

**Overview:** A letter was received, dated March 5, 2018 from the East Stoney Lake Cottagers' Association (ESLCA) requesting assistance in the maintenance of their road. Staff has researched further into this request and here are some statistics for our Township related to private roads:

Approximate number of Private Roads in Dummer	54
Approximate kilometres of Private Road in Dummer	30.55 km
Approximate number of Private Roads in Douro	12
Approximate kilometres of Private Roads in Douro	6.6 km
Approximate kilometre length of ESLCA	2.6 km
Approximate number of Residences on Private Roads	550
Total Taxes received from ESLCA residences (includes County and School Board)	\$274,851.48
Total Municipal Taxes from ESLCA residences	\$109,725.64

In the paragraphs below, information has been provided in an attempt to deal with some of the rationale that ESLCA has used to support their request for financial assistance towards road maintenance of their private roads.

It is stated that ESLCA members, along with other private road property owners, do not receive the same service as property owners on public roads. To address this, we can look at the basic principle of how property taxation works. Property taxes are not payment for service to a particular property or area. Property taxes are a proportionate share, based on assessment, which a property owner pays towards all the services that are offered by the township. If you were to utilize the concept that property taxes are a payment for services to a property, then a vacant property with no road access (does not receive any municipal services) would not have to pay any taxes. This is definitely not the case in Ontario.

It is stated in the letter that property owners on private roads are double paying for road maintenance. Property owners on public roads do not pay directly for road maintenance, while private road owners have to pay over and above their taxes for road maintenance. In the past, the township has inquired with MPAC regarding how properties on private and seasonal roads are valued and here is the answer: *the valuation model currently used on waterfront properties does incorporate a downward adjustment to the land component of a residential property when seasonal or private road access is identified.* It would be beneficial for each property owner on a seasonal or private road to make sure that their access is designated as being by a private or seasonal road.

We did some investigating on how other municipalities have instituted and calculated their private road grant policy (these policies are attached). The calculation of the grant is based on the length of the private road, and the number of properties with a unique ownership that the private road services ("X" factor, or "Y" factor).

The calculation used is as follows;

**(“X” x \$250.00) + (“Y” x \$40.00)**

X – Equals the length of the Private Road in kilometres

Y – Equals the number of properties with unique ownership along the Private Road

In the letter it states that the total amount of moneys that ESLCA members paid to the township in 2017 was \$265,898.56. The actual number of \$274,851.48 (2017 dollars) includes County, Hospital and School Board moneys. The actual municipal portion ESLCA members paid in municipal property taxes was only \$109,725.64.

ESLCA is asking for the township to assist them with a one-time expense of \$1,977.50 for a culvert replacement. If we were to look at the total number of private roads in our township, and being *fair and equitable*, the township would have to provide funds to **our other private roads and or associations for these 'one-time expenses.'** We have approximately 66 private roads in our township, and this could cost the Township of Douro-Dummer \$31, 287.50 based on the formula that the other municipalities are using for their private road grants.

Further, as property owners, we all have a responsibility in the event of an emergency to ensure that our driveways are safe and accessible for emergency vehicles. Private roads are no exception to this rule, and owners have the responsibility to ensure their roads are up to standard so emergency services can use and access.

**It must also be mentioned about the ongoing evolution of the “seasonal residence.”**

Many years ago, our township was the first, to make a decision to allow seasonal residences to be used on a permanent basis, provided certain things were in place (septic, insulation, no additional services to be provided). Although, this was happening without input from us already; it was made quite simple for a property owner to convert, as this was not the case in other townships where a formal rezoning was necessary.

### **Conclusion:**

After completing our investigation on how other municipalities have been dealing with private road grants and applying the formula to the Township of Douro-Dummer's private roads, the annual cost amounts to \$31, 287.50. This is an increase to our tax rate of approximately ¾ %. If we provide money to one private road and or association, then we would be obligated to provide money to all our private roads within the township.

There is another concern, once we grant money or materials (culverts, gravel, etc.) to our private roads or associations, the township is putting themselves at risk and could held liable because the township would have contributed to the road maintenance.

**Recommendation:**

That the report to Council, dated April 17, 2018, regarding **East Stoney Lake Cottagers' Association (ESLCA)** be received and it is recommended that Council not support this one-time expense of \$1,977.50 for culvert replacement.

**Financial Impact:** None for the recommendation that is being made above.

**Strategic Plan Applicability:**

To enhance public transportation that is accessible and effective to support the needs of the community.

To ensure that the public works department operates efficiently and effectively.

**Sustainability Plan Applicability:**

To have an accessible transportation network that places priority on active and efficient modes of transportation.

Original Signed by: \_\_\_\_\_  
Harold Nelson,  
Manager of Public Works

Original Signed by: \_\_\_\_\_  
David Clifford,  
C.A.O.