

Municipality Of Chatham-Kent
Infrastructure and Engineering Services and
Finance, Budget, Information Technology & Transformation
Information Report

To: Mayor and Members of Council

From: Thomas Kelly, P.Eng., MBA, General Manager
Infrastructure and Engineering Services; and

Gord Quinton, MBA, CPA, CGA
Chief Financial Officer / Treasurer / General Manager
Finance, Budget, Information Technology & Transformation

Date: July 28, 2020

Subject: Update to May 4, 2020 Recommendation #6
Opportunities and Programs Available to Lake Erie Shoreline Property
Owners

This report is for the information of Council.

Background

Council received a presentation and report regarding the Chatham-Kent Lake Erie Shoreline Study on May 4, 2020. Council approved the following recommendations from administration:

1. Chatham-Kent prioritize the most vulnerable areas along Lake Erie and proceed with the following:
 - a. Region 2B: develop a long-term plan for Erie Shore Drive following the Drainage Act process recommended in Appendices A and B.
 - b. Region 3A: continue on-going maintenance efforts to protect and maintain the dike along Erieau Road opposite St. Anne's Church.
 - c. Region 1B: incorporate the findings of the subject study and complete the Environmental Assessment for the Talbot Trail realignment and report back to Council.

- d. Region 1D: incorporate the findings of the subject study and complete the Environmental Assessment for Rose Beach Line and report back to Council.
2. Administration continue to seek funding from both the Provincial and Federal governments to assist with significant flooding and erosion challenges facing Chatham-Kent as described in the subject report.
3. Administration initiate discussions with the Provincial Government to obtain a commitment and Provincial funding to restore the Rondeau barrier beach.
4. Long term, administration work toward a strategy on the approaches for the remaining regions and sub-regions identified in Table 1 of the subject report.
5. Upon completion of Lower Thames Valley Conservation Authority policy and hazard mapping updates identified in the subject report, administration initiate a formal review of the Official Plan land use policies and Zoning By-law regulations related to the Lake Erie shoreline areas.

Council also approved a sixth recommendation as follows:

6. Administration return to council with a report to identify opportunities and programs (human, information, or financial resource based) that CK can make available to home owners living in the most vulnerable areas along Lake Erie to protect and maintain their properties, given the long term nature of the solutions outlined in the Zuzek report. These opportunities should be complementary (and in addition to) the recommendations listed above.

Chatham-Kent's Infrastructure and Engineering Services department and Planning Services continue to work through recommendations one through five. This report addresses the current status of the sixth recommendation.

Comments

Administration has developed a quick reference guide for the property owners living near hazardous areas along the Lake Erie Shoreline in Chatham-Kent (Appendix A) to assist in answering frequently asked questions.

The quick reference guide will be posted on the municipal website and updated as information becomes available or additional questions are posed. The document will be located on the Chatham-Kent Lake Erie Shoreline Study Let's Talk page located at <https://www.letstalkchatham-kent.ca/chatham-kent-lake-erie-shoreline-study>.

Financial Loan Programs

The Province of Ontario discontinued the Shoreline Assistance Loan Program in April 2010 due to minimal uptake and economic conditions which allowed financial

institutions to offer competitive or better interest rates on personal loans or mortgages. There were a handful of pre-amalgamation homeowners that took advantage of the provincial program that was repaid through their taxes. From 1998 to 2010 when the program was discontinued, there was no uptake of the program in Chatham-Kent.

If Council were to offer a loan program, it could consider using local improvement charges under Ontario Regulation 586/06 under the Municipal Act, 2001. This would make the most sense if there were a group of private property owners that decided to go together and commission the construction of a shoreline protection project and the municipality wished to support the project by offering financing over a period of time, similar to a petition for upgrading a road or adding curb and gutter.

With individual properties, Council could offer a loan program for a site-specific local improvement. The Town of Essex has offered this program since 2019. The Town of Essex's program allows the homeowner to borrow up to 30% of the assessed value of the property to a maximum of \$250,000 and repay over 5 or 10 years. The Essex Regional Conservation Authority handles the approval process of the design and permits. The Town administers the program and charges a \$1,250 fee to cover legal and administration costs. Due to the risk of default due to extreme erosion, the loan is registered as first lien on the property ahead of bank mortgages, so there is a significant amount of legal work by the homeowner and municipality. In Essex case, the funding was drawn from a local credit union. In discussions with Town of Essex staff, the uptake has been poor with only a handful taking advantage of the program. The primary reason is that with low mortgage and personal loan rates it is preferable to self-finance the project and have all control without involvement of the municipality.

To administration's knowledge, no other municipality in Ontario offers a loan program for shoreline improvements due to the high risk of failure and therefore potential of default. It usually is not in the interest of general taxpayers to take on high individual property risks. Financial institutions have the ability to serve residential improvement needs whether it is a roof, upgrades or shoreline protection and government involvement is not recommended.

Financial Implications

There are no financial implications resulting from this report.

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Attachment: Appendix A - Quick Reference Guide

REF: P:\RTC\Infrastructure and Engineering\I & ES\2020\4282 - Update to May 4, 2020
Recommendation 6 - Opportunities and Programs Available to Lake Erie Shoreline
Property Owners.docx

Chatham-Kent Flooding / Erosion Contact List			
FAQ - Quick Reference Guide			
Subject	Contact for Property Owner	Email	Phone
Buying or Building on a vacant lot permits	Chatham-Kent Building Development Services, and	ckinfo@chatham-kent.ca	519-360-1998
	Lower Thames Valley Conservation Authority	admin@ltvca.ca	519-354-7310
Sandbags	Conduct an internet search on "Sandbag Providers" for direct purchase, or	resident determined	resident determined
	Contact Chatham-Kent to determine if any bags are available through the Lower Thames Valley Conservation Authority.	ckinfo@chatham-kent.ca	519-360-1998
Breakwall/bluff repair, docks, landscaping, Species at Risk approvals	Lower Thames Valley Conservation Authority	admin@ltvca.ca	519-354-7310
Home / Building renovations	Chatham-Kent Building Development Services, and	ckinfo@chatham-kent.ca	519-360-1998
	Lower Thames Valley Conservation Authority	admin@ltvca.ca	519-354-7310
Property elevation adjustments	Chatham-Kent Building Development Services, and	ckinfo@chatham-kent.ca	519-360-1998
	Lower Thames Valley Conservation Authority	admin@ltvca.ca	519-354-7310
Septic Work	Chatham-Kent Building Development Services, and	ckinfo@chatham-kent.ca	519-360-1998
	Lower Thames Valley Conservation Authority	admin@ltvca.ca	519-354-7310
Building Relocation	Conduct an internet search on "Building and House Movers in Chatham-Kent, ON" to find a company who can move the building; and	resident determined	resident determined
	Chatham-Kent Building Development Services for relocation approval; and	ckinfo@chatham-kent.ca	519-360-1998
	Contact Chatham-Kent Public Works for the oversized load permit.	ckinfo@chatham-kent.ca	519-360-1998
Home Structural Analysis	Conduct a search on "Building Engineers and Architects" on the Internet.	resident determined	resident determined
Geotechnical (Soil) Analysis	Conduct a search on "Geotechnical Engineers" on the Internet.	resident determined	resident determined
Drainage Analysis	Conduct a search on "Drainage Engineers" on the Internet.	resident determined	resident determined
Drainage Act Petition	Conduct an internet search on "Drainage Act" or contact Chatham-Kent Drainage Division	ckinfo@chatham-kent.ca	519-360-1998
Financial assistance/loans	Contact your local financial institution	resident determined	resident determined
Grants	Currently there are no grants available; please contact your local MP or MPP directly for updates	MP Dave Epp (Chatham-Kent-Leamington) Dave.Epp@parl.gc.ca	MP Dave Epp (Chatham-Kent-Leamington) 519-358-7555
		MPP Rick Nicholls (Chatham-Kent-Lemington) rick.nichollsco@pc.ola.org	MPP Rick Nicholls (Chatham-Kent-Lemington) Tel: 519-351-0510 Toll free: 1-800-265-3992
Insurance	Contract your local insurance agent.	resident determined	resident determined