



## **2023 Heritage Property Tax Refund Program**

### **2022 Tax Year**

### **Information Package**

The Ontario Government has enabled local municipalities to offer tax relief to owners of heritage properties to help owners maintain and restore these unique and valuable resources. The Town of Halton Hills offers the **Heritage Property Tax Refund Program** as a recognition and reward for the outstanding work property owners have done to maintain their heritage properties.

This information package will help heritage property owners learn more about the Heritage Property Tax Refund Program and the eligibility requirements. The package is divided into the following sections:

1. Heritage Properties Benefit the Entire Town
2. Financial Incentives Help Preserve our Heritage Resources
3. Amount of Tax Refund
4. Eligibility Criteria for Heritage Properties
5. Applying for a Heritage Property Tax Refund and Application Deadline
6. Application Fees
7. Application Submission Requirements
8. Inspection of Property
9. Review of the Application
10. Impact on Other Tax Reduction Programs
11. Eligible Property Tax Classes
12. Penalties
13. Limitations

Appendix A Heritage Property Evaluation and Classification

Appendix B By-Law 2019-0069

## 1. Heritage Properties Benefit the Entire Town

Well-maintained heritage properties enrich our quality of life and give communities their unique character. The restoration of heritage properties has been a catalyst for revitalizing historic town centres and drawing residents, businesses and visitors to communities. While heritage properties provide benefit and enjoyment to the whole community, most of these properties are privately-owned and often entail extra expense to their owners. Heritage Halton Hills is pleased that the Council of the Town of Halton Hills supports this initiative.

## 2. Financial Incentives Help Preserve our Heritage Resources

Heritage Canada and the preservation community have long advocated tax incentives to promote preservation efforts. In the United States, government incentives have been tied to its Income Tax Act since 1966. According to the Department of Canadian Heritage, Canada has lost nearly 25% of its pre-1920s buildings over the last 30 years. This is extremely disturbing given the preservation efforts occurring in other countries.

**Normal upkeep and maintenance are the responsibility of every property owner. However, owners of heritage properties often incur above-average costs to maintain and restore aging structures and the heritage attributes of these properties. To assist property owners and to support heritage conservation, the Town is offering this Heritage Property Tax Refund Program.**

## 3. Amount of Tax Refund

In the Town of Halton Hills, the amount of the annual Heritage Property Tax Refund is 20% of the local, regional, and school board taxes paid on the eligible property. Property taxes are made up of three components: the municipal component (Halton Hills), the school board component, and the regional component (Halton).

## 4. Eligibility Criteria for Heritage Properties

To be eligible for the Heritage Property Tax Refund Program, the property must comply with the following eligibility requirements:

- 1) An eligible heritage property must be **designated** as a property of cultural heritage value or interest under Part IV of the *Ontario Heritage Act* (an individual property designation) or it must be part of a heritage conservation district under Part V of the *Ontario Heritage Act*.
- 2) A property owner of an eligible heritage property **must complete and submit a Heritage Preservation and Maintenance Agreement UNLESS they are currently subject to a Heritage Easement Agreement with the Town that has been registered on title**. Property owners will permit Heritage Halton Hills or its

agent, reasonable access to the property to assess its state of repair. Since the purpose of the Heritage Property Tax Refund is to offer an incentive for heritage property conservation, a tax refund will be available to owners who commit to the maintenance and preservation of the heritage attributes of their properties, either through a Heritage Preservation and Maintenance Agreement or an existing Heritage Easement Agreement registered on title.

The heritage property is reviewed to ensure that its heritage attributes have been maintained (i.e., architectural features, structures, landscape features, etc.). For further information regarding property evaluation and classification see Appendix A.

- 3) An eligible property must **be occupied and in a good and habitable condition** (as opposed to derelict and vacant). See Appendix A.
- 4) The property must **not be the subject of any Town by-law contraventions, work orders or other outstanding municipal requirements**, as of the date the application is received by the Town.
- 5) There must also be **no outstanding municipal fines, arrears of taxes, fees or penalties assessed against the property**.

## **5. Applying for a Heritage Property Tax Refund and Application Deadline**

Eligible heritage property owners must apply to the Town of Halton Hills to take advantage of the Heritage Property Tax Refund.

**DEADLINE**

**4:30 p.m.**

**Tuesday, February 28, 2023**

**NO EXCEPTIONS**

## **6. Application Fees**

There is no application fee to apply for the 2023 Heritage Property Tax Refund Program (2022 Tax Year).

## 7. Application Submission Requirements

As part of the Heritage Property Tax Refund Program application, the property owner is required to confirm:

- that the property is designated under Part IV or Part V of the *Ontario Heritage Act*;
- that a Heritage Preservation and Maintenance Agreement is signed with the Town of Halton Hills, OR, that the property is subject to a Heritage Easement Agreement with the Town that has been registered on title;
- that the property is insured;
- that the property is occupied and in good and habitable condition; and,
- that the property is not the subject of any Town by-law contraventions, work orders or other outstanding municipal requirements.

As part of the application, the owner will disclose if the property is the subject of any other municipal tax reduction or refund program.

Identify any anticipated heritage maintenance or restoration work in the upcoming year.

Submit current photographs of each elevation of any built heritage resources identified as heritage attributes of the subject property (north, south, east and west) with the date the photograph was taken. Include additional photographs of designated heritage attributes which are not identifiable in the 'elevation' photographs, such as landscape features.

## 8. Inspection of Property

Upon application, the property owner consents to the Senior Heritage Planner, Heritage Halton Hills, or its agent, conducting an inspection of the interior and exterior of the eligible property at any reasonable time, if required.

The purpose of the inspection is to ensure compliance with the relevant Heritage Preservation and Maintenance Agreement or Heritage Easement Agreement and the eligibility criteria.

**The Town's Senior Heritage Planner will inspect each eligible property for which a Heritage Property Tax Refund Application has been submitted to ensure compliance with the Heritage Preservation and Maintenance Agreement or existing Heritage Easement Agreement registered on title.**

## **9. Review of the Application**

Following the deadline, the Senior Heritage Planner will review the application(s) with the Heritage Halton Hills Committee at its next scheduled monthly meeting. If approved, the application will be processed and forwarded to the Town's Revenue and Taxation Services for issuance of a refund cheque.

## **10. Impact on Other Tax Reduction Programs**

Where a heritage property is currently receiving tax reductions or refunds under other municipal programs, such as commercial/industrial vacancy refunds or charity refunds, the calculation of the amount of the Heritage Property Tax Refund will be based on the taxes adjusted by other similar programs.

## **11. Eligible Property Tax Classes**

Designated heritage properties from any or all of the residential, multi-residential, commercial, industrial, or farm property classifications are eligible to apply for a Heritage Property Tax Refund.

## **12. Penalties**

The Town of Halton Hills requires that any property receiving a Heritage Property Tax Refund complies fully with municipal by-laws and is not subject to any contraventions, work orders, penalties, fees, arrears of taxes, fines or outstanding requirements. Any property that does not meet criteria will not be eligible for the refund.

## **13. Limitations**

The Heritage Property Tax Refund Program is subject to regulations of the Ontario Minister of Finance governing by-laws on tax refunds and refunds for heritage properties. The implementation of the Heritage Property Tax Refund Program is subject at all times to the availability of funding.

**Heritage property owners are advised to carefully consider the commitment required of the property owner before applying to the Heritage Property Tax Refund Program.**

## **APPENDIX A**

### **Heritage Property Evaluation and Classification**

#### **Eligibility:**

- The property is designated under Part IV or V of the Ontario Heritage Act;
- The property is located within the Town of Halton Hills;
- The property owner has signed a Town of Halton Hills' Heritage Preservation and Maintenance Agreement, or, the property is subject to a Heritage Easement Agreement with the Town of Halton Hills that has been registered on title; and,
- The property must be in good repair.

#### **Criteria:**

- Prior to approving the application for a tax refund, the Town's Senior Heritage Planner or a representative of Heritage Halton Hills or its agent will assess and document the heritage characteristics of the property, noting the general condition and state of repair. The Parks Canada guidance (in particular "The Evaluation of Historic Buildings" and "Standards and Guidelines for the Conservation of Historic Places in Canada") and the original Designation Report will be used as part of this process.
- The document will form the basis of the regular inspection to determine the eligibility for continued property tax relief.
- Property owners are expected to maintain the heritage characteristics identified in the original heritage assessment in order to maintain their eligibility for heritage property tax relief.
- Assessment Criteria includes the reasons for designation as per the Designation By-Law as well as:
  - The Province's "Eight Guiding Principles in the Conservation of Built Heritage Properties"
  - Parks Canada guidance (in particular "The Evaluation of Historic Buildings" and "Standards and Guidelines for the Conservation of Historic Places in Canada")
  - Relevant Characteristics as outlined in the Designation Report.

#### **Agreement:**

- Access to the property by the Town's Senior Heritage Planner, a representative of Heritage Halton Hills, or their agent.

#### **REMEDIAL ACTION**

**Should a property owner fail to meet the terms of the Heritage Preservation and Maintenance Agreement (e.g. demolish a heritage building), the municipality may take legal action against the property owner to enforce the terms of the Heritage Preservation and Maintenance Agreement or Heritage Easement Agreement.**

## APPENDIX B



### BY-LAW NO. 2019 – 0069

A By-law to repeal and replace By-law No. 2010-0006, being the by-law to establish the Town's Heritage Property Tax Refund Program under Section 365.2 of the Municipal Act.

**WHEREAS** Section 365.2 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, authorizes a municipality to pass a by-law to establish a program to provide tax reductions or refunds in respect of eligible heritage properties;

**AND WHEREAS** Council for the Corporation of the Town of Halton Hills passed By-law No. 2010-0006 to establish the Heritage Property Tax Refund. By-law 2010-0006 was subsequently amended by By-law Nos. 2010-0015, 2015-0057, and 2018-0067;

**AND WHEREAS** Council for the Corporation of the Town of Halton Hills now deems it necessary and in the public interest to repeal and replace By-law No. 2010-0006 as amended by By-law Nos. 2010-0015, 2015-0057, and 2018-0067.

**AND WHEREAS** on December 9, 2019, Council for the Town of Halton Hills adopted Report No. PLS-2019-0077 dated November 8, 2019, in which certain recommendations were made relating to repealing and replacing By-law 2010-0006 as amended by By-law Nos. 2010-0015, 2015-0057, and 2018-0067 relating to the Heritage Property Tax Refund Program;

**NOW, THEREFORE, BE IT RESOLVED THAT THE COUNCIL OF THE CORPORATION OF THE TOWN OF HALTON HILLS ENACTS AS FOLLOWS:**

#### **PART 1 – DEFINITIONS**

1. In this By-law:

**Committee** means Heritage Committee for the Town of Halton Hills and any person(s) or entity designated to act on its behalf.

**Council** means the Council of the Corporation of the Town of Halton Hills.

**Eligible Heritage Property** means a property or portion of a property:

- (a) that is located within the Town.
- (b) that is designated under Part IV of the *Ontario Heritage Act* or is part of a heritage conservation district under Part V of the *Ontario Heritage Act*.

- (c) that is subject to:
- (i) a Heritage Easement Agreement with the Town under Section 37 of the *Ontario Heritage Act*; or an easement agreement with the Ontario Heritage Foundation, under Section 22 of the *Ontario Heritage Act*; or a Heritage Preservation and Maintenance Agreement with the Town respecting the preservation and maintenance of the property for the purpose of the Program.
- (d) that complies with any additional eligibility criteria set out in this By-law.

**Heritage Tax Refund** means an amount of property taxes that may be refunded in respect of an Eligible Heritage Property.

**Heritage Easement Agreement** means an agreement under either Section 22 or Section 37 of the *Ontario Heritage Act*, which sets out the easement, mutual covenants and restrictions with respect to but not limited to the preservation of the heritage features and value of the heritage property and is registered on title in the Land Registry Office for the Land Titles Division of Halton, and which is enforceable by the Ontario Heritage Trust or by the Town or its assigns against the Owner and subsequent owners of the property.

**Heritage Preservation and Maintenance Agreement** means an agreement between the Town and the Owner as authorized under this By-law, which sets out the mutual covenants and restrictions with respect to but not limited to the preservation of the heritage features and value of the heritage property, in accordance with the *Ontario Heritage Act* for the purpose of the Program and is enforceable by the Town or its assigns against the Owner..

**Owner** means the registered owner(s) of the property as reflected on title at the Land Registry Office or on a current transfer/deed of the lands.

**Program** means the Heritage Tax Refund Program as established by this By-law.

**Town** means The Corporation of the Town of Halton Hills.

## **PART 2 - LIMITATIONS**

2. The Program is subject at all times to the availability of funding for the Program. The Town is not required to provide funding for this Program and the Program may be eliminated by Council and this By-law repealed with no notice to affected Owners.
3. The Program is subject to any regulations that the Minister of Finance may make governing by-laws relating to tax refunds or reductions for heritage properties.
4. The Program is subject to an application approval by the Committee.
5. The Program is subject to the Owner entering into a Heritage Preservation and Maintenance Agreement with the Town.

6. Notwithstanding Paragraph 5 herein, where a Heritage Easement Agreement was previously registered against the Eligible Heritage Property and the Owner is in compliance with the terms of the said Heritage Easement Agreement, the Heritage Preservation and Maintenance Agreement shall not be required.

### **PART 3 - HERITAGE TAX REFUND**

7. Upon successful application, one Heritage Tax Refund may be paid annually for each Eligible Heritage Property in the property tax class of residential, multi-residential, commercial, or farm as defined by the *Assessment Act* R.S.O. 1990, c.A31 and Regulations thereunder.
8. The maximum amount of Heritage Tax Refund, unless otherwise specified, shall be 20% of the assessed taxes for municipal, regional, and school purposes levied on the property. The property tax reduction applies to the building or structure (or portion of) that is an Eligible Heritage Property, and the lands eligible are calculated as percentage of the total taxes levied on the property. The Town will determine the Heritage Tax Refund with the assistance of the Municipal Property Assessment Corporation (MPAC).
9. Only one Heritage Property Tax Refund will be paid for the Eligible Heritage Property.
10. Where an Eligible Heritage Property is currently receiving tax reductions or refunds under any other municipal program, the amount of the Heritage Tax Refund shall be calculated on the adjusted taxes after such other refunds or rebates have been taken into account.

### **PART 4 – ELIGIBILITY CRITERIA**

11. To be eligible for a Heritage Tax Refund, the Owner shall provide proof of all of the following to the satisfaction of the Town:
  - (i) The property has been designated as a property of cultural heritage value or interest under Part IV of the *Ontario Heritage Act* or it must be identified as a contributing property within a heritage conservation district designated under Part V of the *Ontario Heritage Act*;
  - (ii) The property is subject to a Heritage Easement Agreement under either Section 22 or 37 of the Act; or the Owner has entered into a Heritage Preservation and Maintenance Agreement with the Town;
  - (iii) The Heritage Easement Agreement referred to in subsection (ii) above shall be registered on title to the Eligible Heritage Property at such time that the application is approved by the Committee;
  - (iv) The Heritage Preservation and Maintenance Agreement referred to in subsection (ii) above shall be executed by the Owner of the property and submitted with the documents required in Section 13 herein and shall be in

force at such time that the application is approved by the Committee;

- (v) The Owner is in compliance with the terms of the existing Heritage Easement Agreement to the satisfaction of the Town;
- (vi) The Eligible Heritage Property is not subject to any contraventions, work orders or outstanding municipal requirements;
- (vii) There are no outstanding municipal fines, arrears of taxes, fees or penalties assessed against the Owner;
- (viii) The Eligible Heritage Property is occupied and in good and habitable condition.

## **PART 5 – APPLICATION PROCESS**

- 12. An application in the form prescribed by the Town shall be submitted no later than the last day of February in the year following the first year for which the owner is seeking to obtain the tax refund, in accordance with Section 365.2 (9) of the *Municipal Act*.
- 13. The application shall be submitted to the Committee along with the following:
  - (i) Copy of the property insurance policy
  - (ii) Photographs showing the elevation of the building and designated feature(s) and the date on which the photographs were taken.
- 14. Following the last day of February, the application shall be reviewed by the Committee at its next scheduled monthly meeting. Upon approval, the application shall be forwarded to the Town's Corporate Services Department for processing.
- 15. An application for a Heritage Tax Refund must be made for every year that the Owner wishes the property to be considered for a refund.

## **PART 6 – INSPECTION OF HERITAGE PROPERTY**

- 16. The Owner hereby consents to the Committee or its assigns, conducting inspection of interior and exterior of the Eligible Heritage Property at any reasonable time, upon being provided with at least 24 hours' prior notice by the Committee.
- 17. The purpose of such inspection is to ensure compliance with the relevant Heritage Easement Agreement or Heritage Preservation and Maintenance Agreement and to confirm the eligibility criteria herein.

## **PART 7 – PENALTIES**

- 18. The Town of Halton Hills requires that any property receiving a Heritage Property Tax Refund complies fully with municipal by-laws and is not subject to any contraventions, work orders, penalties, fees, arrears of taxes, fines or

outstanding requirements. Any property that does not meet such criteria will not be eligible for the refund.

19. This By-law repeals By-law 2010-0006, By-law 2010-0015, By-law 2015-0057, and By-law 2018-0067.
20. This By-law shall come into full force and effect on its date of passing.

**BY-LAW** read and passed by the Council for the Town of Halton Hills, this 9<sup>th</sup> day of December, 2019.

MAYOR – Rick Bonnette

CLERK – Suzanne Jones