



FINANCE AND ADMINISTRATION COMMITTEE

**Tuesday, November 5, 2013
4:00 PM**

Henry Baker Hall, Main Floor, City Hall



**Public Agenda
Finance and Administration Committee
Tuesday, November 5, 2013**

Approval of Public Agenda

Minutes of the meeting held on October 1, 2013

Administration Reports

FA13-26	FA13-26	Sale of City Property 5525 Dewdney Avenue Lots 7-10, Block 3, Plan Old AT233 1826 Halifax Street Lot 34, Block 302, Plan Old #33 1409 Rae Street Lot 2, Block 209, Plan Old #33 & Lot 43, Block 209, Plan 101229353 1345 Rae Street Lot 12, Block 147, Plan Old #33
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Recommendation

1. That the sale of 5525 Dewdney Avenue be approved under the terms and conditions shown in the body of this report to Silver Sage Holdings Ltd.;
2. That the sale of 1826 Halifax Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
3. That the sale of 1409 Rae Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
4. That the sale of 1345 Rae Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
5. That the City Manager be authorized to finalize the terms of the formal sale agreements as outlined in the body of this report; and
6. That the City Clerk be authorized to execute the sale agreements as prepared by the City Solicitor.
7. That this report be considered by City Council on November 25, 2013 after the required public notice has been provided.



Office of the City Clerk

FA13-27 FA13-27 Business Transformation Program – HRMS
Implementation Project

Recommendation

1. The Deputy City Manager & CFO be authorized to award and finalize the terms of an agreement with the successful proponent chosen from the request for proposals (Business Transformation - Human Resources Management System Implementation Partner RFP). This RFP will be issued to obtain consulting services relating to the implementation of the technology and processes for HR and Payroll services.
2. The City Clerk be authorized to execute the agreement awarded to the successful proponent as a result of the HRMS Implementation Partner RFP after review and approval by the City Solicitor.
3. Funding for the portion of the project required to implement the technology and processes that administer employee benefits to be sourced proportionately from the Group Benefits Reserves to a maximum of \$300,000.

Adjournment

AT REGINA, SASKATCHEWAN, TUESDAY, OCTOBER 1, 2013

AT A MEETING OF THE FINANCE AND ADMINISTRATION
COMMITTEE
HELD IN PUBLIC SESSION

AT 4:00 PM

These are considered a draft rendering of the official minutes. Official minutes can be obtained through the Office of the City Clerk once approved.

Present: Councillor Wade Murray, in the Chair
Councillor Bob Hawkins
Councillor Bryon Burnett
Councillor Shawn Fraser

Regrets: Councillor Terry Hincks

Also in Attendance: Committee Assistant, Linda Leeks
Deputy City Manager, Corporate Services, Brent Sjoberg
Director, Assessment and Property Taxation, Don Barr
Legal Counsel, Jana-Marie Odling

Approval of Public Agenda

Councillor Shawn Fraser moved, AND IT WAS RESOLVED, that the agenda for this meeting be approved, as submitted.

Minutes of the meeting held on September 4, 2013

Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that the minutes for the meeting held on September 4, 2013 be adopted.

Administration Reports

FA13-25 Tax Enforcement - Application for Title - 2013 Liens

Recommendation

That the Manager of Property Taxation be authorized to serve six-month notices on all parcels of land included in the list of lands marked as Appendix A.

Councillor Bryon Burnett moved, AND IT WAS RESOLVED, that the recommendations contained in the report be concurred in.

Adjournment

Councillor Bob Hawkins moved, AND IT WAS RESOLVED, that in the interest of the public, the balance of items on the agenda be considered in private session.

Chairperson

Secretary

November 5, 2013

To: Members,
Finance and Administration Committee

Re: Sale of City Property
5525 Dewdney Avenue Lots 7-10, Block 3, Plan Old AT233
1826 Halifax Street Lot 34, Block 302, Plan Old #33
1409 Rae Street Lot 2, Block 209, Plan Old #33 & Lot 43, Block 209, Plan 101229353
1345 Rae Street Lot 12, Block 147, Plan Old #33

RECOMMENDATION

1. That the sale of 5525 Dewdney Avenue be approved under the terms and conditions shown in the body of this report to Silver Sage Holdings Ltd.;
2. That the sale of 1826 Halifax Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
3. That the sale of 1409 Rae Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
4. That the sale of 1345 Rae Street be approved under the terms and conditions shown in the body of this report to Habitat for Humanity Regina Inc.;
5. That the City Manager be authorized to finalize the terms of the formal sale agreements as outlined in the body of this report; and
6. That the City Clerk be authorized to execute the sale agreements as prepared by the City Solicitor.
7. That this report be considered by City Council on November 25, 2013 after the required public notice has been provided.

CONCLUSION

Habitat for Humanity Regina Inc. and Silver Sage Holdings Ltd. have proposed that the City of Regina grant them the subject properties at “less than market value” for the development of new affordable homes in the City. As the offered price is below market value, a public notice of intention to sell land at less than market value is required.

BACKGROUND

The City has some land available immediately for residential development and there is urgency in the need for land for affordable housing. The City released a request for proposals specific to non-profit organizations for affordable housing, to provide the opportunity for both ownership and rental units to be constructed. The RFP requested proponents to demonstrate:

1. The organizations track record in affordable housing with examples of completed projects and credible assurance of project delivery including financial capacity.

2. All proposals required a full description of the proposed use of the property and included conceptual elevation drawings, conceptual site plan, including surface materials, preliminary construction cost estimates, and proposed rental rates or sale prices including any additional utility costs or other applicable fees to be charged to residents.
3. The submission was to include:
 - a. description of proposed project housing and unit types as well as sustainability components including solar orientation, green building elements, efficiency standards, water conservation or storm water management techniques and green/garden space
 - b. description of tenure
 - c. demographic intended for proposed housing and proposed selection criteria for new occupants

Project screening was based on the established criteria and included long term affordability, tenure and the organization's track record.

The Request for Proposals was released on June 15, 2013 and the City received replies of interest from INHOUSE Attainable Housing Society, Habitat for Humanity Regina Inc., Silver Sage Housing Ltd. and Gabriel Housing Corporation. Gabriel Housing Corporation was successful in their submission for the 2059 Edward Street property and offered the City of Regina the full market value of \$250,000. INHOUSE Attainable Housing Society's submission did not meet the criteria as outlined in the Request for Proposal. While Habitat for Humanity Regina Inc. and Silver Sage Housing Ltd. met the requirement of the proposal call, both submissions offered the City of Regina a dollar amount that is less than the current market value of the subject properties. The purpose of this report is to facilitate the sale of property at less than market value for affordable housing.

DISCUSSION

It is recommended that the sales to Habitat for Humanity Regina Inc. and Silver Sage Holdings Ltd. be approved with the intention of developing affordable housing on the subject properties.

The proposed sales will include the following terms and conditions:

Purchaser: Habitat for Humanity Regina Inc.
1630 – 8th Avenue
Regina, Saskatchewan
S4R 1E5
Attention: Mr. Rob Gartner

Civic Address: 1826 Halifax Street

Legal Description: Lot 34, Block 302, Plan Old #33

Land Value: \$95,000.00

Purchase Price: \$47,500.00 + GST

Civic Address: 1409 Rae Street

Legal Description: Lot 2, Block 209, Plan Old #33 &
Lot 43, Block 209, Plan 101229353

Land Value: \$75,000.00

Purchase Price: \$37,500.00 + GST

Civic Address: 1345 Rae Street

Legal Description: Lot 12, Block 147, Plan Old #33

Land Value: \$50,000.00

Purchase Price: \$25,000.00 + GST

Purchaser: Silver Sage Holdings Ltd.
109 – 4001 – 3rd Avenue
Regina, Saskatchewan
S4R 1E5
Attention: Mr. Maynard Sonntag

Civic Address: 5525 Dewdney Avenue

Legal Description: Lots 7-10, Block 3, Plan Old AT233

Land Value: \$350,000.00

Purchase Price: \$70,000.00 + GST

Closing Date: 30 days upon Council approval, or such other date as
agreed between the parties; thereafter, Council approval.

Purchaser's Covenant: The agreement includes a covenant by the Purchaser to
develop in accordance with the proposal submitted within
two years of the Closing Date.

Where a development proposal requires zoning change the sale is subject to a successful
application through the required approval process.

RECOMMENDATION IMPLICATIONS

Financial Implications

If the recommendations for the four lots in this report are approved, the potential revenue loss to
the municipality due to the lots being sold at less than current market value is \$390,000.

Environmental Implications

None with respect to this report

Policy and/or Strategic Implications

The sales of these properties will assist in the development of affordable housing within the City of Regina in alignment with the Comprehensive Housing Strategy (CHS), Strategy 1 to increase the supply of rental and affordable housing. The RFP process used also aligns with Strategy 2 of the CHS to leverage the City's land assets to increase the supply of rental, affordable and special needs housing. These housing strategy objectives align with the final draft Official Community Plan housing policies to leverage the City's land to increase housing supply and diversity; to support attainable housing in all neighbourhoods; to decrease the number of vacant, non-taxable and under-utilized lots appropriate for residential development; and to coordinate the use and disposal of city-owned lands to increase housing options.

Other Implications

None with respect to this report

Accessibility Implications

None with respect to this report

COMMUNICATIONS

A copy of this report has been provided to Habitat for Humanity Regina Inc. and Silver Sage Holdings Ltd. Public notice is required advising that the City is proposing to sell land at less than market value.

Future development proposals for the Dewdney Avenue location will require a public engagement process that will provide local area residents and stakeholders the opportunity to review the development plans. In this case, the public engagement process would include:

- a written notice (including plans) to area property owners and residents as well as to the local community association;
- public notification signage posted on the property;
- a public open house; and
- notification to residents who provide their written comments and leave contact information of the Regina Planning Commission and City Council consideration dates where they will have opportunity to appear as a delegation.

DELEGATED AUTHORITY

As provided in section 101 (1) (k) of *The Cities Act*, the sale of City-owned property at less than market value cannot be delegated to the Administration and therefore requires the approval of City Council.

Respectfully submitted,

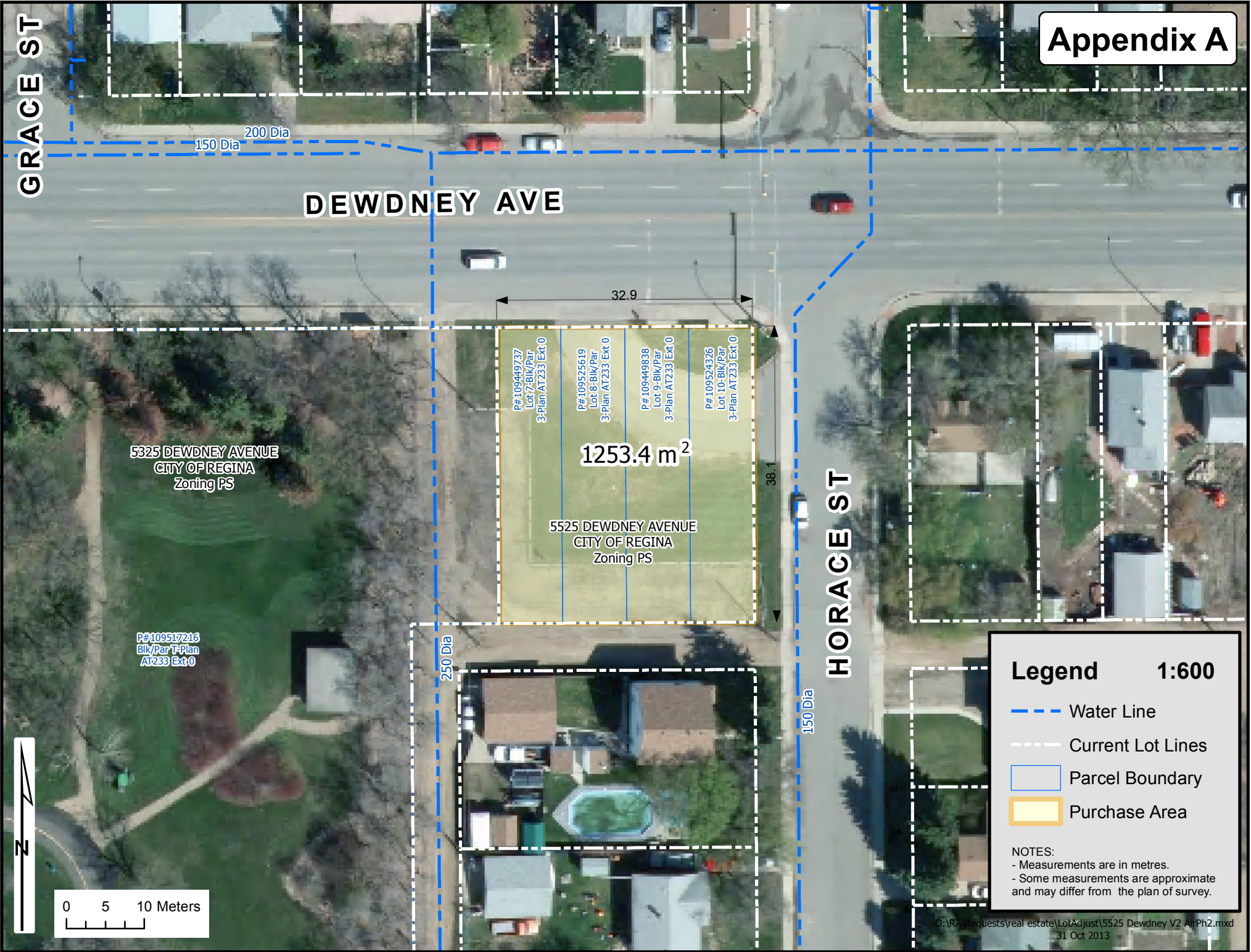


Don Barr, Director
Assessment Taxation Real Estate
Report prepared by: DCM/ml, Manager Real Estate

Respectfully submitted,



Jason Carlston, Deputy City Manager
Community Planning and Development



Appendix B

11TH AVE

HALIFAX ST

P#107027344
Lot 35-Blk/Par
302-Plan OLD33 Ext 0

P#107289085
Lot 34-Blk/Par
302-Plan OLD33 Ext 0

1826 HALIFAX STREET
AC 10033051
581.2 m²
CITY OF REGINA
Zoning MX

290.5 m²

38.1

7.6
7.6

Legend

- Current Lot Lines
- Parcel Boundary
- Purchase Area

1:500

NOTES:
- Measurements are in metres.
- Some measurements are approximate
and may differ from the plan of survey.



0 2.5 5 10 Meters

Appendix C

8TH AVE

RAE ST

38.1
7.6
3.8
1409 RAE STREET
AC 10026652
436.2 m²
CITY OF REGINA
Zoning R4A
145.5 m²

P#109612098
Lot 2-Blk/Par
209-Plan OLD33 Ext 0

P#111933547
Lot 43-Blk/Par 209-Plan
101229353 Ext 9

Legend

- Current Lot Lines
- Parcel Boundary
- Purchase Area

1:500

NOTES:
- Measurements are in metres.
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and may differ from the plan of survey.

0 2.5 5 10 Meters

Appendix D

1345 RAE STREET
AC 10026696
290.3 m²
CITY OF REGINA
Zoning R4A

RAE ST

38.1

290.3 m²

P#109609667
Lot 12-Blk/Par
174-Plan OLD33 Ext 0

7.6

Legend

- Parcel Boundary
- Current Lot Lines
- Purchase Area

1:500

NOTES:
- Measurements are in metres.
- Some measurements are approximate
and may differ from the plan of survey.

0 2.5 5 10 Meters

November 5, 2013

To: Members,
Finance and Administration Committee

Re: Business Transformation Program – HRMS Implementation Project

RECOMMENDATION

1. The Deputy City Manager & CFO be authorized to award and finalize the terms of an agreement with the successful proponent chosen from the request for proposals (Business Transformation - Human Resources Management System Implementation Partner RFP). This RFP will be issued to obtain consulting services relating to the implementation of the technology and processes for HR and Payroll services.
2. The City Clerk be authorized to execute the agreement awarded to the successful proponent as a result of the HRMS Implementation Partner RFP after review and approval by the City Solicitor.
3. Funding for the portion of the project required to implement the technology and processes that administer employee benefits to be sourced proportionately from the Group Benefits Reserves to a maximum of \$300,000.

CONCLUSION

In accordance with the City's Purchasing Policy (Regina Administration Bylaw #2003-69) and the City Purchasing Procedures Manual, Consulting and Professional Service Purchases for contracts of more than \$500,000 require Council approval. The purpose of this report is to seek that approval.

Approval of the recommendations in this report will give authority for the Deputy City Manager & CFO to initiate the HR project including the procurement of consulting services to support and deliver the implementation of an integrated HR and Payroll system (HRMS) including the transition from the City's current system.

Administering employee benefits is an approved use of Group Benefit Reserves funds in accordance with Schedule A of the Regina Administration Bylaw #2003-69.

BACKGROUND

The City is undergoing a major business transformation in order to assist on delivering their goal of becoming “the best run municipality in Canada”. The Business Transformation (BT) Program is broken down into four (4) transformation streams that include Human Resources Information Management, Procurement, Asset Financial Tracking and Executive Management Reporting.

The BT Program positively affects all business areas and administrative employees at the City by replacing varied business systems with an integrated system, Enterprise Resource Planning (ERP). In doing so, business and customer service throughout the City will become more effective and efficient; reducing duplicate work; and data input will become uniform and consistent throughout the City, creating a solid foundation. It also aligns people, process and technological initiatives while meeting the organization’s values. Process efficiency examples include reduced paper-based procurement processes through improved workflow approvals; more strategic sourcing of procurement spending; reduced budget preparation time; improved HR and Payroll processes; and the decommissioning of standalone applications.

The first phase of the Business Transformation Program implemented the new version of Oracle Financial E-Business Suite, enabling workflows and self-service wherever possible. This initial phase, completed in 2012, was essential to build a stable foundation for the subsequent phases and system implementations. In 2013, the following projects were completed:

- Supply Chain Self Serve – provides City of Regina suppliers with on-line access to competitive bid documents through SaskTenders to shorten the competitive bid cycle time and align our approach with the rest of the industry.
- Requestor Self-Serve –eliminated the paper-based process and provides on-line access to perform inquiries of purchase orders, invoices and payments, initiate blanket order releases and authorize payment through the receipt creation form.
- Tangible Capital Assets (TCA) Register Conversion –This project converted TCA data from individual spreadsheet to the Oracle Assets module. This project improved data security and integrity and is a foundational piece before automating the asset management processes between the business areas in charge of assets and the corporate financial system.

Other projects currently underway aside from HRMS Implementation include:

- Corporate Payment System - This project will replace the unsupported and Windows 7 incompatible payment management system. This project will also introduce a formal corporate money handling policy that will be adopted by all employees handling cash or cash equivalents.

DISCUSSION

The existing HR and Payroll technology has been in place at the City for 14 years. After the initial implementation, subsequent planned project phases were never implemented and historical data was not converted. Since then, minimal upgrades have been applied to the system, resulting in an aged system which is costly to maintain and support. Although the business has changed over the years, many of the configurations and system processes have not kept pace.

The key objectives of this Implementation Project are to:

- provide the City of Regina with increased efficiencies and seamless processing of information for the administration and management of human resource functions through an integrated corporate HR / Payroll system;
- provide an integrated solution within the City's Oracle e-Business Suite R-12 platform;
- provide the City with an integrated, flexible HR/Payroll system that will meet the current and future needs of a growing City, while ensuring data integrity and security; and
- position the City with the opportunity to implement in subsequent phases, future HR best practices such as Employee and Manager Self-Service, iRecruitment, Learning Management, etc.

In preparation for a new HR platform, the City recently completed work on Pre-Implementation Scoping and Planning project. The purpose of this work was to provide the City with a complete understanding of the scope of this project and the resources required so that a go forward plan could be developed, confirmed and approved. The City's business and functional requirements were confirmed as a part of this work and will be included in the RFP document.

A key recommendation resulting from the scoping and planning project was to implement the Oracle Advanced Benefits module at the same time as the core HRMS system. This approach will unify HR, benefits and payroll to provide complete information, streamline processing and enable the City to apply total compensation best practices for employees. Since the Oracle Advanced Benefits module is strictly used to administer employee benefits, it is reasonable to seek funding for this technology and process implementation, estimated at \$300,000, from the Benefits Reserve. The combined balance in the Group Benefit Reserves is \$7 million. As these reserves are subject to group benefit claim fluctuations, to protect the minimum balance requirements, the maximum available use of these reserves is \$5 million.

RECOMMENDATION IMPLICATIONS

Financial Implications

The costs for the services contemplated by the HRMS Implementation Partner RFP will be determined by the following factors: market demand for consulting services, expected project complexity, expected project length and overall estimated project cost. The Administration will select a proponent based on the criteria established within the HRMS Implementation Partner RFP.

The approved Business Transformation Program budget for 2013 is \$1.955 Million along with an additional \$1.16 Million from previous years provides \$3.11 Million in available funding. This funding is intended for all 2013 Business Transformation projects of which \$2.04 Million is scoped for the HRMS project. The HRMS budget includes the acquisition of consulting services for scoping and planning, the implementation in addition to hardware and software costs. The estimated value of the HRMS implementation partner consulting services is \$750,000.

Funds for this project are available in the General Capital Program. Funds for the Advance Benefits implementation are available in the Benefits reserve. The combined balance in the Group Benefit Reserves is \$7 million.

Environmental Implications

None with respect to this report.

Policy and/or Strategic Implications

The Business Transformation Program directly contributes with the following strategic direction 'Optimizing Resources through Innovation'.

Other Implications

None with respect to this report.

Accessibility Implications

None with respect to this report.

COMMUNICATIONS

Regular City of Regina procurement processes will be used to post and procure these professional services. Upon award of the contract to the successful proponent, communication and engagement plans will be developed to ensure proper coordination with other elements of the Business Transformation Program.

DELEGATED AUTHORITY

Contracts of more than \$500,000 require Council approval.

Respectfully submitted,



Pamela Deck, Manager Strategy & Operations
Corporate Services

Respectfully submitted,



Brent Sjoberg, Deputy City Manager & CFO
Corporate Services

Report prepared by:

Pam Deck, Manager of Strategy & Operations