The Corporation of the City of Peterborough

By-Law Number 17-050

Being a By-law to levy and collect taxes for municipal, education and business improvement area purposes for the year 2017, to impose a penalty charge for non-payment of 2017 taxes and to provide for interest to be added to tax arrears, and to establish a percentage by which tax decreases are limited in 2017 to properties in the Commercial, Industrial and Multi-Residential property classes.

Whereas Section 290 of the Municipal Act, S. O. 2001, c. 25 as amended (the “Act”), provides for a local municipality in each year to prepare and adopt a budget including estimates of all sums required during the year for the purposes of the municipality including amounts sufficient to pay all debts of the municipality falling due within the year, amounts required to be raised for sinking funds or retirement funds and amounts required for any board, commission or other body;

And Whereas Subsection 312 (1) of the Act provides that the general local municipal levy is the amount the local municipality decided to raise in its budget for the year under Section 290 on all rateable property in the municipality;

And Whereas Subsection 312 (2) of the Act provides that for the purposes of raising the general local municipal levy, a local municipality shall, each year, pass a by-law levying a separate tax rate, as specified in the by-law, on the assessment in each property class in the local municipality rateable for local municipality purposes;

And Whereas Subsection 312 (6) of the Act provides that the tax rates levied on the different property classes must be in the same proportion to each other as the tax ratios established for the property classes are to each other;

And Whereas Subsection 308 of the Act provides a set of tax ratios shall be established;

And Whereas Subsection 313 of the Act provides that the local municipality shall specify, through a by-law, the percentage reductions of the tax rates for municipal purposes for subclasses of property classes prescribed by regulation where the regulations require tax rates to be reduced by a percentage within a range described in the regulations;

And Whereas Section 342 (1) of the Act stipulates municipalities may pass by-laws providing for the payment of taxes in one amount or by instalments and the date or dates in the year for which the taxes are due;

And Whereas Ontario Regulation 73/03 as amended by Ontario Regulation 62/17 prescribes the manner of determining taxes and requires any budgetary increase which cannot be passed on to the Commercial, Industrial or Multi-Residential property classes because the average tax ratio for the class or classes exceed prescribed thresholds to become a special levy on other classes;

And Whereas through confirming By-law 16-172, being a by-law to confirm the proceedings of Council at its meeting held December 12, 2016, Council approved the 2017 operating budget;
And Whereas through confirming By-law 16-172, being a by-law to confirm the proceedings of Council at its meeting held December 12, 2016, which established property tax classes, tax ratios, tax reduction percentages for mandated subclasses for commercial and industrial properties and the assessment roll for 2017 taxation purposes;

And Whereas Report CPFS16-013 dated May 30, 2016 recommended that Council adopt the new Business Tax Capping options;

And Whereas Subsection 330 (1) of the Act provides that the council of a municipality, other than a lower-tier municipality, may pass a by-law to establish a percentage by which tax decreases are limited for 2017 in respect of properties in any property class subject to Part IX of the Act in order to recover all or part of the revenues foregone as a result of the application of Section 329 of the Act to other properties in the property class;

And Whereas Subsection 330 (3) of the Act provides that such a by-law must establish the same percentage for all properties in a property class, but may establish different percentages for different property classes;

And Whereas Subsection 327 (4) of the Act provides that Part IX of the Act applies to the Commercial, Industrial and Multi-Residential property classes;

And Whereas Council of the City of Peterborough, as part of the 2017 budget process, determined that the cost of capping tax increases for the year 2017 for the Commercial, Industrial and Multi-residential property classes would be financed from withholding decreases within each class where possible;

And Whereas to determine the 2017 tax capping adjustments it is necessary to establish a “cut-off” for updating the 2016 updated assessment roll which is used to determine the “adjusted 2016 taxes”;

And Whereas paragraph 1 of Subsection 257.7 (1) of the Education Act, as amended, requires every municipality in each year to levy and collect the tax rate prescribed by the Minister of Finance for school purposes on residential property and business property taxable for school purposes in the municipality according to the last returned assessment roll;

And Whereas Section 257.7 (3) of the Education Act, as amended, provides that Section 313 of the Act which provides for percentage reductions of tax rates for subclasses of property classes, applies with necessary modifications with respect to the rates levied under Section 257.7 (1) on land in a municipality;

And Whereas Ontario Regulation 132/17 prescribes the tax rates for school purposes for 2017 on residential and business property taxable for school purposes in the City of Peterborough for the year 2017;

And Whereas Section 355 of the Municipal Act allows Council to pass a by-law where, in any year, the total amount of the taxes to be imposed on a property would be less than an amount specified by Council, the amount of the actual taxes payable shall be zero;

And Whereas Section 208 (1) of the Act stipulates a municipality shall annually raise the amount required for the purposes of a board of management of a Business Improvement Area;

And Whereas the estimate of all sums required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough, as defined by By-law 1980-154 during the year 2017 amounts to $304,660;

And Whereas the estimate of all sums required by the East City/Ashburnham Business Improvement Area of the Corporation of the City of Peterborough, as defined through By-law 1989-002, during the year 2017 amounts to $16,700;
And Whereas Section 326 of the Act provides that a local municipality may, through a by-law, identify a special service and designate an area of the municipality in which the residents and property owners receive, or will receive, additional benefit from that special service that is not received or will be received in other areas of the municipality;

And Whereas the Act further provides that Council may pass by-laws regarding the payment of taxes;

And Whereas Section 345 of the Act states Municipalities may pass by-laws to impose late payment charges for the non-payment of taxes or any instalment by the due date and interest charges, not to exceed one and one-quarter (1.25) per cent each month of the amount of taxes due and unpaid, may be imposed for the non-payment of taxes;

And Whereas Section 347 of the Act sets out procedures for allocation of payments;

And Whereas Section 345 (6) of the Act states a local municipality shall pay interest at the same rate and in the same manner as interest is paid under Subsection 257.11 (4) of the Education Act on overpayments arising as a result of, an error of a municipality, certain changes under the Assessment Act and property class changes;

And Whereas it is now desirable to issue final 2017 tax bills for all property classes taking into account all of the above:

Now Therefore, The Corporation of the City of Peterborough by the Council thereof hereby enacts as follows:

1. The municipal tax rates, education tax rates, current value assessment, tax ratios, tax reduction percentages for mandated subclasses for commercial and industrial properties, and the resulting tax levies for Municipal and Education purposes as set out in Schedule A are adopted for the year 2017.

2. The percentage of tax decreases to be clawed back for properties within the Commercial, Industrial and Multi-Residential classes to finance the cost of capping increases for properties within each class shall be as follows:

<table>
<thead>
<tr>
<th>Property Class</th>
<th>Clawback Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>0.3046%</td>
</tr>
<tr>
<td>Industrial</td>
<td>0.00%</td>
</tr>
<tr>
<td>Multi-residential</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

3. The "cut-off" date for adjustments to the 2016 updated assessment roll ("frozen tax listing" or FTL), to be used to determine the "adjusted 2017 taxes" for the Commercial, Industrial and Multi-Residential classes capping calculations, is hereby determined to be May 1, 2017.

4. The estimates of all sums required by the Downtown Business Improvement Area of the Corporation of the City of Peterborough during the year 2017 totalling $304,660 are hereby adopted and the 2017 rates to be levied on commercial and industrial properties within the Downtown Business Improvement Area to raise the required sum will be as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Taxable</td>
<td>0.2427%</td>
</tr>
<tr>
<td>Commercial Vacant Units</td>
<td>0.1699%</td>
</tr>
<tr>
<td>Industrial Taxable</td>
<td>0.2427%</td>
</tr>
<tr>
<td>Industrial Vacant Units</td>
<td>0.1578%</td>
</tr>
</tbody>
</table>
5. The estimates of all sums required by the East City/Ashburnham Business Improvement Area of the Corporation of the City of Peterborough during the year 2017 totalling $16,700 are hereby adopted, and the 2017 rates to be levied on commercial and industrial property within the East City Business Improvement Area to raise the required sum will be as follows:

<table>
<thead>
<tr>
<th>Class</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Taxable</td>
<td>0.1306%</td>
</tr>
<tr>
<td>Commercial Vacant Units</td>
<td>0.0914%</td>
</tr>
<tr>
<td>Industrial Taxable</td>
<td>0.1306%</td>
</tr>
<tr>
<td>Industrial Vacant Units</td>
<td>0.0849%</td>
</tr>
</tbody>
</table>

6. An annual charge of $108.52 to be added to the 2017 property tax bills for properties abutting rear laneways in the Avonlea subdivision as referenced in By-law 13-096.

7. Properties where the total final tax levy is less than five (5) dollars, the amount of actual taxes payable shall be zero (0).

8. a) Payment of all taxes levied under authority of this by-law, including local improvements and all other charges payable as taxes, shall be paid into the Office of the Treasurer of the Corporation of the City of Peterborough, on or before the due date or into any Branch of any Canadian Chartered Bank or Trust Company, to the credit of the Corporation of the City of Peterborough, in two approximately equal instalments as indicated in the following schedule:

<table>
<thead>
<tr>
<th>Ward No:</th>
<th>First Instalment Due Date</th>
<th>Second Instalment Due Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Wards</td>
<td>July 31, 2017</td>
<td>September 29, 2017</td>
</tr>
</tbody>
</table>

b) The tax instalment due dates for the principal residence of a taxpayer, whose primary source of income is a fixed monthly pension cheque, such as Canada Pension or Old Age Security, shall be extended to August 3, 2017 and October 4, 2017 respectively.

9. On application to the City of Peterborough, a taxpayer may pay taxes by a monthly pre-authorized payment plan, payable on the City’s last working day of each month. In the event of the default of payment on the pre-authorized payment plan, enrollment in the plan shall be terminated and the final tax levy shall be due and payable on the instalment dates as set out in Section 8.

10. The immediate payment of any instalments may be required if earlier instalments are not paid on time.

11. The penalty charge for non-payment of said taxes, on or before the respective due dates, shall be at the rate of one and one-quarter (1.25) percent of the amount outstanding on the first day of default, plus an additional one and one-quarter (1.25) percent of the amount of taxes, unpaid on the first day of each calendar month thereafter in which the default continued, but not after the 31st day of December of the year in which the taxes are levied.

12. In addition, statutory interest, at the rate of one and one-quarter (1.25) percent per month on any unpaid taxes, shall be added from the 31st day of December in the year in which the taxes are levied, and an additional one and one-quarter (1.25) percent on the first day of each calendar month thereafter shall be added until such taxes are fully paid.
13. Part payments of taxes will be accepted and shall be credited first to all penalties and interest outstanding, and then to the oldest tax arrears until the whole of the remainder of the payment has been credited against such taxes.

14. Persons entitled to refunds for overpayments resulting from successful Assessment Appeals, shall receive interest at the same rate and in the same manner as interest is paid under Subsection 257.11 (4) of the Education Act (the lowest prime rate reported to the Bank of Canada by any of the banks listed in Schedule I to the Bank Act (Canada) at the date of default.

15. This by-law comes into force on the date of the final passing thereof.

By-law read a first, second and third time this 5th day of June, 2017.

(Sgd.) Daryl Bennett, Mayor

(Sgd.) John Kennedy, City Clerk