

Agenda Including Addeds

Corporate Services Committee

8th Meeting of the Corporate Services Committee

April 3, 2018, 12:30 PM

Council Chambers

Members

Councillors J. Helmer (Chair), J. Morgan, P. Hubert, M. van Holst, J. Zaifman, Mayor M. Brown

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6. Confidential (Enclosed for Members only.)

6.1 Land Acquisition/Solicitor-Client Privileged Advice

A matter pertaining to instructions and directions to officers and employees of the Corporation pertaining to a proposed acquisition of land; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; reports or advice or recommendations of officers and employees of the Corporation pertaining to a proposed acquisition of land; commercial and financial information supplied in confidence pertaining to the proposed acquisition the disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of the Corporation, result in similar information no longer being supplied to the Corporation where it is in the public interest that similar information continue to be so supplied, and result in undue loss or gain to any person, group, committee or financial institution or agency; commercial, information relating to the proposed acquisition that belongs to the Corporation that has monetary value or potential monetary value; information concerning the proposed acquisition whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or its competitive position; information concerning the proposed acquisition whose disclosure could reasonably be expected to be injurious to the financial interests of the Corporation; and instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation concerning the proposed acquisition.

6.2 Land Acquisition/Solicitor-Client Privileged Advice

A matter pertaining to instructions and directions to officers and employees of the Corporation pertaining to a proposed acquisition of land; advice that is subject to solicitor-client privilege, including communications necessary for that purpose; reports or advice or recommendations of officers and employees of the Corporation pertaining to a proposed acquisition of land; commercial and financial information supplied in confidence pertaining to the proposed acquisition the disclosure of which could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of the Corporation, result in similar information no longer being supplied to the Corporation where it is in the public interest that similar information continue to be so supplied, and result in undue loss or gain to any person, group, committee or financial institution or agency; commercial, information relating to the proposed acquisition that belongs to the Corporation that has monetary value or potential monetary value; information concerning the proposed acquisition whose disclosure could reasonably be expected to prejudice the economic interests of the Corporation or its competitive position; information concerning the proposed acquisition whose disclosure could reasonably be expected to be injurious to the financial interests of the Corporation; and instructions to be applied to any negotiations carried on or to be carried on by or on behalf of the Corporation concerning the proposed acquisition.

7. Adjournment

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	CATHY SAUNDERS CITY CLERK
SUBJECT:	ADVANCE VOTING DAYS

RECOMMENDATION

That, on the recommendation of the City Clerk, the attached proposed by-law (Appendix "A") BE INTRODUCED at the Municipal Council meeting to be held on April 10, 2018 to amend By-law E.-181-115, being "A By-law to establish the dates for advance voting and the hours during which voting places shall be open on those dates for the 2018 Municipal Election" by providing for an additional advance voting day on October 4, 2018, in addition to the previously established dates of October 6, 2018 and October 9, 2018 to October 13, 2018, inclusive.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Corporate Services Committee – March 28, 2017

BACKGROUND

The *Municipal Elections Act, 1996*, as amended states that all municipalities must have an advance vote on one or more dates and that the clerk shall establish the dates, the number and location of voting places, and the hours the voting places will be open.

At the Municipal Council Meeting held on April 4, 2017, Municipal Council enacted By-law E.-181-115 to establish the dates for advance voting and hours during which voting places shall be open for the 2018 Municipal Election. The dates established by By-law E.-181-115 are as follows:

Saturday, October 6, 2018 from 10:00 AM to 8:00 PM

Tuesday, October 9, 2018 to Saturday, October 13, 2018, inclusive, from 10:00 AM to 8:00 PM

It has recently come to our attention that Western University's Fall Reading Week will be held the week of October 8, 2018 to October 12, 2018. It had been intended that the advance vote at Western University and Fanshawe College campuses would be held on Thursday, October 11, 2018, which is during Western University's Fall Reading Week. In order to provide an opportunity for Western University and Fanshawe College students, faculty and staff to participate in the advance vote, we will be changing the date of the advance vote for Western University and Fanshawe College, from Thursday, October 11, 2018 to Thursday, October 4, 2018. As a result, it is recommended that By-law E.-181-115 be amended to provide for the additional advance voting day.

PREPARED BY:	RECOMMENDED BY:
SARAH CORMAN MANAGER, LICENSING AND ELECTIONS	CATHY SAUNDERS CITY CLERK

APPENDIX "A"

Bill No.
2018

By-law No. E.-181-115 ()

A by-law to amend By-law No. E.-181-115 being "A By-law to establish the dates for advance voting and the hours during which voting places shall be open on those dates for the 2018 Municipal Election" by providing for an additional advance voting day on October 4, 2018.

WHEREAS subsection 43(1) of the *Municipal Elections Act, 1996*, as amended, provides that before voting day, each local municipality shall hold an advance vote on one or more dates.

AND WHEREAS subsection 43(2) of the *Municipal Elections Act, 1996*, as amended, provides that subject to subsection 43(3), the clerk shall establish, the date or dates on which the advance vote is held; the number and location of voting places for the advance vote; and the hours during which the voting places shall be open for the advance vote, which may be different voting places.

AND WHEREAS it is deemed appropriate to provide for an additional advance voting day for Western University and Fanshawe College;

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

1. Section 1 of By-law E.-181-115 be deleted in its entirety and be replaced with the following new Section 1:

"1. The following advance voting dates and times are hereby established for the October 22, 2018 Municipal Election:

- a) Thursday, October 4, 2018 from 10 AM to 8:00 PM
- b) Saturday, October 6, 2018 from 10:00 AM to 8:00 PM
- c) Tuesday, October 9, 2018 to Saturday, October 13, 2018, inclusive, from 10:00 AM to 8:00 PM;

2. This by-law comes into force and effect on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading – April 10, 2018

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	CATHY SAUNDERS CITY CLERK
SUBJECT:	RESTRICTED ACTS OF COUNCIL AFTER NOMINATION DAY AND VOTING DAY

RECOMMENDATION

That, on the recommendation of the City Clerk, this report with respect to restricted acts of Council after Nomination Day and Voting Day, in accordance with section 275 of the *Municipal Act, 2001*, as amended, BE RECEIVED for information.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

None.

BACKGROUND

Provincial Legislation

On June 9, 2016 the *Municipal Elections Modernization Act, 2016* (MEMA) received Royal Assent. One component of the changes contained in the MEMA relates to the Nomination Period for candidates. Specifically, Nomination Day (the deadline to file as a candidate) is now July 27, 2018 for the 2018 Municipal Election, as compared to September 12 in the case of the 2014 Municipal Election. This represents an almost seven week extension to the period during which a Council could have its acts restricted, for a total period of approximately 4 months.

The *Modernizing Ontario's Municipal Legislation Act* has amended the start date for a new term of Council to November 15 following a Municipal Election to shorten the period during which Council may have its acts restricted. However, for the 2018 Municipal Election there is a transition rule under section 1.1 of the Act which keeps December 1 as the start date for the 2018 Council term, with November 15 to be the start date for the 2022 Council term.

Section 275 of the *Municipal Act, 2001*, as amended, provides that:

(1) The council of a local municipality shall not take any action described in subsection (3) after the first day during the election for a new council on which it can be determined that one of the following applies to the new council that will take office following the election:

1. If the new council will have the same number of members as the outgoing council, the new council will include less than three-quarters of the members of the outgoing council.
2. If the new council will have more members than the outgoing council, the new council will include less than three-quarters of the members of the outgoing council or, if the new council will include at least three-quarters of the members of the outgoing council, three-quarters of the members of the outgoing council will not constitute, at a minimum, a majority of the members of the new council.
3. If the new council will have fewer members than the outgoing council, less than three-quarters of the members of the new council will have been members of the outgoing council or, if at least three-quarters of the members of the new council will have been members of the outgoing council, three-quarters of the members of the new council will not constitute, at a minimum, a majority of the members of the outgoing council. 2001, c. 25, s. 275 (1).

Subsection (3) provides that the actions referred to in subsection (1) are,

- (a) the appointment or removal from office of any officer of the municipality;
- (b) the hiring or dismissal of any employee of the municipality;

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE APRIL 3, 2018
FROM:	WILLIAM C. COXHEAD MANAGING DIRECTOR, CORPORATE SERVICES AND CHIEF HUMAN RESOURCES OFFICER
SUBJECT:	REPORT OF THE DOWNTOWN MONITORED SURVIELANCE CAMERA PROGRAM

RECOMMENDATIONS

That, on the recommendation of the Managing Director, Corporate Services and Chief Human Resources Manager and on the advice of the Division Manager, Corporate Security and Emergency Management, this report **BE RECEIVED** for information purposes.

PERTINENT REPORTS RELATED TO THIS MATTER

July 22, 2013 Ten Year Review Monitored Surveillance Report – Camera Program

PURPOSE

The purpose of this Report is to provide an overview of the Downtown Monitored Surveillance Camera Program.

CONTEXT

The Downtown Monitored Surveillance Camera Program (DMSCP or the “Program”) has been operating for 17 years. The program became fully operational on November 15, 2001 after sixteen (16) surveillance cameras were installed in the downtown area. An additional camera was added to the system in 2009 (now totalling 17 cameras) after an audit recommendation, crime analysis and Council approval in late 2008.

The Corporate Security and Emergency Management Division, in conjunction with the Downtown Monitored Surveillance Camera Program Steering Committee, is responsible for the on-going operation of the Program and providing evaluation reports in accordance with the code of practice. This report provides information on:

- Impact On Crime Reduction
- Assessment of Neighboring Areas without Closed Circuit television Systems
- Requests for Opinions and Views from the Public
- Costs Associated with the Program
- The Administration of the System and its Policies and Procedures

BACKGROUND

The Program evolved from the idea of improving public safety in the core area through the use of technology. The program involves incidents being identified and responded to through camera monitoring in real time and the review of footage after an incident occurred to determine what took place. The cameras continue to be monitored from approximately 9pm to 5am daily and as staff are available during the off times. London Police have direct access to the cameras in the communications area at London Police Headquarters. The following chart provides some stats on how the cameras are being utilized.

CATEGORY	2014	2015	2016	2017
<i>Observed Incident</i>	158	83	102	232
<i>LPS Searches</i>	229	312	281	223
<i>Video Release to LPS</i>	135	159	163	117
<i>LPS Camera Control</i>	31	9	13	12
TOTALS	553	563	559	584

The camera system has proven beneficial in identifying incidents at early stages to reduce escalation as well as aiding officers with their investigations evidence of what took place. These investigations include but are not limited to robbery, assault, property damage, drug offences and homicide/attempted homicide investigations. Officer feedback on the camera system remains positive. In addition the camera system has been pro-actively used in relation to public safety during high profile events and police planned operations or projects monitor activity within the core.

The following are specific examples of incidents where the camera system proved beneficial in the last year.

On January 27, 2017 a citizen called the London Police Service to report being assaulted by security downtown. The citizen had minor injuries to his head and was transported to hospital by EMS. Police viewed the CCTV system at City Hall and concluded that the citizen had been escorted off private property by security. Once outside, the citizen without reason threw himself to the ground before intentionally striking his head several times on the sidewalk. As a result, it was determined that the security guard was acting lawfully and no charges were laid.

On June 30th, 2017 a citizen called the London Police Service to report being sexually assaulted outside a downtown bar the night before. The citizen was admittedly intoxicated and her memory of what transpired was vague. Police viewed the downtown surveillance cameras and obtained a photograph of the suspect. The photograph was provided to the media requesting the public's assistance with the identification of that subject. The subject saw his picture in the media and attended the London Police Service to provide a statement. As a result of the investigation police concluded that the male did not sexually assault the female as reported and was subsequently not charged.

On October 25, 2017 members of the London Police Community Foot Patrol Unit were conducting surveillance relating to the extensive drug trafficking in the downtown core. Police viewed the live feed of the downtown CCTV system where several "hand-to-hand" drug transactions were observed. These observations were relayed to other officers in real time which led to several persons being arrested for drug trafficking.

On September 10, 2017 monitoring staff observed via the #5 (Dundas/Talbot) camera, three males running toward a silver vehicle. All three males enter the vehicle in a quickened pace then drive away headed east on Dundas toward Richmond Street. Upon further investigation into why the male subjects were running, monitoring staff discovered a male lying unconscious on the ground surrounded by bystanders attempting to help/revive him. Monitoring staff immediately notified London Police. At 02:39 EMS arrive on scene followed by the London Police Service.

Assessment of Crime Rates

Appendix "A" (attached) provides details of occurrences in areas that are covered by the cameras as well as the areas surrounding the cameras locations. Over the past several years there has been a steady decrease in the number of occurrences in both the area covered by the cameras and the surrounding area. These results suggest there has not been displacement of criminal activity in areas not covered by the cameras.

London Police continue to partner in the program and they support the continued maintenance of the program. Sergeant Gary Strang stated "The cameras provide valuable information and are of benefit to aiding officers in the performance of their duties. The cameras record a usable copy of "what took place" and often resolve disputes with indisputable real time recorded evidence. The camera system continues to prove its inherent value in improved public safety".

Requests for Opinions and Views from the Public

a) General Information Provided to the Public

Civic Administration has provided general information on the camera program to a number of different areas as requested:

CATEGORY	2014	2015	2016	2017
General Public Enquiries	2	0	4	1
School Project Enquiries	1	1	0	2
Other Municipal Enquiries	4	2	0	0
Media Contact	2	2	1	0
TOTALS	9	5	5	3

b) Municipal Freedom of Information and Protection of Privacy Act (MFFIPPA) Requests and Public Complaints

The Program has experienced an average of four Freedom of Information requests annually over the last ten years. These requests are typically from a member of the public who has experienced an issue in an area where a camera exists and is asking if a recording of the incident is available.

Costs Associated with the Program

Costs/Budgets

The ongoing operating costs for the current program is \$70,000. No staff costs are assigned to the program. Monitoring is completed by security staff on duty from 9:00pm to 5:00am daily. Approximately every four years cameras are upgraded within the capital budget.

The Administration of the System and its Policies and Procedures

Over the past two years additional technology has been tested at the corner of Richmond and Dundas to reduce the number of incidents resulting from poor camera position due to rotation. The technology tested have reduced the frequency where the cameras did not capture information and we will be expanding the technology to other locations as part of our ongoing upgrades to the camera system.

Downtown London is a member of the steering committee and provides advice and a perspective from downtown businesses. They continue to support the program stating “Perceptions of safety play an important role in downtown revitalization. Downtown London continues to support the use of the Downtown CCTV program to promote public safety and to help London Police and the municipality ensure a safe environment for all”

Audit Review Process

The Code of Practice requires audits be completed annually. Audits are completed by KPMG as part of the Corporate Audit Program. The audits are forwarded to the Audit Committee for review. Any issues identified in the audits are addressed by the Division Manager, Corporate Security and Emergency Management.

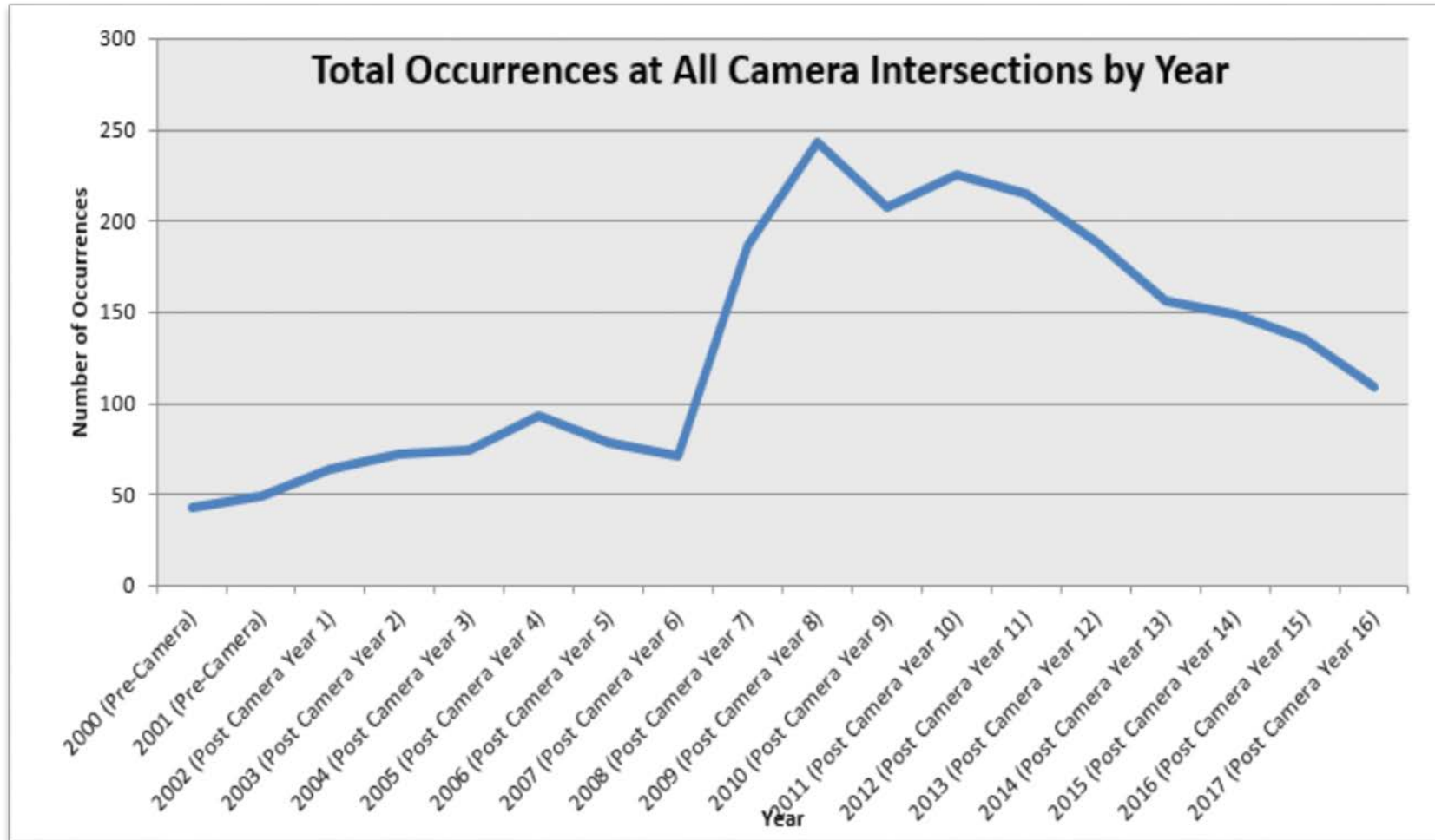
SUMMARY

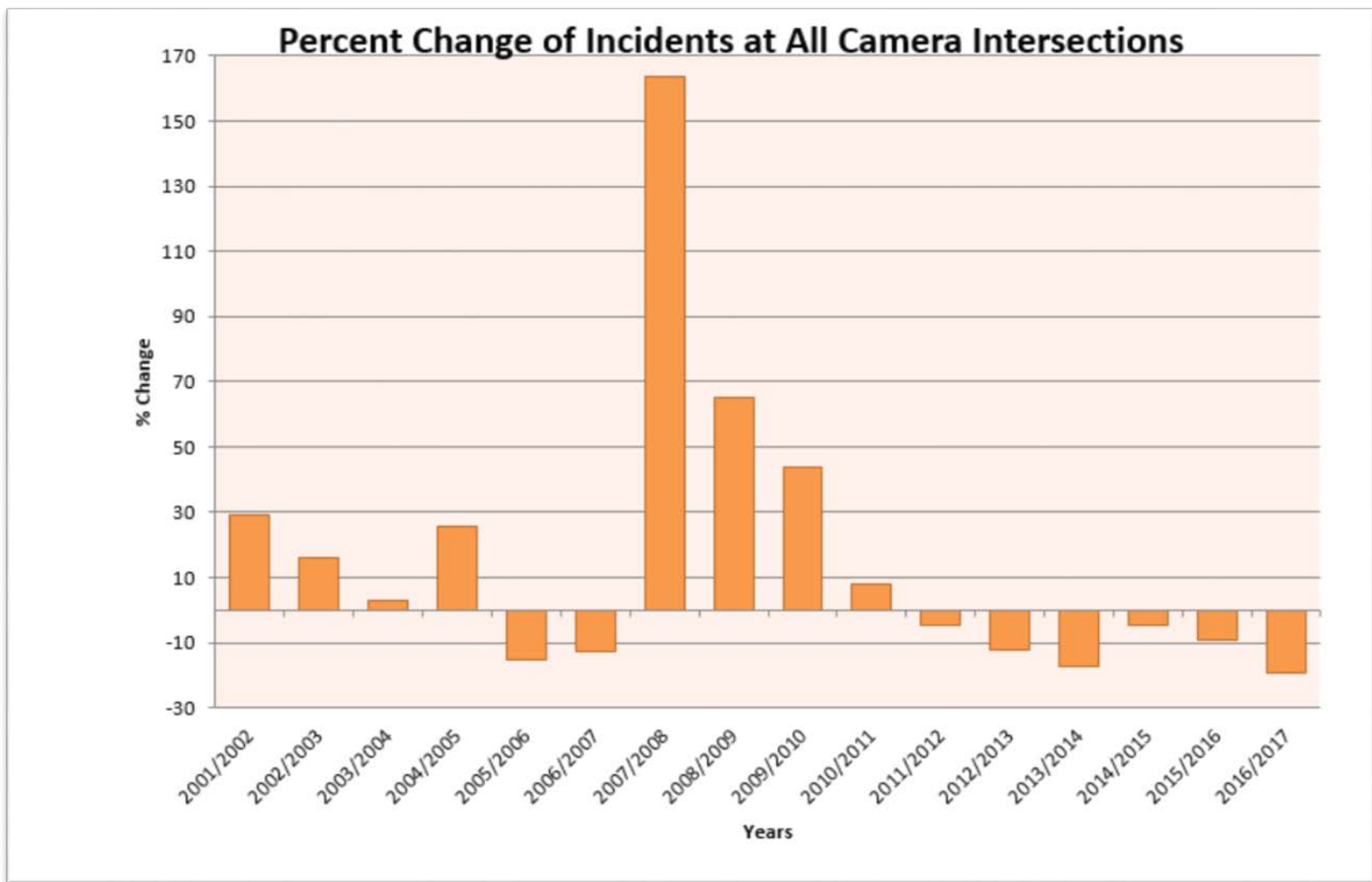
The Downtown Monitored Camera Surveillance Program continues to assist with enhancing community safety and desirability of the downtown area of London. The cameras have assisted law enforcement in the resolution of many incidents in the downtown core and are considered a valuable tool in the early detection and intervention.

PREPARED AND SUBMITTED BY:	RECOMMENDED BY:
DAVE O'BRIEN DIVISION MANAGER CORPORATE SECURITY AND EMERGENCY MANAGEMENT	WILLIAM C. COXHEAD MANGING DIRECTOR, CORPORATE SERVICES AND CHIEF HUMAN RESOURCES OFFICER

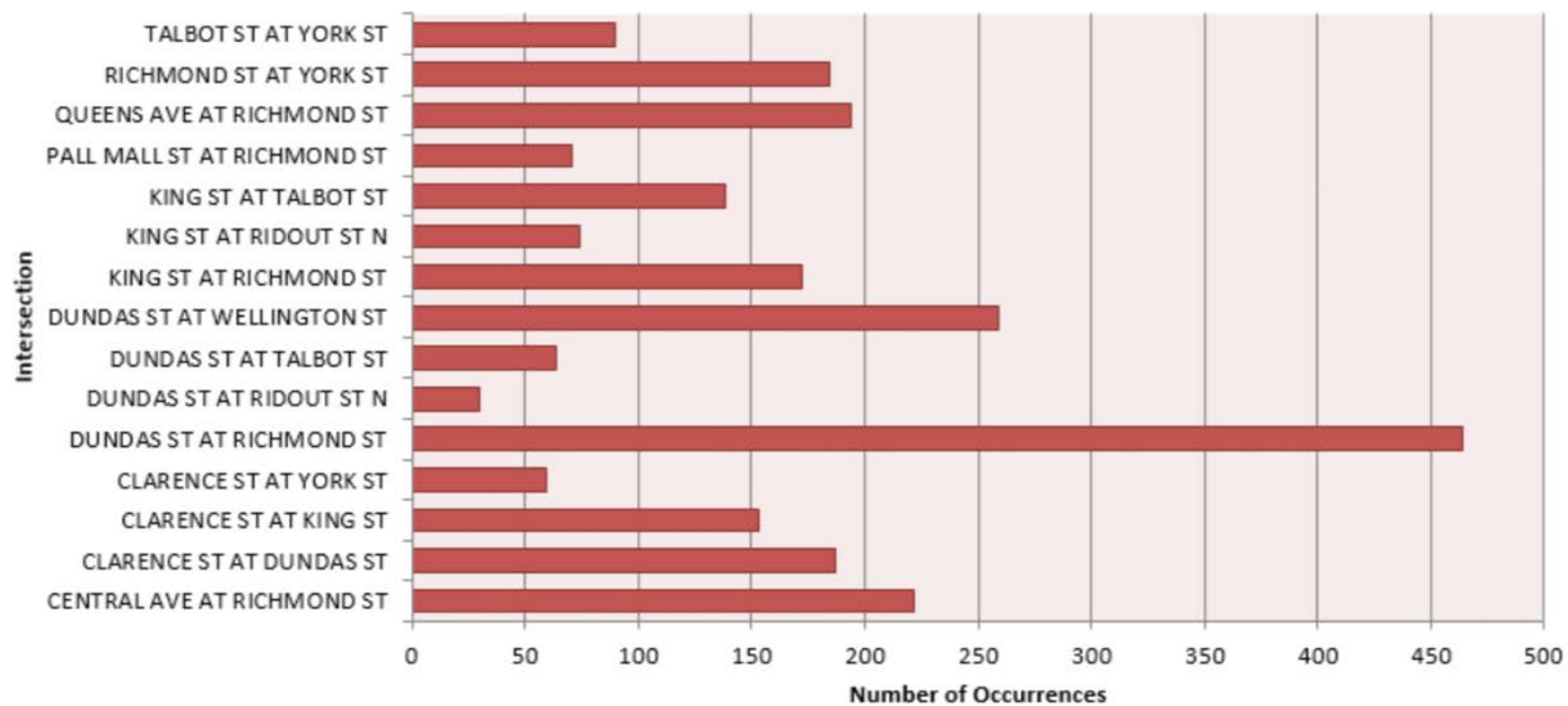
cc: Downtown Camera Program Steering Committee
Privacy Commissioner of Ontario (IPC)

APPENDIX A





Total Occurrences at All Camera Intersections by Intersection

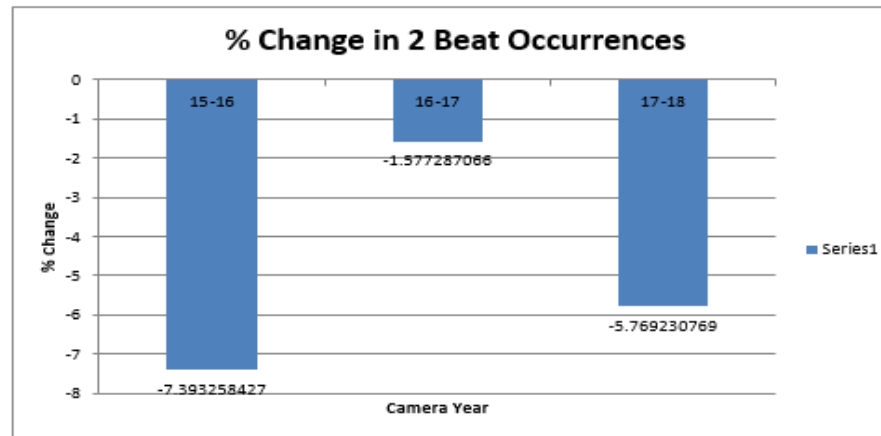
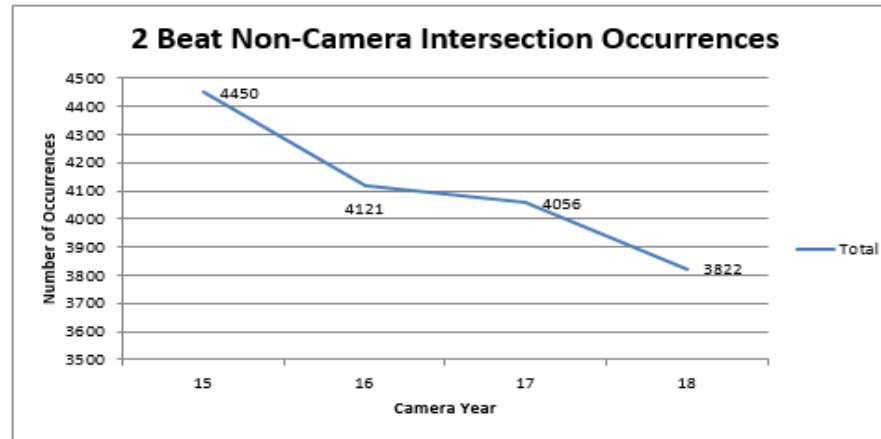


	Pro Camer	Pro Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change	Part Camer	% Change
	2000	2001	2000/2001	2002	2001/2002	2003	2002/2003	2004	2003/2004	2005	2004/2005	2006	2005/2006	2007	2006/2007	2008	2007/2008	2009	2008/2009	2010	2009/2010	2011	2010/2011	2012	2011/2012	2013	2012/2013	2014	2013/2014	2015	2014/2015	2016	2015/2016	2017	2016/2017		
Central Ave At Richmond St	1	3	200	4	33	3	-25	4	33	6	50	5	-17	5	0	21	320	22	-19	22	90	22	0	19	-14	28	47	20	-29	17	-15	13	-24	7	-46		
Clarence St At Deader St	6	11	83	13	18	8	-38	13	63	13	0	9	-31	11	22	13	18	17	-7	5	-38	14	180	11	-21	7	-36	11	57	10	-9	9	-10	6	-33		
Clarence St At King St	3	2	-33	4	100	3	-25	4	33	5	25	7	40	5	-29	13	160	19	-11	14	13	13	-7	14	8	15	7	6	-60	6	0	14	133	6	-57		
Clarence St At Turk St	4	0	-100	2	*	0	-100	0	0	2	*	2	0	3	50	6	100	2	-62	8	233	3	-63	9	200	4	-56	6	50	4	-33	0	-100	4	*		
Deader St At Richmond St	5	10	100	11	10	21	91	13	-38	23	77	13	-43	14	8	34	143	44	26	39	42	45	15	34	-24	26	-24	32	23	33	3	35	6	32	-9		
Deader St At Ridout St N	0	0	0	1	*	1	0	0	-100	0	0	1	*	0	-100	3	*	4	300	5	100	3	-40	2	-33	2	0	3	50	0	-100	2	*	3	50		
Deader St At Talbot St	2	2	0	0	-100	0	0	2	*	3	50	1	-67	2	100	4	100	6	50	8	133	7	-13	9	29	5	-44	3	-40	2	-33	6	200	2	-67		
Deader St At Wellington St	5	6	20	7	17	7	0	5	-29	8	60	6	-25	5	-17	16	220	28	0	22	52	21	-5	18	-14	23	28	17	-26	25	47	24	-4	16	-33		
King St At Richmond St	6	4	-33	7	75	10	43	5	-50	7	40	8	14	5	-38	8	60	12	44	15	138	21	40	18	-14	11	-39	15	36	7	-53	4	-43	9	125		
King St At Ridout St N	1	1	0	0	-100	1	*	1	0	0	-100	0	0	1	*	4	300	8	300	9	75	11	22	18	64	9	-50	3	-67	6	100	2	-67	0	-100		
King St At Talbot St	0	1	*	0	-100	2	*	1	-50	1	0	2	100	0	-100	8	*	8	53	9	-30	13	44	16	23	13	-19	12	-8	13	8	8	-38	8	0		
Pall Mall St At Richmond St	2	0	-100	3	*	1	-67	2	100	2	0	4	100	5	25	12	140	7	53	4	83	6	50	7	17	4	-43	2	-50	4	100	2	-50	4	100		
Queens Ave At Richmond St	1	0	-100	3	*	3	0	6	100	5	-17	7	40	3	-57	15	400	31	180	23	-10	24	4	19	-21	24	26	8	-67	9	13	9	0	4	-56		
Richmond St At Turk St	7	6	-14	6	0	10	67	13	30	16	23	9	-44	9	0	14	56	9	-47	12	178	14	17	16	14	13	-19	13	0	8	-38	5	-38	4	-20		
Talbot St At Turk St	0	2	*	1	-50	2	100	5	150	2	-60	5	150	1	-80	11	1000	14	7	13	14	8	-38	5	-38	5	0	5	0	5	0	2	-60	4	100		
Total of All Intersections Car	43	48	12	62	29	72	16	74	3	93	26	79	-15	69	-13	182	164	231	65	208	44	225	8	215	-4	189	-12	156	-17	149	-4	135	-9	109	-19		



SUMMARY

There has been a steady decline in occurrences within 2 Beat over the past 4 “Camera Years”, excluding locations in which downtown cameras are present. See charts below for details. Note that Camera Year 15 is Nov. 9, 2013 – Nov. 8, 2014, Camera Year 16 is Nov. 9, 2014 – Nov. 8, 2015, Camera Year 17 is Nov. 9, 2015 – Nov. 8, 2016 and Camera Year 18 is Nov. 9, 2016 – Nov. 8, 2017.



F. Cantelon #409911
 Crime Analysis Unit
 March 22, 2018

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	YEAR 2018 TAX POLICY

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to property taxation for 2018:

- a) the Civic Administration BE DIRECTED to prepare a proposed by-law for introduction and enactment at the Municipal Council meeting to be held on April 10, 2018, reflective of committees recommendation in accordance with Sub-sections 308(4) and 308.1(4) of *the Municipal Act, 2001*, to set tax ratios in the various property classes in keeping with the option selected by the Municipal Council from the attached Schedule "B"; it being noted that Appendix "A" reflects option A and Appendix "B" reflects option B, recognizing that either option A or option B is recommended by Finance staff;
- b) the Civic Administration BE DIRECTED to bring forward a proposed by-law (appendix C) for introduction and enactment at the Municipal Council meeting to be held on April 10, 2018 to fully utilize options available in 2018 to exclude properties in capped property classes which have reached current value assessment tax levels or higher in 2017 from being capped again in 2018 and future years;
- c) the Civic Administration BE DIRECTED to bring forward a proposed by-law (appendix D) for introduction and enactment at the Municipal Council meeting to be held on April 10, 2018 to initiate a 4 year phase out of capping for any of the non-residential property classes where London is eligible for such option and exclude vacant land from the capping phase-out eligibility criteria where all properties must be within 50% of CVA level taxes;
- e) the Civic Administration BE DIRECTED to bring forward a proposed by-law (appendix E) for introduction and enactment at the Municipal Council meeting to be held on April 10, 2018 to limit capping protection only to reassessment related changes prior to 2017 and that reassessment changes in capped classes thereafter would not be subject to the cap;
- f) the Civic Administration BE DIRECTED to bring forward a proposed by-law (appendix F) for introduction and enactment at the Municipal Council meeting to be held on April 10, 2018 to adopt the capping formulae for the commercial, industrial and multi-residential property classes as described in detail in this report;

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Corporate Services Committee, April 25, 2017, Item # 2, Year 2017 tax policy

Corporate Services Committee, March 28, 2017, Item # 3, Vacant Unit Rebate and Vacant/Excess Land Subclass Tax Reductions

Corporate Services Committee, September 12, 2017, Item # 3, By-law to Establish Tax Ratio for New Multi-residential Property Class

Corporate Services Committee, November 21, 2017, Item # 4, Vacant Unit Rebate and Vacant/Excess Land Subclass Tax Reduction

Corporate Services Committee, January 23, 2018, Item #7, Assessment Growth for 2018, Changes in Taxable Phase-in, Values and Shifts in Taxation as a Result of Reassessment

Corporate Services Committee, January 19, 2016, Item # 3, Future Tax Policy – Possible Directions

Finance and Administration Committee, September 28, 2011, Future Tax Policy

BACKGROUND

Tax Ratios for 2018 Taxation – (Recommendation a)

Definition of the Term “Tax Ratio”

Tax ratios compare the tax rate for municipal purposes in a particular property class to the residential class. The ratio for the residential class is deemed to be 1.00. A tax ratio of 2.00 would therefore indicate a municipal tax rate twice the residential municipal tax rate. Education tax rates are set by the Province and are not dependent on tax ratios approved by municipal Councils. Under subsection 308(4) of the *Municipal Act, 2001* all single tier municipalities are required to pass a by-law in each year to establish tax ratios for the year.

History of Tax Ratio Setting Restrictions

Beginning in the year 2001, the Province established threshold tax ratios for three property classes - commercial, industrial and multi-residential. At the time, the Province indicated that these threshold ratios represented the Provincial average in each class. For 2017 the multi-residential threshold ratio was reduced from 2.74 to 2.00. Under provisions of the *Municipal Act* and related Regulations, municipalities were not permitted for the year 2001 or subsequent years to impose a general municipal levy increase on a property class which had a ratio exceeding the Provincial threshold. Beginning in 2004, this restriction was modified somewhat to permit levy increases at half the residential rate in property classes with tax ratios above Provincial thresholds. The Province has advised that this flexibility will be provided to municipalities again for 2018 taxation except in the case of the multi-residential class where the tax ratio is greater than 2.00.

London’s Tax Ratios, Provincial Thresholds and Municipal Comparisons

In reviewing tax policy for 2018, it should be noted that none of the property classes in the City of London are above the Provincial thresholds. The only property class in London that was ever above the Provincial threshold was the industrial class. Council moved the industrial ratio down to the threshold for 2001 taxation. At the time of the last reassessments in 2006, 2009 and 2013 Council maintained the policy of not permitting tax ratios in any property class to exceed Provincial thresholds.

The tax ratios in effect for the year 2017 and their proximity to the Provincial thresholds or averages established in 2001, as well as the Provincial targets or allowable ranges can be summarized as follows:

	City of London 2017 Tax Ratio	Provincial Threshold/Average (O.Reg. 73/03)	Provincial Targets/Allowable Ranges (O.Reg. 386/98)
Commercial	1.950000	1.98	0.6 to 1.1
Industrial	1.950000	2.63	0.6 to 1.1
Multi-Residential	1.847000	2.00	1.0 to 1.1
Pipeline	1.713000	N/A	0.6 to 0.7
Farm	0.139500	N/A	N/A
Residential	1.000000	N/A	N/A

Schedule “D” attached provides comparative information on how different municipalities tax the various different major property classes. The information from Schedule “D” comes from the 2017 BMA Municipal Study and includes all municipalities with populations greater than 100,000. The last column of Schedule “D” is a theoretical calculation that shows the tax increase that would be required in the residential property class in each municipality if all property classes had a tax ratio of 1. The Schedule indicates that the theoretical adjustment for the City of London would be at the median for the group.

Tax Ratios –Commercial and Industrial (Recommendation a)

Schedule “A” attached, summarizes the tax ratios for all municipalities with populations greater than 100,000 included in the 2017 Municipal Study prepared by BMA Management Consulting Inc. The attached Schedule “A” shows the tax ratios for the three main non-residential property classes – Commercial, Industrial, and Multi-residential. In 2015, the City of London achieved a long term objective identified in September 2011 of lowering and equalizing the tax ratios in the main non-residential property classes. Over a four year period the, City adjusted all the main non-residential tax ratios to a level of 1.95. Both the Region of Waterloo and the City of London had uniform ratios of 1.95 for all these property classes in 2015. In 2016 and 2017, the City decreased the multi-residential ratio to equalize the municipal tax increase in the residential and multi-residential property classes.

For 2018, it is recommended that Commercial and Industrial tax ratios continue to be maintained at a uniform level. It would seem there is no logical justification for taxing industrial properties at higher rates than commercial properties as was a past practice. The Province has apparently accepted the validity of this position in the setting of education tax rates for commercial and industrial properties. For the first time in 2017, the Province established equal education property tax rates for commercial and industrial properties and has continued this practice in 2018.

For 2018, the commercial and industrial tax ratios could be set at a level to equalize municipal tax increases in the commercial and residential property classes. This level is indicated in option A on schedule “B” attached. This option would result in the commercial and industrial ratios being set at what is generally described as a revenue neutral level. If no ratio adjustment is made in the commercial class the average municipal tax increase in the class would be 6.5% as indicated on Schedule “C”. Schedule “A” indicates that the City of London commercial tax ratio in 2017 was above the average level although close to the median level for the group.

Lowering the commercial/industrial tax ratio could potentially provide greater flexibility at the time of a future reassessment where there may be a shift in taxation towards the residential property class. The next reassessment is scheduled for 2021. Under current legislation if the commercial tax ratio is increased beyond 1.98 a portion of the tax levy increase on the commercial property class is restricted and transferred to other property classes including residential. Where the tax ratio is below 1.98 the municipality would have flexibility to prevent tax shifts towards the residential class. The greater the tax ratio is below 1.98 the greater would be the flexibility. Because of the pattern of the four year assessment cycle (2017-2020) Council should have the ability to consider making option A adjustments in 2019 and 2020 if it chose option B on schedule B in 2018. Council could consider lowering the commercial and industrial ratios to a level at or below the average shown on Schedule A in 2019 and 2020.

The effect on economic development is an important consideration in the review of tax policy in the commercial and industrial property classes as well as other property classes. Schedule “H” evaluates and rates various different economic development strategies. The schedule indicates that tax policy may have significant advantages over other economic development strategies.

Tax Ratios – Multi-residential Property Class (Recommendation a)

Schedule “A” indicates the multi-residential ratio in the City of London is below the average and the median when compared to the other municipalities listed. In December 2016, the Provincial Ministry of Finance issued a letter indicating that the Province had concerns with respect to the taxation of multi-residential properties and it was their intention to study the issue and consult with various stakeholders beginning in early 2017. In the letter, the Province indicated its intention to restrict tax increases in the multi-residential property class in 2017 in any municipality where the 2017 tax ratio was greater than 2.0. London was not subject to this restriction since its tax ratio was below the 2.0 level. The same tax ratio restriction for the multi-residential property is in place for 2018.

Since the year 2000, the City has decreased its multi-residential tax ratio from 2.3852 to 1.847000 in 2017. This has been the result of adopting a long term policy to equalize non-residential tax ratios and also to equalize municipal tax increases in the residential and multi-residential property classes in particular years. In 2015, the City equalized non-residential tax ratios. In 2016 and 2017, the City equalized municipal tax increases in the residential and multi-residential property classes and decreased the multi-residential property class tax ratio below the commercial and industrial levels.

For 2018, it is recommended that Council adopt the same policy as adopted in 2016 and 2017 and in some previous years to equalize municipal tax increases in the multi-residential and residential property classes. This approach is reflected in option A and option B on Schedule “B”, which results in a multi-residential tax ratio of 1.795800.

Tax Ratios – New Multi-residential Property Class (Recommendation a)

On July 5th 2017, the Minister of Finance signed a regulation requiring all municipalities to establish a new multi-residential property class with a tax ratio range between 1.0 and 1.1. The regulation applied to any multi-residential property in Ontario built or converted from a non-residential use pursuant to a building permit issued after April 20, 2017. In accordance with this regulation the City of London established a new multi-residential property class with a ratio of 1.0 in 2017. It is recommended that this ratio be continued for 2018. There was no property in the New Multi-residential property class on the assessment roll provided to the City of London at the end of 2017.

Farm Property Class Tax Ratio (Recommendation a)

The tax ratio for the farm property is set in accordance with Section 308.1 of the *Municipal Act, 2001*. Under the provisions of that Section, the ratio is automatically reset to .25 every year unless the Municipality sets it at a lower level by by-law each year. The farm property class is a very small class in the City of London, and changes in the tax ratio for the farm class have no significant impact on any other property classes. In the past, the City has always followed a policy of setting the farm property class tax ratio at a level that would result in the farm class receiving the average municipal tax increase subject to the .25 maximum in the legislation. We recommend continuation of this policy for 2018. This policy will result in the tax ratio indicated on Schedule “B” in the farm class in 2018 of 0.118030. The 2017 ratio was 0.1395.

In December 2017, the Ministry of Finance issued a letter indicating that for 2018 it would permit the option of a 75% tax rate reduction on the first \$50,000 of assessment related to qualifying non-farm commercial activity at a farm property. At the time of writing this report the regulation authorizing this program was not available and for this reason exact details are uncertain. Participation in the program is not recommended as it would involve an extremely small number of property owners and tax mitigation is already being provided to farm land property owners through the establishment of tax ratios. Council can reconsider this issue in 2019 after a regulation has been published and more information is available.

Landfill Property Class Tax Ratio (Recommendation a)

The City of London does not have any taxable property in the Landfill property class. It is recommended that a ratio be established each year however at the maximum permitted by legislation. Council would still have the ability to set a ratio at a lower level at any point in time in the future at its discretion if and when taxable assessment came into existence in the City. This approach will maximize the flexibility for ratio setting in this property class in the future. The maximum ratio permitted by legislation in 2018 is 2.459410. (Revenue neutral ratio x 1.05). The ratio established in 2017 was 2.295230.

Pipeline Tax Ratio (Recommendation a)

Unlike the commercial, industrial, and multi-residential classes, the Province has not set any threshold tax ratio level or levy restriction with respect to the pipeline class. However, there are significant restrictions on increases in pipeline tax ratios set out in section 308 of the *Municipal Act, 2001*. It is therefore recommended that the tax ratio for the pipeline class not be changed for the year 2018.

Summary of Tax Ratio Recommendations for 2018 (Recommendation a)

In summary, for 2018 we are recommending council select option A or option B as shown on Schedule "B". Schedule "B" indicates the alternative tax ratios and the average % increases in taxes in the various property classes both including and excluding the education component of the property tax bill.

Property Tax Rate Calculation Adjustment

In 2018, the Province is permitting an optional technical adjustment in the calculation of levy increases required to be disclosed on tax bills (Ontario Regulation 75/01). The option would be appropriate in situations where the municipality has not adequately included provisions for future losses from assessment appeals and similar adjustments in tax levies and budgets of previous years. This is not currently the situation in the City of London and we do not recommend the selection of this option. This option was mentioned in a letter to municipal treasurers from the Ministry of Finance dated December 21st 2016 and December 22nd 2017.

Option for elimination or phase out of vacant/excess land subclass tax reduction

In 2017 the Minister of Finance announced that he was prepared to permit Municipalities to end vacancy rebate programs and the subclass reductions for vacant and excess land in the commercial and industrial property classes. The legal mechanism for doing this is a regulation issued by the Minister. Many municipalities including London have taken action to phase-out vacancy rebate programs. Very few municipalities at this point, however, have taken action to phase-out or eliminate the vacant/excess land subclass reduction. The reduction amounts to 30% of the total taxes that would otherwise be applicable. This issue was addressed in a report to Corporate Services Committee in November 2017.

The recommendation for the vacant/excess land subclass tax reduction at the time of the report to Corporate Services Committee in November 2017 was that no action be taken until a later date when it is clear as to what decisions are being made in other municipalities in Ontario with respect to this issue. At this point in time we would recommend deferring any decision until 2019 when more information is available as to how other municipalities are approaching this issue. At the present time there is also the added complication that we understand there will be no regulations issued by the Minister based on new requests until after the provincial election scheduled in June. The City, however, will be issuing its 2018 final tax bills prior to the election date.

Ongoing Reductions in Business Education Taxes

In April 2005, London City Council passed a resolution requesting that the Minister of Finance for the Province of Ontario "review the entire process for setting education property tax rates for business properties and that education tax rates for properties in the City of London be lowered to a level consistent with other municipalities in the Province". The resolution, along with a letter from the Mayor went to the then Minister of Finance, Greg Sorbara in April 2005. After a letter

from the Minister in June 2005, the Mayor followed up with a second letter in February 2006 to a new Minister of Finance – Dwight Duncan. In 2007, Dwight Duncan announced that major tax reform would occur in the area of education property taxes along the lines requested by the City beginning in 2008 and would be phased-in over the seven year period ending in 2014. As a result of this major reform, the Province had indicated that by the year 2014 when the phase-in was complete, education property taxes in the City of London would be reduced by \$33.6 million each and every year into the future from what they otherwise would have been.

In the Ontario budget introduced in the legislature on March 27, 2012, however, it was announced that business education property tax cuts previously scheduled for 2013 and 2014 would be deferred until 2017-2018 after Ontario is returned to a balanced budget. It is estimated that the reductions that the 2012 Provincial budget deferred would have been in excess of 10 million dollars in the City of London and represent about 19% of the education property taxes in the commercial and industrial property classes in the City. This issue is addressed in a separate report to the Corporate Services Committee on provincial education tax rates for 2018 and a council resolution to the Minister of Finance has been recommended.

Utilizing Options Available to Bring an End to Capping Tax Increases and Clawing Back Tax Decreases in the Commercial, Industrial and Multi-Residential Property Classes (Recommendations b, c, d, and e)

Since major Province wide tax reform began in 1998, the Province has mandated a complex system of capping tax increases and clawing back tax decreases in the commercial, industrial and multi-residential property classes. We have long believed the entire system was unfair to taxpayers, damaging to economic development and administratively onerous. Based on consultation with municipal representatives including the City of London during 2008, the Province provided increased flexibility under the business tax capping program for 2009 and future years. It appears the Province decided to provide this very significant increase in flexibility to municipalities because of the new tax mitigation provided by the four year phase-in of assessment values beginning with the reassessment for 2009 taxation.

Beginning in 2009, municipalities had options to permanently remove properties from the capping and claw-back system once they have reached their CVA (current value assessment) level taxes. Municipalities can have these options apply to all capped property classes or limit the options to individual capped classes. For 2018, this means that any property which had paid CVA taxes or higher (i.e. clawed back) in 2017 can be excluded from having a tax increase capped in 2018. At the same time, a property that had a tax increase capped in 2017 cannot have a tax decrease clawed back in 2018 if the options are chosen. Preliminary calculations indicate continuing to fully utilize the options available will significantly reduce the capping of tax increases and clawing back of tax decreases.

Beginning in 2016 and for future years where there are no properties taxed at less than 50% of CVA levels, a municipality may enter a 4 year phase out program to end capping from reassessment related changes prior to 2017. London was eligible for this program in the industrial class for 2016. In 2018, London is eligible in the Commercial and Multi-residential property classes.

Beginning in 2017, the Province is providing new flexibility to exclude vacant land from the phase-out eligibility criteria for capping of reassessment related changes prior to 2017. In addition beginning in 2017 and for future years, municipalities have the option to limit capping protection only to reassessment changes prior to 2017. For municipalities that select this option, reassessment related increases, beginning in 2017, would not be subject to the cap. These options would be implemented through municipal by-laws.

We recommend that Council take advantage of all opportunities to bring the capping of tax increases and the clawing back of tax decreases to an end as soon as possible. In 2017, the City utilized all options available to exclude properties from future capping and no problems were encountered. The continued implementation of all available options to end capping in 2018 will require Council to pass by-laws in accordance with the Municipal Act, 2001. We believe the continuation of the capping program is unnecessary because of the 4 year phase in of assessed values that began in 2009. Capping can create a situation where some properties never pay their

share of the levy in the property class based on market values and uniform tax rates for the various property classes.

By-law to Set a Formula for Calculating Caps in the Commercial, Industrial and Multi-Residential Property Classes (Recommendation f)

Since 2008, Council has adopted several options permitted by Section 329.1 to reduce the amount of capping of tax increases and clawing back of decreases in the commercial, industrial and multi-residential property classes. The selected options were as follows:

- capping at 10% of previous years taxes instead of the 5% minimum;
- utilizing the option of 10% of previous years CVA taxes where applicable;
- reducing cap adjustments equal to or less than \$500 to nil;
- new construction was taxed without any cap adjustment.

The use of all these options significantly reduced the amount of clawing back of decreases as can be seen on Schedules “E” and “F” of this report. No significant problems or issues were encountered by the City Tax Office in past billings as a result of utilizing the above options. The use of these option will expedite the eventual end of the capping and clawing back system as more and more properties reach their CVA level taxes.

It is therefore recommended that a by-law be enacted under section 329.1 of the *Municipal Act, 2001* for 2018 and subsequent years where applicable, to adopt the capping formula described above.

No By-law recommended to Claw back a Portion of Tax Decreases in Capped Property Classes

For 2018 and future years it is recommended that clawing back a portion of reassessment tax decreases to finance capping of tax increases be discontinued. For 2018 capping of tax increases is confined to the commercial class and amounts to approximately \$24,000 in total. This amount can be accommodated in the tax adjustment/write-off accounts in the City’s annual budget.

Phase-In Program for Residential Property Class not recommended

All residential properties in the City of London were reassessed for 2017 taxation based on January 1, 2016 market values. The January 1, 2016 market values are being phased-in over a 4 year period from 2017 to 2020 as required by Provincial legislation. Assessment related tax changes for 2018 occurring in the residential class have been analyzed and compared to the 2013, 2009, 2006, 2004, 2003, 2001 and 1998 reassessments. The results of this analysis are shown on Schedule “G” attached.

Assessment related tax changes exclude tax increases that result from levy increases. The levy increase is imposed in addition to assessment related tax changes (increases and decreases).

As can be seen from Schedule “G”, the amount of assessment related decreases and increases for 2018, 2017, 2016, 2015, 2014, 2013, 2012, 2011, 2010 and 2009 are significantly less than the increases and decreases which have occurred in reassessments in the City prior to 2009. The reason for this is that for the first time in 2009, the Province included a phase-in of all reassessment changes on the 2009 assessment roll. This phase-in process will be continued over the period 2017 to 2020. For 2020, residential properties will be valued on the roll at their January 1, 2016 value.

For 1998 and subsequent reassessments up to and including 2013, Council decided that a phase-in under section 318 of the *Municipal Act, 2001* of assessment related tax changes was not necessary. Based on the above data and the fact that the Province has already instituted a four year phase-in of assessment values on the roll, it appears clear that no further tax mitigation in the residential class is necessary.

In summary, based on our analysis of the reassessment data and the existence of a four year phase-in of values on the assessment roll, we believe any additional phase-in of the residential class under section 318 of the *Municipal Act, 2001* is not warranted.

Comments on Unusual Tax Increases after a Reassessment

Whenever a general reassessment occurs, there will always be a small number of large tax increases. Inevitably, when over 100,000 properties are valued, some errors and inaccuracies will occur. If a property is overvalued when a reassessment occurs, the remedy is to contact the Municipal Property Assessment Corporation and have the valuation corrected or appeal the assessment in accordance with the provisions of the Assessment Act.

When a property is undervalued or incorrectly classified to the taxpayers benefit, the taxpayer has no financial incentive to have the error or inaccuracy corrected. The error or inaccuracy will typically be corrected at the next reassessment and surface as an unusually large increase. Focusing on the amount or percentage of the increase obscures the real cause of the tax change (i.e. an inaccuracy in the valuation or classification of the property in the past). Phasing-in or capping taxes in these situations only perpetuates errors and inaccuracies in the assessment system and represents a major departure from the fundamental principle of fairness (i.e. that every property owner within a class pays the same tax rate on the market value of his or her property).

SUMMARY

Schedule "B" attached shows the various options recommended for Council's consideration. The schedule shows the average % increase in each property class both including and not including the education component of the property tax. Schedule "B" also shows the ratios required to implement each identified alternative. The options as recommended in this report are option A or option B.

The percentages shown on Schedule "B" represent **average** tax changes only. In reality virtually no-one is exactly at the average. Most property owners will be slightly above or slightly below the average.

Schedule "A" attached is a very important schedule. It shows how London's tax ratios compare to other municipalities in the Province. Schedule "A" indicates that the City of London currently has tax ratios in place which are competitive with other major cities in Ontario.

A few properties in the commercial property class will still be subject to limitations on year-over-year tax increases and decreases in accordance with Provincial legislation. These limitations, however, would also be subject to options adopted to prevent properties from re-entering the Province's capping and clawing back system in the future as recommended in this report.

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RECOMMENDED BY:	
ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER	

Attachments:

LIST OF ATTACHMENTS

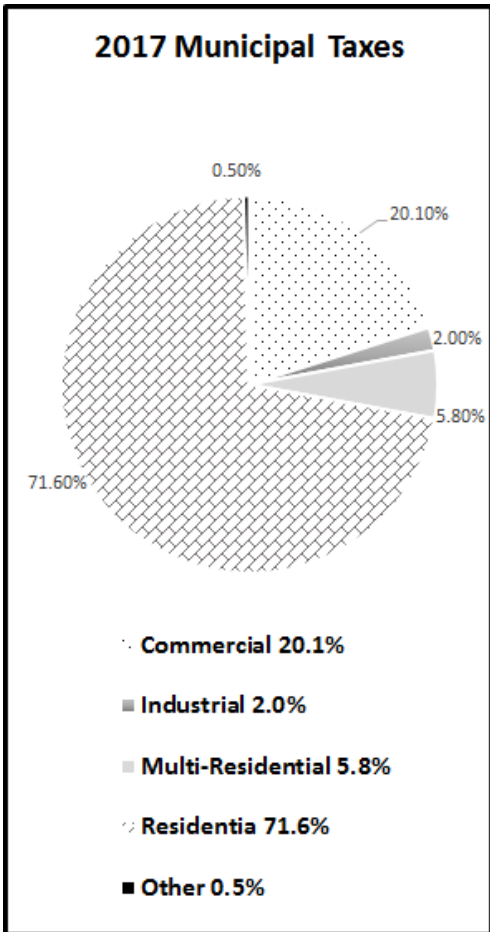
YEAR 2018 TAX POLICY

- Schedule A Tax Ratios for Municipalities in BMA Study with Populations Over 100,000**
- Schedule B 2018 Tax Policy – Alternative Tax Ratios for Consideration**
- Schedule C Municipal Tax Impact by Property Class for 2018 Levy Change and No Change in Tax Ratios**
- Schedule D Shift in Tax Burden – Un-weighted to Weighted Residential Assessment for Municipalities in BMA Study with Populations Over 100,000**
- Schedule E Claw Back Percentages by Year**
- Schedule F Cap Adjustments by Year**
- Schedule G Assessment Related Tax Changes in the Residential Property Class**
- Schedule H Rating/Evaluation of Economic Development Strategies - Municipalities**

SCHEDULE "A"
TAX RATIOS FOR MUNICIPALITIES IN BMA STUDY WITH POPULATIONS
OVER 100,000

Municipality with > 100,000 Population in 2017 BMA Study	Multi-Residential Tax Ratio	Commercial Tax Ratio (Residual)	Industrial Tax Ratio (Residual)	Industrial Tax Ratio (Large)	Average of Large and Residual Industrial Tax Ratios
Barrie	1.0000	1.4331	1.5163	1.5163	1.5163
Brampton	1.7050	1.2971	1.4700	1.4700	1.4700
Durham	1.8665	1.4500	2.2598	2.2598	2.2598
Greater Sudbury	2.1217	2.0669	4.3110	4.8863	4.5987
Guelph	1.9287	1.8400	2.2048	2.2048	2.2048
Halton	2.0000	1.4565	2.3599	2.3599	2.3599
Hamilton	2.6913	1.9800	3.4414	4.0355	3.7385
Kingston	2.0000	1.9800	2.6300	2.6300	2.6300
London	1.8470	1.9500	1.9500	1.9500	1.9500
Mississauga	1.5888	1.4517	1.5934	1.5934	1.5934
Niagara	2.0000	1.7586	2.6300	2.6300	2.6300
Ottawa	1.4530	1.9260	2.7054	2.3232	2.5143
Thunder Bay	2.5665	2.1444	2.4883	3.3682	2.9283
Toronto	2.7277	2.8828	2.8828	2.8828	2.8828
Waterloo	1.9500	1.9500	1.9500	1.9500	1.9500
Windsor	2.3564	2.0190	2.3200	2.9381	2.6291
York	1.0000	1.1813	1.4169	1.4169	1.4169
Average	1.9296	1.8098			2.4278
Median	1.9500	1.9260			2.3599
Minimum	1.0000	1.1813			1.4169
Maximum	2.7277	2.8828			4.5987
Provincial Threshold	2.0000	1.9800	2.6300	2.6300	2.6300
London Compared to Median	-5.3%	1.2%			-17.4%
London Compared to Average	-4.3%	7.7%			-19.7%
change in group averages since 2006	-14.34%	-4.55%			-5.44%

SCHEDULE "B"
2018 TAX POLICY
ALTERNATIVE TAX RATIO OPTIONS FOR CONSIDERATION



	Option A - equalize average municipal tax increase in residential, farm, multi-residential and commercial property classes	Option B - equalize average municipal tax increase in residential, farm, and multi-residential classes	Option C - reduce all non-residential property classes to equal tax ratio and keep average increase in residential class at 2.7% including education	Option D - reduce only the multi-residential tax ratio to 1.6 and keep average increase in the residential class at 2.7% including education (reduce commercial and industrial tax ratios to equal level of 1.85)
average tax increases in property classes including education	residential = 2.0% farm = 5.3% multi-residential = 2.6% commercial = 2.9% industrial = -1.2%	residential = 1.1% farm = 4.5% multi-residential = 1.6% commercial = 5.3% industrial = 1.1%	residential = 2.7% farm = 5.9% multi-residential = 3.5% commercial = 1.3% industrial = -2.7%	residential = 2.7% farm = 5.9% multi-residential = -7.1% commercial = 3.0% industrial = -1.0%
average tax increases in property classes excluding education	residential = 2.8% farm = 2.8% multi-residential = 2.8% commercial = 2.8% industrial = -0.8%	residential = 1.7% farm = 1.7% multi-residential = 1.7% commercial = 6.7% industrial = 2.9%	residential = 3.5% farm = 3.5% multi-residential = 3.8% commercial = 0.2% industrial = -3.3%	residential = 3.6% farm = 3.6% multi-residential = -7.7% commercial = 3.0% industrial = -0.6%
tax ratios used	residential = 1.000000 farm = 0.118030 multi-residential = 1.795800 commercial = 1.860000 industrial = 1.860000 pipelines = 1.713000 managed forests = 0.250000	residential = 1.000000 farm = 0.118030 multi-residential = 1.795800 commercial = 1.950000 industrial = 1.950000 pipelines = 1.713000 managed forests = 0.250000	residential = 1.000000 farm = 0.118030 multi-residential = 1.800000 commercial = 1.800000 industrial = 1.800000 pipelines = 1.713000 managed forests = 0.250000	residential = 1.000000 farm = 0.118030 multi-residential = 1.600000 commercial = 1.850000 industrial = 1.850000 pipelines = 1.713000 managed forests = 0.250000

- In all the alternatives shown above municipal tax increases for residential and farm property classes have been equalized.
- % calculations above do not include business education tax rate on new construction in commercial and industrial property classes
- recommended ratio for Landfill property class under all options is 2.459410
- recommended ratio for New Multi-residential property class under all options is 1.000000

SCHEDULE "C"
MUNICIPAL TAX IMPACT BY PROPERTY CLASS FOR 2018 LEVY CHANGE AND NO CHANGE IN TAX RATIOS

	2017 Tax Rates on 2017 Year End Assessments	2018 Taxes (2018 Approved Budget)	Tax Change From Reassessment Phase-in and Budget	Tax Ratios Used
Summary by Class				
Commercial	\$74,446,858	\$78,889,517	5.97%	1.950000
Office Building	\$7,736,109	\$7,984,207	3.21%	1.950000
Farmland	\$511,104	\$613,391	20.01%	0.139500
Industrial	\$7,230,916	\$7,459,490	3.16%	1.950000
Large Industrial	\$4,236,819	\$4,316,592	1.88%	1.950000
Multi-residential	\$32,755,543	\$34,209,403	4.44%	1.847000
Pipeline	\$2,008,334	\$2,043,130	1.73%	1.713000
Residential	\$403,697,237	\$409,945,339	1.55%	1.000000
Shopping Centre	\$31,417,457	\$34,068,438	8.44%	1.950000
Managed Forest	\$2,446	\$2,721	11.26%	0.250000
	\$564,042,824	\$579,532,227	2.75%	
Summary by Class				
Commercial Including Optional Classes	\$113,600,424	\$120,942,162	6.46%	1.950000
Farmland	\$511,104	\$613,391	20.01%	0.139500
Industrial Including Optional Classes	\$11,467,736	\$11,776,081	2.69%	1.950000
Multi-residential	\$32,755,543	\$34,209,403	4.44%	1.847000
Pipeline	\$2,008,334	\$2,043,130	1.73%	1.713000
Residential	\$403,697,237	\$409,945,339	1.55%	1.000000
Managed Forest	\$2,446	\$2,721	11.26%	0.250000
	\$564,042,824	\$579,532,227	2.75%	

SCHEDULE "D"
SHIFT IN TAX BURDEN - UNWEIGHTED TO WEIGHTED RESIDENTIAL
ASSESSMENT FOR MUNICIPALITIES IN BMA STUDY WITH POPULATIONS
OVER 100,000

Municipality with > 100,000 Population in 2017 BMA Study	Residential Unweighted Assessment	Residential Weighted Assessment	% Change	Implied Adjustment to Residential Taxes
Toronto	74.6%	51.2%	-23.4%	45.7%
Thunder Bay	79.0%	62.3%	-16.7%	26.8%
Windsor	74.7%	59.3%	-15.4%	26.0%
Greater Sudbury	81.5%	65.7%	-15.8%	24.0%
Cambridge	75.1%	61.8%	-13.3%	21.5%
Kingston	75.1%	61.9%	-13.2%	21.3%
Hamilton	81.4%	67.4%	-14.0%	20.8%
Ottawa	75.9%	63.2%	-12.7%	20.1%
Guelph	78.4%	65.8%	-12.6%	19.1%
Waterloo	75.1%	63.5%	-11.6%	18.3%
Kitchener	79.7%	67.9%	-11.8%	17.4%
St. Catherines	79.8%	68.8%	-11.0%	16.0%
London	81.5%	70.6%	-10.9%	15.4%
Burlington	79.2%	70.1%	-9.1%	13.0%
Mississauga	72.6%	64.4%	-8.2%	12.7%
Oshawa	79.1%	70.5%	-8.6%	12.2%
Oakville	84.7%	77.7%	-7.0%	9.0%
Whitby	85.5%	79.4%	-6.1%	7.7%
Barrie	76.6%	71.2%	-5.4%	7.6%
Milton	81.7%	76.3%	-5.4%	7.1%
Brampton	80.8%	75.9%	-4.9%	6.5%
Vaughan	78.0%	74.8%	-3.2%	4.3%
Markham	84.3%	82.3%	-2.0%	2.4%
Richmond Hill	88.8%	87.3%	-1.5%	1.7%
Average				15.7%
Median				15.7%
Maximum				45.7%
Minimum				1.7%
London Compared to Median				-1.7%
London Compared to Average				-1.6%

If all non-residential classes were at 1, residential taxes would increase by 15.4%

residential unweighted assessment does not reflect any weighting of various classes with tax ratios.

residential weighted assessment reflects the weighting of non-residential assessment with tax ratios

SCHEDULE "E"
CLAW BACK PERCENTAGES BY YEAR

	Year	Multi Residential	Commercial	Industrial
Reassessment Year	1998	42.96%	60.88%	40.73%
	1999	29.54%	42.07%	16.47%
	2000	20.16%	25.38%	7.99%
Reassessment Year	2001	65.56%	66.18%	21.18%
	2002	40.89%	58.29%	21.95%
Reassessment Year	2003	48.34%	73.90%	78.54%
Reassessment Year	2004	42.73%	75.18%	63.44%
	2005	24.84%	53.87%	53.23%
Reassessment Year	2006	38.69%	36.71%	33.37%
	2007	36.97%	59.00%	67.51%
	2008	88.84%	42.72%	46.38%
Reassessment Year with Phase in	2009	11.11%	21.46%	20.19%
	2010	10.93%	21.96%	17.36%
	2011	10.78%	6.34%	4.44%
	2012	6.49%	7.46%	5.45%
Reassessment Year with Phase in	2013	25.35%	11.42%	6.69%
	2014	8.53%	18.26%	1.16%
	2015	14.40%	9.52%	0.98%
	2016	5.38%	8.32%	0.00%
Reassessment Year with Phase in	2017	0.00%	8.49%	0.00%

SCHEDULE "F"
CAP ADJUSTMENTS BY YEAR

	Year	Multi Residential	Commercial	Industrial	Total
Reassessment Year	1998	\$861,955	\$8,161,158	\$1,347,038	\$10,370,151
	1999	\$456,005	\$6,268,157	\$757,655	\$7,481,817
	2000	\$320,089	\$5,410,929	\$454,271	\$6,185,289
Reassessment Year	2001	\$951,130	\$8,745,043	\$959,260	\$10,655,433
	2002	\$390,568	\$5,818,822	\$461,648	\$6,671,038
Reassessment Year	2003	\$725,782	\$5,935,519	\$1,019,716	\$7,681,017
Reassessment Year	2004	\$833,525	\$6,200,165	\$1,121,642	\$8,155,332
	2005	\$213,377	\$3,302,585	\$662,151	\$4,178,113
Reassessment Year	2006	\$414,312	\$4,514,056	\$506,016	\$5,434,384
	2007	\$175,561	\$2,625,310	\$351,547	\$3,152,418
	2008	\$147,361	\$1,530,497	\$263,380	\$1,941,238
Reassessment Year with Phase in	2009	\$49,289	\$1,063,691	\$186,855	\$1,299,835
	2010	\$34,468	\$876,641	\$187,789	\$1,098,898
	2011	\$22,117	\$583,670	\$94,371	\$700,158
	2012	\$12,141	\$412,698	\$74,571	\$499,410
Reassessment Year with Phase in	2013	\$11,235	\$298,044	\$47,394	\$356,673
	2014	\$7,075	\$209,216	\$18,019	\$234,310
	2015	\$5,023	\$138,795	\$10,170	\$153,988
	2016	\$4,249	\$90,398	\$0	\$94,647
Reassessment Year with Phase in	2017	\$0	\$59,141	\$0	\$59,141

SCHEDULE "G"
ASSESSMENT RELATED TAX CHANGES IN THE RESIDENTIAL PROPERTY CLASS

	2018 Phase-in	2017 Reassess- ment	2016 Phase-in	2015 Phase-in	2014 Phase-in	2013 Reassessm- ent	2012 Phase-in	2011 Phase-in	2010 Phase-in	2009 Reassess- ment	2006 Reassess- ment	2004 Reassess- ment	2003 Reassess- ment	2001 Reassess- ment	1998 Reassess- ment
# of Assessment Related Tax Decreases	133,416	118,456	97,618	97,796	95,998	69,923	76,549	69,240	61,079	54,704	63,520	61,220	57,887	52,265	39,905
Average Assessment Related Tax Decrease 	\$58.00	\$72.00	\$28.00	\$31.00	\$34.00	\$43.00	\$26.00	\$29.00	\$31.00	\$41.00	\$108.00	\$79.00	\$72.00	\$92.00	\$230.00
# of Assessment Related Tax Increases	14,997	27,942	42,552	40,462	39,673	64,536	56,027	61,940	65,042	70,186	54,125	49,262	49,864	49,769	57,307
Average Assessment Related Tax Increase 	\$75.00	\$68.00	\$47.00	\$49.00	\$51.00	\$53.00	\$24.00	\$28.00	\$29.00	\$32.00	\$128.00	\$98.00	\$84.00	\$97.00	\$160.00

SCHEDULE "H"
Rating/Evaluation of Economic Development Strategies - Municipalities

Economic Development Issue	Development Charge Exemption	Water Pricing Rate Structure	Community Improvement Plans	Property Tax Ratios
Broad focus on all industry types in London -old and new, large and small	Low	Low	Low	High
Long term time frame in business planning	Low	High or Low depending water consumption of industry type	Low	High for all industry types
Significance in business planning and workforce expansion	High or Low dependent on new building construction	High or Low depending water consumption of industry type	High or Low depending on location	High for all industry types
Effect on on ongoing competitiveness	Low	High or Low depending water consumption of industry type	Low	High for all industry types
Effect on Municipal Capital Financing	Negative	Negative (consumption effect)	negative	Neutral
Impact on Industry retention	Low	High or Low depending water consumption of industry type	Low	High
Promotion of diversification in economic development	Medium to Low	Low	Medium to Low	High (ends bias against industrial development vs. commercial)
Potential for reduction in existing business vacancies in buildings	Low to None	Low to Medium	Medium to Low	High

Strategies described in this table are not alternative strategies.

Each strategy and/or policy stands on its own and should be designed and implemented on logical, equitable principles that are consistent with Council's objectives.

Principles relevant to tax ratio policy are that City should have a competitive property tax system and the system should be equitable and logical.

Only the tax ratio strategy/policy has a broad and long term focus that would apply to all industrial properties in the City and all key sector clusters in the industrial class.

Additional Information				
Basis of charge	Square metre of gross floor area	Per cubic metre of water usage	Location	Current dollar value of land and building
2017 charge per unit	\$257.51/sq.m. commercial -industrial exemption	\$2.1214 to \$0.8851 in declining blocks for water charge - \$1.8854 to \$0.7865 in declining blocks for wastewater charge	Various	2.303816%

APPENDIX "A"

Bill No.
2018

By-law No.

A by-law setting tax ratios for property classes in 2018.

WHEREAS section 308 of the *Municipal Act, 2001*, as amended, provides that the council of every single tier municipality in each year shall pass a by-law in each year to establish the tax ratios for that year for the municipality;

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

2018 MUNICIPAL TAX RATIO BY-LAW

1. The tax ratios as set out in column 3 of Schedule "A" of this by-law are hereby established for 2018 taxation.

Definitions - Realty Tax Classes and Realty Tax Qualifiers

2. For purposes of this by-law, Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) under the Ontario Fair Assessment System (OFAS) are defined in Schedule "B" of this by-law and are indicated in the first two characters of the codes in column 2 of Schedule "A" of this by-law. Where there is more than one code in column 2 of Schedule "A" the codes are separated by a comma.

Municipal Option to Apply

3. A single percentage of 30% is hereby adopted in accordance with subsection 313(4) of the *Municipal Act, 2001* instead of the percentages set out in paragraphs 2 to 5 of subsection 313(1) for the year 2018 and future years.

Administration of By-law

4. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

5. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018. .

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading – April 10, 2018

SCHEDULE "A"
By-law No.

MUNICIPAL TAX RATIOS

COLUMN 1	COLUMN 2	COLUMN 3
ABBREVIATED RATEABLE PROPERTY DESCRIPTION	CODE	YEAR 2018 TAX RATIOS
com taxable farmland 1	c1n	0.750000
com taxable farmland 2	c4n	1.860000
commercial taxable – hydro	chn, xhn	1.860000
commercial taxable vacant -hydro	cjn, xjn	1.302000
commercial taxable - excess - hydro	ckn, xkn	1.302000
commercial taxable tenant of Province	cpn, xpn	1.860000
com taxable	ctn, xtn	1.860000
com taxable excess land	cun, xun	1.302000
com taxable vacant land	cxn, xxn	1.302000
office bldg taxable – hydro	dhn	1.860000
office bldg taxable	dtn, ytn	1.860000
office bldg taxable excess land	dun, yun	1.302000
farmland taxable fp	ffp	0.118030
farmland taxable fs	ffs	0.118030
farmland taxable no support	Ftn	0.118030
farmland taxable ep	ftep	0.118030
farmland taxable es	ftes	0.118030
parking lot taxable	Gtn	1.860000
industrial taxable farmland 1	i1n	0.750000
industrial taxable farmland 2	i4n	1.860000
industrial taxable – hydro	ihn, Jhn	1.860000
industrial taxable-hydro- excess land	ikn, Jkn	1.302000
industrial taxable	itn, Jtn	1.860000
industrial taxable excess land	iun, Jun	1.302000
industrial taxable vacant land	ixn, Jxn	1.302000
large industrial taxable	Ltn, ktn	1.860000
large industrial excess land	Lun, kun	1.302000
multi-res taxable farmland 1 ns	m1n	0.750000
multi-res taxable farmland 1 ep	m1ep	0.750000
multi-res taxable farmland 1 es	m1es	0.750000
multi-res taxable farmland 1 fp	m1fp	0.750000
multi-res taxable farmland 1 fs	m1fs	0.750000
multi-res taxable farmland 2 ep	m4ep	1.795800
multi-res taxable fp	mtfp	1.795800
multi-res taxable fs	mtfs	1.795800
multi-res taxable ep	mtep	1.795800
multi-res taxable es	mtes	1.795800
multi-res taxable n	mtn	1.795800
pipeline taxable	ptn	1.713000
res/farm taxable 1 fp	r1fp	0.750000
res/farm taxable 1 fs	r1fs	0.750000
res/farm taxable farmland 1 ep	r1ep	0.750000
res/farm taxable farmland 1 es	r1es	0.750000
res/farm taxable farmland 2 ep	r4ep	1.000000
res/farm taxable -hydro fp	rhfp	1.000000
res/farm taxable-hydro fs	rhfs	1.000000
res/farm taxable-hydro ep	rhep	1.000000
res/farm taxable-hydro es	rhes	1.000000
res/farm taxable fp	rtp	1.000000
res/farm taxable fs	rtps	1.000000
res/farm taxable ns	rtn	1.000000
res/farm taxable ep	rtep	1.000000
res/farm taxable es	rtes	1.000000
shopping centre taxable	stn, ztn	1.860000
shopping centre excess land	sun, zun	1.302000

SCHEDULE "A" CONTINUED
By-law No.

MUNICIPAL TAX RATIOS

managed forest taxable fp	Ttfp	0.250000
managed forest taxable fs	tfts	0.250000
managed forest taxable ep	ttep	0.250000
managed forest taxable es	ttes	0.250000
Landfill taxable	ht	2.459410
New multi-residential taxable	nt	1.000000

**SCHEDULE “B”
By-law No.**

**Definitions of
Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) Under OFAS**

Realty Tax Class (RTC)	Description	Realty Tax Qualifier (RTQ)	Description
A	Theatre	A	Taxable: General Vacant Land
C, X	Commercial	B	Taxable: General Excess Land
D, Y	Office Building	D	Taxable: Education Only
E	Exempt	F	Payment-In-Lieu: Full
F	Farm	G	Payment-In-Lieu: General
G	Parking Lot	H	Taxable: Shared Payment-in-Lieu
I, J	Industrial	J	Taxable: Vacant Land, Shared Payment-in-Lieu
L, K	Large Industrial	K	Taxable: Excess Land, Shared Payment-in-Lieu
M	Multi-Residential	M	Taxable: General
N	New Multi-Residential	P	Taxable Tenant of Province
O	Other	Q	Payment-in-Lieu: Full Excess Land, Taxable Tenant of Province
P	Pipeline	T	Taxable: Full
Q	Professional Sports Facility	U	Taxable: Excess Land
R	Residential	V	Payment-in-Lieu: Full Excess Land
S, Z	Shopping Centre	W	Payment-In-Lieu: General Excess Land
T	Managed Forest	X	Taxable: Vacant Land
U	Utility Transmission / Distribution	Y	Payment-In-Lieu: Full Vacant Land
W	Railway Right-of-Way	Z	Payment-In-Lieu: General Vacant Land
H	Landfill	1	Taxable: Farmland 1
		2	Payment-In-Lieu: Full, Farmland 1
		3	Payment-In-Lieu: General, Farmland 1
		4	Taxable: Farmland II
		5	Payment-In-Lieu: Full, Farmland II
		6	Payment-In-Lieu: General, Farmland II

Note that each RTC will be applied in combination with an appropriate RTQ.

All Realty Tax Classes and Realty Tax Qualifiers are letters or numbers.

Where there is more than one Realty Tax Class or Realty Tax Qualifier in a column they are separated by a comma.

APPENDIX “B”

Bill No.
2018

By-law No.

A by-law setting tax ratios for property classes in 2018.

WHEREAS section 308 of the *Municipal Act, 2001*, as amended, provides that the council of every single tier municipality in each year shall pass a by-law in each year to establish the tax ratios for that year for the municipality;

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

2018 MUNICIPAL TAX RATIO BY-LAW

1. The tax ratios as set out in column 3 of Schedule “A” of this by-law are hereby established for 2018 taxation.

Definitions - Realty Tax Classes and Realty Tax Qualifiers

2. For purposes of this by-law, Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) under the Ontario Fair Assessment System (OFAS) are defined in Schedule “B” of this by-law and are indicated in the first two characters of the codes in column 2 of Schedule “A” of this by-law. Where there is more than one code in column 2 of Schedule “A” the codes are separated by a comma.

Municipal Option to Apply

3. A single percentage of 30% is hereby adopted in accordance with subsection 313(4) of the *Municipal Act, 2001* instead of the percentages set out in paragraphs 2 to 5 of subsection 313(1) for the year 2018 and future years.

Administration of By-law

4. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

5. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018. .

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading – April 10, 2018

SCHEDULE "A"
By-law No.

MUNICIPAL TAX RATIOS

COLUMN 1	COLUMN 2	COLUMN 3
ABBREVIATED RATEABLE PROPERTY DESCRIPTION	CODE	YEAR 2018 TAX RATIOS
com taxable farmland 1	c1n	0.750000
com taxable farmland 2	c4n	1.950000
commercial taxable – hydro	chn, xhn	1.950000
commercial taxable vacant -hydro	cjn, xjn	1.365000
commercial taxable - excess - hydro	ckn, xkn	1.365000
commercial taxable tenant of Province	cpn, xpn	1.950000
com taxable	ctn, xtn	1.950000
com taxable excess land	cun, xun	1.365000
com taxable vacant land	cxn, xxn	1.365000
office bldg taxable – hydro	dhn	1.950000
office bldg taxable	dtn, ytn	1.950000
office bldg taxable excess land	dun, yun	1.365000
farmland taxable fp	ffp	0.118030
farmland taxable fs	ffs	0.118030
farmland taxable no support	Ftn	0.118030
farmland taxable ep	ftep	0.118030
farmland taxable es	ftes	0.118030
parking lot taxable	Gtn	1.950000
industrial taxable farmland 1	i1n	0.750000
industrial taxable farmland 2	i4n	1.950000
industrial taxable – hydro	ihn, Jhn	1.950000
industrial taxable-hydro- excess land	ikn, Jkn	1.365000
industrial taxable	itn, Jtn	1.950000
industrial taxable excess land	iun, Jun	1.365000
industrial taxable vacant land	ixn, Jxn	1.365000
large industrial taxable	Ltn, ktn	1.950000
large industrial excess land	Lun, kun	1.365000
multi-res taxable farmland 1 ns	m1n	0.750000
multi-res taxable farmland 1 ep	m1ep	0.750000
multi-res taxable farmland 1 es	m1es	0.750000
multi-res taxable farmland 1 fp	m1fp	0.750000
multi-res taxable farmland 1 fs	m1fs	0.750000
multi-res taxable farmland 2 ep	m4ep	1.795800
multi-res taxable fp	mtfp	1.795800
multi-res taxable fs	mtfs	1.795800
multi-res taxable ep	mtep	1.795800
multi-res taxable es	mtes	1.795800
multi-res taxable n	mtn	1.795800
pipeline taxable	ptn	1.713000
res/farm taxable 1 fp	r1fp	0.750000
res/farm taxable 1 fs	r1fs	0.750000
res/farm taxable farmland 1 ep	r1ep	0.750000
res/farm taxable farmland 1 es	r1es	0.750000
res/farm taxable farmland 2 ep	r4ep	1.000000
res/farm taxable -hydro fp	rhfp	1.000000
res/farm taxable-hydro fs	rhfs	1.000000
res/farm taxable-hydro ep	rhep	1.000000
res/farm taxable-hydro es	rhes	1.000000
res/farm taxable fp	rtfp	1.000000
res/farm taxable fs	rtfs	1.000000
res/farm taxable ns	rtn	1.000000
res/farm taxable ep	rtep	1.000000
res/farm taxable es	rtes	1.000000
shopping centre taxable	stn, ztn	1.950000
shopping centre excess land	sun, zun	1.365000

SCHEDULE "A" CONTINUED
By-law No.
MUNICIPAL TAX RATIOS

managed forest taxable fp	Ttfp	0.250000
managed forest taxable fs	tfts	0.250000
managed forest taxable ep	ttep	0.250000
managed forest taxable es	ttes	0.250000
Landfill taxable	ht	2.459410
New multi-residential taxable	nt	1.000000

**SCHEDULE “B”
By-law No.**

**Definitions of
Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) Under OFAS**

Realty Tax Class (RTC)	Description	Realty Tax Qualifier (RTQ)	Description
A	Theatre	A	Taxable: General Vacant Land
C, X	Commercial	B	Taxable: General Excess Land
D, Y	Office Building	D	Taxable: Education Only
E	Exempt	F	Payment-In-Lieu: Full
F	Farm	G	Payment-In-Lieu: General
G	Parking Lot	H	Taxable: Shared Payment-in-Lieu
I, J	Industrial	J	Taxable: Vacant Land, Shared Payment-in-Lieu
L, K	Large Industrial	K	Taxable: Excess Land, Shared Payment-in-Lieu
M	Multi-Residential	M	Taxable: General
N	New Multi-Residential	P	Taxable Tenant of Province
O	Other	Q	Payment-in-Lieu: Full Excess Land, Taxable Tenant of Province
P	Pipeline	T	Taxable: Full
Q	Professional Sports Facility	U	Taxable: Excess Land
R	Residential	V	Payment-in-Lieu: Full Excess Land
S, Z	Shopping Centre	W	Payment-In-Lieu: General Excess Land
T	Managed Forest	X	Taxable: Vacant Land
U	Utility Transmission / Distribution	Y	Payment-In-Lieu: Full Vacant Land
W	Railway Right-of-Way	Z	Payment-In-Lieu: General Vacant Land
H	Landfill	1	Taxable: Farmland 1
		2	Payment-In-Lieu: Full, Farmland 1
		3	Payment-In-Lieu: General, Farmland 1
		4	Taxable: Farmland II
		5	Payment-In-Lieu: Full, Farmland II
		6	Payment-In-Lieu: General, Farmland II

Note that each RTC will be applied in combination with an appropriate RTQ.

All Realty Tax Classes and Realty Tax Qualifiers are letters or numbers.

Where there is more than one Realty Tax Class or Realty Tax Qualifier in a column they are separated by a comma.

APPENDIX “C”

Bill No.
2018

By-law No.

A by-law to opt to have Section 8.0.2 of Ontario Regulation 73/03 as amended apply within the City of London for the year 2018 to exempt certain properties in the commercial classes, industrial classes and multi-residential property class from the application of Part IX of the *Municipal Act, 2001*.

WHEREAS in accordance with Ontario Regulation 73/03, Council has certain options with respect to the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial classes, industrial classes, or multi-residential property class for 2018 or a subsequent taxation year.

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

1. Section 8.0.2 of Ontario Regulation 73/03 as amended shall apply in the City of London for the year 2018 and subsequent years to certain properties as specified in section 2 of this by-law.
2. Any property in the commercial classes, the industrial classes or the multi-residential class in the City of London shall be exempt from Part IX of the *Municipal Act, 2001* for the year 2018 if the property meets any of the conditions specified in paragraphs 1, 2, or 3 of subsection 8.0.2(2) of Ontario Regulation 73/03 as amended.

Administration of By-law

3. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

4. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

APPENDIX “D”

Bill No.
2018

By-law No.

A by-law to exercise the option to establish a phase out and end to the capping of property taxes under Part IX of the *Municipal Act, 2001* for eligible property classes.

WHEREAS in accordance with Ontario Regulation 73/03, Council has certain options with respect to the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial, industrial, multi-residential or landfill property classes for 2018 or a subsequent taxation year.

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

1. All the options described in sections 8.2 and 8.3 of Ontario Regulation 73/03 shall apply in the City of London for the year 2018 and subsequent years to all properties in certain property classes as specified in section 2 of this by-law.
2. The Industrial property class, the Commercial property class and the Multi-residential property class shall be subject to this by-law.
3. The City of London elects under subsection 8.3(2) to exclude vacant land in the determination of eligibility for the application of section 8.3 of Ontario Regulation 73/03

Administration of By-law

4. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

5. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading - April 10, 2018

APPENDIX “E”

Bill No.
2018

By-law No.

A by-law to exclude reassessment related tax increases after 2016 from the capping provisions of Part IX of the *Municipal Act, 2001*.

WHEREAS in accordance with Ontario Regulation 73/03, Council has the option to elect to exclude reassessment related tax increases occurring after 2016 from the capping provisions of Part IX of the *Municipal Act, 2001*

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

1. Section 15.0.1 of Ontario Regulation 73/03 shall apply in the City of London for the year 2018 and subsequent years to certain property classes as specified in section 2 of this by-law.
2. The Commercial, Industrial, and Multi-residential property classes shall be subject to this by-law.

Administration of By-law

3. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

4. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading - April 10, 2018

APPENDIX “F”

Bill No.
2018

By-law No.

A by-law to opt to use certain subsections of section 329.1 of the *Municipal Act, 2001*, as amended, in the calculation of taxes in the commercial, industrial, and multi-residential property classes.

Whereas in accordance with section 329.1 of the *Municipal Act, 2001*, as amended, Council has certain options with respect to the calculation of the amount of taxes for municipal and school purposes payable in respect of property in the commercial classes, industrial classes, or multi-residential property class for 2018 or a subsequent taxation year.

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

1. Paragraph 1 of subsection 329.1(1) of the *Municipal Act, 2001*, as amended, using 10% in subparagraph (i) shall apply to the commercial classes, industrial classes and the multi-residential property class for the year 2018 and subsequent years.
2. Paragraph 2 of subsection 329.1(1) of the *Municipal Act, 2001*, as amended, using 10% in clause 2(i)(A) shall apply to the commercial classes, industrial classes and the multi-residential property class for the year 2018 and subsequent years.
3. Paragraph 3 of subsection 329.1(1) of the *Municipal Act, 2001*, as amended, using \$500 in subparagraph (i) shall apply to the commercial classes, industrial classes and the multi-residential property class for the year 2018 and subsequent years.
4. Paragraph 8 of subsection 329.1(1) of the *Municipal Act, 2001*, as amended, using 100% in subparagraph (ii) shall apply to the commercial classes, industrial classes and the multi-residential property class for the year 2018 and subsequent years.

Administration of By-law

5. The administration of this by-law is assigned to the City Treasurer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

6. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – April 10, 2018
Second Reading – April 10, 2018
Third Reading - April 10, 2018

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	YEAR 2018 EDUCATION TAX RATES

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer:

- a) a by-law to levy education tax rates for 2018 **BE INTRODUCED** at the Council meeting of April 10, 2018.
- b) the Mayor **BE REQUESTED** to send a letter to the Minister of Finance on behalf of City Council requesting clarification with respect to the current status of the business education tax cuts that were temporarily frozen with the 2012 Provincial budget and request an indication as to when it is anticipated the cuts that were deferred will occur.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

Corporate Services Committee, April 25th, 2017, Item # 3, Year 2017 Education Tax Rates
Corporate Services Committee, April 26th, 2016, Item #10, Year 2016 Education Tax Rates

BACKGROUND

On February 13th 2018, the Minister of Finance for the Province of Ontario filed Ontario Regulation 26/18 to set education property tax rates for 2018. The regulation sets out the following uniform tax rates for all properties in the residential, multi-residential, farm, and managed forests property classes in Ontario.

Residential and Multi-Residential Classes	.170000%
Farm and Managed Forests Classes	.042500%

Education tax rates for the above property classes have been reduced 5.03% by the Province to offset the reassessment change in assessed values across the Province.

The regulation also sets out property tax rates applicable to other property classes. The tax rates for other property classes are, however, not yet uniform across the Province. In March 2007, the Province announced that it would be phasing in uniform rates for commercial and industrial property classes over an eight year period ending in 2014. Previously, the Province had a system that maintained education tax rates at historical levels in place at the time of major property tax reform in the year 1998. The transition to the new system would have meant by the year 2014 London businesses should have been paying \$33.6 million dollars less in education property taxes every year compared to what they would otherwise be paying.

In the Ontario budget introduced in the legislature on March 27th, 2012, however, it was announced that business education property tax cuts previously scheduled for 2013 and 2014 would be deferred at least until 2017-2018 and after Ontario has returned to a balanced budget. These reductions were originally introduced to correct historical inequities in education tax rates which the City of London and others had drawn to the attention of the Province. It is estimated that the reductions that were deferred until Ontario returned to a balanced budget should be in excess of

\$10 million in total for commercial and industrial properties in London.

In April 2017, the Minister of Finance for Ontario announced that the Provincial budget for 2017 to 2018 had returned to balance. No announcement, however, was made with respect to the unfreezing of the business education tax cuts originally frozen with the 2012 provincial budget. It would, therefore, seem appropriate to request clarification from the Minister of Finance with respect to the current status of the business education tax cuts that were deferred in the 2012 provincial budget. It is recommended that Council approve a resolution directing the Mayor to send a letter to the Minister of Finance on behalf of City Council requesting clarification from the Minister of Finance with respect to the current status of the business education tax cuts that were frozen with the 2012 Provincial budget and an indication as to when it is anticipated the cuts that were deferred will occur.

New construction in the commercial and industrial property classes is already subject to the lower uniform Provincial education tax rate, provided the application for the building permit was made after March 22, 2007 and certain other criteria are met. For 2018, the new construction rate has been set at 1.09% to reflect the phase in of the 2018 reassessment. In 2017, the rate was 1.14%.

Education tax rates for 2018 for the other property classes for the City of London that will be set out by regulation are as follows:

Commercial	1.340000%
Industrial	1.340000%
Pipeline	1.340000%

SUMMARY

In summary, it is recommended that a by-law be introduced prior to the final billing for 2018 to levy education tax rates as required by Provincial regulation. It is also recommended that Council direct the Mayor to send a letter to the Minister of Finance on behalf of City Council requesting clarification with respect to the current status of the business education tax cuts that were temporarily frozen with the 2012 Provincial budget and an indication as to when it is anticipated the cuts that were deferred will occur.

PREPARED BY:	CONCURRED BY:
JIM LOGAN, CPA, CA DIVISION MANAGER – TAXATION & REVENUE	IAN COLLINS, CPA, CMA DIRECTOR, FINANCIAL SERVICES
RECOMMENDED BY:	
ANNA LISA BARBON, CPA, CGA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER	

Attach.

APPENDIX "A"

Bill No.
2018

By-law No.

A by-law levying rates for 2018 for school purposes
in the City of London.

WHEREAS by section 257.7 of the *Education Act*, the Municipal Council is required to levy and collect upon all the residential property and business property in the City of London the tax rates prescribed under section 257.12 of the said *Act* for school purposes;

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

2018 SCHOOL RATE BY-LAW

School Rates

1. The rates set out in column 3 of Schedule "A" of this by-law are hereby levied for 2018 upon all the property rateable for school purposes in the City of London.

Definitions - Realty Tax Classes and Realty Tax Qualifiers

2. For purposes of this by-law, Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) under the Ontario Fair Assessment System (OFAS) are defined in Schedule "B" of this by-law and are indicated in the first two characters of column 2 of Schedule "A" of this by-law.

Administration of By-law

3. The administration of this by-law is assigned to the City Treasurer, Chief Financial Officer who is hereby authorized and directed to do such things as may be necessary or advisable to carry out fully the provisions of this by-law.

Commencement

4. This by-law comes into force on the day it is passed.

PASSED in Open Council on April 10, 2018.

Matt Brown
Mayor

Catharine Saunders
City Clerk

**SCHEDULE “A”
By-law No.**

COLUMN 1	COLUMN 2	COLUMN 3
ABBREVIATED RATEABLE PROPERTY DESCRIPTION	CODE	YEAR 2018 EDUCATION TAX RATES
commercial taxable farmland 1	c1n	0.127500%
commercial taxable farmland 2	c4n	1.340000%
commercial taxable – hydro	chn	1.340000%
commercial taxable vacant -hydro	cjn	0.938000%
commercial taxable - excess - hydro	ckn	0.938000%
commercial taxable tenant of prov	cpn	1.340000%
commercial taxable	ctn	1.340000%
commercial taxable excess land	cun	0.938000%
commercial taxable vacant land	cxn	0.938000%
office bldg taxable – hydro	dhn	1.340000%
office bldg taxable	dtm	1.340000%
office bldg taxable excess land	dun	0.938000%
farmland taxable fp	ffp	0.042500%
farmland taxable fs	ffs	0.042500%
farmland taxable no support	ftn	0.042500%
farmland taxable ep	ftep	0.042500%
farmland taxable es	ftes	0.042500%
parking lot taxable	gtn	1.340000%
industrial taxable farmland 1	i1n	0.127500%
industrial taxable farmland 2	i4n	1.340000%
industrial taxable - hydro	ihn	1.340000%
industrial taxable-hydro- excess land	ikn	0.938000%
industrial taxable	itm	1.340000%
industrial taxable excess land	iun	0.938000%
industrial taxable vacant land	ixn	0.938000%
large industrial taxable	Ltn	1.340000%
large industrial excess land	Lun	0.938000%
multi-res taxable farmland 1 ns	m1n	0.127500%
multi-res taxable farmland 1 ep	m1ep	0.127500%
multi-res taxable farmland 1 es	m1es	0.127500%
multi-res taxable farmland 1 fp	m1fp	0.127500%
multi-res taxable farmland 1fs	m1fs	0.127500%
multi-res taxable farmland 2 ep	m4ep	0.170000%
multi-res taxable fp	mtfp	0.170000%
multi-res taxable fs	mtfs	0.170000%
multi-res taxable ep	mtep	0.170000%
multi-res taxable es	mtes	0.170000%
multi-res taxable n	mtn	0.170000%
pipeline taxable	ptn	1.340000%
res/farm taxable 1 fp	r1fp	0.127500%
res/farm taxable 1 fs	r1fs	0.127500%
res/farm taxable farmland 1 ep	r1ep	0.127500%
res/farm taxable farmland 1 es	r1es	0.127500%
res/farm taxable farmland 2 ep	r4ep	0.170000%
res/farm taxable -hydro fp	rhfp	0.170000%
res/farm taxable-hydro fs	rhfs	0.170000%
res/farm taxable-hydro ep	rhep	0.170000%
res/farm taxable-hydro es	rhes	0.170000%
res/farm taxable fp	rtp	0.170000%
res/farm taxable fs	rtps	0.170000%
res/farm taxable ns	rtn	0.170000%
res/farm taxable ep	rtep	0.170000%
res/farm taxable es	rtes	0.170000%
shopping centre taxable	stn	1.340000%
shopping centre excess land	sun	0.938000%
managed forest taxable fp	tftp	0.042500%
managed forest taxable fs	tfts	0.042500%

**SCHEDULE "A" cont'd
By-law No.**

COLUMN 1	COLUMN 2	COLUMN 3
ABBREVIATED RATEABLE PROPERTY DESCRIPTION	CODE	YEAR 2018 EDUCATION TAX RATES
managed forest taxable ep	ttep	0.042500%
managed forest taxable es	ttes	0.042500%
Landfill	Ht	1.340000%
commercial taxable (new construction)	Xtn	1.090000%
commercial taxable excess land (new construction)	Xun	0.763000%
commercial taxable vacant land (new construction)	Xxn	0.763000%
office bldg (new construction)	ytn	1.090000%
office bldg excess land (new construction)	yun	0.763000%
shopping centre (new construction)	ztn	1.090000%
shopping centre excess land (new construction)	zun	0.763000%
industrial taxable (new construction)	Jtn	1.090000%
industrial taxable excess land (new construction)	Jun	0.763000%
industrial taxable vacant land (new construction)	Jxn	0.763000%
industrial taxable (new construction)	ktn	1.090000%
industrial taxable excess land (new construction)	kun	0.763000%
New multi-residential	nt	0.170000%

**SCHEDULE “B”
By-law No.**

**Definitions of
Realty Tax Classes and Realty Tax Qualifiers (Taxable/PIL) Under OFAS**

Realty Tax Class (RTC)	Description	Realty Tax Qualifier (RTQ)	Description
A	Theatre	A	Taxable: General Vacant Land
C	Commercial	B	Taxable
D	Office Building	D	Taxable: Education Only
E	Exempt	F	Payment-In-Lieu: Full
F	Farm	G	Payment-In-Lieu: General
G	Parking Lot	H	Taxable: Full, Shared Payment-in-Lieu
I	Industrial	J	Taxable: Vacant Land, Shared Payment-in-Lieu
L	Large Industrial	K	Taxable: Excess Land, Shared Payment-in-Lieu
M	Multi-Residential	M	Taxable: General
N	New Multi-Residential	P	Taxable Tenant of Province
O	Other	Q	Payment-in-Lieu: Full Excess Land, Taxable Tenant of Province
P	Pipeline	T	Taxable: Full
Q	Professional Sports Facility	U	Taxable: Excess Land
R	Residential	V	Payment-in-Lieu: Full Excess Land
S	Shopping Centre	W	Payment-In-Lieu: General Excess Land
T	Managed Forest	X	Taxable: Vacant Land
U	Utility Transmission / Distribution	Y	Payment-In-Lieu: Full Vacant Land
W	Railway Right-of-Way	Z	Payment-In-Lieu: General Vacant Land
X	Commercial (new construction)	1	Taxable: Farmland Awaiting Development Phase I
Y	Office Building (new construction)	2	Payment-In-Lieu: Full, Farmland 1
Z	Shopping Centre (new construction)	3	Payment-In-Lieu: General, Farmland 1
J	Industrial (new construction)	4	Taxable: Farmland Awaiting Development Phase II
K	Large Industrial (new construction)	5	Payment-In-Lieu: Full, Farmland II
H	Landfill	6	Payment-In-Lieu: General, Farmland II

Note that each RTC will be applied in combination with an appropriate RTQ.

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	DAVID G. MOUNTEER ASSISTANT CITY SOLICITOR
SUBJECT:	FORMER LEGENDARY DRIVE ROAD ALLOWANCE DECLARE SURPLUS AND TRANSFER

RECOMMENDATION

That, on the advice and recommendation of the Assistant City Solicitor, with respect to the City owned former Legendary Drive road allowance, containing an area of approximately 0.652 acres, the following actions **BE TAKEN**:

- a) the subject property **BE DECLARED SURPLUS**, and
- b) the subject property ("Surplus Lands") **BE TRANSFERED** to Wonderland Power Centre Inc. to fulfil the Corporation's obligations in an agreement dated the 21st day of January 2004 between The Corporation of the City of London and Home Depot Holdings Inc.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
--

September 30, 2009 - Confidential Board of Control – Legendary Drive Re-Alignment.

BACKGROUND

In 2004 the City acquired title to the former Legendary Drive road allowance from Home Depot Inc. The location of the original road allowance is shown on the attached diagram. At the time the original road allowance was acquired, the City entered into an agreement with Home Depot Inc., to the effect that if the road allowance was ever declared surplus to the City's needs, ownership of the surplus road allowance would be returned to Home Depot as the owner of the abutting land, or its successor in title. Wonderland Power Centre Inc. is the successor in title to Home Depot Holdings Inc. the original property owner.


In October of 2009 Council passed the following resolution:

"That, on the recommendation of the Director of Development Planning, the following actions be taken with respect to the Legendary Drive road allowance:

- a) subject to the allocation of capital funding, the construction schedule for the realignment of Legendary Dive **BE CONFIRMED** as being in the 2010 construction season; it being noted that municipal services (sanitary and storm sewers and watermain) will not be relocated from their position in the existing Legendary Drive road allowance; and
- b) upon completion of the physical realignment of Legendary Drive, the Civic Administration **BE REQUESTED** to initiate the process to permanently close the existing Legendary Drive road allowance on notice to the affected persons".

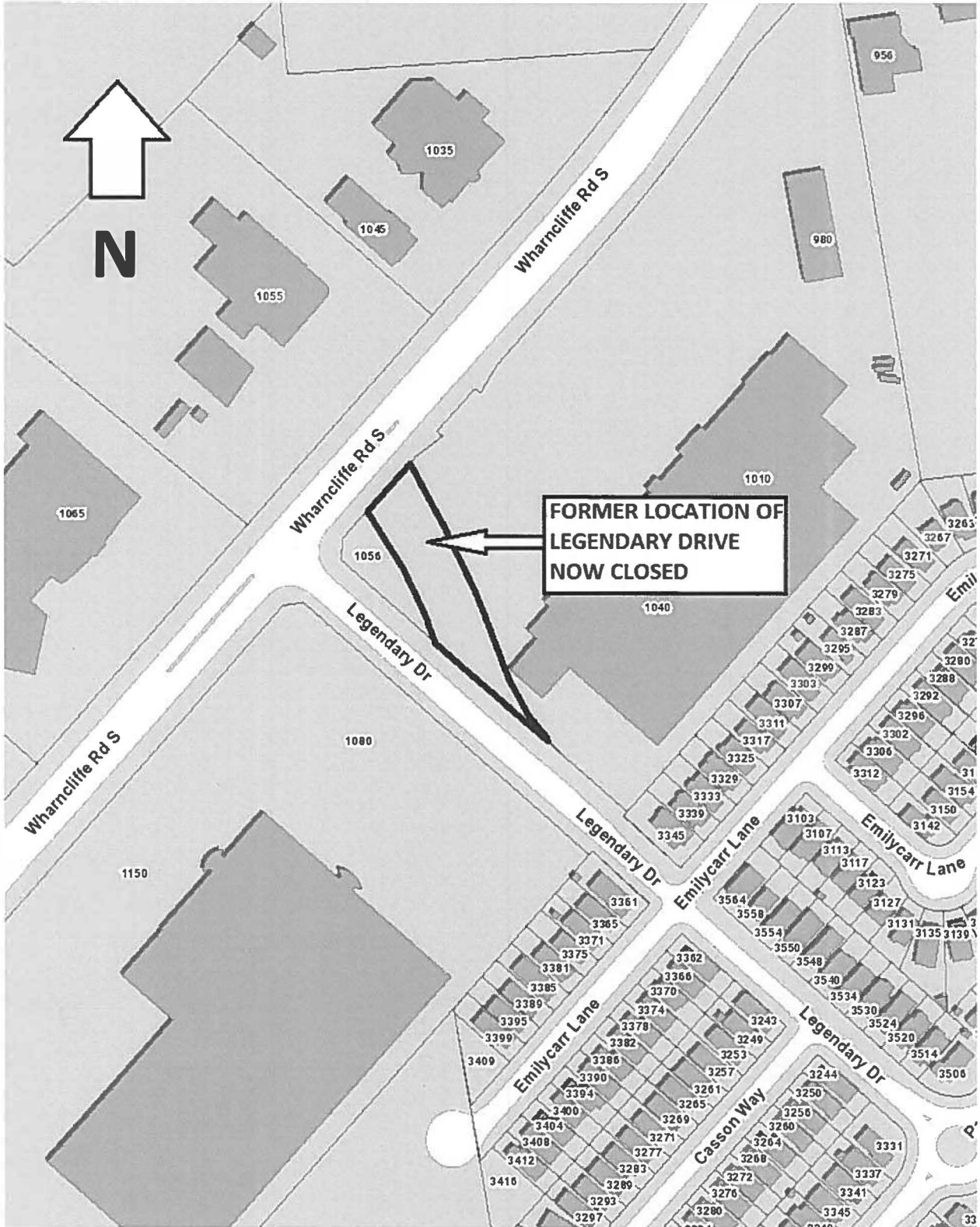
The Legendary Drive realignment project was completed in 2010 and the new road allowance is also shown on the attached diagram. The former road alignment was stopped up and closed by By-law S.-5305-289 passed by Council on November 15, 2010. However, due to a dispute between the abutting property owners, the former Legendary Drive road allowance was not declared surplus at that time.

The abutting property owners have now resolved their disagreement. It is therefore appropriate to declare the former Legendary Drive road allowance surplus to the needs of the municipality in accordance with the City's Sale and Other Disposition of Land Policy, and to transfer title to Wonderland Power Centre Inc. to fulfil the Corporation's obligations in an agreement dated the 21st day of January 2004 between The Corporation of the City of London and Home Depot Holdings Inc.

PREPARED AND RECOMMENDED BY:

DAVID G. MOUNTEER ASSISTANT CITY SOLICITOR

March 23, 2018
Attach.

cc: Bill Warner, Division Manager, Realty Services
Gary Irwin, Division Manager and Chief Surveyor, Geomatics



Memo

Date: March 16, 2018

To: Corporate Services Committee, City of London

From: Board of Directors, London Convention Centre

Subject: 2017 London Convention Centre Operational Results

London Convention Centre Board of Directors Recommendation:

Based on the 2017 Draft Audit LCC Financial statements, the LCC Board of Directors recommends City of London Council approve the transfer of 100% of the 2017 LCC operational surplus of \$81,422 to the LCC Capital Reserve held by the City of London.

Background:

In 2017, the LCC hosted 306 total events of which 31 were conferences/multi-day events generating over 10,000 room nights for London's hotel industry. **Total LCC hosted event economic impact in 2017 is estimated at \$17.8 million based on direct spend.** Total building utilization grew to 72% from 59.2% in the prior year.

Based on the audited 2017 financial statements, total LCC revenue declined slightly by 1.2% in 2017 from 2016. The LCC was still able to drive a positive operational surplus of \$81,422. The guest experience, as measured through event surveys, improved 2.5%.

LCC Capital Reserve and Special Projects Reserve Background:

Annually, the LCC Board of Directors is to advise Council of the Centre's year-end financial results and to request approval to transfer operational surplus funds to reserves. The Auditors, KPMG require written direction of fund transfers from Council to release final audited statements. The Capital Reserve, held by the City of London is used for LCC life cycle maintenance and renovations ensuring the facility is well maintained remaining competitive.

The LCC also has a Special Projects Reserve held by the London Convention Centre. This reserve is used for special projects to enhance the LCC experience. Depending on the amount of the annual surplus, funds are directed to one or both of the reserves.

Tuesday, March 20, 2018

To: Heather Woolsey

Subject: International Food Festival - Municipal Significant Event

To the members of the London City Council:

This email is to inform you that Family Shows Canada will be applying for a Special Occasion Permit for the 11th annual International Food Festival.

The 11th annual International Food Festival will be taking place June 22-24, 2018 at Victoria Park in downtown London and encompasses cultural food and entertainment from around the world.

We are requesting our festival to be designated a "SIGNIFICANT EVENT" for the City of London for this coming summer festival season. Once this designation is awarded in writing, we can continue with our application for the Special Occasions Permit.

If you have any questions, please contact me at your earliest convenience.

We look forward to another successful year for the International Food Festival

Thank you,
Doug Hillier
Family Shows Canada

Tuesday, March 20, 2018

To: Heather Woolsey

Subject: London Rib Fest - Municipal Significant Event

To the members of the London City Council:

The 31th annual London Rib Fest will be taking place Aug 2nd - Aug. 6th 2018 at Victoria Park in downtown London and encompasses "Ribbers", entertainment and activities for the whole family and attracts over 100,000 visitors who come to enjoy the food, live music, the beer tent, and the entertainment. We are requesting our festival to be designated a "SIGNIFICANT EVENT" for the City of London for this coming summer festival season. Once this designation is awarded in writing, we can continue with our application for the Special Occasions Permit. If you have any questions, please contact me at your earliest convenience.

We look forward to another successful year for the London Rib Fest.

Thank you,
Doug Hillier
Family Shows Canada



P.O. Box 5035
300 Dufferin Avenue
London, ON
N6A 4L9

London
CANADA

March 23, 2018

Chair and Members
Corporate Services Committee

Re: Board of Directors – Federation of Canadian Municipalities

In order to maintain City of London representation on the Federation of Canadian Municipalities' Board of Directors, I wish to seek election to the FCM's Board of Directors with the support and approval of the Municipal Council for the 2018/2019 term.

Therefore, I respectfully request that the attached Resolution endorsing me to stand for election and approving payment of all costs associated with attending FCM's Board of Directors meetings, for the 2018/2019 term, be adopted by the Municipal Council. These meeting dates include:

- Board of Directors Meeting - September 11-14, **2018** – Annapolis County, NS
 - Board of Directors Meeting - November 20-23, **2018** – Ottawa, ON
 - Board of Directors Meeting - March 12-15, **2019** – Penticton, BC*
- *Above meeting in 2019 is subject to re-election to municipal office for the 2019-2022 term.

Also, subject to re-election to municipal office for the 2019-2022 term, as a FCM Board member, it is required that I attend the following:

- Annual Conference & AGM - May 30 – June 2, 2019 – Quebec City, QC

Finally, you will recall from previous years that in order to campaign for a position on the Board of Directors, it has been necessary to incur expenses related to campaign materials. I hereby respectfully request approval for reimbursement of up to \$500.00 for FCM Board of Directors campaign related expenses by The Corporation of the City of London, outside of my annual expense allocation, upon submission of eligible receipts.

Thank you for your consideration of this matter.

Josh Morgan
Councillor, Ward 7

FEDERATION OF CANADIAN MUNICIPALITIES –
ELECTION TO THE BOARD OF DIRECTORS

WHEREAS the Federation of Canadian Municipalities (FCM) represents the interests of municipalities on policy and program matters that fall within federal jurisdiction;

WHEREAS FCM's Board of Directors is comprised of elected municipal officials from all regions and sizes of communities to form a broad base of support and provide FCM with the prestige required to carry the municipal message to the federal government;

WHEREAS FCM's Annual Conference and Trade Show will take place May 31 to June 3, 2018, during which time the Annual General Meeting will be held and followed by the election of FCM's Board of Directors;

BE IT RESOLVED that the Council of The Corporation of the City of London endorses Councillor Josh Morgan to stand for election on FCM's Board of Directors for the 2018/2019 term; and

BE IT FURTHER RESOLVED that Council assumes all costs associated with Councillor Josh Morgan attending FCM's Board of Directors meetings, the FCM Annual Conference and AGM and the Trade Show, during the 2018/2019 term.



London
CANADA

300 Dufferin Avenue
P.O. Box 5035
London, ON
N6A 4L9

March 29, 2018

Chair and Members
Corporate Services Committee

RE: Report of the Federation of Canadian Municipalities Board of Directors Meeting – Laval, QC, March 5 – 9, 2018

SUMMARY

FCM's Board of Directors and committee members — together making up more than 100 municipal leaders from across Canada — met in Laval, Quebec, March 5-9, 2018. Coming on the heels of a federal budget that earned mixed reviews from FCM, Board and committee members resolved to remain focused on turning nation-building opportunities into outcomes for Canadians.

The Board meeting reinforced our federal-municipal partnership, with Minister of International Development and La Francophonie Marie-Claude Bibeau attending mid-week to discuss shared objectives toward women's empowerment. Board members welcomed the opportunity to explore how FCM programs and member municipalities are promoting the rights of women and girls in Canada, and globally in support of Canada's international assistance policy.

The gathering also provided opportunities to discuss the future of Canadian municipalities, and what FCM must do to face the challenges and leverage the opportunities ahead. Board members also conducted pressing business through meetings of standing committees, regional caucuses, and provincial and territorial association representatives.

FCM, led by its Board of Directors, has worked in partnership with Ottawa to drive unprecedented nation-building opportunities, from the National Housing Strategy to the federal infrastructure plan. Now, as the order of government closest to peoples' lives, we are best placed to turn those opportunities into outcomes. That will continue to be our focus. When municipalities work together through FCM, we can build more livable and competitive communities from coast to coast to coast.

Respectfully submitted by:

Harold Usher
Councillor, Ward 12
Member FCM Board of Directors

Councillor Tanya Park
FCM Committee Member

OPPORTUNITIES INTO OUTCOMES

With the release of the 2018 federal budget in late February, FCM's Board was eager to discuss the outcomes for municipalities. At a high level, the federal budget strengthens the federal-municipal partnership by responding to municipalities' calls to urgently fund opioid treatment and to take steps towards ensuring local governments have financial tools to safely implement cannabis legalization in their communities.

However, the budget also missed a key opportunity. FCM had called on the government to use Budget 2018 to kick-start the National Housing Strategy by expediting already earmarked funds for social housing repairs. After decades of chronic underfunding for repairs, this move would have enabled housing providers to keep at-risk homes safe and open for vulnerable families. But instead of protecting this vital part of Canada's social housing supply, this budget delays funding for critical repairs that are ready to go ahead.

HOUSING AND HOMELESSNESS

Municipalities are proud of the National Housing Strategy we helped shape, working alongside housing stakeholders nationwide. FCM's Standing Committee on Social-Economic Development had an opportunity to discuss housing and homelessness issues in detail. On the Homelessness Partnering Strategy (HPS), committee members learned that FCM has received positive signals from federal officials regarding the inclusion of FCM's key recommendations in the renewed iteration of HPS. FCM staff emphasized they will continue to urge federal officials to communicate the details of the renewed program well in advance of April 2019, in order to give communities time to prepare for program changes.

CANNBIS LEGALIZATION

Cannabis legalization was a top of mind issue for many Board and committee members in March. FCM was pleased that the federal budget reiterated the governments' commitment to revenue sharing of the cannabis excise tax with municipalities. The budget also included \$62.5 million for community-based public education and awareness on cannabis.

In addition, the government is rolling out the previously announced \$81 million in funding for police training and equipment. FCM is expecting details in the coming weeks about how this funding will flow to provinces/territories and municipalities.

FCM will continue discussions with the ministries of finance and public safety about the anticipated municipal costs and will push for federal/provincial/territorial agreements that outline a municipal share. FCM's position remains that all costs incurred by municipalities stemming from the legalization of cannabis need to be recovered through some means. The excise tax is one way to fund these costs, and FCM has called for a 33 per cent carve-out for municipalities, based on available data of estimated costs. However, if the excise tax alone does not meet municipal needs, we will continue to push for costs to be covered in other ways.

FCM's *Municipal Guide to Cannabis Legalization: A Roadmap for Canadian Local Governments* will be available in early April. Our technical and legal team adhered to a plan for six chapters: federal framework, land use planning, business licensing, personal cultivation, cannabis in the workplace, and enforcement issues within direct municipal jurisdiction (not including policing). FCM thanks the provincial and territorial associations and member municipalities who provided crucial input and support for the guide.

INFRASTRUCTURE

FCM significantly drove the federal government's game-changing, 12-year, \$180 *Investing in Canada* infrastructure plan, and we continue to work to shape the rollout towards the following goals:

- Ensuring full and fair contributions from federal, provincial/territorial and municipal governments, ideally a cost-share of 40-40-20 per cent, and no less than the 33 percent floor set by the federal government; and maintaining the up to 75 per cent federal cost-share for the territories.
- Ensuring that a fair balance of municipal projects receive funding, particularly under the Green Infrastructure Stream.
- Ensuring that outcomes reporting, horizontal requirements, planning, eligible costs and incrementally (now called combined investments) are designed in a way that reflect local realities.

On March 8, the Government of Canada and Northwest Territories announced the first signed Integrated Bilateral Agreement to implement the Investing in Canada infrastructure plan. The NWT agreement demonstrates positive progress directly resulting from FCM's advocacy.

For example, the agreement commits that the Government of NWT will ensure projects submitted for Canada's approval represent, to Canada's satisfaction, a fair balance of municipal and territorial projects. The agreement also streamlines reporting for rural communities. Communities with a population of less than 5,000 people will be required to provide progress reports on an annual basis, with larger communities reporting progress twice a year.

This agreement is the first of the 13 anticipated Integrated Bilateral Agreements. FCM remains confident that the successes seen here: cost-share, fair balance of projects, and horizontal requirements will continue throughout these agreements.

MUNICIPALITIES AND WOMEN'S EMPOWERMENT

FCM's Board was pleased to meet with Minister of International Development and La Francophonie Marie-Claude Bibeau about shared objectives towards women's empowerment. Minister Bibeau addressed the Standing Committee on Increasing Women's Participation in Municipal Government (SWG) and members of the Standing Committee on International Relations to speak about the gender lens in Budget 2018, as well as Canada's new Feminist International Assistance Policy (FIAP). FCM will continue to explore opportunities to build the capacity of committee members, Canadian municipal partners, and FCM employees on the application of the FIAP within FCM's programming. Later, the Minister met with a small group of Board members to further ongoing discussions on the strategic partnership between FCM and Global Affairs Canada.

SWG also discussed the success of FCM's scholarships and programs aimed at promoting women's participation in municipal government. FCM's Diverse Voices for Change Program will be wrapping up this August, having involved over 250 women, as well as elected officials, municipal staff and community organizations in the project. FCM is continuing to work with Status of Women Canada on new initiatives to get more women elected to municipal office in Canada.

THE ROAD TO ELECTION 2019

Through a year-long advocacy campaign leading up to the 2015 election, FCM supplied a winning narrative, offered up for any party to adopt. With a united Board, a strong reputation as a partner that delivers, as well as coordinated strategic policy, advocacy and media work, we set the frame for historic gains — including unprecedented infrastructure investments and the launch of a new National Housing Strategy. Election 2019 is a crucial opportunity to consolidate these gains, solidify our place at a four-cornered table (along with federal, provincial/territorial and Indigenous governments), and increase access to legislative, fiscal and other tools we need for our nation-building work.

FCM's Board and committees — particularly the Election Readiness Working Group (ERWG) — devoted considerable time and attention to discussing how to make sure we are ready to seize the opportunity that Election 2019 presents, advance the priorities of the municipal sector and ensure that municipalities continue to play a central role in driving national solutions, no matter which party wins the next federal election. In addition to discussions on budgets and strategies, there was recognition that Board members can play a key role in advocating federal-municipal priorities to MPs and candidates, and engaging fellow councillors in that work.

RURAL AND NORTHERN PRIORITIES

Budget 2018 contained some key items of interest to FCM's rural and northern members, perhaps most notably investments in next generation broadband research. Although the investments are positive, FCM recognizes the need to continue to advocate for the allocation of resources needed to connect all Canadian communities to the Internet and ensure comparable levels of broadband for rural and remote communities.

On the issue of infrastructure and the *Investing in Canada Plan*, FCM has been clear that any nation-building plan must include communities of all sizes. FCM has urged the federal government to empower smaller communities to directly fund pressing local needs, avoiding a one-size-fits-all approach, and recognize rural communities' unique challenges and opportunities. In February we welcomed the federal government's announcement that they would increase their part of the cost-share under the Rural and Northern Communities Fund. The federal government will now fund up to 60 per cent of eligible costs in communities under 5,000. Larger rural communities will continue to receive funding for up to 50 per cent of eligible costs, or up to 75 per cent in the territories.

The first infrastructure bilateral agreement was signed during the week of our Board meeting between the federal government and the Northwest Territories.

As infrastructure negotiations between the federal, provincial and territorial governments continue, FCM is working to ensure the federal government applies a rural lens to eligibility criteria for all infrastructure programs. We were pleased to see the first Integrated Bilateral Agreement reflect our recommendations by streamlining the reporting process for smaller communities.

During the Rural Forum meeting, members also discussed the government's recent decision on the future of Canada Post and FCM's ongoing advocacy in this area. While the renewed vision for Canada Post does not explicitly address the moratorium on rural post office closures, the federal government has stressed that expectations laid out in the Service Charter, which commits to continuing the moratorium, stand. The government has also asked Canada Post to better promote existing financial services that Canadians may not be aware of, though no new postal banking services are planned.

The Northern and Remote Forum also discussed the federal government's new Arctic Policy Framework consultation process. FCM provided a submission outlining key NRF priorities, and FCM staff and some NRF members have also participated in policy roundtables as part of the process. FCM also updated NRF on the Arctic Energy Fund and the Clean Energy for Remote Communities programs — two energy programs relevant for northern and remote communities. NRF was informed about key design elements and timelines, as FCM continues to seek more details.

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON APRIL 3, 2018
FROM:	JOHN WINSTON GENERAL MANAGER, TOURISM LONDON
SUBJECT:	REQUEST FOR PROPOSAL – HOST FOR AMO ANNUAL CONFERENCE 2021, 2023

RECOMMENDATION

That, on the recommendation of the General Manager, Tourism London, the following actions be taken with respect to the Association of Municipalities Ontario's (AMO) Annual Conferences for 2021 and 2023:

- a) Tourism London **BE AUTHORIZED** to submit a proposal for London to host the AMO Annual Conference for 2021 and 2023, which would include:
 - i) hosting and financing the Incoming Host Reception;
 - ii) hosting and financing the Welcome Reception;
 - iii) identification of a Host Coordinator and an Internal Project Management Team to oversee study tours, volunteers, host sponsorships, and other key areas;
 - iv) providing shuttle buses between hotels and the main venue;
 - v) providing study tour and companions' program buses; and
 - vi) providing civic greetings to delegates from the Mayor;

it being noted that the estimated cost to host the 2021 and 2023 AMO Annual Conferences is approximately \$140,000, which will be funded by Tourism London and the London Convention Centre; it being further noted that should the Municipal Accommodation Tax (MAT) be approved by Municipal Council in 2018, these costs would be eligible to be funded through the MAT; and

- b) the Mayor **BE REQUESTED** to provide a letter to Tourism London, to accompany Tourism London's above-noted proposal, that indicates the Municipal Council's endorsement of the proposal to host the AMO Annual Conference for 2021 and 2023.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None.

BACKGROUND

Purpose

The Association of Municipalities of Ontario (AMO) has invited the City of London to respond to their Request for Proposal to host its Annual General Meeting (AGM) and Conference for 2021-2024. Tourism London, as the Bid Coordinator, is seeking Council support to submit a bid for London to host the 2021 and 2023 AMO AGM and Annual Conferences.

Background

The AMO AGM and Annual Conference is Ontario's foremost educational forum for municipal governments. In 2011 and 2014, the City of London co-hosted the AMO Conference. As Ontario's largest municipal conference, AMO's 2014 conference events yielded 2,418 hotel room nights over the course of four days, and generated an economic impact of approximately \$1.7 million. Past conferences have attracted over 2,600 participants, including more than 1,600 municipal delegates, Ontario's Premier, both opposition leaders, many members of the Ontario Government's cabinet, Opposition critics, MPPs, and exhibitors.

Host municipalities must be members in good standing with AMO, and accept responsibilities, demonstrated by a council resolution, which include hosting and financing the Welcome Reception; providing volunteers to assist with the collation of delegate kits, and to guide study tours and other tasks; providing a local planning committee which will develop study tours; providing shuttle buses between hotels, if necessary; providing study tour program buses; and providing civic greetings to delegates from the Mayor. Host responsibilities also include hosting a Welcome Reception at the conference in the preceding year.

Additional information about the AMO AGM and Conference is available at www.amo.on.ca.

2021-2024 AMO Conference Bid

The Association of Municipalities of Ontario (AMO) is now accepting bids for the 2021, 2022, 2023 and 2024 AMO AGM and Conference. AMO has chosen to invite specific municipalities to make submissions to this bid, of which the City of London is one.

For the 2021 AGM and Conference, Tourism London is bidding AMO's preferred dates of Sunday, August 15 to Wednesday, August 18, 2021 and secondary dates of Sunday, August 22 to Wednesday, August 25, 2021. For the 2023 AGM and Conference, Tourism London is bidding Sunday, August 20 to Wednesday, August 23, 2023 and the second choice of Sunday, August 13 to Wednesday, August 16, 2023.

An August conference of this stature would produce substantial economic impact in a timeframe that is typically a need period for the London Convention Centre and local hotels. It would also bring significant media coverage that will highlight London and encourage future convention business.

As with the 2011 and 2014 conferences, a host sponsorship program will be developed in cooperation with the City of London to secure external funding to recover hosting costs to the maximum extent possible.

Proposals must be submitted to AMO by Monday, April 9, 2018. London has been granted an extension to April 12, 2018 in lieu of the timeline of the next Council meeting on April 10, 2018. An AMO selection team will notify the successful, shortlisted municipalities in May followed by site visits. Their recommendation will be considered by the AMO Board in June 2018.

FINANCIAL IMPACT

The estimated cost to host the 2021 and 2023 AMO AGM and Conference is approximately \$140,000. These costs will be funded by Tourism London and the London Convention Centre, with it being noted that should the Municipal Accommodation Tax (MAT) be approved by Municipal Council in 2018, these costs would be eligible to be funded through the MAT.

CONCLUSION

Tourism London and the London Convention Centre fully support the attraction of this conference and are working closely with Civic Administration to submit a proposal for the City of London to host these events.

PREPARED BY:	RECOMMENDED BY:
LYNNE GALE DIRECTOR OF CONVENTIONS TOURISM LONDON	JOHN WINSTON GENERAL MANAGER TOURISM LONDON
CONCURRED BY:	
LORI DA SILVA GENERAL MANAGER & CEO LONDON CONVENTION CENTRE	

- c. Martin Hayward, City Manager
 Anna Lisa Barbon, Managing Director, Corporate Services, City Treasurer and Chief Financial Officer
 Rosanna Wilcox, Director, Community and Economic Innovation