

COUNCIL POLICY

SUBJECT: LOCAL AREA SERVICES AND TAXES		
DATE: AUGUST 22, 2005	REFERENCE: 05/323	

BACKGROUND

Part 7, Division 5 of the *Community Charter (Local Service Taxes)* authorizes a Local Area Service which is defined as “a municipal service that is to be paid for in whole or in part by a local service tax”. Local Area Services may be proposed either by petition of the benefiting property owners or by the initiative of Council.

Local Area Services are a mechanism whereby, residents can have a service, such as a sidewalk, a road improvement or a storm drain, installed when such a service may not meet normal municipal criteria for funded capital works.

This policy identifies the portion of the cost of a Local Service that is to be recovered by a local service tax, and indicates how the tax is to be apportioned.

POLICY

Table 1 provides the portion of the actual cost of a Local Area Service that is to be recovered by a local service tax for various classes of work.

Table 1 – Portion of a Local Area Service to be Recovered

Class of Work	Portion to be Recovered (%)
Water systems, including watermains equal to or less than a nominal 150mm diameter, hydrants, valves, and appurtenances.	100%
Water systems, including watermains greater than a nominal 150mm diameter, hydrants, valves, and appurtenances.	100% of all but the watermain, and 100% of the value of a nominal 150mm diameter main
Underground conduits for wires, including all works necessary or incidental thereto, to convert from overhead service to underground service.	100%
All other classes of work	50%

Table 2 lists the classes of work for which the portion of the cost to be recovered will be divided equally between all the benefiting properties.

Table 2 - Classes of Work to be Apportioned Equally

Class of Work
Water systems including a single family residential connection to each benefiting property.
Storm drains including a connection to each benefiting property.
Pole mounted luminaires.
All other classes of work not identified in this Table or in Table 3.

Table 3 lists the classes of work for which the portion of the cost to be recovered will be apportioned on the basis of taxable frontage.

Table 3 - Classes of Work to be Apportioned by Taxable Frontage

Class of Work
Road Improvements eg. repaving, sidewalks, curbs.
Underground conduits to convert from overhead service to underground.