

EXTRACT OF DRAFT MINUTES 23  
FINANCE AND ECONOMIC  
DEVELOPMENT COMMITTEE  
4 APRIL 2017

EXTRAIT DE L'ÉBAUCHE DU  
PROCÈS-VERBAL 23  
COMITÉ DES FINANCE ET DU  
DÉVELOPPEMENT ÉCONOMIQUE  
LE 4 AVRIL 2017

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2017 TAX RATIOS AND OTHER TAX POLICIES

ACS2017-CSD-REV-0002

CITY WIDE

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### **REPORT RECOMMENDATIONS**

That the Finance and Economic Development Committee recommend Council approve:

1. The adoption of the following optional property classes in 2017:

- Shopping centre property class
- Parking lots and vacant land property class
- Office building property class
- Large industrial property class
- New multi-residential property class
- Professional sports facility property class

2. The adoption of the following tax ratios for 2017:

Property Class	Ratio**
Residential	1.000000
Multi-Residential	1.451649
New Multi-Residential	1.000000
Farm	0.200000

Managed Forest	0.250000
Pipe line	1.774830
Commercial Broad Class	1.979981
Commercial*	1.926000
Office Building*	2.390000
Parking Lots and Vacant Land*	1.300000
Shopping Centre*	1.550000
Professional Sports Facility	1.926000
Industrial Broad Class	2.573996
Industrial*	2.696921
Large Industrial*	2.315965
Landfill***	2.074366

\* including new construction classes for Business Education Tax rate purposes

\*\* Subject to final minor revisions upon Ontario Property Tax Analysis (OPTA) close-off

\*\*\* Provincially mandated new class for 2017

3. The adoption of the following tax ratios and by-laws for the mandatory property subclasses and the tax rate percentage reduction for farm land awaiting development:

- Commercial excess land (i.e. commercial, office building and shopping centre property classes) - 70% of the applicable commercial property class tax ratio;
- Vacant industrial land, industrial and large industrial excess land - 65% of the applicable industrial property class tax ratio;

- **Farm land awaiting development subclass I - 75% of the residential property class tax ratio and the corresponding tax rate percentage reduction for the awaiting residential, multi-residential, commercial and industrial property classes; and**
  - **Farm land awaiting development subclass II - no tax rate reduction.**
- 4. That the tax rates for 2017 be established based on the ratios adopted herein.**
  - 5. That the 2017 capping and clawback provisions be as follows:**
    - a. That capping parameters be approved at the higher of 10% of the previous year's annualized tax or 5% of the 2017 Current Value Assessment (CVA) taxes;**
    - b. That capped or clawed back properties whose recalculated annualized taxes fall within \$250 of their CVA taxation be moved to their CVA tax for the year and be excluded from any future capping adjustments;**
    - c. That properties that have reached their CVA during the current year or crossed over from the clawed back category to the capped category remain at CVA taxes and be excluded from any future capping adjustments; and**
    - d. That properties that cross over from the capped category to the clawed back category remain subject to clawback adjustments.**
  - 6. That the tax level for "new construction" properties be set at a minimum level of 100% of their CVA taxes for 2017 and future taxation years.**
  - 7. That the property tax mitigation programs be continued for 2017, including the Charitable Rebate Program, the Farm Grant Program and the Low Income Seniors and Persons with Disabilities Complete Tax Deferral Program as previously approved by Council.**
  - 8. That Revenue Services continue receiving and processing the Vacancy Rebate applications for the 2016 taxation year as well as continue the pilot vacancy inspection program in 2017 consistent with past approvals and existing Program administration.**

9. That staff implement the technical adjustment for the City of Ottawa prescribed in the property tax related regulations made under the Municipal Act, 2001 by way of by-law.
10. That the \$4.9 million in additional tax revenue from additional growth identified through the application of the technical adjustment be added to the remissions operating budget.
11. That the stormwater rates outlined in this report for unconnected properties be approved by Council.

Marian Simulik, General Manager of Corporate Services and City Treasurer and Wendy Stephenson, Deputy City Treasurer, Revenue Services provided a verbal update on the above-noted report.

*Note: A copy of the PowerPoint presentation was provided to Committee after the meeting and is held on file with the City Clerk.*

The Committee then heard from the following delegations:

John Dickie, Eastern Ontario Landlord Organization\* spoke on the multi-residential property taxes. A copy of his submission is held on file with the City Clerk.

David Lyman, Paramount Properties also spoke on the multi-residential property taxes and the percentage of rates.

Committee members posed questions to staff in regards to the multi-residential property taxes, property assessments and multi-year projections.

After discussion, the Committee CARRIED the item, as presented.