

COMMITTEE OF THE WHOLE – AUGUST 20, 2001

PROPERTY TAX RELIEF FOR HERITAGE PROPERTIES

Recommendation

The Commissioner of Corporate Services/City Treasurer recommends:

That the following report be received for information purposes; and

That a copy of this report be forwarded to Heritage Vaughan.

Purpose

The purpose of the report is to advise Members of Council that the Province is considering property tax relief for heritage properties and that the City of Vaughan had requested an opportunity to provide input.

Background - Analysis and Options

Attached is a letter from the Ministry of Finance inviting Vaughan staff to provide input and assist in the development of a tax relief mechanism for heritage properties.

Staff support the concept of providing property tax relief for heritage buildings. They represent a part of the history of the community and add to its character and atmosphere. Heritage properties are subject to strict guidelines and generally experience extraordinary costs associated with their restoration and maintenance.

Conclusion

Property tax relief for heritage properties offers a number of potential benefits for the City of Vaughan including:

1. Preservation of Downtown Cores - This has been a concern to Council in the past, and many of these areas contain heritage properties. This proposed legislation may provide Council with an opportunity to address this issue.
2. Encourages Preservation of Heritage Properties – In a rapidly expanding City such as Vaughan it is often difficult to preserve heritage properties. This provides the City with another tool.

Attachments

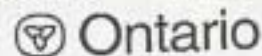
Letter from the Ministry of Finance

Report prepared by:

Clayton D. Harris, Commissioner of Corporate Services, ext. 8475

Respectfully submitted,

Clayton D. Harris, CA
Commissioner of Corporate Services/City Treasurer



August 10, 2001

Grace Marsh
Property Tax Manager
City of Vaughan
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1
Fax: 905-832-8566

Dear Ms. Marsh,

As you may be aware, the Minister of Finance announced in the 2001 Ontario Budget that the Province is proposing to give municipalities the ability to provide property tax relief to owners of buildings that are designated under the *Ontario Heritage Act* as being of architectural or historical value. It is proposed that this measure will be implemented for the 2002 taxation year.

Input is being sought from stakeholders to assist in the development of a tax relief mechanism that is equitable for property owners and administratively feasible for municipalities. Staff from the Ministry of Finance and the Ministry of Tourism, Culture and Recreation are working together on this initiative and we are in the process of consulting with stakeholders on the following issues:

- form of tax relief mechanism (e.g. property class, sub-class, rebate);
- amount of tax relief (e.g. percentage rate reduction);
- eligibility criteria (e.g. type of property, designation under Act, easement agreement).

We are contacting you because you have previously expressed interest in the property tax treatment of heritage properties.

If you would like to offer written comments on any of the above-noted issues, we would appreciate hearing from you by August 31, 2001 at the addresses noted below. If you would like to meet with us in person or by teleconference, please contact Vicky Barzins at the Ministry of Finance at 416-327-0238. We intend to schedule a number of meetings for this purpose during the latter half of August.

Thank you for your interest in this initiative.

Sincerely,

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