SUBJECT: Tile Drainage Loan (Neeb) (FCS06066) (Ward 14)

RECOMMENDATION:

That the Tile Drainage Loan Application submitted by John Neeb, 2525 Governors Road, (part of Lots 25 and 26, Concession 1, former Town of Flamborough), in the amount of $7,500.00 be approved, subject to the availability of Provincial funding and an Inspection Completion Certificate being filed with the City by the Drainage Inspector.

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Joseph L. Rinaldo
General Manager
Finance and Corporate Services

EXECUTIVE SUMMARY:

A tile drainage loan application in the amount of $7,500.00 for property municipally know as 2525 Governors Road and being described as part of Lots 25 and 26, Concession 1, former Town of Flamborough, has been received for Council approval. The owner of the subject lands has indicated on the loan application that he would like to commence the tile drainage work as soon as possible. The necessary information and the completed application form have been reviewed and approval of this loan application is recommended.
BACKGROUND:

The Tile Loan Program is funded by the Ministry of Agriculture, Food and Rural Affairs and allows municipalities to sell debentures to the Province for funding private tile drainage projects. The program is used in rural areas to financially assist drainage of agricultural lands. Tile Loans are available to farmers, through their local municipality, at an interest rate determined from time to time by the Lieutenant Governor in Council for a ten-year term. The current rate is 6%. The maximum amount of loan available to an individual farmer in one year is $50,000.00. Therefore, farmers may obtain a loan for the lesser of:

(a) amount applied for by the farmer, or
(b) 75% of the value of the tile drainage work performed, or
(c) $50,000

The granting of the approval of any loan application is at the discretion of the local Council whose decision is final. Once approval of any loan is received from Council, the applicant proceeds with the work and an inspection is done by an inspector appointed by the municipality. All work must be carried out in accordance with the Agricultural Tile Drainage Installation Act and must be approved by the Inspector. Once approved the loan can be debentured and sold to the Ministry of Agriculture, Food and Rural Affairs under the authority of the City’s Borrowing By-law 01-090 for tile drainage works. The loan amount is applied directly to the property and is collected in a manner like taxes.

ANALYSIS/RATIONALE:

The Tile Drainage Loan Program is offered by the Ministry of Agriculture, Food and Rural Affairs for those who require financial assistance to upgrade drainage on agricultural lands.

ALTERNATIVES FOR CONSIDERATION:

N/A

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

There are no implications since funding of the program is provided through the Provincial Government Tile Drainage Loan Program.

POLICIES AFFECTING PROPOSAL:

The Tile Drainage Loan Program is administered by Municipalities on behalf of the Ontario Ministry of Agriculture, Food and Rural Affairs and policies set by the Ministry must be followed.
RELEVANT CONSULTATION:

- Ministry of Agriculture, Food and Rural Affairs web site
- The City’s Drainage Superintendent.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Evaluate the implications of your recommendations by indicating and completing the sections below. Consider both short-term and long-term implications.

Community Well-Being is enhanced. ☑ Yes ☐ No

Public services and programs are delivered in an equitable manner, coordinated, efficient, effective and easily accessible to all citizens.

Environmental Well-Being is enhanced. ☑ Yes ☐ No

Improved drainage of agricultural lands

Economic Well-Being is enhanced. ☐ Yes ☑ No

Does the option you are recommending create value across all three bottom lines?
☐ Yes ☑ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?
☐ Yes ☑ No