



**DEPARTMENT:** Chief Administrative Officer

**REPORT NO:** A-025-18

**COUNCIL DATE:** July 9, 2018

**TITLE:** Boundary Adjustment Discussions

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**OBJECTIVE:** To Provide an update to Council and seek support for continued discussions.

**BACKGROUND:** In November 2017 Council authorized the committee to continue discussions with SWOX to move towards an agreement on Boundary adjustment. With the meetings held in February, March and June progress has been made. However it is apparent that with the upcoming election an agreement in principle is all that can be realistically achieved prior to the new Councils being elected.

The committee is of the opinion that talks should continue with the hope of achieving an agreement in principle prior to Election Day. Whether or not the lame duck provisions of the municipal election act will impact this idea will have to be reviewed by the municipal clerks.

**ANALYSIS:**

See table below.

**INTERDEPARTMENTAL IMPLICATIONS:**

**FINANCIAL IMPLICATIONS:**

**RECOMMENDATION:** That the Council of the Corporation of the Town of Ingersoll receives the report numbered A-025 as information.

**AND FURTHER THAT** the Council gives the following direction to the Ingersoll Boundary Adjustment Committee for an agreement in principle.

1. The lands previously included within the proposal remain in the proposal.
2. Tax phase-ins be 8 years for residential and farm, 5 years for Commercial and Industrial.
3. Indexing of taxes will be based on the Ontario CPI adjusted annually for January.

4. Payment dates used for County and School Board purposes will be used for the Boundary adjustment agreement.
5. Future residential lands will be compensated at \$250.00 per unit, estimated at 558 units but to be adjusted should lands initially contemplated for commercial or industrial lands be changed to residential use at a later point.
6. Future commercial and industrial lands will be shared on a 24/76 SWOX/Ingersoll basis.
7. Roads and road allowances within the lands affected by the boundary adjustment will come entirely into the Town of Ingersoll, whereby Ingersoll will be responsible for all maintenance and capital upgrades.
8. Unopened Road allowances:
  - a) Pye Farm, on King Street West. SWOX will maintain ownership and may dispose of at their discretion.
  - b) South of 401 Whiting Street extension, will be maintained as a municipal servicing corridor, to be held in public ownership, preferably the Town of Ingersoll.
9. Energy efficiencies will be governed by applicable statutes and best efforts clauses within Subdivision agreements.
10. Agriculture, specifically livestock operations will be permitted, if possible with special policy or zoning provisions to allow for rebuilding or expansion of existing operations that come into the Town with the boundary adjustment.
11. Municipalities will readily agree to mutual and automatic fire agreements.

**ATTACHMENTS:** Draft Agriculture Policy for Discussion.

Prepared by: William J. Tigert, Chief Administrative Officer

South-West Oxford and Ingersoll Boundary Discussions			
	SWOX – October 3, 2017 Proposal	Ingersoll	Results of January 29, 2018 Discussion
Area	Expanded area to include lands West, East & South of Ingersoll	Agrees to expanded area	Ingersoll and South-West Oxford agree on boundary adjustment area to be considered. <b>Lands to be included are agreed to.</b>
Phase-in Taxation	5-year for commercial & industrial 10-year phase in for residential and farm	Residential 8 year Commercial & Industrial 5 year. Farming 5 year.	Ingersoll team will take South-West Oxford request for Phase-In of taxation back to Ingersoll Council for consideration as follows: <ul style="list-style-type: none"> <li>Residential and Farm Phase in 8 years</li> <li>Industrial and Commercial Phase in 5 years</li> </ul> <b>Ingersoll Staff and Committee support the proposed phase in as suggested</b>
Compensation for residential & farm properties.	Ingersoll to pay a sum equaling the Township tax levy at the time of boundary adjustment on residential and farm properties (in the annexation area) indexed by Ontario CPI for the month of January each year. Payment is to be made to the Township in the same manner as taxes (Interim 50% of previous year in April; final balance owing after CPI applied...due in Oct.) in perpetuity.		Ingersoll suggested that we agree to use the average inflation rate in Canada for the previous year; noting that the Canada CPI was 1.6% for 2017. This would better represent the average Consumer Price Index (CPI) for Canada. Ingersoll agreed to take back whether we should look at the CPI for Ontario vs. Canada. <u>Ingersoll staff will prepare a report to be shared with South-West Oxford.</u>  Ingersoll suggested that payments to be made to South-West Oxford for taxes within the annexation area be paid quarterly using the same dates used for School Board and Upper Tier payments. South-West Oxford committee agreed to consider this.  <b>Ingersoll staff have reviewed the indexing provision and are now comfortable with the indexing provision as suggested by SWOX. That is the Ontario CPI adjusted annually for January each year.</b>  <b>Ingersoll Staff are supportive of the payments being made on the same schedule as payments to the County and the School Boards.</b>
Compensation for existing industrial & commercial.	Ingersoll to pay a sum equaling the Township tax levy at the time of annexation on <u>fully implemented assessments</u> in the annexation area indexed by the Ontario CPI for the month of January each year. Payments are to be made in the same manner as taxes (interim 50% of	SWOX's existing taxes on the day before boundary adjustment be paid in perpetuity, indexed annually by the CPI from the previous year.	Ingersoll Committee suggested that the effective date for taxes be the day before the boundary adjustment occurs. (I.e. in the case of a January 1, 2020 boundary adjustment date the existing valuation tax date would be December 31, 2019).  Valuation Adjustments would take place based on when that assessment comes on line.  <b>Ingersoll staff have reviewed the indexing provision and are now comfortable with the indexing provision as suggested by SWOX. That is the Ontario CPI adjusted annually for January each year.</b>  <b>Ingersoll Staff are supportive of the payments being made on the same schedule as payments to the County and the School Boards.</b>

	previous year in April; final balance owing after CPI applied payment in October) in perpetuity		
Identified industrial properties  (decrease in assessment due to downsizing or closure)		Taxes on identified industrial properties, including CAMI & Bell Camp along with any others identified at the time of the agreement shall have taxes adjusted accordingly for any reductions caused by downsizing or close or the cessation of operations	Ingersoll Committee suggested that the effective date for taxes be the day before the boundary adjustment occurs. (I.e. in the case of a January 1, 2020 boundary adjustment date the existing valuation tax date would be December 31, 2019).  In the event CAMI ceased operations; whatever new assessment is would be calculated pre-amalgamated. Only reimburse SWOX for assessment then. Calculation could be done at the time. Senior staff will discuss it and bring it back a joint recommendation. Legacy appeals. Questions of fairness. Flag assessments so that we can know.  Ingersoll staff have proposed a flat rate percentage to be used for CAMI, however that is on hold until such time as the new facility at CAMI has its assessment added to the role. Comparisons will then be made and a recommendation will be forwarded.
Future Compensation for new commercial and industrial development + expansion of existing commercial & Industrial	Ingersoll to pay the Township 24% of Ingersoll annual taxes collected on all new commercial and industrial development in the amalgamation area; in the same manner as taxes (Interim 50% previous year; final balance owing in October.	Compensation for Industrial and Commercial lands be at 24% of Ingersoll's rates when developed	Staff will sit down and agree how many properties we are going to flag...expansion shared at 24%. Identifying what properties are the most important. Identify existing properties that would be flagged. All new is at 24%.  Quarterly and discussed earlier for payments.
Future - New Residential Development	Eleven (11) homes per net acre. \$250.00 per res unit on 11 units per net acre for all residential lands. A lump sum payment is to be paid up front (within a fiscal year) with additional monies paid should unit per net acre rise above 11.	Provision for upfront payment at \$250.00 per unit, based on lands proposed for residential development calculated at an average of 11 units per acre.	Ingersoll agreed to a calculation based on 558 residential unit at \$250.00 per unit...one-time upfront payment of \$139,500.00. Ingersoll will identify the lands north half of Pye Farm...identify through this in the agreement these are the properties identified...in future should some of the lands identified commercial and industrial be identified as residential a future payment could be made.  South-West Oxford anticipates: <ul style="list-style-type: none"> <li>• commercial and industrial development on the lands south of the #401</li> <li>• 50% of Pye farm in the west boundary area with commercial/industrial development</li> <li>• 50% of the Pye farm with residential development</li> <li>• Majority of land east of Ingersoll as residential</li> <li>• Small portion of land east of Ingersoll as commercial/industrial</li> <li>• Additional \$250.00 (indexed annually by Ontario CPI) per unit (based on 11 per net acre calculation) if residential development land is expanded in the future.</li> </ul> Ingersoll Staff are comfortable with this approach and will provide SWOX with estimates for consideration at next joint meeting.

Boundary Roads	<p>Town of Ingersoll to assume ownership of both sides of:</p> <ul style="list-style-type: none"> <li>- Clarke Road from Harris Street (#19 Highway) to the eastern boundary of the Groot barn.</li> <li>- Curry Road from Union Road to Plank Line (Highway #19)</li> <li>- Union Road west of Culloden Line</li> <li>- Wallace Line from Thames River to Thompson Road</li> <li>- Thomas Road from the west boundary of Pye Farm (where tracks cross Thomas Road) to existing Town Boundary</li> </ul> <p>Town of Ingersoll and SWOX will share ownership of Robinson Road and would enter into a boundary agreement.</p> <p>Unopened road allowance will be discussed separately.</p>	<p>Boundary roads remain a shared cost between Ingersoll/SWOX/Successors. The cost will be calculated as follows:</p> <ul style="list-style-type: none"> <li>- Until lands are developed maintenance shall be shared on a 50/50 basis;</li> <li>- As the lands are developed capital costs shall be shared on a 76/24 Ingersoll/Swox basis. (reflects the revenue sharing component);</li> <li>- After development of the lands operating/maintenance costs shall be shared on a 76/24 basis.</li> </ul>	<p>Ingersoll and South-West Oxford Committee agreed that regular maintenance will be split on a 50/50 basis between the municipalities. A boundary service sharing contract would be negotiated between the municipalities to work out the details of maintenance. Every effort will be made to ensure that we don't redo work.</p> <p>Ingersoll Council believes that the construction of new roads for commercial/industrial purpose should be split on the same basis as the taxation is shared (24/76). Ingersoll and the County of Oxford do not charge development charges for commercial/industrial development.</p> <p>South-West Oxford Works Superintendent will confirm that standard of the existing Township owned roadways near CAMI.</p> <p>South-West Oxford Committee will take back Ingersoll suggestion of 76/24 capital split for new commercial/industrial shared roadways back to council.</p> <p><u>Unopened road allowances</u> Ingersoll suggested that all unopened road allowances in boundary adjustment area to transferred to Town ownership as part of the boundary adjustment agreement.</p> <p>South-West Oxford noted that the unopened road allowances have a cash value and as such money should be paid to the Township for the transfer of ownership.</p> <p>Ingersoll committee has agreed that the entire road allowances would come into the Town on the effective boundary adjustment date, and Ingersoll would assume the entire maintenance costs and future capital costs of any road improvements required for development. Ingersoll will use whichever tools are available to finance the improvements.</p> <p>Ingersoll committee has agreed that SWOX may keep the unopened road allowance on the Pye farm off of King street. The unopened road allowance, the extension of Whiting Street in Ingersoll and Harris line in SWOX must be maintained in municipal ownership, preferably Ingersoll's name, so as to provide for the servicing corridor for the affected lands south of the 401.</p>
Mutual Aid & automatic aid agreements	<p>The Township will enter into a fire service agreement with the Town of Ingersoll for servicing the 401 corridor.</p>	<p>SWOX Agree to mutual, as well as automatic aid agreement for the provision of fire suppression as determined necessary by the Fire Chief of the Town of Ingersoll.</p>	<p>Ingersoll Committee noted that Ingersoll Fire Services will take over 401 area becomes part of the Town of Ingersoll. An Automatic Aid Agreement would be negotiated with SWOX for tankers to respond to that area until such time as hydrants are available.</p> <p>Ingersoll Fire Chief will work with SWOX to enter into the necessary service agreements to provide fire service.</p>
Energy Efficiency	<p>Solar ready rooftops as well as garages with</p>	<p>Ingersoll will enforce the requirements of the OBC at</p>	<p>Ingersoll will use its' best efforts to build this into subdivision agreements.</p>

	conduit for EV charging units.	the time of construction, which hopefully include capacity for electrical charging capabilities in 2018 and solar roof capabilities in 2019.	Ingersoll Staff agree that a best efforts will be used when negotiating subdivision agreements to achieve energy efficiency targets as discussed.
MDS	<p>All agricultural properties within the annexation area maintain their ability to expand livestock operations in the future.</p> <p>Protection of expansion of agricultural properties outside of annexation area to allow for future expansion.</p>	Livestock expansions within the settlement area would have to comply with provincial requirements under MDS and County Policies.	<p>South-West Oxford expressed concerns regarding the ability of agricultural operations to expand:</p> <ul style="list-style-type: none"> <li>• Inside the newly established Ingersoll boundary; and</li> <li>• Outside the newly established Ingersoll boundary.</li> </ul> <p>South-West Oxford requested an agreement which would allow the farming operations inside the proposed boundary to expand their operations by 50%. A similar request was made for the farming operations outside of the annexation areas; that would be impacted by the new settlement boundary.</p> <p>Ingersoll noted that any application made to expand an agricultural operation would need to comply with provincial requirements under MDS and County Policies. It could not prejudge the application.</p> <p>South-West Oxford noted that if the Groot farm was removed from the boundary adjustment discussions it could sterilize the majority of development in the area East of Ingersoll.</p> <p>Ingersoll noted it would be willing to discuss the matter further once it has run the MDS scenarios.</p> <p>South-West Oxford agreed to send a copy of the East-Zorra Tavistock/Woodstock information regarding a similar discussion during their boundary adjustment discussions.</p> <p>Ingersoll's committee has agreed to recommend the attached policy for consideration to protect the livestock operations in existence within the proposed boundary adjustment area on the effective date.</p> <p>Draft Policy attached.</p>
Municipal water & water servicing.	Farm properties awaiting development and farm residences shall not be forced to hook up to a municipal water or sewer for supply prior to development/rezoning.		<p>South-West Oxford Council noted that there are 2 or 3 farm properties with livestock that have existing wells and are heavy water users. Hooking up to Town water/sewer services for the existing operation would have a significant financial impact. South-West Oxford noted that it didn't have an issue with residential properties being hooked onto new water/sewer services as they become available.</p> <p>Ingersoll noted that the County sets the parameters for hooking up to water and sewer. In addition, the Town of Ingersoll Zoning By-Law has water/sewer as a mandatory requirement. Discussion would need to take place at the County regarding forced connection by-laws. Ingersoll is willing to consider changes to its zoning by-law for the properties identified by the Township. (Groots, Bright Horizon Farms and VanManen).</p> <p>Ingersoll is supportive of this approach of site specific zoning provisions, with the understanding that the County is the tier of local government responsible for sewer and water and can override with a force connection bylaw.</p>

# Draft Policy for Discussion

## Replacement or Improvement to Existing Livestock Facilities

This scenario occurs when a building permit is required for:

- a) Replacing a livestock facility after a catastrophe that destroys part or all of a livestock facility;
- or
- b) Re-building or improving an existing livestock facility without changing livestock type or capacity.

If a livestock facility needs to be re-built after a catastrophe or altered for other purposes, without changing livestock type or capacity, MDS II calculations are not required. The building permit may be granted for rebuilding in the same location or a location no closer to surrounding development. Nutrient Management Act and Regulations still apply.

## New or Expanding Livestock Operations

This scenario addresses situations where a building permit is required for:

- a) A new livestock facility where none previously existed;
- b) Expanding existing livestock facilities to accommodate additional livestock; or
- c) Improving existing facilities to establish a livestock facility in an existing building(s) or structure(s) that has not been used for a livestock operation.

Ingersoll zoning by-law should indicate that new or expanding livestock buildings and structures must meet MDS II and requirements of the Nutrient Management Act and Regulations.

1) Prior to the issuance of a building permit for establishing a livestock facility in an existing building or structure, the applicant must complete an MDS II calculation or request that such a calculation be completed by local municipal staff and County staff, with assistance from OMAF staff upon request.

2) A building permit may be issued if the MDS II requirements are met assuming other Building Permit requirements are satisfied.

3) If MDS II is not met, a building permit may be granted if a minor variance has first been approved by the Committee of Adjustment addressing impact mitigation. Comments from OMAF will be considered.

The Committee of Adjustment uses four tests based on the Planning Act to rule on the merits of an application and considers a report from planning with additional information to assist the Committee in their decisions.

The four tests are: - Is the application minor in nature? - Does it meet the intent of the official plan? - Does it meet the intent of the zoning bylaw? - Is the proposal in keeping with the general character of the area?

## New or Expanded Earthen Manure Storage Facilities

Despite the fact that earthen manure storage facilities are not considered to be buildings that require a building permit, the provincial MDS Guidelines require that MDS be applied to such

facilities. The construction of an earthen storage facility must also be compliant with the Nutrient Management Act and Regulations.

When proposed within the Boundary Adjusted Area a Development Permit may be required.

1) Prior to establishing a new or expanded earthen storage facility, MDS II must be calculated or requested to be completed by municipal staff, with assistance from OMAF staff upon request. If the site is located in a municipal wellhead protection area, County staff must first be consulted.

2) If MDS II requirements are met and a provincially approved Nutrient Management Strategy is obtained, the storage may be constructed.

3) If MDS II requirements are not met, the storage may not be constructed.

Mitigation may include Best Management Practices

### **Conversions**

This part of the Guideline applies when a farmer wishes to:

- a) Convert from one type of livestock to another in the same building; or
- b) Re-introduce livestock to an existing building that has previously been used for livestock.

Moving animals in and out of an existing livestock facility in an agricultural area where the keeping of livestock is permitted does not require any approvals and MDS II is not triggered.

If a building permit is required

Approach:

1) For conversions, the goal is to maintain or reduce pre-conversion odour. Prior to converting from one type of livestock to another, farmers are urged to contact OMAF staff to discuss how Best Management Practices and livestock type and number can achieve land use compatibility and good neighbour relations.

Notwithstanding that MDS II does not apply, MDS may be used as a reference for determining appropriate Best Management Practices.

2) To re-introduce livestock into vacant buildings designed for and capable of housing livestock, the goal is to maintain or reduce the odour level based on the most probable type of livestock the building could be used for. Farmers are urged to contact OMAF staff to discuss how Best Management Practices and livestock type and number can achieve land use compatibility and good neighbour relations.

3) If there is a dispute between neighbours regarding conversions, at the request of the parties, County, local municipal staff, with input from OMAF, will attempt to mediate the dispute.