions are recognized as revenue when initially recorded in the accounts. Externally restricted contributions are deferred when initially recorded in the accounts and recognized as revenue in the year in which the related expenditures are recognized. Interest income or expense on restricted cash is recorded as a direct increase or decrease to internally restricted net assets.

Financial Instruments

Measurement of Financial Instruments

The District initially measures its financial assets and liabilities at fair value.

The District subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and restricted cash, short-term investments and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT**NOTES TO THE FINANCIAL STATEMENTS****DECEMBER 31, 2014**

2. SIGNIFICANT ACCOUNTING POLICIES - continued:

Financial Instruments - continuedImpairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

Risks and Concentrations

The District as part of its operations carries a number of financial instruments. It is management's opinion that the District is not exposed to significant interest or credit risks arising from these financial instruments, except as follows:

Credit Risk

The District is exposed to credit risk in connection with its accounts receivable because of the risk that one party to the financial instrument may cause a financial loss for the other party by failing to discharge an obligation. At year end, accounts receivable is substantially all due from the City of Saskatoon.

Measurement Uncertainty

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Assumptions underlying deferred cost valuations are limited by the availability of reliable comparable data and the uncertainty concerning future events.

By nature, asset valuations are subjective and do not necessarily result in precise determinations. Should underlying assumptions change, the estimated net recoverable amount could change by a material amount.

3. PROPERTY AND EQUIPMENT:

	Cost	Accumulated Amortization	Net Book Value	
			2014	2013
Automotive	\$ 8,555	\$ 8,136	\$ 419	\$ 598
Office equipment	14,624	13,191	1,433	1,791
Office furniture and fixtures	2,931	2,686	245	306
Computer equipment	3,604	3,379	225	410
Maintenance equipment	12,306	10,634	1,672	2,090
	<u>\$ 42,020</u>	<u>\$ 38,026</u>	<u>\$ 3,994</u>	<u>\$ 5,195</u>

RIVERSDALE BUSINESS IMPROVEMENT DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2014

4. ECONOMIC DEPENDENCE:

The District's principal sources of revenue consist of grants and an allocation of property taxes from the City of Saskatoon. The city levies a surtax on property taxes based upon the District's budget for the following year. The District is dependent upon the city for the collection and transfer of this revenue.

JAMES H. STINN

Certified General Accountant

Prof. Corp.

SUITE 300 – 820 51ST. STREET EAST
SASKATOON, SASKATCHEWAN S7K 0X8
PHONE (306) 955-9977 FAX (306) 955-3633
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SUTHERLAND BUSINESS IMPROVEMENT DISTRICT

FINANCIAL STATEMENTS

DECEMBER 31, 2014

**SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
INDEX TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2014**

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Independent Auditor's Report	1
Statement of Financial Position	2
Statement of Revenues and Expenditures and Fund Balance	3
Statement of Changes in Financial Position	4
Notes to the Financial Statements	5

JAMES H. STINN

Certified General Accountant

Prof. Corp.

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INDEPENDENT AUDITOR'S REPORT

To the Members of Sutherland Business Improvement District:

I have audited the accompanying financial statements of Sutherland Business Improvement District which comprise the statement of financial position as at December 31, 2014 and the statements of revenues and expenditures, and fund balance, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Organization's responsibility for the Financial Statements

The Management is responsible for the preparation and fair presentation of these Financial Statements in accordance with Canadian generally accepted accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian Auditing Standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Sutherland Business Improvement District as at December 31, 2014 and its financial performance for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Saskatoon, Saskatchewan
January 27, 2015



Certified General Accountant, Prof. Corp.

**SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2014**

	<u>2014</u>	<u>2013</u>
ASSETS		
Current assets		
Bank	\$ 76,891	\$ 80,581
Accounts receivable	3,097	2,651
Prepaid Expenses	<u>330</u>	<u>0</u>
	<u>\$ 80,318</u>	<u>\$ 83,232</u>
LIABILITIES		
Current liabilities		
Accounts payable and accruals	\$ <u>1,450</u>	\$ <u>2,978</u>
FUND BALANCES		
General fund	<u>78,868</u>	<u>80,254</u>
	<u>\$ 80,318</u>	<u>\$ 83,232</u>

APPROVED ON BEHALF OF THE BOARD:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

**SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF REVENUE AND EXPENDITURES AND FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>2014</u>	<u>2013</u>
Revenue		
Business assessments	\$ 29,207	\$ 25,526
Interest and other	<u>3</u>	<u>8</u>
	<u>29,210</u>	<u>25,534</u>
Expenditures		
Administrative support	0	152
Audit fees	1,570	1,324
Bank charges	154	193
Contract services (Exec director)	22,341	17,158
Flower project	149	0
Insurance	800	880
Membership fees	464	340
Newsletter and advertising	1,783	0
Office	1,086	625
Rent	210	200
Repairs and maintenance	482	0
Strategic planning	0	552
Street Signs	0	62
Telephone	609	659
Urban camp	351	0
Utilities	524	549
Website	73	0
Welcome train sign project	<u>0</u>	<u>1,836</u>
	<u>30,596</u>	<u>24,530</u>
Net (Loss) income	(1,386)	1,004
Fund balance, beginning of year	<u>80,254</u>	<u>79,250</u>
Fund balance, end of year	<u>\$ 78,868</u>	<u>\$ 80,254</u>

The accompanying notes are an integral part of these financial statements.

**SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF CHANGES IN FINANCIAL POSITION
FOR THE YEAR ENDED DECEMBER 31, 2014**

	<u>2014</u>	<u>2013</u>
Operating activities		
Net loss	\$ (1,386)	\$ 1,004
Change in non-cash components of working capital:		
Accounts receivable	(446)	(1,648)
Prepaid's	(330)	0
Accounts payable and accruals	<u>(1,528)</u>	<u>1,709</u>
Decrease in cash	(3,690)	1,065
Cash, beginning of year	<u>80,581</u>	<u>79,516</u>
Cash, end of year	<u>\$ 76,891</u>	<u>\$ 80,581</u>

The accompanying notes are an integral part of these financial statements.

SUTHERLAND BUSINESS IMPROVEMENT DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2014

1. GENERAL

The Sutherland Business Improvement District was established under the provisions of the Saskatchewan Urban Municipalities Act via a bylaw of the City of Saskatoon. The main function of the Sutherland Business Improvement District is to improve business in the Sutherland area of Saskatoon, Saskatchewan.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements of the Organization have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

Fund Accounting

The accounts of the Organization are maintained with the principles of "fund accounting" in order that limitations are placed on the use of available resources. Under fund accounting resources are classified for accounting purposes with specific objectives.

The General Fund accounts for the Organization's administrative activities. This fund reports unrestricted resources. This is the only fund that the Organization has.

Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the year. Actual results could differ from those estimates. Significant areas of estimation include allowance for doubtful accounts, estimated useful lives of tangible capital assets, impairment of long-lived assets, accrued liabilities, employee future benefits, and disclosure of contingencies.

Revenue and Expense Recognition

Revenue and expenses are recognized using the accrual basis of accounting. Revenue is recognized in the year of receipt.

Donation of Services

The Organization received a significant amount of volunteer services throughout the year. The monetary value of these services has not been recognized in these financial statements.

Financial instruments

The financial instruments of the Organization consist of cash, receivables, and payables. Unless otherwise noted, it is the Board's opinion that the Organization is not exposed to significant interest or credit risks arising from these financial instruments.

Income Taxes

Due to the nature of the activities as a non-profit organization, the Organization is exempt from income tax.

The accompanying notes are an integral part of these financial statements.

Acquisition of Land for Future Development NW 33-37-5 W3

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the Director of Saskatoon Land be authorized to purchase the NW ¼ 33-37-5 W3 comprising of approximately 155.18 acres from Ritva Helena Wheaton at a purchase price of \$4,207,240;
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal; and
3. That the Property Realized Reserve be used as the funding source for this purchase, including legal, administrative costs and disbursements.

Topic and Purpose

The purpose of this report is to receive City Council's approval for the purchase of 155.18 acres of strategically located lands with future development potential in immediate proximity to the proposed Perimeter Highway.

Report Highlights

1. The 155.18 acre parcel is strategically located within the Planning for Growth (P4G) Regional Plan, immediately east of Highway 12 and immediately south of the proposed Perimeter Highway.
2. Notable terms of the agreement include a sale price of \$4,207,240 and an environmental due diligence period up to August 21, 2015.

Strategic Goal

This report supports the long-term strategy of increasing revenue sources and reducing reliance on residential property taxes, and the four-year priority of developing funding strategies for expenses related to new capital expenditures including core services such as fire halls, roadways, and underground services, under the Strategic Goal of Asset and Financial Sustainability.

Background

This 155.18 acre site is located in the R.M. of Corman Park in immediate proximity to the proposed Perimeter Highway, which is shown in pink on the proposed North Sector Land Use Plan (Attachment 1).

Land uses surrounding the site include:

- East Cory Industrial Park which is a lightly serviced industrial development in the R.M. of Corman Park immediately east of the subject property.
- Ritchie Brothers Auctions across Cory Road to the south.
- ASL Paving and Maxie's Excavating across Penner Road to the north.
- Vacant future development land to the west, across Highway 12 which is owned by the City of Saskatoon (City), and included in the upcoming annexation plan.

Planning policies and amendments currently under development in the area include:

- P4G Regional Plan - open houses were held June 2 and 3, 2015 with more community engagement to come and a target date of June 2016 for a finalized plan. This 155.18 acre site is included in the P4G Regional Plan.
- City of Saskatoon North Sector Plan - open house was held March 31, 2014. This North Sector Plan's study area is immediately adjacent to this 155.18 acre site. This 155.18 acre site is not included in the North Sector Plan.
- Proposed Boundary Alteration - a number of quarter sections immediately west of Highway 12 have been identified for annexation into City Limits with a target date of fall 2015. This 155.18 acre site is not included in the current boundary alteration that is awaiting Ministerial approval.

Report

Additional Land for Future Development

The proposed land acquisition of the NW ¼ section of 33-37-5 W3 has been identified as a strategic purchase for the City's Land Development Program.

This site has great exposure alongside a high-volume traffic corridor within the P4G Regional Plan. Due to its centralized, high-exposure location, it is considered a strategic land purchase for a variety of future development opportunities.

This 155.18 acre site is located in immediate proximity to the proposed Perimeter Highway. The northern portion of the site will be required by the Province for the proposed Provincial Perimeter Highway. The area required has not been identified as the Perimeter Highway project is yet to be finalized.

Terms of the Agreement

The property was advertised for sale in the Star Phoenix requesting bids be submitted. Sealed bids were to be received by June 1, 2015 along with a deposit in the amount of 10% of the bid price. The City submitted a conditional bid on June 1, 2015 and was notified June 5, 2015 that the bid submission was successful.

Noteworthy details of the bid submission are as follows:

- Purchase Price - \$4,207,240
- Conditions Precedent:
 - City Council approval by August 21, 2015.
 - Acceptable review of Environmental, Geotechnical and Drainage Studies by August 21, 2015.
- Other Terms and Conditions of the Agreement:
 - Closing Date - September 30, 2015.
 - The balance of purchase price due on Closing (less deposit and adjustments).
 - Leaseback option of residence located on LSD 13 Section 33 Township 37 Range 05 W3.

Options to the Recommendation

An option would be to not approve this purchase. The Administration does not recommend this option as the 155.18 acre site is centralized, has great exposure and is considered to be a strategic purchase for a variety of reasons.

Public and/or Stakeholder Involvement

The City's long-range servicing group has been consulted to discuss servicing potential, these discussions were favourable.

Financial Implications

Sufficient funds for the purchase of this land have been allocated from the Property Realized Reserve.

Other Considerations/Implications

There are no policy, environment, privacy or CPTED implications or considerations, and a communication plan is not required.

Due Date for Follow-up and/or Project Completion

This proposed acquisition would close upon City Council approval; the completion of the required documentation to finalize the sale would be completed by the City Solicitor's Office.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

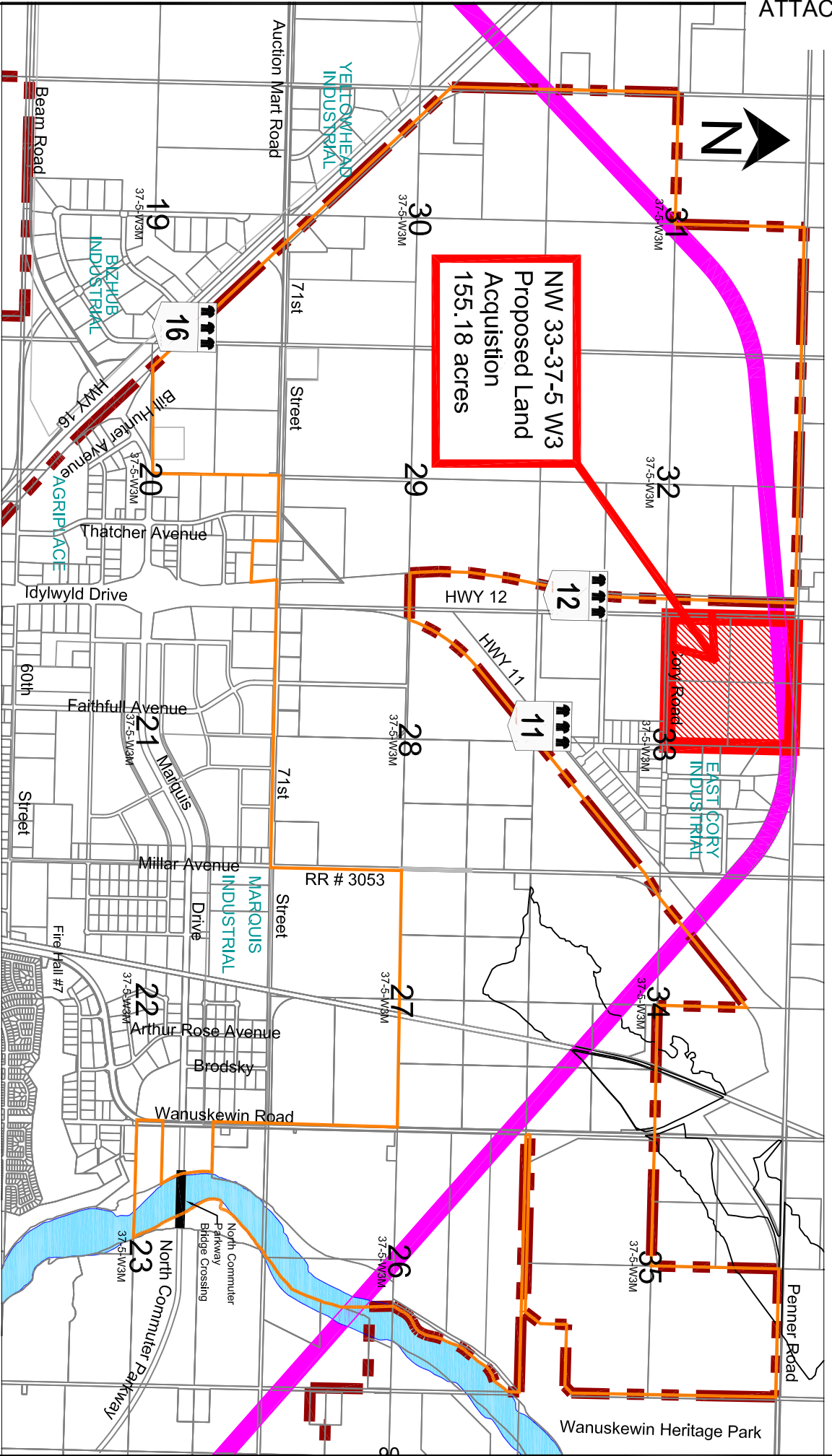
1. Proposed Land Acquisition Location Plan NW 33-37-5 W3.

Report Approvals

Written by: Scott McCaig, Real Estate Services
Reviewed by: Keith Pfeil, Acting Director of Saskatoon Land
Approved by: Kerry Tarasoff, CFO/General Manager, Asset & Financial
Management Department
Murray Totland, City Manager

Acquisition_Wheaton_NW-33-37-5 W3.docx

PROPOSED LAND ACQUISITION LOCATION PLAN - NW 33-37-5 W3



Legend

-  Proposed City Limits
-  North Sector Study Area
-  Perimeter Highway
-  Proposed Land Acquisition

Scale: N.T.S.

-  Proposed City Limits
-  North Sector Study Area
-  Perimeter Highway
-  Proposed Land Acquisition



NOTE: The information contained on this map is for reference only and not to be used for legal purposes.

Purchase of Abandoned Spur Lines from Canadian National Railway Company

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the Real Estate Manager be authorized to purchase three abandoned spur lines in the North Downtown and Kelsey/Woodlawn areas from Canadian National Railway Company at a total purchase price of \$2,235,000;
2. That the Real Estate Manager be authorized to enter into market-rate licence agreements with Pattison Signs for seven existing billboard poster faces situated on redundant Canadian National Railway Company spur lines;
3. That the City Solicitor be requested to prepare the sale agreements and that His Worship the Mayor and the City Clerk be authorized to execute the agreements under the Corporate Seal; and
4. That the Property Realized Reserve and the Dedicated Roadway Reserve be used as the funding sources for the purchase price, including legal, administrative costs and disbursements.

Topic and Purpose

The purpose of this report is to receive City Council's approval for the purchase of three abandoned spur lines from Canadian National Railway Company (CN) located in the North Downtown and Kelsey/Woodlawn area totalling approximately 22.91 acres at a total purchase price of \$2,235,000.

Report Highlights

1. Purchasing abandoned spur lines creates a number of short and long-term opportunities for the City of Saskatoon (City) and is supported by policy in the Official Community Plan Bylaw No. 8769.
2. Notable terms of the purchase of the North Downtown and Kelsey/Woodlawn spur lines includes a purchase price of \$2,235,000.
3. Annual lease revenue from existing uses on the spur lines would be approximately \$51,390 per year.

Strategic Goals

This report supports the long-term strategy of developing an integrated transportation network for vehicles, buses, bikes and pedestrians under the Strategic Goal of Moving Around. It also satisfies the long-term strategy of providing opportunities to increase and encourage infill development and corridors to balance growth under the Strategic Goal of Sustainable Growth.

Background

As rail companies change operations, portions of their rail system become redundant. CN has offered the City the opportunity to purchase portions of its rail system that have been deemed surplus to its operational needs.

Report

Purchasing Abandoned Spur Lines

These three abandoned spur lines in the North Downtown and Kelsey/Woodlawn areas are considered strategic land purchases for future transportation and infill development opportunities.

Section 6.1.2.4(d) of the City's Official Community Plan states:

“When appropriate, abandoned rail lines shall be examined for use as future transportation corridors to link Suburban Development Areas with the Downtown.”

In addition to the direction from the Official Community Plan, the purchase of these lands would allow the City to increase its land holdings in the North Downtown Redevelopment Area and further enhance the ability to implement the proposed plan.

The proposed spur lines acquisitions include:

- 10.06 acre spur line that extends from 24th Street to 33rd Street; this would be a part of the North Downtown Redevelopment Plan (ISC Surface Parcel Nos. 131858488, 120294525, and 131858477);
- 6.70 acre spur line in the Kelsey/Woodlawn area situated north of 33rd Street along Warman Road (portion of ISC Surface Parcel No. 119083833); and
- 6.15 acre spur line in the Kelsey/Woodlawn area situated north of 33rd Street, which extends to 38th Street between 1st Avenue North and Quebec Avenue (ISC Surface Parcel Nos. 135983098 and 119011621).

The combined area of the three CN spur lines is approximately 22.91 acres (Attachment 1).

Terms of the Agreement

Noteworthy details of the agreements are as follows:

Purchase Price:

- Spur line from 24th to 33rd Street: \$1,300,000
- Spur line along Warman Road: \$535,000
- Spur line by Quebec Avenue: \$400,000
- The balance (less deposit and adjustments) would be paid on closing/completion of the subdivision

Conditions Precedent:

- City Council approval by August 31, 2015
- Subdivision approval by Planning and Development, Community Services Department

Noteworthy terms of the agreements include:

- There are existing parking and storage leases on these spur lines that would be assigned to the City as part of the acquisition. The annual rent from these leases would be approximately \$28,780.
- CN would remove a portion of the tracks from the spur line along Warman Road; all other tracks would remain with the lands. A plan would need to be developed for the removal of the remaining tracks.
- The City would install and maintain a 6 foot chain link fence along the north boundary of the Warman Road spur line as it abuts an active CN track. A subdivision for this spur line would also be required.
- Land is being sold on an as is basis.

Billboard Revenue

In addition to the parking and storage leases being assigned, there are two existing billboards on the spur lines in the following locations:

- One two-sided poster face at 24th Street
- One two-sided poster face at 33rd Street and 3rd Avenue

In addition to the existing billboards on the three spur lines, there are two Pattison billboards (three poster faces in total) on the airport spur line (between 39th Street and 46th Street) that was approved for purchase by City Council in September 2014. The Sale Agreement with CN identified that these lease agreements were to be assumed in the transfer to the City; however, CN later determined the leases would have to be terminated and renegotiated directly between the City and Pattison. The existing billboards on the airport spur line would also be included in the license agreement with Pattison for its existing billboards on the three spur lines being requested for acquisition in this report.

Annual revenues for all the billboards on the spur lines would be approximately \$22,610. This amount is consistent with the rates for the other billboard licence agreements the City has in place. The total annual revenue from both the billboards and parking/storage leases would amount to approximately \$51,390.

Options to the Recommendation

An option would be to not approve the purchase of these spur lines. The Administration does not recommend this option as the purchase of these abandoned spur lines is considered strategic and would result in potential future transportation and infill development opportunities being lost.

Financial Implications

Sufficient funds for these purchases exist in the Property Realized (\$1,700,000) and Dedicated Roadway (\$535,000) Reserves.

It is anticipated that annual revenues from the existing uses on these spur lines would be in the range of \$51,390. The lease/license revenues would be deposited into the City General Revenues account and the Dedicated Roadway Reserve.

Environmental Implications

Given the historical use of these spur lines, it is possible that some amount of contaminated soil would be present within the 22.91 acres. Depending on the future use of these lands, environmental screening may be required at a future date.

Other Considerations/Implications

There are no policy, privacy or CPTED implications or considerations, and neither public and/or stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

These proposed acquisitions would be finalized upon City Council approval. The completion of the required documentation to close the sales would be completed by the City Solicitor's Office.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Diagram Indicating Proposed Land Acquisition

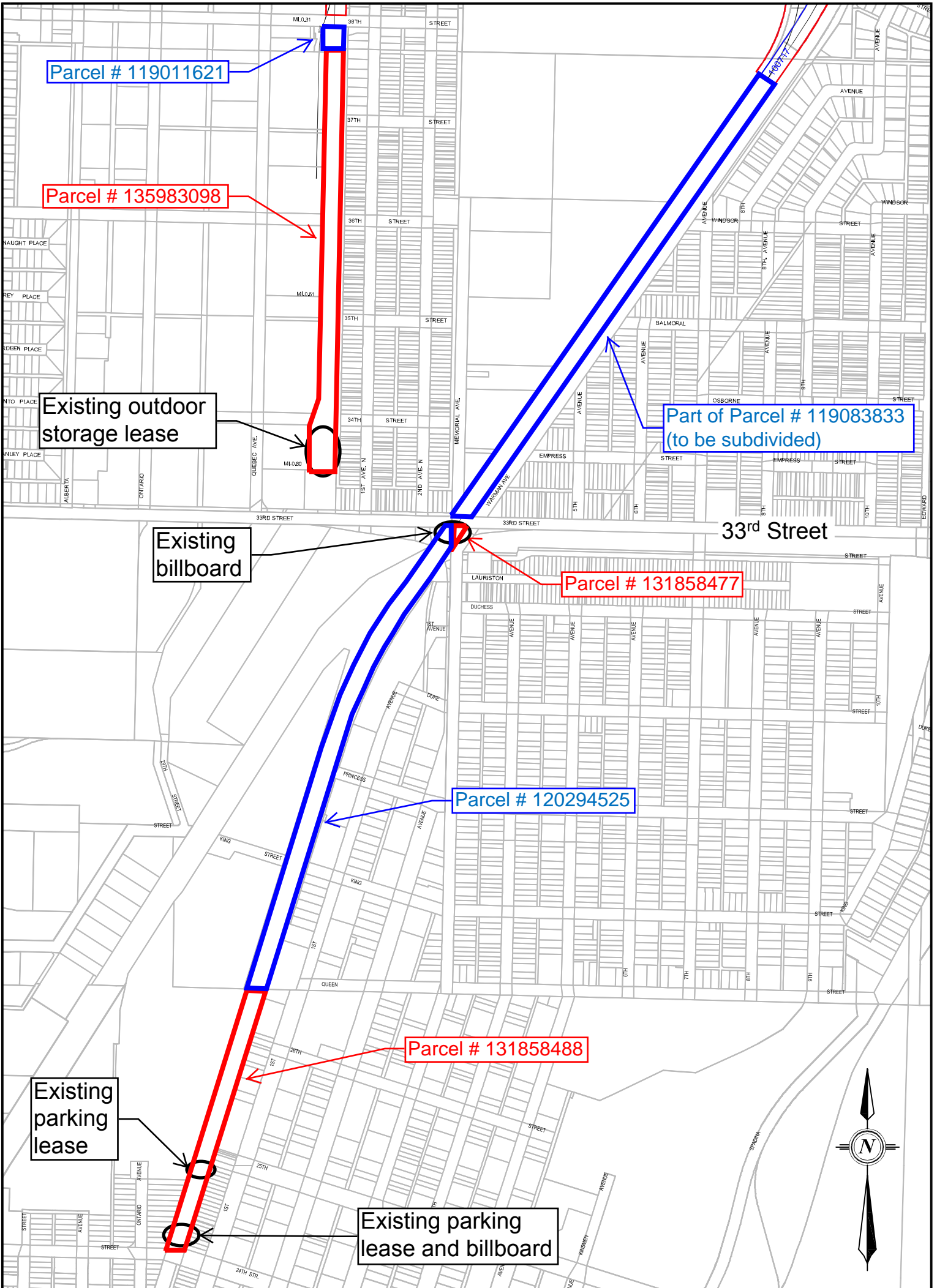
Report Approval

Written by: Scott McCaig, Real Estate Services

Reviewed by: Keith Pfeil, Acting Director of Saskatoon Land
Angela Gardiner, Director of Transportation

Approved by: Clae Hack, Acting General Manger, Asset & Financial Management
Department
Murray Totland, City Manager

Acquitistion_CNR Spur Lines.docx



Farm Land Fixed Taxation Agreement Extension

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the extension of the Farm Land Fixed Taxation Agreement with Mr. Brian Sutherland be approved; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Topic and Purpose

The purpose of this report is to receive City Council's approval to extend the Farm Land Fixed Taxation Agreement with Mr. Sutherland.

Report Highlights

1. This property was part of the 2005 annexation which led to the initial agreement with Mr. Sutherland.
2. Key differences exist between *The Municipalities Act* and *The Cities Act* relating specifically to the exemptions available to the owners of farmed land.
3. *The Cities Act* allows for City Council to enter into an agreement which effectively exempts improvements.

Strategic Goal

This report supports the Strategic Goal of Asset and Financial Sustainability by ensuring that the City of Saskatoon (City) is open, accountable and transparent in regard to the collection decisions the City makes. In doing so, it is ensured that farmed land is taxed at an accurate and equitable level as found within the applicable legislation.

Background

In 2006 and 2010, City Council approved five-year agreements with Mr. Sutherland, thereby exempting the improvements as found within *The Municipalities Act*. The 2010 agreement expired at the end of 2014. Late in 2014, Mr. Sutherland and the Acting City Assessor discussed renewal of the Farm Land Fixed Taxation Rate Agreement.

Report

Mr. Sutherland's property was part of a larger annexation that occurred in 2005. *The Municipalities Act*, which was the legislation applicable to this property prior to the 2005 annexation, allows for exemptions of improvements associated to the operation of the farm and the dwelling.

Following the annexation in 2005, this property is now legislated by *The Cities Act*. The City is required to follow the legislated directives of *The Cities Act* in regard to

assessment and taxation of properties. There is no automatic exemption on the dwelling or agricultural improvements as is afforded under *The Municipalities Act*. *The Cities Act* allows for City Council to enter into a five-year agreement with the property owner to exempt from taxation the same improvements that would have been exempted under *The Municipalities Act*.

At the beginning of 2015, the Farm Land Fixed Taxation Rate Agreement between the City and Mr. Sutherland expired. As a result, the property taxes attributable to the improvements on Mr. Sutherland's property became taxable for the 2015 taxation year.

The key differences between *The Cities Act* and *The Municipalities Act* as applicable to farm land are summarized in Attachment 1.

The Administration is recommending a further five-year agreement as it:

- ensures that properties that are farmed within the boundaries of the City are treated equitably with neighbouring municipalities;
- does not penalize the property owner as a result of the annexation; and
- ensures consistent application of *The Cities Act* relating specifically to farmed properties.

Options to the Recommendation

City Council could choose to not renew the agreement. This would suggest that the intent of the original agreement was to transition the tax differences between the Rural Municipality of Corman Park and the City.

The second option would be to enter into an agreement that phases in the taxable differences over a five-year period so that the property is assessed and taxed in accordance with *The Cities Act* in the final year of the agreement.

The benefit of either option is the generation of the tax revenue associated to the farm improvements. This is in the amount of approximately \$2,600 (based on 2015 mill rate).

The Administration does not recommend either option as this may be perceived as inconsistent with other agreements currently in place, and as inequitable treatment in comparison to adjoining municipalities.

Public and/or Stakeholder Involvement

The Acting City Assessor has been in communication with Mr. Brian Sutherland.

Communication Plan

Mr. Sutherland will be advised of City Council's decision.

Financial Implications

Based on the 2015 mill rate, the opportunity cost of entering into the Farm Land Agreement would be approximately \$2,600 annually.

Other Considerations/Implications

There are no policy, environmental, privacy or CPTED implications or considerations, and there is no due date for follow-up or completion.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachment

1. Key Differences – *The Municipalities Act* and *The Cities Act*

Report Approval

Written by: Darcy Huisman, Manager of Commercial Valuation
Reviewed by: Shelley Sutherland, Director of Corporate Revenue
Approved by: Clae Hack, Acting General Manager, Asset & Financial
Management Department

Brian Sutherland Agreement.docx

Key Differences – *The Municipalities Act* and *The Cities Act*

Prior to the annexation of 2005, Mr. Sutherland's property was located in the Rural Municipality (RM) of Corman Park.

The RM of Corman Park falls under *The Municipalities Act* in regard to the assessment and taxation of farm lands. Under that *Act*, dwellings that are situated outside of a hamlet are exempt from taxation if the assessed value of the dwelling is less than the total assessment of all land owned or leased by the owner of the dwelling in that and any adjoining municipality. If the assessed value of the dwelling is greater than the assessed value of land, then only the amount of the dwelling assessment that exceeds the land assessment is subject to taxation. The total land assessment of Mr. Sutherland's properties was greater than the assessment for the dwelling; therefore, the dwelling was exempt from taxation in 2004 (when taxes were levied by the RM under *The Municipalities Act*). *The Municipalities Act* also exempts all improvements used exclusively with the agricultural operation. Effectively, only the land was subject to taxation when the property was in the RM.

There are no similar provisions under *The Cities Act*. The City of Saskatoon is required to follow the legislated directives of the *The Cities Act* with regard to assessment and taxation of properties. There is no automatic exemption for dwellings or the agricultural improvements as is afforded under *The Municipalities Act*.

Section 168 of *The Cities Act* allows City Council to enter into an agreement on a parcel of land if the land is:

- used exclusively for farming purposes and if the principal occupation of the assessed owner of that land is farming; and
- greater than 8 hectares in area (approximately 20 acres).

This Section allows City Council to enter into an agreement to either set a fixed amount of assessment or a fixed amount of taxation on these properties. The issue in respect to Mr. Sutherland's property was not the level of assessment - it was the loss of the exemption to taxation.

An agreement entered into by City Council can be for any period up to five years. It is important to note that an agreement is deemed to be terminated or void if:

- additional structures are placed on the land;
- any portion of the land is used for any purpose other than farming; and
- the ownership of the land becomes less than the required hectares or any part of the land is subdivided into lots.

Section 168 also allows for the owner of the land to petition the appeal board to adjudicate the matter should City Council not enter into an agreement. The appeal board may make a ruling with the same outcome as proposed in the agreement or any other ruling as seen fit.

Amendments to the Industrial Land Incentive Program – Policies C09-009 and A09-009

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the revisions to Council Policy No. C09-009 and Administrative Policy No. A09-009, Industrial Land Incentives Program, be adopted; and
2. That the City Clerk be requested to update the policies as reflected in this report.

Topic and Purpose

The purpose of this report is to obtain City Council's approval of the proposed policy changes and general updates to the Industrial Land Incentives Program in response to current market trends. The intent of the changes is to ensure the program remains beneficial to new or expanding businesses while removing the potential for abuse of the program for land speculation and flipping.

Report Highlights

1. The long-term land lease offered through the Industrial Land Incentive Program has been an effective tool for promoting employment growth and new business development or expansion in the Saskatoon region; however, the current Council Policy does not contain any requirement to ensure improvements are constructed on land lease parcels in a reasonable time period.
2. A three-year build time requirement is being proposed by the Administration for all new long-term leases negotiated under the Industrial Land Incentive Program.
3. Minor changes to how the long-term land lease rate is calculated are recommended to reflect current, historically low interest rates and maintain revenue streams from new long-term leases that are negotiated under the Industrial Land Incentive Program in the future.
4. Minor changes to the Industrial Land Incentive Program are being recommended to reflect the current corporate committee structure, division names, and delegated responsibilities.

Strategic Goal

This report supports the City of Saskatoon's four-year priority of continuing to create and support a business friendly environment and increase the tax base that is non-residential under the Strategic Goal of Economic Diversity and Prosperity.

Background

The Industrial Land Incentive Program (Policy C09-009) was adopted by City Council on February 8, 1988. The policy was established to attract new industry and to encourage the expansion of existing industries, thereby creating new employment opportunities for

local residents and to generate financial return to the City of Saskatoon (City) to help offset holding costs on current inventory.

In July 2011, the Council Policy was amended to require that lessees complete a building foundation that is consistent with the nature of their business operations in order to exercise their Option to Purchase. This was done in order to discourage flipping of land held under long-term lease.

Since 2011, the Administration has also been more diligent in requiring written proposals from potential lessees prior to entering into long-term lease agreements. This gives Saskatoon Land the opportunity to view proposals of potential lessees' rationale for entry into the Incentive Program.

Report

Industrial Land Incentive Program

Over the past several years Saskatoon's vibrant economy and subsequent demand for industrial land has created the potential for speculation of land in City development areas. There have been situations where land parcels sold through the public tender process have been resold by the purchaser at a price greater than originally tendered by the City.

More recently, there have been several examples of the long-term lease method offered under the Industrial Land Incentive Program being used to tie up land parcels for very little cost. This has caused land under long-term lease to sit vacant with no improvements for several years, resulting in little benefit in increased assessment value to the City. Recent lessees have held the land for multiple years then assigned the lease to other interests at a financial gain. The new lessee will sometimes initiate construction, or in some instances they have attempted to assign the lease again, resulting in further administrative time and resources being required by Saskatoon Land and the City Solicitor's Office. This unintended misuse of the long-term lease option is contradictory to the purpose of the incentive program, as the City receives little benefit from delayed improvements on the land.

To aid in the process of discouraging misuse of the incentive program and encouraging timely construction of improvements on the land, the Administration is recommending changes to the Industrial Land Incentive Program Policy as outlined in this report.

Requirement for Land Improvements

A primary criterion of the Industrial Land Incentive Program is the commitment to improvements that are consistent with the tenant's operations. The purpose of this is to ensure that the City gains the benefit of increased assessment values on the properties through the construction of buildings and other permanent structures. Despite the required commitment to improvements on the land by the tenant, current Council Policy has no prescribed time period to ensure improvements are made within a reasonable time.

To certify on a go-forward basis that new lessees are committed to making land improvements under the program, it is recommended that a three-year build time

requirement be imposed. If after three years there is no evidence of improvements or commitment to such improvements, the City would have the option of terminating the lease and the land would be returned for sale over-the-counter. For the purpose of measuring a commitment to improvements on the land, the Administration will require new tenants to have a building foundation in place that is consistent with nature of the proposed operations within the three years.

Requiring improvements within the three-year time period will provide adequate time to design, plan and secure financing for building construction. This will deter new lessees from using the long-term lease to speculate the land for resale or assignment and encourage improvements that benefit new assessment value for the City. The three-year time frame also allows for the opportunity to adjust to fluctuations in the market that could have an effect on the construction process.

This recommended change to Council Policy C09-009 is indicated in Attachment 1.

Lease Rate

Under current Council Policy, the lease rate will be such that it maintains the incentive to purchase City-owned industrial land and is currently based on the City's 10-year debenture rate. The rate is locked in for the first 10 years of the Lease Agreement and then every 5 years thereafter at the new 10 year debenture rate. With rates currently at historic lows and older leases coming to their 10-year anniversary, new lease payments are being adjusted down significantly. This has resulted in a substantial loss of revenue for the City. The Administration is recommending that the Council Policy be changed so that the adjusted lease rate is the higher of the lessee's current payment or the new 10-year debenture rate. This will allow the City to certify that its revenue from existing leases will not be substantially reduced in times of low interest rates and lessees will continue to pay the rate they have for the previous 10 years.

It is also recommended that the calculation of the lease rate be amended to the 10 year debenture rate plus one percent. This change in the rate calculation will continue to provide an incentive to new or expanding industries with a favourable rate, while also generating a greater financial return to the City. The main incentive for businesses applying for the Industrial Land Incentive Program remains to be the ability to acquire the land and construct a building without having to finance the land cost. This allows the business to become established before proceeding to purchase the land through the Option to Purchase Agreement contained in the Lease.

These recommended changes to Council Policy C09-009 are indicated in Attachment 1.

General Policy Updates

The current policies contain several references to former civic departments and committee structure. The Administration recommends that Council Policy No. C09-009 (Attachment 1) and Administrative Policy No. A09-009 (Attachment 2) be updated as indicated on the attached policies to reflect the current division names and the current Council Committee structure and delegated authorities.

Options to the Recommendation

The option is to keep the Industrial Land Incentive Program as it currently exists.

Public and/or Stakeholder Involvement

The President of the Saskatoon Regional Economic Development Authority (SREDA) has been advised of the proposed changes.

Communication Plan

Should the proposed changes be approved, the City's website will be updated to reflect the new policy changes and all new long term lease applicants would be advised of the recent changes.

Policy Implications

If the recommendations in this report are approved, Council Policy No. C09-009 and Administrative Policy No. A09-009 will be amended to reflect these changes.

Financial Implications

The payments received from leases under the Industrial Land Incentive Program will continue to be deposited to the general revenue fund through City-Owned Property.

Other Considerations/Implications

There are no environmental, privacy or CPTED implications or considerations.

Due Date for Follow-up and/or Project Completion

There is no due date for follow-up and/or project completion required.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Attachments

1. Council Policy No. C09-009, Industrial Land Incentives Policy (Updated to July 3, 2015)
2. Administrative Policy No. A09-009, Industrial Land Incentives Policy (Updated to July 3, 2015)

Report Approval

Written by: Jeremy Meinema, Finance and Sales Manager
Reviewed by: Keith Pfeil, Acting Director of Saskatoon Land
Approved by: Clae Hack, Acting General Manager, Asset & Financial
Management Department

Policy Changes_Industrial Land Incentives Program.docx

CITY OF SASKATOON COUNCIL POLICY

NUMBER
C09-009

POLICY TITLE <i>Industrial Land Incentives Program</i>	ADOPTED BY: <i>City Council</i>	EFFECTIVE DATE <i>February 8, 1988</i>
		UPDATED TO <i>November 7, 2011</i>
ORIGIN/AUTHORITY <i>Planning and Development Committee Report No. 6-1988; Administration and Finance Committee Report No. 17-2001; and Land Bank Committee Reports 7-2011 and 9-2011</i>	CITY FILE NO. <i>CK. 3500-13, 4225-1, and 4215-1</i>	PAGE NUMBER <i>1 of 3</i>

1. PURPOSE

The objectives of this Policy are:

- a) To attract new industry and to encourage the expansion of existing industries, thereby creating new employment opportunities for local residents; and
- b) To generate a financial return to the City (and hence, to offset holding costs) on the City's current inventory of industrial land (as defined in 2.1 below).

2. DEFINITIONS

- 2.1 City-owned Industrial Land - shall be all City-owned industrial land available for sale over-the-counter, with the exception of land tendered under the Tax Enforcement Act.

3. POLICY

The City will lease, with the option to purchase, City-owned industrial land as defined above.

3.1 Term of Lease

The term of the lease will be 15 years, with an option to renew for a further 5 years.

3.2 Lease Rate

The lease rate will be such that it maintains the incentive to purchase City-owned industrial land.

CITY OF SASKATOON COUNCIL POLICY

NUMBER
C09-009

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Industrial Land Incentives Program</i>	<i>February 8, 1988</i>	<i>November 7, 2011</i>	<i>2 of 4</i>

- a) The lease rate will be determined on the basis of the City's cost of borrowing applied to the selling price of the serviced land. The interest rate used will be equivalent to the market rate at which the City is able to issue debentures for a ten-year period or the remaining length of the lease, whichever is shorter, **plus one percent.**
- b) ~~The lease rate will be adjusted only to reflect changes in the interest rate components of the formula and only~~ **Adjustments to the lease rate will be the higher of the current lease payment or the City's new ten year debenture rate plus one percent and only:**
 - i) After the initial 10 years of the lease agreement; and
 - ii) Every 5 years thereafter.

3.3 Occupancy Costs

The tenant will be responsible for all occupancy costs including all local government taxes (property and business).

3.4 Transferability

Lease agreements may be transferred by assignment provided the transfer supports the objectives of this Policy.

3.5 Improvement Commitments

The tenant must commit to improvements and such improvements must be consistent with the nature of the tenant's operations.

- a) **Tenants are required to have a building foundation in place that is consistent with the nature of the tenants operations within three years, commencing upon the execution of the Lease Agreement.**
- b) **If after three years there is no evidence of improvements or commitments to such improvements that are consistent with the nature of the tenants operations, the City will have the option of terminating the lease and placing the land for sale over-the-counter.**

CITY OF SASKATOON COUNCIL POLICY

NUMBER
C09-009

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Industrial Land Incentives Program</i>	<i>February 8, 1988</i>	<i>November 7, 2011</i>	<i>3 of 4</i>

3.6 Real Estate Fees

Real Estate Fees, where applicable, will be paid for out of the Property Realized Reserve.

3.7 Option-to-Purchase

The tenant will have the option to purchase the property at any time during the term of the lease, upon completion of a building foundation consistent with the nature of the tenants operations. The price of the option will be equivalent to the selling price in effect at the time the lease agreement was entered into.

3.8 Administrative Authority

The Administration shall have authority to:

- a) Approve all lease agreements that satisfy the requirements of this Policy.
- b) Authorize the improvements required to be undertaken by the tenant as a condition of the lease agreement.
- c) Charge real estate fees, where applicable, to the Property Realized Reserve.
- d) Approve the transfer of lease agreements.

4. RESPONSIBILITIES

4.1 ~~Land Branch-Saskatoon Land~~

- a) Recommend changes to this policy, when required, to City Council through the ~~Land Bank-Committee Standing Policy Committee on Finance~~.

4.2 ~~Land Bank-Committee Standing Policy Committee on Finance~~

- a) Review recommendations from ~~the Land Branch Saskatoon Land~~ regarding proposed amendments to the policy and, where appropriate, recommend to City Council changes to the policy.

CITY OF SASKATOON COUNCIL POLICY

NUMBER

C09-009

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Industrial Land Incentives Program</i>	<i>February 8, 1988</i>	<i>November 7, 2011</i>	<i>4 of 4</i>

- b) Advise City Council on the extent, if any, that the lease rate formula (and any changes in the formula) affects the incentive to purchase City-owned industrial land and recommend changes to the lease rate formula, as appropriate.

4.3 City Council

- a) Receive and consider recommendations from the ~~Land Bank~~ **Standing Policy Committee on Finance** with respect to amendments to this policy, including revisions to the lease rate formula; and
- b) Approve amendments to this policy when and as required.

NUMBER

A09-009

POLICY TITLE <i>INDUSTRIAL LAND INCENTIVES PROGRAM</i>	ADOPTED BY: <i>CITY COMMISSIONER</i>	EFFECTIVE DATE <i>OCTOBER 24, 1988</i>
ORIGIN/AUTHORITY <i>DIRECTOR OF PLANNING AND DEVELOPMENT REPORT OCTOBER 17, 1988</i>	CITY FILE NO. <i>CK-4225-1</i>	PAGE NUMBER <i>1 of 3</i>

1. PURPOSE

To provide direction in the administration of City Council Policy No. C09-009 on "Industrial Land Incentives Program".

2. DEFINITIONS

2.1 City-owned Industrial land ~~shall be all City-owned industrial land that is located in the areas bounded by Miners Avenue to the west, 61st Street to the north, Millar Avenue to the east, and 55th Street to the south and any other industrial land that City Council may designate from time to time.~~ **Shall be all City-owned industrial land available for sale over-the-counter, with the exception of land tendered under the Tax Enforcement Act.**

3. POLICY

The following terms and conditions will govern the administration of lease agreements entered into pursuant to City Council Policy No. C09-009 on "Industrial Land Incentives Program":

3.1 Lease Payments

Lease payments must be made in advance on a monthly basis.

3.2 Approval

The Director of ~~Planning and Development~~ **Saskatoon Land** shall have authority to approve:

- a) All lease agreements entered into pursuant to this Policy.

POLICY TITLE	EFFECTIVE DATE	PAGE NUMBER
<i>INDUSTRIAL LAND INCENTIVES PROGRAM</i>	<i>OCTOBER 24, 1988</i>	<i>2 of 3</i>

- b) The transfer of any such lease agreements.
- c) Charges against the Property Realized Reserve for real estate fees, where applicable.
- d) The improvements required to be undertaken by the tenant.

3.3 Accounting

Long-term lease agreements entered into pursuant to this Policy shall be accounted for and reported as a separate program to be known as the "Industrial Land Incentive Program".

- a) The program will fall under the jurisdiction of ~~the City's Economic Development Department~~ **Saskatoon Land**.
- b) The serviced land will be transferred to the "Program" at a price equivalent to the City's selling price at the time the lease agreement is entered into.
- c) Lease payments will be credited to General Revenues.
- d) Proceeds from the subsequent sale of land leased under the Program will be credited to the 'Industrial Land Incentives' account.
- e) The Land Department will assume responsibility for selling any land, not purchased upon termination of lease agreements, with the proceeds, net of the Land Administration Fee, being credited to the 'Industrial Land Incentives' account. Excess funds will be credited to the Property Realized Reserve.

4. RESPONSIBILITIES

4.1 ~~Economic Development Department~~ **Saskatoon Land** shall be responsible for:

- a) Promoting the Industrial Land Incentives Lease Program;
- b) Attracting and negotiating with industries to enter into long-term lease agreements pursuant to this Policy;

POLICY TITLE	EFFECTIVE DATE	PAGE NUMBER
<i>INDUSTRIAL LAND INCENTIVES PROGRAM</i>	<i>OCTOBER 24, 1988</i>	<i>3 of 3</i>

- c) Ensuring tenants comply with the terms and conditions set out in the lease agreements.
- d) Reviewing and reporting annually on the impact of this Policy;
- e) Attending to administrative matters pertaining to the preparation of lease agreements, in consultation with the Solicitor's office;

~~4.2 Land Department shall be responsible for attending to administrative matters pertaining to the preparation of lease agreements, in consultation with the Solicitor's office;~~

4.3 Treasurer's Corporate Revenue Department - shall receive copies of all lease agreements and shall collect all lease payments and taxes applicable to such agreements.

Leasing of Civic Facility – Sutherland Memorial Hall 1112 Central Avenue

Recommendation

That the Administration submit a report to City Council recommending:

1. That the lease of the City-owned facility known as Sutherland Memorial Hall, located at 1112 Central Avenue, be mutually terminated with the Sutherland Memorial Hall Corporation and a new lease agreement be entered into with the POW City Kinsmen Club of Saskatoon at a lease rate of \$1.00 per year for a period of five years with an option for renewal, based on the terms as set out in the following report; and
2. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

Topic and Purpose

The purpose of this report is to receive City Council's approval for the lease of Sutherland Memorial Hall to POW City Kinsmen Club of Saskatoon (Kinsmen) for a term of five years.

Report Highlights

1. Kinsmen has requested to lease Sutherland Memorial Hall and would assume management and operation of the facility in exchange for dedicated club space in the basement of Sutherland Memorial Hall.
2. Sutherland Memorial Hall would undergo a number of building improvements and continue to operate as a community hall that is open for public bookings.

Strategic Goals

This report supports the four-year priority of establishing levels of service for rehabilitation of assets and identifying supporting financial strategies under the Strategic Goal of Asset and Financial Sustainability.

This report also supports the long-term priority of ensuring existing and future leisure centres, and other recreational facilities, are accessible physically and financially and meet community needs under the Strategic Goal of Quality of Life.

Background

Sutherland Memorial Hall (SMH) was built by the City of Saskatoon (City) in 1958. Since that time, it has been operated by the non-profit corporation, Sutherland Memorial Hall Corporation, through various lease agreements with the City. The SMH Corporation has been a noteworthy steward of this facility for many decades.

Under the existing terms of the lease, there is an annual rent of \$1.00, and the SMH Corporation is responsible for maintaining the building and providing a reserve for future repairs. As of December 31, 2014, the SMH Corporation reserve fund had approximately \$105,000 in cash and investments.

Report

Kinsmen's Request to Lease SMH

In 2014, Kinsmen approached the City about leasing SMH. While the SMH Corporation has been a dedicated steward of the community hall for many years, the SMH Corporation is currently comprised of only two directors who have indicated that the operation and management of the hall can be challenging at times. The directors have stated they would be open to another group managing and operating the space going forward, and all parties agree that the function of the hall is to remain unchanged.

In exchange for dedicated club space in the basement of the hall, Kinsmen would enter into a lease with the City that would require Kinsmen to oversee the ongoing operation and management of SMH. Kinsmen also manage and operate the City-owned hall at 614 – 11th Street East in a similar manner under a sub-lease agreement with the Senior Citizen's Centre Association of Saskatoon.

Under the proposed lease with Kinsmen, SMH would continue to serve as a community hall for the area in the same manner it has in the past. This proposed lease with Kinsmen is of benefit to the City for the following reasons:

- Kinsmen would assume full responsibility for all day-to-day operations, management, and maintenance of the hall;
- Kinsmen would contribute to the Civic Buildings and Comprehensive Maintenance Reserve (CBCM) on a yearly basis;
- Kinsmen would be responsible for acquiring adequate property insurance for SMH;
- Kinsmen must report to the City on an annual basis with respect to the yearly income and expense statements; and
- The function of the facility as a community hall will remain unchanged.

As part of the lease, Kinsmen would have the option to install signage on the building indicating that the SMH is operated by Kinsmen. Such signage is to be approved by the City prior to installation.

The Lease Agreement would carry a five-year term at the lease rate of \$1.00 per year, commencing September 1, 2015, with the option to renew for an additional five-year term.

SMH Operations

The SMH Corporation generates funds to manage SMH through hall rentals. After hall operating costs are paid, the remaining revenue is to be held in a fund for future operations and maintenance, or invested back into the facility. Kinsmen, the SMH

Corporation, and the City have been in discussions and all parties agree that the approximate amount of \$105,000 in the reserve fund held by the SMH Corporation be transferred to the City's CBCM, as the City would take over future responsibility for any capital expenditures to the hall in excess of \$10,000.

Of the \$105,000 that would be transferred to the CBCM, approximately \$70,000 would be immediately spent on some much needed washroom repairs/upgrades, as well as a general modernization to the space that would update the look and feel of the facility. Any such improvements to SMH would be undertaken through a competitive pricing tender issued and overseen by the City.

Options to the Recommendation

Option 1: The Standing Policy Committee on Planning, Development, and Community Services can reject the lease of SMH to Kinsmen. The Administration does not recommend this option as the SMH Corporation may reach a point where it is no longer able to manage the operation of the hall, and would need to call upon the City to assist or take over management and operation.

Option 2: Saskatoon Land can propose to lease the hall to another organization. The Administration does not recommend this option as there would be a limited number of groups that have the means and dedication to lease the hall. The Kinsmen has demonstrated continued interest in SMH and has already taken steps to learn more about the management and operation of the hall from the SMH Corporation.

Option 3: The City can take over the management and operation of the hall. The Administration does not recommend this option as the City would incur considerable financial obligation doing so.

Option 4: The City could sell the building rather than leasing this facility. This would provide one-time funds for other uses, but may impact the community by eliminating a facility that provides a social benefit to the Sutherland community.

Public and/or Stakeholder Involvement

Real Estate Services has held discussions with the SMH Corporation and Kinsmen regarding the future management and operation of the community hall - both parties have indicated they would like to move forward on this.

Financial Implications

If approved, Kinsmen will operate and maintain SMH with funds generated through hall rentals, and make an annual CBCM contribution of 1.2% of the replacement value of SMH. The current annual contribution to the CBCM from Kinsmen would be \$18,678. This value was based off of a current building valuation by a third party appraisal.

Other Considerations/Implications

There are no environmental, privacy, or CPTED implications or considerations, and a communication plan is not required.

Due Date for Follow-up and/or Project Completion

If approved, the proposed Lease Agreement would expire on September 30, 2020.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is required as Section 3 (i) states the selling or leasing land for less than fair market value and without a public offering. The following Public Notice (Attachment 1) will be given:

- Advertised in The StarPhoenix on September 12, 2015
- Posted on the City Hall Notice Board on September 11, 2015
- Posted on the City's website on September 11, 2015

Attachment

1. Copy of Public Notice

Report Approval

Written by: Scott McCaig, Real Estate Services
Jeremy Sibley, Real Estate Services

Reviewed by: Keith Pfeil, Manager, Acting Director of Saskatoon Land

Approved by: Clae Hack, Acting General Manager, Asset & Financial
Management Department

Sutherland Hall Lease.doc

Copy of Public Notice

PUBLIC NOTICE

SUTHERLAND MEMORIAL HALL – INTENT TO LEASE FOR LESS THAN FAIR MARKET VALUE WITHOUT PUBLIC OFFERING

City Council will be considering a report from the Administration at the Public Hearing Meeting of City Council to be held on **Monday, September 28, 2015 at 6:00 p.m., Council Chambers, City Hall** recommending:

That City Council authorize the lease of Sutherland Memorial Hall located at 1112 Central Avenue to POW City Kinsmen Club of Saskatoon for \$1.00 for a period of five years with an option for renewal.

- POW City Kinsmen would assume management and operation of the facility in exchange for dedicated club space in the basement.
- Sutherland Memorial Hall would undergo a number of building improvements and continue to operate as a community hall that is available for public bookings.

The Cities Act and City Council Bylaw 8171 require that City Council give public notice before leases below fair market value and without a public offering.

For more information, contact the City Clerk's Office: 306-975-3240

Enterprise Resource Planning (ERP) System Business Case Contract Award

Recommendation

That the Standing Policy Committee on Finance recommend to City Council:

1. That the Request for Proposal for Consulting Services for an Enterprise Resource Planning Business Case be awarded to Deloitte;
2. That the City Solicitor prepare the necessary Agreement and that His Worship the Mayor and the City Clerk be authorized to execute the Agreement under the Corporate Seal; and
3. That an additional \$75,000 be allocated to Project 1829 – Corporate Enterprise Resource Planning (ERP) System from the Asset and Financial Management Department Capital Reserve.

Topic and Purpose

The purpose of this report is to receive City Council's approval to award the contract for Consulting Services for an Enterprise Resource Planning (ERP) Business Case to Deloitte, and to increase the budget for the business case project.

Report Highlights

1. On June 9, 2015, the City of Saskatoon issued a Request for Proposal (RFP) for consulting services to prepare a business case for an ERP system.
2. Your Administration is recommending Deloitte, the Preferred Proponent, be awarded the contract for Consulting Services for the ERP Business Case.

Strategic Goals

Under the Strategic Goal of Continuous Improvement, this report supports the long-term strategies of increasing productivity by being more efficient in the way we do business, and leveraging technology and emerging trends to reach our goals, provide services to citizens and connect meaningfully with our stakeholders. This report also supports the four-year priority of pursuing opportunities to implement specific continuous improvement tools within departments.

Background

Included in the approved 2015 budget is \$50,000 related to Project 1829 - Corporate Enterprise Resource Planning (ERP) system which is to be used to develop a comprehensive business case regarding potential implementation of an ERP system.

Report

Request for Proposal

The City of Saskatoon (City) currently has a variety of financial systems which are not fully integrated, and are decentralized and outdated. This creates several risks for the corporation, including:

- access to information is not easy making it difficult to make data-based decisions;
- administrative processing takes longer and is more difficult, resulting in increased costs to the corporation; and
- the City's IT environment is complex and time consuming to manage effectively.

The Administration has identified an ERP System as a potential solution to address these risks through:

- centralizing and standardizing corporate processes/systems;
- increasing the availability of relevant data; and
- enhancing efficiencies resulting in both hard and soft dollar savings (to be quantified through the business case).

Before a software selection and implementation is recommended, a business case needs to be developed in order to explicitly lay out the qualitative and quantitative benefits and risks in regards to the City's potential transition and investment in an ERP system.

On June 9, 2015, the Finance Division released a RFP for Consulting Services for an Enterprise Resource Planning (ERP) Business Case which closed on June 30, 2015. The intent of the business case is to:

- review current business processes and applications;
- identify current business and process challenges that could be improved with an ERP system;
- provide a cost/benefit analysis including quantification of potential efficiencies and savings realized from making the transition to an ERP system; and
- provide a qualitative analysis regarding the general and specific benefits and risks associated with the current systems and the prospective conversion to an ERP system.

A total of nine submissions were received from the following firms: Soft Resources, ISM Canada, CGI, INIP Consultants Inc., SNP, Ernst & Young, KPMG, E2e and Deloitte. The submissions were evaluated on the following criteria:

- Price Schedule (25 points)
- Previous Experience (25 points)
- Schedule Compliance (20 points)
- Methodology/Approach (20 points)
- Completeness and Quality of Proposal (10 points)

Upon the completion of the review of the proposals by the Evaluation Committee (comprised of civic staff from Finance, Information Technology and Purchasing Services), the Administration is recommending awarding the contract for an ERP Business Case to Deloitte as they best met the selection criteria as detailed in the RFP.

The recommended proponent bid is estimated at \$123,030 (including 15% estimated travel costs) of which there is sufficient funding in the Asset and Financial Management Department Reserve to cover this cost.

Options to the Recommendation

Option 1: City Council can choose not to allocate the additional \$75,000 to the capital project. This would defer the Business Case project to 2016 Budget Deliberations, which would delay the eventual implementation and benefits the City would gain from an ERP system. The Administration does not recommend this option due to the urgency in beginning the first steps towards an ERP system implementation and the source of funding being readily available.

Option 2: City Council could allocate less than the additional \$75,000 to the capital project. This would either:

- reduce the scope of Deloitte’s business case proposal which would diminish the completeness and usefulness of the report; or
- revisit other proponents’ submissions which came in with a lesser price but did not rate as high in other areas (methodology and previous experience).

The Administration does not recommend this option because the current proposal and scope from Deloitte would provide the City with a comprehensive case that would both qualitatively and quantitatively breakdown the benefits an ERP system would provide. Any adjustments made to the proponent or scope would reduce the overall quality of the business case.

Policy Implications

This report has been prepared in accordance with Policy No. C03-001, The Budget Process, Section 3.4(d)(ii), which states “In all cases where an appropriate source of funding for the over-expenditure from other than the current year’s general revenues cannot be identified, City Council approval is required.”

Financial Implications

The financial implications are included within the body of this report.

Other Considerations/Implications

There are no environmental, privacy, or CPTED considerations or implications. Neither public and/or stakeholder involvement nor a communication plan is required.

Due Date for Follow-up and/or Project Completion

The business case is anticipated to be completed by December 31, 2015, at which time a report outlining the business case findings will be presented to the Standing Policy Committee on Finance for consideration.

Public Notice

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

Report Approval

Written by: Clae Hack, Director of Finance

Reviewed by: Kerry Tarasoff, CFO/General Manager, Asset & Financial Management
Department

Approved by: Murray Totland, City Manager

Enterprise Resource Planning (ERP) System Business Case Contract Award.docx

North Commuter Parkway and Traffic Bridge – Intent to Borrow

Recommendation

That the Administration submit a report to City Council recommending that the planned Public Private Partnership range of borrowing from \$109M to \$122M, plus or minus a 10% variance, for the North Commuter Parkway and Traffic Bridge project (Capital Project 2407), through a capital asset financing agreement between the City of Saskatoon (City) and the Preferred Proponent be approved (such borrowing structured as payments to the Preferred Proponent over a period of 30 years, including to repay the capital costs of the project).

Topic and Purpose

The purpose of this report is to request authorization to borrow for the North Commuter Parkway and Traffic Bridge (NCPTB) project through a Public Notice Hearing.

Report Highlights

1. The NCPTB project is an approved project that will require borrowing.
2. The borrowing amount is identified as a range, which permits for some variance and is an expected outcome of the proposals that will be received.
3. The borrowing is within the \$558M debt limit approved by the Saskatchewan Municipal Board.

Strategic Goal

The construction of the NCPTB supports the long-term strategy of optimizing the flow of people and goods in and around the city under the Strategic Goal of Moving Around. Managing debt and the current debt limit relates to the long-term strategy of protecting the City of Saskatoon's credit rating under the Strategic Goal of Asset and Financial Sustainability. The required Public Notice for Borrowing is one of the key elements of accountability and transparency which enhances the longer term objective of financial sustainability.

Background

At its meeting on March 31, 2014, City Council approved that the NCPTB project use a P3 delivery model, subject to the City's approval of a funding application to PPP Canada.

On June 9, 2014 the Government of Canada, through the P3 Canada Fund, announced a contribution of up to \$66M, and the Province of Saskatchewan announced a contribution of \$50M for the NCPTB project.

At its meeting on June 9, 2014, City Council approved the funding plan for the NCPTB project and also approved that the Administration proceed with the Request for Qualifications (RFQ) stage of procurement.

The RFQ was issued on July 21, 2014 and closed on September 10, 2014. Three Proponents were shortlisted for the Request for Proposal (RFP) stage on October 3, 2014. The RFP was issued to the shortlisted proponents on December 23, 2014.

Report

Procurement

The Administration is nearing completion of the procurement for the NCPTB project. This project includes a new 6-lane bridge across the South Saskatchewan River, approximately 8.3 km of new 4-to 6-lane arterial roadways, the improvement/expansion of approximately 2.1 km of existing arterial roadways, as well as the demolition and removal of the existing Traffic Bridge superstructure and construction of a new modern steel Parker through-truss bridge.

The Preferred Proponent will be identified in a separate report to City Council. The next stage of the process is for the City to enter into a design, build, finance, operate, and maintain agreement (Project Agreement) with the Preferred Proponent and to achieve Commercial and Financial Close.

Borrowing

It is expected that the 30-year final fixed price Project Agreement will be executed in October 2015. The ongoing capital payments to the Preferred Proponent are considered a long-term liability for the City, and as a result, will be treated as debt and will require City Council to approve a borrowing bylaw. The City will pay the Preferred Proponent up to \$120M upon substantial completion (on or before October 1, 2018) as certified by an independent certifier. The remainder of the liability will be included in the monthly payments over the 30-year term. Details of the finalized Project Agreement and the financial terms, including the interest rate and payment data, will be presented in a future borrowing bylaw report for City Council's consideration and approval.

The RFP issued to the three shortlisted teams contained an Affordability Threshold. The Affordability Threshold was built by combining the total amounts of both the capital and operating budgets. Each of the shortlisted teams can then develop their overall financial plan for the NCPTB project based on the blended budget. The Administration did not designate how much was to be applied to capital and how much to operating as this will allow the Preferred Proponents innovation in how they structure their proposal.

Until the financial bids are opened and evaluated, it is impossible to know for certain how each Proponent is dividing the Affordability Threshold into capital and operating. The borrowing amount is a range plus a variance because Public Notice was given and this report was written prior to opening the bids.

Debt Limit

Legislation allows for cities to incur long-term debt without application to the Saskatchewan Municipal Board (SMB) providing the debt does not exceed the amount authorized by the SMB. The debt required for the NCPTB project is fully accommodated within the \$558M limit that has been approved by the SMB.

City Council Bylaw No. 8171, The Public Notice Policy Bylaw, 2003, requires that City Council give Public Notice before borrowing money. Accordingly, because the City will be obligated to make payments to the Preferred Proponent over a period of 30 years, including to repay the capital costs of the Project, Public Notice is required.

For the purposes of *The Cities Act*, this will be considered to be a “borrowing” as defined by that *Act*.

Public and/or Stakeholder Involvement

There is no public or stakeholder involvement required at this time.

Policy Implications

The Administration has scheduled the execution of the Project Agreement for the week of October 19, 2015. Details of the finalized Project Agreement and the financial terms, including the interest rate and payment data, will be presented in a future borrowing bylaw report for City Council’s consideration and approval.

Financial Implications

\$120M will be paid to the Preferred Proponent upon substantial completion for partial payment of the capital costs. These funds will come from PPP Canada, the Province of Saskatchewan, borrowing and Evergreen Neighbourhood surplus.

The funding plan for the NCPTB project that was approved at the City Council meeting on June 9, 2014 includes the funding above, as well as supports annual payments in the amount of \$10.8M per year for the 30-year term. These annual payments are for the remaining capital costs, maintenance, operations and major rehabilitation costs.

Other Considerations/Implications

There are no options to the recommendation and there are no environmental, privacy, or CPTED implications or considerations, and a communication plan is not required at this time.

Due Date for Follow-up and/or Project Completion

Once details of the Project Agreement are finalized, the Administration will present a borrowing bylaw, with all of the relevant data related to the transaction, for City Council’s approval.

Public Notice

Public Notice is required for consideration of this matter, pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, which forms part of Bylaw 8171. The following Public Notice was given:

- Advertised in [The StarPhoenix](#) on August 8, 2015
- Posted on the City Hall Notice Board on August 7, 2015
- Posted on the City’s website on August 7, 2015

Attachment

1. Photocopy of Public Notice

Report Approval

Written by: Kari Smith, Manager of Financial Planning
Reviewed by: Linda Andal, Director of Civic Operations Centre Project
Clae Hack, Acting General Manager, Asset & Financial
Management Department
Approved by: Murray Totland, City Manager

NCPTBP_Intent to Borrow.docx

Copy of Public Notice

PUBLIC NOTICE**NORTH COMMUTER PARKWAY AND TRAFFIC BRIDGE – INTENT TO BORROW**

City Council will be considering a report from the Administration at the Public Hearing Meeting of City Council to be held on **Thursday, August 20, 2015 at 6:00 p.m., Council Chambers, City Hall** recommending:

That City Council authorize the following planned Public Private Partnership range of borrowing (such borrowing structured as payments to the Preferred Proponent over a period of 30 years, including to repay the capital costs of the project):

- **\$109M to \$122M (+/- 10%)** for the North Commuter Parkway and Traffic Bridge (Capital Project 2407), through a capital asset financing agreement between the City of Saskatoon and the Preferred Proponent.

The Cities Act and City Council Bylaw 8171 require that City Council give public notice before borrowing money. For more information, contact the City Clerk's Office: 306-975-3240