June 6, 2014

To: Planning and Growth Management Committee

From: Toronto Preservation Board

Subject: Restructuring of the Heritage Property Tax Rebate Program

Recommendations:

The Toronto Preservation Board recommends to the Planning and Growth Management Committee that:

1. City Council direct staff to process heritage property tax rebate applications received in 2015 for the 2014 tax year, in accordance with Chapter 103, Heritage, Article VII of the Municipal Code, for properties that have participated in the program at any time since the 2010 tax year.

2. City Council direct that the total annual costs of the municipal portion of rebates provided for the 2014 tax year shall not exceed $2 million.

3. City Council set a maximum rebate for the 2015 tax year of $500,000 for Part IV designated commercial and industrial properties subject to a Heritage Easement Agreement and $50,000 for Part V designated contributing commercial and industrial properties subject to a Maintenance and Preservation Agreement.

4. City Council direct the Chief Planner and Executive Director, City Planning, to implement a standardized Maintenance and Conservation Agreement as described in this report and in accordance with section 37 of the Ontario Heritage Act, to be used exclusively for Part V designated commercial and industrial properties identified as contributing properties within the corresponding Heritage Conservation District Plan.

5. City Council authorize the Chief Planner and Executive Director, City Planning, to enter into standard Heritage Easement Agreements and Maintenance and Conservation Agreements, as described in this report and in a form and content satisfactory to the City Solicitor for the purposes of the Heritage Property Tax Rebate Program.

6. City Council direct the Chief Planner and Executive Director, City Planning, to amend the eligibility criteria for the Heritage Grant Program to exclude commercial and industrial heritage properties designated under Parts IV and/or V of the Ontario Heritage Act.
7. City Council authorize the City Solicitor to introduce the necessary bills in Council to extend the current Heritage Property Tax Rebate Program for those properties that have participated in the program at any time since the 2010 tax year, for the 2014 taxation year and to amend Chapter 103 of the Municipal Code to implement a new Heritage Property Tax Rebate Program structure as described in this report for the 2015 taxation year that:

   a. Provides rebates of 40% of taxes paid on designated commercial and industrial properties that are subject to a Heritage Easement Agreement or Maintenance and Conservation Agreement.

   b. Is capped at 50% of Eligible Maintenance and Conservation Costs.

   c. Is subject to a maximum annual rebate of $500,000.00 for Part IV designated properties, and $50,000.00 annually for Part V designated properties for a maximum of two consecutive years within the term of a 5 year Maintenance and Conservation Agreement.

   d. Requires a minimum expenditure equivalent to 20% of taxes paid.

Background:

The Toronto Preservation Board on June 5, 2014, considered a report (May 28, 2014) from the Chief Planner and Executive Director, City Planning, regarding Restructuring of the Heritage Property Tax Rebate Program.

For City Clerk

J. Gerrard