

TO:	CHAIR AND MEMBERS CORPORATE SERVICES COMMITTEE MEETING ON OCTOBER 22, 2019
FROM:	ANNA LISA BARBON MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	BY-LAW TO DELEGATE PROPERTY TAX APPEALS AND DIVISIONS WITH RESPECT TO THE ADJUSTMENT OF TAXES AND PAYMENT IN LIEU OF TAXES

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the proposed attached by-law (Appendix "A") being "A by-law to delegate property tax appeals and divisions made under sections 356, 357 (except for section 357(1)(d.1)), 357.1, 358, 359 and 359.1 of the *Municipal Act, 2001 S.O. 2001,c.25*, as amended, to the City Treasurer or delegate in accordance with section 23.1 of the *Municipal Act, 2001 S.O. 2001,c.25*, as amended" **BE INTRODUCED** at the Municipal Council meeting to be held on October 29, 2019.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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BACKGROUND

Section 23.1 of the *Municipal Act, 2001 S.O. 2001, c.25*, as amended, permits a municipality to delegate its powers and duties under the *Act* to a person or body subject to certain restrictions set out in sections 23.2 and 23.3. Section 23.2 permits a municipality to delegate legislative and quasi-judicial powers under the *Municipal Act, 2001 S.O. 2001, c.25*, to an individual or a combination of individuals who are appointed by Council. The duties of Council under sections 356, 357, 357.1, 358, 359 and 359.1 have been interpreted by various municipalities as legislative or quasi-judicial powers that can be delegated under subsection 23.1 to municipal staff. Examples of this delegation has been done at the City of Ottawa and the City of Hamilton.

A general description of the sections recommended for delegation are shown below:

Section of the <i>Municipal Act</i>	Description
356	Division of property taxes where land is divided.
357	Cancellation, reduction of taxes for change events, property class changes, building demolition or damage, gross or manifest errors, and repairs and renovations.
357.1	Adjustments described in section 357 that apply to payments in lieu of taxes from senior levels of government.
358	Overcharges in previous two (2) years because of gross or manifest errors on the roll.
359	Undercharges in the current or previous year because of a gross or manifest error in the assessment.
359.1	Correction of error in calculating cap or claw back adjustments in the current year.

It is recommended that all the powers and duties of Council with respect to all of the above sections, except for section 357(1)(d.1), be delegated to the City Treasurer or delegate. Section 357(1)(d.1) has already been delegated by Council to the Assessment Review Board, which is the section to appeal property taxes for sickness or extreme poverty.

Delegating the above powers and duties to staff will provide time for Council and Standing Committees to deal with other matters. The recommended delegation will also significantly expedite the processing of property tax appeals and divisions since timing will not be dependent on the specific dates set out for Standing Committee and Council meetings.

The issues related to the above recommended delegation are questions of fact rather than questions of judgment. In the past there have been very few, if any, matters of dispute that required a discussion with Council, with respect to any of the above sections. Under the current legislation all the above sections, except for section 358, provide for appeal to the Assessment Review Board if the appellant does not agree with the decision rendered by the Municipality. Section 358 requires confirmation of the error by the Municipal Property Assessment Corporation (MPAC) before the appeal can be heard. With any delegation, the property owner would still have all the same appeal rights to the Assessment Review Board as they exist under the current process.

FINANCIAL IMPACT

There should be no financial impact as a result of this process change.

SUMMARY

In summary, it is recommended that, in accordance with section 23.1 of the *Municipal Act, 2001 S.O. 2001,c.25*, as amended, Council enact the attached by-law (Appendix "A") to delegate property tax appeals and divisions as described to the City Treasurer or delegate.

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

Attachment.

APPENDIX "A"

Bill No.
2019

By-Law No.

A by-law to delegate property tax appeals and divisions made under sections 356, 357 (except for section 357(1)(d.1)), 357.1, 358, 359 and 359.1 of the Municipal Act, 2001 S.O. 2001, c.25, as amended, to the City Treasurer or delegate.

WHEREAS subsection 5(3) of the Municipal Act, 2001, S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS sections 8, 9 and 10 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, authorize the City of London to pass by-laws necessary or desirable for municipal purposes and, in particular, paragraph 3 of subsection 10(2) authorizes by-laws respecting the financial management of the municipality;

AND WHEREAS section 23.1 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, authorizes the Municipal Council of The Corporation of the City of London to delegate its authority;

AND WHEREAS subsection 23.2(2) of the Municipal Act, 2001, S.O. 2001, c.25, as amended, authorizes the Municipal Council of The Corporation of the City of London to delegate quasi-judicial powers under the Municipal Act, 2001 to an individual who is an officer, employee, or agent of the City;

AND WHEREAS the Municipal Council of The Corporation of the City of London deems it appropriate to pass a by-law to delegate property tax appeals and divisions under section 356, 357 (except for section 357(1)(d.1)), 357.1, 358, 359, and 359.1 of the Municipal Act, 2001 S.O 2001, C.25;

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

1. The City Treasurer, or delegate, of The Corporation of the City of London are severally delegated the authority to hold meetings, give notice and make decisions under section 356, section 357 (except for paragraph 357(1)(d.1)), section 357.1, section 358, section 359, and section 359.1 of the Municipal Act, 2001 subject to such direction as may be given by Council or the appropriate Standing Committee of the City of London from time to time.
2. This by-law comes into force on the day it is passed.

PASSED in Open Council on October 29, 2019

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – October 29, 2019
Second Reading – October 29, 2019
Third Reading – October 29, 2019