
Executive Committee

Meeting No.	19	Contact	Patsy Morris, Committee Administrator
Meeting Date	Monday, April 7, 2008	Phone	416-392-9151
Start Time	9:30 AM	E-mail	pmorris@toronto.ca
Location	Committee Room 1, City Hall		

Executive Committee		
Mayor David Miller (Chair) Deputy Mayor Joe Pantalone (Vice-Chair) Councillor Shelley Carroll Councillor Janet Davis Councillor Glenn De Baeremaeker	Councillor Paula Fletcher Councillor Norm Kelly Councillor Gloria Lindsay Luby Councillor Giorgio Mammoliti	Councillor Pam McConnell Councillor Joe Mihevc Councillor Howard Moscoe Councillor Kyle Rae

Additional Communications/Reports

EX19.9a Personal Vehicle Tax - Administrative Design Features and Implementation Authorities

Confidential Attachment - The security of the property of the municipality or local board

(April 1, 2008) Report from the City Manager and the Deputy City Manager and Chief Financial Officer

Recommendations

The City Manager and the Deputy City Manager and Chief Financial Officer recommend that:

1. Council approve the administrative design features for the Personal Vehicle Tax (PVT) to be effective September 1, 2008, as set out in Appendix A.
2. Council request the Province to take necessary actions to implement the PVT effective September 1, 2008 , including:
 - (a) amend the relevant legislation or regulations to allow for refusal to renew vehicle permits for failure to pay the PVT, and to allow the Province to provide collection services to the City in respect of the PVT;

- (b) make any other legislative or regulatory amendments as may be necessary to implement the PVT as recommended by this report.
3. Council authorize and direct appropriate City officials to enter into all necessary agreements with the Province, pursuant to which:
- i) the Province would be named the City's collection agent of the PVT,
 - ii) the Province will develop systems to collect the PVT in accordance with the design features in Recommendation 1, and
 - iii) appropriate authority for information sharing between the two levels of government is provided,
- all in accordance with the terms and conditions set out in Confidential Attachment 1 and in a form acceptable to the City Solicitor (the "Provincial Agreement") and with costs to be funded from proceeds of the tax.
4. The Deputy City Manager and Chief Financial Officer be granted authority to recruit and hire the necessary staff required for the on-going administration of the PVT by the City as described herein at an estimated annualized cost of \$350,000 (\$275,000 in 2008) to be funded from the proceeds of the tax.
5. Council delegate the hearing of any PVT appeals to the Government Management Committee and designate the Government Management Committee as the City's appeal and dispute resolution body under the PVT by-law.
6. The City Solicitor be authorized to introduce the necessary bills to give effect to the PVT and to amend the City's procedural by-law to delegate the hearing of PVT appeals to the Government Management Committee, and the appropriate City officials be authorized and directed to take necessary actions to give effect thereto.

Financial Impact

The projected revenue for the PVT included in the recommended 2008 Operating Budget is \$20 million, net of collection / administration / enforcement costs. This budget was set before specific design parameters, the precise implementation date, and the collection agreement terms and costs estimates had been finalized. Also, because the PVT tax is new, staff have relied on estimates of the net revenues that may be obtained based on the best data available. Actual revenues will be closely monitored and reported to Council as part of the year-end variance process.

Furthermore, it must be noted that any material change to the recommended tax design of the PVT or to the terms of the collection agreement with the Province would very likely affect the proposed September 1, 2008 implementation date and lead to increases in system development costs payable to the Province.

The City is incurring costs for the development of PVT for outside legal services related to tax design and drafting the bylaw, and will also incur communication costs related to providing public notice of the PVT. These costs are expected to total \$150,000 and will be funded from within operating budget allocations.

Additionally, the administrative programs required for PVT (e.g. call centre customer services, PVT revenue accounting/reporting and corporate IT support) would cost Revenue Services Division an estimated \$275,000 in 2008 and \$350,000 annually thereafter, and are recommended to be funded from the proceeds of the PVT. The estimated costs incorporate recruiting and hiring of four FTE (full time equivalent) support staff. It is recommended that the Deputy City Manager and Chief Financial Officer be granted authority to recruit and hire the necessary staff required for the implementation and on-going administration of the PVT.

Summary

The purpose of this report is to seek all necessary authorities to implement a Personal Vehicle Tax (PVT) effective September 1, 2008, including approval of the administrative design features for the tax, and authority to enter into a PVT administration and collection agreement with the Province of Ontario.

This report is submitted in accordance with the decisions of Council from its meetings of October 22-23, 2007 in regard to report EX 10.1 (entitled “New Taxation Measures – City of Toronto Act, 2006”) and November 19-20, 2007 in regard to report EX 13.7 (entitled New Taxation Measures – Design Features and Implementation Authorities”).

Background Information

Personal Vehicle Tax - Administrative Design Features and Implementation Authorities
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11889.pdf>)

Appendix A - PVT Administrative Design Features
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11890.pdf>)

EX19.22a 2008 Business Improvement Area Operating Budgets: Report No. 4

(March 28, 2008) Report from the Deputy City Manager and Chief Financial Officer

Recommendations

The Deputy City Manager and Chief Financial Officer recommends that:

1. the Executive Committee adopt and certify to City Council the 2008 expenditure requests and levy requirements of the following Business Improvement Areas:

Business Improvement Area	2008 Expenditure Estimates (\$)	2008 Levy Funds Required (\$)
Midtown Danforth	254,128	254,128
Mount Dennis	15,050	13,063
The Eglinton Way	255,520	234,821
Wychwood Heights	123,545	67,950

2. authority be granted for the introduction of the necessary bill in Council.

Financial Impact

No City funding is required since Business Improvement Area budgets are raised by a special levy on members which totals \$569,962 in this report.

All of the 2008 BIA operating budgets submitted for consideration are balanced budgets. The appeal provision surplus or appeal provision deficit for each BIA, as determined by the Revenue Services Division, has been addressed by the BIA and incorporated into their 2008 Operating Budget. The BIA budgets have provisions for required capital cost-sharing contributions for those projects approved in 2007 or prior and carried forward into 2008, as well as new capital cost-share projects approved in the 2008 Capital Budget for Economic Development, Culture and Tourism.

Summary

This report brings forward Business Improvement Area (BIA) annual operating budgets for approval by Council as required by the City of Toronto Act, 2006. Council approval is required to permit the City to collect funds through the tax levy on behalf of the BIAs.

Complete budgets and supporting documentation received in February and March 2008 have been reviewed and are reported herein; BIA budgets received after this date will be brought forward in later reports. Of the 65 established BIAs, a total of 59 BIA budgets have been approved by Council to-date; four BIA budgets are submitted for approval in this report; and two BIAs are inactive. This is the final report for 2008.

The recommendations reflect 2008 approved budgets for BIAs and have been reviewed by City staff to ensure BIA budgets reflect Council's approved policies and practices.

Background Information

2008 Business Improvement Area Operating Budgets: Report No. 4
(<http://www.toronto.ca/legdocs/mmis/2008/ex/bgrd/backgroundfile-11887.pdf>)