

Schedule B to Staff Report 2020-0299

WHEREAS the Council of the Corporation of the Town of Caledon can, under Section 365.2 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, pass a by-law establishing a program to provide heritage tax rebates in respect of eligible heritage properties;

AND WHEREAS the Council of the Corporation of the Town of Caledon deems it advisable and in the public interest to provide financial assistance on the terms set out in this By-law as an incentive to encourage property owners to conserve, protect and restore eligible heritage properties in the Town of Caledon;

NOW THEREFORE the Council of the Corporation of the Town of Caledon enacts as follows:

1. In this By-law:

“Contravention” means an offence under a municipal by-law, Act or regulation for which enforcement proceedings have been commenced that relates specifically to the building or land for which a Heritage Tax Rebate is sought or given;

“Council” shall mean the Council of the Corporation of the Town of Caledon;

“Eligible Heritage Property” means lands or buildings or a portion thereof that is,

- (i) Located in the Town of Caledon
- (ii) 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) Subject to a heritage easement agreement with the Town under section 22 or 37 of the *Ontario Heritage Act*
- (iv) In a commercial property tax class or industrial property tax class under the *Assessment Act*

and that complies with the additional eligibility criteria set out in this By-law;

“Heritage Property Tax Rebate Program” means a financial assistance program adopted by the municipality to help owners of heritage properties maintain and restore their properties for the benefit of the entire community by providing tax relief to owners of eligible heritage properties;

“Heritage Tax Rebate” means the amount of property tax rebate in respect of an Eligible Heritage Property;

“Lower Tier Municipality” has the same meaning as Section 1 of the *Municipal Act, 2001*;

“MPAC” means the Municipal Property Assessment Corporation;

“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’;

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“Town” means the Corporation of the Town of Caledon.

2. The amount of a Heritage Tax Rebate shall be 40% of the taxes for Town and school board purposes levied on the property that are attributable to:
 - (i) The building(s) or structure(s) or portion of the building(s) or structure(s) that is Eligible Heritage Property; and
 - (ii) The land used in connection with the Eligible Heritage Property, as determined by the Town.
3. Subject to the conditions set out in this By-law, one Heritage Tax Rebate may be paid annually for each Eligible Heritage Property in the property tax classes of Commercial and Industrial as defined by the *Assessment Act*, R.S.O 1990, c. A. 31 and Ontario Regulation 282/98 thereunder, as amended.
4. The rebate may be applied to the property tax account if the account is in arrears, with an excess of funds over the balance owing being eligible for refund to the property owner.
5. MPAC, at the request of the Town, shall determine the portion of a property's total assessment that is attributable to the Eligible Heritage Property. The rebate is only payable for the heritage portions of the property, and the land used in connection with it, that are assessed within the broad Commercial and Industrial tax classes.

Eligibility Criteria

6. In order to be eligible to apply for a Heritage Tax Rebate, owners of the subject properties must provide proof, satisfactory to the Treasurer of the Town, of the following:
 - i) The Eligible Heritage Property has been designated as a property of cultural heritage value or interest under Part IV of the *Ontario Heritage Act* or it must be part of a heritage conservation district under Part V of the *Ontario Heritage Act*; and
 - ii) The Eligible Heritage Property is subject to a heritage easement agreement under section 22 or 37 of the *Ontario Heritage Act*; and
 - iii) The heritage easement agreement referred to in subsection (ii) above shall be executed by the owner of the property and returned to the Town within 60 days of being provided by the Town to the property owner;
 - iv) The Eligible Heritage Property is not the subject of any contraventions, work orders or outstanding municipal requirements;
 - v) There are no outstanding municipal fines, fees or penalties (excluding property taxes) assessed against the applicant;
and
 - vi) The Eligible Heritage Property is in a good and sound state of repair and occupiable condition, to the satisfaction of the General Manager, Community Services;
 - vii) A current Baseline Documentation Report (or By-law) exists for the Eligible Heritage Property detailing its Statement of Cultural Heritage Value or Interest and description of Heritage Attributes and including current photographs of all elevations

7. The application shall be made annually, as long as the property remains an Eligible Heritage Property. The initial application fee shall be deducted from the first Heritage Tax Rebate once calculated.

Limitations and Restrictions

8. The Heritage Tax Rebate program set out in this By-law is subject at all times to the availability of funding for the program. Nothing in this By-law requires the Town to provide funding for the program and the Heritage Tax Rebate program contemplated by this By-law may be eliminated by Council through repeal of the By-law at any time with no notice whatsoever to affected persons.
9. If available funding through the Town's annual budget is less than the amount of eligible rebates to be paid in any given year, rebates to be provided shall be determined on the basis of the chronological order in which applications are received by the Town for such tax rebates.
10. The Heritage Tax Rebate program is subject to any regulations that the Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.
11. Where multiple easement and/or preservation and maintenance agreements are registered on one parcel of land, multiple refunds will not be provided in respect of the same heritage attributes.
12. Upon application, the owner must consent to the Town conducting an inspection of the interior and exterior of the Eligible Heritage Property annually, or at any reasonable time, if required, to ensure the relevant heritage easement agreement is being complied with and to ensure that the eligibility criteria can be met.
13. No Heritage Tax Rebate will be given under this By-law where the Town determines that the relevant heritage easement agreement is not complied with to the satisfaction of the Town.
14. Heritage Tax Rebates shall be calculated using the assessed value of the property, as returned for the taxation year for which the application is made.
15. If the assessment of a property for a year changes as a result of proceedings under the *Assessment Act* or *Municipal Act* or a judicial decision, the Heritage Tax Rebate shall be recalculated using the new assessment and the tax roll for the year shall be amended to reflect the determination. The Town may set off any amount in favour of the Town against any refund to be paid to the owner as a result of the appeal, or it may apply it against the taxes owed for the succeeding taxation year.
16. The Heritage Tax Rebate shall be repaid in full by the owner for every year where there is an outstanding contravention or where there are outstanding municipal fines, arrears of taxes, fees or penalties assessed against the owner.

Penalties

17. If the owner of an Eligible Heritage Property demolishes the Eligible Heritage property without a Demolition Permit or breaches the terms of the relevant heritage easement agreement, the Town may require the owner to repay part of all of any Heritage Tax Rebate(s) provided to the owner for one or more years under this By-law.
18. The Town may require the owner to pay interest on the amount of any repayment required under section 17, 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 Tax Rebate(s) were provided. Any amount repaid under this section will be shared by the Town, School Boards and the Region of Peel (if applicable) in the same proportion as their respective shares of the Heritage Tax Rebate(s) on the property.
19. This By-law shall be known as the “Heritage Tax Rebate By-law”.
20. The effective date of this By-law is January 1, 2021.