



City of
Peterborough

TO: Chair and Members of Planning Committee

FROM: Malcolm Hunt, Director, Planning and Development Services

MEETING DATE: February 14, 2005

SUBJECT: Report PLPD05-015
Trent University – City of Peterborough
Memorandum of Understanding

PURPOSE

A report to recommend the essential components of a Memorandum of Understanding with Trent University arising out of a \$2.0 million City capital contribution to the DNA Cluster Project.

RECOMMENDATIONS

That Council approve Report PLPD05-015 dated February 14, 2005, of the Director of Planning and Development Services, recommending:

- a) That Council endorse the essential components of the Memorandum of Understanding between the City and Trent University as outlined in the February 3, 2005 correspondence attached as Exhibit 1 to Report PLPD05-015.
- b) That a by-law be passed to authorize the Mayor and Clerk to execute the Memorandum of Understanding (MOU) on behalf of the City.
- c) That the MOU acknowledge that the intent of the revenue sharing condition adopted by Council on November 1, 2004, is satisfied with the execution of the MOU.

BUDGET AND FINANCIAL IMPLICATIONS

There is no direct budget or financial implication arising out of this recommendation that has not already been acknowledged in Report PLPD04-092. The MOU does however represent potential cost savings on the part of the City arising out of future capital projects that might otherwise require land acquisition funds.

BACKGROUND

On November 1, 2005 City Council adopted the following recommendations:

Report PLPD04-092

DNA Cluster: Financial Partnership with Trent University

That Council approve the report dated October 25, 2004, of the Director of Planning and Development Services, and Director of Finance and Administrative Services recommending:

- a) That Council approve a financial commitment by the City of Peterborough to the development of the DNA Cluster Partnership Building at Trent University of \$2,000,000 in equal installments over 4 consecutive budget years commencing in 2005, and further, that this commitment be considered a pre-commitment against future budgets.
- b) That all municipal fees and charges applicable to the development of the project not be waived.
- c) That, as a precondition to the first payment, Trent University and the City of Peterborough enter into a Memorandum of Understanding with respect to certain land holdings of the University that will fulfill public interest objectives of the City including, but not limited to, public streets, utility and recreation corridors, parkland, storm water management and housing.
- d) That the City of Peterborough's financial contribution be proportionately reflected in any revenue sharing from rent-paying tenants in the first phase of the project (8,180 square metres gross floor area).

The essential components of the Memorandum of Understanding have been developed through constructive dialogue between Trent University and City officials over the past three months. A copy of the most recent correspondence outlining the specific public

interests of the City in the land assets of the University is detailed in the February 3, 2005 letter to Don O'Leary, Vice President (Administration), attached as Exhibit 1.

A Memorandum of Understanding capturing the land issues outlined in the attached letter will satisfy condition c) of the November 1, 2004 resolution of City Council. Reaching this agreement will permit Trent University to proceed confidently with the DNA Cluster capital program relying on a \$2.0 million commitment of the City of Peterborough over 4 years.

The formal language of the MOU will be developed based on the essential components outlined in the February 3, 2005 letter. To expedite the resolution of this matter, it is recommended that the Mayor and Clerk be authorized to execute the MOU on behalf of the City provided the final text is in keeping with the intent of the February 3, 2005 correspondence.

The negotiated MOU provides clarity to many capital projects of the City. The negotiated MOU also allows the City to fulfill many of our mandated service responsibilities without the added cost of land. In consideration of the benefits that will flow to the City over time arising out of the MOU and in consideration of the significant capital investment that the University will be making in Phase 1 of the DNA Cluster project, it is recommended that Council consider the MOU to also satisfy the intent of condition d) of the November 1, 2004 Council resolution. Staff are now satisfied that any prospect of revenue sharing from phase 1 of the project will be nominal at best. Furthermore, revenue sharing undermines the financial viability of the initial phase of development. It is suggested therefore that the MOU acknowledge that the intent of condition d) is satisfied with the execution of the MOU.

All of which is respectfully submitted,

Malcolm Hunt MCIP RPP
Director, Planning and Development Services

ATTACHMENT:

EXHIBIT 1 Letter to Don O'Leary, Trent University, dated February 3, 2005

Contact Name:
Malcolm Hunt MCIP RPP
Director, Planning and Development Services
Phone – 742-7777 Ext. 1809
Fax – 742-5218
E-Mail – mhunt@city.peterborough.on.ca