



Office of the City Clerk

February 24, 2012

To all Ontario municipalities with any of hospitals, post secondary institutions or provincial correctional institutions:

Dear Sir/Madam:

RE: CITY COUNCIL MEETING – CITY OF KINGSTON SUPPORT FOR INCREASE IN PROVINCIAL PAYMENT-IN-LIEU OF TAXES – FEBRUARY 21, 2012

I would confirm that Kingston City Council at its regular meeting held on February 21st, 2012, approved the following resolution, being Clause 1., New Motions:

- 1) *Moved Councillor Glover
Seconded Councillor Schell*

WHEREAS in 1970 the rate of provincial payments in lieu of taxes for universities was arbitrarily set at \$25 per full time student; and

WHEREAS in 1973 that was doubled to \$50 per student and the payment was expanded to include hospitals and provincial correctional institutions; and

WHEREAS in 1987 that rate was increased by 50%, still without apparent justification, to \$75 per student and bed; and

WHEREAS that rate has remained constant since that time despite the fact that inflation would in 2012 require an almost doubling the payment (\$146); and

WHEREAS at least sixty-five communities have called for an increase in payments; and

WHEREAS heads of universities are supporting that call; and

WHEREAS Premier McGuinty has looked to the municipalities of the province to be the economic engine of Ontario; and

WHEREAS the payments in lieu of taxes do not meet the actual costs of municipalities to provide the necessary services for the various institutions, thus placing an unfair tax burden on their property tax payers, thereby jeopardizing a municipality's ability to meet infrastructure demands, and consequently weakening their ability to act as economic engines;

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THEREFORE BE IT RESOLVED THAT the City of Kingston calls on the government of the Province of Ontario to include in the budget now being prepared an increase to the payments in lieu of taxes; and

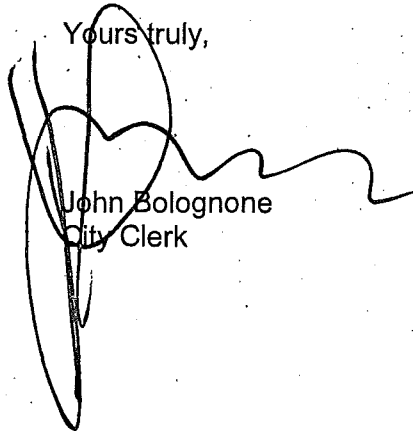
THAT the City of Kingston calls on the Province of Ontario to meet with the host municipalities for the purpose of reviewing the basis for payments in lieu of taxes, and determining a stable foundation going forward for those payments that meets associated costs prior to the 2013 budget cycle; and

THAT copies of this motion be sent to: the Premier Dalton McGuinty; the Honourable Dwight Duncan, Minister of Finance; the Honourable John Gerretsen, MPP for Kingston and Islands; all Ontario municipalities with any of hospitals, post secondary institutions or provincial correctional institutions; the Large Urban Mayors Caucus of Ontario (LUMCO); the Eastern Ontario Mayors Committee (EOMC), and the Association of Municipalities of Ontario (AMO).

CARRIED UNANIMOUSLY

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me.

Yours truly,



John Bolognone
City Clerk

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File No.

PROCESSED BY THE CITY CLERK
JAN 22 2013