

## THE REGIONAL MUNICIPALITY OF NIAGARA

### COMMITTEE OF THE WHOLE

#### REPORT 4-2004

The Municipal Council of the Regional Municipality of Niagara met in the Council Chamber, Regional Municipal Building, Thorold, Ontario, on Thursday, May 6, 2004, commencing at 4:15 p.m.

#### ATTENDANCE

Council: Regional Chair Partington; Councillors Bailey; Baty; Bodner; Casselman; Collins; Eke; Gabriel; Harry; Heit; Hodgson; Katzman; Leavens; Marshall; Martin; Nicholson; Redekop; Rigby; Salci; Saracino; Timms; Zimmerman.

Staff: Messrs. Trojan, Chief Administrative Officer; Bacchus, Commissioner of Corporate Services; Ms. Gilroy, Acting Regional Clerk; Ms. Reilly, Legislative Assistant.

Other Staff: Administration: Mr. Bowles, Executive Assistant.  
Corporate Services Department: Mr. Lockyer, Treasurer, Financial Management & Planning; Ms. Williams, Senior Financial Analyst.

#### CALL TO ORDER

21. Regional Chair Partington called the meeting to order at 4:15 p.m.

22. **2004 TAX POLICY AND TAX RATES**

#### Presentation

Mr. Bacchus, Commissioner, Corporate Services, together with Debbie Williams, Senior Financial Analyst, presented a comprehensive overview of 2004 Tax Policy and Tax Rates. Mr. Bacchus highlighted the factors under consideration in developing tax policy and tax rates and the impact of Provincial regulations and strategies. The Commissioner also apprised Committee of the Region's tax ratios and the mandatory levy restriction that applies to force tax ratios down towards the Provincial threshold ratio. Niagara's industrial tax ratios are above provincial threshold ratio. Municipal levy increases can not be passed to property classes that have a tax ratio above the Provincial Threshold Ratio.

The Five Year Tax Mitigation Plan was presented and it was noted that for 2004, residential assessment growth of \$2.7 million is insufficient to fund impact of a \$7.8 million levy increase to this class. Mr. Bacchus detailed the impact due to reassessment, changes in value due to base year update and the tax shifts that may occur. The adoption of revenue neutral ratios can offset these tax shifts. Also detailed, are the tax ratio comparisons for multi-residential, commercial, residual and industrial classes.

The 2003 Municipal Tax Study concludes that Niagara's industrial class remains uncompetitive and Niagara's residential class is approaching the survey average for bungalows and is high for condos and executive homes. Mr. Bacchus advised that an analysis of optional tax ratios and the resulting tax rates for 2004 property tax policy decisions has been prepared. Seven options are presented for consideration and the impact of each provided relative to the Region's tax plan, the 2003 Municipal Tax Study and the Province's legislative requirements.

The Commissioner highlighted the various scenarios presented in Report CSD 64-2004, noting that staff recommends Scenario F, which utilizes both of the residential relief measures introduced by the Province, while mitigating the corresponding impact on other classes of property.

23. Report CSD 64-2004

Committee reviewed Report CSD 64-2004 and the following recommendations.

That Report CSD 64-2004, respecting 2004 Tax Policy and Tax Rates, be received and approved.

That Scenario F of this report be adopted for the year 2004.

That the Area Councils be informed of Regional Council's decision to utilize the recommended tax ratios and be directed to apply the same tax ratios in determining their 2004 tax rates for their purposes.

That the Area Municipal Treasurers be requested to include in the standardized tax bill a separate tax rate as calculated for Police services in addition to the tax rates for general Regional services and education purposes.

That staff be directed to consult with the Area Treasurers to select an appropriate method, for funding the mandatory 5% capping program pursuant to section 330 of the "New" Municipal Act.

That the Minister of Finance be requested to mitigate reassessment impacts by establishing the following transition ratios:

- Multi-residential at 2.0990
- Commercial at 1.6621
- Pipelines at 1.4220

That the Regional Clerk be requested to prepare the necessary by-law(s) for consideration and adoption by Regional Council.

That this report be received and circulated to the Councils of the Area Municipalities for information.

Following discussion, it was:

Moved by Councillor Martin  
Seconded by Councillor Heit

That Report CSD 64-2004, respecting 2004 Tax Policy and Tax Rates, be received and approved, **save and except recommendation number 3 and as amended.**

That **Scenario E** of this report be adopted for the year 2004.

That the Area Councils be informed of Regional Council's decision to utilize the recommended tax ratios and be directed to apply the same tax ratios in determining their 2004 tax rates for their purposes.

That staff be directed to consult with the Area Treasurers to select an appropriate method, for funding the mandatory 5% capping program pursuant to section 330 of the "New" Municipal Act.

That the Minister of Finance be requested to mitigate reassessment impacts by establishing the following transition ratios:

- Multi-residential at 2.0990
- Commercial at 1.6621
- Pipelines at 1.4220

That the Regional Clerk be requested to prepare the necessary by-law(s) for consideration and adoption by Regional Council.

That this report be received and circulated to the Councils of the Area Municipalities for information.

**That the Ad Hoc Committee of Council on Property Assessment and Taxation Reform be established to review and make further recommendations on a five year tax plan.**

Carried.

Moved by Councillor Timms  
Seconded by Councillor Leavens

That the Area Municipal Treasurers be requested to include in the standardized tax bill a separate tax rate as calculated for Police services in addition to the tax rates for general Regional services and education purposes.

Carried.

Upon a vote being taken, the original motion, as amended, was carried.

### **ADJOURNMENT**

The Committee of the Whole adjourned at 6:00 p.m.

Peter Partington  
Regional Chair

Gail Reilly  
Legislative Assistant

Pam Gilroy  
Acting Regional Clerk