?

TO:

Corporate Report

NO: R228

COUNCIL DATE: September 7,

2004

REGULAR COUNCIL

Mayor & Council DATE: August 25,

2004

FROM: General Manager,

Engineering

FILE:

5320-00

SUBJECT: Engineering Local Improvement - 2004 Street

Lighting Rate Review

RECOMMENDATIONS

- 1. That the owners' share for street lighting, under the Local Improvement Program, be amended to replace specific rates with actual construction costs and Local Improvement By-law No. 3250 be amended accordingly.
- 2. That the City Policy R-6 (Frontage Tax Assessment Rolls) be revised by deleting Section (j) B(1) to eliminate the minimum/maximum qualifying frontage of 18.28 metres. Residents with frontage or flankage abutting the works would share in the cost on an equal basis. Rules for corner lots would remain unchanged except for the elimination of the minimum/maximum restrictions on lot dimensions.
- 3. That Council direct the City Clerk to bring forward the necessary amendment by law for the required readings.

INTENT

To revise the frontage fees charged to the benefiting property owners for street light upgrading performed under the Local Improvement Program to reflect actual construction costs based on actual dimensions of the lot benefiting from the street lighting.

To replace minimum/maximum restrictions on lot dimensions with cost-share on an equal basis among residents, with special provisions for corner lots.

BACKGROUND

The Local Improvement Program for street lighting provides a means by which property owners can cost-share with the City to enhance their neighbourhoods. Property owners currently pay a fixed rate per metre of frontage for street lighting adjacent to their properties.

The local improvement rates were last revised in 1996 and current rates are based on 1996 data. Since the construction cost index for such road improvement works is variable, and has increased over the period since the last

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 bylaw 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

g:\wp-docs\2004\transportation\04271027kz.doc BRB 9/7/04 10:00 AM

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.

g:\wp-docs\2004\transportation\04271027kz.doc