



Report to: General Committee

Report Date: October 24, 2011

SUBJECT: Tax Exemption for Properties Utilized by the Town of Markham for Lands Leased from the Toronto Region Conservation Authority (TRCA)

PREPARED BY: Paul Wealleans, Director, Taxation

RECOMMENDATIONS:

1. THAT Council enact the attached draft by-law to exempt the properties listed on Schedule A, used but not owned by the Town of Markham, from taxation;
2. AND THAT the Town Clerk give written notice of the By-law to the Municipal Property Assessment Corporation, the Clerk of the Regional Municipality of York, and the Secretaries of the applicable School Boards.

EXECUTIVE SUMMARY:

This report seeks Council's approval to exempt the Town of Markham from the requirement to pay property taxes for six properties it leases from the Toronto and Region Conservation Authority (TRCA). The lands leased form the Milne Dam Conservation Park. Since the Town leases the property from the TRCA, the Municipal Property Assessment Corporation (MPAC) assesses the lands as subject to taxation. MPAC will continue to use this practice as it does with all tenancies. To eliminate the tax liability for the Town used properties, an exemption by-law is recommended under Section 110 of the *Municipal Act*.

PURPOSE:

The purpose of this report is to recommend that Council approve a by-law providing for a tax exemption for the properties listed on Schedule 'A', under Section 110 of the *Municipal Act, 2001*. These properties are leased by the Town of Markham from the TRCA.

BACKGROUND:

N/A

OPTIONS/ DISCUSSION:

Section 110 (6) of the *Municipal Act, 2001*, provides that the council of a municipality may exempt from all or part of the taxes levied for municipal and school purposes, land or a portion of it on which municipal capital facilities are or will be located. Ontario Regulation 603/06 provides that municipal facilities used for cultural, recreational or tourist purposes are eligible capital facilities. Markham currently has no municipal capital facility agreements, whereby the properties are exempt from taxes.

Several years ago, the Town entered into an agreement with the Toronto Region Conservation Authority for the lease of several properties (See Schedule B) for recreational purposes. The properties are contiguous and form Milne Dam Conservation

Park (See Schedule C). Taxes levied annually have been written off each year. These lands qualify as municipal capital facilities under Section 110 of the Municipal Act due to their use for recreational purposes and therefore can be made exempt from taxation. Staff is therefore recommending that a by-law be enacted by Council to exempt from property taxes the properties listed on Schedule 'A', leased by the Town of Markham from the Toronto Region Conservation Authority.

The City of Mississauga enacted a similar tax exemption bylaw in 2004 for properties it leases from the Credit Valley Conservation Authority.

In accordance with the legislation, a copy of the approved by-law will be forwarded to the Municipal Property Assessment Corporation (MPAC) as well as to the Clerk at the Region of York and the Secretary of the school boards.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

As a result of the approval of the by-law, the Town of Markham will no longer be required to pay the annual property taxes for the lands.

HUMAN RESOURCES CONSIDERATIONS

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

N/A

BUSINESS UNITS CONSULTED AND AFFECTED:

Legal Services Department.

RECOMMENDED BY:

18/11/2011

X 

Joel Lustig
Treasurer/Acting Commissioner

ATTACHMENTS:

Schedule A: Draft By-law to Provide for Municipal Capital Facilities

Schedule B: List of Town Leased TRCA Properties

Schedule C: Map of Milne Dam Conservation Park

**Schedule A: Draft By-Law to Provide for
Municipal Capital Facilities**

WHEREAS subsection 110(1) of the *Municipal Act, 2001*, S.O., 2001, c.25, as amended, provides that council of a municipality may enter into agreements for the provision of municipal capital facilities with any person;

AND THAT subsection 110(6) of the *Municipal Act*, provides that council of a municipality may pass by-laws exempting property, or a portion of it, from taxation for municipal or school purposes on which Municipal Capital Facilities are located;

AND THAT paragraph 16 of section 2 of O. Reg 46/94, as amended, prescribes municipal cultural, recreational or tourist facilities as eligible Municipal Capital Facilities;

AND THAT in accordance with Section 110 (5) of the *Municipal Act, 2001*, S.O., 2001, c.25, as amended, that the Clerk be authorized to provide written notice of this by-law to the Minister of Education.

AND THAT paragraph 6(1)(b) of O. Reg 46/94, as amended, Council has passed a resolution declaring that the eligible Municipal Capital Facilities in respect to the Properties are for the purposes of the Town and are for public use;

AND THAT the Clerk, be authorized to give written notice of the contents of this By-Law to The Municipal Property Assessment Corporation.

NOW THEREFOR the Council of the Corporation of the Town of Markham **ENACTS** as follows:

1. In this By-Law,
 - a) Agreements means lease and license agreements in Schedule ``A``;
 - b) ``Town`` means The Corporation of the Town of Markham in the Regional Municipality of York;
 - c) ``Council`` means the Council for the Town;
 - d) ``Properties`` means those properties list in Schedule ``A``;
2. The Town is authorized to amend any Agreements for the purpose of compliance with the *Municipal Act, 2001*, or O. Reg. 46/94, as amended.

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3. The Properties are exempt from all taxation for municipal and school purposes while this by-law is in force and so long as the Properties are used a municipal capital facilities.
 4. The Town Clerk, be authorized to provide written notice of this by-law to the Minister of Education in accordance with Section 110 (5) of the Municipal Act.
 5. The Town Clerk, be authorized to give written notice of the contents of this By-Law to the Regional Municipality of York.
 6. The Town Clerk, be authorized to give written notice of the contents of this By-Law to The Municipal Property Assessment Corporation.
 7. The tax exemptions referred to herein are effective on the date of enactment of this By-Law.
 8. The Schedule ``A`` attached hereto forms part of this by-law.

ENACTED and PASSED this ____ day of _____, 2011

Schedule B: List of Town Leased TRCA Properties

Parties to Lease	Roll Number	Legal Description	2011 Tax Levy
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936030213992000000	CON 7 PT LT8 RP 65R24489 PTS 3 4 6 7 AND 11	\$18,511.11
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936030214005000000	CON 7 PT LT8 RP 65R24489 PTS 1 AND 2	\$8,982.91
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936030214153000000	CON 7 PT LTS 7 AND 8 RP 65R24412 PTS 1 2 5 8 11 AND 16	\$2,409.42
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936030222703000000	CON 7 PT LT8-10 M1870 BLKA EASEMENT RS66R10816 MILNE PARK ALSO 6 PRINCESS ST	\$4,559.09
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936040330426000000	PL 173 BLK M LTS 29 TO 39	\$3,036.24
Toronto and Region Conservation Authority and The Corporation of the Town of Markham	1936040320178000000	PL M1870 BLK B	\$1,908.44
			\$39,407.21

Schedule C: Map of Milne Dam Conservation Park

