



REPORT TO THE LIBRARY BOARD

MEETING DATE: THURSDAY APRIL 23, 2009

Session:	Public Session
Subject:	Infrastructure Stimulus Fund
Prepared By:	Susanna Hubbard Krimmer, Barbara Jessop, Margaret Mitchell, Terry Wilkes
Presented By:	Susanna Hubbard Krimmer
Purpose of Report:	For Receipt and Information <input checked="" type="checkbox"/>

Recommendation:

It is recommended that the Library Board receive this report.

Issue / Opportunity

The City of London is seeking funding from the Government of Canada Infrastructure Stimulus Fund that provides funding to provincial, territorial and municipal construction-ready infrastructure rehabilitation projects.

On January 29th, 2009, as part of its Economic Action Plan, the Federal Government announced a number of economic stimulus programs aimed at creating jobs and improving municipal infrastructure. These programs can be grouped into five broad initiatives:

- Infrastructure Stimulus Fund
- Community Recreation and Facilities Initiative Fund
- Housing Initiative Fund
- Green Initiatives Fund
- Accelerated Build Canada Initiative Fund.

The first four initiatives are designed to put money into the economy quickly. The Build Canada Program is for larger scale projects and is designed to create investment over the next seven years.

The \$4 billion Infrastructure Stimulus Fund will provide funding to provincial, territorial and municipal construction-ready infrastructure rehabilitation projects. Funding is available for two years for projects that begin during the 2009 and 2010 construction seasons. Projects will focus largely on the rehabilitation of existing assets such as water, wastewater, public transit, highways, roads, culture, parks, trails and municipal buildings. Projects must satisfy

program criteria and be confirmed in a funding agreement. Provincial and territorial projects will be identified through discussions with provincial and territorial governments. Proposals from municipal and non-governmental organizations will be considered through different selection processes in consultation with each province and territory.

Background & Review

City of London Strategy and Process

On Friday, March 13th, 2009, Committee of the Whole received a report on the Infrastructure Stimulus Fund from Jeff Fielding, City of London Chief Administrative Officer, and Vic Cote, General Manager of Finance and Corporate Services & Acting City Treasurer. The report provided background information for consideration in establishing priorities for infrastructure investment. The report, quoted as follows, provides a strategy for maximizing funding of both shovel-ready and long-term projects:

This can be accomplished by taking advantage of shovel ready funding to advance municipal projects that are in the City's ten year capital plan. This frees up fiscal capacity which can then be applied to a large scale project aimed at creating a new economy for London. For example, if the City was to advance \$120 million of works in its ten year capital plan of which it's funding share could be \$30 million or \$40 million depending on the requirements of the program (yet to be established), there would be a net gain of \$80 to \$90 million. This is freed up fiscal capacity on projects that the City intended to fund in the ten year capital plan. This funding can then be used to fund the municipal share of any future large scale project that Council decides to participate in with senior levels of government under Build Canada or some other program.

The Committee of the Whole requested that civic administration review priorities for funding and report back to a meeting of Committee of the Whole on March 27th, 2009.

On March 27, 2009, a report making recommendations for funding including funding for library projects as part of the Infrastructure Stimulus Fund application was taken forward to the Committee of the Whole. The library funding request of \$400,000 was approved and was included in the package referred to City Council. The package was approved by City Council at its meeting of March 30th, 2009. See attached Appendix 1.

London Public Library Submission

As part of the above City of London process, London Public Library Administration submitted information to Martin Hayward and Marta Ponkin, City Finance and Corporate Services Department, to identify library capital projects to be considered for submission as priorities for fiscal stimulus to the Federal and Provincial Governments.

As with other projects in the list, the Library projects are derived by advancing projects from future years so that they can be completed for the project deadline of March 31st, 2011. The projects were already identified in LPL's ten year capital plan:

- *2008-2009 LPL Capital Renewal Priorities List* – a branch by branch list prepared by Terry Wilkes and John DeVito in 2006/2007 which is updated annually and was recently updated in early March 2009; and
- *Projected Facility Renewal Timelines* - based on projected time lines for future lifecycle maintenance resulting from the timelines of the 2001-2007 Capital Construction and Renovation Plan.

LPL requested \$400,000 to fund a series of capital infrastructure projects across the library system. This is equivalent to the total capital funding requested for the years 2009 to 2012 inclusive through RC3540 – Library Facility Renewal Plan. The per annum RC3540 request currently is \$100,000. This amount does not include the \$50,000 per annum request through RC3533 – Library Branch Facilities Upgrade designated for flooring, furniture and minor renovations.

The determination of the projects was based on the following criteria:

- Compliance with the requirements of the “stimulus” package targeted at infrastructure funding, e.g. work can be completed within the required timelines, total project costs are within the funding identified for the library, etc.;
- Previously identified as needs in LPL short and long-term capital planning;
- Provide both current, immediate impact and sustained benefit (e.g. roofs have a long life cycle); and
- Support longevity of LPL tangible capital assets.

The request was based on two key elements: addressing immediate needs/problems that have already been identified through LPL’s current capital needs assessment and anticipating those needs which are likely to occur based on life expectancy. As part of its longer term capital plan, LPL has also projected needs for 2013 and beyond. Needs, costs and timelines are based on:

- Timelines/sequencing of the 2001-2007 Capital Construction and Renovation Plan and the corresponding effect on the facilities renewal cycle;
- Life expectancy of such elements as flooring, plumbing, electrical, HVAC, etc.; and
- Current and projected future volume of traffic in various branch locations creating “wear and tear” influencing life expectancy.

Therefore, it was also recommended that LPL continue its request for \$100,000 per annum for the years 2013 through 2019 as the needs are future needs and cannot be addressed at this time.

Priority was given to projects addressing building envelope elements (such as roofs, exterior walls, cladding: brick/stonework/siding, etc.), exterior hard surfaces (such as sidewalks, parking lots) and interior structural and built items (such as millwork, Help Desks [which are not systems furniture]). The contribution of projects towards achieving improved accessibility and/or energy management was considered in setting priorities.

Next Steps

LPL will be advised on next steps and timelines by the City of London Administration.



300 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4L9

BAC

March 31, 2009

J. A. Fielding, Chief Administrative Officer
V. A. Coté, General Manager of Finance and Corporate Services and Acting City Treasurer
R. W. Panzer, General Manager of Planning and Development
R. L. Fair, General Manager of Community Services
P. McNally, General Manager of Environmental and Engineering Services & City Engineer

I hereby certify that the Municipal Council, at its session held on March 30, 2009, resolved:

3. That the following actions be taken with respect to fiscal stimulus funding from the Federal and Provincial Governments:

Infrastructure Stimulus Fund

- (a) the projects detailed in the attached Table 1, which are funded from the property tax rates, **BE SUBMITTED** as priorities for The Corporation of the City of London for Infrastructure Stimulus Funding; it being noted that all of the projects are construction ready and will be completed by March 31, 2011; it being further noted that the City's contribution for the projects detailed in Table 1 is \$20 million of the total construction value of \$63.7 million;
- (b) the projects detailed in the attached Table 2, which are funded from sewer rates, **BE SUBMITTED** as priorities for The Corporation of the City of London for Infrastructure Stimulus Funding; it being noted that all of the projects are construction ready and will be completed by March 31, 2011; it being further noted that the sewer rate contribution for the projects detailed in Table 2 is \$7.3 million of the total construction value of \$22 million;
- (c) the projects detailed in the attached Table 3, which are economic development projects funded from the property tax rates and sewer and water rates, **BE SUBMITTED** as priorities for The Corporation of the City of London for Infrastructure Stimulus Funding; it being noted that support of Project No. 2.3 - London International Airport Capital Improvements Project is subject to a report back, as soon as possible, on the scope of and alternative servicing and financing for this project; it being noted that all of the projects are construction ready and can be completed by March 31, 2011;

The Corporation of the City of London
Office: 519 661-2500 ext. 4599
Fax: 519 661-4892
webmaster@london.ca
www.london.ca

TABLE 4 - INFRASTRUCTURE FUND - Other tax supported projects to be considered

2009 Budget Ref	Budget Project Description	Construction Value	Gross Cost to City of London Budget	Included in 10 year Capital Plan?	Assume 1/3 City Debt	Capacity in Future Budgets
3.1	Recycling Depots Total	\$ 2,000,000	\$ 2,000,000		\$ 666,667	\$ -
3.2	Life Cycle Upgrades to Government Buildings and Property - Library Branches Total	\$ 400,000	\$ 400,000		\$ 133,333	\$ 400,000
3.4	Implementation of Governance Task Force Recommendations - Accessibility & Technology Total	\$ 2,000,000	\$ 2,000,000		\$ 666,667	\$ -
3.5	Life Cycle Upgrades to Government Buildings and Property - London Transit Garage Total	\$ 3,500,000	\$ 3,500,000		\$ 1,166,667	\$ 6,080,000
3.6	Life Cycle Repairs to Bridges Total	\$ 4,000,000	\$ 4,000,000		\$ 1,333,333	\$ 4,000,000
3.7	Life Cycle Repairs to Roads Total	\$ 5,700,000	\$ 5,700,000		\$ 1,900,000	\$ 4,000,000
3.10	Infrastructure Upgrades - Bridges - Hale Trafalgar Overpass Total	\$ 16,300,000	\$ 11,850,000		\$ 3,950,000	\$ 1,975,000
3.11	Veterans Memorial Parkway - Enhancements (beautification) Total	\$ 700,000	\$ 700,000		\$ 233,333	\$ -
3.12	Fanshawe Pioneer Village Total	\$ 500,000	\$ 500,000		\$ 166,667	\$ -
3.13	London Regional Children's Museum Total	\$ 500,000	\$ 500,000		\$ 166,667	\$ -
	Grand Total	\$ 35,600,000	\$ 31,150,000		\$ 10,383,333	\$ 16,455,000