

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON May 27, 2014
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	RESIDENTIAL TAX BY-LAW FOR INVESTMENT IN AFFORDABLE HOUSING PROGRAM PROJECT AT 129 RIVERSIDE DRIVE

RECOMMENDATION

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the Managing Director Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law attached hereto **BE INTRODUCED** at the Municipal Council meeting on June 10, 2014, to tax the affordable housing property at 129 Riverside Drive at an effective tax rate equal to the residential tax rate; and the City Clerk **BE DIRECTED** to give written notice of the by-law to the Municipal Property Assessment Corporation and the secretary of all area school boards.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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Community & Protective Services Committee
December 2, 2002 Municipal Housing Facilities By-Law
November 22, 2006 Residential Tax By-Laws for New Affordable Housing Program

BACKGROUND

In 2002, Municipal Council reviewed the various options available to provide the municipal contribution to the affordable housing program, and resolved to provide the following types of assistance to private and non-profit housing developers under the Municipal Housing Facilities By-law, subject to Individual Housing Facilities Agreements:

- a) capital funding through the affordable housing capital reserve fund;
- b) grant to offset development charges;
- c) provision of City-owned land at less than market rates or for lease; and
- d) special municipal agreements for selected properties to reduce the effective property tax for only those buildings receiving program funding.

The attached by-law provides the mechanism enabling the City Treasurer to reduce the assessment and taxes owing on properties qualifying under section d) above for the tax reduction. This property now has an agreement in place, and therefore the by-law has been prepared for execution.

RECOMMENDED BY:	CONCURRED BY:
L. STEVENS, DIRECTOR, MUNICIPAL HOUSING	M. HAYWARD, MANAGING DIRECTOR, CORPORATE SERVICES, & CITY TREASURER, CHIEF FINANCIAL OFFICER

c.c. J. Logan, Manager Taxation and Revenue
D. Mounteer, Solicitor

Bill No.
2014

By-Law No.

A By-law to exempt from taxation for municipal and school purposes a portion of the multi-residential assessed value of the property at 129 Riverside Drive, in the City of London

WHEREAS Section 110 of the *Municipal Act, 2001*, S.O.2001 c.25 as amended (the "Act") provides that the council of a municipality may exempt from taxation for municipal and school purposes land or a portion of it on which municipal capital facilities, including municipal housing project facilities, are or will be located;

AND WHEREAS pursuant to Section 110(1) of the Act the Corporation of the City of London has entered into an agreement with Riverside Property Corp. dated October 23, 2013 for the provision of municipal housing project facilities on the property at 129 Riverside Drive (the "Property");

AND WHEREAS it is deemed expedient to exempt from taxation for municipal and school purposes a portion of the multi-residential assessed value of the Property owned by Riverside Property Corp. upon which municipal housing project facilities are or will be located;

NOW THEREFORE the MUNICIPAL COUNCIL of the Corporation of the City of London enacts as follows:

1. A portion of the multi-residential assessed value of the Property described on Schedule A attached hereto, and on which municipal housing project facilities are or will be located, shall be exempt from taxation for municipal and school purposes in accordance with this by-law;
2. A portion of the assessed value for the Property shall be exempt from taxation each year so that the total of the property tax payable for the Property will be equal to the total taxes which would be payable if the Property were assessed in the residential class;
3. The exemption provided for in this By-law shall be effective from January 1, 2014;
4. Each year the Property will be returned on the assessment roll as taxable and the amount of the exemption referred to above will be calculated by the Managing Director Corporate Services and City Treasurer, Chief Financial Officer.
5. In this by-law, total property taxes means the sum of the property taxes for municipal and school purposes, and includes any adjustments under part ix of the Municipal Act 2001.
6. This By-Law comes into force on the date that it is passed.
7. PASSED in Open council on

Joe Fontana
Mayor

Catharine Saunders
City Clerk

SCHEDULE "A"

Number of Units: twenty eight (28) affordable housing units
Property Address: 129 Riverside Drive, London

PIN: 08251-0080 LT

Description: Part 308 Pt Lots 5 to 11 RP 33R-6080 Part 2