



CITY OF
ST. CATHARINES

Corporate Report

Report from Financial Management Services, Administration

Date of Report: April 4, 2013

Date of Meeting: April 22, 2013

Report Number: FMS-104-2013

File: 10.57.12

Subject: 2013 Tax Rates

Recommendation

That the property tax rates as detailed in Appendix '1' be approved; and

That the City solicitor be directed to prepare the necessary by-law(s). FORTHWITH

Summary

The Regional Municipality of Niagara approved the 2013 Tax Ratios at its meeting of March 21, 2013 and passed the appropriate by laws. The City is now in a position to finalize the City's 2013 Tax Rates.

Background

The total property bill is comprised of levies from the City of St. Catharines, Regional Municipality of Niagara and the School Boards. Property taxes are calculated by multiplying the current value assessment (CVA) by the tax rate for that class of property. The CVA is established by the Municipal Property Assessment Corporation (MPAC). MPAC is a not for profit corporation with every municipality in Ontario being a member, which is governed by a Board of Directors comprised of taxpayer, municipal and provincial representatives. MPAC's main responsibility is to classify and value all properties in Ontario for taxation purposes according to the legislation and regulations set by the Provincial Government.

Report

A tax rate is established for each class of property by dividing the tax levy requirement by the weighted assessment. The assessment is weighted by the tax ratios.

There are seven major property classes:

Class 1	Residential
Class 2	Multi-residential
Class 3	Commercial
Class 4	Industrial
Class 5	Pipeline

Class 6	Farm
Class 7	Managed Forests.

In addition to these major classes, the Region has the following:

Class 8	New Multi-residential
Class 9	New Commercial
Class 10	Office Building
Class 11	Shopping Centre
Class 12	Parking Lots and Vacant Land
Class 13	Large Industrial
Class 14	New Industrial
Class 15	New Large Industrial

The tax ratio reflects how a property class's tax rate compares with the residential tax rate. The residential tax ratio is equal to "one."

A. Business Improvement Area (BIA) Levies

The City has established two Business Improvement Areas (BIA). The purpose of these BIA's is the improvement, beautification and maintenance of municipally-owned land and to promote the area as a business or shopping area. The BIA levy is raised from the commercial properties in the BIA area.

The City has two Business Improvement Areas:

1. The St. Catharines Downtown Association which was established in 1973 pursuant to the Ontario Municipal Act, operates to revitalize and promote the downtown core of St. Catharines.
2. The Port Dalhousie BIA which was established in 1986 pursuant to the Ontario Municipal Act, operates to revitalize and promote the Port Dalhousie Business Improvement Area.

The St. Catharines Downtown Association at their General Membership Meeting held February 26, 2013 approved its 2013 Budget in the amount of \$384,431 (2012 levy of \$384,431).

The Port Dalhousie BIA at its March 27, 2013 General Membership meeting approved its 2013 BIA levy in the amount of \$15,000. (2012 levy of \$15,000).

B. Regional General Tax Rate

The Region approved its general tax rates on March 21, 2013 as detailed on Appendix '1'.

C. Education Rates

The education rates for 2013 are included on Appendix “1”.

The Province of Ontario announced the 2013 uniform residential education tax rate would be reduced from the 2012 rate. The 2013 uniform residential education tax rate is set at 0.212 per cent. (.221 per cent in 2012)

D. Regional Waste Management

The Region has two primary authorities to raise its waste management costs:

- 1) An upper tier levy - special (Section 311 (4) of the Municipal Act 2001).
- 2) Fees and Charges (Section 390 of the Municipal Act 2001).

The Region has decided to levy its waste management cost by a special levy tax rate for 2013. This is consistent with prior years.

E. Tax Ratios

Under Provincial Legislation responsibility for taxation policy (including establishing tax ratios) rests with the Region. The Region at its March 21, 2013 meeting established the following tax ratios:

Property Class	2013 Ratio	2012 Ratio
Residential and Farm	1.0000	1.0000
Multi-residential	2.0440	2.0440
Multi-residential - New	1.0000	1.0000
Commercial	1.7586	1.7586
Industrial - Residual	2.6300	2.6300
Large Industrial	2.6300	2.6300
Pipelines	1.7021	1.7021
Farmlands	0.2500	0.2500
Farmland Awaiting Development I	0.7500	0.7500
Farmland Awaiting Development II	1.0000	1.0000

F. City Tax Rates

The City approved its 2013 Operating Budget at its March 4, 2013 meeting.

G. Niagara Health System Funding Pre Levy

City Council, at the May 26, 2008 meeting approved that a separate tax rate be levied for hospital purposes beginning in 2008 in the amount of \$2,029,605. This levy is intended to accumulate funds to meet the City's commitment with regard to the new hospital. The approved payment schedule indicates the amount of \$2,208,959 be levied in 2013. The hospital pre levy rates are included on Appendix '1'

H. 2013 Tax Rates and Associated Schedules

In summary, the following Appendices are included:

Appendix "1"	-	2013 Tax Rates
Appendix "1"	-	2013 Current Value Assessment
Appendix "1"	-	2013 Tax Levy
Appendix "1"	-	Tax Levy Comparison by Class
Appendix "1"	-	Tax Comparison for Median Household

I. Tax Installments for Protected Classes

In 1998 the Province imposed mandatory limits on reform related property tax increases for commercial, industrial and multi-residential properties (i.e. Protected Property) of 10% in 1998, 5% in 1999 and 5% in 2000. These limits were implemented under the Fairness for Property Taxpayers Act (FPTA).

The Continued Protection for Property Taxpayers Act 2000 (CPPTA) was passed in December 2000. The CPPTA imposed mandatory limits for 2001 and subsequent years the limit for reform related property tax increases on the protected property classes is 5% per year.

Implementation of the requirements under FPTA and CPPTA has been accomplished by using the Ontario Property Tax Analysis (OPTA) System. The OPTA system is a computer data base that was created by the Provincial Ministry of Municipal Affairs to implement the FPTA and CPPTA. In a two-tier system like the Niagara Region, the Region is responsible for the co-ordination of the cut-off of data and acts as bankers for transfer between area municipalities. The City is responsible for maintenance of the

assessment data which has to be updated for assessment changes (e.g. Assessment Review Board Decisions, etc.). The update of the OPTA system is complete, however the final information from OPTA is scheduled to arrive in late June, which allows the City to plan the final billing dates for the protected property classes. This will be the subject of a future report to City Council.

Financial Implications

In order to provide for the Regional, Municipal and Educational funding for 2013, it is necessary to calculate tax rates. These tax rates are then multiplied by the appropriate assessment to calculate the individual homeowner's 2013 tax levy.

Submitted/Prepared and Approved by:

Shelley Chemnitz, CA

City of St. Catharines

2013 Tax Rates

Class	City				Region		School	Total		Total Urban
	General	Hospital	Urban	Total	General	Waste		General	Urban	
Residential	0.518679%	0.015522%	0.072238%	0.606439%	0.599023%	0.077270%	0.212000%	1.422494%	1.494732%	0.072238%
Multi-Residential	1.060180%	0.031727%	0.147655%	1.239562%	1.224403%	0.157940%	0.212000%	2.686250%	2.833905%	0.147655%
Multi-Residential - New	0.518679%	0.015522%	0.072238%	0.606439%	0.599023%	0.077270%	0.212000%	1.422494%	1.494732%	0.072238%
Commercial - Occupied	0.912149%	0.027297%	0.127038%	1.066484%	1.053442%	0.135887%	1.260000%	3.388775%	3.515813%	0.127038%
Commercial - Vacant	0.638505%	0.019108%	0.088927%	0.746540%	0.737409%	0.095121%	0.882000%	2.372143%	2.461070%	0.088927%
Commercial - New	0.912149%	0.027297%	0.127038%	1.066484%	1.053442%	0.135887%	1.260000%	3.388775%	3.515813%	0.127038%
Commercial - New Vacant	0.638505%	0.019108%	0.088927%	0.746540%	0.737409%	0.095121%	0.882000%	2.372143%	2.461070%	0.088927%
Industrial - Occupied	1.364126%	0.040823%	0.189987%	1.594936%	1.575430%	0.203220%	1.590000%	4.773599%	4.963586%	0.189987%
Industrial - Vacant	0.886682%	0.026535%	0.123491%	1.036708%	1.024030%	0.132093%	1.033500%	3.102840%	3.226331%	0.123491%
Industrial - New	1.364126%	0.040823%	0.189987%	1.594936%	1.575430%	0.203220%	1.260000%	4.443599%	4.633586%	0.189987%
Industrial - New Vacant	0.886682%	0.026535%	0.123491%	1.036708%	1.024030%	0.132093%	0.819000%	2.888340%	3.011831%	0.123491%
Large Industrial - Occupied	1.364126%	0.040823%	0.189987%	1.594936%	1.575430%	0.203220%	1.590000%	4.773599%	4.963586%	0.189987%
Large Industrial - Vacant	0.886682%	0.026535%	0.123491%	1.036708%	1.024030%	0.132093%	1.033500%	3.102840%	3.226331%	0.123491%
Large Industrial - New	1.364126%	0.040823%	0.189987%	1.594936%	1.575430%	0.203220%	1.260000%	4.443599%	4.633586%	0.189987%
Large Industrial - New Vacant	0.886682%	0.026535%	0.123491%	1.036708%	1.024030%	0.132093%	0.819000%	2.888340%	3.011831%	0.123491%
Pipelines	0.882844%	0.026420%	0.122957%	1.032221%	1.019597%	0.131521%	1.260000%	3.320382%	3.443339%	0.122957%
Farmlands	0.129670%	0.003881%	0.018060%	0.151611%	0.149756%	0.019318%	0.053000%	0.355625%	0.373685%	0.018060%
Farmlands Awaiting Dev I	0.389009%	0.011642%	0.054179%	0.454830%	0.449267%	0.057953%	0.159000%	1.066871%	1.121050%	0.054179%
Farmlands Awaiting Dev II	0.518679%	0.015522%	0.072238%	0.606439%	0.599023%	0.077270%	0.212000%	1.422494%	1.494732%	0.072238%

Other	Tax Rate
Downtown Association	
- Occupied	0.410882%
- Vacant	0.287618%
Port Dalhousie BIA	
- Occupied	0.157459%
- Vacant	0.110221%

City of St. Catharines

2013 Current Value Assessments

<u>Class</u>	<u>General</u>	<u>Urban</u>
Residential	\$9,772,841,622	\$9,529,258,197
Multi-Residential	573,919,115	573,919,115
New Multi-Residential	11,600,576	11,600,576
Commercial - Occupied	1,462,438,189	1,450,276,584
Commercial - Vacant Units	11,617,115	10,946,927
Commercial - Vacant Land	19,920,850	19,698,025
Commercial - New	77,586,051	77,586,051
Commercial - New - Vacant	254,885	254,885
Industrial - Occupied	69,925,873	66,697,223
Industrial - Vacant Units	2,991,009	2,991,009
Industrial - Vacant Lands	18,309,975	18,309,975
Industrial - New	3,486,500	3,486,500
Industrial - New Vacant	51,500	51,500
Large Industrial - Occupied	86,619,507	86,619,507
Large Industrial - Vacant	1,106,314	1,106,314
Pipelines	26,277,750	25,181,750
Farmlands	88,101,275	5,527,650
Total Taxable Assessment	<u>\$12,227,048,106</u>	<u>\$11,883,511,788</u>

City of St. Catharines

2013 Tax Levy

Tax Levy	City							School	Total Tax Levy
	General	Hospital	Urban	Total	General	Waste	Total		
Residential	50,689,677	1,516,940	6,883,746	59,090,363	58,541,569	7,551,475	66,093,044	20,718,424	145,901,831
Multi-Residential	6,084,576	182,087	847,420	7,114,083	7,027,083	906,448	7,933,531	1,216,709	16,264,322
New - Multi Residential	60,170	1,801	8,380	70,350	69,490	8,964	78,454	24,593	173,398
Commercial - Occupied	13,339,615	399,202	1,842,402	15,581,219	15,405,938	1,987,263	17,393,201	18,426,721	51,401,142
Commercial - Vacant Units	74,176	2,220	9,735	86,130	85,666	11,050	96,716	102,463	285,309
Commercial - Vacant Land	127,196	3,806	17,517	148,519	146,898	18,949	165,847	175,702	490,068
Commercial - New	707,700	21,179	98,564	827,443	817,324	105,429	922,753	977,584	2,727,780
Commercial - New - Vacant	1,627	49	227	1,903	1,880	242	2,122	2,248	6,273
Industrial - Occupied	953,877	28,546	126,716	1,109,139	1,101,633	142,103	1,243,737	1,111,821	3,464,697
Industrial - Vacant Units	26,521	794	3,694	31,008	30,629	3,951	34,580	30,912	96,500
Industrial - Vacant Land	162,351	4,859	22,611	189,821	187,500	24,186	211,686	189,234	590,740
Industrial - New	47,560	1,423	6,624	55,607	54,927	7,085	62,013	43,930	161,550
Industrial - New Vacant	457	14	64	534	527	68	595	422	1,551
Large Industrial - Occupied	1,181,599	35,361	164,566	1,381,526	1,364,630	176,028	1,540,658	1,377,250	4,299,434
Large Industrial - Vacant	9,809	294	1,366	11,469	11,329	1,461	12,790	11,434	35,693
Pipelines	231,992	6,943	30,963	269,897	267,927	34,561	302,488	331,100	903,484
Farmlands	114,241	3,419	998	118,658	131,937	17,019	148,956	46,694	314,308
Total	73,813,144	2,208,935	10,065,592	86,087,671	85,246,887	10,996,284	96,243,171	44,787,240	227,118,082

Comparison to 2012	City							School	Total Tax Levy
	General	Hospital	Urban	Total	General	Waste	Total		
2012 Tax levy	71,257,240	2,208,966	9,588,402	83,054,608	82,563,400	10,691,806	93,255,206	44,835,170	221,144,984
Change - \$	2,555,904	-31	477,189	3,033,063	2,683,487	304,478	2,987,965	-47,929	5,973,098
Change - %	3.59%	0.00%	4.98%	3.65%	3.25%	2.85%	3.20%	-0.11%	2.70%

City of St. Catharines

Tax Levy Comparison by Class

Class	Tax Levy \$		Change		Tax Levy %	
	2013	2012	Amount	%	2013	2012
Residential	\$145,901,831	\$142,090,049	\$3,811,782	2.68%	64.24%	64.25%
Multi-Residential	16,264,322	15,540,039	724,283	4.66%	7.16%	7.03%
New Multi Residential	173,398	120,197	53,200	44.26%	0.08%	0.05%
Commercial - Occupied	51,401,142	51,017,025	384,117	0.75%	22.63%	23.07%
Commercial - Vacant Units	285,309	289,051	-3,742	-1.29%	0.13%	0.13%
Commercial - Vacant Land	490,068	255,632	234,436	91.71%	0.22%	0.12%
Commercial New	2,727,780	1,875,877	851,903	45.41%	1.20%	0.85%
Commercial New - Vacant	6,273	25,908	-19,635	-75.79%	0.00%	0.01%
Industrial - Occupied	3,464,697	3,607,572	-142,876	-3.96%	1.53%	1.63%
Industrial - Vacant Units	96,500	95,922	577	0.60%	0.04%	0.04%
Industrial - Vacant Land	590,740	437,076	153,664	35.16%	0.26%	0.20%
Industrial - New	161,550	157,971	3,579	2.27%	0.07%	0.07%
Industrial - New Vacant	1,551	1,494	57	3.84%	0.00%	0.00%
Large Industrial - Occupied	4,299,434	4,452,871	-153,437	-3.45%	1.89%	2.01%
Large Industrial - Vacant	35,693	45,818	-10,125	-22.10%	0.02%	0.02%
Pipelines	903,484	829,811	73,674	8.88%	0.40%	0.38%
Farmlands	314,308	302,670	11,639	3.85%	0.14%	0.14%
	<u>\$227,118,082</u>	<u>\$221,144,984</u>	<u>\$5,973,098</u>	2.70%	<u>100.00%</u>	<u>100.00%</u>

Total Tax Bill Comparison by Class

Class	Tax Levy \$		Change		Tax Levy %	
	2013	2012	Amount	%	2013	2012
Residential	\$146,216,140	\$142,392,719	\$3,823,421	2.69%	64.38%	64.39%
Multi-Residential	16,437,720	15,660,237	777,483	4.96%	7.24%	7.08%
Commercial and Industrial	64,464,222	63,092,029	1,372,194	2.17%	28.38%	28.53%
	<u>\$227,118,082</u>	<u>\$221,144,984</u>	<u>\$5,973,098</u>	2.70%	<u>100.00%</u>	<u>100.00%</u>

City of St. Catharines

Tax Comparison for Median Household

Residential

	2013	2012	Change Amount	%
<u>Tax Rates:</u>				
City - General	0.518679%	0.512099%	0.006580%	1.28%
City - Urban	0.072238%	0.070348%	0.001890%	2.69%
City - Hospital	0.015522%	0.015875%	-0.000353%	-2.22%
Total City Tax Rate	0.606439%	0.598322%	0.008117%	1.36%
Region - General	0.599023%	0.593352%	0.005671%	0.96%
Region - Waste	0.077270%	0.076838%	0.000432%	0.56%
Total Region Tax Rate	0.676293%	0.670190%	0.006103%	0.91%
School	0.212000%	0.221000%	-0.009000%	-4.07%
Total Tax Rate	1.494732%	1.489512%	0.005220%	0.35%

Taxes (Median with Current Value of \$209,000)

City - General	1,084.04	1,049.80	34.24	3.26%
Region - General	1,251.96	1,216.37	35.59	2.93%
Region - Waste Management	161.49	157.52	3.97	2.52%
Urban - City	150.98	144.21	6.77	4.69%
School	443.08	453.05	-9.97	-2.20%
Total Urban Rate	3,091.55	3,020.95	70.60	2.34%
City - Hospital	32.44	32.54	-0.10	-0.31%
Total Urban Rate with Hospital	\$3,123.99	\$3,053.49	\$70.50	2.31%