

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. 22-2016

A BY-LAW TO ADOPT OPTIONAL TOOLS FOR THE  
PURPOSE OF ADMINISTERING LIMITS FOR THE  
COMMERCIAL, INDUSTRIAL AND MULTI-RESIDENTIAL  
PROPERTY CLASSES FOR THE YEAR 2016

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WHEREAS the Corporation of The Regional Municipality of Niagara (hereinafter referred to as "The Municipality") may, in accordance with section 329.1 of the *Municipal Act, 2001*, S.O. 2001 c.25, as amended (hereinafter referred to as "The Act"), and Ontario Regulation 73/03, as made and amended under The Act, modify the provisions and limits set out in Part IX The Act, with respect to the calculation of taxes for municipal and school purposes for properties in the commercial, industrial and multi-residential property classes;

WHEREAS this by-law shall only apply to properties in any of the Commercial, Industrial and Multi-Residential property classes to which Part IX of The Act applies;

WHEREAS for the purposes of this by-law the commercial classes shall be considered a single property class and the industrial classes shall be deemed to be a single property class;

WHEREAS "uncapped taxes" means, the taxes for municipal and school purposes that would be levied for the taxation year but for the application of Part IX of The Act.

WHEREAS "capped taxes" means, the taxes for municipal and school purposes that shall be levied for the taxation year as a result of the application of Part IX of The Act;

WHEREAS The Council may pass a by-law to apply any one or any combination of the following options:

- a. Increase the annual cap from 5% of last year's capped taxes up to a maximum of 10% of last year's capped taxes; and/or
- b. Set an upper limit on annual increases at the greater of the amount calculated under (a) and up to 10% of the previous year's annualized Current Value Assessment (CVA) tax; and/or
- c. Establish a capping adjustment threshold of up to \$500 for increasing properties, decreasing properties or both, whereby no capping adjustments less than the threshold amount would be applied; and/or

- d. Opt to phase-out the application of Part IX of The Act if eligibility requirements set out under Section 8.3 of Ontario Regulation 73/03 have been met; and/or
- e. Exempt properties from the capping calculation where the previous year's capped taxes for the property were equal to the uncapped taxes for that year; and/or
- f. Exempt properties from the capping calculation where the previous year's capped taxes were less than the previous year's CVA taxes, and the current year's capped taxes would otherwise be greater than the current year's CVA taxes, or vice-versa, and/or
- g. Establish a "floor" or minimum uncapped tax percentage applicable to properties deemed eligible under Section 331 of the *Municipal Act, 2001*;

WHEREAS a by-law passed to adopt the provisions of subsection 329.1 paragraphs 1 and 2 of The Act shall also apply to section 332 of The Act with respect to the "tenant cap" calculations; and

WHEREAS the Council has reviewed the provisions of Section 329.1 of The Act and the provisions of Ontario Regulation 73/03, and hereby deems it necessary and appropriate to adopt optional tools for the purpose of administering limits for the Commercial, Industrial and Multi-Residential property classes.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts the following to provide for the administration and application of Part IX of The Act:

- 1. That having determined that the eligibility requirements set out under Section 8.3 of Ontario Regulation 73/03 have been met in respect of the Multi-Residential and Industrial property classes, The Municipality opts to phase-out the application of Part IX of The Act for these classes with the first year of the phase-out being 2016.
- 2. That paragraphs 1, 2, 3, 4 and 8 of Subsection 329.1 (1) of The Act shall apply to the Commercial, Industrial and Multi-Residential property classes for 2016, whereby:
  - (i) In determining the amount of taxes for municipal and school purposes for the year under Subsection 329 (1), and the amount of the tenant's cap under Subsection 332 (5), the amount to be added under paragraph 2 of Subsection 329 (1), and the increasing amount under paragraph 2 of Subsection 332 (5) shall be the greater of:
    - a) The amount of the uncapped taxes for the previous year multiplied by ten per cent (10%); and

- b) The amount of the capped taxes for the previous year multiplied by ten per cent (10%).
  - (ii) The amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for that year if the amount of the uncapped taxes exceeds the amount of the taxes for municipal and school purposes for the property for the taxation year as determined under Section 329, as modified under Section 329.1 of The Act and this Section, by five hundred dollars (\$500.00) or less.
  - (iii) The amount of the taxes for municipal and school purposes for a property for a taxation year shall be the amount of the uncapped taxes for the property for that year if the amount of the taxes for municipal and school purposes for the taxation year as determined under Section 330, as modified under Section 329.1 of The Act and this by-law exceed the uncapped taxes, by five hundred dollars (\$500.00) or less.
3. That paragraphs 1, 2, and 3 of Subsection 8.0.2 (2) of Ontario Regulation 73/03 shall apply to the Multi-Residential, Commercial and Industrial property classes for 2016 whereby properties that meet any of the following conditions shall be exempt from the capping calculations set out under Part IX of The Act for the taxation year:
- (i) The capped taxes for the property in the previous year were equal to its uncapped taxes for that year.
  - (ii) The capped taxes for the property in the previous year were lower than the property's uncapped taxes for that year, and the current year's capped taxes would be higher than the current year's uncapped taxes if Part IX were applied.
  - (iii) The capped taxes for the property in the previous year were higher than the property's uncapped taxes for that year, and the current year's capped taxes would be lower than the current year's uncapped taxes if Part IX were applied.
4. That paragraph 8 of Subsection 329.1 (1) of The Act shall apply to the Multi-Residential, Commercial and Industrial property classes for 2016 whereby all properties that become eligible within the meaning of Subsection 331 (20) of The Act, the taxes for municipal and school purposes for the year or portion of the year shall be the greater of:
- (i) The amount of the taxes determined for the property for 2016 under Subsection 331 (2), and

- (ii) the amount of the uncapped taxes for the property for 2016 multiplied by one-hundred per cent (100%).
5. That this by-law shall come into force and effect on the day upon which it is passed.

THE REGIONAL MUNICIPALITY OF NIAGARA

*Original Signed By:*

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Brian Heit, Acting Regional Chair

*Original Signed By:*

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Ralph Walton, Regional Clerk

Passed: May 20, 2016