



Date 1 May 2011

City Council Committee Report

To: Mayor Canfield & Members of Council

Fr: Karen Brown

Re: 2011 Claw Back Rates

Recommendation:

That Council hereby gives three readings to a By-law to establish the claw back rates for certain property classes within the Corporation of the City of Kenora for 2011.

Background:

Under current tax legislation, the City is allowed to claw back a percentage of any entitlement to refunds, by class, related to assessment changes in order to offset costs related to providing capping to protected properties. The City is required to pass a By-law each year to formally establish the claw back rates. Historically, the City has used this tool to ensure that any costs related to capping are absorbed within the property class to which they belong. The alternative would be to add costs related to capping to the tax levy, resulting in a shift in tax liability to the residential property class.

As in previous years, this claw back applies only to those properties with decreases that were not excluded from the capping process under the previous capping related decisions as made by Council. In addition, the claw back percentages are very low, with the majority of decreases being retained by City ratepayers. The decreases retained for 2011 are as follows:

- Commercial classes – 95.3382%
- Industrial classes – 100.0000%

Budget:

There is no cost related to passing this By-law. The implementation of the claw back mechanism ensures any impacts related to capping properties are neutralized in 2011.

Communication Plan/Notice By-law Requirements:

This item is housekeeping in nature. No further communication is required.

Cc: Charlotte Edie
Pat Geisel