

**JOSEPH AND WOLF LEBOVIC JEWISH COMMUNITY CAMPUS ACT, 2008 –
EXEMPTION FROM PROPERTY TAXATION**

Recommendation

The Director of Financial Services, in consultation with the Director of Legal Services and the Manager of Property Tax & Assessment recommends:

- 1) That a by-law be enacted exempting the lands designated as Parts 4, 6 and 7 on Reference Plan 65R-28984 (the "Exempted Lands") from taxes for municipal purposes, other than local improvement rates, beginning January 1, 2008, if:
 - (a) the Exempted Lands are occupied and used solely for the purposes of the Joseph and Wolf Lebovic Jewish Community Campus;
 - (b) the Joseph and Wolf Lebovic Jewish Community Campus is the registered owner of the Exempted Lands; and
 - (c) the Joseph and Wolf Lebovic Jewish Community Campus is a registered charity within the meaning of the *Income Tax Act* (Canada).

Economic Impact

The annual estimated property taxes for the City portion only on the Exempted Lands is \$216,000. The above amount is an estimate only based on information provided by the Joseph and Wolf Lebovic Jewish Community Campus.

Communications Plan

A Communications Plan is not applicable to this report.

Purpose

The purpose of this report is to provide Council with the background in order to enact a by-law pursuant to the passage of private member legislation that exempts from taxation for municipal and school purposes, other than local improvement rates, the entire property known as the Joseph and Wolf Lebovic Jewish Community Campus, located on the west side of Bathurst, north of Rutherford. The lands covered by the proposed by-law are a portion of the entire property and only constitute Phase I and Phase II of the site development plan and are designated as Parts 4, 6, and 7 on Reference Plan 65R-28984. An exemption for the remainder of the development designated as Phase III on the site development plan cannot be determined at this point and is not included in this by-law.

Background - Analysis and Options

The Joseph and Wolf Lebovic Jewish Community Campus has advised that it is a charitable, not-for-profit corporation, supported by a combination of donations and public funds, and supports community service-type organizations as well as education, health and social services.

The City received a request from the United Jewish Welfare Fund of Toronto and its parent corporation, UJA Federation of Greater Toronto, asking that the City of Vaughan Council pass a resolution in support of a private bill to the Provincial Legislature that would enable the Joseph and Wolf Lebovic Jewish Community Campus to become exempt from paying municipal property taxes. Council approved this resolution and it was forwarded to the Province in May 2008.

Further, Region of York Council, at its meeting of June 19, 2008, approved and endorsed the City's resolution regarding site specific property tax exemption for the land owned by the Joseph and Wolf Lebovic Jewish Community Campus.

Joseph and Wolf Lebovic Jewish Community Campus Act, 2008

The need for a private bill from the Provincial Legislature is due to the *Assessment Act* requirement of site-specific ownership. The *Assessment Act* states that a charitable organization needs to own and occupy a property under certain conditions in order to qualify for municipal property tax exemption. With respect to the subject lands, the Joseph and Wolf Lebovic Jewish Community Campus has advised that it will maintain ownership, however, it will provide land leases to various occupants who, in turn will build and occupy their own buildings, and provide charitable, non-profit services. Therefore, MPAC confirmed that under the described proposed arrangements for the subject property, the municipal property tax exemption requirements under the *Assessment Act* would not be met completely. The issue being that the non-profit organization would not own and occupy the property, but rather one non-profit organization would lease to another non-profit organization.

As a result, it was necessary for a private bill to be enacted that would give the City authority to enact a by-law that would exempt the Joseph and Wolf Lebovic Jewish Community Campus lands from municipal property taxes, other than local improvement rates. The private bill was enacted as the *Joseph and Wolf Lebovic Jewish Community Campus Act, 2008* and given Royal Assent on December 10, 2008. A copy is attached to this report. At this point in time, it is appropriate to exempt the portion of the lands being developed as Phase I and Phase II of the site development plan and designated as Parts 4, 6, and 7 on Reference Plan 65R-28984. An exemption for the remainder of the development designated as Phase III on the site development plan cannot be determined at this point and is not included in this by-law.

The Exempted Lands will still be assessed by MPAC but will be put into an exempt property tax class. As part of the annual review conducted by the City finance staff and through the authority and processes contained within the *Assessment Act*, the Exempted Lands will become assessable in the applicable taxable class should there be changes in the status and/or ownership. This approach will provide the City with the ability to manage the Exempted Lands in terms of property taxes, thereby providing fairness in the process.

Relationship to Vaughan Vision 2020

This report is consistent with the priorities set forth by Council within Vaughan Vision 2020 and the necessary resources have been allocated and approved.

Regional Implications

The annual estimated property taxes for the Region portion only on the Exempted Lands is \$419,000. The above amount is an estimate only based on information provided by the Joseph and Wolf Lebovic Jewish Community Campus.

Conclusion

The United Jewish Welfare Fund of Toronto and its parent corporation, UJA Federation of Greater Toronto, requested that the City of Vaughan Council pass a resolution in support that the Joseph and Wolf Lebovic Jewish Community Campus, a charitable/non-profit corporation, be exempted from property taxes through a private bill. This resolution was approved by Council in May 2008 and Region of York Council in June 2008. The Province has enacted the *Joseph and Wolf Lebovic Jewish Community Campus Act, 2008* that provides the authority for the City of Vaughan to exempt the Joseph and Wolf Lebovic Jewish Community Campus lands from property taxes. The lands covered by the proposed by-law are those being developed under Phase I and Phase II of the site development plan and designated as Parts 4, 6, and 7 on Reference Plan 65R-28984. An exemption for the remainder of the development designated as Phase III on the site development plan cannot be determined at this point and is not included in this by-law.

Attachments

Attachment 1 – *Joseph and Wolf Lebovic Jewish Community Campus Act, 2008*

Report prepared by:

Barry E. Jackson, CGA
Director of Financial Services
Ext. 8272

Maureen E. Zabiuk, A.I.M.A., AMTC
Manager, Property Tax & Assessment
Ext. 8268

Respectfully submitted,

Barry E. Jackson, CGA
Director of Financial Services



1st SESSION, 39TH LEGISLATURE, ONTARIO
57 ELIZABETH II, 2008

Bill Pr20

*(Chapter Pr15
Statutes of Ontario, 2008)*

**An Act respecting
the Joseph and Wolf Lebovic
Jewish Community Campus**

Mr. Sorbara

1st Reading	December 3, 2008
2nd Reading	December 10, 2008
3rd Reading	December 10, 2008
Royal Assent	December 10, 2008

Printed by the Legislative Assembly of Ontario



**An Act respecting
the Joseph and Wolf Lebovic
Jewish Community Campus**

Preamble

The board of directors of the Joseph and Wolf Lebovic Jewish Community Campus (the Lebovic Campus) has applied for special legislation to exempt certain land from taxation for municipal and school purposes, other than local improvement rates, beginning in 2008, while the land is used for a specified purpose. The applicant represents that the Lebovic Campus was incorporated under the *Corporations Act* by letters patent dated July 21, 1948 as the Jewish Community Centre of Toronto, that it has obtained several supplementary letters patent, including supplementary letters patent changing its name, and the most recent supplementary letters patent, in which it changed its name to its current name, is dated October 6, 2006. The applicant represents that it is a registered charity within the meaning of the *Income Tax Act* (Canada). The applicant also represents that the Lebovic Campus has a freehold interest in the land and will be operating a not-for-profit community campus offering a variety of community services on the land.

It is appropriate to grant the application.

Therefore, Her Majesty, by and with the advice and consent of the Legislative Assembly of the Province of Ontario, enacts as follows:

Definition

1. In this Act,

"specified property" means the land, as defined in the *Assessment Act*, comprising approximately 50 acres on the west side of Bathurst Street, north of Rutherford Road, being composed of Part of Lots 17 and 18, Concession 2, Vaughan, more particularly identified as P.I.N.s 03341-2301(LT), 03341-2302(LT) and 03341-2303(LT) within the records of the Land Registry Office, York Region (No. 65).

Tax exemption by-law

2. The council of the City of Vaughan may pass a by-law exempting the specified property, or any portion of it, from taxes for municipal purposes, other than local improvement rates, beginning January 1, 2008, if,

- (a) the specified property, or the portion of it that is subject to the by-law, is occupied and used solely for the purposes of the Lebovic Campus;
- (b) the Lebovic Campus is the registered owner of the specified property, or the portion of it that is subject to the by-law; and
- (c) the Lebovic Campus is a registered charity within the meaning of the *Income Tax Act* (Canada).

Property exempt from school taxes

3. (1) If the council of the City of Vaughan passes a by-law under section 2, the specified property, or the portion of it that is subject to the by-law, is also exempt from taxes for school purposes for so long as the by-law remains in effect.

Chargeback

(2) Section 353 (taxes collected on behalf of other bodies) of the *Municipal Act, 2001* applies, with necessary modifications, to taxes cancelled by subsection (1).

Commencement

4. This Act comes into force on the day it receives Royal Assent.

Short title

5. The short title of this Act is the *Joseph and Wolf Lebovic Jewish Community Campus Act, 2008*.