



Staff Report

Report Title: Tile Drain Loan Application – Van Sickle

Prepared By: Jennifer White, Clerk

Department: DRAIN

Date: Mar. 20, 2023

Report Number: DRAIN-2023-03-3

File Number: C11 DRAIN23

Attachments:

Recommendation:

THAT the Township of Huron-Kinloss Council approves the Application for Tile Loan from Tim Van Sickle for approximately 11 acres of land to be drained at Con 3 PT 8 & 9;

AND FURTHER THAT the loan amount for this loan combined with the loan approved Sept 7, 2022 for the property at 1903 Concession 2 not exceed \$45, 000 in total;

AND FURTHER approves the appropriate By-law coming forward.

Background:

On September 7, 2022 Council considered and approved an application for a Tile Loan for approximately 30 acres of land to be drained at 1903 Concession 2 at the loan amount not exceeding \$45, 000 at a rate of 6%. Report DRAIN-2022-09-15 (attached).

Staff have since identified that this original application encompasses two different properties, and a second application and approval is required to include the complete project within the tile drain loan program. Staff are recommending that Council approve this second application to permit the loan process to continue.

Discussion:

The Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) has offered a Tile Drain Loan Program. It is common practice among farmers in Ontario to install tile drainage to drain excess water from crop fields. More information can be found

on the OMAFRA webpage at <https://www.ontario.ca/page/tile-loan-program>. However a summary from the website describes the program in this way.

“Landowners in a municipality in Ontario planning to install a tile drainage system on their agricultural land are eligible for a tile loan under this program. All tile loans have 10-year terms, and repayments are made annually. Landowners are eligible for a loan of up to 75% of the value of the tile drainage work...”

Council considered and approved in September an application for such a tile loan for the applicant. The works were complete invoices received, and the final inspection of the works was completed. Staff submitted the tile loan debenture package to OMAFRA for pre-approval. That review identified that the tiling had actually been completed on two different properties: PT Lot 8 & 9 Con 3, Roll 4107-160-001-17500 (approximately 12 acres) and Lot 7 Cons 2, Roll# 4107-160-001-12200 (approximately 8 acres). As these are two separate properties whose lot lines do not meet, two separate loans must be taken.

This was not identified on the original application, however both properties are owned by the same applicant. Staff are working with the applicant to obtain invoices that differentiate work done on each property, to submit the completed works as two separate loan applications.

Staff are requesting that Council amend the original application approval and approve this second application, to permit the loan process to continue. The total area tiled, and costs remain the same, however two loan applications are required to be submitted.

Financial Impacts:

There are no additional impacts to municipal finances beyond Staff time.

Strategic Alignment / Link:

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

Respectfully Submitted By:

Jennifer White, Manager of Legislative Services/Clerk

Report Approved By:

Mary Rose Walden, Chief Administrative Officer