



## Corporation of the Township of Brock

### Staff Report to the Mayor and Members of Council

**From:** Stefanie Stickwood  
**Position:** Clerk's Assistant  
**Title / Subject:** Tile Drainage Loan Application - Chris Vestergaard - B1160 Concession 3, Beaverton  
**Date of Report:** April 3, 2023  
**Date of Meeting:** April 24, 2023  
**Report No:** 2023-FI-004

#### 1.0 Issue / Origin

The purpose of this report is to seek approval for the Tile Drainage Loan submitted by Chris Vestergaard for the property Lot 13 Concession 3, Roll # 1839 040 004 4110 known as, B1160 Concession 3, Beaverton.

#### 2.0 Background

A completed application was submitted by Chris Vestergaard for tile drainage that was installed at B1160 Concession 3, Beaverton. The application requests a loan in the amount of \$41,700 and indicates a total cost of \$55,725.48 for the drainage system.

The Tile Drainage Act allows a farmer who plans to, or who has installed a tile drainage system to his property, to apply to the municipality for a Tile Drainage Loan. The legislation allows for a maximum loan amount of 75% of the value of the tile drainage system not to exceed \$50,000 in any one fiscal year.

The Tile Drainage Loan is a debenture that is provided from Ministry of Agriculture, Food and Rural Affairs to the Region of Durham which is then provided to the Township of Brock for the farmer. The debenture is paid back through the tax roll number for the property.

#### 3.0 Analysis

Myles Douglas, Civil Technologist from R.J Burnside, has inspected the drainage work and provided the Clerk's Department with the Inspection and Completion Certificate noting the total cost of the drainage work to be \$55,725.48 with a loan amount of \$41,700.00 to be available to the applicant.

The term of the debenture is for a period of ten years and the annual rate of interest imposed by the province is currently set at 6 percent. The installment is collected from the applicant through the tax roll.

It was determined through the Ministry of Agriculture, Food and Rural Affairs that the Township of Brock currently has two borrowing by-laws with funding still available that can be utilized for the loan application. The first being By-law 1785-2002-FI with a balance of \$22,300.00 and a second By-law 2153-2008-FI with a balance of \$141,800.

It is recommended that the By-law 1785-2002-FI funds of \$22,300.00 be depleted in its entirety and the remaining balance of the loan of \$19,400.00 be withdrawn from the balance of \$141,800 of By-law 2153-2008-FI leaving a remainder of \$122,400.00 on the borrowing by-law.

A rating by-law and schedule A are required for the loan and are to be submitted to both the Region of Durham and the Ministry of Agriculture, Food and Rural Affairs.

#### **4.0 Related Policies / Procedures**

- Agricultural Tile Drainage Act, R.S.O. 1990
- Drainage Act, R.S.O. 1990
- By-law 1785-2002-FI
- By-law 2153-2008-FI

#### **5.0 Financial / Budget Assessment**

There will be no financial implications as the tile drainage loan is a debenture from the upper tier governments (Ministry of Agriculture, Food and Rural Affairs and Durham Region) and will be repaid over the term of the loan plus interest.

#### **6.0 Climate Change Impacts**

There are no climate change impacts with respect to the approval of the loan application and rating by-law.

#### **7.0 Communications**

N/A

#### **8.0 Conclusion**

It is recommended that By-law 1785-2002-FI funds of \$22,300.00 be depleted in its entirety and the remaining balance of the loan of \$19,400.00 be withdrawn from the balance of By-law 2153-2008-FI leaving a remainder of \$122,400.00 on the borrowing by-law.

#### **9.0 Recommendation**

BE IT RESOLVED THAT Report 2023-FI-004, Tile Drainage Loan Application submitted by Chris Vestergaard for the property B1160 Concession 3, Beaverton be received; and THAT Council approve the tile drain loan and pass the required rating by-law 3183-2023; and THAT Council approve that the By-law 1785-2002-FI funds of \$22,300.00 be depleted in its entirety and the remaining balance of the loan of \$19,400.00 be withdrawn from the balance of By-law 2153-2008-FI leaving a remainder of \$122,400.00 on the borrowing by-law; and

THAT Staff submit the Rating By-law 3183-2023 and Schedule A to the Region of Durham and the Ministry of Agriculture, Food and Rural Affairs; and  
THAT this recommendation be brought forward for Council approval on the meeting of April 24, 2023.