



MUNICIPALITY OF **West Elgin**

Staff Report

Report To: Council Meeting
From: Magda Badura, CAO/Treasurer
Date: 2020-11-26
Subject: Application for Tile Drainage Loan Under Tile Drainage Act – CALVIN SCHOUTEN

Recommendation:

That the application for the loan by Calvin Schouten under the *Tile Drainage Act*, in the amount of up to \$48,500, be approved, with the understanding that the funds shall be provided through a Tile Drainage Debenture with the Province of Ontario, subject to the availability of funding from the Ontario Ministry of Agriculture and Food and Rural Affairs (OMAFRA).

Background:

An application for a loan under the Tile Drainage Act has been received from Calvin Schouten, 26346 Crinan Line, West Lorne Ontario N0L 2P0 in the amount of \$48,500 for the installation of a tile drain system on the property located at SW ¼ Lot Y Concession 1 East Division Aldborough in the Municipality of West Elgin, to improve agricultural land. Currently, all property taxes levied on the respective property have been paid.

Under the Tile Drainage Act regulations, Council is required to consider the application for the loan and provide written notification of the status. The landowner may then proceed to complete the work with the knowledge that council has approved his/her application up to a specific dollar amount. Once the work is undertaken the landowner and the tile installer, the Inspector of Tile Drainage will file with the Clerk an Inspection and Completion Certificate. If work is completed satisfactorily, council will then need to approve a Rating By-Law in order to impose special annual drainage rates upon the land in respect of the loan. This loan is levied and collected in the same manner as property taxes.

Under the legislation, Council may approve lending to the applicant an amount equal to 75% of the estimated total cost of the drainage work with respect to which the loan is made, to a maximum of \$50,000. The approved amount is included in a debenture payable to the Minister of Finance

Financial Implications:

The Ontario Government provides Tile Drainage Loans through Municipalities. These loans are provided to cover 75% of the cost of the work to a maximum of \$50,000 per year at an interest rate of 6%. The loan is paid back over a 10-year period.

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known as Municipality of West Elgin, to improve agricultural land. Currently, all property taxes levied on the respective property have been paid. To date the Municipality has expended \$ 653,400.00.

Report Approval Details

Document Title:	Application for Tile Drainage Loan under Tile Drainage Act - CALVIN SCHOUTEN - 2020-25-Administration Finance.docx
Attachments:	
Final Approval Date:	Nov 24, 2020

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott