



## Local Area Service Frequently Asked Questions

### **Q: What is a Local Area Service (LAS)?**

An LAS is a project delivery mechanism whereby property owners can request municipal infrastructure to be constructed, which is then paid for by the benefitting property owners through a local service tax. Each benefitting property is responsible for its own commuted cost, which is proportioned using the individual taxable frontage to the overall cost. This is governed by the Community Charter and the Township's [Local Area Service Policy 05-007](#).

### **Q: What are the steps required in an LAS request?**

For all LAS requests, there are four key steps that must be followed. Each step must be successful before moving to the next step:

1. *Technical feasibility*: Township staff to complete feasibility study and a high-level cost estimation.
2. *Preliminary petition*: Requester to circulate the petition and obtain at least 60% support from the property owners. The preliminary petition information includes an estimated cost for each of the benefitting properties.
3. *Official petition*: Council authorization is required for staff to circulate the official petition. At least 50% support from property owners is required, representing at least 50% of the total assessed value of all benefitting properties.
4. *LAS Bylaw*: Council is required to adopt the LAS Bylaw, authorizing staff to proceed with the design and construction of the project within a set funding limit.

Once the LAS Bylaw is adopted, Township staff begin a detailed engineering design, followed by a competitive tendering process, and then construction. View a [flow chart](#) of the LAS request process.

### **Q: What does the cost estimate include?**

The cost estimate includes infrastructure works, engineering, contingency, and an administration fee.

### **Q: How does the Township come up with the cost estimate?**

The estimates are developed as follows:

- using recent construction tender prices obtained during competitive bidding processes;
- applying industry standard engineering contingencies;
- using similar projects to determine the required engineering work;
- applying the administration fee per Policy No. 05-007.

The proposed alignment would identify the total number of benefitting properties. The high-level cost estimate would be a lump sum to complete the project. This estimate is considered high level as no survey or design would have been completed at this point.

### **Q: What happens if the Class A Estimate or tender price is higher?**

The LAS Bylaw, which is based on Township's estimate, limits the project expenditure. If the Class A estimate (which is based on a completed design) or the construction bids exceed the LAS bylaw funding by more than 15%, the project will either be re-petitioned with the new costs, or be cancelled.

### **Q: How is the local area service be paid for?**

The benefitting property owners are responsible to pay for the actual incurred costs to complete the LAS project. The Township will mail a Letter of Commute to the benefitting property owners.

Property owners have the option to pay the entire cost within 30 days or pay the amount owing along with property taxes, amortized (typically over 20 years) at an interest rate determined by the Municipal Finance Authority on the date Council approves circulation of the Official Petition plus 0.25% as per Policy No. 05-007.

**Q: How does the Township determine my property's taxable frontage?**

According to Policy 05-007, the taxable frontage is calculated using the following formula:

$$TF = ((2F+R)/(3)) + ((4F+TP)/(10)) / 2$$

TF: Taxable Frontage    R: Actual Rearage  
F: Actual Frontage    TP: Total Perimeter

Where

Minimum TF = 15 metres

Maximum TF = 61 metres for residential, suburban residential and rural parcels.

Maximum TF = 105 metres except for residential, suburban residential and rural parcels.

The Township has been using this formula since 1991. The formula can take irregularly shaped parcels and calculate the frontage as if it was a rectangular parcel. Using the actual frontage is not equitable to other parcels that may have the same area but longer frontages.

**Q: What is included in the commuted cost?**

Commuted cost includes:

- infrastructure work;
- engineering and administration fee.

It does not include:

- private property onsite works;
- decommissioning well or septic on private property;
- installing municipal service connection from main to property line.

**Q: Do I need to connect now or can I connect later?**

For typical infrastructure (water or sewer), property owners are not required to apply to connect at the time of construction. Property owners may apply to connect at any time in the future; however, it may be more economical to connect at the time of construction. If property owners apply to connect, they must complete the work on private property to complete the connection. Property owners are not permitted to pre-service the property and not complete the connection.

**Q: What if I cannot afford to pay for the proposed LAS?**

The LAS is typically amortized over 20 years and owners are not required to commute the LAS in the first year. Owners have the discretion to commute the LAS at any time throughout the duration of the amortized period or pay the annual charge, which would be included on the property tax statement.

The LAS and the property taxes may be deferrable through the provincial Tax Deferral Program if you are eligible and qualify. For more information, contact the Township's Revenue and Tax Collections Department by phone (604.533.6005) or email ([taxdept@tol.ca](mailto:taxdept@tol.ca)). Be sure to also visit the Government of British Columbia web page on deferring your property taxes: [gov.bc.ca/propertytaxdeferralment](http://gov.bc.ca/propertytaxdeferralment).

**Q: What happens when the property is sold and the LAS taxation is in place?**

When the property is sold and the LAS taxation is in place, the new owner would be responsible for paying the annual charge after the LAS is in place or the new owner may commute the LAS at any time. During the sale of the property, lawyers/notaries request a tax information certificate that indicates the property has an annual LAS charge.

**Q: Who can I contact if I have further questions about the LAS process?**

Contact the Engineering Services Department by phone (604.532.7200) or email ([enginfo@tol.ca](mailto:enginfo@tol.ca)). Be sure to also visit the Township's web page on Local Area Service: [tol.ca/las](http://tol.ca/las).