



Date 4 June 2010

City Council Committee Report

To: Mayor Compton & Members of Council

Fr: Karen Brown

Re: Kingston Resolution – Payments in Lieu of Taxes

Recommendation:

Whereas in a unanimous decision on 15 April the Supreme Court of Canada clearly and unequivocally stated that the federal government and its Crown Corporations must pay for the services municipalities provide in the same way private owners pay;

Therefore be it resolved that Kenora City Council urges the government of the Province of Ontario to follow this decision, with respect to all properties for which it makes payments in lieu of taxes (including heads and beds); and further

That a copy of this resolution be sent to the Honourable Dwight Duncan, Minister of Finance, and Howard Hampton, MPP for Kenora – Rainy River.

Background:

The attached resolution was received recently from the City of Kingston with regards to payments in lieu of taxes. In particular, the Heads & Beds tax has been a long standing issue. The Province has not updated the rate in years, with those organizations paying \$75 / head or bed. The increase in levy would be significant. The expectation would be that the Province would provide these organizations sufficient additional funding to pay for the property taxes.

Budget:

This would represent incremental tax revenues for the City of Kenora.

Communication Plan/Notice By-law Requirements:

A copy of the resolution should be sent to the Minister of Finance, as well as our local MPP.