

## Report to Civic Works Committee

**To:** Chair and Members  
Civic Works Committee  
**From:** Kelly Scherr, P.Eng., MBA, FEC  
Deputy City Manager, Environment & Infrastructure  
**Subject:** Basement Flooding Grant Program By-law Amendment  
**Date:** May 22, 2024

## Recommendation

That, on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions **BE TAKEN** with respect to an update to the Basement Flooding Grant Program By-law:

- a) The proposed By-law attached as Appendix 'A' **BE INTRODUCED** at the Municipal Council Meeting on June 4, 2024 to amend the Basement Flooding Grant Program By-law (By-law A.-7562-160), by deleting Schedule 'A' and replacing it with an updated Schedule 'A'.

## Executive Summary

The Basement Flooding Grant Program By-law A.-7562-160 has been in place for multiple decades with the most recent update in 2022. The by-law is designed to provide homeowners with grant funding to help them mitigate the risk of basement flooding on their properties.

This report recommends updates to the Basement Flooding Grant Program By-law A.-7562-160. The proposed updates restructure the by-law to simplify language and processes and increase clarity. Key changes include the exclusion of condominiums and non-profit housing cooperatives from the by-law (with the exception of vacant land condominiums), and providing additional eligibility details regarding semi-detached dwellings, storm laterals, and the weeping tile disconnection from the sanitary system.

## Linkage to the Corporate Strategic Plan

This project supports the 2023-2027 Strategic Plan through the following:

- Climate Action and Sustainable Growth:
  - London's infrastructure is built, maintained, and secured to support future growth and protect the environment.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

- CWC – August 23, 2022 – Basement Flooding Grant Program By-law Amendment
- CWC – October 22, 2019 – Basement Flooding Grant Program By-law Amendment
- CWC – October 24, 2017 – Basement Flooding Grant Program By-law Amendment
- CWC – May 9, 2017 – Basement Flooding Grant Program By-law Update

### 2.0 Discussion and Considerations

Attached to this report as Appendix 'A' is a proposed amendment to By-law A.-7562-160, outlining the following key edits and updates.

## **2.1 Organizational Updates**

The existing Basement Flooding Grant Program by-law extends eligibility for grant funding to single-family homes, semi-detached residences, duplexes, condominiums, and non-profit housing cooperatives. However, semi-detached homes are currently classified within the same category as single-family homes. The language used in the current by-law poses a challenge for homeowners in understanding their potential eligibility for grant funding.

The by-law has been updated to enhance its clarity and make it more understandable for residents. This restructuring aims to empower residents to navigate the program with confidence. Additionally, eligibility for condominiums and non-profit housing cooperatives is being withdrawn.

## **2.2 Condominiums and Non-profit Housing Cooperatives**

The Basement Flooding Grant Program currently includes condominiums and non-profit housing cooperatives as eligible recipients for grant funding. This includes a grant amount for an engineering report and a grant amount per affected unit.

Under the current process it is a burden to condominiums and/or non-profit housing cooperatives to complete an engineering report without a guarantee of eligibility. The existing process consists of multiple steps and is cumbersome for both the applicants and City staff reviewing the report. Approval of grant funding for these types of units is complex due to the technical issues associated with servicing multi-unit properties. City staff have reviewed the process with the goal of simplifying it, but determined it not feasible to do so while adequately considering the technical issues.

In the last 10 years, 691 grant applications have been approved and paid out for grant funding by the City. Three (3) out of the 691 applications were for condominiums. That represents 0.43% of the applications. Staff also reviewed other municipalities that have similar flooding grant programs. Only one other municipality was found to have condominiums included; however their eligibility criteria was unclear.

Based on the above, it is recommended that condominiums and non-profit housing cooperatives be removed from the by-law unless it is a vacant land condominium under the Condominium Act, 1998. These dwellings are similar to single-family homes with respect to the municipal servicing of these units.

## **2.3 Semi-detached Dwellings**

Currently, semi-detached homes are treated with the same eligibility considerations as single-family homes. However, the shared underground drainage pipes (weeping tiles) pose a challenge, as any work undertaken on one side of the semi-detached unit can potentially increase the risk of flooding for the other side. To mitigate this risk, the revised by-law requires that both sides of the semi-detached engage in separating their drainage piping from the sanitary sewer to qualify for any grant funding. This ensures that the entire weeping tile system is disconnected from the sanitary system and that the separation process is completed correctly.

## **2.4 Storm Building Sewer and Storm Private Drain Connection (PDC)**

The existing by-law has upset limits identified for both a storm building sewer (private property portion) and for the combination of storm building sewer and storm PDC (private property and public right-of-way portion). This structure posed challenges for homeowners only interested in acquiring a storm PDC. Recognizing this issue, amendments have been made to establish a single upset limit for the storm building sewer and a separate limit for the storm PDC. This adjustment ensures that homeowners have clarity and flexibility in pursuing their specific infrastructure needs without unnecessary complications.

## 2.5 Adjustment of Grant Upset Limits

The Basement Flooding Grant Program covers 90% of the total eligible costs to certain upset limits. These grant funding upset limits, corresponding to 90% coverage, have been revisited to consider the construction value of the eligible works between January 1, 2022, and December 31, 2023. Inflation was taken into account as new upset limits were established. The current and proposed upset limits for each eligible grant item is outlined in the table below. These upset limits should be revisited at least every three years to account for increases in construction costs and inflation.

**Table 1: Existing and Proposed Upset Limits for Basement Flooding Grant Program**

<b>Eligible Works</b>	<b>Current Upset Limit</b>	<b>Proposed Upset Limit</b>
Backwater valve	\$1,600	\$1,800
Sewage ejector, including associated plumbing modifications	\$5,500	\$6,000
Sump pit and pump and weeping tile disconnection	\$3,100/\$3,900	\$4,000
Additional weeping tile disconnection	\$2,200	\$2,400
Storm PDC (upset limit previously combined with storm building sewer)	\$9,000	\$7,000
Storm building sewer (located on private property)	\$3,000	\$3,000
Sump pump battery back-up system	\$1,300	\$1,400
Sump pit and pump to replace private catchbasin (that previously drained to the sanitary system)	\$3,900	\$4,000

## 3.0 Financial Impact/Considerations

Staff have reviewed the financial impacts and determined that the current budget is sufficient to support these changes.

## Conclusion

Civic Administration continues to encourage participation in this voluntary grant program. It is recommended that eligibility for condominiums and non-profit housing cooperatives be removed from the by-law. It is anticipated that the recommended By-law amendments will provide improved clarity and simplify the management and administration of the Basement Flooding Grant Program.

It is anticipated that updates identified above will help encourage more homeowners to participate in the program which will ultimately help reduce the amount of extraneous flow in the City's sanitary sewage system.

**Prepared by:** Kyle Chambers, P. Eng.  
Division Manager, Sewer Engineering

**Submitted by:** Ashley M. Rammeloo, MMSc., P. Eng.,  
Director, Water, Wastewater, and Stormwater

**Recommended by:** Kelly Scherr, P. Eng., MBA, FEC  
Deputy City Manager, Environment & Infrastructure

**Attachments:** Appendix 'A' – Basement Flooding Grant Program Schedule 'A'

**CC:** Y.Ou, K.Christensen

## Appendix A

### Schedule “A”

#### City of London Basement Flooding Grant Program Guidelines

##### A. Purpose of the Program

1. To provide a grant to residential homeowner(s) facing basement flooding or at risk of basement flooding. For eligibility and funding see sections C and E.
2. To provide a grant to residential homeowner(s) who have significant sump pump surface discharge issues. For eligibility and funding see sections C and F.

##### B. Definitions

“Approved” means acceptable works meeting Ontario Building Code and Canadian Standards Association product and installation requirements, as well as manufacturer installation requirements.

“Building Sewer” means the private portion of the sanitary or storm service lateral for a private drainage or plumbing system (regulated by the Ontario Building Code) which conducts effluent to a Private Drain Connection.

“City Engineer” means the Deputy City Manager, Environment and Infrastructure or their written designate.

“Contractor” means a licensed plumber/drainage contractor hired by a homeowner to undertake and manage plumbing and drainage-related works within a residential property.

“Dwelling Unit” has the same meaning as contained in the City’s Zoning By-law.

“Homeowner” means an Owner in fee simple under the *Land Titles Act*, R.S.O. 1990, c. L.5.

“Private Drain Connection” or “PDC” means the public/municipal portion of the sanitary or storm service lateral which joins the private Building Sewer to a City sewer main and which is upon lands that are either owned by the City or subject to a sewer easement in favour of the City.

“Property” means a separate parcel of land which has been assigned a property identifier under section 141 of the *Land Titles Act*, R.S.O. 1990, c. L.5.


“Residential Home” means residential semi-detached dwelling, single detached dwelling and duplex dwelling, as defined in the City’s Zoning By-law and vacant land condominiums as defined under the Condominium Act, 1998.

“Weeping Tile” means the building foundation drain or footing tile for a residential home.

### **C. Eligibility for Grant Funding**

The applicant(s) must meet the following criteria in order to be eligible for grant funding (at the discretion of the City Engineer):

- i. Must be the homeowner(s) of the residential home.
- ii. Have not commenced any construction of works related to the grant application.
- iii. Have experienced basement flooding or reside in an area prone to such issues due to the city sanitary main.
- iv. Have experienced basement flooding due to weeping tiles gravity connected to the storm sewer system.
- v. Have significant sump pump surface discharge issues including but not limited to surface erosion and icing on City sidewalks and/or streets. Grant eligibility for installing a storm lateral to address sump pump discharging issues is determined by a demonstrated need for such work at the discretion of the City Engineer. Residential homes located in subdivisions registered after 1996, homes constructed as part of an infill development, or with additions to existing homes that result in sump pump discharge issues are considered ineligible. Homeowner-initiated landscaping and grading modifications (including pool installations) leading to sump pump discharge issues, also disqualify the property from eligibility for grant funding.
- vi. The homeowner(s) must meet all conditions of this by-law.

Properties that are not eligible for this Program are condominiums (other than vacant land condominiums), and non-residential properties including but not limited to institutional, industrial and commercial properties. 

### **D. Loan Eligibility**

For residential homeowner(s), upon completion of the eligible works and subject to the grant funding being available in the yearly budget allocation for this purpose, the City can offer a loan covering the remaining eligible construction costs that exceed the maximum grant funding amount. This loan is to be paid back to the City in 10 equal annual instalments, including interest, in accordance with the annual 10-year financing rate for local improvements.

The loan must be executed before the grant approval expires. If the homeowner(s) are interested in the loan, they must specify their intent on the application form (page 1). The applicant(s) must meet the following criteria in order to qualify for the loan (at the discretion of the City Engineer):

- i. Must be the homeowner(s) of the residential home and must have been approved in writing for grant funding and have expressed an interest in the loan.
- ii. All property taxes must be paid up to date at the time of the application and throughout the loan process; and
- iii. All registered homeowner(s) must complete and sign the Loan Agreement.

Approval of all loan applications is subject to availability of funding at any given time, as determined solely by council.

Remediation or renovation works required by the homeowner(s) in relation to the approved works are not eligible for grant or loan funding.

## **E. Grant Funding – Primary Items**

For residential homes approved through the City's Basement Flooding Grant Program in writing, the City may disperse up to 90% of the demonstrated eligible construction costs determined as follows:

(i) **Backwater Valve**

Up to a maximum of \$1,800 for out-of-pocket expenses to install an approved backwater valve in a residential home, following the Ontario Building Code. The installation of a backwater valve is required in conjunction with the disconnection of weeping tiles (see section E (ii)). If no weeping tiles exist, the homeowner's licensed plumber/drainage contractor must confirm this in writing based on a camera video inspection. For duplexes, the backwater valve can only serve one dwelling unit.

(ii) **Weeping Tile Disconnection and Sump Pit & Pump**

Up to a maximum of \$4,000 for out-of-pocket expenses to disconnect the existing weeping tiles and redirect them to a new sump pit and sump pump for discharge to a suitable outlet, ensuring compliance with Drainage By-law WM-4. This funding applies if weeping tiles previously connected to the sanitary sewer or gravity-drained to the storm sewer, and it is required to disconnect weeping tiles from these sewers. For semi-detached dwellings, both sides of the building are required to disconnect their weeping tiles, in order to receive any grant funding. No funding will be issued until both sides of the semi-detached dwelling have completed the disconnection and passed inspection to ensure there is no cross-connection between weeping tiles and the sanitary sewer. For dwelling units with independent weeping tiles, written confirmation from a licensed plumber is required. Grant applications for each unit can then be processed separately.

(iii) **Sump Pump Battery Back-up**

Up to a maximum of \$1,400 for out-of-pocket expenses to install an approved sump pump battery back-up in a residential home. This is applicable when combined with the installation of an approved sump pit and pump as part of the grant program works and a current application. A sump pump battery backup for an existing sump pump is not eligible for any funding.

## **F. Grant Funding – Additional Items**

For residential homes approved through the City's Basement Flooding Grant Program in writing, the City may disperse up to 90% of the demonstrated eligible construction costs determined as follows:

(i) **Sewage Ejector (in lieu of Backwater Valve)**

Up to a maximum of \$6,000 for out-of-pocket expenses to install an approved sewage ejector and holding tank, instead of an approved backwater valve in E (i). This funding covers interior plumbing modifications to accommodate for the discharge of effluent from basement plumbing fixtures to the sanitary sewer system. Any installation of a sewage ejector instead of a backwater valve must obtain pre-approval in writing from the Building Division.

(ii) **Additional Weeping Tile Disconnection**

Up to a maximum of \$2,400 for out-of-pocket expenses to disconnect additional weeping tile connection(s) for a building in the case where weeping tiles previously drained to the sanitary sewer or gravity-drained to the storm sewer. This cost is per additional weeping tile connection and must be done in conjunction with E (ii).

(iii) **Disconnection of Private Catchbasins**

Up to a maximum of \$4,000 for out-of-pocket expenses to disconnect private catchbasins or drains located on or adjacent to a driveway or garage. This

applies when these catchbasins or drains, which previously drained storm runoff from a reverse grade driveway to the City's sanitary sewer, are redirected to an approved sump pit and sump pump. The redirection ensures discharge to a suitable outlet other than the sanitary sewer, in compliance with Drainage By-law WM-4. This must be done in conjunction with E (ii).

(iv) **Storm Private Drain Connection (PDC)**

Up to a maximum of \$7,000 for out-of-pocket expenses to construct a storm PDC located within the City road allowance or a City easement. The purpose is to facilitate the conveyance of the pumped weeping tile water from the residential home to the municipal storm sewer. This must be done in conjunction with a (existing or proposed) storm building sewer. This funding is only available if there is a suitable municipal storm sewer available for the property, subject to the discretion of the City Engineer.

(v) **Storm Building Sewer**

Up to a maximum of \$3,000 for out-of-pocket expenses to construct a storm building sewer located on private property. The purpose is to facilitate the conveyance of the pumped weeping tile water from the residential home to the storm PDC which connects to the municipal storm sewer. This must be done in conjunction with a (existing or proposed) storm PDC. This funding is only available if there is a suitable municipal storm sewer available for the property, subject to the discretion of the City Engineer.

## **G. Grant and Loan Funding Terms**

1. Approval of any application (including grant funding and/or loan funding) is subject to the availability of funding at any given time, as determined solely by Council.
2. The maximum amount of each grant and loan will be determined in each case by the City Engineer, based on the City Engineer's determination of the reasonable cost and scope of the proposed work. Grant and loan applications will be processed in chronological order based on the date of receipt of applications, at the discretion of the City Engineer.
3. The demonstrated eligible construction costs include fees related to obtaining a Building/Plumbing Permit and/or a Work Approval Permit for the approved works. These costs also cover efforts to coordinate inspections identified in the permit. The objective is to achieve fully completed and approved works that pass all necessary inspections.
4. Grant funding and loans will not be available to cover any other associated ineligible costs including, but not limited to, restoration, renovation, and landscaping costs etc.
5. Grant approvals will be provided in writing and remain valid for six (6) months. If the work is not completed before the expiry date, the approval will expire, unless an extension is granted at the discretion of the City Engineer.



6. Before applying for grant funding, a video inspection of the sanitary/storm lateral sewer is recommended to ensure there are no blockages causing basement flooding. Homeowner(s) are financially responsible for the entire length of the existing lateral pipes.
7. The City bears no liability whatsoever regarding any work undertaken by homeowner(s). The City shall not be liable for any damages to the homeowner's property resulting from any of approved works that funding was granted for. The homeowner(s) are responsible for any such damages.
8. The homeowner(s) are required to obtain all necessary permit(s) to complete any grant funded work. The permits must be passed in full by a City of London Plumbing inspector prior to the issuance of any grant funding.
9. The homeowner(s) must execute an appropriate liability release document (Page 2 of the Basement Flooding Grant Program application form), approved by the City's Risk Management Division and the City Solicitor's Office.
10. Approval for any grant funding will be based on a demonstrable need for such funding. If, during construction, it is determined that the existing conditions do not align with the approved grant funding, the applicant must immediately contact the City. In such cases, any approval for grant funding will need to be reassessed by the City Engineer.
11. Upon request and at the discretion of the City Engineer, the City may disburse 100% of the approved grant and loan amounts directly to the qualified and licensed plumbing contractor who completed the construction works for the homeowner(s). This disbursement is contingent upon receiving a final invoice for the completed construction works, confirmation of the homeowner's eligibility for a loan, and verification that the applicable permit(s) have been issued and successfully passed in full.
12. The program will not be retroactive to apply to works started before receiving a written approval from the City, at the discretion of the City Engineer.
13. The terms of the Program are subject to change. Council may periodically review the Program Guidelines to determine if the Program should continue, be modified, or cease to issue any new grants. The City may discontinue the Program at any time, without notice.
14. The Basement Flooding Grant Program application procedure is outlined in Appendix "A"

## Appendix "A"

### A. Application Procedure

1. The homeowner(s) will be required to complete an application form provided by the City Engineer. In addition to the completed application form, the homeowner(s) must provide:
  - a. One quote for the work from a licensed plumbing/drainage contractor, not a 3<sup>rd</sup> party representative, for costs below \$5,000, to the City Engineer's satisfaction and subject to the City Engineer's discretion;
  - b. A minimum of 2 quotes for the work from licensed plumbing/drainage contractors, not a 3<sup>rd</sup> party representative, for costs between \$5,000 and \$10,000, to the City Engineer's satisfaction and subject to the City Engineer's discretion; and
  - c. A minimum of 3 quotes for the work from licensed plumbing/drainage contractors, not a 3<sup>rd</sup> party representative, for costs above \$10,000, to the City Engineer's satisfaction and subject to the City Engineer's discretion.

The quotes must detail what works are to be done, and separate out costs for each portion of the construction work, i.e. total cost of labour and materials to install backwater valve, total cost of labour and materials to install PDC, etc.

2. The City reviews the application and supporting documentation and decides whether to approve the grant, and determines the approximate grant amounts. The City advises the applicant in writing of its decision. Final grant amounts are established based on the final paid invoice submitted once the work has been completed.
3. Before commencing any approved work, the homeowner(s) or contractor must obtain all necessary permits, such as Building/Plumbing Permit and/or Work Approval Permit. Failure to obtain the required permits before starting the work will lead to the cancellation of any previously approved grant and loan amounts.
4. The homeowner's contractor must co-ordinate work with the City. The homeowner's contractor is responsible to obtain all utility locates for the work for both private property and City property.
5. Following the completion of approved work, the homeowner(s) or contractor must schedule an inspection by the City for the Building/Plumbing Permit and/or Work Approval Permit. Permits without a City inspection will lead to the cancellation of any previously approved grant and loan amounts.
6. Prior to the approval expiry date (found at the bottom of page 2 of the application), the homeowner(s) must submit the final paid invoice from the contractor to the City. This invoice should detail the amount due and paid for the completed work. The homeowner(s) submitting a final paid invoice after the approval expiry date will be ineligible for the payment of the grant and loan

(subject to the discretion of the City Engineer). The City will not disburse a grant or loan amount beyond the pre-approved limit, even if the final paid invoice exceeds the approved amount. Additionally, the final approved grant amount is also subject to change based on the final paid invoice.

7. The homeowner(s) must submit a signed and witnessed liability release (Page 2 of the application) with the paid invoice. This release is required for any grant funding.