
THE BUSINESS VACANCY REBATE AND REDUCTION PROGRAMS UPDATE
March 2018

Programs Update

As announced in the *2016 Ontario Budget*, municipalities have broad flexibility to modify the business vacancy rebate and reduction programs to meet local circumstances, while considering the impact of such changes on the business community. The Province has also encouraged municipalities to engage with their local business community when considering program changes.

Since 2017, 46 upper- and single-tier municipalities have submitted a request for changes to the vacancy programs, provided details of the proposed changes and a council resolution. Program changes requested ranged from modifying eligibility criteria, to the phase-out and/or elimination of the programs.

- These municipalities represent two-thirds of all business properties in Ontario.
- Regulatory amendments were implemented for 28 municipalities that submitted program changes in 2017.
- 18 municipalities have requested changes since the start of 2018 (as of March 1).
- Additional municipalities have expressed interest in changes but have not yet submitted a formal request.

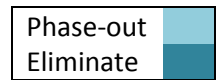
The first deadline for municipalities to submit a notification to the Minister for changes effective for 2018 and future years was March 1, 2018. The next deadline is scheduled for August 1, 2018.

The tables below provide a summary of all municipal changes submitted to the Minister of Finance for consideration by March 1, 2018. For more information on specific municipal consultations or program changes, please contact the local municipality.

VACANT UNIT REBATE

TABLE 1: MUNICIPALITIES THAT PROPOSE TO PHASE-OUT AND ELIMINATE REBATE

Municipality	2017	2018	2019	2020
City of Brantford	Eliminate			
City of Peterborough	Eliminate			
Municipality of Charlton and Dack	Eliminate			
Prince Edward County	Eliminate			
Town of Parry Sound	Eliminate			
Town of Thessalon	Eliminate			
Village of Burk's Falls	Eliminate			
City of Toronto*	Phase-out	Eliminate		
Town of Espanola	Phase-out	Eliminate		
Town of Prescott	Phase-out	Eliminate		
City of Barrie		Eliminate		
City of Guelph		Eliminate		
City of Kawartha Lakes*		Eliminate		
City of Orillia		Eliminate		
City of Ottawa*		Eliminate		
City of St. Thomas		Eliminate		
District Municipality of Muskoka		Eliminate		
Elgin County		Eliminate		
Essex County		Eliminate		
Municipality of Dysart et al		Eliminate		
Municipality of Oliver Paipouge		Eliminate		
Village of Hilton Beach		Eliminate		
York Region		Eliminate		
City of Hamilton		Phase-out	Eliminate	
City of London		Phase-out	Eliminate	
City of Thunder Bay*		Phase-out	Eliminate	
Durham Region		Phase-out	Eliminate	
Haldimand County		Phase-out	Eliminate	
Halton Region		Phase-out	Eliminate	
Norfolk County		Phase-out	Eliminate	
Town of Gananoque		Phase-out	Eliminate	
Township of Nairn and Hyman		Phase-out	Eliminate	
City of Cornwall*	Phase-out	Phase-out	Phase-out	Eliminate
Plummer Additional Township	Phase-out	Phase-out	Phase-out	Eliminate
City of Greater Sudbury*		Phase-out	Phase-out	Eliminate
Huron County		Phase-out	Phase-out	Eliminate
Municipality of Chatham-Kent		Phase-out	Phase-out	Eliminate
Peel Region*		Phase-out	Phase-out	Eliminate
Town of St. Marys		Phase-out	Phase-out	Eliminate



*Municipalities that proposed to modify the program prior to eliminating. For additional details, please see Table 4

TABLE 2: MUNICIPALITIES MODIFYING ELIGIBILITY AND MAINTAINING REBATE

MUNICIPALITY
Town of Fort Frances
City of Brockville
City of Windsor
City of Sault Ste. Marie
Oxford County
Town of Smiths Falls
Wellington County: <ul style="list-style-type: none"> • Town of Erin • Town of Minto • North Wellington

TABLE 3: HOW MUNICIPALITIES WILL PHASE-OUT REBATE

MUNICIPALITY	DESCRIPTION
Town of Espanola	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2017
Town of Prescott	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2017
City of Hamilton	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2018
City of London	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2018
Durham Region	<ul style="list-style-type: none"> • Reduce commercial rebate to 15% and industrial to 17.5% in 2018
Haldimand County	<ul style="list-style-type: none"> • Eliminate rebate for industrial in 2018 • Reduce commercial rebate to 15% in 2018
Halton Region	<ul style="list-style-type: none"> • Reduce commercial rebate to 15% and industrial to 20% in 2018
Norfolk County	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 16.5% in 2018
Town of Gananoque	<ul style="list-style-type: none"> • Reduce commercial rebate to 15% and industrial to 17.5% in 2018
Huron County	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 20% in 2018 and 10% in 2019
Municipality of Chatham-Kent	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 20% in 2018 and 10% in 2019
Plummer Additional Township	<ul style="list-style-type: none"> • Reduce rebate to 30% for industrial properties in 2017, 20% in 2018 and 10% in 2019 for commercial and industrial properties
Town of St. Marys	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 20% in 2018 and 10% in 2019
Township of Nairn and Hyman	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2018

TABLE 4: MUNICIPALITIES THAT PROPOSE TO MODIFY ELIGIBILITY AND PHASE-OUT REBATE

MUNICIPALITY	DESCRIPTION
City of Kawartha Lakes	<ul style="list-style-type: none"> • For 2017, include the following eligibility criteria: <ol style="list-style-type: none"> 1. The vacant building, or portion of, is not less than 1,000 contiguous square feet 2. Adherence to the City's Property Standards By-law 3. Establish an administration fee for the application 4. A building, structure or portion of building would not be eligible for a rebate where the rebate percentage of 0.00% applies for a taxation year 5. Ineligible if labour disruption was in progress 6. Ineligible if there is property standards order against property 7. Delay interest requirement for 120 days after regulatory authority is received • Eliminate program in 2018
City of Ottawa	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2017 • For 2017, also include the following eligibility criteria: <ol style="list-style-type: none"> 1. The vacant building, or portion of, is not less than 1,000 contiguous square feet 2. Vacant portion was not used and was separated from any portion that was used 3. Vacant portion supports an occupancy permit 4. Vacant portion is capable of being leased 5. Vacancy must be greater than or equal to 90 days 6. Ineligible if not in compliance with property standards by-law 7. Ineligible if labour disruption was in progress 8. Ineligible if property standards order remains outstanding 9. No interest to accrue until 60 days after MPAC's determination of value 10. Ineligible if denied a request to inspect property 11. Ineligible if false information provided 12. Due date to be last day of March 13. One application per year • Eliminate program in 2018
City of Toronto	<ul style="list-style-type: none"> • Reduce commercial rebate to 15% effective July 1, 2017 to June 30, 2018. • To include a deadline date of February 28, 2018 for receipt of applications for vacancies occurring in 2017, and a deadline date of September 28, 2018 for receipt of applications for vacancies occurring in 2018 • Eliminate commercial and industrial rebate effective July 1, 2018
City of Thunder Bay	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 15% in 2018 • Modify eligibility in 2018 to exclude: <ol style="list-style-type: none"> 1. Storage units and storage tanks 2. Buildings/structures or parts thereof that are not capable of being leased for immediate occupation because it was undergoing or in need of repairs or renovations or was unfit for

	<p>occupation</p> <p>3. Buildings/structures or parts thereof that are not available for lease</p> <ul style="list-style-type: none"> • Eliminate program in 2019
City of Cornwall	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 25% in 2017, 20% in 2018 and 10% in 2019 • To include in the eligibility guidelines beginning in 2017: <ol style="list-style-type: none"> 1. The vacant portion of the building was not used and was separated by permanent or semi-permanent physical barriers from any portion of the building that was used 2. The vacant portion of the building or structure supports an occupancy permit 3. The vacant portion of the building or structure is capable of being leased and is available for lease (may be determined by Cornwall Fire Services and/or Cornwall Property Standards personnel) 4. The vacancy must be equal to or greater than 90 consecutive days within the calendar year 5. The property be ineligible if during the vacancy period the property is not in compliance with any by-law administered by the City of Cornwall, including those under the direction of Property Standards and Fire Services 6. The property be ineligible if a strike, lockout or other labour disruption was in progress throughout the vacancy period 7. The property be ineligible if a property standards order remains outstanding on the last day to submit an application for the vacancy rebate 8. The property be ineligible if the nature of the business is seasonal 9. No interest shall begin to accrue until 90 days after the City receives the determination of the value of the eligible property from MPAC 10. The property be ineligible if a request to inspect the property for vacancy is not granted within 30 days of the initial request 11. The property be ineligible if false or inaccurate information is provided in the application 12. That the due date be the last day of February of the following taxation year • Eliminate program in 2020
City of Greater Sudbury	<ul style="list-style-type: none"> • Reduce rebate on commercial to 20% in 2018 and 10% in 2019 • Reduce rebate on industrial to 23% in 2018 and 12% in 2019 • Modify eligibility in 2018 to exclude: <ol style="list-style-type: none"> 1. Buildings with restricted access 2. Buildings not available for lease • Eliminate rebate for large industrial properties in 2018 • Eliminate rebate for commercial and industrial properties in 2020
Peel Region	<ul style="list-style-type: none"> • Reduce commercial and industrial rebate to 20% in 2018 and to 10% in 2019

	<ul style="list-style-type: none"> • In 2017, modify following eligibility criteria: <ol style="list-style-type: none"> 1. An eligible vacant unit must not include any non-permanent structures and not be used for any form of storage 2. Not eligible if a rebate was provided in the last 3 consecutive years 3. Storage units, hotels, fuel storage tanks, gravel pits, a business closed due to labour disruption and fixturing period are not eligible 4. Supporting documentation must be received within 30 days of Notice for Applications with incomplete information • Eliminate program in 2020
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TABLE 5: MUNICIPALITIES THAT PROPOSE CHANGES AND WILL MAINTAIN REBATE

MUNICIPALITY	DESCRIPTION
Town of Fort Frances	<ul style="list-style-type: none"> • Reduce industrial rebate to 30% in 2017
City of Brockville	<ul style="list-style-type: none"> • Beginning in 2017: <ol style="list-style-type: none"> 1. Limit rebate to a period not to exceed two (2) calendar years 2. The rebate amount is to be 100% of the current allowable amount in Year One and 50% of the current allowable amount in Year Two 3. All current unit vacancies that have made historical applications for the entirety of both 2016 and 2017 taxation years will not be allowed to apply in the 2018 tax year or beyond until an occupancy has occurred and confirmed by permit or other means
City of Sault Ste. Marie	<ul style="list-style-type: none"> • For 2017: <ol style="list-style-type: none"> 1. Limit eligibility period to 3 years in a 10 year cycle for other commercial properties 2. Temporary uses will not impact eligibility • Eliminate rebate for industrial and shopping centre in 2017
City of Windsor	<ul style="list-style-type: none"> • Beginning in 2017: <ol style="list-style-type: none"> 1. Restrict the rebate as it relates to individual annual applications within the Downtown Business Improvement Area for main street, ground level commercial properties (non-office towers) <ol style="list-style-type: none"> a. In Year One, the rebate amount is to be 100% of the current allowable amount b. In Year Two, 50% of the current allowable amount c. In Year Three, 0%
Oxford County	<ul style="list-style-type: none"> • Modify eligibility starting in 2017: <ol style="list-style-type: none"> 1. Any property that has benefitted from the program for five years, whether consecutive or not, will be eliminated from future eligibility
Town of Smiths Falls	<ul style="list-style-type: none"> • To include in the eligibility guidelines beginning in 2017: <ol style="list-style-type: none"> 1. The vacant portion of the building or structure is capable of being leased and is available for lease (advertised for lease and proof that applicant is actively trying to lease the property)

	<ol style="list-style-type: none"> 2. The building or portion must be vacant for at least 90 consecutive days to be eligible 3. The building or portion must be vacant for at least 90 consecutive days within the calendar year 4. The property shall be ineligible if during the vacancy period the property is not in compliance with Town’s Property Standards By-law, Zoning By-law, the building Code Act/Regulations, or the Fire Protection and Prevention Act/Regulations or Site Plan Control By-law (if applicable) 5. The property shall be ineligible if a property standards order remains outstanding on the last day to submit an application for the vacancy rebate 6. No interest to accrue until 90 days after MPAC’s determination of value 7. The property be ineligible if a request to inspect the property for vacancy is not granted within 30 days of the initial request 8. The property will be ineligible if a property re-assessment has been granted by MPAC or the ARB within the last two assessment cycles 9. The property be ineligible if false or inaccurate information is provided in the application 10. That the due date be the last day of February of the following taxation year 11. Only one application/per property/per year may be submitted to a total maximum of 3 years for commercial properties and 5 years for industrial properties 12. The vacant portion of the building was not used for any purpose, and was separated by permanent or semi-permanent physical barriers from any portion of the building that was used
Wellington County: Town of Erin	<ul style="list-style-type: none"> • Modify eligibility: <ol style="list-style-type: none"> 1. If the Town has made a grant or loan in respect of a property located in a Community Improvement Plan Area, the property would not be eligible for a rebate
Wellington County: Town of Minto North Wellington	<ul style="list-style-type: none"> • Modify eligibility: <ol style="list-style-type: none"> 1. Must be located within the Community Improvement Plan boundaries and eligible for such municipal incentives as signage façade and structural grants 2. Two year maximum rebate time limit 3. Must be capable of being leased for immediate occupation 4. Pop-Up Stores and other temporary uses do not affect eligibility 5. Must be vacant for 90 consecutive days 6. If active repairs or renovations are proven the property would be eligible 7. Seasonal businesses do not qualify 8. The property must be advertised for lease or for sale 9. Must apply each year and be inspected 10. All arrears for property taxes, water and sewer billings and other municipal charges must be paid

VACANT AND EXCESS LAND SUBCLASSES

TABLE 6: MUNICIPALITIES THAT PROPOSE TO PHASE-OUT AND ELIMINATE DISCOUNT

Municipality	2018	2019	2020	2021
City of Greater Sudbury				
City of St. Thomas				
Elgin County				
Town of Thessalon				
Village of Hilton Beach				
Town of Espanola				
Municipality of Oliver Paipoonge				
Township of Nairn and Hyman				
Durham Region				
Town of St. Marys				
Haldimand County				

Phase-out	
Eliminate	

TABLE 7: HOW MUNICIPALITIES WILL PHASE-OUT DISCOUNT

MUNICIPALITY	DESCRIPTION
Town of Espanola	<ul style="list-style-type: none"> Reduce commercial and industrial discounts to 15% in 2017
Durham Region	<ul style="list-style-type: none"> Reduce commercial discount to 20% in 2018 and 10% in 2019 Reduce industrial discount to 23.33% in 2018 and 11.67% in 2019
Town of St. Marys	<ul style="list-style-type: none"> Reduce commercial and industrial discounts to 20% in 2018 and to 10% in 2019
Haldimand County	<ul style="list-style-type: none"> Reduce commercial discount to 22.5% in 2018, 15% in 2019 and 7.5% in 2020 Reduce industrial discount to 26.25% in 2018, 17.5% in 2019 and 8.75% in 2020