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TO:	CHAIR AND MEMBERS COMMUNITY SERVICES COMMITTEE MEETING ON August 21, 2012
FROM:	L. STEVENS DIRECTOR OF MUNICIPAL HOUSING
SUBJECT:	RESIDENTIAL TAX BY-LAW FOR NEW AFFORDABLE HOUSING PROGRAM – PROJECT AT 590 GROSVENOR STREET

RECOMMENDATION

That, on the recommendation of the Director of Municipal Housing, with the concurrence of the City Treasurer, Chief Financial Officer, the proposed by-law attached hereto **BE INTRODUCED** at the Municipal Council meeting on August 28, 2012, to tax the affordable housing property at 590 Grosvenor Street 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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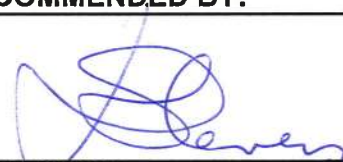

Community & Protective Services Committee
 December 2, 2002 Municipal Housing Facilities By-Law
 November 22, 2006 Residential Tax By-Laws for New Affordable Housing Program

BACKGROUND

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 OF MUNICIPAL HOUSING	M. HAYWARD CITY TREASURER, CHIEF FINANCIAL OFFICER

c.c. J. Logan
 D. Munteer

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Bill No.
2012

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 590 Grosvenor Street, 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 Riverstone Developments Inc. dated February 18, 2010 for the provision of municipal housing project facilities on the property at 590 Grosvenor Street (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 Riverstone Developments 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. 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 City Treasurer, Chief Financial Officer.
4. 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*.
5. This By-Law comes into force on the date that it is passed.
6. PASSED in Open council on

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading –
Second Reading –

Agenda Item #

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SCHEDULE "A"

Number of Units: 12 affordable housing units
Property Address: 590 Grosvenor Street, London

PIN: 08231-0149 LT

Description: LOTS 1, 2, 3, 4, & 5 PLAN 256(E) DESIGNATED AS PT 1 PLAN 33R-17063,
LONDON