

## Staff Report

Council Meeting Date: May 26, 2025

Subject: PWRDS-2025-13 Tile Drainage Loan Application – Dorian Farm Enterprises – 306 Concession 6, Elderslie

Report from: Julie Hamilton, Coordinator of Infrastructure & Development

Attachments:

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### **Recommendation**

Be It Resolved that Council hereby approves Report PWRDS-2025-13 Tile Drainage Loan Application – Dorian Farm Enterprises – 306 Concession 6, Elderslie; and

Receives Tile Drainage Loan Application from Dorian Farm Enterprises, with an estimated cost of \$82,000 for the drainage system for the property described as Lot 28 Concession 7 and Lot 28 Concession 8, municipally known as 306 Concession 6, geographic Township of Elderslie, Roll Number 4103-380-003-14400 and 4103-380-003-19300, subject to the availability of funds allocated by the Province of Ontario for tile drainage purposes; and

That the amount of the tile drain loan will be \$50,000; and

Further that a by-law be prepared to impose special annual drainage rates upon land in respect of which money is borrowed under the Tile Drainage Act.

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### **Background**

In Ontario, the Tile Loan Program, authorized by the *Tile Drainage Act*, provides loans to agricultural property owners to help them finance tile drainage projects.

Landowners who are planning to install a tile drainage system on their agricultural land are eligible for a tile loan under the Tile Loan Program. Under this program, the application must be submitted to Council. Once Council approves the application, the owner arranges to have the work completed by a licensed tile drainage contractor.

The municipality will inspect the work and prepare a debenture for submission to the province in the amount of the loan or loans. The province then issues a cheque to the municipality who in turn passes it on to the applicant. The municipality collects the loan repayments from the applicant through their property taxes and passes these payments back to the province.

The Ministry of Agriculture, Food and Rural Affairs has provided details of the Tile Loan Program for the 2025/2026 fiscal year. Tile loans are available at a 6% interest rate for a ten-year term. The maximum amount of loan available is 75% of the installation costs, to a maximum of \$50,000 per registered property owner in one year.

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## **Analysis**

An application has been received for a loan under the Tile Loan Program from the landowner (Dorian Farm Enterprises) of lands municipally described as Lot 28 Concession 7 and Lot 28 Concession 8, municipally known as 306 Concession 6, geographic Township of Elderslie, Roll Number 4103-380-003-14400 and 4103-380-003-19300, with the estimated cost of the drainage system in the amount of \$82,000. The applicant is permitted a loan for up to 75% of the cost of the drainage works for the maximum amount of \$50,000, subject to the submission of invoicing and mapping following the completion of the work.

The mapping has been submitted to the municipality and the proposed outlet is satisfactory to the municipality. The Municipal Drainage Inspector, Public Works Manager Scott McLeod, will perform an inspection of the drainage works and to ensure that the installation work is satisfactory to the Municipality.

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## **Link to Strategic/Master Plan**

6.2 Supporting Businesses and the Local Economy

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## **Financial Impacts/Source of Funding/Link to Procurement Policy**

The *Tile Drainage Act* allows municipalities to sell debentures to the province for funding private tile drainage projects. The term of the loan is ten (10) years, and the repayment is due annually to the province. The tile loan repayments are added to the landowner's property tax bill over a ten-year period.

Borrowing By-law No. 03-2021, which authorizes the Municipality to borrow money for the construction of drainage works, was passed in 2021 and has a current borrowing balance of \$282,700.

A \$92.70 administration-inspection fee will be charged for applications in accordance with the fees and service charges by-law.

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Approved by: Emily Dance, Chief Administrative Officer