



## Staff Report

**Report Title: Tile Drain Loan Application – Van Sickle 1903 Concession 2 (Huron)**

**Prepared By: Emily Dance, Clerk**

**Department: DRAIN**

**Date: Sep. 7, 2022**

**Report Number: DRAIN-2022-09-15**

**File Number:**

**Attachments: Sketch of location and land to be tiled.**

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### **Recommendation:**

THAT the Township of Huron-Kinloss Committee of the Whole hereby approves Report DRAIN 2022-09-15 prepared by Emily Dance, Clerk AND approves the Application for Tile Loan from Tim Van Sickle for approximately 30 acres of land to be drained at 1903 Concession 2 at a loan amount not exceeding \$45,000 AND FURTHER approves the appropriate By-law coming forward.

### **Background:**

The Tile Drainage Act, RSO 1990 provides for the [Tile Loan Program](#). The program offers ten-year term loans from the province to individuals through their local municipalities. Through this program, property owners can access loan funding through their local municipality for the installation of tile drainage systems on their agricultural land.

The tile drainage funds are available on a first come, first served basis for the fiscal year. The Ministry of Agriculture, Food and Rural Affairs (OMAFRA) sets the loans interest rate and maximum amounts for loans available to individuals each year, and the interest rate is currently set at 6%, and a maximum available to an individual farmer in one year is \$50,000.

### The Application Process

All tile drainage loans have ten-year terms, and repayments are made annually through the property owner's tax bill. Loans are available up to 75% of the cost of the work, in multiples of 100 and can be paid off early.

Applications that are received for a Tile Loan must be submitted to Council for approval. Once the application is approved, the property owner can commence the

installation work through a licensed tile drainage contractor. During this work, and again after completion, a Tile Drainage Inspector (appointed to our Drainage Superintendent) will inspect the work and complete an Inspection and Completion Certificate.

After this work is done and the Inspection and Completion Certificate has been completed, staff will bring back a Rating By-law to Council, which approves the amount of the loan, interest, and payments over a ten-year period. These rates will have priority lien status and will be levied and collected in the same manner as property taxes.

Once these documents are collected, staff submit the loan documents to OMAFRA, and the Township receives the funds for the Tile Drainage Loan, which are distributed to the loan applicants. The Township collects the repayments from the property owner and repays these funds to the Province.

**Discussion:**

The Township has received an application for Tile Loan from Tim Van Sickle to drain approximately 30 acres of land at Lot 7 Concession 2 (Huron) being 1903 Concession 2 at an estimated cost of \$45,000.

The Drainage Superintendent has reviewed the application and has no concerns with the work.

**Financial Impacts:**

Amount of Loan requested is \$45,000, inspection fee \$100

**Strategic Alignment / Link:**

We are a prosperous community by strengthening our agriculture and agri-business sector.

**Respectfully Submitted By:**

Emily Dance, Clerk

**Approved By:**

Mary Rose Walden, Chief Administrative Officer