

THE CORPORATION OF THE TOWN OF MIDLAND

BY-LAW 2014-50

A By-law to provide for Heritage Property Tax Relief for eligible heritage properties

WHEREAS the Municipal Act, 2001 S.O. 2001, c.25 Section 365.2, as amended, provides that the Council of a local municipality may pass a By-law establishing a program to provide tax reductions or refunds in the respect of eligible heritage properties;

AND WHEREAS the Town of Midland Heritage Committee has recommended that a Heritage Property Tax Relief Program be established and Council is in agreement with this recommendation;

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE TOWN OF MIDLAND ENACTS AS FOLLOWS:

1. That the Heritage Tax Relief Program Guidelines, attached hereto as Schedule "A", are hereby adopted.
2. That the Town of Midland Heritage Property Tax Relief Program shall be administered in accordance with the provisions of the Heritage Property Tax Relief Program Guidelines, attached hereto as Schedule "A".
3. That this By-law shall come into force and effect on the 1st day of January, 2015, acknowledging that applicable tax credits shall be attributed to 2016 property taxes.

BY-LAW READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED THIS 25th DAY OF AUGUST, 2014.

THE CORPORATION OF THE TOWN OF MIDLAND

MAYOR

CLERK

SCHEDULE "A" TO BY-LAW NUMBER 2014- 50

HERITAGE PROPERTY TAX RELIEF PROGRAM GUIDELINES

1. DEFINITIONS

For the purpose of this by-law, the following definitions shall apply:

- a) **"Town"** means The Corporation of the Town of Midland
- b) **"Council"** means the Council of The Corporation of the Town of Midland;
- c) **"eligible heritage property"** means a property or portion of a property,
 - i. that is located in the Town of Midland;
 - ii. that is designated under Part IV of the *Ontario Heritage Act* or is part of a Heritage Conservation District under Part V of the *Ontario Heritage Act*, and
 - iii. that is subject to an easement agreement with the Ontario Heritage Foundation under Section 22 of the *Ontario Heritage Act*, or a Heritage Agreement with the Town of Midland respecting the preservation and maintenance of a built heritage resource on the property executed by the owner and returned to the Town of Midland by December 15th of the taxation year for which relief is sought.
- d) **"heritage tax relief"** means an amount of tax that may be reduced or refunded in respect of an eligible heritage property. The amount of heritage tax relief, unless otherwise specified, shall be 40 percent of the taxes for municipal and school purposes levied on the property;
- e) **"municipal"** means the Town of Midland and not the County of Simcoe;
- f) **"owner(s)"** includes a corporation and partnership and the heirs, executors, administrators and other legal representatives of a person to whom the context can apply according to law;
- g) **"person(s)"** includes a corporation and partnership and the heirs, executors, administrators and other legal representatives of a person to whom the context can apply according to law;

2. HERITAGE PROPERTY TAX RELIEF PROGRAM

2.1 Program subject to Council Approval and Funding

The Heritage Property Tax Relief Program set out in this By-law is subject at all times to the availability of funding for the program. The program may be

eliminated by Council through repeal of the by-law at any time with no prior notice whatsoever to affected persons.

2.2 Program subjected to Provincial Regulations

This Heritage Property Tax Relief Program is subject to any regulations that the Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.

2.3 Program Eligibility

The property must be an eligible heritage property designated under the *Ontario Heritage Act* as a property of cultural heritage value or interest under Part IV of the *Ontario Heritage Act* and must be subject to an easement agreement with either the Ontario Heritage Foundation under Section 22 of the *Ontario Heritage Act* or a Heritage Agreement with the Town of Midland. The property must comply with both provincial and municipal eligibility requirements as set out below.

2.4 Annual Application and Deadlines

An application must be made for every year that an owner wishes a property to be considered for a Heritage Property Tax Relief. The owner of an eligible heritage property must apply on the prescribed form by the last business day of February in the year following the year for which the owner is seeking to obtain the Heritage Property Tax Relief. Applications received outside of this time frame will not be considered. Applications shall be subject to review to ensure property taxes are not in arrears.

2.5 Determination of Funding

Where funding is insufficient to give a Heritage Property Tax Relief to each otherwise eligible applicant, applications will be considered following receipt of all applications within the timelines specified. Priority will be given to applicants who have not previously obtained a Heritage Property Tax Relief. If available funds are insufficient to award 40%, lesser amounts of at least 10% may be obtained. In no instance shall the program exceed the budget set by Council each year. The maximum amount of Tax Relief given is the lesser of either the amount of monies spent on renovations as specified in the application or 40% of the tax bill.

2.6 Inspection

Upon application, the owner must consent to the Town conducting an annual inspection to ensure that the owner is in compliance with the relevant Heritage Conservation Agreement.

2.7 Non Compliance with Agreement

No Heritage Property Tax Relief will be given under this by-law where the Town determines that the relevant Heritage Conservation Agreement is not complied with to the satisfaction of the Town.

2.8 Repayment

If the owner of an eligible heritage property demolishes the eligible heritage structure or breaches the terms of the relevant Heritage Conservation Agreement or fails to meet the conditions of approval, the Town may require the owner to repay part or all of the Heritage Property Tax Relief(s) provided to the owner for one or more years. The Town may require the owner to pay interest on the amount of any repayment required under this section, at a rate not exceeding the lowest prime rate reported to the Bank of Canada by any of the banks listed in Schedule I of the Bank Act (Canada), calculated from the date or dates the Heritage Property Tax Relief(s) were provided. Any amount repaid under this section will be shared by the Town and the school boards that share in the revenue from taxes on this property, in the same proportion that they shared in the cost of the Heritage Property Tax Relief on the property.

2.9 Relief Payment

All Heritage Property Tax Relief shall take the form of a credit to the tax account for the eligible heritage property. Whenever possible, Heritage Tax Credits shall be processed prior to the issuance and payment of the Final Tax Bill.

2.10 Calculation Based on Assessment

Heritage Property Tax Relief shall be calculated using the assessed value of the property for tax purposes or portion thereof subject to the easement or designation.

2.11 Assessment Changes

If the assessment of a property for a year changes as a result of proceedings under the Assessment Act, the Heritage Property Tax Relief shall be re-determined using the new assessment for the year in which Tax Relief is sought and the tax roll for the year shall be amended to reflect the determination at the request of the owner.

2.12 No Heritage Property Tax Relief for Properties in Arrears

If tax arrears are attributable to an eligible heritage property, no Heritage Property Tax Relief shall be given under this by-law. In the event that an owner pays any and all outstanding tax liabilities in respect of an eligible heritage property, the owner may apply for a Heritage Property Tax Relief and shall qualify for a full Heritage Property Tax Relief subject to Council funding under Section 2.1 and the application deadlines set out in Section 2.4 of this by-law.

2.13 Monitoring Strategy

The Town of Midland Heritage Committee shall monitor/evaluate the program effectiveness and report to Council on an annual basis with any appropriate recommendations.