

TOWN OF FORT FRANCES

BY-LAW NO. 21/16

(Being a By-Law to authorize capping parameters for commercial, industrial and multi-residential capped property classes and to establish a minimum tax level for certain eligible properties).

WHEREAS S.329.1 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended, provides that Councils of upper-tier and single-tier municipalities may pass by-laws for one or more options to increase the annual limit on tax increases on property by up to 10 per cent of the previous year's annualized taxes and/or increase up to 10 per cent of what would have been the CVA taxes for the previous year. If these options are exercised, landlords of commercial and industrial property are required to adjust the amount of the tenant's cap accordingly. If a municipality establishes a threshold of up to the maximum \$500 for increasing properties or decreasing properties or both, and the resulting billing adjustment for a property is less than the threshold, the property would be liable for full CVA tax for the year. This section also provides municipalities the option of taxing commercial, industrial or multi-residential properties that become eligible new construction properties in 2007 at up to 90 per cent of the CVA taxes and the maximum percentage increases to 100 per cent of CVA taxes for properties that become eligible properties in 2008 and subsequent taxation years. Municipalities have the option to include or exclude properties from the capping and claw-back calculation if they were at CVA tax in the prior year and to include or exclude properties that would move from being capped in the prior year to being clawed-back in the current year or from being clawed-back in the prior year to being capped in the current year. Where eligible, a municipality can now exit the Capping Program immediately when there are no capped properties in the class.

AND WHEREAS on May 9, 2016 Council supported the Treasurer's recommendation that the Multi-Residential and Commercial classes exit capping immediately from the Capping Program as eligibility has been met, that capping of the Industrial class be applied in 2016 to exclude from capping those properties that were at CVA tax in 2015 or would cross over CVA tax in 2016 be exercised and that a minimum tax level threshold in 2016 for certain eligible properties be set.

NOW THEREFORE Council for the Corporation of the Town of Fort Frances **HEREBY ENACTS** as follows:

1. That revenue neutral shall be maintained within the Industrial class.
2. That the annual limit on capping for the Industrial class will be a 10 per cent increase of the annualized tax limit based on the previous year's annualized taxes.
3. That the annual limit for the Industrial class will be a 10 per cent increase of the prior year CVA tax limit.
4. That there shall be a minimum tax level of 100% for properties eligible for New Construction or New to Class in 2016.
5. That properties that were at CVA Tax in 2015 or that would cross over CVA Tax in 2016 be excluded from capping.
6. That the Multi-Residential and Commercial classes shall be exited immediately for the Capping Program.

This By-Law shall come into force and take effect on final passing.

READ THREE TIMES and finally passed in open Council this 9th day of May 2016.

R. Avis, Mayor

E. Slomke, Clerk