

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON MARCH 30, 2016
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	RESIDENTIAL TAX BY-LAW FOR NEW AFFORDABLE HOUSING PROGRAM PROJECT AT 380 PRINCESS AVE. LONDON

RECOMMENDATION

That, on the recommendation of the Managing Director of Corporate Services and City Treasurer, Chief Financial Officer the proposed by-law attached hereto **BE INTRODUCED** at the Municipal Council meeting on April 5, 2016, to tax the affordable housing property at 380 Princess Ave, London (2044583 Ontario Inc.) at an effective tax rate equal to the residential tax rate and that 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

The Municipal Housing Facilities By-law provides private and non-profit affordable housing developers “special municipal agreements for selected properties to reduce the effective property tax for only those buildings receiving program funding”. The attached by-law enables the City Treasurer to reduce the assessment and taxes owing on the property at 380 Princess Ave, London (2044583 Ontario Inc.), noting that this property has a municipal contribution agreement in place.

PREPARED BY:	RECOMMENDED BY:
STEPHEN GIUSTIZIA MANAGER, HOUSING SERVICES EXECUTIVE LEAD, HOUSING DEVELOPMENT CORPORATION, LONDON	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER

- c. J. Logan, Manager, Taxation and Revenue
D. Mounteer, Solicitor, City Solicitor’s Office
HDC Board
S. Datars Bere, Managing Director, Housing Social Services and Dearness Home
Proponent

Bill No.

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 380 Princess Avenue, 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 2044583 Ontario Inc. dated December 18, 2013 for the provision of municipal housing project facilities on the property at 380 Princess Avenue (the "Property") under a City of London affordable housing program;

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 2044583 Ontario Inc. 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 upon the date of the first assessment of the subject building under the City of London affordable housing program as multi-residential by the Municipal Property Assessment Corporation.
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 April 5th, 2016

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading –April 5th, 2016
Second Reading – April 5th, 2015
Third Reading – April 5th, 2016

SCHEDULE "A"

Number of Units: thirty-five (35) affordable housing units

Property Address: 380 - 390 Princess Avenue, London

PIN: 08270-0081

Description: Lots 4, 5, 6, 7, 10, 11, 12, 13, 14 and Part Lot 3, Plan 158 (E)
as in 887914; S/t Easement as in ER270923; London