

Local Improvement Charges City of Kawartha Lakes

September 11, 2014



Agenda

- Changes to O.Reg. 586/06 – Local Improvement Charges (Priority Lien Status)
- City of Kawartha Lakes Process
- Implementation

O. Reg. 323/12 amending O.Reg. 586/06

- More flexibility for capital works
- Allowing municipalities to enter into agreements with willing private landowners
- Alternative methods to apportion costs of local improvements on private land

How Did CKL Get Here

Population: 73,214

Land area: 3,083.06 km²

Population density: 23.7 /km²

Median age: 48.4

Total private dwellings: 37,161

- Estimated 29,000 residential units not on our sanitary sewer system
- No mechanism for the municipality to provide financing to address environmental concerns



Benefits of the Legislation

- One by-law is required
- Registered property owners enter into the program by signed agreement for the recovery of costs
- Agreement would include:
 - the estimated cost and life of the work;
 - a description of the apportionment method;
 - the amount of the special charges to be charged to each lot;
 - how cost over or under runs would be handled; and
 - when the special charges are to be paid

Costs Include

- Costs that may be included under O.Reg 586/06:
 - engineering expenses
 - administrative costs, including the cost of advertising and of giving notices
 - interest on short and long-term borrowing
 - the estimated cost of incurring long-term debt

Notice Requirement

- Notice must be given to the public of the City's intent to pass a by-law
- Depending on the plan it will include:
 - description of the work the municipality intends to undertake; or
 - description of the program that the municipality has; or
 - intends to establish under the types of works set out in the notice

Benefits to the Property Owner

- Does not impact the property owner's credit availability
- Repayment through property taxes
- Low cost financing
- Loan remains with the property if the property is sold
- Repay at any time without penalty
- Voluntary

Septic Rehabilitation Program

- Public Consultation Program
 - Property type
 - Maximum loan amount
 - Application process
 - Term of loan
 - Repayment terms
 - Provisions for Low Income Seniors & Disabled Persons
 - Maximum loan amount

Program Eligibility Criteria

- Tax repayment history
- Ensuring there is mortgage lender consent

Application Process

- Pre-application
- Quote review
- Funding approval & Agreement
- Project Completion Report
- Release of payment
- Final By-law to Council

City of Kawartha Lakes Programs

- 1) Septic Rehabilitation Program
- 2) Water System Program (defined area)
- 3) Mandatory Connections – Water & Sewer

Resources

- www.city.kawarthalakes.on.ca

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