

The Corporation of the City of Kenora

By-law Number 39 - 2014

A By-law to Adopt Optional Tools for the Purposes of Both Administering Limits for Certain Property Classes and Excluding Certain Properties from the Capping Process

Whereas the Corporation of the City of Kenora (hereinafter referred to as “The Municipality”) may, in accordance with section 329.1 of the Municipal Act, 2001, S.O. 2001 c.25 as amended (hereinafter referred to as “The Act”) modify the provisions and limits set out in section 329 of The Act, with respect to the calculation of taxes for municipal and school purposes payable in respect of property in the commercial, industrial and multi-residential property class; and

Whereas the municipality may, in accordance with section 8.02 of Ontario Regulation 73/03 as amended (hereinafter referred to as “The Regulation”) modify the provisions and limits set out in section 329 of The Act, with respect to the calculation of taxes for municipal and school purposes payable in respect of property in the commercial, industrial and multi-residential property class; and

Whereas the municipality must similarly modify the provisions and limits set out in section 332 of The Act with respect to the “tenant cap” calculations; and

Whereas this by-law shall only apply to properties in any of the Commercial, Industrial and Multi-Residential property classes to which Part IX of the Act applies; and

Whereas for the purposes of this by-law the commercial classes shall be deemed to be a single property class and the industrial classes shall be deemed to be a single property class; and

Whereas “uncapped taxes” means, the taxes for municipal and school purposes that would be levied for the taxation year but for the application of Part IX of The Act; and

Whereas the Council may pass a by-law to apply any one or any combination of the following options:

- a. Increase the annual cap from 5% of last year’s capped taxes up to a maximum of 10% of last year’s capped taxes; and/or
- b. Set an upper limit on annual increases at the greater of the amount calculated under (a) and up to 5% of the previous year’s annualized CVA tax; and/or
- c. Up to a maximum \$250 threshold may be set for increasing properties, decreasing properties or both; and / or
- d. Exempt properties from the capping calculation where the previous year’s capped taxes for the property were equal to the uncapped taxes for that year, and / or
- e. Exempt properties from the capping calculation where the previous year’s capped taxes were less than the previous year’s CVA taxes, and the current year’s capped

taxes would otherwise be greater than the current year's CVA taxes, or vice-versa; and

Whereas a by-law passed to adopt the provisions of subsection 329.1 paragraphs 1 and 2 of the Act provides that such provisions shall also apply to section 332 of *The Act* with respect to the "tenant cap" calculations; and

Whereas the Council has reviewed the provisions of Section 329.1 of the Act and the Provisions of Ontario Regulation 73/03, and hereby deems it necessary and appropriate to adopt optional tools for the purpose of administering limits for the Commercial, Industrial and Multi-Residential property classes in order to either reduce the impact of capping or exempt eligible properties from capping in 2014

Now Therefore Be It Resolved That the Council of the Corporation of the City of Kenora hereby enacts as follows:-

1. **That** paragraphs 1 and 2 of Subsection 329.1 (1) of the Act shall apply to the Commercial, Industrial and Multi-Residential property classes for 2014 and thereafter.
2. **That** paragraphs 1, 2 and 3 of Subsection 8.0.2 (2) of Ontario Regulation 73/03 shall apply to the Commercial, Industrial and Multi-Residential property classes for 2014.
3. **That** in determining the amount of taxes for municipal and school purposes for the year under subsection 329 (1) and the amount of the tenant's cap under subsection 332 (5), the greater of the amounts determined under paragraphs a) and b) as set out below shall apply in determining the amount to be added under paragraph 2 of subsection 329 (1), and the increasing amount under paragraph 2 of subsection 332 (5),
 - a. The percentage set out in Subsection 329(1) paragraph 2 and in Subsection 332(5) paragraph 2 shall be ten per cent (10%), and
 - b. The amount of the taxes uncapped taxes for the previous year multiplied by five per cent (5%).
4. **That** paragraphs 3 of Subsection 329.1 (1) of the Act shall apply to the Commercial, Industrial and Multi-Residential property classes for 2014 and thereafter, and the amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the uncapped taxes exceeds the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section 329, as modified under section 329.1 of The Act and this by-law, by two-hundred and fifty dollars (\$250.00) or less.
5. **That** paragraphs 4 of Subsection 329.1 (1) of the Act shall apply to the Commercial, Industrial and Multi-Residential property classes for 2014 and thereafter, and the amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for the year if the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under section 329, as modified under section 329.1 of The Act and this by-law exceed the uncapped taxes, by two-hundred and fifty dollars (\$250.00) or less.

6. **That** properties that meet any of the following conditions shall be exempt from the capping calculations set out under Part IX of The Act for the 2014 taxation year:
- i. The capped taxes for the property in the previous year were equal to its uncapped taxes for that year.
 - ii. The capped taxes for the property in the previous year were lower than the property's uncapped taxes for that year, and the current year's capped taxes would be higher than the current year's uncapped taxes if Part IX were applied.
 - iii. The capped taxes for the property in the previous year were higher than the property's uncapped taxes for that year, and the current year's capped taxes would be lower than the current year's uncapped taxes if Part IX were applied.
7. **That** by-law Number 34-2013 be hereby repealed.
8. **That** this by-law shall come into force and be in effect from and after the final passing thereof.

By-law read a First and Second Time this 15 day of April, 2014.

By-law read a Third and Final Time this 15 day of April, 2014.

The Corporation of the City of Kenora:

.....Mayor
David S. Canfield

.....City Clerk
Joanne L. McMillin