

## **The Corporation of the City of Peterborough**

### **By-law to Amend By-law 11-086 Being a By-Law to Provide for Tax Rebate in Respect of Designated Heritage Properties**

#### **Recitals**

- A. Section 365.2 of the **Municipal Act**, S.O. 2001, c.25, provides that a local municipality may establish a program to provide tax reductions or refunds in respect of eligible heritage properties.
- B. The establishment of a Heritage Property Tax Rebate Program will encourage the restoration and preservation of buildings or structures of historic or architectural value that reveal some of the broad architectural, cultural, social, political, economic, and/or military patterns of the local history of the City of Peterborough, or that has some association with specific events or people that have shaped the details of that history.
- C. This program is intended to encourage downtown revitalization;

**Therefore**, the Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

#### **Definitions**

- 1. In this By-law:
  - a. “Central Area” means the geographic area of the City as identified in Schedule “J” to the City’s Official Plan, or in any successor Schedule thereto;
  - b. “City” means the Corporation of the City of Peterborough
  - c. “Council” means the Council of the Corporation of the City of Peterborough.
  - d. “eligible heritage property” or “eligible property” means a heritage property that is subject to an easement agreement with the City under section 37 of the Ontario Heritage Act, or an easement agreement with the Ontario Heritage Foundation under section 22 of the Ontario Heritage Act.
  - e. “heritage property” means a building or structure located in the City of Peterborough, and designated under Part IV of the Ontario Heritage Act or part of a heritage conservation district under Part V of the Ontario Heritage Act.
  - f. “Heritage Property Tax Rebate” means a tax rebate that may be applied to an eligible heritage property, that is attributable to,
    - i. the building or structure or portion of the building or structure that is the eligible heritage property; and
    - ii. the land used in connection with the eligible heritage property, as determined by the City.
  - g. “Owner(s)” means the owner, from time to time, of an eligible heritage property, and 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;

- h. “Program” means the Heritage Property Tax Rebate Program;
- i. “PACAC” means the Peterborough Architectural Conservation Advisory Committee.
- j. “Upper Floor” means any storey, as defined in the City of Peterborough’s Zoning By-Law, located above the ground floor of a building.

### **Subject to Available Funding**

- 2. The Program is subject at all times to the availability of funding. This By-law does not oblige Council to provide funding for the Program, and the Heritage Property Tax Rebate contemplated by this By-law may be eliminated by Council through repeal of this By-law at any time with no notice whatsoever to any affected persons.

### **Minister of Finance**

- 3. The Program is subject to any regulations that the Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.

### **Annual Tax Rebate**

- 4. Subject to the conditions set out in this By-law, an Owner shall receive Heritage Property Tax Rebate for each year in which the Owner and the eligible property meet all of the requirements of this By-law.

### **Apportionment by Municipal Property Assessment Corporation**

- 5. The portion of a property’s total assessment that is attributable to the building or structure, or portion of the building or structure, that is an eligible heritage property, and the land used in connection with it, may be determined by the Municipal Property Assessment Corporation at the request of the City.

### **Amount of Tax Rebate**

- 6. The amount of the tax rebate provided in respect of an eligible heritage property shall be:
  - a. Forty percent (40%) of the taxes for municipal and school purposes levied on that portion of the eligible property assessed in the residential class;
  - b. Twenty percent (20%) of the taxes for municipal and school purposes levied that portion of the eligible property assessed in the multi-residential classes; and
  - c. Twenty percent (20%) of the taxes for municipal and school purposes levied on that portion of the eligible property assessed in the commercial classes.
- 7. Notwithstanding Section 6(c), the amount of the tax rebate provided in respect of the commercial component shall be forty percent (40%) of the taxes for municipal and school purposes provided the Eligible Property:
  - a. is located in the Central Area; and
  - b. has, after the date of this By-law came into force and effect, undergone significant renovation and/or significant rehabilitation

that created more, or significantly improved existing residential dwelling units on one or more Upper Floors of the Eligible Property.

8. For the purposes of 7(b), the Heritage Preservation Office shall determine when an Eligible Property, located within the Central Area, has undergone significant renovation and/or rehabilitation and in making that determination, the Heritage Preservation Office shall have regard to:
  - a. the value of any permits and/or approvals obtained from the City in order to carry out the renovation and/or rehabilitation; and
  - b. the satisfactory completion of any and all inspections of the Eligible Property by the appropriate City Staff.

### **Program Boundaries**

9. For each taxation year, the Program will be restricted to eligible heritage properties which are assessed in the residential, commercial or multi-residential classes, as defined by the Assessment Act, R.S.O. 1990. c. A.31, and applicable regulations, as amended, and which are located within the Central Area. Notwithstanding this, Council may, by by-law, at any time, extend the Program to include the Community Improvement Area, as identified in Schedule H of the City's Official Plan.

### **Exceptions**

10. Notwithstanding Section 9 of this By-law, Council may, by by-law, and upon the recommendation of the Municipal Heritage Committee (hereinafter "PACAC"), extend the Program to any heritage property in the City, on a case-by-case basis.

### **Inspections – Initial and Annual**

11. In order to determine eligibility for the Program, the Owner shall consent to the inspection of the heritage property, as and when deemed necessary by the Heritage Preservation Office.
12. In order to maintain enrollment in the Program and commencing in the eligible property's second year of enrollment in the Program, the Owner of an eligible property shall permit representatives of the Heritage Preservation Office to inspect the property on an annual basis to determine the property's continued eligibility for the Program. The inspections required by this Section 11 shall take place after June 30<sup>th</sup> and be completed by September 30<sup>th</sup>.

### **Application**

13. The Owner of a heritage property may make application to the Program by submitting the prescribed application form to the City's Heritage Preservation Office, not later than the last day of February in the year following the first year for which the owner is seeking to obtain the Heritage Property Tax Rebate. A heritage easement agreement shall be prepared for the property and the Mayor and the Clerk shall be authorized to execute any such heritage easement agreement. Upon the advice of the City Solicitor that the easement agreement has been registered on title to the property, the City Treasurer shall enroll the eligible heritage property in the Program.

### **Renewal**

14. The Heritage Preservation Office shall, on or before the last day of February in the eligible property's fifth year of enrollment in the Program,

send a notice to the Owner informing the Owner of the requirement to renew the eligible property's enrollment in the Program.

15. The Owner of an eligible property which is enrolled in the Program shall be eligible for on-going Heritage Property Tax Rebate provided that the following steps are taken:
  - a. Completion of a renewal application, including payment of appropriate fee(s), on or before June 30<sup>th</sup> in the fifth year of the eligible property's enrollment in the Program; and
  - b. Satisfactory inspection of the property.

### **Fees**

16. As part of the application, inspection, renewal or re-enrollment process, the Owner must submit the appropriate fee as shown in the attached Fee Schedule, as amended from time to time by Council.

### **Owner May Retain Benefit**

17. The Owner of an eligible heritage property shall retain the benefit of any tax rebate given under this By-law, despite the provisions of any lease or other agreement relating to the property.

### **Non-Compliance**

18. In the event that:
  - a. the City's Heritage Preservation Office determines that the relevant easement agreement has not been complied with to the satisfaction of the City; or
  - b. the Owner has not paid any and all applicable taxes, penalties and interest for the Eligible Property to the City; then

no further Heritage Property Tax Rebate will be given to the Owner and the City may require the Owner to repay part or all of any Heritage Property Tax Rebate previously provided to the Owner during any period of non-compliance. The period of non-compliance shall be deemed to have commenced on the date the Heritage Preservation Office sent the letter referred to in Section 21 below. Upon the Heritage Preservation Office being satisfied that the Owner has brought the Eligible Property back into compliance with the easement agreement and upon being satisfied that the Owner has paid all applicable taxes, interest and penalties owing, then the Eligible Property shall, upon the payment of the fee required by this By-law, be re-enrolled in the Program.

19. In the event that the Eligible Property's assessed value, as determined by MPAC changes, for whatever reason, including but not limited to any demolition, damage, destruction, addition, renovation or rehabilitation, then the amount of the Heritage Property Tax Rebate shall be recalculated accordingly.
20. The City may require the Owner to pay interest on the amount of any repayment required under this By-law, 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 Rebate was provided.
21. Upon the completion of an inspection carried out under Section 11, the Heritage Preservation Office shall send written notice to the owner of the

- eligible property informing the owner that the property was found to be out of compliance with the easement agreement.
22. The written notice sent pursuant to Section 19 shall describe the nature of the non-compliance and provide a brief explanation of how the owner can attain compliance with the easement agreement.
  23. The Owner who has received written notice pursuant to Section 19, shall have 30 days to:
    - a. Bring the property into compliance with the easement agreement to the satisfaction of the Heritage Preservation Office, acting reasonably; or
    - b. Satisfy the Heritage Preservation Office that the Owner has a workable plan to bring the property into compliance with the easement agreement.
  24. Upon the Owner informing the Heritage Preservation Office that the property is ready for an inspection, and upon payment of the fee set out in the Fee Schedule, the Heritage Preservation Office shall inspect the property and determine whether the property is in compliance with the easement agreement. After the Heritage Preservation Office has completed its inspection, the Heritage Preservation Office shall have the discretion to exempt an Owner from obtaining an annual inspection for the property under Section 11 during the next calendar year.
  25. Upon being satisfied that the property is back in compliance with the easement agreement, the Heritage Preservation Office shall issue written notice to the Owner and the City's tax department indicating that the Owner is in compliance and that the tax rebate will continue.
  26. In the event the Owner does not bring the property back into compliance with the easement agreement within the timeline provided by the Heritage Preservation Office, the City shall remove the property from the Program.
  27. If the City removes a property from the Program for non-compliance with the easement agreement, the City may:
    - a. Add the value of the Heritage Property Tax Relief received during the period that the property was not in compliance with the easement agreement to the Owner's tax bill; and
    - b. Add the applicable penalties and interest for the same period to the Owner's tax bill.

### **Sharing of Repayment**

28. Any amount repaid to the City by the Owner pursuant to this By-law shall be shared by the City, and the school boards that share in the revenue from taxes on the property, in the same proportion that they shared in the cost of the tax rebate on the property under this By-law.

### **Notification of Minister**

29. The Clerk is hereby directed to give notice of this By-law to the Minister of Finance within thirty (30) days of the date of enactment.

### **Fee Schedule**

30. The Fee Schedule may be amended from time-to-time by Council.

**Reporting**

31. The Heritage Preservation Office shall provide an annual information report to the PACAC summarizing participation in the program.

**Effective Date**

32. No portion of this By-law shall be read or interpreted so as give any retroactive benefit to any eligible property currently enrolled in the Program above and beyond what that property receives as of the date this By-law comes into force and effect.
33. This By-law shall come into force and effect on the day it receives third reading.
34. This By-law repeals By-law 11-086.

By-law read a first, second and third time this \_\_\_\_\_ day of \_\_\_\_\_, 2018

(Sgd.) Daryl Bennett, Mayor

(Sgd.) John Kennedy, City Clerk

**By-Law Number 18-XXX****Fee Schedule**

For Heritage Property Tax Rebate Program

<b>Class of Property</b>	<b>Fee</b>	<b>Purpose</b>
Residential	\$250.00	Initial Application Fee under Section 10.
Commercial or Multi-residential	\$450.00	Initial Application Fee under Section 10.
Residential, Commercial or Multi-residential	\$200.00	Renewal Fee prior to June 30 during fifth year of eligible property's enrollment in the Program under Section 14.
Residential, Commercial or Multi-residential	\$250.00	Non-Compliance Inspection Fee prior to re-enrollment of eligible property into Program under Section 22.