

adjustment, we are recommending basing the local improvement charge on actual construction costs to eliminate the need for periodic updates of the owner's cost-share information and to better reflect actual costs incurred by the City for Local Improvement works.

In addition to moving to actual construction costs, it is proposed that maximum and minimum lot dimensions used under the old policy be eliminated. This would mean that lots with a wider frontage or flankage would pay proportionately more than lots with narrower frontage or flankage. However, recognizing that this could have a large impact on corner lots, it is proposed that the current relaxations for flankage on corner lots be retained.

We recommend the Local Improvement Program owners' share of the costs be amended as follows to reflect changing street lighting construction costs.

Current Owners' Share		Recommended Owners' Share	
One-Time Full Payment	Annual Payment 10 Year Term	One-Time Full Payment	Annual Payment 10 Year Term
\$40.00 per metre of frontage	\$6.10 per metre of frontage	Actual cost of construction	Payments with current interest rate for actual construction cost

The City shares in the cost by funding the street lighting design and construction supervision. The new street light or street lighting system is added to the City street light inventory and is subject to maintenance and scheduled preventative service.

Proposed modifications to the wording of By-law No. 3250 are contained in the Appendix to this report.

CONCLUSION

While there are relatively few local improvement projects for street lighting, the rate structure in the current by-law has become outdated and needs revising. The revision proposed at this time is to move to actual construction costs based on actual frontage or flankage.

Council's confirmation of the revised owners' share would provide a better reflection of the core intention of the Local Improvement Program, to provide equitable means by which owners can cost-share with the City to enhance their neighbourhoods

Paul Ham, P.Eng.
General Manager, Engineering

PH/KZ/brb
Attachment

c.c. - General Manager, Finance, Technology & HR

APPENDIX

Existing By-law wording is as follows:

ORNAMENTAL STREET LIGHTING

7. (1) In all cases where the work to be undertaken by the City pursuant to Division 1 of Part 19 of the “*Local Government Act*” are for the construction and installation of ornamental street lighting on any highway, the parcels benefiting from or abutting that class of work shall be charged an annual charge of Six Dollars and Ten Cents (\$6.10) for each metre of taxable metre-frontage for a period of ten (10) years and the City shall pay the balance of the total cost of the work.
- (2) The City will accept as the commuted value for the work of the class specified in this section Sixty-Five and Sixty-Three One Hundredths per centum (65.63%) of the aggregate of the charges imposed pursuant to Clause (a) hereof.

Proposed By-law wording is as follows:

ORNAMENTAL STREET LIGHTING

7. (1) In all cases where the work to be undertaken by the City pursuant to Division 1 of Part 19 of the “*Local Government Act*” are for the construction and installation of ornamental street lighting on any highway, the parcels benefiting from or abutting that class of work shall be charged the amount of the actual costs calculated on the basis of a single amount for each of the parcels or, the amount of the actual costs calculated on the basis of taxable frontage of each of the parcels.
- (2) When the works are completed, the owner's proportion of the actual costs shall be specially charged against the parcels within the benefiting area over a period of ten (10) years and shall include interest charges, levied annually.
- (3) Owners whose parcels are subject to being specially charged under this Section may commute the special charges imposed on them by making a payment in cash in the sum of the outstanding aggregate principal amount without further interest or penalty.