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Windsor, Ontario April 16, 2013

A meeting of the **Windsor BIA Advisory Committee** is held this day commencing at 9:30 o'clock a.m. in the Town of Walkerville Meeting Room, 3rd floor, City Hall, there being present the following members:

Councillor Alan Halberstadt, Chair
Councillor Percy Hatfield
Tony Conciatori, Erie Street BIA
Debi Croucher, Downtown Windsor BIA
Scott Burke, Downtown Windsor BIA (non-voting)
Kerri Ippolito, Ford City BIA (arrives at 9:40 a.m.)
Caroline Postma, Wyandotte Street BIA
Bridget Scheuerman, Olde Riverside BIA

Regrets received from:

Arnie Blaine, Ottawa Street BIA
Rochelle Emery-Luckett, Downtown Windsor BIA
Greg Plante, Pillette Village BIA

Also present are the following resource personnel:

Onorio Colucci, Chief Financial Officer & City Treasurer
Michael Cooke, Manager of Planning Policy
Janice Guthrie, Deputy Treasurer - Taxation & Financial Projects
Gaetano Ferraro, Manager of Property Taxation and Taxation Support
Helga Reidel, Chief Administrative Officer
Karen Kadour, Committee Coordinator

1. CALL TO ORDER

The Chair calls the meeting to order at 9:34 o'clock a.m. and the Committee considers the Agenda being Schedule "A" **attached** hereto, matters which are dealt with as follows

2. ADOPTION OF THE MINUTES

Moved by B. Scheuerman, seconded by D. Croucher,
. That the minutes of the meeting of the Windsor BIA Advisory Committee held February 27, 2013 **BE ADOPTED** as presented.
Carried.

3. **DECLARATIONS OF CONFLICT**

None disclosed.

4. **BUSINESS ITEMS**

4.1 **Tax Policy - Ratios and Rates**

The Chair indicates the business and commercial tax rates are too high in Windsor as compared with other municipalities. He distributes the "BMA Net Municipal Levy Per Capita Municipal Study 2012", ***attached*** as Appendix "A".

The "2013 Tax Policy - A Framework for 2013 Tax Rates" PowerPoint presentation is distributed and ***attached*** as Appendix "B".

The salient points of discussion relating to the PowerPoint presentation are as follows:

- 2013 Total Gross Operating Budget - \$771,243,526 with 51% derived from the taxes revenue source
- Municipal 2013 Operating Budget requirement from Property Taxes - \$318,567,478
- Education 2013 Levy requirement - \$68,439,132 (Rates are set by the Provincial Minister of Finance - Residential and Multi-residential rates are set at the same rate across the Province - Business class rates are set on an individual municipal level).
- Total tax levy in 2006 - \$393.8 million. Total tax levy in 2013 - \$388.0 million showing a decrease of \$5.8 million in 2006. (Municipal levy+ Education levy).
- Property assessment is determined by the Municipal Property Assessment Corporation (MPAC) a provincially regulated agency. Use a market value approach to property assessment.
- Change to Property Assessment - Changes in Growth/Shrinkage; Changes in use of the property, Changes in market valuation; Property Assessment Appeals.
- Four year assessment cycle began in 2009 for years 2009-2012. Continues for 2013-2016. Assessment value based upon market value as at January 1, 2012 - prior valuation date was January 1, 2008.
- Assessment decreases from prior year to take effect immediately.
- Assessment increases to be phased in equally over 4 years (25% per year).
- Comparison of Relative Tax Burden - Lower than average assessment (\$72,500 per capita) Affordable community - Generally higher tax rates. Higher tax rates are NOT an indication of higher tax burden.
- Ratios are a weighting which is assigned to each property class **in** relation to the residential property class (i.e. 2 to 1) with the residential property class being set at 1.
- Once set, the ratio will determine the tax rates for the property class.

- Council has the option to leave the ratios the same as the prior year or to move any one or all downward. By moving ratios, Council has the ability to change the relative tax burden of a tax class.
- Relative tax burden and impact - Average property owner would receive a zero or greater tax reduction. Relative total tax apportionment for residential is 51.74%.

O. Colucci reports City Council has undertaken unprecedented accomplishments which include:

- Held the line on taxes for the past 5 years
- Council provided funding to reduce the commercial, multi-residential and industrial rates
- Held the line on overspending/expenses despite the economic downturn in Windsor

H. Reidel states in an effort to budget zero for residential taxes, a decrease in commercial, shopping centres and other classes were realized.

In response to Appendix "A", the "BMA Net Municipal Levy Per Capita Municipal Study 2012", O. Colucci provides the following comments:

- o The City of Windsor is a single tier municipality. Taxes would be lower if part of a regional government.
- o City of Windsor has experienced economic impacts, i.e. highest unemployment rate in Canada. Also, due to high unemployment, costs relating to Ontario Works causes the levy to increase.

In response to a question asked by Councillor Hatfield regarding why hospitality and retail incentives were not included in the Economic Revitalization Community Improvement Plan, M. Cooke responds that the focus of the plan is to attract jobs in targeted growth sectors which will in turn support the retail and hospitality sectors.

C. Postma expresses concern regarding the assessed values for multi-residential and commercial properties.

T. Conciatori states many buildings sit vacant as it is difficult to sell or rent due to the high property taxes.

H. Reidel advises a report will be provided for Council in the near future regarding the Retail Development Corporation which outlines the process for retail incentives.

The Chair requests the Retail Development Corporation report be provided to the Windsor BIA Advisory Committee after it has been reviewed by Council.

In response to a question asked by the Chair regarding if it is possible to have Community Improvement Plan(CIP) in the BIA's, M. Cooke states the Planning Act allows for any area in a municipality to be defined as a CIP.

D. Croucher suggests Town Hall meetings be held for the members of the BIA's to discuss the high storefront vacancy issue.

The Chair asks if a "vacant building" category can be added to the tax classes. J. Guthrie states the purpose of a CIP is to allow for use of unoccupied buildings.

Councillor Hatfield suggests the BIA's be allowed to lease vacant buildings on a short term basis.

J. Guthrie indicates the buildings must be vacant for a period of 90 days or more before they can be occupied. She states the city may be able to put these parameters into place as there is a municipal program intended for this use.

Councillor Hatfield recommends a "sliding" tax scale so, after a certain time there will be no incentive to keep a building vacant. O. Colucci notes this recommendation will be reviewed and will report back.

The Chair advises a building can stay vacant forever and still receive a rebate.

C. Postma asks if the vacancy rebate can be tied into the number of complaints received. O. Colucci states he will review the provincial legislation and report back.

In response to a question asked by D. Croucher regarding if buildings owned by the municipality are taxed, J. Guthrie responds if the city leases the building to a party, then taxes are applied.

D. Croucher advises the LCBO and the Beer Store do not pay the BIA levy.

4.2 BIA Budget Development and Approval Process

This item was not discussed.

5. ADJOURNMENT

There being no further business, the meeting is adjourned at 11:20 o'clock a.m.

CHAIR

COMMITTEE COORDINATOR

AGENDA
and Schedule "A"
to the minutes of the meeting of the
Windsor BIA Advisory Committee
held April 16, 2013
at 9:30 o'clock a.m.
Town of Walkerville Meeting Room, 3rd floor, City Hall

1. CALL TO ORDER

2. ADOPTION OF MINUTES

Adoption of the minutes of the meeting held February 27, 2013 - (oreviously distributed)

3. DECLARATIONS OF CONFLICT

4. BUSINESS ITEMS

4.1 Tax Policy - Ratios and Rates

- Impact of Assessment
- Taxes in Comparison to Other Municipalities

4.2 BIA Budget Development and Approval Process

5. ADJOURNMENT