

Item #	Ingersoll Proposal	SWOX Response – May 2 council consideration	Ingersoll Proposal May 3, 2017	SWOX Proposal June 5, 2017
1.	<p><b>Exclude SWOX CAMI lands:</b> Based on the discussion the consensus is CAMI lands will be excluded from the boundary adjustment area discussions for the following reasons:</p> <ul style="list-style-type: none"> <li>a) Loss of a major Industrial Tax Payer to SWOX</li> <li>b) Public relations with CAMI from Ingersoll perspective would be difficult</li> <li>c) Complexity of annual adjustments due to tax write-offs &amp; appeals</li> <li>d) Cost as a lump sum payment could be disadvantage factored with unknown longevity of plant</li> <li>e) Vacant land that likely will remain dormant for development as long as CAMI is in operation</li> <li>f) The risk that CAMI may cease operations or relocate to another</li> </ul>	<p>The Township will consider moving the CAMI lands into Ingersoll when Ingersoll agrees to the development of an Industrial Park in the Township of South-West Oxford.</p>	<p>Ingersoll believes that it is most logical to bring the balance of the CAMI lands within the Town with a boundary adjustment moving west.</p> <p>The Town <b>will not support</b> SWOX in developing an Industrial Park adjacent to the Town or one that would require cross border servicing for Sewer and Water.</p> <p>This would create an untenable relationship/competition that would be contrary to both the Provincial Policy Statement and The County's Official Plan.</p> <p>Ingersoll has provided an option to share in future Industrial development within the Town on a 55/45 basis, which has been declined by SWOX, With the sharing of future Industrial Taxes, at 20 percent, SWOX will have the benefit of realizing 20 acres of Industrial development for every 100 acres developed solely at the cost and risk of the Town.</p>	<p>In the absence of Ingersoll supporting the development of an Industrial Park adjacent to the Town the Township of South-West Oxford is not willing to adjust the west boundary to include the CAMI Lands.</p> <p>Section 4.2.2.6.6.2 of the County of Oxford Official Plan "Township of South-West Oxford and Town of Ingersoll" allows for the development of industrial land in South-West Oxford on the CAMI parcel of land without an Official Plan Amendment. There is a notation in the OP that services may be extended from the Town of Ingersoll into this special industrial area. While this would depend on a vote at county council there is no requirement for an OP Amendment.</p> <p>South-West Oxford is in agreement with the 20% share of Ingersoll Industrial Taxes on future industrial lands.</p>
2.	<p><b>SWOX Taxes</b> Ingersoll is willing to ensure SWOX is sustained financially with the proposed boundary adjustment. Ingersoll will be committing to the the SWOX pre-boundary adjustment on all lands transferred in perpetuity and provided for an indexing factor. Ingersoll proposes that amount to be a factor equal to the percentage increase of Ingersoll tax levy minus one percent. For example Ingersoll's tax levy increase for 2017 is ? percent the indexing factor saw SWOX this year would be set a 1.47 percent. <b>As alternative</b> Ingersoll is willing to pay a onetime present value payment of \$1,600,000.00 for all future taxes. The discount factor incorporates a growth component and represents a fair present value of future taxes.</p>	<p>Ingersoll will pay the assessment <u>x</u> the corresponding year SWOX tax rate each year for all proposed boundary lands planned for future commercial and industrial development in perpetuity to mimic the lands still being within the SWOX boundary.</p> <p><u>Example:</u> 2017 Assessment x 2017 SWOX tax rate 2018 assessment x 2018 SWOX tax rate</p>	<p>Due to the complexity of administration and fairness issue the Town would agree to the following:</p> <p>That the existing tax base assessment on the day of boundary adjustment would be used on a go forward basis in perpetuity and multiplied by the annual tax rate established by SWOX for its own tax purposes.</p> <p>The only exception would be any development that has occurred at the time of boundary adjustment by issuance of building permit would be added once completion and assessment has been added to the current tax roll. (I.e. the current CAMI paint facility that has been constructed but not yet added to the roll.)</p>	<p>Ingersoll will pay the annual assessment <u>x</u> the corresponding year SWOX tax rate each year for all proposed boundary lands planned for future commercial and industrial development in perpetuity to mimic the lands still being within the SWOX boundary.</p> <p><u>Example:</u> 2017 Assessment x 2017 SWOX tax rate 2018 assessment x 2018 SWOX tax rate</p> <p>The Township will identify properties that aren't going to experience growth as the property is already developed.</p>

<p>3.</p>	<p><b>Revenue Sharing</b>  New Development – Ingersoll’s position remains that it is willing to tax revenue share on future industrial employment land taxes with SWOX on an 88/12 ratio. For clarity as new industrial lands are developed on lands previously in SWOX, brought in through a boundary adjustment, new Industrial land taxes will be shared with SWOX, this is <i>in addition to</i> the continued payment of SWOX former taxes with an indexing factor discussed above. There is no sharing of future residential tax revenues, in its place the offer of sharing a onetime payment of \$200 at building permit remains in force. Ingersoll is prepared to prepay an estimated 250 permits to SWOX as a onetime payment of \$50,000.00</p>	<p>In addition to pre-developed adjustment taxes in perpetuity on all lands, any new commercial and industrial development, Ingersoll will pay 20% of all taxes received to SWOX.</p> <p>Ingersoll to pay:</p> <ol style="list-style-type: none"> <li>SWOX in perpetuity for each existing developed residential property the amount which mimics the following:</li> </ol> <p><u>Example:</u>  2017 Assessment x 2017 SWOX tax rate  2018 assessment x 2018 SWOX tax rate... <u>and</u></p> <ol style="list-style-type: none"> <li>6% of Ingersoll’s share of annual taxes on growth...i.e. new homes being developed would result in 6% of the Ingersoll share of taxation being paid to SWOX.</li> </ol>	<p>The Town would agree that in addition to the existing taxes adjusted annually by the current SWOX tax rates as noted in point 2 above, the following would apply:</p> <ol style="list-style-type: none"> <li>That on all <b>new commercial or industrial</b> assessment growth Ingersoll will pay the equivalent of 20% of all net taxes received as compensation to SWOX.</li> <li>Ingersoll would agree to compensate SWOX for anticipated residential development based on the following:  Estimated residential development of 500 homes on a one time basis of 800 dollars per unit totaling \$400,000.00 to be paid over 5 years at \$80,000. 00 per year. (which represents a fixed .5% annual levy increase to the Town)</li> </ol>	<p>The Township would agree that in addition to the annual assessment x annual tax rate as noted in point 2 above, the following would apply:</p> <ol style="list-style-type: none"> <li>South-West Oxford agrees that on all new commercial or industrial assessment growth Ingersoll will pay 20% of all net (includes write-offs &amp; supplementary taxes) Ingersoll taxes raised each year as compensation to SWOX.</li> <li>South-West Oxford will accept the following for residential development: <ol style="list-style-type: none"> <li>a onetime upfront payment of \$1,000.00 x 528 building permits (density of 11 units per net acre) paid at the time of the annexation; <u>or</u></li> <li>a 5% share of Ingersoll residential taxes each year on the annexation lands in perpetuity.</li> </ol> </li> </ol>
<p>4.</p>	<p><b>Tax Phase In</b>  Taxes on lands formerly in SWOX will be phased in over the next five (5) years for all lands other than residential. Residential lands will be phased in over the next eight (8) years. This is to lessen the impact on residential rate payers transitioning from SWOX tax bills to Ingersoll tax bills. Ingersoll believes these properties currently enjoy the amenities provided by the Town’s recreation and commercial services, they identify themselves for all practical purposes as living in Ingersoll. Sewer &amp; Water services are supplied by the County and do not form the basis of residential taxes. Therefore the timing of connection should not impact the phasing requirement of the residential properties to move the Ingersoll residential rate over eight years.</p>	<p>SWOX and Ingersoll have agreed.</p>		<p><b>Agreed to by SWOX &amp; Ingersoll Tax Phase In</b>  Taxes on lands formerly in SWOX will be phased in over the next five (5) years for all lands other than residential. Residential lands will be phased in over the next eight (8) years. This is to lessen the impact on residential rate payers transitioning from SWOX tax bills to Ingersoll tax bills.</p>

For Discussion Purpose

5.	<p><b>Development Densities</b> Ingersoll is willing to commit to the process of promoting the amending of its Official Plan policies to move the average residential density to 11 units per acre. This is in response to SWOX's concerns about the need for wise development of lands through intensification and preserving the agricultural lands in a reasonable fashion. While this will still allow Ingersoll to grow its population, tax base, commercial and industrial opportunities for the entire area to benefit from. Ingersoll will undertake secondary planning to incorporate a net residential density of approximately 11 units per net acre developed and use its best efforts to implement this density.</p>	<p>Inability to meet 11 unit per net acre could impact future boundary adjustment negotiations.</p>	<p>Ingersoll will make every effort to ensure 11 units per net acre is achieved. Fully understanding that this is an important consideration of SWOX and will set the tone for future boundary discussions.</p>	<p>Development density has been calculated into the 11 dwellings per new acre calculation for compensation (\$1,000 per unit or 5% per unit in perpetuity – See Section 3.</p> <p>South-West Oxford appreciates that Ingersoll is willing to commit to the process of promoting the amending of its Official Plan policies and undertaking secondary planning to incorporate average residential density to 11 units per acre.</p>
6.	<p><b>Energy Initiatives</b> Ingersoll is bound by the Ontario Building Code and does not have any authority or mechanisms to extract higher commitments from developers than what is required by law. However Ingersoll will attempt to encourage higher levels of energy efficiency and the Energy Star homes program as a voluntary measure from both the Developers and the Builders by providing information and encouragement during the drafting of future agreements to advocate for higher</p>	<p>Energy Initiatives to be part of subdivision agreement. Inability to meet this requirement could impact future boundary adjustment negotiations.</p>	<p>Ingersoll is willing to do their best efforts to promote to builders to develop homes that are built for the future including energy efficiency, solar ready rooftops, and garages being wired for EV charging units.</p> <p>Understanding that the inability to meet this requirement could impact future boundary adjustment negotiations.</p>	<p>South-West Oxford appreciates Ingersoll's best efforts to promote to builders to develop homes that are built for the future; including energy efficiency, solar ready rooftops, and garages having conduits for EV charging units.</p> <p>It is less expensive to undertake this while the home is being constructed and will offer a marketing benefit to the builder.</p>
7.	<p><b>Penalty Provisions</b> a) <b>Employment Density Requirements</b> – Ingersoll will not agree to any penalty provisions or mandatory requirements for employment density for new development on the transferred lands; b) <b>Residential Density Requirements</b> – Ingersoll will not agree to any penalty provisions should it not be able to achieve an average of 11 units per acre. Many of these decisions are beyond its control either at the County level or at the Provincial level and subject to appeal by the development community;</p>		<p>Previously agreed.</p>	<p>South-West Oxford is willing to remove penalty based on:</p> <ul style="list-style-type: none"> <li>• upfront payout of \$1,000.00 per unit based on 528 residential units or 5% of annual residential taxes</li> <li>• OPA and Secondary Plan initiatives by Ingersoll for 11 units per net acre shows there is an effort being made.</li> <li>• Employment Density requirement be removed due to changing industrial/commercial marketplace (storage etc....very few jobs)</li> </ul> <p>Township needs to ensure that the development of land is efficient with appropriate densities so land is not wasted.</p> <p>In lieu of penalties there is an expectation that the Township will be consulted on secondary planning; industrial and commercial parks; as well as subdivision agreements.</p>

	<p>c) <b>Development Timelines</b> – Ingersoll will not agree to any stipulations, timelines or associates penalties for the development of any lands transferred under a boundary adjustment agreement. The timing and the development of the lands is a complicated and not an exact science that depends on many external factors, including but not limited to, the market conditions., County servicing timing, the overall economy, demographic trends and consumer preferences to name but just a few. This along with other factors would not allow Ingersoll to predict the timelines for development.</p>			
8.	<p><b>Shared Industrial Park</b> Ingersoll remains open to the joint development of the Town owned lands on Clark Road. The development would be phased on a cost/tax sharing basis with an Ingersoll/SWOX 55/45 split. This is an alternative to providing cross border services for a SWOX developed industrial park.</p>			<p>South-West Oxford does not wish to invest in the development of the Clarke Road industrial park at this time.</p>
9.	<p><b>CPR Lands</b></p>	<p>The Township will consider moving the CPR lands into Ingersoll when Ingersoll agrees to the development of an Industrial Park in the Township of South-West Oxford.</p>	<p>Ingersoll disagrees, and insists that CPR lands are included in any boundary adjustment.</p> <p>The Town <b>will not support</b> SWOX in developing an Industrial Park adjacent to the Town or one that would require cross border servicing for Sewer and Water</p>	<p>In the absence of Ingersoll supporting the development of an Industrial Park adjacent to the Town the Township of South-West Oxford is not willing to adjust the boundary to include the CPR Lands.</p>
10/11	<p><b>Boundary Road Agreement</b></p> <p><b>Fire Protection</b></p> <p><b>Street lighting</b></p>	<p>Agreed</p>	<p>Previously agreed.</p>	<p>Ingersoll and South-West Oxford have agreed to negotiate a boundary road agreement.</p> <p>South-West Oxford will assist with fire protection for the annexation area until hydrants are installed by Ingersoll on the annexed lands.</p> <p>Ingersoll agrees to pay SWOX for any LED lights on annexed lands.</p>