



TOWNSHIP OF NORTH HURON

REPORT

Item No.

REPORT TO: Reeve Vincent and Members of Council
PREPARED BY: Donna White
DATE: 17/07/2017
SUBJECT: Vacant Unit Tax Rebate Program Reform
ATTACHMENTS: Huron County Notice

RECOMMENDATION:

THAT the Council of the Township of North Huron hereby receives the report from the Director of Finance for information purposes.

EXECUTIVE SUMMARY

In December 2016, the Province of Ontario had provided municipalities with the ability to tailor the vacant rebate and reduction programs to reflect the community needs and circumstances for 2017 and future years. The change in provincial policy stems from consultations with municipal and business stakeholders.

DISCUSSION

Huron County is considering a change to the existing commercial and industrial vacant unit tax rebate program and a report was presented to Huron County Council on June 21, 2017. Change to the vacancy rebate program is an upper tier decision, but County staff are working with the lower tiers to review the potential program changes.

A working group has been formed to analyze the data collected and present a report to County Council outlining the final recommendations on the vacant unit rebate along with any phase out methodology. If changes are approved based on this consultation, a request will be submitted to the Ministry of Finance prior to the end of 2017 for it to take effect in 2018. In the County proposal, the vacant unit tax rebate program would be phased out over a three-year period, beginning in 2018 to allow affected property owners to manage the rebate reduction into future budgets. Therefore, the program will continue for the 2017 tax year with applications due February 28, 2018.

One of the main advantages for the elimination of the program is that it will encourage property owners to more actively pursue use of their vacant properties.

FINANCIAL IMPACT

For the 2016 tax year, the total rebate is \$27,861.00 for North Huron properties. This amount is shared amongst the upper tier, school boards and lower tier and the municipal share is 12,688.87.

FUTURE CONSIDERATIONS

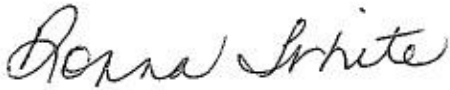
It is important to engage the local business community in this process. Therefore, the County is posting a notice in the local newspapers requesting comments until September 30, 2017. North Huron is adding this information into the tax newsletter and a copy of the notice will be sent to the Wingham and Blyth BIA's.

Further information will be presented to North Huron council once the comment period has closed.

All of the comments received by the deadline will form part of a staff report to Huron County Council on October 18, 2017. At that meeting, Council will give final considerations to a locally designated vacant unit rebate policy for a submission to the Ontario Minister of Finance.

RELATIONSHIP TO STRATEGIC PLAN

Goal #4 – Our administration is fiscally responsible and strives for operational excellence.



Donna White, Director of Finance



Larry McGregor,
Interim CAO/Director of Public Works