



Report to Council

Department: Corporate Services
Division: Finance and Business Services
Date: October 20, 2025
Prepared by: Kate Rowe, Director, Corporate Services/Treasurer
Report Number: Corporate Services-2025-02
Subject: Skeates Drain Septic System Installation Assistance Loan Program
Number of Pages: 13

Recommendation(s)

That Corporate Services Report 2025-02 entitled Skeates Drain Septic System Installation Assistance Loan Program prepared by Kate Rowe dated October 20, 2025 be received, and

That Council direct Administration to move forward with finalizing the Skeates Drain Septic System Installation Assistance Loan Program using the structure identified in the report.

That By-Law 2488, Being a By-Law to Authorize the Town of Essex Septic System Installation Assistance Loan Program and the undertaking of septic system installation on private residential property as Local improvements, be read a first, a second, and a third time and finally passed on October 20, 2025.

Purpose

To provide one of several funding vehicles for residents with properties abutting the Skeates Drain. Said residents are required to remedy faulty septic systems in accordance with Provincial Officer's orders issued against the Town of Essex by the Ministry of Environment, Conservation, and Parks (MECP).

Background and Discussion

An information meeting is being hosted by Town of Essex staff to provide further updates to residents with properties abutting the Skeates Drain. During this meeting, Town staff will discuss the various requirements that residents will need to meet in order to ensure compliance with the MECP order.

Of the requirements, residents may be required to remedy failing septic systems, the costs for which may be substantial and are the full responsibility of the individual property owner. To support residents with this financial burden, Council may authorize a one-time debenture by-law to assist residents with financing the cost of addressing their failing septic system.

The program is optional to residents and provides an opportunity for the costs, including applicable interest and fees, to be added to final tax bills as a special charge over a ten-year term. Should residents feel that the program does not meet their needs, they may obtain private financing to undertake the works.

Financial Impact

The costs associated with addressing their septic systems is the responsibility of the individual property owners. Residents who wish to participate in the Skeates Drain Septic System Installation Assistance Loan Program will have all eligible costs, along with associated interest and fees, added to their tax bill for the duration of the debenture.

Administration will explore options to secure a term loan covering the total value of all debentures issues to residents abutting the Skeates Drain. This will allow the Town to lock in a fixed rate of interest for the ten-year term. As a result, aside from nominal and customary administration fees, the Town will not incur any direct financial impacts due to the implementation of this program.

Although the Town is not expected to bear significant administrative costs, it should be noted that if Council proceeds with a term loan, the Town's Annual Repayment Limit (ARL) will be affected. The maximum potential impact to the ARL is estimated at \$10,000 in annual debt servicing, representing approximately 0.15% of the Town's remaining debt capacity. This level of impact would remain well within the Town's Debt Policy and internal limit with respect to the ARL, which is set at 15%.

Consultations

Kate Giurissevich, Chief Administrative Officer

Joseph Malandrucolo, Director, Legal & Legislative Services

Kevin Girard, Director, Infrastructure Services

Lori Chadwick, Director, Development Services

Jake Morassut, Director, Community Services

Shelley Brown, Deputy Clerk

Attachments

By-Law No. 2488 - To Authorize Skeates Drain Septic System Installation Assistance Loan Program

Link to Strategic Priorities

- Embrace asset management best practices to build, maintain, and continuously improve our municipally owned infrastructure.
- Leverage our Town's competitive advantages to promote jobs and economic investment.
- Take care of our natural environment and strengthen the sense of belonging to everyone who makes Essex "home".
- Deliver friendly customer service in an efficient, effective, and transparent manner while providing an exceptional working environment for our employees.
- Build corporate-level and community-level climate resilience through community engagement and partnership and corporate objectives.

Report Approval Details

Document Title:	Skeates Drain Septic System Installation Assistance Loan Program - Corporate Services-2025-02.docx
Attachments:	- By-Law No. 2488 - To Authorize Skeates Drain Septic System Installation Assistance Loan Program.docx
Final Approval Date:	Oct 16, 2025

This report and all of its attachments were approved and signed as outlined below:



Kate Giurissevich, Chief Administrative Officer - Oct 16, 2025 - 2:00 PM