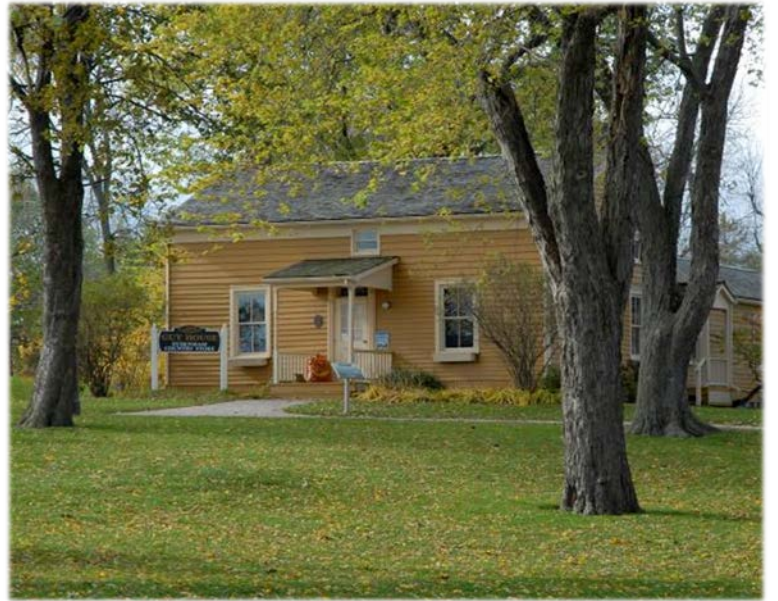




Oshawa®

Heritage Property Tax Reduction Program Information Brochure





City of Oshawa Heritage Property Tax Reduction Program

The Government of Ontario has enabled municipalities to offer tax relief to owners of eligible heritage properties to help owners maintain and restore these unique and valuable resources. The Council of the City of Oshawa approved the implementation of a Heritage Property Tax Reduction Program effective January 1, 2011 (By-law 106-2011).

This information brochure will help heritage property owners learn more about Oshawa's Heritage Property Tax Reduction Program and the eligibility requirements. The brochure is divided into the following sections:

1. Oshawa's Commitment to Conserving Heritage Resources
2. Financial Incentives Help Preserve our Heritage Resources
3. Amount of Tax Relief
4. Eligibility Criteria for Heritage Properties
5. Applying for a Tax Reduction and Application Deadline
6. Application Fee
7. Application Submission Requirements
8. Inspection of Property
9. Staff Review of the Application
10. Impact on Other Tax Reduction Programs
11. Eligible Property Tax Classes
12. Eligible Portion of Property
13. Penalties
14. Limitations
15. Payment of Tax Reduction
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Appendix A – Frequently Asked Questions

Appendix B – Heritage Property Designation

Appendix C – Heritage Easement Agreements

Appendix D – Application Form and By-law 106-2011

1. *Oshawa's Commitment to Conserving Heritage Resources*

In native language the word “oshawa” means “where we must leave our canoes”. The history of the City of Oshawa can be traced back to when Mississauga Indians trapped beaver and other animals, then loaded their pelts onto canoes near the Oshawa Harbour and transported these goods to trading posts further west. It was in 1850 that Oshawa was given its name and incorporated as a village. Prior to 1850, colonization was focused along an old native trail known as the Nonquon Road which eventually became today's Simcoe Street.

Many elements have contributed to the evolution, character and unique nature of the City. The preservation of heritage properties is one of these elements. Council and Heritage Oshawa (the municipal heritage advisory committee) support the preservation of heritage properties. Council's approval of the Heritage Property Tax Reduction Program is a demonstration of this support.

2. *Financial Incentives Help Preserve our Heritage Resources*

Heritage properties may require more intensive care, custom work or restoration at a somewhat higher cost than one would encounter with newer buildings. Viable and well-maintained designated properties enhance the sense of history and community, and also provide educational value for future generations. To assist heritage property owners, the City has approved a Heritage Property Tax Reduction Program. Property tax relief supports heritage conservation by recognizing that owners of heritage properties often incur above-average expenses to maintain aging structures and the heritage attributes of these properties.

3. *Amount of Tax Relief*

The City of Oshawa has set the amount of the annual tax reduction at forty percent (40%) of the City and School portions of the taxes payable on the eligible heritage property.

Example:

For a property paying \$6600.00 per year in property taxes the amount of eligible refund from the City's portion of the tax bill would be approximately \$1100.00 and approximately \$360.00 from the education portion of the tax bill, totaling approximately \$1460.00

Currently, only the area municipal (Oshawa) and school board component of the tax bill are subject to the 40% reduction. The Region of Durham has been requested to include its share of the Regional property tax component in the Heritage Property Tax Reduction Program, but is not yet a participant in this program.

4. ***Eligibility Criteria for Heritage Properties***

To be eligible for the tax relief, the property must comply with both Provincial and municipal eligibility requirements.

Provincial Requirements:

An eligible heritage property must be:

1. **Designated as a property of cultural heritage value or interest** under Part IV of the Ontario Heritage Act (an individual property designation) or it must be part of a **heritage conservation district** under Part V of the *Ontario Heritage Act*; and
2. Subject to a **Heritage Easement Agreement** under section 37 of the *Ontario Heritage Act*.

A Heritage Easement Agreement is required because designation alone does not obligate owners to maintain their properties on an ongoing basis. The purpose of the tax relief measure is to offer an incentive for heritage property conservation. Therefore, relief will be available to those owners who have made a commitment to maintain and preserve their properties on an ongoing basis.

The property must be subject to a Heritage Easement Agreement by December 31st of the taxation year for which the tax relief is sought. An easement agreement can be obtained upon application to the City. **The cost of registering the agreement on title is the responsibility of the owner (currently the one-time fee is \$75.00).**

Owners are also advised that the City requires time to prepare Heritage Easement Agreements. Accordingly, applications for a Heritage Easement Agreement should be submitted well in advance of the end of the initial taxation year for which the tax relief is being sought.

Further information regarding property designation and Heritage Easement Agreements can be found in Appendices B and C.

Municipal Requirements (City of Oshawa):

An eligible heritage property must be evaluated by the Development Services Department to ensure that it is:

1. A designated property of cultural heritage value or interest; and
2. In good and habitable condition;

Additionally,

3. The property must not be the subject of any City contravention, work orders or outstanding municipal requirements or liens; and
4. There must be no outstanding municipal fines, fees or penalties, or arrears of property taxes assessed against the owner.

5. *Applying for a Tax Reduction and Application Deadline*

Eligible heritage property owners will be required to submit an application to the City of Oshawa to take advantage of the tax relief measure. An application is required for the first year that the property enters the program. In addition, at least once every three years, the owner must submit new photographs and verify in writing that the property is being maintained in accordance with the easement agreement requirements.

The application and any supporting documentation required for subsequent years may be received by the Development Services Department between the first day of January and no later than the last day of February in the year following the subject tax year.

6. *Application Fee*

There is no fee for an Application for Heritage Property Tax Reduction.

However, there is a one-time fee for registering the associated Heritage Easement Agreement on title to the property (as of March 2012 this fee is \$75.00).

The minimum tax reduction amount that shall be paid for an individual eligible heritage property is \$100.00.

7. *Application Submission Requirements*

The owner of an eligible heritage property or their designated representative, being either a consultant or agent, is authorized to submit an Application for Heritage Property Tax Reduction, which shall include one original and one copy of the completed and signed application form.

One copy of the current Municipal Tax Bill (Final) shall also be submitted with the application.

An application form can be found in Appendix D, as well as a copy of the City's by-law enacting the program.

8. *Inspection of Property*

Upon application, the owner consents to the City conducting an inspection of the interior and exterior of the eligible heritage property at any reasonable time upon reasonable notice, if required. The purpose of the inspection is to ensure compliance with the relevant Heritage Easement Agreement and to confirm the eligibility criteria.

In subsequent years it may be necessary for the City to conduct an inspection of the eligible heritage property at any reasonable time upon reasonable notice, for the purpose of ensuring compliance with the relevant Heritage Easement Agreement and to confirm the eligibility criteria.

9. *Staff Review of the Application*

The administration of the Heritage Property Tax Reduction Program primarily involves the Development Services Department (Planning Services) and Corporate Services Department (Finance Services). Additional staff review for the purpose of ensuring compliance may involve Building Services, Corporate Services (Municipal Law Enforcement and Licensing Services) and Legal Services.

10. *Impact on Other Tax Reduction Programs*

Where a heritage property is currently receiving tax reductions or refunds under other municipal programs, such as vacancy rebates or charity rebates, the amount of the heritage property tax reduction will be calculated on the adjusted taxes after the other rebates have been taken into account.

11. *Eligible Property Tax Classes*

Tax reductions may apply to eligible heritage property within any, or all, of the commercial, industrial, farm, residential or multi-residential tax classes.

12. *Eligible Portion of Property*

The property tax reduction applies to the building or structure (or portion thereof) that is an eligible heritage property, and the lands eligible are calculated as a percentage of the total taxes levied on the property. The City may request the assistance of the Municipal Property Assessment Corporation (MPAC) to determine the reduction amount. The intent is to ensure that the building and land that is valued by MPAC relates only to the eligible portion. For example, if a heritage farmhouse is located on a 10 acre parcel of land, the eligible portion would only be the farmhouse building and its land. The balance of the 10 acre farm would not be eligible for the tax reduction. However, in some cases, there may be a cultural heritage feature associated with the building such as a significant tree or cultural landscape element that has been identified in the designation by-law. In these instances, the eligible portion may include the building and some additional land.

13. *Penalties*

The City needs to ensure that a property that receives a Heritage Property Tax Reduction is in compliance with municipal by-laws and is not subject to any contraventions, work orders, outstanding municipal fines, fees or penalties, arrears of property taxes assessed against the owner, or any other outstanding requirements. Therefore the Heritage Property Tax Reduction shall be repaid in full by the owner for every year where there is an outstanding contravention or where there are outstanding municipal fines, fees or penalties, or arrears of property taxes assessed against the owner.

A contravention is defined as “an offence under any Act or regulation or municipal by-law, for which enforcement proceedings have been commenced that relate

specifically to the property or land for which a Heritage Property Tax Reduction is being sought or has been given”.

The purpose of this policy is to ensure that a contravention prior to application disqualifies an owner from making an application for the year or years during which the contravention exists. Once there is compliance, however, the owner becomes eligible for tax reductions for future years.

Where an owner commits a contravention after having received a Heritage Property Tax Reduction, the total amount of the tax reduction is to be repaid while there is non-compliance. The City may require the owner to pay interest on the amount of any repayment required. There will be no in-year adjustments. Any contravention in any year will disqualify the owner from a tax reduction for that entire year.

14. *Limitations*

The Heritage Property Tax Reduction Program is subject to any regulations that the Ontario Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.

The Heritage Property Tax Reduction Program, as set out in By-law 106-2011, is subject at all times to the availability of funding for the program. Nothing in the implementing by-law requires the City to provide funding for this program and the Heritage Tax Reduction contemplated by By-law 106-2011 may be eliminated by Council through repeal of the by-law at any time. Funding for the Heritage Property Tax Reduction Program will be reviewed on an annual basis.

15. *Payment of Tax Reduction*

The tax rebate shall be applied to the property tax bill following determination of the annual tax levy and the payment of the Interim tax levy by the owner. Annually, the final tax bill will be modified to reflect the new net balance and due date.

16. *Further Information*

Further details concerning this program can be found in the “Heritage Tax Reduction By-law” (By-law 106-2011) passed by Council on June 27, 2011 (see Appendix D) or by contacting the Development Services Department (Planning Services) at the City of Oshawa:

Planning Services
Development Services Department
City of Oshawa
50 Centre Street South
Oshawa, ON, L1H 3Z7
Email: planning@oshawa.ca
Phone: 905-436-3853
Fax: 905-436-5699

APPENDIX A - Frequently Asked Questions

How can I get my property designated?

Contact Heritage Oshawa (Oshawa's municipal heritage advisory committee) through the Planning Services Branch of the Development Services Department (905-436-3853) if you wish to pursue designation of your property. Also, review Appendix B of this document for a better understanding of heritage designation.

I own a designated property. Am I eligible for the Heritage Tax Reduction?

In addition to having a heritage designation on the property, you must also enter into a Heritage Easement Agreement with the City and meet the eligibility criteria (see Section 4 of the Information Brochure).

What is a Heritage Easement Agreement?

A Heritage Easement Agreement is a legal agreement. It constitutes a commitment by the owner of a heritage property to ensure its preservation while retaining possession and use of the property. An easement agreement gives a public body (in this case the City of Oshawa) a legal interest in the property and is registered on the title of the property. The *Ontario Heritage Act* allows municipalities to enter into easement agreements to protect properties of historical or architectural interest. See Appendix C for more information.

If the Program is cancelled sometime in the future, what happens to the designation by-law and the Heritage Easement Agreement?

If the Program were to be cancelled in the future, then the tax rebate shall cease to be rebated. The designation by-law will stay in place and the Heritage Easement Agreement will remain on title to the property but the monetary reimbursement would cease.

Does the Province of Ontario contribute to this program?

Yes, the Province does provide assistance. A portion of property taxes goes to school boards. Where a municipality introduces a property tax relief program, the Province will share in the cost by making up the reduction in tax revenues allocated to school boards.

If I successfully appeal my property assessment, will it affect my heritage tax reduction?

Yes. The heritage tax reduction would be re-calculated based on the new assessment.



APPENDIX B - Heritage Property Designation

Under the provisions of the *Ontario Heritage Act* properties can be designated as having cultural heritage value or interest either individually, under Part IV of the Act, or as a grouping or district, under Part V of the Act.

Individual Property Designation

An individual property can be designated for its cultural heritage value or interest. The “reasons for designation” address historical and architectural attributes and are identified in a municipal by-law which is registered on title to the property. Individual designation provides an enhanced level of demolition control and ensures that the property cannot be altered in any manner that would jeopardize its identified heritage attributes, without approval.

If you wish to pursue designation of your property, please contact Heritage Oshawa (Oshawa’s municipal heritage advisory committee) through the Planning Services Branch of the Development Services Department (905-436-3853).

District Designation

A heritage conservation district is a collection of buildings, streets and open spaces that together are of special historical and/or architectural significance to the community. A district possesses an integrity of its own that distinguishes it from other areas in the community. The purpose of district designation is to guide change so that it does not detract from the area’s historic character. Districts are comprised of both heritage and non-heritage buildings. Detailed plans are adopted to preserve and enhance these special areas by providing policies for both public and private sector restoration and redevelopment.

The City of Oshawa does not currently have any heritage districts.



APPENDIX C - Heritage Easement Agreements

What is a Heritage Easement?

A Heritage Easement is a legal agreement. It constitutes a commitment by the owner of a heritage property to ensure its preservation while retaining possession and use of the property. An easement agreement gives a public body, such as a municipality, a legal interest in the property and is registered on the title to the property. The *Ontario Heritage Act* allows municipalities to enter into easement agreements to protect properties of historical or architectural interest.

How long does an Easement run?

A perpetual easement provides indefinite protection.

Easements compared to Designation

Heritage Easements are more comprehensive than designation under the *Ontario Heritage Act*. For example, there are no provisions under the *Ontario Heritage Act* to require an owner of a designated property to maintain the building in the event of damage. Heritage Easements address these shortcomings. Easements also provide much stronger protection against demolition. It is desirable to protect a property by both an easement and designation. However, the property does not have to be designated to be protected by a Heritage Easement.

Impact on the Owner

The obligations of the owner are to ensure the ultimate preservation and maintenance of the property through satisfying the following conditions:

1. Apply for and receive municipal approvals for any changes or alterations that will affect the heritage features of the property;
2. Maintain the property at all times in as good and as sound a state of repair as a prudent owner would normally do, so that no deterioration in the building's condition and appearance occurs.

When an owner enters into a Heritage Easement Agreement some of the rights, namely those involving the right to develop or redevelop the land as one chooses, are shared with the City. The owners are still the "owners" of the property and can sell it, leave it to their children or continue to enjoy it as they please.

Impact on the Property Value

In the experience of the Ontario Heritage Trust, an easement has no significant effect on the property's resale value, especially where a similar use for the property or one compatible with its heritage features is contemplated. However, individual owners must judge for themselves whether or not a heritage designation and easement agreement may have an impact on the resale value of their property.

Administration of the Easement

The municipality is responsible for the administration of the Heritage Easement. Enforcement of the obligations may be undertaken by the municipality and the costs reimbursed by the owner or recoverable by action in a court of law.

A sample copy of a Heritage Easement Agreement is available from the staff in the Planning Services Branch of the Development Services Department (Phone: 905-436-3853)



APPENDIX D - Application Form and By-law 106-2011

The Heritage Property Tax Reduction Program Application Form and a copy of By-law 106-2011 are attached.

PRE-APPLICATION CONSULTATION

Prior to the submission of this application, applicants are strongly encouraged to consult with staff of Planning Services in the Development Services Department. Early consultation can result in the identification of matters that will significantly assist in the processing of the application including whether the property is designated under the Ontario Heritage Act.

For more information on Heritage Oshawa please see the City of Oshawa website at <https://www.oshawa.ca/city-hall/Heritage-Oshawa.asp>

Questions with respect to the application and process or requests to meet with staff before an application is submitted may be made in person at: Planning Services, City Hall, 8th Floor, Rundle Tower, 50 Centre Street South, Oshawa or by telephone at (905) 436-3311 ext. 2402.

SUBMISSION REQUIREMENTS

- A Heritage Easement Agreement must be registered on title. If a Heritage Easement Agreement has not already been registered on title, the applicant shall be required to execute a Heritage Easement Agreement for registration on title and submit a one-time Heritage Easement Agreement Registration fee of **\$75.00**.

Methods of payments are: Cash, Cheque (payable to the City of Oshawa) and Interac.

Note: Registration of a Heritage Easement Agreement must be completed by December 31 of the taxation year for which the tax relief is sought. Since the City requires time to prepare Heritage Easement Agreements, the applicant should submit the executed Agreement well in advance of the end of the initial taxation year for which the tax relief is being sought.

- Deadline for submission of the Heritage Property Tax Reduction application for the 2019 Tax Year is **February 28, 2020**.
- Deadline for submission of the Heritage Property Tax Reduction application for the 2020 Tax Year is **February 28, 2021**.
- Deadline for submission of the Heritage Property Tax Reduction application for the 2021 Tax Year is **February 28, 2022**.
- One (1) original and one (1) copy of this application form submitted to:

Director, Planning Services
Development Services Department
City of Oshawa
50 Centre Street South
Oshawa, ON L1H 3Z7
- Photographs of the heritage property, including photographs of each elevation of every building or structure that comprises the heritage property. Label each photo on the back with the date, and for elevation photos, also indicate the direction the elevation faces (north, south, east and west).
- One copy of the previous year's Municipal Property Tax Bill (Final).
- Property taxes are up to date and paid in full.
- Letter of authorization (see Section 1 and 7).
- Eligibility for a property tax reduction for heritage properties shall be determined in accordance with By-law 106-2011 enacted pursuant to Section 365.2(1) of the Municipal Act, 2001.



Application for Heritage Property Tax Reduction

Office Use	
File Number:	
Date Accepted:	
Heritage Designation By-law Number:	
Date Heritage Easement Agreement Registered:	
Heritage Easement Agreement Registration Fee:	<input type="checkbox"/> received <input type="checkbox"/> previously registered
Date of Inspection: _____	<input type="checkbox"/> satisfactory <input type="checkbox"/> unsatisfactory
Heritage Oshawa Member(s) present at inspection:	
The subject property has met the requirements of the Heritage Property Tax Reduction Program. Finance Services can proceed with the property tax reduction.	Signature of Planner:

1. OWNER/APPLICANT/AGENT

	Mailing Address	Telephone	Facsimile	E-mail
Registered Owner*				
Applicant				
Agent or Solicitor				

* If more than one Owner, please attach a sheet of paper with the required information. If numbered company, give name and address of principal owner.

Matters relating to this application should be sent to (select one only): <input type="checkbox"/> Owner <input type="checkbox"/> Applicant <input type="checkbox"/> Agent	The applicant is: <input type="checkbox"/> Owner <input type="checkbox"/> Lessee of land/ tenant <input type="checkbox"/> Prospective Owner <input type="checkbox"/> Agent
If the applicant is not the Owner, the Owner must consent to the Heritage Property Tax Reduction application by either signing the application in Sections 1 and 7 or submitting a letter of authorization. <input type="checkbox"/> Separate Letter of Authorization attached	Owner's Signature:
	Date:

2. PROPERTY INFORMATION

Location and Description			
Lot(s)	Concession(s)	Former Twp.	Roll Number 1813-0_0-0_ _- _- _-0000
Registered Plan No.	Lot(s)/Block(s)	Reference Plan No.	Part Number(s)
Municipal Address(es) (Street No. and Name of Street)			

3. HERITAGE REQUIREMENTS

	Yes	No	
Is the property designated?	<input type="checkbox"/>	<input type="checkbox"/>	If yes , what is the Designation By-law number? _____
Is there a Heritage Easement Agreement registered on the subject property?	<input type="checkbox"/>	<input type="checkbox"/>	

Note: If you answer **no** to either of the above questions, please contact Planning Services, 8th Floor, 50 Centre Street South, or 905-436-3311 ext. 2402.

4. CONDITION OF BUILDING(S) AND/OR STRUCTURE(S)

To be eligible the property and building(s)/structure(s) must be in good and habitable condition.

	Yes	No
Building/Structure No. 1: _____		
Building type (e.g. farmhouse, barn, single detached dwelling): _____		
Is the building occupied and habitable?	<input type="checkbox"/>	<input type="checkbox"/>
Is the building in good condition?	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
Building/Structure No. 2: _____		
Building type (e.g. farmhouse, barn, single detached dwelling): _____		
Is the building occupied and habitable?	<input type="checkbox"/>	<input type="checkbox"/>
Is the building in good condition?	<input type="checkbox"/>	<input type="checkbox"/>

	Yes	No
Building/Structure No. 3: _____		
Building type (e.g. farmhouse, barn, single detached dwelling): _____		
Is the building occupied and habitable?	<input type="checkbox"/>	<input type="checkbox"/>
Is the building in good condition?	<input type="checkbox"/>	<input type="checkbox"/>

5. CONTRAVENTIONS

	Yes	No
Is the property the subject of any City by-law contraventions, work orders or other outstanding municipal requirements as of the date of this application?	<input type="checkbox"/>	<input type="checkbox"/>

If yes, please identify the issue:

5. OTHER PROPERTY TAX REDUCTION PROGRAMS

Is the property currently receiving tax reductions or refunds under any other municipal programs (e.g. Low Income Senior/Disability Grant, Charity Rebate, Veteran’s Rebate, Navy League, Vacancy Rebate, Assessment Review Board Rebate)?

Yes

No

If yes, please identify the program(s):

6. ACKNOWLEDGEMENTS AND AFFIDAVIT OR SWORN DECLARATION

Table with 1 column and 1 row containing the title 'APPLICANT’S ACKNOWLEDGEMENTS' and a list of 5 numbered items regarding public review, information collection, and application requirements.

Dated at the _____ of _____ this ____ day of _____, in the year of _____,

I, _____ of the _____ of _____

in the _____ of _____ solemnly declare that all the statements contained in this application and all of the statements contained in all the exhibits transmitted herewith are true and I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act. I also agree to allow the City of Oshawa, its employees and agents to enter upon the subject property for the purpose of conducting surveys and tests that may be necessary to this application. I further agree for the purposes of the Municipal Freedom of Information and Protection of Privacy Act to authorize and consent to the use by or the disclosure to any person or public body of any personal information that is collected under the authority of the Planning Act and the Ontario Heritage Act for the purposes of processing this application. I further agree to comply with all of the Applicant’s Acknowledgements as set out above.

DECLARED before me at the _____
of _____ in the _____
of _____ this _____ day of
_____ in the year of _____.

Signature of Owner, Applicant or Authorized Agent

A Commissioner, etc.

7. AUTHORIZATIONS AND CONSENT

If the applicant is not the owner of the land that is the subject of this application, the written authorization of the owner that the applicant is authorized to make the application must be attached or the authorization set out below must be completed by the owner.

Authorization of Owner for Agent to Make the Application

I, _____, am the owner of the land that is the subject of this application for Heritage Property Tax Reduction and I authorize _____ to make this application on my behalf.

Date _____ Signature of Owner _____

If the applicant is not the owner of the land that is the subject of this application, complete the authorization of the owner concerning personal information set out below.

Authorization of Owner for Agent to Provide Personal Information

I, _____, am the owner of the land that is the subject of this application for Heritage Property Tax Reduction, and for the purpose of the Municipal Freedom of Information and Protection of Privacy Act, I authorize _____ as my agent for this application, to provide any of my personal information that will be included in this application or collected during the processing of the application.

Date _____ Signature of Owner _____

Consent of the Owner to the Use and Disclosure of Personal Information

I, _____, am the owner of the land that is the subject of this application for Heritage Property Tax Reduction and, for the purpose of the Municipal Freedom of Information and Protection of Privacy Act, I authorize and consent to the use by or the disclosure to any person or public body of any personal information that is collected under the authority of the Planning Act and the Ontario Heritage Act for the purposes of processing this application.

Date _____ Signature of Owner _____

being a by-law to establish a program to provide tax reductions or refunds in respect of Eligible Heritage Property.

Recitals:

1. Whereas subsection 365.2(1) of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, provides that a local municipality may establish a program to provide tax reductions or refunds in respect of Eligible Heritage Property.
2. Whereas the Council of The Corporation of the City of Oshawa deems it advisable and in the public interest to provide financial assistance on the terms set out in this by-law as an incentive to encourage property owners to renovate, restore and maintain heritage properties within the City of Oshawa.

NOW, THEREFORE, IT IS ENACTED as a by-law of The Corporation of the City of Oshawa by the Council thereof as follows:

Part 1 – Definitions

1.1 In this by-law,

City means The Corporation of the City of Oshawa.

Contravention means an offence under any Act, regulation or municipal by-law, for which enforcement proceedings have been commenced that relate specifically to the Eligible Heritage Property for which a Heritage Tax Reduction is being sought or has been given.

Council means the Council of The Corporation of the City of Oshawa.

Eligible Heritage Property means a property or a portion of a property located in the City of Oshawa,

- (a) that is designated under Part IV of the *Ontario Heritage Act*, R.S.O. 1990, c. O. 18 or is part of a heritage conservation district under Part V of the *Ontario Heritage Act*,
- (b) that is subject to a Heritage Easement Agreement with the City under section 37 of the *Ontario Heritage Act*, and

- (c) that complies with the additional eligibility criteria set out in this by-law;

Heritage Easement Agreement is an agreement that is entered into between the Owner and the City and registered on title of the Eligible Heritage Property. A Heritage Easement Agreement identifies elements of the Eligible Heritage Property which are to be retained in perpetuity and may also set out permitted alterations and development.

Heritage Property Tax Reduction Program is the program designed to support owners of Eligible Heritage Property by providing tax reductions or refunds in respect of the Eligible Heritage Property.

Heritage Tax Reduction means the amount of property tax reduction in respect of an Eligible Heritage Property.

MPAC means the Municipal Property Assessment Corporation.

Owner means the registered legal owner(s) of Eligible Heritage Property and includes a corporation and partnership and the heirs, executors, administrators and other legal representatives of an Owner to whom the context can apply according to law.

Treasurer means the Treasurer for The Corporation of the City of Oshawa appointed pursuant to section 286 of the *Municipal Act, 2001*.

PART 2 – BASIS OF CALCULATION

- 2.1 (a) The amount of a Heritage Tax Reduction will be forty per cent (40%) of the taxes for the City and school board purposes levied on the Eligible Heritage Property that are attributable to:
- (i) the building or structure or portion of the building or structure that is the Eligible Heritage Property; and
 - (ii) the land used in connection with the Eligible Heritage Property, as determined by the City.
- (b) The taxes for City purposes do not include any amounts related to local improvements, business improvement areas or other similar special area rates or levies.
- (c) There is no cap on the annual amount of the Heritage Tax Reduction that an Eligible Heritage Property may receive but the minimum annual amount of the Heritage Tax Reduction will be \$100.00 per Eligible Heritage Property.

- (d) Notwithstanding section 2.1(c), the maximum combined tax reduction or refund including the Heritage Tax Reduction and any other tax reduction or refund for any Eligible Heritage Property may not exceed forty per cent (40%) of the taxes for City and school board purposes levied on the Eligible Heritage Property.
 - (e) The Heritage Tax Reduction, once approved, will be automatically applied against the tax account related to the Eligible Heritage Property and taxes owing, if any. A refund will only be issued to the Owner if the tax account is in a credit position.
- 2.2 Subject to the conditions set out in this by-law, a Heritage Tax Reduction may be paid annually for Eligible Heritage Property as assessed within one of the following property tax classes: residential, multi-residential, farm, commercial and industrial as defined by the *Assessment Act*, R.S.O. 1990, c. A. 31 and Ontario Regulation 282/98, both as amended.
- 2.3 The City may request information from MPAC concerning the portion of a property's total assessment that is attributable to the building or the structure or portion of the building or structure that is Eligible Heritage Property and the land used in connection with it.
- 2.4 Where multiple Heritage Easement Agreements are registered with respect to Eligible Heritage Property, multiple refunds will not be provided in respect of the same heritage features.
- 2.5 Heritage Tax Reductions will be calculated using the assessed value of Eligible Heritage Property, as returned, for the taxation year for which the first Heritage Tax Reduction was sought by the Owner. In the event of a change in the assessed value of Eligible Heritage Property, the Heritage Tax Reduction will be amended accordingly.
- 2.6 If Eligible Heritage Property is in a tax class that is subject to any tax capping legislation then the amount of the reduction or refund will be calculated proportionally based on the amount of eligible assessment compared to the amount of total assessment applied against the net level of taxation after all tax capping calculations.
- 2.7 If the assessment of a property for a year changes as a result of proceedings under the *Assessment Act*, the Heritage Tax Reduction shall be recalculated using the new assessment value and resulting taxation level for that year.
- 2.8 If the Regional Municipality of Durham (the "Region") passes a by-law authorizing a similar reduction or refund of taxes for Eligible Heritage Property, the tax reduction or refund will be shared by the City, the Region and the school boards in the same

proportion that they share in the revenue from taxes from the Eligible Heritage Property to which the tax reduction or refund relates.

- 2.9 If the Region does not pass a by-law authorizing a similar reduction or refund of taxes for Eligible Heritage Property then the tax reduction or refund will be shared, without affecting the taxes levied by the Region, by the City and the school boards in the same proportion that they share in the revenue from the taxes from the Eligible Heritage Property to which the tax reduction or refund relates.

PART 3 – REPAYMENT

- 3.1 The Heritage Tax Reduction will be repaid in full by the Owner for every year where there is an outstanding Contravention or where there are outstanding municipal fines, fees or penalties, or arrears of property taxes.
- 3.2 If the Owner of Eligible Heritage Property demolishes the Eligible Heritage Property or breaches the terms of the Heritage Easement Agreement, the City may require the Owner to repay part or all of any Heritage Tax Reduction(s) provided to the Owner for one (1) or more years under this by-law.
- 3.3 The City may require the Owner to pay interest on the amount of any repayment required under section 3.2 of this by-law at a rate not exceeding the lowest prime rate reported to the Bank of Canada by any of the banks listed in Schedule I of the *Bank Act* (Canada), calculated from the date(s) the Heritage Tax Reduction(s) was provided. Any amount repaid under this section will be shared by the City, the Region (if applicable) and the school boards in the same proportion as their respective shares of the Heritage Tax Reduction(s) on the Eligible Heritage Property.

PART 4 - APPLICATIONS

- 4.1 In order to be eligible for a Heritage Tax Reduction, an Owner must make application to the City in writing by the last day of February in the year following the first year for which the Owner is seeking to obtain the Heritage Tax Reduction and said application will include proof satisfactory to the Treasurer of the following:
- (a) the property is Eligible Heritage Property;
 - (b) a Heritage Easement Agreement has been registered on title of the property, at the expense of the Owner, by December 31st of the taxation year for which relief is sought;
 - (c) the property is not the subject of any Contravention, work orders or outstanding municipal requirements or liens; and

- (d) the property, to the satisfaction of the City's Commissioner of Development Services, is in a good and habitable condition and meets all of the City's requirements related to heritage property.

4.2 The Owner must also submit current photographs of all elevations of the Eligible Heritage Property at the time of the application and any time thereafter upon request by the City.

PART 5 – PROGRAM FUNDING

5.1 The Heritage Property Tax Reduction Program (the "Program") set out in this by-law is subject at all times to the availability of funding for the Program. Nothing in this by-law requires the City to provide funding for the Program and the Heritage Tax Reduction contemplated in this by-law may be reduced or eliminated by Council through repeal of the by-law at any time without notice.

5.2 The Program is subject to any regulations that the Minister of Finance or the Province of Ontario may make governing by-laws on tax reductions and refunds for heritage properties.

5.3 The Owner may retain, and it is expected that the Owner will retain, the benefit of any tax reduction or refund obtained under the Program, despite the provisions of any lease or other agreement relating to the Eligible Heritage Property.

PART 6 – COMPLIANCE WITH AGREEMENTS

6.1 Upon application, the Owner must consent to the City conducting inspections of the interior and exterior of the Eligible Heritage Property at any reasonable time upon reasonable notice on an ongoing basis, if required, to ensure that the Owner is complying with the Heritage Easement Agreement and to ensure that the eligibility criteria set out in this by-law are being met.

6.2 No Heritage Tax Reduction will be given under this by-law where the Owner does not comply with the Heritage Easement Agreement to the satisfaction of the City in its sole discretion or where the Owner is not complying with the requirements of this by-law.

PART 7 – SHORT TITLE

7.1 The short title of this by-law is the "Heritage Tax Reduction By-law".

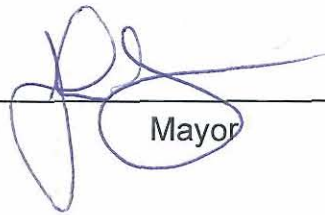
PART 8 – NOTICE TO MINISTER OF FINANCE

8.1 The City Clerk is hereby directed to deliver a copy of this by-law to the Minister of Finance within thirty (30) days of the date the by-law is passed.

PART 9 – EFFECTIVE DATE

9.1 This by-law shall be of force and effect as of the first day of January, 2011.

By-law passed this twenty-seventh day of June, 2011.



Mayor



City Clerk