

EXTRACT OF DRAFT MINUTES 27
FINANCE AND ECONOMIC
DEVELOPMENT COMMITTEE
10 MAY 2017

EXTRAIT DE L'ÉBAUCHE DU
PROCÈS-VERBAL 27
COMITÉ DES FINANCE ET DU
DÉVELOPPEMENT ÉCONOMIQUE
LE 10 MAI 2017

VACANCY REBATE PROGRAM REVIEW

ACS2017-CSD-REV-0004

CITY WIDE

REPORT RECOMMENDATIONS

That the Finance and Economic Development Committee recommend Council approve:

- 1. That the City of Ottawa's Vacancy Rebate Program (VRP) be phased out over a period of three years as described in this report and such that the rebate amount is reduced to 20% in 2017, reduced to 10% in 2018, and eliminated in 2019.**
- 2. That the City request that the Minister of Finance implement Council's decisions with respect to the Vacancy Rebate Program by provincial Regulation.**

Wendy Stephenson, Deputy City Treasurer, Revenue Services spoke to a PowerPoint presentation, a copy of which is held on file with the City Clerk and Solicitor. Steve Kanellakos, City Manager and John Smit, Director of Economic Development were present to respond to questions.

The Committee then heard from the following delegations:

Danielle Ryan, Conseil des écoles public de l'Est de l'Ontario spoke in support of the report noting that if approved, it will provide more funding on municipal taxes which will reduce a portion required to be transferred from the Province to the school board.

David Jeanes, Heritage Ottawa strongly supports the phase out of the Vacancy Rebate Program, noting that the program is a disincentive to renovation or adaptive re-use for heritage homes and heritage districts.

Ian Wright, Snow Goose Ltd also agreed with the report recommendations as he felt the program removed the urgency to fill vacancy properties.

Joshua Thatcher, Whole Foods Market – Lansdowne, supported the report but suggested that the money be redirected to investment in local entrepreneurs and businesses.

Dean Karakasis, Building Owners and Managers Association (BOMA) spoke of concerns if the Vacancy Rebate Program is phased out, noting the impacts on business owners and the community.

* Correspondence was received by the following organizations:

- Council of Heritage Organizations in Ottawa
- Hintonburg Community Association
- Ottawa-Carleton District School Board

*[* Individuals / groups marked with an asterisk above either provided comments in writing or by e-mail; all submissions are held on file with the City Clerk.]*

Committee members posed questions to staff in regards to the Business Improvement Areas, property assessments, investments and cost of leasing retail space.

After discussion, Councillor Blais read the following motion:

MOTION NO. 27 / 2

Moved by Councillor S. Blais

WHEREAS the report entitled Vacancy Rebate Program (ACS2017-CSD-REV-0004) recommends a three-year phase out of the Vacancy Rebate Program with a declining rebate and defined eligibility criteria during the phase out as further described in the report, with the complete elimination of the program being effective in 2019; and

WHEREAS, it is in the interest of the City and its residential taxpayers to accelerate the timeline for the proposed phase out of the Vacancy Rebate Program, with a timeframe for elimination of the rebates similar to that of

the City of Toronto, to encourage commercial and industrial property occupancy rather than to continue to provide tax rebates for vacancies, and to further encourage renovations to occur to make vacant properties fit for occupancy; and

THEREFORE BE IT RESOLVED THAT Recommendation 1 of report ACS2017 be replaced with the following:

1. That the City of Ottawa's Vacancy Rebate Program (VRP) be phased out over a period of two years, with the eligibility criteria during the phase out to be provided for as described in this report, and that the rebate amount is reduced to 15% in 2017 and eliminated in 2018.

CARRIED with Councillor Moffatt dissenting.

Item 6 of the Finance and Economic Development Committee Agenda 27, as amended by Motion N^o 27/2 and set out in full below, was put to Committee.

That the Finance and Economic Development Committee recommend Council approve:

1. That the City of Ottawa's Vacancy Rebate Program (VRP) be phased out over a period of two years, with the eligibility criteria during the phase out to be provided for as described in this report, and that the rebate amount is reduced to 15% in 2017 and eliminated in 2018; and
2. That the City request that the Minister of Finance implement Council's decisions with respect to the Vacancy Rebate Program by provincial Regulation.

CARRIED as amended