

**REPORT 20
24 NOVEMBER 2021**

**1. LOCAL IMPROVEMENT POLICY REVIEW AND UPDATE OF DITCH
ALTERATION POLICY**

**RÉVISION DE LA POLITIQUE DE LA VILLE EN MATIÈRE
D'AMÉNAGEMENTS LOCAUX ET POINT DE SITUATION SUR LA
POLITIQUE RÉGISSANT LA TRANSFORMATION DES FOSSÉS**

COMMITTEE RECOMMENDATIONS

That Council:

- 1. Approve the Local Improvement Policy, and;**
- 2. Receive the update on the Ditch Alteration Policy.**

RECOMMANDATIONS DU COMITÉ

Que le Conseil :

- 1. approuve la politique de la Ville en matière d'aménagements locaux;**
- 2. prenne connaissance du point de situation sur la politique régissant la transformation des fossés.**

DOCUMENTATION

1. Manager's Report, Business and Technical Support Services, Planning, Infrastructure and Economic Development Department, dated 4 November 2021 (ACS2021-PIE-GEN-0005).

Rapport de la gestionnaire, Services de soutien techniques et aux activités, Direction générale de la planification, de l'infrastructure et du développement économique, daté le 4 novembre 2021 (ACS2021-PIE-GEN-0005).

2. Extract of Draft Minutes, Standing Committee on Environmental Protection, Water and Waste Management, 16 November 2021.

Extrait de l'ébauche du procès-verbal, Comité permanent de la protection de l'environnement, de l'eau et de la gestion des déchets, le 16 novembre 2021.

**STANDING COMMITTEE ON
ENVIRONMENTAL PROTECTION,
WATER AND WASTE MANAGEMENT**

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**COMITÉ PERMANENT DE LA
PROTECTION DE
L'ENVIRONNEMENT, DE L'EAU ET
DE LA GESTION DES DÉCHETS
RAPPORT 20
LE 24 NOVEMBRE 2021**

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**Report to
Rapport au:**

**Standing Committee on Environmental Protection, Water and Waste Management
Comité de de la protection de l'environnement, de l'eau et de la gestion des
déchets**

16 November 2021 / 16 novembre 2021

**and Council
et au Conseil**

24 November 2021 / 24 novembre 2021

**Submitted on 4 November 2021
Soumis le 4 novembre 2021**

**Submitted by
Soumis par:**

**Charmaine Forgie,
Manager / Gestionnaire**

**Business and Technical Support Services /
Services de soutien techniques et aux activités**

**Planning, Infrastructure and Economic Development Department / Direction
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**Ward: CITY WIDE / À L'ÉCHELLE DE LA
VILLE**

File Number: ACS2021-PIE-GEN-0005

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24 NOVEMBER 2021**

SUBJECT: Local Improvement Policy Review and update of Ditch Alteration Policy

OBJET: Révision de la politique de la Ville en matière d'aménagements locaux et point de situation sur la Politique régissant la transformation des fossés

REPORT RECOMMENDATIONS

That the Standing Committee on Environmental Protection, Water and Waste Management recommend that Council:

- 1. Approve the Local Improvement Policy, and;**
- 2. Receive the update on the Ditch Alteration Policy**

RECOMMANDATIONS DU RAPPORT

Que le Comité permanent de la protection de l'environnement, de l'eau et de la gestion des déchets recommande au Conseil :

- 1. d'approuver la politique de la Ville en matière d'aménagements locaux;**
- 2. de prendre connaissance du point de situation sur la politique régissant la transformation des fossés.**

EXECUTIVE SUMMARY

On October 26, 2016 staff were directed by Council to undertake a review of the City's [Ditch Alteration Policy](#) and report back to Committee and Council (ACS2016-CSD-FIN-0008). Given Ditch Alteration is often interrelated with Local Improvement (a policy approved by Council on May 10, 2006 [ACS2006-PWS-INF-0001](#)), a policy that had not been updated since 2012, staff are undertaking the review of both policies at the same time.

The Policy and Business Process Review of Local Improvement and Ditch Alteration is being delivered by Planning Infrastructure and Economic Development Department (PIED), through its Business and Technical Support Services Branch, in conjunction

with Infrastructure Services, Right of Way Branch, Heritage, and Urban Design, Water Services and By-law and Regulatory Services. This review consists of two distinct yet interrelated projects:

- Local Improvement Policy and Business Process Review
- Ditch Alteration Policy and Business Process Review

The Policy and Business Process Review of Local Improvement and Ditch Alteration work is to examine areas for improvement and provide a clearer understanding for residents wanting to proceed with a Local Improvement petition. Each of the projects is divided into three phases:

- Phase 1: Review and document current state
- Phase 2: Develop recommendations for improved future state
- Phase 3: Revised Policy and Procedures

By delivering a simultaneous policy and business process review of Local Improvement and Ditch Alteration, staff can propose a robust program that aligns with the City's long-term infrastructure and environmental objectives while providing the ability to control any future unapproved alteration activity.

The proposed Local Improvement Policy applies to multiple property owners representing various properties within an existing local community, acting collectively through a Local Improvement petition process in relation with municipal public infrastructure assets. The specific infrastructure assets are governed by Provincial legislation.

The Local Improvement Policy update is planned to go live January 2022 and is the main focus of this report.

As an update, a consultant has been engaged and is assisting staff to finalize work on a comprehensive Ditch Infill Policy review, with a final report will subsequently go to Council in Q2 2022.

RÉSUMÉ

Le 26 octobre 2016, le Conseil municipal a demandé au personnel d'étudier la [Ditch Alteration Policy](#) et de faire rapport au Comité et au Conseil (ACS2016-CSD-FIN-0008). Comme la transformation des fossés est souvent liée aux aménagements locaux, sujet d'une politique approuvée par le Conseil le 10 mai 2006 ([ACS2006- PWS-INF-0001](#)) qui n'a pas été actualisée depuis 2012, le personnel procède simultanément à l'étude de ces deux politiques.

L'examen des politiques et des processus opérationnels régissant les aménagements locaux et la transformation des fossés est réalisé par la Direction générale de la planification, de l'infrastructure et du développement économique (DGPIDE), par l'entremise de sa Direction du soutien technique et aux activités, en collaboration avec les Services d'infrastructure, les Services des emprises, du patrimoine et du design urbain, les Services d'eau et les Services des règlements municipaux. Cet examen consiste en deux projets distincts, mais intimement liés :

- la révision de la politique et des processus opérationnels en matière d'aménagements locaux
- la révision de la politique et des processus opérationnels régissant la transformation des fossés

Ces travaux visent à déterminer les points à améliorer et à mieux informer les résidents qui souhaitent déposer une requête en aménagement local. Chaque projet comprend trois phases :

- Phase 1 : examen et description de la situation actuelle
- Phase 2 : formulation de recommandations pour améliorer la situation
- Phase 3 : révision des politiques et des procédures

Grâce à cet examen simultané des politiques et des processus opérationnels régissant les aménagements locaux et la transformation des fossés, le personnel pourra proposer un programme solide en phase avec les objectifs à long terme de la Ville en matière

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d'infrastructures et d'environnement, qui permettra en outre de contrôler les éventuelles activités de transformation non approuvées.

La politique proposée en matière d'aménagements locaux s'appliquerait lorsque plusieurs propriétaires fonciers d'un même secteur agiraient collectivement pour déposer une requête en aménagement local en lien avec des infrastructures municipales, lesquelles sont régies par les lois provinciales.

La politique révisée devrait entrer en vigueur en janvier 2022; il s'agit de l'objet principal du présent rapport.

Pour information, un consultant a été embauché pour aider le personnel dans l'achèvement d'un examen exhaustif de la politique de remblayage de fossés. Le rapport final sera présenté au Conseil au deuxième trimestre de 2022.

BACKGROUND

On October 18, 2016 staff were directed to undertake a review of the City's Ditch Alteration Policy and report back to Committee and Council (ACS2016-CSD-FIN-0008). Due to the close relationship between policies a review of the Local Improvement Policy (ACS2006-PWS-INF-0001), approved by Council on May 10, 2006, was also undertaken.

In response to this direction, staff undertook a review consisting of two distinct yet interrelated projects:

- Local Improvement Policy and Business Process Review
- Ditch Alteration Policy and Business Process Review

The City established the Local Improvement Policy in 2006. While the Ontario Regulation 586/06 (Local Improvements) was enacted under the *Municipal Act*, 2001 in 2007. These regulations set the procedural requirements for undertaking many of the types of infrastructure upgrades that a municipality is commonly requested to perform as "local improvements". Ditch Alteration, on the other hand, is recognized as an applicable form of Local Improvement.

In 2007, City Council passed a Drainage By-law that prohibits the obstruction or alteration of ditches and regulates their maintenance and review. Acknowledging circumstances where ditch alterations would be permissible, a Ditch Alteration Policy was subsequently approved in July 2008. The City has since approved an over-arching Site Alteration By-law that defers to Ditch Alteration Policy criteria where applicable.

The *Municipal Act*, Ontario Regulation 586/06, Drainage By-law (now replaced by the Site Alteration-By-law), Water By-law, Sewer Connection By-law, Site Alteration By-law, Local Improvement Policy and Ditch Alteration Policy provide the current legal and procedural framework for the City to administer Local Improvements and Ditch Alteration.

Infrastructure Services is responsible for the implementation of capital infrastructure projects within the city. The Planning, Infrastructure and Economic Department (PIED) handles a significant number of requests from the public for renewal activities, infrastructure enhancements, and piped network expansions within Public Service Areas as defined in the City's Official Plan and Master Plan documents, as well as the New Official Plan. This policy assists residents wanting to add unbudgeted capital infrastructure projects to their neighbourhoods.

Historically, existing communities lacking municipal watermains, sewers, or other infrastructure typically associated with the urban environment have driven most local improvement projects. Most of these communities were initially developed outside the urban service areas, and because of surrounding growth, have become part of the Public Service Areas established by the Official Plan.

The urban development around these communities often spurs requests for service level upgrades, infrastructure enhancements and network expansions that are not associated with the rehabilitation or maintenance of existing infrastructure.

From 2000 to 2010 there were approximately 20 approved Local Improvement applications within the City that resulted in the construction of new infrastructure. Charges for these Local Improvement projects were set in the LICR (Local Improvement Committee of Revision) meetings held in 2013 through subsequent Council approved by-laws. There have been no successful Local Improvements applications since 2010.

Every year there are new requests for Local Improvements for various infrastructure such as sanitary sewers, storm sewers (ditch alteration), noise barriers, etc.; however, there have been no successful Local Improvement petitions brought before Committee and Council for approval, since that time.

The exception is where Section 326 of the *Municipal Act* (special services) applies, and the development approval process governs, or the works are considered routine, or regular maintenance in nature. This type of direct charge-back capital project is for more exceptional circumstances that do not fit within the context formed by the Ontario Regulation 586/06 provisions.

The City's Long Range Financial Plan, Infrastructure Master Plan, Official Plan and Climate Change Master Plan initiatives have increased the need to identify and maximizing cost recovery opportunities. PIED and other City stakeholders have recognized the potential for utilizing "local improvement" and "special service" legislation for implementation of service levels and infrastructure enhancements on a cost recovery basis. Ten municipalities were also provided a questionnaire with respect to practices and policies related to local improvement type undertakings.

It should be noted that the City of Ottawa's Official Plan, Transportation and/or Infrastructure Master Plan, are the legislative documents that inform the use of this over this policy.

The purpose of this report is to update Council and gain approval on the current state of the review process of Local Improvement Policy and advise on the Ditch Alteration policy.

DISCUSSION

Local Improvement Policy

The policy has been updated with two basic complementary components: the policy and procedure. The policy sets out the principles, such as: the application process, shared costs, reductions, corner lots, allowances, eligibility requirements etc., that inherently vary depending on what is being constructed. The procedural document provides the

required milestones to move forward with a local improvement as well as explains all the of the points at which proposed project is reassessed.

The Local Improvement Policy has been updated to

- Conform with current policies and legislation
- Provide clear understanding of roles and responsibilities of all involved
- Provisions for collection of funds

The Planning Infrastructure and Economic Development Department intends to:

Apply the "local improvement" provision defined as "work" in Ontario Regulation 586/06 (Local Improvements) to a minimum of three property owners representing various properties within an existing local community, acting collectively via a Local Improvement petition process in relation with municipal public infrastructure assets such as, but not limited to, water, sewer, and roadway systems (which include ditches and noise barriers).

Apply "special services" (as set out in Section 326 of the *Municipal Act*) provisions to services that are unique, area specific, outside the context of the Local Improvement regulations, or better suited to an area charge application. It should be noted that there is a differentiation between Local Improvement and special services, which is addressed in the legislation section of this report.

Local Improvement Procedures

The Procedures developed to support the updated Local Improvement Policy outline the steps involved with managing, monitoring, obtaining proper documentation and evaluating.

High level steps in the Local Improvement Procedures, are planned to be enacted in Q1 2022.

Rationale for updating the Local Improvement Policy

Capital costs associated with the initial construction of sewers, watermains, roads, sidewalks and other utilities are generally borne by the initial land developer. When these services are constructed, the developer recovers the costs as part of the purchase price of the homes. Rehabilitation or need driven improvements of existing sewer, water, road, and other infrastructure are undertaken through the various capital works rehabilitation programs funded from City reserves, rate or tax levies.

Developers are responsible to build the local infrastructure necessary to service the homes they sell, and they recover those costs through the sale of the homes. For areas that were originally built without municipal services, there is a Local Improvement process. For larger infrastructure that services multiple new developments, there is a Development Charges process.

Requests for new services from areas where the initial development did not include a specific service would create significant pressures against funding sources typically available to the City for rehabilitation and replacement of existing infrastructure. The Local Improvement process identifies benefiting properties and their cost share to extend infrastructure.

Legislative Authority for updating Local Improvement Policy

The *Municipal Act*, 2001, defines provisions for a municipality to assess charges through varying methods for specific scenarios. The *Act* permits a municipality to:

Finance physical infrastructure “local improvements” over the useful life of those assets or improvements by charging back the cost of the improvements to the properties which benefit from the improvement.

Identify a "special service" that is not being provided or undertaken generally throughout the municipality or being provided differently in different parts of the municipality for which the municipality can levy a charge on the property in a defined service area.

Local Improvements Updates

Ontario Regulation 586/06 under the *Municipal Act*, 2001 details project eligibility, procedures and debt rules for capital projects undertaken as “local improvements”. The regulation clearly identifies the types of infrastructure and physical asset works eligible for consideration as local improvements and its required process for undertaking a project is very prescriptive.

Ontario Regulation 586/06 allows for constructing physical infrastructure. The regulation allows municipalities to finance infrastructure or physical asset improvements over their useful life by charging back the cost of the improvements to the properties that benefit. The primary charge-back method is the assessment of charges on the property tax bill, based on the amount of the property frontage. It should be noted that Local Improvements are different than Special Services outlined in Section 326 of the *Municipal Act*.

Special Services

Section 326 of the *Municipal Act*, 2001 also allows municipalities to identify a "special service" for which the municipality can levy a charge on the property in a defined service area. Under the provisions of this section, municipalities may identify as a "special service" a service or activity of the municipality that is not being provided or undertaken generally throughout the municipality or is being provided or undertaken differently in different parts of the municipality.

Although other situations may arise where a special service charge can be considered, examples of such “special service” charges include flood controls, waste management systems, fire protection systems, parking systems.

A municipality must designate the boundaries of the community that is to be a special service area. For each year a special service by-law remains in force, the municipality will levy a charge on the ratable property in the service area to cover the costs that the municipality has determined to be related to the service. The charge is based on the assessed value of the property. Unlike local improvement works, the legislation governing special services does not prescribe that a municipality adhere to a detailed

process when undertaking a special service, and PIED would consider its use for more unique and exceptional service delivery recoveries as opposed to the provision of physical infrastructure recoveries prescribed within Local Improvement Regulations.

Cost Sharing

The costs of upgrades, enhancements and network expansions should be borne by all the parties who benefit from the improvement. Unless paid for by those directly benefiting, these costs would represent additional rate or tax levy pressures on taxpayers as a whole for services many have already paid for or for which they do not derive direct benefit.

Cost apportionment for work undertaken under the provisions of the Local Improvement Policy will be shared between all property owners benefiting from the work. Rates used in assessing the apportioned costs to property owners are based on the actual costs necessary to complete the work or provide the special service, including those for engineering investigations, design, legal services, land acquisition, construction, etc.

Under the provisions of Local Improvement regulations for physical infrastructure assets, the City is also responsible for certain costs. The City's share of the cost for the work typically includes:

- The share of the cost for City-owned land, where the City is a property owner in the benefiting area
- Costs to be borne exclusively by the City; for example, the collector portion of a sewer
- Costs associated with reductions and allowances granted to property owners under certain circumstances and costs associated with non-assessable lands (typically cost adjustments are calculated for corner lots, irregular lots and inaccessible lots as defined by formulae included in the appendices)

Ditch Alteration Policy

The Ditch Alteration Policy review is currently in progress. As Ditch Alteration falls within Local Improvement legislation, staff with the support of the consultant will be

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presenting the updated policy, which includes enforcement activities in Q2, 2022. The consultants Scope of Work is to deliver three (3) focused technical memorandums addressing:

- Ditch Function and Impacts of Ditch Alterations
- Ditch Alteration Policy Consistency Review
- City of Ottawa Ditch Alteration Business Process Review

RURAL IMPLICATIONS

The rural and urban implications are similar. Residents are more likely to have a local improvement petition approved for infrastructure that pre-exist in their area. For example, urban residents are more likely to be successful with sewer related petitions, whereas rural residents may be more successful with ditch alteration petitions.

CONSULTATION

Due to the nature of this report no public consultation was required.

Early in the development of the policy framework, the department completed a peer municipality survey. Ten municipalities were provided a questionnaire with respect to practices and policies related to local improvement type undertakings. Municipalities contacted included Vancouver, Halton, St. Catharine's, Chatham-Kent, Windsor, Barrie, Region of Peel, London, Cambridge and Waterloo. Follow-up questionnaires were also provided to those municipalities that responded.

Of the municipalities contacted, eight responded and their practices tend to be consistent with those proposed in the department's policy document; however, they generally are less comprehensive.

The report deals with administrative matters and, as such, public consultation was not undertaken.

Further consultation is occurring with the City of Markham, specifically related to Ditch Infill and details will be provided when the Ditch Infill Policy is presented to Committee and Council.

COMMENTS BY THE WARD COUNCILLORS

This is a city-wide report – not applicable.

LEGAL IMPLICATIONS

There are no legal impediments to Committee and Council's approval of the recommendations of this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

The recommendations documented in this report are consistent with the City's [Comprehensive Asset Management \(CAM\) Program](#) objectives. The application of the Local Improvement Policy offers a process by which interested property owners can petition for, and share in the cost of, the construction of new municipal infrastructure through an equitable and transparent process. This mitigates pressures against funding sources available to the City for the overall rehabilitation and replacement of existing infrastructure, thereby mitigating additional rate or tax levy pressures on all taxpayers for services many have already paid for, and for which they do not derive direct benefit. This supports the implementation of the Comprehensive Asset Management program which enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to all users in a manner that is socially, culturally, environmentally, and economically conscious.

FINANCIAL IMPLICATIONS

Recommendation 1:

The proposed policy stipulates that the costs of upgrades, enhancements and network expansions shall be borne by all the parties who benefit from the improvement.

Under the provisions of Local Improvement regulations for physical infrastructure assets, the City is also responsible for certain costs. The City's share of the cost for the work typically includes:

- The share of the cost for City-owned land, where the City is a property owner in the benefiting area
- Costs to be borne exclusively by the City; for example, the collector portion of a sewer
- Costs associated with reductions and allowances granted to property owners under certain circumstances and costs associated with non-assessable lands (typically cost adjustments are calculated for corner lots, irregular lots and inaccessible lots as defined by formulae included in the appendices)

Recommendation 2:

There are no financial implications associated with receiving the update on the Ditch Alteration Policy.

ACCESSIBILITY IMPACTS

Staff will ensure that any applicable accessibility standards are adhered to during the execution of the projects and initiatives identified in this report. This will involve consulting with the appropriate staff within the City.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with this report.

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TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priority:

- Sustainable Infrastructure - Ensure sustainable infrastructure investment to meet the future growth and service needs of the city

SUPPORTING DOCUMENTATION

Document 1 Local Improvement Policy for Public Infrastructure

CONCLUSION

Staff recommend the approval of the Local Improvement Policy update. The purpose of the policy is to ensure a consistent means of addressing: 1) requests for municipal public infrastructure/asset works unrelated to either greenfield development works, or development works subject to the Development Charge By-law and 2) respective cost distribution between benefitting properties and the City for the identified municipal infrastructure/asset works. The updates to the Ditch Alteration Policy will be presented to council in Q2 2022.

It has been designed to create consistency and defined roles and responsibilities of all parties involved. The next steps will be to commence work on the Ditch Infill Policy in January 2022.

DISPOSITION

Following Council's approval, PIED will incorporate the Local Improvement Policy into the Corporate Policy Manual.

Note: References to upcoming report dates / updates within this report (pp. 3, 4*, 10* and 14*) were corrected pursuant to Schedule C, Subsection 7 of the Delegation of Authority By-law 2020-360.*

*[* pp. 5, 7, 14 and 17, respectively, to account for reformatting in this report to Council]*

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Document 1 – Local Improvement Policy for Public Infrastructure

Approved By:

Approval Date:

Effective Date:

Revision Approved By:

Revision/Review Date: August 24, 2020

Policy Statement

Purpose

Application

Policy Requirements

Responsibilities

Monitoring/Contraventions

References

Legislative and Administrative Authorities

Definitions

Enquiries

Appendices

Policy Statement

For the provision of localized municipal public infrastructure/asset works undertaken as capital projects by the City of Ottawa (City) within municipal lands, easements, and rights-of-way, *the Municipal Act, 2001* authority will be used, the related process requirements of *Ontario Regulation 586/06* will be followed and the costs of the work(s) provided will be recovered from the benefiting property owners, except where

Section 326 of the *Act* (special services) applies, the development approval process governs, or the works are considered routine, or regular maintenance in nature.

Where a conflict arises between this policy and the policy statements provided in either the City of Ottawa's Official Plan, Transportation or Infrastructure Master Plan, those Plans will take precedence over this policy.

Purpose

The purpose of this policy and its associated procedures is to ensure a consistent means of addressing: 1) requests for municipal public infrastructure/asset works unrelated to either greenfield development works, or development works subject to the Development Charge By-law, and 2) respective cost apportionments between benefiting properties and the City (where applicable) for the identified municipal infrastructure/asset works.

Application

This policy applies to multiple property owners representing various properties within an existing local community, acting collectively via a Local Improvement petition process in relation with municipal public infrastructure assets such as water, sewer and roadway systems (which include ditches and noise barriers).

The policy also applies to the City, to enable it to consider a Local Improvement in the case of:

- Receipt of an insufficient petition from a community, where mitigating circumstances warrant and/or
- Opportunities for proactive coordination with other infrastructure works, and/or
- Public health reasons based on sanitary grounds

Policy Requirements

This policy has been formed to allow the City to fund and undertake Local Improvements related to public infrastructure assets in a reasonable, fair, and affordable

manner to all taxpayers/ratepayers. This is one type of mechanism that allows City and the residents to carry out certain local infrastructure work on a discretionary basis and recover associated costs for programs that are not typically funded or routinely undertaken by the City.

Where a Local Improvement is performed, those property owners who derive benefit from the improvement will share the costs associated with the Local Improvement.

Processing Principles: Coordinating a Local Improvement with other types of infrastructure work may be considered when opportunities arise, as in the case of a project by the City, a public utility, a development proponent, an upper level of government or other stakeholders.

Some candidate sites may not be suitable for a Local Improvement due to a variety of technical, economical, and administrative factors including, but not limited to, site topography and physical limitations.

For any Local Improvement, the City will determine the logical project limits based on system design requirements and/or overall cost benefits (e.g. entire street, completion of a sector, completion of a drainage basin, etc.). For technical feasibility, a group will consist of no less than three distinct properties abutting along the infrastructure line for the petition process related to proposed local improvements.

Upon receipt of a written request from property owners, the City will perform a non-binding gauge of the level of interest in the Local Improvement from the potentially affected property owners before undertaking any detailed analysis or review related to the requested infrastructure. The City will determine the technical feasibility of the requested work.

The City will provide details to affected property owners regarding the proposed Local Improvement including related costs and process steps, in advance of either the formal petition or the confirmation of City initiative as applicable. Signed petition documents, or any comparable project support documentation allowed by legislation, must be submitted to the City within six (6) months of the date the petition / support documentation was made available to the affected property owners and by the last

Friday in July in any given year to be eligible for consideration in the following year budget allocations.

The legislated criteria required for a formal Local Improvement petition to be certified will be respected.

Any Local Improvement must be compliant with applicable legislation to obtain Council approval of a by-law to undertake the work and have the necessary funding available to undertake the work at the time of the by-law approval.

For any Local Improvement project proposed by the City for reasons other than on sanitary grounds, the City will use the mechanism for direct approval from the Province of Ontario through the provincial agency identified by the governing legislation. The provincial agency currently identified for this under O.Reg.588/06 is the Local Planning Appeal Tribunal (LPAT).

The City will aim to exceed the public notification requirements that are laid out in the provincial legislation governing Local Improvements, especially those for the potentially affected / benefitting property owners.

Construction of Capital works as a Local Improvement: A capital works project undertaken as a Local Improvement will be managed in the same manner as the City's other capital projects.

Final cost assessment of capital works project: The work will follow the same cost estimate determination, tendering and procurement process the City's applies to other capital projects. The lower of the two costs (estimated costs and actual costs) will be applied to the project, unless extenuating circumstances apply. The City will collect back all Local Improvement applicable costs from affected properties except where approved otherwise by Council. For noise barrier cost recovery, refer to the policy amendment by Council dated June 23, 2010.

Local Improvement Roll/Committee of Revision: Prior to the imposition of the special charge to recover the cost of the Local Improvement, the Treasurer is to prepare a local improvement roll setting forth:

- a. The cost of the work.
- b. Every lot to be specially charged, the name of the owner and the number of metres of its frontage to be specially charged.
- c. Every lot that, but for subsection 12 (7) of the local improvement regulation, would be exempt from being specially charged, and the number of metres of its frontage.
- d. The special charges per metre of frontage with which each lot is to be specially charged.
- e. When the special charges described in clause (d) shall be paid; and
- f. The lifetime of the work.

The Local Improvement Regulation permits the total cost of the work to be estimated when 75 per cent of the work has been completed.

As a result, the local improvement roll should be prepared within one year of substantial completion of the work and notice as required by the regulation be given. If a property owner objects to the proposed special charge, they may bring the objection to the Committee of Revision to determine if corrections or special circumstances pertain to the proposed special charge.

Financing Principles: Charges to property owners will be based on the fair and equitable apportionment of the estimated costs for all work necessary to complete the local improvement (engineering investigations, design, legal costs, land acquisition, construction etc.) Council approval is required for proposed charges and a by-law authorizing the work to be undertaken.

Approval of Capital Works through Local Improvement By-law: For any Local Improvement initiated by a certified petition or proposed by the City, a report of recommendation for the work will be presented to Committee and Council for approval prior to undertaking any work.

Responsibilities

The City has the overall responsibility for managing any Local Improvement project through the active collaboration of the various stakeholders. When a request for Local Improvement is received in the City, an appropriate department / branch will be assigned as the lead to spearhead that LI request. More detailed roles and responsibilities will be captured in a separate Local Improvement procedures document.

Monitoring/Contraventions

All staff involved with Local Improvement projects are responsible for ensuring compliance with City Policy's, By-laws and Procedures.

References

- Ditch Infill Policy
- Local Improvement Procedures
- Local Improvement Policy Update – Installation of Noise Barriers
- Environmental Noise Control Guidelines (ENCGs)

Legislative and Administrative Authorities

This corporate policy is governed by Provincial and Municipal legislation and regulations, as follows:

Provincial

- *Municipal Act, 2001*
 - Part 12 of the *Act* enables the Regulations.
- Ontario Regulation 586/06
 - Identifies the works eligible as local improvements and details the requirements to undertake identified work.

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- Ontario Regulation 584/06
 - Addresses sewer and water rates.
- Provincial Policy Statement, Infrastructure and Public Service Facilities
 - Provides guidance that a municipality shall endeavor to provide central services for urban areas and rural settlement areas.

Municipal

- Official Plan
- Infrastructure Master Plan
- Transportation Master Plan
- By-laws
 - Water and Sewer Connection By-law, as amended
 - Sewer Use By-law, as amended
 - Delegation of Authority to Various Officers of the City (By-law 2019-280)
 - Site Alteration By-law, as amended

Definitions

The following are definitions specific to the body of this policy document:

- “*benefiting property*” means a property that may derive some form of servicing benefit by the proposed infrastructure/asset to be undertaken as a Local Improvement;
- “*central services*” means the watermain and sewer infrastructure that the City is responsible to operate, maintain and rehabilitate, within the Public Service Areas as defined by the City of Ottawa Official Plan;

- “*certification of sufficiency*” means the City Clerk has certified the validity of the petition based on a recommendation from the City’s Legal Services Branch;
- “*construct*” includes reconstruct, extend, enlarge, improve and alter, and “construction” has a corresponding meaning (Ont. Reg. 586/06);
- “*cost*”, as applied to a work, means capital cost (Ont. Reg. 586/06);
- “*irregular lot*” means a parcel of land:
 - i) that is neither rectangular nor square
 - ii) that is not consistent in area with the typical lot in the Local Improvement
 - iii) where works abut more than one side (e.g. front and rear yard)
 - iv) where the lot line abutting the works is not a straight line
 - v) any combination of the above
- “*Local Improvement*” means an infrastructure/asset upgrade, enhancement or extension;
- “*owner*” means, with respect to a lot and in the absence of evidence to the contrary, the person appearing by the last returned assessment roll, as most recently revised, to be the owner of the lot. O.Reg.586/06;
- “*petition*” means a document including the declaration of intent of the property owners, a description of the requested work, a declaration of authenticity and an appended list of the petitioners containing the petitioners’ signatures, the proper legal description of the property and the mailing address of the petitioner;
- “*Public Service Area*” means an area within the urban boundary or a rural community that is connected to central services for wastewater collection and/or potable water distribution;
- “*reduction*” includes an exemption;

- “*routine, or regular maintenance*” includes operational works and annual/scheduled capital program works, both new and rehabilitation.
- “*sewer*” includes a sanitary (wastewater) sewer and a storm drain;
- “*special charge*” means a fee or charge imposed in respect of the cost of a work undertaken as a Local Improvement and “specially charged” has a corresponding meaning (O.Reg.586/06);
- “*system*” means one or more programs or facilities (including real and personal property) of a person used to provide services and things to the person or to any other person and includes administration related to the programs, facilities, services and things;
- “*work*” means a capital work (O.Reg.586/06) that may be undertaken as a Local Improvement.

Enquiries

For more information on this policy, contact: For more information on this policy, contact the Director, Infrastructure Services, Planning, Infrastructure and Economic Development Department.