



# DISTRICT OF NORTH SAANICH

## COUNCIL POLICY

<b>TITLE: LOCAL AREA SERVICE RESERVE FUND EXPENDITURES WHERE REPAYMENT BY THE PROPONENTS IS INCLUDED</b>	<b>NO. COU-050</b>
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### **PURPOSE:**

The main purpose of the Local Area Service Reserve Fund is to fund small to medium size infrastructure projects in a local area, with the proponents of the project repaying the Reserve over a term not to exceed 15 years.

### **2.0 CRITERIA:**

Projects must be for extension or upgrading of existing municipal infrastructure, such as water lines, sewer lines, storm drainage and roads.

Cost sharing of the project will be considered if there is a benefit to the District as a whole as determined by Council. Benefits to the District include but not limited to such things as over-sizing of pipes for future development, looping of water lines, upgrading roads that improve traffic safety, or the installation of sidewalks that improve pedestrian safety.

### **3.0 FUNDING**

Funding of projects will be repaid by the Local Area at 100% of the total construction cost, net of grants and contributions from other sources.

The Local Area Service Reserve may only be used to fund projects to a maximum of the lesser of \$100,000 or 25% of the balance in the Reserve. Repayment of the Reserve Fund will be at the current Municipal Finance Authority (MFA) rate for the term requested by the residents to a maximum of 15 years. Funds can be repaid in full after 5 years.

Projects that exceed the maximum funding levels under this policy may still proceed by way of funding from the Municipal Finance Authority.

<b>EFFECTIVE DATE:</b> 2007	<b>APPROVED BY:</b> COUNCIL  <b>PREVIOUS POLICY NO.</b> 3008	<b>LAST AMENDMENT:</b> 2011	<b>REF:</b>	<b>PAGE 1 of 2</b>
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