

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON OCTOBER 24, 2017
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	BASEMENT FLOODING GRANT PROGRAM BY-LAW AMENDMENT

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, 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 October 30, 2017 to amend the Basement Flooding Grant Program By-law (By-law A.-7562-160), by deleting Schedule "A" and replacing it with the updated Schedule "A".

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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May 9, 2017	"Basement Flooding Grant Program By-law Update", Civic Works Committee
September 9, 2013	"Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law – Proposed Amendment", Civic Works Committee
September 13, 2010	"Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law." Environment and Transportation Committee
August 24, 2009	"Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law." Environment and Transportation Committee
July 27, 2009	"Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law.", Environment and Transportation Committee
July 20, 2009	"Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law.", Environment and Transportation Committee

2015-2019 STRATEGIC PLAN

The 2015 – 2019 Strategic Plan identifies these objectives under Building a Sustainable City: 1B – managing our infrastructure; 3E – strong and healthy environment through protection of the natural environment.

BACKGROUND

Purpose

This report outlines proposed minor amendments to the Basement Flooding Grant Program By-law A.-7562-160. The proposed amendments clarify language and terminology within the by-law. There are no fundamental changes to the program related to eligibility criteria, grant funding amounts, or the application process.

Content

The goal of the Basement Flooding Grant Program is to reduce the risk of basement flooding to property owners and at the same time reduce the amount of extraneous flow into the City's sanitary sewage systems. The implementation of the program continues to include public education as well as education of local plumbing contractors. Program inquiries and applications are reviewed to ensure the funds allocated for this program are spent effectively.

On May 16, 2017, the Basement Flooding Grant Program By-law A.-7562-160 came into effect and replaced earlier versions of the by-law for the Basement Flooding Grant Program (previously referred to as "Grants for Sump Pump, Sewage Ejector and Storm Private Drain Connection By-law"). This update increased the grant funding from 75% to 90% of eligible costs and included new maximum upset limits for the associated eligible works.

DISCUSSION

Attached to this report is a proposed amendment to Basement Flooding Grant Program By-law A.-7562-160 in Appendix 'A'. The by-law's revised Schedule "A" includes the following key edits and updates:

Backwater Valves

The existing grant program provides funding for backwater valves. The current By-law wording is limited to funding of full port type backwater valves. This description implies a specific valve manufacturer's product while there are alternate types of mechanical backwater valve on the market that are equally effective.

The proposed by-law amendment replaces "full port type backwater valve" with "approved backwater valve." A definition for "approved" has been added to the by-law meaning acceptable units meeting Ontario Building Code and Canadian Standards Association product and installation requirements as well as manufacturer installation requirements. The intent is to avoid having a list of acceptable valve manufacturers/products that would require continual review and update by staff. Homeowners have the ability to work with their licensed plumbing/drainage contractor to have an approved backwater valve installed through the program that meets their specific needs.

The proposed by-law amendment also includes "approved" to describe eligible works such as a sump pit; sump pump; sump pump battery back-up system; ejector pump and holding tank; and backwater valve alarm.

Drainage By-law WM-4

The Basement Flooding Grant program describes the discharge of footing tile (weeping tile or foundation drain) water to a suitable outlet. The proposed by-law amendment includes specific reference to Drainage By-law WM-4, which specifically outlines the requirements for foundation drain flows, as well as regulates when sump pumps can be discharged to ground surface.

Building/Plumbing Permit

In the majority of cases, licensed plumbers/drainage contractors, who are installing eligible works through the program, are applying for building/plumbing permits on behalf of the homeowner and arranging the associated inspections with the City. Approved works must pass inspection in full in order to receive grant funding. These costs are typically included in the lump sum costs (time and materials) provided by licensed plumbers/drainage contractors in their quotations and invoices. These costs are submitted as part of the application process. The intention is that the grant is to cover the permit fee and associated labour to cover all costs up to and including the final inspection to the grant upset amount. The current by-law wording does not specifically outline building/plumbing permits and associated inspection coordination efforts as eligible construction costs.

The proposed by-law amendment indicates that the quote provided by the contractor must include the fees to obtain a building/plumbing permit and efforts to coordinate permit inspections. The intent of this revision is to provide clarification and avoid confusion.

Other Updates

Other edits and formatting changes presented in the revised Schedule "A" are considered administrative in nature and are intended to improve the by-law structure/format and clarify terminology.

CONCLUSIONS

The City continues to encourage participation in this voluntary grant program. It is anticipated that the recommended by-law edits will provide improved clarity and simplify the management and administration of the Basement Flooding Grant Program.

Acknowledgements

This report was prepared within the Wastewater and Drainage Engineering Division by Marcy McKillop, P.Eng., Environmental Services Engineer.

PREPARED BY:	SUBMITTED BY:
 TOM COPELAND, P. ENG. DIVISION MANAGER, WASTEWATER & DRAINAGE ENGINEERING	 SCOTT MATHERS, MPA, P. ENG. DIRECTOR, WATER AND WASTEWATER
RECOMMENDED BY:	
 KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

APPENDIX "A"

Bill No.
2017

By-law No.

A By-law to amend By-law A.-7562-160, being the Basement Flooding Grant Program By-law.

WHEREAS section 5 of the *Municipal Act, 2001*, S.O. 2001, c.25, as amended, provides that the powers of a municipality shall be exercised by its council by By-law;

AND WHEREAS section 107 of the *Municipal Act, 2001* provides that a municipality may make grants to any person, group or body, including a fund, for any purpose that council considers to be in the interests of the municipality;

AND WHEREAS section 107 of the *Municipal Act, 2001* provides that a municipality's power to make grants includes the power to make a grant by way of loan and to charge interest on the loan;

AND WHEREAS on May 16, 2017 Municipal Council of The Corporation of the City of London passed A.-7562-160, being the Basement Flooding Grant Program By-law, to provide grants to certain Owners of residential semi-detached dwellings, single detached dwellings and duplex dwellings, to Condominium Corporations for units used for residential purposes, and to Non-Profit Housing Co-operatives, to disconnect the Footing Tiles (weeping tiles or foundation drains) from either the sanitary or storm sewer, and install a sump pump system for disposal of Footing Tile water to a suitable outlet other than the sanitary sewer system;

AND WHEREAS it is deemed expedient to amend By-law A.-7562-160;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. By-law A.-7562-160 being the Basement Flooding Grant Program, passed on May 16, 2017, is hereby amended by deleting Schedule "A" and replacing it with the attached new Schedule "A".
2. That this By-law shall come into force and effect on the day it is passed.

PASSED in Open Council on .

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading –
Second Reading –
Third Reading –

Schedule “A”

City of London Basement Flooding Grant Program Guidelines

Purpose

- To provide a grant to Residential Homeowners, Condominium Corporations for units used for residential purposes, and to non-profit housing co-operatives, who have experienced basement flooding, or who are in an area likely to experience basement flooding, due to sanitary sewer surcharging in their basements, and who subsequently install eligible Approved works to reduce the likelihood of flooding, in particular the discharge of redirected Footing Tile water to a suitable outlet other than the sanitary sewer system, in accordance with this By-law.
- To provide a grant to Residential Homeowners who have experienced sump pump surface discharge issues including, but not limited to, surface erosion, icing on City sidewalks and/or streets and who lack a suitable surface discharge location on their Property to comply with the Drainage By-law WM-4, and who subsequently install an Approved storm Building Sewer and Private Drain Connection to the municipal storm sewer system, in accordance with this By-law.

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 outlet pipe for a private drainage or plumbing system which conducts effluent to a Private Drain Connection

“*City Engineer*” means the General Manager of Environmental and Engineering Services & City Engineer, or designate;

“*Condominium Corporations*” means condominium corporations under the *Condominium Act, 1998* for units used for residential purposes;

“*Footing Tile*” means the building foundation drain or weeping tile for a dwelling

“*Non-Profit Housing Co-operatives*” means a non-profit housing co-operative under the *Co-operative Corporations Act*

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

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

“*Private Drain Connection*” or “P.D.C.” means that portion of the City sewage works which joins a Building Sewer to the City sewer;

“*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 Homes*” means residential semi-detached dwelling, single detached dwelling and duplex dwelling, as defined in the City’s Zoning By-law.

Funding

This Program will be funded in an amount determined by Council in its sole discretion from time to time. Grant commitments will be provided subject to funding availability as determined by Council at its sole discretion from time to time. The amended grant commitment program identified below is retroactive to January 1, 2017, applicants who applied and received a grant payment through the program after this time are eligible for grant payments equal to the difference between what they received and what they would have received under this amended By-law.

A. Eligible Work – Residential Homes

1. For Residential Homes, upon completion of the installation and subject to funding being available in the yearly budget allocation for this purpose, the City may pay to the Owner up to 90% of the demonstrated eligible construction costs established as follows:
 - (i) up to a maximum of \$2,475.00 for out-of-pocket expenses to disconnect the existing Footing Tiles (when they are connected to the main drain inside the basement) and direct to an Approved sump pit and pump (to discharge to a suitable outlet other than the sanitary sewer, in accordance with Drainage By-law WM-4), in the case where Footing Tiles previously drained to the sanitary sewer;
 - (ii) up to a maximum of \$3,125.00 for out-of-pocket expenses to disconnect the existing Footing Tiles (when they are connected to the Building Sewer outside the basement) and direct to an Approved sump pit and pump (to discharge to a suitable outlet other than the sanitary sewer, in accordance with Drainage By-law WM-4), in the case where Footing Tiles previously drained to the sanitary sewer;
 - (iii) up to a maximum of \$1,100.00 for out-of-pocket expenses when an Approved sump pump battery backup is installed in a Residential Home, in combination with the installation of an Approved sump pit and pump and an Approved backwater valve, as part of the grant program works. (A sump pump backwater backup for an existing sump pump is not eligible for funding);
 - (iv) up to a maximum of \$2,475.00 for out-of-pocket expenses to disconnect the private catchbasins or drains on, or adjacent to, a driveway or garage that drain storm runoff from a reverse grade driveway, and direct to an Approved sump pit and pump (to discharge to a suitable outlet other than the sanitary sewer, in accordance with Drainage By-law WM-4) where the private catchbasins or drains are connected to the City's sanitary sewer;
 - (v) up to a maximum of \$1,200.00 for out-of-pocket expenses when an Approved backwater valve is installed in a Residential Home in combination with the installation of an Approved sump pit and pump; The installation of a backwater valve is mandatory with Footing Tile disconnection for either (i) or (ii);
 - (vi) up to a maximum of \$1,200.00 for out-of-pocket expenses when an Approved backwater valve is installed in a Residential Home that does not have Footing Tiles due to age of construction, but is located in an area where sanitary sewer surcharging is a risk, and provided that the backwater valve is serving only one Dwelling Unit. If Footing Tiles do not exist, or are not connected to the sanitary main drain or Building Sewer, the licensed plumber/drainage contractor must verify this in writing based on a camera or video inspection;

- (vii) up to a maximum of \$1,200.00 for out-of-pocket expenses when an Approved backwater valve is installed in a Residential Home that is located in an area where sanitary sewer surcharging is a risk subject to the City Engineer's discretion and provided that the backwater valve is serving only one Dwelling Unit. The Footing Tiles must have an appropriate outlet, other than the sanitary sewer, in accordance with Drainage By-law WM-4;
 - (vii) up to a maximum of \$2,050.00 for out-of-pocket expenses incurred when, in lieu of an approved backwater valve being installed with the sump pit and pump, an Approved sewage ejector and holding tank is installed for the discharge of effluent from basement plumbing fixtures to the sanitary sewer system;
 - (viii) up to a maximum of \$190.00 for out of pocket expenses when an Approved alarm is installed on an Approved backwater valve on the condition that; the installed alarm logs when the backwater valve is engaged (closes) or fluctuates, the homeowner agrees to allow the City to download the data as needed for up to 5 years after the installation date, and the City Engineer deems it necessary to collect information from the backwater valve to aid in sewer performance research;
 - (ix) up to a maximum of \$7,025.00 for out of pocket expenses Owner for the construction of a storm Private Drain Connection (P.D.C) within the City road allowance or within a City easement and a Building Sewer on private Property, including the storm Building Sewer, to convey Owner's pumped Footing Tile water. (This applies to the construction of a storm P.D.C. within a City road allowance or within a City easement, and extending it through private Property);
 - (x) Up to a maximum of \$1,750.00 for out-of-pocket expenses to construct a storm Building Sewer and Private Drain Connection on private Property from the Dwelling Unit and extending it to an existing storm P.D.C. on the City road allowance or within a City easement; and
 - (xi) the works of either items (ix) or (x) are possible provided that there is a suitable storm sewer outlet available for the Owner's Property.
2. The demonstrated eligible construction costs include the fees to obtain a building/plumbing permit for the eligible works, and efforts to coordinate inspection(s) identified in the permit, to achieve completed, Approved works that pass inspection in full.
 3. The City assumes no liability whatsoever relating to the work undertaken by the Owner.
 4. The Owner must execute an appropriate liability release document, approved by the Manager of Risk Management and the City Solicitor's Office.
 5. Eligibility for this grant will be based on a demonstrable need for such work, as determined solely by the General Manager of Environmental Services & City Engineer.
 6. Also available for Residential Homeowners, upon completion of the installation of the eligible works and subject to grant funding being available in the yearly budget allocation for this purpose, the City will loan to the applicant Owner the remainder of the demonstrated eligible construction costs established as above.

This loan is to be paid back to the City in ten equal annual instalments including interest in accordance with the 10-year financing rate for local improvements.

7. Remediation or renovation works required by the homeowner are not eligible for grant or loan funding.

B. Eligible Work – Condominium Corporations, and Non-Profit Housing Co-operatives

1. For Condominium Corporations, and Non-Profit Housing Co-operatives upon completion of the installation and subject to funding being available in the yearly budget allocation for this purpose, the City may pay to a Condominium Corporation, or Non-Profit Housing Co-operative up to 90% of the demonstrated cost established as follows:
 - (i) up to a maximum of \$2,000.00 for out-of-pocket expenses for an Engineering Report, which is subject to City Engineer's approval, and the consulting engineer's confirmation that works have been completed in accordance with the Engineering Report; and
 - (ii) up to a maximum of \$1,500.00 (per condominium unit, or non-profit housing co-operative unit, that are having construction works completed to them or are directly benefiting from construction works) for out-of-pocket expenses including lot grading, Approved sump pit and pump systems, and Approved backflow prevention systems.
2. Any grants provided to Condominium Corporations or Non-Profit Housing Co-operatives will be payable only if the entirety of the Engineering Report is implemented.
3. Any grants provided to the Condominium Corporations or Non-Profit Housing Co-operatives which have existing Footing Tile connections to the City's sanitary sewer will be approved only if those Footing Tiles are disconnected (and discharged to a suitable outlet other than the sanitary sewer, in accordance with Drainage By-law WM-4). Any units which would continue to have footing tiles connected to the City's sanitary sewers are not eligible for grant funding.
4. The demonstrated eligible construction costs include the fees to obtain a building/plumbing permit for the eligible works, and efforts to coordinate inspection(s), identified in the permit, to achieve completed, Approved works that pass inspection in full.
5. The City assumes no liability whatsoever relating to the work undertaken by the Condominium Corporation, or Non-Profit Housing Co-operative.
6. The Condominium Corporation, or Non-Profit Housing Co-operative must execute an appropriate liability release document, approved by the Manager of Risk Management and the City Solicitor's Office.
7. Eligibility for this grant will be based on a demonstrable need for such work, as determined solely by the General Manager of Environmental Services & City Engineer.

C. Eligibility for Grant

1. The applicant(s) for the grant must meet the following criteria in order to qualify for the Program:
 - (i) must be the Owner(s) of the Property, a Condominium Corporation, or a Non-Profit Housing Co-operative;
 - (ii) has not commenced any construction works they are applying for grant funding for prior to grant approval;
 - (iii) there must be no other outstanding debts to the City of London; and
 - (iv) the Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative must meet all conditions of this Program.
2. Approval of all grant applications is also subject to availability of funding at any given time, as determined solely by Council.
3. Non-residential properties, including but not limited to institutional, industrial, and commercial properties are not eligible for this Program.

D. Grant and Loan Details

1. Grants and loans will not be available to cover any other associated ineligible costs including, but not limited to, renovation costs.
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 approvals are subject to the availability of funding at any given time, as determined by Council. Grant and loan applications will be processed in chronological order based on the date of receipt of applications.
3. Grant and loan approvals will be valid for six months and will expire if the work is not completed within that time period (unless extended at the City Engineer's discretion).
4. The Basement Flooding Grant Program application procedure is outlined in Appendix "A."

Appendix "A"

Application Procedure

1. The applicant Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative will be required to complete an application form provided by the City Engineer.

In addition to the completed application form the applicant Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative must provide:

- a) A minimum of 3 quotes for the work from licensed plumbing/drainage Contractors, not a 3rd party representative, for costs above \$10,000.00, 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 3rd party representative, for costs between \$5,000.00 and \$10,000.00, to the City Engineer's satisfaction and subject to the City Engineer's discretion;
- c) One quote for the work from a licensed plumbing/drainage Contractor, not a 3rd party representative, for costs below \$5,000.00, to the City Engineer's satisfaction;
- d) The quotes must detail what work is to be done, and separate out costs for each portion of construction work, i.e. total cost of labour and materials to install backwater valve, total cost of labour and materials to install P.D.C., etc.;
- e) Condominium Corporations and Non-Profit Housing Co-operatives must also submit a quote from a licenced professional engineer for the cost of the engineer's report and subsequent Engineer's letter confirming that works have been completed in accordance with the Engineer's report;
- f) Such other further information or documentation as may be required by the City Engineer.

At the discretion of the City Engineer, any work that is started or completed prior to the grant application approval may be deemed ineligible under this Program at the discretion of the City Engineer.

2. City reviews application and supporting documentation and decides whether to approve the grant amount and loan, and determines the approximate grant and loan amounts. City advises applicant in writing of its decision. Final grant and loan amounts are established based on the final invoice submitted once the work has been completed.

3. Applicant or Contractor obtains any necessary permits, including a plumbing permit from the City's Building Division (7th Floor, City Hall, 300 Dufferin Avenue, London, 519-661-4555) prior to work commencing. Failure to obtain a plumbing permit prior to work commencing will result in cancellation of any previously approved grant and loan amounts.

4. The Contractor must co-ordinate work with the City. The Contractor is responsible to obtain all utility locates for the work for both private Property and City Property.

5. The Contractor or the applicant must arrange for an inspection by the City with respect to the plumbing permit. Plumbing permits that have not had an inspection by the City will result in cancellation of any previously approved grant and loan amounts.

6. Within six months of receiving grant approval, the Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative must submit to the City the final invoice from the Contractor setting out the amount due and paid for the work. Condominium Corporations and Non-Profit Housing Co-operatives must also submit to the City the final invoice from the consulting engineering firm setting out the amount due and paid for the Engineer's Report(s) and confirmation that the works were completed in accordance with the report. Any Owner, Condominium Corporation, or Non-Profit Housing Co-Operative submitting a final invoice six months after the grant approval will be ineligible for payment of the grant and loan (subject to the discretion of the City

Engineer). The City will not provide a grant or loan for an amount greater than the grant or loan amount set out in paragraph 2 above, even where the final invoice is greater than the grant amount. The Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative must also resubmit the grant application form with the liability release section signed by all Owners or representatives able to bind the Condominium Corporation or non-profit housing co-operative.

7. If the Owner(s) are having an Approved backwater valve alarm installed as part of the works as approved by the City Engineer, along with the items required for submission in paragraph 6, the homeowner must submit a signed 'Consent to Enter' form detailing the frequency of data downloading the City will perform and the expiration date of the consent.

8. Where there is a request to do so and subject to the discretion of the City Engineer, the City may advance 100% of the grant and loan amounts as set out in paragraph 2 above to the qualified and licensed plumbing contractor who completes the construction works for the applicant Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative, upon receipt of a final invoice for the completed construction works and confirmation that a plumbing permit has been issued and passed in full.

9. Information to Accompany Application

- a) Complete application form completed by Owner(s), Condominium Corporation, or Non-Profit Housing Co-operative;
- b) A minimum of 3 quotes for the work from licensed plumbing/drainage Contractors, not a 3rd party representative, for costs above \$10,000.00, to the City Engineer's satisfaction and subject to the City Engineer's discretion. The quotes must detail what work is to be done, and separate out costs for each portion of work.
- c) A minimum of 2 quotes for the work from licensed plumbing/drainage Contractors, not a 3rd party representative, for costs between \$5,000.00 and \$10,000.00, to the City Engineer's satisfaction and subject to the City Engineer's discretion. The quotes must detail what work is to be done, and separate out costs for each portion of work.
- d) One quote for the work from a licensed plumbing/drainage Contractor, not a 3rd party representative, for costs below \$5,000.00, to the City Engineer's satisfaction. The quote must detail what work is to be done, and separate out costs for each portion of work.
- e) One Engineer's report subject to revisions and approval of the City Engineer if applicant is a Condominium Corporation or Non-Profit Housing Co-operative.
- f) One quote for the Engineer's report and approval letter if the applicant is a Condominium Corporation or Non-Profit Housing Co-operative.
- g) Such other further information or documentation as may be required by the City Engineer.

10. Not Retroactive

The Program will not be retroactive to apply to works started before the commencement of the Program.

11. Discontinuation of Program

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.

12. City Not Liable

In order to qualify for a grant and loan, the Owner, Condominium Corporation, or Non-Profit Housing Co-operative agrees that the City shall not be liable for any damages to the Owner's Property or Property for which the Condominium Corporation, or Non-Profit Housing Co-operative is responsible as a result of any of these installations.