CITY OF HAMILTON
NOTICE OF MOTION

Council Date: December 12, 2007

MOVED BY COUNCILLOR MCHATTIE

SECONDED BY COUNCILLOR

Whereas, in legislation, Provincial institutions in Ontario such as hospitals, universities, colleges and correctional facilities, are not liable to assessment and taxation in its real property, rather make payment on a prescribed per-capacity rate, referred as the “heads and beds”;

Whereas, the Province last adjusted the “heads and beds” rate 20 years ago (1987), and through this period the increases in inflation has not been reflected in the “heads and beds” rate;

Whereas, based on the increase in inflation, the cost to the City of Hamilton to provide services to area institutions has risen by over 50 % since that time, and;

Whereas, the City of Hamilton continues to have budget challenges, with revenue sources not keeping up with costs.

Therefore,

That the Minister of Finance for the Province of Ontario be requested to:

a. amend the current prescribed “heads and beds” rate used to calculate payment-in-lieu of taxes on public hospitals, universities, colleges and correctional facilities to an equivalent rate that would be raised were these public institutions using current value assessment (CVA) times tax rate methodology;

b. and ensure that the “heads and beds” rate thereafter is adjusted regularly to reflect changes in current value assessment on public institutions and municipal tax rates; or,
c. Alternatively, introduce legislative amendments to the Assessment Act and the Municipal Act 2001, that would require payment-in-lieu amounts to be calculated on equivalent taxation using full Current Value Assessment (CVA) time appropriate municipal tax rates.