



MUNICIPALITY OF
GREENSTONE

Municipality of Greenstone Policy Manual

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| Subject: Infrastructure Renewal Fee For Unconnected Lots Policy | |
| Number: | Section: Corporate Services / Finance |
| Original Effective Date: | Last Revised/Approved Date: |
| Approval Authority: | |

Purpose:

The purpose of this policy is to ensure that all properties benefitting from water and wastewater infrastructure are contributing to the maintenance and ultimate replacement of the water and wastewater infrastructure.

Water and wastewater systems are designed to service all lands. Although not utilizing the system directly, unconnected lots fronting Municipal services benefit from having the availability of the service. A portion of the cost of maintaining the systems is attributable to ensuring the availability of capacity throughout the systems for unconnected lots.

Application:

This policy applies to Unconnected Lots, including Vacant Lots, fronting Municipal water and wastewater services, where the Municipality has assumed the underground works.

This policy does not apply to unconnected lots that front municipal wastewater services only. The municipality does not allow connections to wastewater services without being connected to water services.

Policy Statement/s:

The Municipality of Greenstone is committed to ensuring long term financial sustainability and intergenerational equity for the water and wastewater systems.

Definitions:

“Act” means the Municipal Act, 2001, S.O. 2001, c25 as amended.

“Fronts onto” or “fronting” means that the primary access (determined by municipal address) to a property is adjacent to Municipal property containing water or wastewater infrastructure.

“Owner” or “Property Owner” means the person who is the registered owner of a separately assessed parcel of land.

“Property” or “Lot” means a separately assessed parcel of land connected to or fronting on the water or wastewater system or both.

“Treasurer” means the person appointed by Council of the Municipality of Greenstone to perform the duties of the Treasurer defined in the Municipal Act.

“Vacant Lot” means any Property with no structure that is not connected to the municipal water or wastewater system to which water or wastewater service is available.

“Unconnected Lot” means a lot that fronts onto the municipal water or wastewater system but does not currently receive water or wastewater services.

Policy:

Infrastructure Renewal Fee Establishment

An Infrastructure Renewal Fee shall be charged to owners of Property, including Vacant Property, that front onto but are not connected to municipal water and wastewater systems. This charge recognizes that properties that are not connected to but front onto a water and wastewater system have the benefit that services are available to connect to as soon as a decision to develop the property occurs, and that there is a cost to the Municipality for the maintenance and replacement of the systems.

The Fee will be established annually through the Municipality’s Fees and Charges by-law, calculated using the methodology outlined below.

Eligible Properties

The Infrastructure Renewal Fee will be charged to all properties that meet the following criteria:

1. The land fronts onto municipal water and wastewater services; and
2. The land has an existing structure, or, if it does not already have a structure built, the vacant land has the ability to receive a building permit.

The Infrastructure Renewal Fee will not be applied to new developments approved under the Planning Act through a Plan of Subdivision, Plan of Condominium or Site Plan Approval for two years from the date of approval. If water and wastewater services have not been connected after two years, the Infrastructure Renewal Fee shall be charged for

each individual property identified in the Plan of Subdivision, Plan of Condominium or Site Plan Approval.

The Infrastructure Renewal Fee will be based on the number of units approved per property. Land/Life Lease developments will be charged the Infrastructure Renewal Fee on each unconnected unit.

Calculation of Infrastructure Renewal Fee

The Infrastructure Renewal Fee will be calculated on an annual basis, using the approved capital levy for each of the water and wastewater budgets. The total levy will be equally divided between all existing connected and unconnected lots fronting the systems. This charge will be a fixed annual charge separate from the standard quarterly fixed rates or metered usage if applicable which is calculated based on annual operating budget levies.

As an example, if the annual capital levy for the water system is \$1,000,000 and there are 1,700 connected and unconnected lots fronting the system, the annual Infrastructure Renewal Fee for the water system would be calculated as:

$$\$1,000,000 / 1,700 = \$588.24 \text{ per year per lot}$$

If a lot fronting the municipal water and wastewater services does not have an existing connection (curbstop) to the system, the applicable Infrastructure Renewal Fee shall be reduced by 50%. The Municipality shall have sole discretion when determining if an existing connection is available to a lot.

Billing

The Infrastructure Renewal Fee will be billed on a semi-annual basis using the criteria set out in this policy.

When the Unconnected Lot connects to municipal services, the property will move to the regular quarterly billing cycle of a fixed charge and a metered consumption rate if applicable.

Consequence of Non-payment

The charges imposed constitute a debt of the owner to the Municipality. Thirty days after invoicing, non-payment of the Infrastructure Renewal Fee may result in the following actions:

1. The outstanding fee may be added by the Treasurer to the tax roll for the owner's property and collected in the same manner as municipal taxes in accordance with subsection 398(2) of the Act.
2. The charges added to the tax rolls under subsection 398(2) of the Act have priority lien status as described in Section 1 of the Act, and;

3. On all charges which are in default and added to the tax roll by the Treasurer, a penalty of 1.25 per cent per month will be added on the first day of each and every month the default continues until December 31 in the current year. On all charges in default on January 1 of the following year, interest will be added at the rate of 1.25 per cent per month for each month or fraction thereof of default.

Through the adoption of this policy, the Treasurer is hereby authorized to add the charges which are in default to the tax rolls.