

29 June 2009



**CITY COUNCIL  
COMMITTEE REPORT**

**TO: Emergency Service Committee**

**FR: Warren F. Brinkman, Emergency Service Manager, City of Kenora Fire and Emergency Services**

**RE: Emergency Service Facility-Alternate Funding Sources**

**BACKGROUND: Council in the 2009 Capital Plan identified several significant projects which are not currently in the approved 2009 five year capital plan project lists. As stated the net costs for these projects are well in excess of what the City historically contributes to capital expenditures through tax levy. The Emergency Service Facility is considered to be one of these projects currently being considered in the 2009 five year capital plan, but would require long term debt financing to proceed. As noted in the five year capital plan under the heading “Long Term Debt Financing Considerations” the projected cost of this \$5.0 million project is being held for Council consideration pending the development of a business plan that would support the associated long term debt issuance to fund this project.**

**On a priority basis, the Emergency Services Facility has been referred to the Emergency Service Committee for review and final recommendation to Council. As noted related design and development is near completion and initial plans include financing this project through Infrastructure Ontario.**

**In the City of Kenora’s present economic climate, how is such a major capital project funded in a way that is fiscally responsible?**

**As stated in previous reports, Council’s preferred method to finance the construction of the new Emergency Service facility is through a 40 year fixed interest rate from OSIFA or Ontario Strategic Infrastructure Financing Authority.**

**The Northern Ontario Heritage Fund Corporation’s “Infrastructure & Community Development” program may offset the construction costs associated to this project. Accordingly this writer has completed NOHFC’s General Application to determine the eligibility of the proposed project.**

**Similarly a funding application has been submitted to FedNor.**

**Budget: There is no budget required.**

**COMMUNICATION PLAN/Notice By-law Requirements:  
Municipal Memo, Portal, Media**

**RECOMMENDATION: That Council of the City of Kenora supports the submission to NOHFC and FedNor for funds to offset the construction costs associated to this project.**