

# Corporate Services Committee

## Report

6th Meeting of the Corporate Services Committee  
February 19, 2019

PRESENT: Councillors J. Morgan (Chair), J. Helmer , P. Van Meerbergen, A. Kayabaga, S. Hillier, Mayor E. Holder  
ALSO PRESENT: Councillors S. Lewis, E. Pelosa and M. van Holst; A.L. Barbon, B. Card, I. Collins, J. Edmonds, M. Galczynski, R. Hicks, J. Logan, K. Murray, J. Raycroft, C. Saunders, S. Spring, B. Warner and B. Westlake-Power

The meeting is called to order at 12:31 PM.

### 1. Disclosures of Pecuniary Interest

That it BE NOTED that no pecuniary interests were disclosed.

### 2. Consent

Moved by: S. Hillier

Seconded by: A. Kayabaga

That items 2.3 - 2.6, inclusive, BE APPROVED.

Yeas: (5): J. Morgan, J. Helmer, P. Van Meerbergen, A. Kayabaga, and S. Hillier

Absent: (1): E. Holder

**Motion Passed (5 to 0)**

#### 2.3 2019 Debenture Issuance

Moved by: S. Hillier

Seconded by: A. Kayabaga

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the Civic Administration BE AUTHORIZED to proceed with the issuance of debentures in the capital markets to provide permanent financing for capital works in an amount not to exceed \$49,380,000, with the flexibility to postpone the issuance in the event of unfavourable market conditions.

**Motion Passed**

#### 2.4 Declare Surplus - Portion of City-Owned Land Abutting 15 McAlpine Avenue

Moved by: S. Hillier

Seconded by: A. Kayabaga

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, on the advice of the Manager of Realty Services, with respect to a portion of City-owned land abutting 15 McAlpine Avenue, described as Lots 13-18, Block C, Plan 376, containing an area of approximately 900 square feet, as shown on Schedule "A" of the staff report dated February 19, 2019, the following actions be taken:

- a) the subject property BE DECLARED SURPLUS; and
- b) the subject property (“Surplus Lands”) BE TRANSFERRED to the abutting property owner at 15 McAlpine Avenue, in accordance with the City’s Sale and Other Disposition of Land Policy.

**Motion Passed**

- 2.5 Residential Tax By-Law for New Affordable Housing Program Projects - 27 Centre Street, London

Moved by: S. Hillier  
 Seconded by: A. Kayabaga

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed by-law appended to the staff report dated February 19, 2019, BE INTRODUCED at the Municipal Council meeting to be held on March 5, 2019, to tax the affordable housing property at 27 Centre Street, London (Escalade Property Corp.) 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-laws to the Municipal Property Assessment Corporation and the Secretary of all area school boards.

**Motion Passed**

- 2.6 Association of Municipalities of Ontario (AMO) Board Meeting Update - City of Toronto, ON January 24-25, 2019

Moved by: S. Hillier  
 Seconded by: A. Kayabaga

That the communication dated February 19, 2019, from Councillor A. Hopkins, with respect to the Association of Municipalities of Ontario (AMO) Board meeting held in Toronto, Ontario on January 24-25, 2019 BE RECEIVED for information.

**Motion Passed**

- 2.1 Budweiser Gardens: City Approval of Zamboni Capital Lease Agreement

Moved by: P. Van Meerbergen  
 Seconded by: A. Kayabaga

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the capital lease for two new Zamboni ice resurfacing machines at Budweiser Gardens BE APPROVED to replace the previous two Zamboni ice resurfacing machines, that are no longer in service.

Yeas: (5): J. Morgan, J. Helmer, P. Van Meerbergen, A. Kayabaga, and S. Hillier  
 Absent: (1): E. Holder

**Motion Passed (5 to 0)**

2.2 2018 Annual Update on Budweiser Gardens

Moved by: S. Hillier  
Seconded by: P. Van Meerbergen

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the 2018 Annual Report on Budweiser Gardens appended to the staff report dated February 19, 2019 as Appendix "B", BE RECEIVED for information.

Yeas: (5): J. Morgan, J. Helmer, P. Van Meerbergen, A. Kayabaga, and S. Hillier

Absent: (1): E. Holder

**Motion Passed (5 to 0)**

**3. Scheduled Items**

3.1 Apportionment of Taxes

Moved by: J. Helmer  
Seconded by: S. Hillier

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the taxes on the blocks of land described in the Schedules appended to the staff report dated February 19, 2019, BE APPORTIONED as indicated on the Schedules, pursuant to Section 356 of the *Municipal Act, 2001*; it being noted that there were no members of the public in attendance to speak to the Corporate Services Committee at the public hearing associated with this matter.

**Motion Passed**

**4. Items for Direction**

4.1 Grand Theatre - Municipal Accommodation Tax Funding Request

That the following actions be taken with respect to the Grand Theatre – Municipal Accommodation Tax Funding request:

- a) the request from the Grand Theatre BE APPROVED, in the amount of \$2 million, with the first source of financing being the Tourism Infrastructure Reserve Fund and a secondary source of financing being the Economic Development Reserve Fund;
- b) the Civic Administration BE DIRECTED to finalize the sources of financing for the request in Q1 2020, taking into account the balances, anticipated contributions and anticipated draws on the two reserve funds;
- c) the staff report dated February 19, 2019 with respect to this matter BE RECEIVED;
- d) it BE NOTED that the attached presentation from G. Kerhoulas and T. Tillman, Grand Theatre was received; and,
- e) further request for funding from the Tourism Infrastructure Reserve Fund BE DEFERRED, pending the Civic Administration's report on a process for future allocations from the Tourism Infrastructure Reserve Fund.

**Motion Passed**

Voting Record:

Moved by: A. Kayabaga  
Seconded by: S. Hillier

That the delegation request from the Grand Theatre, related to a funding request, BE APPROVED to be heard at this time.

**Motion Passed**

Moved by: J. Helmer  
Seconded by: E. Holder

That the following actions be taken with respect to the Grand Theatre – Municipal Accommodation Tax Funding request:

- a) the request from the Grand Theatre BE APPROVED, in the amount of \$2 million, with the first source of financing being the Tourism Infrastructure Reserve Fund and a secondary source of financing being the Economic Development Reserve Fund;
- b) the Civic Administration BE DIRECTED to finalize the sources of financing for the request in Q1 2020, taking into account the balances, anticipated contributions and anticipated draws on the two reserve funds;
- c) the staff report dated February 19, 2019 with respect to this matter BE RECEIVED; and,
- d) it BE NOTED that the attached presentation, from G. Kerhoulas and T. Tillman, Grand Theatre, was received.

Yeas: (6): J. Morgan, J. Helmer, P. Van Meerbergen, A. Kayabaga, S. Hillier, and E. Holder

**Motion Passed (6 to 0)**

Moved by: J. Helmer  
Seconded by: S. Hillier

Further request for funding from the Tourism Infrastructure Reserve Fund BE DEFERRED, pending the Civic Administration's report on a process for future allocations from the Tourism Infrastructure Reserve Fund.

**Motion Passed**

#### 4.2 Future Tax Policy - Possible Directions

Moved by: J. Helmer  
Seconded by: S. Hillier

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the staff report dated February 19, 2019 with respect to future tax policy - possible directions BE RECEIVED for information; it being noted that the attached presentation was received from the Director, Financial Services.

**5. Deferred Matters/Additional Business**

5.1 Consideration of Appointments to the Eldon House Board of Directors

Moved by: S. Hillier

Seconded by: J. Helmer

That the following BE APPOINTED to the Eldon House Board of Directors for the term ending November 15, 2022, based on the interviews conducted by the Corporate Services Committee on January 21, 22, February 12 and 19, respectively, and the attached ranked ballot:

Louanne Henderson

Theresa Regnier

Mark Tovey

Joseph O'Neil

Mike Donachie

Maureen Spencer Golovchenko

Ron Koudys

Rebecca Elizabeth Griesmayer

Manosij (Mano) Majumdar

Yeas: (5): J. Morgan, J. Helmer, A. Kayabaga, S. Hillier, and E. Holder

Absent: (1): P. Van Meerbergen

**Motion Passed (5 to 0)**

**6. Confidential (Enclosed for Members only.)**

Moved by: A. Kayabaga

Seconded by: S. Hillier

That the Corporate Services Committee convene In Closed Session at 12:33 PM for consideration of a matter pertaining to personal matters about an identifiable individual, including communications necessary for that purpose, as it relates to an interview for Eldon House Board of Directors.

Yeas: (5): J. Morgan, J. Helmer, P. Van Meerbergen, A. Kayabaga, and S. Hillier

Absent: (1): E. Holder

**Motion Passed (5 to 0)**

The Corporate Services Committee convenes, In Closed Session from 12:33 to 12:43 PM.

**7. Adjournment**

The meeting adjourned at 2:43 PM.

CITY OF LONDON FUNDING REQUEST  
GRAND THEATRE RENOVATIONS 2019/20

# GRAND THEATRE LONDON, CANADA

## BACKGROUND BY THE NUMBERS

- Grand Theatre employs more than 300 people throughout our season;
- Grand Theatre paid over \$4.5 million in salaries in 2017/18;
- Grand Theatre hosts over 100,000 visitors annually;
- In 2017/18 season Grand Theatre purchased over \$1.5 million of local goods and services;
- Through the 100 Schools Project, more than 33,000 school kids from our community benefited from the work at the Grand Theatre;
- Grand Theatre raised over \$130,000 for the London Food Bank and donated 750 theatre tickets to 375 local charities in 2017/18.

GRAND THEATRE LONDON, CANADA

## RENOVATION PROJECT DETAILS

### 1. SPRIET STAGE

- Fly System
- Sound System
- Stage Lighting
- House Lighting
- Special Effects Automation
- Video Projection
- Working at Heights Safety

### 2. MCMANUS STAGE

- New Seating
- Transform Space into a Theatre “Lab”
- Sound System
- Stage Lighting
- House Lighting

GRAND THEATRE LONDON, CANADA

## RENOVATION PROJECT DETAILS

### 3. BUILDING ENVELOPE/ INFRASTRUCTURE

- Replace 4 roofs
- Air sealing/window replacements
- Reconfigure & Secure Stage Door Entrance

### 4. BOX OFFICE

- Completely reconfigure
- Provide Street facing access
- Modernize

GRAND THEATRE LONDON, CANADA

## RENOVATION PROJECT DETAILS

### 5. LOBBY SPACE

- Modernize/update Lobbies & Lounges
- Open up walls on 4<sup>th</sup> floor
- Reconfigure Stairs and Street entrance
- Add two Lobby Stages

### 6. WARDROBE & PROPS

- Expand Wardrobe into unused space above prop shop
- Greatly reduce crowding
- Streamline work and storage areas

**GRAND**THEATRE LONDON,  
CANADA

## RENOVATION PROJECT DETAILS

### 7. ARTIST SPACES

- Rehearsal Halls, Dressing Rooms, Green Room
- Modernize and repair two Rehearsal Halls
- Modernize and refit Green Room and Dressing Rooms

### TOTAL PROJECT COSTS

•\$8 Million

**GRAND**THEATRE LONDON,  
CANADA

## FUNDING

- \$4 million Federal Government – Canada Cultural Spaces Fund (application submitted)
- \$2 million Private Donations – already in place, contingent on Municipal Matching Funds
- \$2 million City of London

## TIMING

- In order to meet our schedule, the Grand Theatre will require a Letter of Commitment from the City of London in March 2019

**GRAND**THEATRE LONDON,  
CANADA



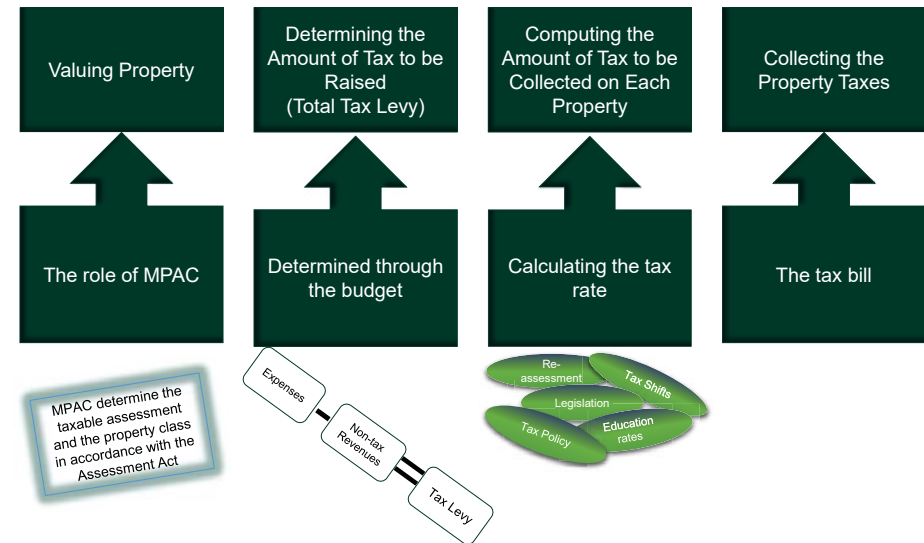
# Future Tax Policy



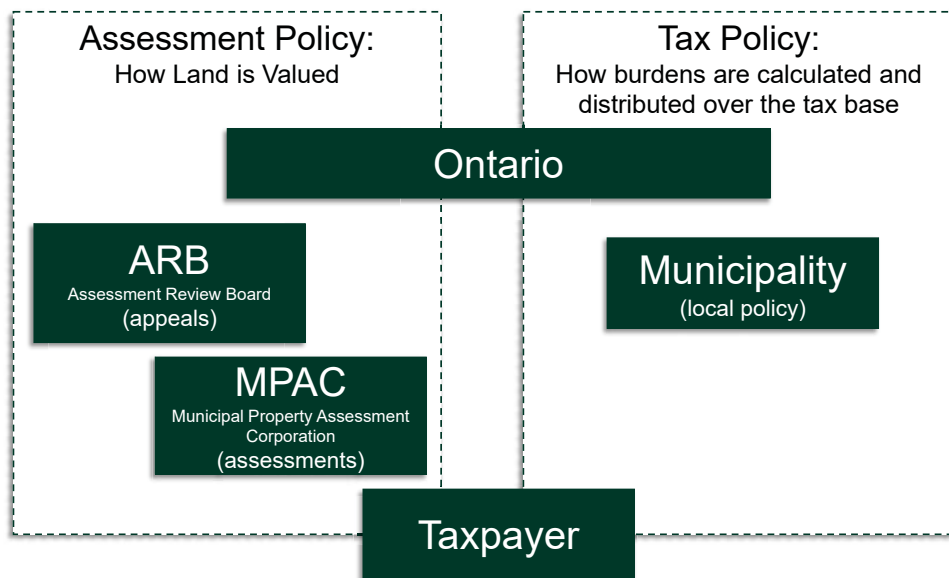
Corporate Services Committee  
Tuesday February 19, 2019



# The Property Tax Process

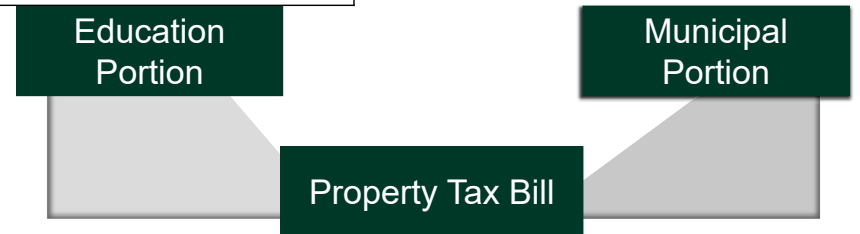


# Property Tax: Who Does What



# Two Parts to the Property Tax Bill

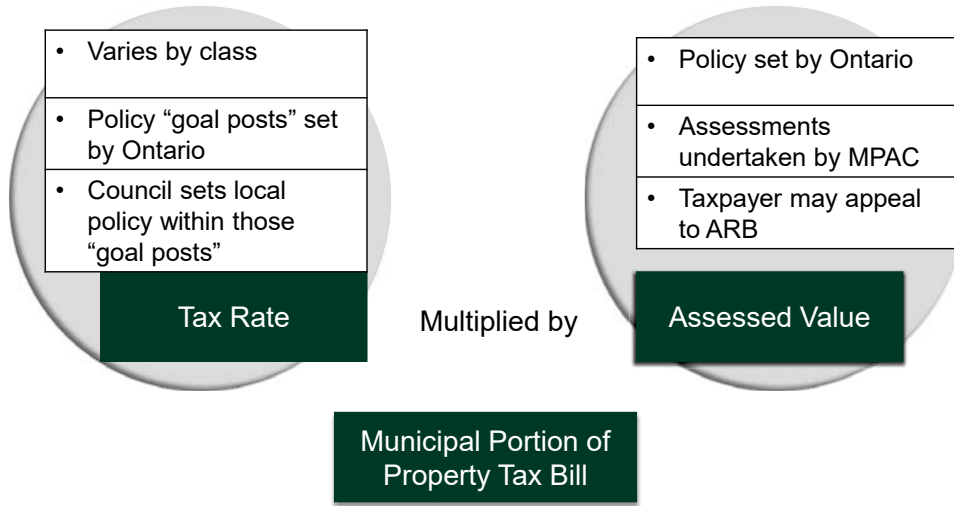
- Set by Province
- Uniform provincial residential, multi-residential, new multi-residential and farmland classes
- Commercial and industrial rates vary by municipality



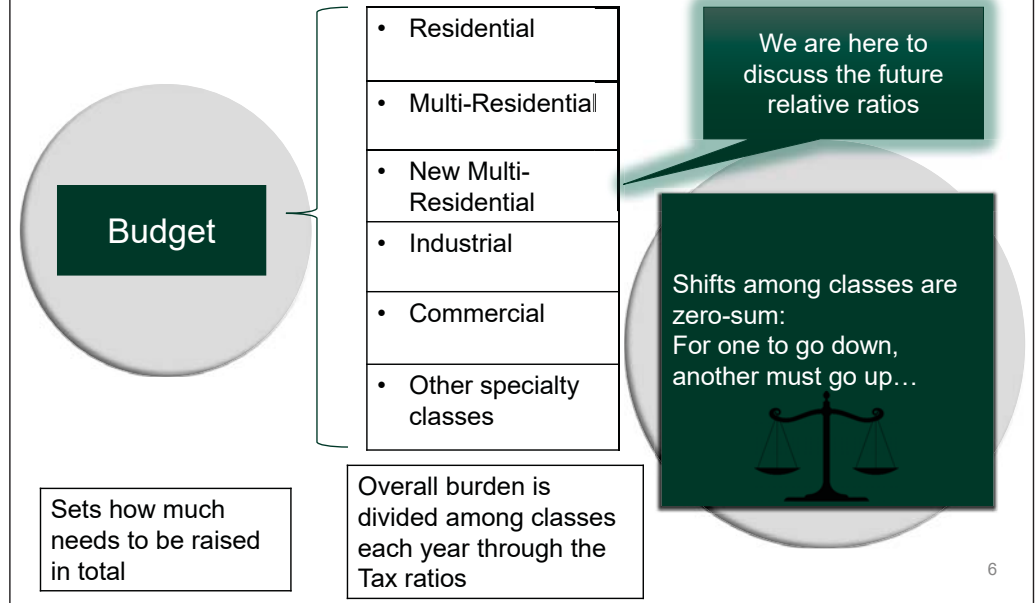




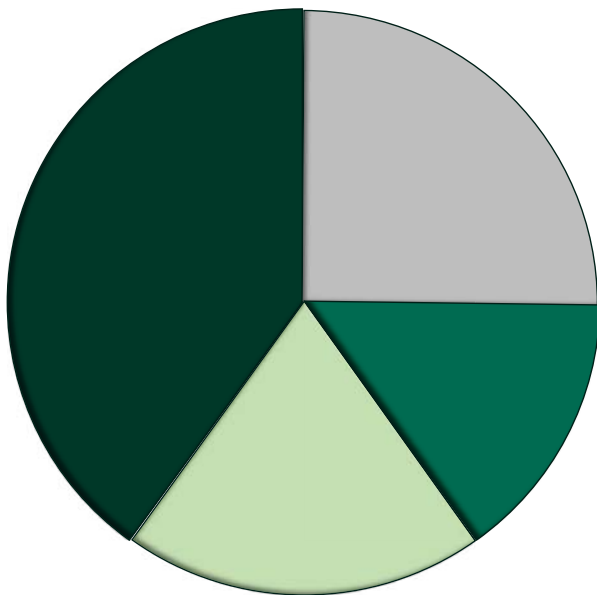
# How the Municipal Portion is Calculated...



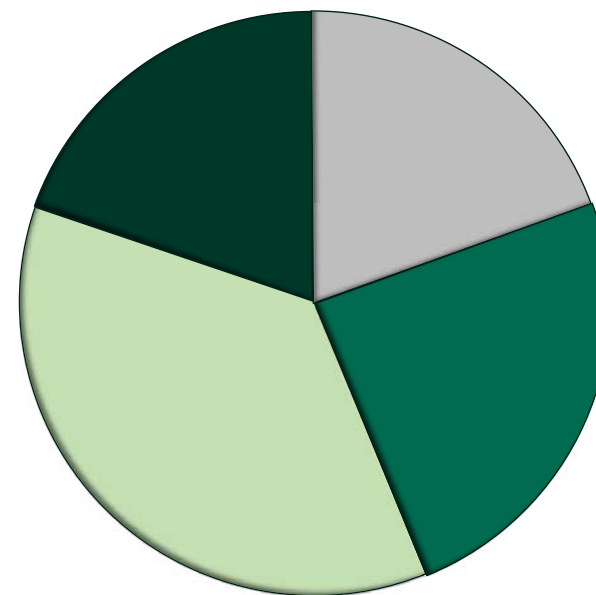
# Council Sets the Overall Budget



# Visualization Budget & Tax Policy



# Visualization Budget & Tax Policy





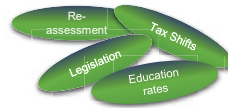
# Annual Tax Policy Review

❖ Property tax policy in the City of London has been guided by **four principles**:

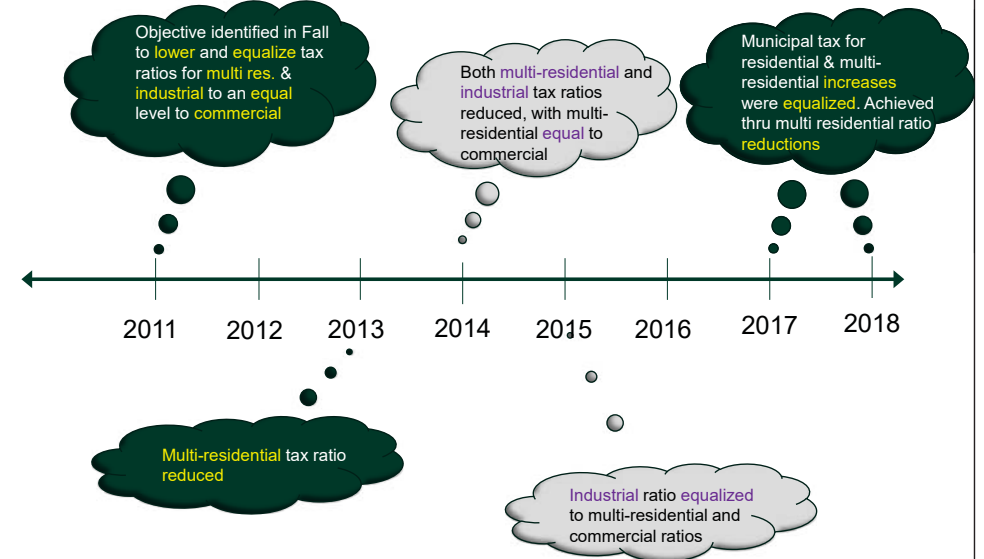
- Equity
- Economic Development
- Transparency and Public Acceptance
- Administrative Efficiency

❖ A number of **variables** are required and factored into setting policy:

- Impact of reassessment,
- Municipal Tax Levy,
- Education Tax Rates,
- Provincial Regulations, and
- Then the detailed calculations, taking in all the of above.



# Over the Years



# Possible Future Directions

- ❖ **Maintain** tax ratios in the three main non-residential classes (multi residential, commercial, and industrial) at their current levels.
- ❖ **Reduce** all the non-residential tax ratios in a gradual way, possibly giving priority to the multi-residential property class.
- ❖ Focus only on **lowering** the multi-residential tax ratio over a period of time.
- ❖ Adjust ratios on an annual basis to **mitigate assessment related tax increases** in non-residential property classes possibly giving priority to the multi-residential property class.

	City of London 2018 Tax Ratio
Commercial	1.93000
Industrial	1.93000
Multi-Residential	1.79580
Pipeline	1.71300
Farm	0.11803
Residential	1.00000
New Multi-Residential	1.00000



# Key Takeaways

- ❖ Annual setting of tax ratios and tax rates determines how the “tax pie” is divided between the property classes
- ❖ Tax policy has **long term** implications:
  - Once a ratio is reduced it can’t automatically be increased
  - can be positive or negative
  - may impact the achievement of Council’s strategies and goals



## Next Steps

- ❖ Awaiting Education Tax Rates, however preliminary calculations have started since the Municipal Tax Levy was set on Tuesday February 12<sup>th</sup>.
- ❖ Tax Policy Report to be brought forward in early spring, subject to Education Tax Rate, consistent with prior years.

**Eldon House****Councillors:** **HELMER** **MORGAN** **KAYABAGA** **HILLIER** **Holder** **SUM****Nominated Slate:**

Mike Donachie	6	1	1	1	8	17
Maureen Spencer Golovchenko	4	5	7	3	3	22
Rebecca Elizabeth Griesmayer	8	8	3	7	7	33
Louanne Henderson	7	9	5	9	4	34
Ron Koudys	2	3	6	6	1	18
Manosij (Mano) Majumdar	9	2	2	4	6	23
Joseph O'Neil	5	7	4	2	5	23
Theresa Regnier	3	6	9	8	2	28
Mark Tovey	1	4	8	5	9	27