



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
Financial Services and Taxation Division
and
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Growth Management Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	August 11, 2022
SUBJECT/REPORT NO:	Treasurer's Write-off of Taxes under Section 354 of the Municipal Act, 2001 - Roll #251800311027535, 0 EDENROCK DR, Stoney Creek (FCS22069/PED22182) (Ward 10)
WARD(S) AFFECTED:	Ward 10
PREPARED BY:	Maria Di Santo (905) 546-2424 Ext. 5254 George T. Zajac (905) 546-2424 Ext. 3933
SUBMITTED BY:	Shelley Hesmer Acting Director, Financial Services and Taxation Finance and Corporate Services Department
SIGNATURE:	
SUBMITTED BY:	Ashraf Hanna, Director, Growth Management Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

That property taxes in the amount of \$1,292.25 for Block 86 of 62M-1164 (Roll #251800311027535, 0 EDENROCK DR, Stoney Creek) be written off under Section

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354 of the Municipal Act and that 1277289 ONTARIO LIMITED be refunded \$644.73 for property taxes paid in error to the City of Hamilton (City).

EXECUTIVE SUMMARY

Section 354(4)(a) of the Municipal Act, 2001 allows Council to write-off taxes “*if the property is owned by Canada, a province or territory or a Crown agency of any of them or by a municipality*”. In the case of 0 EDENROCK DR, Stoney Creek (Block 86 of 62M-1164, Roll #251800311027535), the property was to be transferred to the City of Hamilton at the time of Draft Plan Registration, and as such, exempt from property taxes. Unfortunately, it was not transferred to the City at the time of Draft Plan Registration as would normally have occurred and as such, 1277289 Ontario Ltd continued to receive and pay the property tax bill.

The transfer to the City of Hamilton has since been completed (on June 3, 2022) to rectify this error. Staff are recommending that property taxes from when the property should have been transferred to the City of Hamilton, to when it was transferred, be written off since this property should not have been subject to property taxes. The rationale being that had the transfer to the City occurred as intended at the time of Draft Plan of Subdivision registration, the property would have been exempt and not have been levied property taxes. Taxation staff will then proceed to submit a Municipal Act application for exemption effective June 3rd, 2022.

Alternatives for Consideration –Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: As per the following table, the property taxes to be written off total \$1,292.25. The municipal tax portion is \$1,094.02 to be charged to HAMTN 52174-252013. The amount to be recovered from the English Public-School Board is \$145.13 (charged to HAMTN 52174-252025) and from the English Separate School Board is \$53.11 (charged to HAMTN 52174-252035). 1277289 Ontario Inc. paid the 2012 to 2017 total property taxes levied in full, in addition to the first instalment of the 2018 property taxes levied, totalling \$644.73.

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	Municipal	Education	Total
2012	\$ 41.54	\$ 8.84	\$ 50.38
2013	\$ 60.10	\$ 12.35	\$ 72.45
2014	\$ 78.27	\$ 15.53	\$ 93.80
2015	\$ 97.37	\$ 18.47	\$ 115.84
2016	\$ 115.28	\$ 21.24	\$ 136.52
2017	\$ 118.90	\$ 21.84	\$ 140.74
2018	\$ 121.77	\$ 22.27	\$ 144.04
2019	\$ 125.84	\$ 22.54	\$ 148.38
2020	\$ 131.46	\$ 22.80	\$ 154.26
2021	\$ 141.99	\$ 22.80	\$ 164.79
2022*	\$ 61.50	\$ 9.56	\$ 71.05
Total write-off	\$ 1,094.02	\$ 198.24	\$ 1,292.25

* 2022 is partial year (Jan 1, 2022 to June 2, 2022), as exemption for the remainder of the year, effective June 3, 2022 will be completed through a Municipal Act Appeal.

As the last payment received was for the first instalment of the 2018 property taxes, penalty and interest charges have incurred since 2018, totalling \$207.88 (as of June 2022) and reminder notice fees of \$78.45 will also be written off to clear the balance in the tax roll account.

Staffing: Not Applicable

Legal: The City's Legal Services has completed the transfer of title to the City of Hamilton. As such, effective June 3, 2022, the property is in the City's name.

HISTORICAL BACKGROUND

0 EDENROCK DR, Stoney Creek (Block 86 of 62M-1164, Roll #251800311027535) should have been transferred from 1277289 ONTARIO LIMITED to the City of Hamilton at the time of Draft Plan Registration, in order to provide a service access for the operation and maintenance of the Stormwater Management facility at the rear of the property. The transfer did not occur upon Draft Plan Registration and, as a result, property taxes have been levied to date. The transfer of this Block to the City, as originally intended, was completed June 3, 2022 and as such, property taxes levied to date, are recommended to be written off in adherence to Section 354(4)(a) of the Municipal Act, 2001.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Municipal Act, (2001), Part XI, Section 354.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

RELEVANT CONSULTATION

City of Hamilton's Legal Services and City of Hamilton Taxation Division.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The ownership of 0 EDENROCK DR, Stoney Creek (Block 86 of 62M-1164, Roll #251800311027535) should have been transferred to the City of Hamilton, and as such, should not have been subject to property taxes. Accordingly, 1277289 ONTARIO LIMITED should not be responsible for the property taxes levied on this property during this time. The parcel should have been transferred to the City of Hamilton at the time of Draft Plan Registration as it serves as a servicing easement over the subject Block as it contains storm and sanitary servicing, and therefore 1277289 ONTARIO LIMITED had no beneficial ownership of the property. Due to the ambiguity of the subject condition of Draft Plan Approval, the subject Block was not transferred and 1277289 ONTARIO LIMITED continued to pay the associated taxes.

ALTERNATIVES FOR CONSIDERATION

Not applicable.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement & Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report FCS22069/PED22182 – Municipal Address Map of Block 86 of 62M-1164, Hamilton (Roll #251800311027535), Ward 10.