

Subject: 2019 Property Tax Policy, Ratios and Rates

Report to: Corporate Services Committee

Report date: Wednesday, April 17, 2019

Recommendations

1. That Regional Council **APPROVE** the following tax ratios and sub-class reductions for the 2019 taxation year:

Property Classification	Tax Ratio	Sub-Class Reduction
Residential	1.000000	
New Multi-Residential	1.000000	
Multi-Residential	1.970000	
Commercial	1.734900	
Commercial – Excess Land	1.734900	30%
Commercial – Vacant Land	1.734900	30%
Industrial	2.630000	
Industrial – Excess Land	2.630000	30%
Industrial – Vacant Land	2.630000	30%
Pipeline	1.702100	
Farmland	0.250000	
Managed Forest	0.250000	
Farmland Awaiting Development 1	1.000000	25%
Farmland Awaiting Development 2	Class Ratio	
Landfill Sites	2.940261	

2. That by having no properties eligible for capping in the industrial class, Regional Council **OPT OUT** of the capping program for the industrial tax class for the 2019 and subsequent taxation years.
3. That the 2019 tax capping program for the commercial class reflecting the following criteria **BE APPROVED**:
 - a. An annual cap **BE SET** at the greater of:
 - i. An amount representing an increase of 10% of the previous year's annualized tax, or
 - ii. An amount representing an increase of 10% of the previous year's Current Value Assessment (CVA) tax.
 - b. That, following the application of the capping program, all increasing properties within \$500 threshold and decreasing properties within \$50 threshold of the CVA taxes **BE MOVED** directly to CVA taxation.
 - c. Properties at CVA tax in 2018 **BE EXCLUDED** from the capping program.
 - d. Properties that would cross over CVA tax in 2019 **BE EXCLUDED** from the capping program.

4. That the phase-out of the capping program over four years for the Commercial property class with 2019 being year three of the four years **BE ADOPTED**.
5. That the option to limit capping protection only to reassessment-related changes prior to 2019 **BE ADOPTED**.
6. That the 2019 capping program **BE FUNDED** by claw back from within respective classes pursuant to section 330 of the Municipal Act.
7. That the Region **BE DIRECTED** to act as a banker, under section 330(6) of the Municipal Act for the 2019 municipal tax adjustments.
8. That the necessary by-laws **BE PREPARED** and **PRESENTED** to Council for consideration and **CIRCULATED** to the Councils of the local area municipalities for information.
9. That this report **BE APPROVED** and **CIRCULATED** to the Councils of the local area municipalities for information.

Key Facts

- The purpose of this report is to set the 2019 tax policy which sets the tax ratio and tax capping program details. Tax policy accounts for property assessment changes and impacts the actual taxes paid by property owners. These tax policy changes may shift the distribution of taxes between property classes.
- The recommended tax policy for 2019 is status quo based on the tax policy decision adopted for the 2018 taxation year and is being recommended by Regional staff and Area Treasurers.
- 2019 is the third year of the four year reassessment phase-in period ending 2020.
- In order for the local area municipalities to complete final tax billings in June, Regional bylaws should be established no later than April.
- The Region approved a levy increase of 3.83%. Local area municipal increases are projected to range from 0% to 9.28%.
- Under the status quo tax policy the residential class in aggregate will see an increase of 3.55% over 2018 as a result of a negative reassessment shift of 0.28% (see table 1).
- The reassessment impacts, proposed tax policy and approved Regional tax levy will result in an increase of approximately \$51 (3.5%) to the typical residential property with a CVA of \$267,711 in 2019 for an annual Regional property tax of \$1,516.
- As of the date of this report, the Province has not released the 2019 education tax rates.

- The Region continues strategies to exit the capping program. The commercial class is projected to have 0 capped properties and 0 clawed back properties for 2019 (eligible to exit 2020). The multi-residential tax class was exited fully in 2017 and the industrial class will be exited fully in 2019.

Financial Considerations

There are no direct costs to the Region as a result of setting 2019 tax policy. There are taxpayer impacts as a result of tax shifts between property classes due to re-assessment phase-in, assessment growth and tax ratio decisions. Detailed analysis of assessment growth, reassessment and phase-in changes and tax ratios is included in the Tax Policy Study attached as Appendix 1.

The recommendations related to capping protection for the commercial property class are funded through a clawing back of tax reductions within the same class. The recommendations will have implications to those existing property owners whose properties are capped and those who properties are subject to claw back. However, for 2019 it is projected that there will not be any capped properties.

As will be discussed under the Other Policy Consideration section of this report, Council approved the phase-out of the commercial/industrial vacant unit rebate program starting in 2019 through CSD 3-2019. Included as part of the 2019 levy supported operating budget, was a budgeted reduction of approximately \$300,000 for the vacant unit program. Also as part of Report CSD 3-2019, Council approved the phase-out of the vacant/excess land subclass discount which does not have an impact on tax policy until 2022.

Analysis

The Municipal Act provides the Region with the responsibility to establish tax policy to raise levy requirements. These tax policy decisions are reviewed and discussed with local Area Treasurers. Regional staff met with the local Area Treasures and discussed options for the 2019 tax policy and all Area Treasurers strongly support the recommendation in this report.

Due to the 2016 reassessment, assessment growth and provincial legislation, tax shifts will occur across all property classes. These factors are outside the control of Niagara Regional Council and the budget process. The only opportunity to affect these is through the thorough analysis of options available for ratios and resulting impacts. Staff with the use of a third party consultant undertook analysis of a number of options to arrive at the recommendations presented in this report.

The Region has several tax related performance metrics that are being measured and are reported in Appendix 2. These metrics as well as BMA relative tax burden metrics

were considered in the evaluation of tax policy options identified in this report. Policy decisions proposed have been made with the following considerations in mind:

- Residential taxpayer - The residential class is responsible for 73% of the overall tax levy. Under the status quo tax policy the residential class in aggregate will see an increase of 3.55% over 2018 as a result of a negative reassessment shift of 0.28% (see table 1). This decrease in the residential class' proportionate share of taxes will continue for the balance of the reassessment cycle (2020). In previous years, the Region utilized the negative shift away from the residential class to provide relief to multi-residential and commercial tax classes through reduced tax ratios. As identified in the most recent BMA study, the weighted average residential property taxes payable as a percentage of household income is above the BMA study average (i.e., Niagara 4.9% [5.2% weighted average] versus BMA average 4.8%). The negative shift from the reassessment will assist with narrowing the gap between Niagara and the BMA average.

As can also be seen in Appendix 2 to this report, all three categories of residential developments have average property taxes per unit above the BMA survey average for 2018. The residential categories included in the BMA study are detached bungalow, two-storey homes and senior executive homes.

- Job creation/growth – per Table 2, Industrial properties pay 3.24% of Regional taxes. Due to significant reassessment and appeal reductions in the property class in the recent past, the Industrial class represents 3.24% in taxation which is down from 3.61% in 2016 and remains below or at the BMA relative tax burden averages provided in Appendix 2.
- Commercial properties pay the second largest share (after residential) of Regional taxes at 18.38%. Appendix 2 illustrates that Niagara taxation of shopping centres and hotels are moderately above the BMA average while office buildings and motels are below. It should be noted that significant hotel appeals outstanding may reduce the overall tax burden for this property type if the appeals are successful (\$907 million in CVA). The current assessment practice for hotels is the net rental income approach. A higher potential income per night from a higher concentration of hotels in Niagara Falls tourist areas (51 out of 80 hotels) helps explain the higher Niagara hotel taxes relative to neighbouring municipalities. For the 2018 taxation year Council approved a reduction in the commercial tax ratio from 1.7586 to 1.7349. Under the status quo tax policy for 2019, this reduction in the tax ratio will be retained.

Basis for Policy Recommendations

1. Assessment Growth

The overall real assessment growth that occurred in 2019 was 1.65% (as included in the approved 2019 operating budget), equivalent to \$5,705,152 in tax dollars. Table 1 summarizes the overall assessment growth that occurred in 2018 as well as the impacts affecting each of the tax classes based on maintaining the status quo tax ratios for 2019.

Table 1 – 2019 Tax Levy Impacts by Property Class (Status Quo Policy)

Property Class	2018 Levy	Impacts			2019 Levy	Avg % Increase
		Growth	Phase-In	Levy		
Residential	\$ 250,722,218	\$ 5,647,400	\$ (726,422)	\$ 9,626,725	\$ 265,269,921	3.55%
New Multi-Residential	766,871	13,926	5,500	29,609	\$ 815,906	4.58%
Multi-Residential	14,913,471	(366,364)	(66,918)	545,286	\$ 15,025,475	3.21%
Farm	2,832,219	(30,642)	198,501	112,985	\$ 3,113,063	11.00%
Management Forest	16,253	1,952	770	715	\$ 19,690	9.14%
Commercial	63,691,226	439,228	666,478	2,440,106	\$ 67,237,038	4.88%
Industrial	11,497,293	(14,706)	(48,010)	430,586	\$ 11,865,163	3.33%
Pipelines	2,250,941	14,358	(28,998)	84,212	\$ 2,320,513	2.45%
Landfill	57,780	-	(1,034)	2,137	\$ 58,883	1.91%
Total	\$ 346,748,272	\$ 5,705,152	\$ (133)	\$ 13,272,361	\$ 365,725,652	3.83%
% Increase		1.65%	0%	3.83%	5.47%	

2. Re-Assessment Phase-In and Tax Shifts

Reassessments of all properties is mandated by the Province every four years across Ontario to ensure that current value assessments (CVA) relied upon for property tax purposes are reflective of current market conditions. The 2017 taxation year represented the first phase-in year of the current four year reassessment cycle based on the January 1, 2016 valuation date. This reassessment cycle applies to the taxation years 2017 to 2020. Any assessment related decreases are implemented in the first year of the four year cycle with any increases being phased-in equally over the four years. As a result of decreases coming into effect in the 2017 tax year, the tax shifts across property classes are most significant in year one of the phase-in period which is what occurred with the Industrial property class reduction in 2017. These factors are as a result of MPAC assessment and outside of the control of Niagara Regional Council and the budget process

As mentioned above, this decrease in the residential class' proportionate share of taxes will continue for the balance of the reassessment cycle (2020) as seen in Table 2. This redistribution will shift taxes to commercial and farm properties. The 2019 amounts in Table 2 are based on the proposed status quo rates from 2018. The table represents a starting point for the ratio analysis. This will assist with the residential tax payer affordability.

Table 2 – Multi-Year Tax Distribution by Tax Class

Realty Tax Class	2018 Year End (As Revised)	Share	2019 Levy (As Returned)	Share
Taxable				
Residential	\$ 256,369,618	72.74%	\$ 265,269,922	72.53%
Farm	2,801,577	0.79%	3,113,064	0.85%
Managed Forest	18,205	0.01%	19,689	0.01%
New Multi-Residential	780,797	0.22%	815,906	0.22%
Multi-Residential	14,547,107	4.13%	15,025,476	4.11%
Commercial	64,130,454	18.20%	67,237,038	18.38%
Industrial	11,482,587	3.26%	11,865,164	3.24%
Landfill	57,780	0.02%	58,884	0.02%
Pipeline	2,265,299	0.64%	2,320,512	0.63%
Total Taxable	\$ 352,453,424	100%	\$ 365,725,655	100%

3. Education Rates

At this time, the Province has not released the 2019 education tax rates. It is anticipated that the rates will be established with the Provincial budget in April. In previous years, the Province has maintained a revenue neutral approach for the residential property class meaning that the residential class typically will see a reduction in the education tax rate from year to year. We expect the same for 2019. The education tax “room” that is created as a result of the revenue neutral education approach assists in offsetting municipal tax increases. Table 3 summarizes the historical education tax rates for all property classes.

Table 3 – Historic Education Tax Rates

Realty Tax Class	Education Rates			
	2015	2016	2017	2018
Residential	0.00195000	0.00188000	0.00179000	0.0017000
Farm	0.00048750	0.00047000	0.00044750	0.0004250
Managed Forest	0.00048750	0.00047000	0.00044750	0.0004250
Multi-Residential	0.00195000	0.00188000	0.00179000	0.0017000
New Multi-Residential	0.00195000	0.00188000	0.00179000	0.0017000
Commercial	0.01190000	0.01180000	0.01140000	0.0109000
Landfill	N/A	N/A	0.01822671	0.0178518
Industrial	0.01530000	0.01500000	0.01390000	0.0134000
New Industrial	0.01190000	0.01180000	0.01140000	0.0109000
Pipeline	0.01190000	0.01180000	0.01140000	0.0109000

4. Waste Management Rates

Waste management tax rates are also set based on the Regional tax ratios. The waste management requisition by municipality was already approved through report CSD 7-2019; however the by-law setting for the waste management rates for the 2019 requisitions will be brought forward with the general tax levy by-law as the rates are based on each municipality's assessment and are dependent on the tax ratios (with the exception of Niagara-on-the-Lake). Overall, the waste management levy requirements increased by \$725,976 from \$34,602,337 in 2018 to \$35,328,313 in 2019, an increase of 2.1% before assessment growth. As discussed as part of CSD 7-2019 2019 Budget-Waste Management Services Operating Budget and Requisition, assessment growth in aggregate for the Region is 1.65% for 2018, resulting in the net requisition changes by local area municipality ranging from a decrease of 1.24% to an increase of 1.94% (total net requisition after growth of 0.45%). Therefore the combined waste management levy and general levy increase will result in a residential tax class increase of less than the Regional levy impact noted above.

Tax Policy Considerations

A number of scenarios were reviewed for the 2019 tax policy. All scenarios considered utilizing the negative tax shift away from the residential class to benefit other tax classes (i.e., commercial, multi-residential).

Despite the additional scenarios considered, staff are recommending a status quo scenario for 2019 for the reasons outlined in the Residential Taxpayer Affordability section. Specifically, keeping the negative shift with the residential class will mitigate the residential Regional tax levy increase to 3.55% from 3.83%. Further to this, the BMA study has shown that all residential categories are above the BMA study average. This position has been supported by the Treasurers of the local area municipalities as they are also projecting levy increase ranging from 0 to 9.28%.

Further to this, in previous years, the Region has utilized the negative tax shift away from the residential class to benefit commercial and multi-residential property owners. In addition, the Region also created a New Multi-Residential tax class in 2003 which carries the same ratio as residential properties which provides greater relief to newly constructed multi-residential buildings. See appendix 4 for historical Regional tax ratios.

Consideration was given to reduce the commercial tax burden as the hotel category is above BMA average (as discussed above). However as there are also a number of incentive programs that are available to this segment (including Tax Increment Grants, Development Charge exemptions/grants) this was not recommended. No consideration was given to adjusting the industrial ratio as the industrial tax class allocation is decreasing as noted in Table 2 as well as the fact that the Region is at or below the BMA average for this segment.

2019 Property Tax Levy Impacts

Table 4 shows the Regional tax increases for status quo tax policy. As per Appendix 1, reassessment impacts increased the overall Region taxable assessment by an average of 4.05% for all tax classes. Properties that are reassessed with increases greater than the average will see tax increases greater than the Region’s budget increase of 3.83% and conversely properties reassessed less than the 4.05% average will see increases (or decreases) of less than 3.83%.

Table 4 – Regional Tax Increases for Status Quo Tax Policy

Taxation Class	2018 Final		2019 Avg CVA	2019 - Status Quo		
	Avg CVA*	Regional Taxes		Regional Taxes	\$ Increase	% Increase
Residential	258,361	1,465	267,711	1,516	51	3.5%
Multi-Res.	2,449,215	27,361	2,533,468	28,262	901	3.3%
Commercial	735,600	7,237	772,380	7,588	351	4.8%
Industrial	708,763	10,571	735,909	10,960	389	3.7%
Farmland	326,484	463	363,311	514	51	11.1%

Municipal Impacts

As part of the 2019 tax policy review, the background documentation and scenario analysis was distributed to and discussed with the local Area Treasurers. Appendix 1 shows the municipal tax levy impacts of status quo tax policy recommendations in addition to an alternative scenario to be discussed further in the alternatives section. Under this option the relative tax impact on the residential class will be lower than the 2019 general levy increase as a result of the shift away from the residential class due to reassessment impacts.

While the tax shift away from the residential class for the Region as a whole is -0.28% it ranges from -1.55% to 1.73% for each area municipality based on localized assessment trends and is summarized below in Table 5 (Region portion only).

Table 5 – Regional Tax Levy Shifts (2018 Revised to 2019 Notional)

Area Municipality	Assessment Impacts by Tax Class	
	Residential	Total (Includes All Tax Classes)
Fort Erie	-1.55%	-1.58%
Grimsby	1.73%	2.05%
Lincoln	0.75%	0.72%
Niagara Falls	0.07%	0.22%
Niagara-on-the-Lake	0.13%	0.77%
Pelham	-0.86%	-0.73%
Port Colborne	-1.24%	-0.98%
St. Catharines	-0.79%	-0.26%
Thorold	-1.03%	-0.88%
Wainfleet	0.04%	0.53%
Welland	-1.06%	-0.94%
West Lincoln	0.98%	1.13%
Region Average	-0.28%	0.00%

- Six Municipalities (Fort Erie, Port Colborne, Welland, Lincoln, Pelham and St. Catharines) see a tax shift away from the residential class above the Region average of 0.28% under the status quo scenario due to the residential reassessment increase being below the average increase for other municipalities.
- The remaining six municipalities will still see a positive tax shift on the residential class under a status quo scenario ranging from 0.04% to 1.73%.
- Overall (when considering all tax classes) Fort Erie tax payers will incur a reduced share of the Region levy for 2019 in comparison to 2018 under the status quo scenario (-1.58%) with Grimsby tax payers incurring an increased share (2.05%). Any municipality, class or other group of properties subject to a rate of phase-in change around 4.05% would likely carry a similar share of the Regional levy in 2019 as in 2018. Representative property groupings (class, municipality, ward, etc.) experiencing higher rates of change will attract a greater share of the overall levy; and vice-versa for those increasing at rates below the aggregate.

Other Policy Consideration

- Optional Sub-class to Facilitate Reduced Tax Rates for Small-Scale Value-Added Industrial & Commercial Activities on Farms.

The Province announced a new optional subclass for commercial and industrial improvements on farm properties. If a municipality adopts this new optional tax

class, the first \$50,000 of commercial and industrial assessment attached to a farm property will be taxed at 25% of the rate that otherwise would have applied for that specific property. The purpose of this new policy is to support small-scale agri-food enterprises with not more than \$1,000,000 in CVA. MPAC has recently processed and identified all properties eligible for this reduction across Ontario. In total, 250 eligible properties have been identified across the Province with 45 being within the Region. The Province has legislated that eligible properties must receive the benefit on the education portion of property taxes. Upper-tier municipalities have the option of adopting the subclasses which would provide the same reduction of 75% for both area municipal and Regional taxes.

Of the 45 properties identified, the majority are located in NOTL and Lincoln and have been identified by MPAC as wineries. The maximum benefit that these properties could experience is approximately \$500 on education taxes and approximately \$675 to \$1,000 on Region/LAM taxes combined (if adopted).

Staff is not recommending the subclass be adopted which is supported by the Area Treasurers. Existing Provincial legislation has already set the maximum farm property tax ratio at 0.25, meaning that farm properties already benefit from a reduced tax rate when compared to the residential rate. Also, with over 6,000 farm properties located in Niagara, only a select portion have been identified as eligible for the new subclass, meaning if the policy was adopted by the Region, only a small fraction of properties would receive any benefit. Further to this and as outlined on pages 47 and 48 of Appendix 1, additional farm property analysis shows that the combined impact for a typical farm property (when including house/secondary assessments) results in only a 2.78% tax related shift which is less than the 7.40% when only considering the actual farm portion of the typical property. Meaning that the reassessment related impacts on Farm properties may be less overall.

- Changes in discounts to commercial and industrial classes for excess and vacant land.

In 2017, the Province enacted legislation to allow municipalities increased flexibility to create a vacant and excess land reduction program that would better meet the needs of individual municipalities. During early 2019, Regional Council reviewed and approved report CSD 3-2019 which recommended the elimination of this discount over a 4 year phase-out starting 2021. As per the Council approved phase-out schedule, there are no impacts for 2019 for the commercial/industrial subclass property discounts. As part of report CSD 3-2019, Council also approved the phase-out of the vacant unit tax rebate for commercial and industrial properties. This revision to the vacant unit program does not have an impact on the annual tax policy process.

The revisions for both programs have been submitted to Ontario's Minister of Finance in early 2019. Regional staff have been advised by the Province that the program revisions will be presented to the Minister in April 2019 and become legislation in June 2019.

Tax Capping Program

Business tax capping was introduced by the Province in 1998 to ensure the impact of CVA reform was manageable for taxpayers in the Multi-Residential, Commercial and Industrial property classes. The system was originally intended to last just 3 years, with increases on these classes limited to 10% in 1998, 15% in 1999 and 20% in 2000 (referred to as 10-5-5). In 2005 there were over 4,000 properties impacted by capping (1,111 capped, 3,212 subject to claw back) in the amount of \$9,398,541. Appendix 3 shows the number of capped properties by class since 2005. For 2019, there are no capped properties projected. The Region opted out of the capping program for multi-residential properties in 2017 and is eligible for opting out the industrial tax class in 2019. It is being recommended that the necessary steps be completed to fully opt out the industrial tax class from the capping program. While there are no commercial properties projected to be effected by capping in 2019, this class cannot be opted out of until the 2020 taxation year.

Despite there being no projected properties to capped in 2019, staff are recommending that the CVA tax threshold for clawed back properties be maintained at \$50 for 2019 for the commercial property class in the event that a property does become eligible. The claw back threshold was reduced in 2018 from the 2017 level of \$500. The reduced claw back threshold eliminated the potential for a higher contribution being borne by very few properties.

Alternatives Reviewed

As identified above, staff explored numerous options. Given the strong emphasis on affordable housing an alternative analyzed was utilizing half of the negative residential tax shift (0.14% of 0.28%) to reduce the tax ratio of the Multi-Residential tax class from 1.97 (status-quo) to 1.902. As per section 131 of the Residential Tenancy Act, tenants are entitled to an automatic rent reduction when landlord's property taxes have been reduced by more than 2.49% from one year to the next. This alternative is **NOT RECOMMENDED**. Based on current levy requirements for the Region and the anticipated levy requirements for the area municipalities, it is not anticipated that a significant number of properties (if any) would be eligible for the mandatory rent reduction as outlined in the Act, meaning that there would be no legislated requirement for the landlords to pass any of the property tax savings as a result of a ratio reduction to the tenant.

Further to this, Regional Council approved a multi-residential tax class ratio reduction for 2018 which also utilized the negative residential shift from 2018.

Important to note as well, is that the New-multi-residential tax class has a legislated tax ratio of 1 (same as residential tax class). The intent behind the new class as legislated in 2017 (adopted by Region in 2003) is to assist in rental affordability of newly constructed multi-residential properties.

Relationship to Council Strategic Priorities

This tax policy was developed with Residential affordability in mind.

Other Pertinent Reports

- CSD 7-2019 - 2019 Budget-Waste Management Services Operating Budget and Requisition
- CSD 3-2019 - Vacancy Program Revisions Submission to Ministry of Finance

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Appendices

Appendix 1	2019 Tax Policy Study
Appendix 2	Performance Measures
Appendix 3	Number of Properties Impacted by Capping
Appendix 4	History of Regional Tax Ratios

2019

TAX POLICY AND REASSESSMENT IMPACT STUDY

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INTRODUCTION

For the 2017 taxation year all properties in Ontario were reassessed based on their Current Value Assessment (CVA) as of January 1st, 2016. These updated CVA values, as adjusted under the Province's assessment phase-in program, will be the basis of taxation through the 2020 taxation year. Those properties that experienced a CVA increase as of 2017 will be taxed in accordance with a *phase-adjusted* CVA value through 2019, while all properties in the province will be subject to taxation based on their full, unmitigated CVA for 2020.

As we proceed through this cycle the influence of phase-in, growth and a host of other factors will keep the assessment roll in a state of constant flux. As such, it is essential for municipalities to gain a thorough and accurate understanding of assessment and consequential taxation impacts resulting from the newly returned assessment roll every year. Without making every effort to quantify and understand the impacts of the new assessment landscape, it will not be possible for municipalities to make informed and effective decisions in respect of those tax policies that affect the apportionment of the tax burden within and between tax classes.

In order to ensure that informed and locally sensitive tax policy choices can be made in a timely manner, a careful examination of the following relationships and circumstances must be undertaken:

1. Revenue growth and/or loss that has occurred over the past year, which will inform the municipality's starting point, or revenue limit, for budgetary and rate setting purposes;
2. The inevitable tax impacts related to reassessment, the assessment phase-in program and other changes to the assessment roll;
3. The redistribution of the property tax burden, which will occur within and between classes due to the reassessment, phase-in, and growth trends;
4. The effect of status quo and optional tax policy schemes on the distribution of the tax burden among classes, including "levy restriction" provisions, where applicable; and
5. The local implications and impacts related to 2019 provincial education tax rates.

Municipalities may also choose to further evaluate:

1. The impact of the "tax capping" protection program on both the capped and uncapped classes, including the effects of any optional capping tools that may be adopted by the municipality;
2. Making changes to existing tax policies affecting taxation on vacant property or land and farmland awaiting development;
3. The implications of the use or discontinuation of other optional tax policy tools, such as optional tax classes and graduated taxation; and/or
4. Reviewing or revising programs that provide tax relief for charitable and similar organizations, and low income seniors and persons with disabilities.

In satisfying their local tax policy responsibilities, municipalities must be cognisant of the following key considerations:

1. Changes in current value assessment (CVA) do not occur consistently for all property within a municipality in any given year. Because of this, shifts in the tax burden are inevitable, within ratepayer groups, and between classes.
2. Measuring municipal tax increases and decreases becomes a matter of comparing the current year's adopted tax rate against a revenue neutral tax rate to raise last year's levy. As a result of the changing values on the assessment roll, the current year's tax rate cannot be compared to last year's actual rate.
3. Similarly, changes in a property owner's taxes may be due to the combined effect of:
 - Reassessment (equity) change;
 - Changes to a property's physical state, condition or use;
 - Assessment phase-in adjustments;
 - Tax policy decisions made by Council;
 - Budgetary (levy) change for the municipality; and/or
 - Provincial education tax rates.
4. Outcomes of Provincial programs to restrict the effect of tax increases to the business classes (e.g. levy restriction, limitations on tax ratio movement and capping) will also be affected by overall changes in assessment from year-to-year.

Scope of the Study

This study has been prepared for the consideration of staff and Council to assist with the municipality's tax policy responsibilities. The core material is intended to provide a thorough analysis of the local tax policy scheme, as well as the impact of reassessment, phase-in, growth and other changes to the municipality's assessment base.

The analysis contained in this report is based on the 2018 tax policy parameters adopted by the municipality, the general purpose municipal levies imposed for 2018, and on the assessment roll as revised for 2018 and returned for 2019 taxation.

These various inputs and parameters have been relied upon to build a thorough quantitative model of the municipality's 2019 property assessment and taxation landscape as it would exist in the absence of any budgetary or tax policy changes. We will also model the impacts of various tax policy options and choices to demonstrate how they might influence final tax outcomes.

The key elements of this report can be categorized into the following sections.

Part One: Assessment and Revenue Growth

- Real assessment growth;
- Real revenue growth; and
- The distribution of growth patterns.

Part Two: Market Value Update and Assessment Phase-In

- Market Value Update;
- Assessment Phase-In Program;
- Measuring and Understanding Changes in Full and Phased CVA; and
- Distribution of Phase-In and Value Change Patterns.

Part Three: Reassessment and Phase-In Related Taxation Impacts

- 2019 Start Ratios and Revenue Neutral (notional) Tax Rates;
- 2019 Notional Taxable Levies and PIL Revenue;
- Quantification of Inter-Class Tax Shifts;
- Taxation Impacts/Implications of Assessment Phase-In; and
- Changing Tax Patterns for Typical Properties and other Taxpayer Groupings.

Part Four: Expanded Farm Class and Whole-Farm Impact Analysis

In light of the increased attention to changing farm values throughout the province, MTE has added a new section to this study for 2019. In this section we discuss and consider a host of factors relevant to considering the rate of assessment and tax change being seen for the farm property class and actual farms. Specifically, this section addresses

- Farm class and farm class portions vs. whole farm assessment and tax;
- Tax impacts being experienced at the portion and whole-farm level; and
- The new on-farm business sub-classes.

Part Five: Municipal Tax Policy Sensitivity Analysis

Municipalities need to address a variety of tax policy choices and options that will ultimately impact the distribution of taxes within and between the various classes of property. To this end, MTE has undertaken analysis of:

- Starting tax ratios and relationships to Provincial limits; and
- Tax impacts for 2019 associated with various tax policy and levy change scenarios.

Part Six: Other Revenue and Levies

In this section, MTE considers the following:

- Potential changes in the education tax levy from 2018 to 2019 based on the municipality's changing assessment base and the 2019 Provincial education tax rates;
- Assessment for qualifying Payment in Lieu (PIL) properties in respect of which education levy amounts may be retained by the local municipality; and
- Levies associated with linear properties including hydro rights-of-way, railroads and the new category of shortline railroads.

Part Seven: Business Tax Capping

Capping for the commercial, industrial and multi-residential tax classes is analyzed based on the application of the various options and tools that have been made available to municipalities including:

- An estimate of the costs of capping protection for 2018;
- Quantifying the pressures on decrease retention and claw-back rates and identification of shortfall risks; and
- The options open to the municipality in respect of capping exit strategies for each of the three capped classes.

Part Eight: Consultants' Report and Suggested Next Steps/Additional Study

Part seven of this report contains a summary of the observations and thoughts that arose throughout the preparation and review of this report, including any suggestions for next steps or additional analysis that these base-line results may give rise to.

The qualitative content in this final section does not represent a comprehensive commentary on any issue and it is not intended to be provided as policy advice, but only as general observations, which may or may not be of interest to the reader. Where the report identifies areas of concern to Council or staff, additional work should be undertaken to explore alternate policy options. As well, the effects of further municipal policy change or budgetary decisions should also be modelled.

Assumptions and Limiting Conditions

In reviewing the results set out in this report, the following assumptions and limiting conditions should be considered.

The possibility that further adjustments to tax policy could be introduced by the Province does exist. Results presented in this report may be affected by Provincial regulatory and/or statutory changes or decisions about municipal tax policy that could occur subsequent to the publication of this document. MTE will update the analysis, upon request, in such an event.

Analysis contained in the report is based on the use of tax rates for general municipal purposes only. Special area rates have been applied where appropriate and necessary in order to undertake the pro forma capping analysis.

All municipal tax rate calculations and tax levies have been calculated based on the following protocol:

- 2018 tax calculations are based on actual 2018 tax rates as supplied by the municipality to MTE;
- Revenue neutral rates have been calculated for the purposes of 2019;
- The municipality's current tax ratio schedule has been applied for 2019, except where levy restriction (hard capping) and/or optional property classes apply. In these circumstances, new starting ratios have been calculated;
- Tax amounts represent CVA taxes; no capping adjustments have been applied except where explicitly noted;
- Tax rate calculations have been based on taxable assessment only and exclude grantable (payment in lieu) assessment as requested by the municipality;
- Revenue from payments in lieu of taxes has been included at the full value of assessment times the appropriate tax rate. Recognizing that municipalities may be unable to recover the full amount of those revenues from the Federal or Provincial governments, appropriate allowances should be made in interpreting the results; and
- All 2019 education values are based on speculative / estimated tax rates. These amounts are provided for general illustrative purposes and must be taken as completely hypothetical.

Important Note Regarding Provincial Policy and Legislation

The possibility that changes in tax policy may be introduced by the Province does exist, and the results presented in this report may be affected by Provincial regulatory and/or statutory changes that could occur subsequent to the publication of this document. In the absence of specific direction to the contrary, however, existing property tax rules have been applied.

PART ONE: ASSESSMENT AND REVENUE GROWTH

The Assessment Roll is a living data set, which is continually evolving in response to real-world market and property changes. The assessed value of a property can change for a number of reasons; for the purposes of the property tax system in Ontario, all valuation changes must be considered in one of only two categories:

- 1) Growth (positive or negative), which reflects the value increase or decrease associated with a change to a property's state, use or condition; or
- 2) Valuation change, which is driven by changes in the real estate market over time and reflected via Reassessment and Phase-In updates.

Real Assessment Growth

Property assessments change in one of two fundamental ways; to reflect a property's value as of a more current or recent point in time (reassessment change), or to reflect actual changes in a property's state, condition or use. Changes categorized as the latter represent real assessment growth and it is critical to measure and understand growth separately from the impacts of market change due to the reassessment and the four-year phase-in program. While assessment growth and loss impacts the municipal revenue stream, reassessment changes should not.

To effectively measure growth independently it is necessary to separately quantify any changes made to assessment values set for taxation in 2018, from the changes occurring between 2018 and 2019. This growth component will be made up of both positive and negative growth. Positive growth will be reflective of such things as new construction, additions, improvements, etc. The drivers of negative growth may include demolitions, Minutes of Settlement, and/or decisions of the Assessment Review Board.

Table 1 provides a comparison between the Full CVA values contained on the roll as returned for 2018 and the roll as revised for 2018. Theoretically, Table 1 summarizes the net in-year changes to property within the municipality, as reflected for assessment and taxation purposes. Table 2 examines how this growth is distributed among the constituent lower tiers.

Table 3 has been prepared as a means of comparing the Full CVA growth realized during 2018 with the municipality's 2017 growth.

Table 1
2018 Assessment Growth Resulting from Changes in the
State and/or Use of Property

Realty Tax Class	2018 Full CVA		Full Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	47,454,073,405	48,515,013,074	1,060,939,669	2.24%
Farm	2,447,113,831	2,421,864,835	-25,248,996	-1.03%
Managed Forest	13,412,500	14,974,700	1,562,200	11.65%
New Multi-Residential	148,124,700	150,482,442	2,357,742	1.59%
Multi-Residential	1,426,261,900	1,391,666,340	-34,595,560	-2.43%
Commercial	7,232,884,723	7,285,824,308	52,939,585	0.73%
Industrial	877,677,621	870,844,399	-6,833,222	-0.78%
Landfill	3,607,900	3,607,900	0	0.00%
Pipeline	245,153,000	246,821,000	1,668,000	0.68%
Sub-Total Taxable	59,848,309,580	60,901,098,998	1,052,789,418	1.76%
<i>Payment in Lieu</i>				
Residential	34,583,804	34,577,004	-6,800	-0.02%
Farm	491,000	491,000	0	0.00%
Commercial	642,886,199	641,128,299	-1,757,900	-0.27%
Industrial	13,688,200	13,814,800	126,600	0.92%
Landfill	1,706,000	1,706,000	0	0.00%
Sub-Total PIL	693,355,203	691,717,103	-1,638,100	-0.24%
Total (Taxable + PIL)	60,541,664,783	61,592,816,101	1,051,151,318	1.74%

Table 2
2018 Assessment Growth Resulting from Changes in the
State and/or Use of Property

Local Municipality	2018 Full CVA		Full Growth	
	As Returned	As Revised	\$	%
Fort Erie	3,792,643,272	3,880,588,772	87,945,500	2.32%
Grimsby	4,718,119,017	4,860,105,126	141,986,109	3.01%
Lincoln	3,971,382,456	4,010,652,865	39,270,409	0.99%
Niagara Falls	12,048,160,621	12,296,998,024	248,837,403	2.07%
Niagara-on-the-Lake	5,484,557,483	5,591,385,701	106,828,218	1.95%
Pelham	2,735,384,300	2,790,353,100	54,968,800	2.01%
Port Colborne	1,934,391,236	1,949,497,036	15,105,800	0.78%
St. Catharines	15,354,034,953	15,458,482,062	104,447,109	0.68%
Thorold	2,307,411,400	2,415,195,000	107,783,600	4.67%
Wainfleet	1,129,343,718	1,144,824,018	15,480,300	1.37%
Welland	4,789,751,627	4,868,049,127	78,297,500	1.63%
West Lincoln	2,276,484,700	2,326,685,270	50,200,570	2.21%
Niagara Region	60,541,664,783	61,592,816,101	1,051,151,318	1.74%

Table 3
Year-To-Year Assessment Growth Comparison
(2017 vs 2018 Full CVA)

Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	830,024,099	1.78%	1,060,939,669	2.24%
Farm	-31,385,969	-1.27%	-25,248,996	-1.03%
Managed Forest	-157,900	-1.16%	1,562,200	11.65%
New Multi-Residential	30,574,200	26.01%	2,357,742	1.59%
Multi-Residential	-352,500	-0.02%	-34,595,560	-2.43%
Commercial	39,904,573	0.55%	52,939,585	0.73%
Industrial	-2,157,979	-0.25%	-6,833,222	-0.78%
Landfill	-4,668,600	-56.41%	0	0.00%
Pipeline	1,860,000	0.76%	1,668,000	0.68%
Sub-Total Taxable	863,639,924	1.46%	1,052,789,418	1.76%
<i>Payment in Lieu</i>				
Residential	-555,000	-1.58%	-6,800	-0.02%
Farm	0	0.00%	0	0.00%
Commercial	-217,700	-0.03%	-1,757,900	-0.27%
Industrial	1,700	0.01%	126,600	0.92%
Landfill	0	0.00%	0	0.00%
Sub-Total PIL	-771,000	-0.11%	-1,638,100	-0.24%
Total (Taxable + PIL)	862,868,924	1.45%	1,051,151,318	1.74%

Growth vs. Loss

As noted above, a municipality's net growth is the product of both positive and negative growth, or gains and loss in CVA. While it is ultimately this net figure that will inform taxation and revenue models as we move into the new taxation year, considering the differential patterns and impacts of growth and loss can be a valuable exercise.

When these change patterns are broken out as in Table 4, it is possible to see trends and movement within the assessment base that may otherwise be obscured or skewed when only the net impact is being considered. For example, a trend of robust growth within a subset of a class may not be as evident if it is being offset by losses in another subset.

Considering loss patterns independently can assist in identifying potential areas of concern with respect to property valuations within a class, tax erosion stemming from appeals, or even economic pressures being felt within certain sectors, industries and/or geographic areas. Conversely, considering positive growth on its own can provide a better understanding of how new development, improvements and expansions are impacting the assessment base.

Table 4
2018 Assessment Growth and Loss Patterns
(Full CVA)

Realty Tax Class	Positive CVA Growth		Negative CVA Growth		Net CVA Growth	
	\$	%	\$	%	\$	%
<i>Taxable</i>						
Residential	1,247,527,596	2.63%	-186,587,927	-0.39%	1,060,939,669	2.24%
Farm	68,723,394	2.81%	-93,972,390	-3.84%	-25,248,996	-1.03%
Managed Forest	1,686,200	12.57%	-124,000	-0.92%	1,562,200	11.65%
New Multi-Residential	2,683,800	1.81%	-326,058	-0.22%	2,357,742	1.59%
Multi-Residential	10,762,200	0.75%	-45,357,760	-3.18%	-34,595,560	-2.43%
Commercial	223,113,064	3.08%	-170,173,479	-2.35%	52,939,585	0.73%
Industrial	34,008,927	3.87%	-40,842,149	-4.65%	-6,833,222	-0.78%
Landfill	0	0.00%	0	0.00%	0	0.00%
Pipeline	4,242,000	1.73%	-2,574,000	-1.05%	1,668,000	0.68%
Sub-Total Taxable	1,592,747,181	2.66%	-539,957,763	-0.90%	1,052,789,418	1.76%
<i>Payment in Lieu</i>						
Residential	349,000	1.01%	-355,800	-1.03%	-6,800	-0.02%
Farm	0	0.00%	0	0.00%	0	0.00%
Commercial	12,337,100	1.92%	-14,095,000	-2.19%	-1,757,900	-0.27%
Industrial	134,000	0.98%	-7,400	-0.05%	126,600	0.92%
Landfill	0	0.00%	0	0.00%	0	0.00%
Sub-Total PIL	12,820,100	1.85%	-14,458,200	-2.09%	-1,638,100	-0.24%
Total (Tax + PIL)	1,605,567,281	2.65%	-554,415,963	-0.92%	1,051,151,318	1.74%

The results in these tables are not intended to provide a complete understanding of the assessment and economic dynamics of the municipality, however, considering growth in these ways can be an important first step to the identification of potentially important trends.

Phase Adjusted CVA

As phased CVA values were actually employed for taxation in 2018, it is the difference between the phased assessment contained on the 2018 returned and revised rolls that represents the municipality's real assessment growth (or loss) for 2019 budget purposes. These details are summarized by class and local municipality in Tables 5 and 6 respectively.

Table 5
2018 Phase Adjusted Assessment Growth

Realty Tax Class	2018 Phase Adjusted CVA		Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	44,244,870,351	45,240,747,203	995,876,852	2.25%
Farm	1,997,755,669	1,976,142,587	-21,613,082	-1.08%
Managed Forest	11,464,213	12,840,739	1,376,526	12.01%
New Multi-Residential	135,231,800	137,687,680	2,455,880	1.82%
Multi-Residential	1,334,961,674	1,302,167,148	-32,794,526	-2.46%
Commercial	6,577,283,039	6,623,548,330	46,265,291	0.70%
Industrial	810,434,494	808,952,273	-1,482,221	-0.18%
Landfill	3,465,350	3,465,350	0	0.00%
Pipeline	233,203,729	234,691,343	1,487,614	0.64%
Sub-Total Taxable	55,348,670,319	56,340,242,653	991,572,334	1.79%
<i>Payment in Lieu</i>				
Residential	29,535,632	29,502,283	-33,349	-0.11%
Farm	431,500	431,500	0	0.00%
Commercial	609,817,827	608,666,087	-1,151,740	-0.19%
Industrial	11,253,544	11,375,076	121,532	1.08%
Landfill	1,257,850	1,257,850	0	0.00%
Sub-Total PIL	652,296,353	651,232,796	-1,063,557	-0.16%
Total (Taxable + PIL)	56,000,966,672	56,991,475,449	990,508,777	1.77%

Table 6
2018 Phase Adjusted Assessment Growth

Local Municipality	2018 Phase Adjusted CVA		Growth	
	As Returned	As Revised	\$	%
Fort Erie	3,621,652,318	3,708,186,880	86,534,562	2.39%
Grimsby	4,209,897,538	4,337,412,240	127,514,702	3.03%
Lincoln	3,586,928,780	3,625,822,739	38,893,959	1.08%
Niagara Falls	11,144,090,244	11,375,340,598	231,250,354	2.08%
Niagara-on-the-Lake	4,981,937,725	5,081,683,194	99,745,469	2.00%
Pelham	2,560,231,201	2,611,943,917	51,712,716	2.02%
Port Colborne	1,827,629,817	1,843,266,987	15,637,170	0.86%
St. Catharines	14,343,966,393	14,443,423,751	99,457,358	0.69%
Thorold	2,173,843,110	2,276,958,216	103,115,106	4.74%
Wainfleet	1,015,744,945	1,030,375,581	14,630,636	1.44%
Welland	4,522,722,637	4,598,364,737	75,642,100	1.67%
West Lincoln	2,012,321,964	2,058,696,609	46,374,645	2.30%
Niagara Region	56,000,966,672	56,991,475,449	990,508,777	1.77%

Revenue Growth

On an annualized basis, the net growth related gain or loss in taxation is the difference between the total tax amount as determined against the returned roll and the total tax as determined against the roll as revised. Not all of this value will, however, have been realized in the form of additional revenue during the 2018 year. Many changes to the roll for 2018 taxation would not have been effective for the full tax year, or in the case of year-end changes, for any portion of the year. In contrast, some changes will have reached back to prior years. The full impact of this growth will only be realized on a go-forward basis, as it serves to inform the municipality's "revenue limit" for 2019, which represents the tax dollars that can be raised for the current year under a zero percent levy change scenario.

Table 7 provides a summary of the net effect of all annualized in-year and year-end changes in CVA for 2018 expressed in general levy tax dollars. This is accomplished by applying the 2018 general tax rate against the values as returned for 2018 and comparing this to the taxation that would be raised against the revised assessment for the year. Table 8 provides a summary of the current year's Regional growth by local municipality. Table 9 compares the municipality's current year revenue growth against the final growth figures calculated as of roll return for 2018.

Table 7
2018 Annualized Revenue Growth by Property Class
(Regional General Levy)

Realty Tax Class	2018 Regional General Levy		Revenue Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$250,722,218	\$256,369,618	\$5,647,400	2.25%
Farm	\$2,832,219	\$2,801,577	-\$30,642	-1.08%
Managed Forest	\$16,253	\$18,205	\$1,952	12.01%
New Multi-Residential	\$766,871	\$780,797	\$13,926	1.82%
Multi-Residential	\$14,913,471	\$14,547,107	-\$366,364	-2.46%
Commercial	\$63,691,226	\$64,130,454	\$439,228	0.69%
Industrial	\$11,497,293	\$11,482,587	-\$14,706	-0.13%
Landfill	\$57,780	\$57,780	\$0	0.00%
Pipeline	\$2,250,941	\$2,265,299	\$14,358	0.64%
Sub-Total Taxable	\$346,748,272	\$352,453,424	\$5,705,152	1.65%
<i>Payment in Lieu</i>				
Residential	\$167,490	\$167,300	-\$190	-0.11%
Farm	\$612	\$612	\$0	0.00%
Commercial	\$5,958,393	\$5,947,061	-\$11,332	-0.19%
Industrial	\$155,087	\$156,900	\$1,813	1.17%
Landfill	\$20,973	\$20,973	\$0	0.00%
Sub-Total PIL	\$6,302,555	\$6,292,846	-\$9,709	-0.15%
Total (Taxable + PIL)	\$353,050,827	\$358,746,270	\$5,695,443	1.61%

Table 8
2018 Annualized Revenue Growth by Area Municipality
(Regional General Levy)

Local Municipality	2018 Regional General Levy		Revenue Growth	
	As Returned	As Revised	\$	%
Fort Erie	\$22,057,615	\$22,551,062	\$493,449	2.24%
Grimsby	\$25,379,956	\$26,167,838	\$787,883	3.10%
Lincoln	\$20,380,055	\$20,650,523	\$270,468	1.33%
Niagara Falls	\$76,834,567	\$78,173,195	\$1,338,627	1.74%
Niagara-on-the-Lake	\$29,831,818	\$30,453,118	\$621,300	2.08%
Pelham	\$14,442,506	\$14,746,837	\$304,333	2.11%
Port Colborne	\$11,617,162	\$11,717,771	\$100,610	0.87%
St. Catharines	\$94,348,045	\$94,654,250	\$306,207	0.32%
Thorold	\$13,716,586	\$14,304,660	\$588,073	4.29%
Wainfleet	\$5,217,626	\$5,295,274	\$77,648	1.49%
Welland	\$28,647,307	\$29,165,410	\$518,102	1.81%
West Lincoln	\$10,577,586	\$10,866,333	\$288,747	2.73%
Niagara Region	\$353,050,829	\$358,746,271	\$5,695,447	1.61%

Table 9
Year-To-Year Revenue Growth Comparison
(2017 vs 2018 General Levy)

Realty Tax Class	2017 Revenue Growth		2018 Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$4,444,246	1.84%	\$5,647,400	2.25%
Farm	-\$17,053	-0.66%	-\$30,642	-1.08%
Managed Forest	-\$287	-1.86%	\$1,952	12.01%
New Multi-Residential	\$140,041	23.21%	\$13,926	1.82%
Multi-Residential	\$25,893	0.17%	-\$366,364	-2.46%
Commercial	\$479,032	0.77%	\$439,228	0.69%
Industrial	\$42,823	0.38%	-\$14,706	-0.13%
Landfill	\$245	0.43%	\$0	0.00%
Pipeline	\$16,488	0.74%	\$14,358	0.64%
Sub-Total Taxable	\$5,131,428	1.53%	\$5,705,152	1.65%
<i>Payment in Lieu</i>				
Residential	-\$2,970	-1.87%	-\$190	-0.11%
Farm	\$0	0.00%	\$0	0.00%
Commercial	\$259,510	4.53%	-\$11,332	-0.19%
Industrial	-\$1,243	-0.88%	\$1,813	1.17%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total PIL	\$255,297	4.22%	-\$9,709	-0.15%
Total (Taxable + PIL)	\$5,386,725	1.58%	\$5,695,443	1.61%

PART TWO: MARKET VALUE UPDATE AND ASSESSMENT PHASE-IN

Reassessment

As of the return of the roll for 2017 taxation, all property values in Ontario were updated to reflect their *current value* as of January 1st, 2016 versus the values used for the 2013 through 2016 taxation years, which were based on a valuation date of January 1st, 2012.

By all accounts this may represent the most dramatic and volatile market value update in well over a decade. Some change patterns are driven by *real world* volatility and change in the real estate market, business environment and general economic climate that we have witnessed since early 2012. Other patterns are more directly related to regional and/or industry specific factors, and also by changes to assessment practices and methodologies that have been refined, challenged, and/or updated since the last reassessment.

In consideration of all these pressures and change factors, it is imperative that municipalities thoroughly understand the scope and magnitude of the market value update, and the corresponding tax implications for various classes and groupings of ratepayers.

To help illustrate the impacts of both market value change and the application of the phase-in program, various elements of this report incorporate quantitative results based on both full and phase-in mitigated CVA values.

Market Value Update: Changes in Full CVA

A comparison of full CVA as at January 1, 2012 (Phase-In Base) and January 1, 2016 (Full / Phase-In Destination) as contained on the roll as returned for 2019 is provided in Table 10. This table relies on the full CVA value of all properties, exclusive of any assessment phase-in adjustments. While not all of these values will be used for taxation until the 2020 tax year, it is important to review the magnitude and pattern of pure value changes related directly to the market update.

Market Value Increases and Decreases

Every property in the municipality is changing to reflect its own circumstances and while the net class level results do provide a general indication as to how the real estate markets have changed across different sectors, complex change trends also exist within classes. Table 11 has been prepared to summarize the change patterns for properties that are subject to market value increases and those with market value decreases. This table also gives the reader an understanding as to the frequency and relative magnitude of increasing and decreasing assessment pools. This additional layer of detail clearly shows that there is more change occurring than might be evident if only class level results are considered.

Table 10
Summary of Latest Market Value Update
(As of Roll Return for 2019)

Realty Tax Class	Full CVA (Destination) Values		Market Value Update	
	Jan. 1, 2012 (2013-2016 Taxation)	Jan. 1, 2016 (2017-2020 Taxation)	\$	%
<i>Taxable</i>				
Residential	42,252,426,190	48,515,013,074	6,262,586,884	14.82%
Farm	1,591,797,789	2,421,864,835	830,067,046	52.15%
Managed Forest	10,938,262	14,974,700	4,036,438	36.90%
New Multi-Residential	126,684,138	150,482,442	23,798,304	18.79%
Multi-Residential	1,251,666,894	1,391,666,340	139,999,446	11.19%
Commercial	6,130,123,061	7,285,824,308	1,155,701,247	18.85%
Industrial	806,194,157	870,844,399	64,650,242	8.02%
Landfill	6,353,700	3,607,900	-2,745,800	-43.22%
Pipeline	222,561,681	246,821,000	24,259,319	10.90%
Sub-Total Taxable	52,398,745,872	60,901,098,998	8,502,353,126	16.23%
<i>Payment in Lieu</i>				
Residential	25,703,160	34,577,004	8,873,844	34.52%
Farm	372,000	491,000	119,000	31.99%
Commercial	585,385,002	641,128,299	55,743,297	9.52%
Industrial	9,005,948	13,814,800	4,808,852	53.40%
Landfill	816,000	1,706,000	890,000	109.07%
Sub-Total PIL	621,282,110	691,717,103	70,434,993	11.34%
Total (Taxable + PIL)	53,020,027,982	61,592,816,101	8,572,788,119	16.17%

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**Table 11
Distribution, Frequency and Magnitude of Market Value Increases and Decreases**

Realty Tax Class	Increasing Properties			Decreasing Properties		
	Count	% of Class CVA	Market Value Update \$	Count	% of Class CVA	Market Value Update \$
Taxable						
Residential	165,202	94.68%	6,548,537,487	9,465	5.32%	-285,950,603
Farm	5,889	93.74%	891,444,909	192	6.26%	-61,377,863
Managed Forest	144	90.38%	4,267,942	19	9.62%	-231,504
New Multi-Residential	27	94.19%	25,589,526	12	5.81%	-1,791,222
Multi-Residential	379	75.58%	178,998,395	207	24.42%	-38,998,949
Commercial	6,124	86.79%	1,324,552,264	1,580	13.21%	-168,851,017
Industrial	968	70.61%	123,784,338	309	29.39%	-59,134,096
Landfill	1	12.62%	285,100	1	87.38%	-3,030,900
Pipeline	27	100.00%	24,259,319	1	0.00%	0
Sub-Total Taxable	178,761	92.94%	9,121,719,280	11,786	7.06%	-619,366,154
Payment in Lieu						
Residential	130	84.81%	10,149,444	62	15.19%	-1,275,600
Farm	1	100.00%	119,000	0	0.00%	0
Commercial	228	90.45%	64,924,432	88	9.55%	-9,181,135
Industrial	62	95.78%	4,879,452	27	4.22%	-70,600
Landfill	1	78.21%	896,300	1	21.79%	-6,300
Sub-Total PIL	422	90.25%	80,968,628	178	9.75%	-10,533,635
Total (Taxable + PIL)	179,183	92.91%	9,202,687,908	11,964	7.09%	-629,899,789
						-12.60%

Assessment Phase-In Program

Where an increase in market value has materialized, the increase is added to the property's "Phased" CVA in twenty-five percent (25%) increments each year over the four-year period. As such, effected taxpayers will not be taxed on their new full market value until 2020, which is the last year of the new assessment cycle.

Assessment decreases are not phased-in. Where a property's CVA has been reduced as a result of reassessment, the new, lower CVA has been set as the property's phased or effective CVA for the duration of the four-year assessment cycle.

The phase-in is calculated and administered at the property portion, or RTC/RTQ level, which means that a property with multiple portions could have some portions that are increasing and some that are decreasing. The following has been prepared to illustrate how this works at the property and portion level.

		Market Value Update			Eligible Phase-In Amount	Phase-Adjusted Assessment			
		1/1/2012		1/1/2016		2017	2018	2019	2020
Property A	RT	100,000	↑	140,000	40,000	110,000	120,000	130,000	140,000
Property A	CT	100,000	↓	80,000	0	80,000	80,000	80,000	80,000
Property B	RT	100,000	→	100,000	0	100,000	100,000	100,000	100,000

While MPAC is chiefly responsible for the administration of the assessment phase-in program, it is critical that all municipal finance staff and Council members have an understanding of both the mechanics of this program, and the impacts it will have on the municipality and taxpayers.

The following tables have been prepared to consider the separate and combined impacts of these two critical factors that shape and influence the assessment values that are utilized for taxation purposes.

The cumulative effect of each property specific change, and the application of the phase-in adjustments at the portion (RTC/RTQ) level produce a unique pattern of progression that the assessment base will go through over the cycle. This is set out by year and class in Table 12.

Table 13 looks more specifically at the change in phased CVA from 2018 to 2019 as the third installment of increased CVA is added to those properties with market values that were higher in 2016 than they were in 2012. Table 14 displays the taxable only assessment phase-in change by local municipality.

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**Table 12
Progression of Phased Adjusted CVA: 2017 to 2020**

Realty Tax Class	2016 Full CVA Jan. 1, 2012 Value	Progression of CVA for Taxation Purposes				2020 Full CVA Jan. 1, 2016 Value
		2017 Phased CVA	2018 Phased CVA	2019 Phased CVA	2020 Full CVA	
Taxable						
Residential	42,252,426,190	43,603,611,524	45,240,747,203	46,877,880,220	48,515,013,074	
Farm	1,591,797,789	1,753,281,260	1,976,142,587	2,199,003,701	2,421,864,835	
Managed Forest	10,938,262	11,773,747	12,840,739	13,907,719	14,974,700	
New Multi-Residential	126,684,138	131,290,298	137,687,680	144,085,061	150,482,442	
Multi-Residential	1,251,666,894	1,257,417,550	1,302,167,148	1,346,916,747	1,391,666,340	
Commercial	6,130,123,061	6,292,410,243	6,623,548,330	6,954,686,379	7,285,824,308	
Industrial	806,194,157	778,006,166	808,952,273	839,898,339	870,844,399	
Landfill	6,353,700	3,394,075	3,465,350	3,536,625	3,607,900	
Pipeline	222,561,681	228,626,513	234,691,343	240,756,173	246,821,000	
Sub-Total Taxable	52,398,745,872	54,059,811,376	56,340,242,653	58,620,670,964	60,901,098,998	
Payment in Lieu						
Residential	25,703,160	26,964,921	29,502,283	32,039,644	34,577,004	
Farm	372,000	401,750	431,500	461,250	491,000	
Commercial	585,385,002	592,434,978	608,666,087	624,897,194	641,128,299	
Industrial	9,005,948	10,155,211	11,375,076	12,594,937	13,814,800	
Landfill	816,000	1,033,775	1,257,850	1,481,925	1,706,000	
Sub-Total PIL	621,282,110	630,990,635	651,232,796	671,474,950	691,717,103	
Total (Taxable + PIL)	53,020,027,982	54,690,802,011	56,991,475,449	59,292,145,914	61,592,816,101	

Table 13
Summary of 2018 to 2019 Phase-In Change

Realty Tax Class	Phase Adjusted CVA		Change in Phased CVA	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	45,240,747,203	46,877,880,220	1,637,133,017	3.62%
Farm	1,976,142,587	2,199,003,701	222,861,114	11.28%
Managed Forest	12,840,739	13,907,719	1,066,980	8.31%
New Multi-Residential	137,687,680	144,085,061	6,397,381	4.65%
Multi-Residential	1,302,167,148	1,346,916,747	44,749,599	3.44%
Commercial	6,623,548,330	6,954,686,379	331,138,049	5.00%
Industrial	808,952,273	839,898,339	30,946,066	3.83%
Landfill	3,465,350	3,536,625	71,275	2.06%
Pipeline	234,691,343	240,756,173	6,064,830	2.58%
Sub-Total Taxable	56,340,242,653	58,620,670,964	2,280,428,311	4.05%
<i>Payment in Lieu</i>				
Residential	29,502,283	32,039,644	2,537,361	8.60%
Farm	431,500	461,250	29,750	6.89%
Commercial	608,666,087	624,897,194	16,231,107	2.67%
Industrial	11,375,076	12,594,937	1,219,861	10.72%
Landfill	1,257,850	1,481,925	224,075	17.81%
Sub-Total PIL	651,232,796	671,474,950	20,242,154	3.11%
Total (Taxable + PIL)	56,991,475,449	59,292,145,914	2,300,670,465	4.04%

Table 14
Summary of 2018 to 2019 Phase-In Change

Realty Tax Class	Phase Adjusted CVA		Change in Phased CVA	
	2018 Revised	2019 Returned	\$	%
Fort Erie	3,695,244,080	3,781,255,244	86,011,164	2.33%
Grimsby	4,304,891,690	4,562,453,495	257,561,805	5.98%
Lincoln	3,603,468,239	3,794,236,761	190,768,522	5.29%
Niagara Falls	10,970,556,208	11,423,994,476	453,438,268	4.13%
Niagara-on-the-Lake	5,041,890,222	5,294,306,150	252,415,928	5.01%
Pelham	2,609,030,217	2,698,198,822	89,168,605	3.42%
Port Colborne	1,830,776,114	1,883,392,977	52,616,863	2.87%
St. Catharines	14,356,077,009	14,860,665,217	504,588,208	3.51%
Thorold	2,259,087,290	2,327,497,177	68,409,887	3.03%
Wainfleet	1,028,851,431	1,086,036,827	57,185,396	5.56%
Welland	4,585,317,044	4,719,658,916	134,341,872	2.93%
West Lincoln	2,055,053,109	2,188,974,902	133,921,793	6.52%
Niagara Region (Tax Only)	56,340,242,653	58,620,670,964	2,280,428,311	4.05%

Cycle Progression to Date

Table 15 has been included to give the reader a more detailed picture as to the market value changes that have been applied as of return of the roll for 2019 and the remaining assessment increases yet to be phased in. As can be seen, the total number of assessment dollars increase each year and while this will have an impact on the municipality's tax rate, it is not assessment growth. Growth and loss materialize independent of these anticipated changes.

**Table 15
Phase-In Cycle Progression**

Realty Tax Class	Phase-In Base (Jan. 1, 2012)	Decreases Flowed Through	Increases to Date (2017 - 2019)	Outstanding Mitigation	Destination CVA (Jan. 1, 2016)
<i>Taxable</i>					
Residential	42,252,426,190	-285,950,603	4,911,404,633	1,637,132,854	48,515,013,074
Farm	1,591,797,789	-61,377,863	668,583,775	222,861,134	2,421,864,835
Managed Forest	10,938,262	-231,504	3,200,961	1,066,981	14,974,700
New Multi-Residential	126,684,138	-1,791,222	19,192,145	6,397,381	150,482,442
Multi-Residential	1,251,666,894	-38,998,949	134,248,802	44,749,593	1,391,666,340
Commercial	6,130,123,061	-168,851,017	993,414,335	331,137,929	7,285,824,308
Industrial	806,194,157	-59,134,096	92,838,278	30,946,060	870,844,399
Landfill	6,353,700	-3,030,900	213,825	71,275	3,607,900
Pipeline	222,561,681	0	18,194,492	6,064,827	246,821,000
Sub-Total Taxable	52,398,745,872	-619,366,154	6,841,291,246	2,280,428,034	60,901,098,998
<i>Payment in Lieu</i>					
Residential	25,703,160	-1,275,600	7,612,084	2,537,360	34,577,004
Farm	372,000	0	89,250	29,750	491,000
Commercial	585,385,002	-9,181,135	48,693,327	16,231,105	641,128,299
Industrial	9,005,948	-70,600	3,659,589	1,219,863	13,814,800
Landfill	816,000	-6,300	672,225	224,075	1,706,000
Sub-Total PIL	621,282,110	-10,533,635	60,726,475	20,242,153	691,717,103
Total (Tax + PIL)	53,020,027,982	-629,899,789	6,902,017,721	2,300,670,187	61,592,816,101

PART THREE: REASSESSMENT AND PHASE-IN RELATED TAXATION IMPACTS

Revenue Neutral Tax Rates (NTR)

An increase in a property's assessment does not necessarily result in increased taxes, nor does a reduction in assessment automatically translate into lower taxes. In order to measure the true tax impact associated with changes in market value (reassessment), revenue neutral tax rates, or notional tax rates (NTR) as they are also commonly known, must be calculated.

Simply put, revenue neutral tax rates are the rates that would be set to raise the 2018 final annualized tax from the newly updated assessment roll as returned for 2019 taxation. They are employed to isolate the effects of reassessment from impacts that could result from other budgetary or tax policy changes.

Table 16 demonstrates the relationship between the municipality's actual 2018 tax rates and revenue neutral rates. Also included in this table are the revenue sub-totals and totals associated with the application of each rate set against their respective assessment data. These are critical figures as they highlight the importance of restating tax rates in order to compensate for changes in assessment that are purely related to reassessment and/or phase-in. This is even more important in cases where the notional tax rates increase.

2019 Start Ratios

For the purposes of this report, MTE has calculated start ratios based on the municipality's tax rate relationships for 2018. In most cases the current year's start ratios will match the prior year's by-lawed ratios, however, adjustments can be required where optional classes and or levy restriction applies. While levy restriction does apply to the Region's multi-Residential class, MTE confirmed that no adjustment was required to the start ratio for that, or any other class for 2019.

PIL Assessment and Revenue

For municipalities that do not include the assessment and revenues associated with Payment in Lieu of Tax (PIL) properties in the calculation of tax rates, the amount of PIL revenue is dictated by, or dependant on the rates calculated using the municipality's taxable assessment base. As such, municipalities that have directed MTE to calculate their rates exclusive of PIL revenue and assessment will see that their revenue neutral levy amounts balance with the *Taxable Sub-Total* for 2018. In contrast, where a municipality includes both taxable and PIL revenue and assessment in their tax rate calculations, the total levy (Taxable + PIL) will balance on a year-over-year basis. Where the former approach has been applied, and a loss of PIL revenue is anticipated, the municipality may wish to consider an alternate calculation protocol.

Tax Shifts Using Revenue Neutral Rates

Although the rates calculated and shown in Table 16 are revenue neutral, changes in assessment will inevitably result in shifts between individual properties and groups of properties. The inter-class shifts of the Regional general levy are documented in Table 17.

Percent Share / Balance of Taxation

As taxes shift among properties, classes and other groupings, the balance of taxation changes. Table 18 shows how the share of the Regional levy each class carries based on the 2018 roll as finally revised and the 2019 roll as returned.

Table 16
Starting Ratios and Revenue Neutral (Notional) Tax Rates

Realty Tax Class	Tax Ratios			General Levy Rates		
	2018 Actual	2019 Start	% Change	2018 Actual	2019 Notional	% Change
Residential	1.000000	1.000000	0.00%	0.00567079	0.00545717	-3.77%
Farm	0.250000	0.250000	0.00%	0.00141770	0.00136429	-3.77%
Managed Forest	0.250000	0.250000	0.00%	0.00141770	0.00136429	-3.77%
New Multi-Residential	1.000000	1.000000	0.00%	0.00567079	0.00545717	-3.77%
Multi-Residential	1.970000	1.970000	0.00%	0.01117146	0.01075062	-3.77%
Commercial	1.734900	1.734900	0.00%	0.00983825	0.00946764	-3.77%
Industrial	2.630000	2.630000	0.00%	0.01491418	0.01435236	-3.77%
Landfill	2.940261	2.940261	0.00%	0.01667360	0.01604550	-3.77%
Pipeline	1.702100	1.702100	0.00%	0.00965225	0.00928865	-3.77%

Table 17
Reassessment Related Inter-Class Tax Shifts
(Regional General Levy)

Realty Tax Class	Regional General Levy		Inter-Class Shifts	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$256,369,618	\$255,643,196	-\$726,422	-0.28%
Farm	\$2,801,577	\$3,000,078	\$198,501	7.09%
Managed Forest	\$18,205	\$18,975	\$770	4.23%
New Multi-Residential	\$780,797	\$786,297	\$5,500	0.70%
Multi-Residential	\$14,547,107	\$14,480,189	-\$66,918	-0.46%
Commercial	\$64,130,454	\$64,796,932	\$666,478	1.04%
Industrial	\$11,482,587	\$11,434,577	-\$48,010	-0.42%
Landfill	\$57,780	\$56,746	-\$1,034	-1.79%
Pipeline	\$2,265,299	\$2,236,301	-\$28,998	-1.28%
Sub-Total Taxable	\$352,453,424	\$352,453,291	-\$133	0.00%
<i>Payment in Lieu</i>				
Residential	\$167,300	\$174,847	\$7,547	4.51%
Farm	\$612	\$629	\$17	2.78%
Commercial	\$5,947,061	\$5,873,532	-\$73,529	-1.24%
Industrial	\$156,900	\$167,080	\$10,180	6.49%
Landfill	\$20,973	\$23,778	\$2,805	13.37%
Sub-Total PIL	\$6,292,846	\$6,239,866	-\$52,980	-0.84%
Total (Taxable + PIL)	\$358,746,270	\$358,693,157	-\$53,113	-0.01%

Table 18
Reassessment Related Change in Proportional Share of Tax
(Regional General Levy)

Realty Tax Class	Share of Regional General Levy		%
	2018	2019	
<i>Taxable</i>			
Residential	71.46%	71.27%	-0.27%
Farm	0.78%	0.84%	7.10%
Managed Forest	0.01%	0.01%	4.25%
New Multi-Residential	0.22%	0.22%	0.72%
Multi-Residential	4.05%	4.04%	-0.45%
Commercial	17.88%	18.06%	1.05%
Industrial	3.20%	3.19%	-0.40%
Landfill	0.02%	0.02%	-1.78%
Pipeline	0.63%	0.62%	-1.27%
Sub-Total Taxable	98.25%	98.26%	0.01%
<i>Payment in Lieu</i>			
Residential	0.05%	0.05%	4.53%
Farm	0.00%	0.00%	2.79%
Commercial	1.66%	1.64%	-1.22%
Industrial	0.04%	0.05%	6.50%
Landfill	0.01%	0.01%	13.39%
Sub-Total PIL	1.75%	1.74%	-0.83%
Total (Taxable + PIL)	100.00%	100.00%	0.00%

In addition to shifting among property classes, the regional levy will also shift among and within local municipalities based on the differential rates of change being experienced Region-wide. Table 19 documents these shifts of the regional notional levy at the local level.

Table 20 plots the rate of phase-in change for each local municipality in ascending order and also includes the rate of inter-municipal levy shift. As can be seen, those municipalities with overall phase-in change rates that fall below the Region-wide level may expect negative tax shifts. Those experiencing higher rates of change can expect their proportional share of the regional levy to increase on a year-over-year basis.

Table 19
Reassessment Related Regional Inter-Municipal Tax Shifts

Local Municipality	Regional General Levy		Inter-Municipal Shifts	
	2018 As Revised	2019 Notional	\$	%
Fort Erie	\$22,428,328	\$22,072,979	-\$355,349	-1.58%
Grimsby	\$25,883,857	\$26,414,076	\$530,219	2.05%
Lincoln	\$20,443,857	\$20,591,427	\$147,570	0.72%
Niagara Falls	\$74,209,801	\$74,370,381	\$160,580	0.22%
Niagara-on-the-Lake	\$30,082,399	\$30,313,217	\$230,818	0.77%
Pelham	\$14,718,064	\$14,611,236	-\$106,828	-0.73%
Port Colborne	\$11,599,092	\$11,484,857	-\$114,235	-0.98%
St. Catharines	\$93,802,595	\$93,556,655	-\$245,940	-0.26%
Thorold	\$14,142,691	\$14,018,740	-\$123,951	-0.88%
Wainfleet	\$5,281,328	\$5,309,361	\$28,033	0.53%
Welland	\$29,032,299	\$28,758,816	-\$273,483	-0.94%
West Lincoln	\$10,829,113	\$10,951,546	\$122,433	1.13%
Niagara Region	\$352,453,424	\$352,453,291	-\$133	0.00%

Table 20
Inter-Municipal Tax Shifts and Rate of Phase-In Change

Local Municipality	Rate of Phase-In Change	Inter-Municipal Shifts	
		\$	%
Fort Erie	2.33%	-\$355,349	-1.58%
Port Colborne	2.87%	-\$114,235	-0.98%
Welland	2.93%	-\$273,483	-0.94%
Thorold	3.03%	-\$123,951	-0.88%
Pelham	3.42%	-\$106,828	-0.73%
St. Catharines	3.51%	-\$245,940	-0.26%
Niagara Region	4.05%	-\$133	0.00%
Niagara Falls	4.13%	\$160,580	0.22%
Niagara-on-the-Lake	5.01%	\$230,818	0.77%
Lincoln	5.29%	\$147,570	0.72%
Wainfleet	5.56%	\$28,033	0.53%
Grimsby	5.98%	\$530,219	2.05%
West Lincoln	6.52%	\$122,433	1.13%

The rate of tax shift will generally follow the rate of phase-in change a property, or group of properties is experiencing relative to the overall rate of change for the pool of assessment against which the taxes are levied.

This is true at the inter-municipal level as shown in Table 19, but it is also true at the class and property level. Simply put, any municipality, class or other group of properties subject to a rate of phase-in change around 4.05% would likely carry a similar share of the Regional levy in 2019 in 2018. Representative property groupings (class, municipality, ward, etc.) experiencing higher rates of change will attract a greater share of the overall levy; and vice-versa for those increasing at rates below the aggregate.

Local General Levies

As with the regional levy, local levies will shift amongst classes and taxpayers. Table 21 displays the inter-class shifts of the local general on a Region-wide basis.

Table 21
Reassessment Related Inter-Class Tax Shifts
(All Local General Levies)

Realty Tax Class	Local General Levies		Inter-Class Shifts	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$225,755,794	\$225,170,702	-\$585,092	-0.26%
Farm	\$1,999,035	\$2,127,559	\$128,524	6.43%
Managed Forest	\$16,112	\$16,706	\$594	3.69%
New Multi-Residential	\$787,488	\$796,596	\$9,108	1.16%
Multi-Residential	\$14,118,786	\$14,073,822	-\$44,964	-0.32%
Commercial	\$54,192,228	\$54,745,931	\$553,703	1.02%
Industrial	\$10,794,723	\$10,754,106	-\$40,617	-0.38%
Landfill	\$49,225	\$48,926	-\$299	-0.61%
Pipeline	\$2,007,012	\$1,986,014	-\$20,998	-1.05%
Sub-Total Taxable	\$309,720,403	\$309,720,362	-\$41	0.00%
<i>Payment in Lieu</i>				
Residential	\$134,378	\$140,381	\$6,003	4.47%
Farm	\$632	\$656	\$24	3.80%
Commercial	\$4,844,650	\$4,768,925	-\$75,725	-1.56%
Industrial	\$131,921	\$139,634	\$7,713	5.85%
Landfill	\$23,950	\$28,149	\$4,199	17.53%
Sub-Total PIL	\$5,135,531	\$5,077,745	-\$57,786	-1.13%
Total (Taxable + PIL)	\$314,855,934	\$314,798,107	-\$57,827	-0.02%

Table 22 considers how the combined (Regional + local) general levies are shifting among the property classes. The local levy amounts used in this section, as well as the underlying municipal specific notional tax rates are further documented in the Local Results Addenda attached to this study.

Table 22
Reassessment Related Inter-Class Tax Shifts
(Combined Local and Regional General Levies)

Realty Tax Class	Combined (UT + LT) General Levies		Inter-Class Shift	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$482,125,412	\$480,813,898	-\$1,311,514	-0.27%
Farm	\$4,800,612	\$5,127,637	\$327,025	6.81%
Managed Forest	\$34,317	\$35,681	\$1,364	3.97%
New Multi-Residential	\$1,568,285	\$1,582,893	\$14,608	0.93%
Multi-Residential	\$28,665,893	\$28,554,011	-\$111,882	-0.39%
Commercial	\$118,322,682	\$119,542,863	\$1,220,181	1.03%
Industrial	\$22,277,310	\$22,188,683	-\$88,627	-0.40%
Landfill	\$107,005	\$105,672	-\$1,333	-1.25%
Pipeline	\$4,272,311	\$4,222,315	-\$49,996	-1.17%
Sub-Total Taxable	\$662,173,827	\$662,173,653	-\$174	0.00%
<i>Payment in Lieu</i>				
Residential	\$301,678	\$315,228	\$13,550	4.49%
Farm	\$1,244	\$1,285	\$41	3.30%
Commercial	\$10,791,711	\$10,642,457	-\$149,254	-1.38%
Industrial	\$288,821	\$306,714	\$17,893	6.20%
Landfill	\$44,923	\$51,927	\$7,004	15.59%
Sub-Total PIL	\$11,428,377	\$11,317,611	-\$110,766	-0.97%
Total (Taxable + PIL)	\$673,602,204	\$673,491,264	-\$110,940	-0.02%

Future Year Tax Trend Projections

As soon as the assessment roll is returned for a taxation year it begins to change in response to growth, value adjustments, corrections, etc. In light of this constant change as well as not knowing what the revenue needs of the municipality will be any given point in the future, it is not possible to predict actual future year tax outcomes with any degree of reliability. What we can do however, is gain an understanding as to how we can expect taxes to change and shift over the coming years as the current assessment and phase-in cycle progresses. Tables 23 and 24 utilize a constant revenue target and the current assessment roll to demonstrate how taxes may shift amongst the property classes between now and 2020. This approach controls for future growth and revenue (budgetary) increases to consider the pure impacts of reassessment and phase-in.

Table 23
Multi-Year Tax Trend
(General Levy / Revenue Neutral / Status Quo Policy)

Realty Tax Class	2018 Revised	Share	2019 Notional	Share	2020 Projected	Share
Taxable						
Residential	\$256,369,618	71.46%	\$255,643,196	71.27%	\$254,969,514	71.09%
Farm	\$2,801,577	0.78%	\$3,000,078	0.84%	\$3,184,196	0.89%
Managed Forest	\$18,205	0.01%	\$18,975	0.01%	\$19,688	0.01%
New Multi-Residential	\$780,797	0.22%	\$786,297	0.22%	\$791,396	0.22%
Multi-Residential	\$14,547,107	4.05%	\$14,480,189	4.04%	\$14,418,151	4.02%
Commercial	\$64,130,454	17.88%	\$64,796,932	18.06%	\$65,415,030	18.24%
Industrial	\$11,482,587	3.20%	\$11,434,577	3.19%	\$11,390,056	3.18%
Landfill	\$57,780	0.02%	\$56,746	0.02%	\$55,789	0.02%
Pipeline	\$2,265,299	0.63%	\$2,236,301	0.62%	\$2,209,408	0.62%
Sub-Total Taxable	\$352,453,424	98.25%	\$352,453,291	98.26%	\$352,453,228	98.27%
Payment in Lieu						
Residential	\$167,300	0.05%	\$174,847	0.05%	\$181,838	0.05%
Farm	\$612	0.00%	\$629	0.00%	\$646	0.00%
Commercial	\$5,947,061	1.66%	\$5,873,532	1.64%	\$5,805,348	1.62%
Industrial	\$156,900	0.04%	\$167,080	0.05%	\$176,522	0.05%
Landfill	\$20,973	0.01%	\$23,778	0.01%	\$26,380	0.01%
Sub-Total PIL	\$6,292,846	1.75%	\$6,239,866	1.74%	\$6,190,734	1.73%
Total (Tax + PIL)	\$358,746,270	100.00%	\$358,693,157	100.00%	\$358,643,962	100.00%

Table 24
Multi-Year Reassessment / Phase-In Related Tax Shifts
(General Levy / Revenue Neutral / Status Quo Policy)

Realty Tax Class	2018 - 2019		2019 - 2020	
<i>Taxable</i>				
Residential	-\$726,422	-0.28%	-\$673,682	-0.26%
Farm	\$198,501	7.09%	\$184,118	6.14%
Managed Forest	\$770	4.23%	\$713	3.76%
New Multi-Residential	\$5,500	0.70%	\$5,099	0.65%
Multi-Residential	-\$66,918	-0.46%	-\$62,038	-0.43%
Commercial	\$666,478	1.04%	\$618,098	0.95%
Industrial	-\$48,010	-0.42%	-\$44,521	-0.39%
Landfill	-\$1,034	-1.79%	-\$957	-1.69%
Pipeline	-\$28,998	-1.28%	-\$26,893	-1.20%
Sub-Total Taxable	-\$133	0.00%	-\$63	0.00%
<i>Payment in Lieu</i>				
Residential	\$7,547	4.51%	\$6,991	4.00%
Farm	\$17	2.78%	\$17	2.70%
Commercial	-\$73,529	-1.24%	-\$68,184	-1.16%
Industrial	\$10,180	6.49%	\$9,442	5.65%
Landfill	\$2,805	13.37%	\$2,602	10.94%
Sub-Total PIL	-\$52,980	-0.84%	-\$49,132	-0.79%
Total (Taxable + PIL)	-\$53,113	-0.01%	-\$49,195	-0.01%

Taxation Impacts/Implications of Assessment Phase-In

Although the assessment phase-in program does not place any specific limitations on year-over-year tax change for individual properties, it does necessarily have consequences for final tax outcomes. The most obvious tax impact of the phase-in program is the benefit to increasing properties, which will not be taxed on their full CVA values until 2020. The tax implications for decreasing properties are not quite as direct, but they are material and measurable.

While there is no delay or phase-in of assessment decreases, the reduced availability of CVA against which to levy taxes in the first three years of a cycle results in the tax rates for those years being higher than would otherwise be the case if the phase-in did not exist. That is, if the full CVA for all properties were made available for 2019 taxation, and revenue requirements were held constant, the tax rates set would be lower. Under such a scenario, all decreasing properties would pay less, while most increasing properties would pay more.

Table 25 considers the difference in tax levy distribution among classes with and without an assessment phase-in program.

Table 25
Tax Mitigation Effects of Assessment Phase-In Program by Class
(Regional General Levy)

Realty Tax Class	2019 Regional General Levy		Tax Impacts of Assessment Phase-In	
	(Full CVA)	(Phased CVA)	\$	%
<i>Taxable</i>				
Residential	\$254,969,514	\$255,643,196	\$673,682	0.26%
Farm	\$3,184,196	\$3,000,078	-\$184,118	-5.78%
Managed Forest	\$19,688	\$18,975	-\$713	-3.62%
New Multi-Residential	\$791,396	\$786,297	-\$5,099	-0.64%
Multi-Residential	\$14,418,151	\$14,480,189	\$62,038	0.43%
Commercial	\$65,415,030	\$64,796,932	-\$618,098	-0.94%
Industrial	\$11,390,056	\$11,434,577	\$44,521	0.39%
Landfill	\$55,789	\$56,746	\$957	1.72%
Pipeline	\$2,209,408	\$2,236,301	\$26,893	1.22%
Sub-Total Taxable	\$352,453,228	\$352,453,291	\$63	0.00%
<i>Payment in Lieu</i>				
Residential	\$181,838	\$174,847	-\$6,991	-3.84%
Farm	\$646	\$629	-\$17	-2.63%
Commercial	\$5,805,348	\$5,873,532	\$68,184	1.17%
Industrial	\$176,522	\$167,080	-\$9,442	-5.35%
Landfill	\$26,380	\$23,778	-\$2,602	-9.86%
Sub-Total PIL	\$6,190,734	\$6,239,866	\$49,132	0.79%
Total (Taxable + PIL)	\$358,643,962	\$358,693,157	\$49,195	0.01%

Increases and Decreases

While the phase-in program should not have an overall impact on the municipality's taxable levy in any year, that revenue neutrality will not extend to individual taxpayers. As the assessment phase-in program ultimately "delays" increases in CVA, it also delays the movement of tax outcomes. Those with assessment decreases will pay more than they otherwise would if everyone's full unmitigated CVA's were available to be taxed in 2019, and those with assessment increases being phased-in benefit from paying taxes on an assessed value that is less than their full market value.

As these two groups are being treated differently under the system, the relationship between them, and the relationship between the taxes they would be liable for with or without the assessment phase-in program is an important dynamic to be understood.

Measuring Other Assessment and Taxation Shifts

In addition to considering the broad, class and municipal level impacts that can be expected for 2019 taxation, it is also important to understand how reassessment and the assessment phase-in program is going to affect more specific groups of taxpayers.

Business, Non-Business and Public Sector Revenue

Although some groups or categories of taxpayers are not specifically defined by the *Municipal or Assessment Acts*, it is possible to make distinctions between various types of taxpayers to support informative, interesting and useful analysis.

For many, the distinction between revenue that comes from non-business, business and public sector property owners is of significant interest. Figures 1 through 3 have been prepared to show how the relative burden of assessment and CVA tax may change, and/or be influenced by reassessment and the assessment phase-in program. For the purposes of this report, these categories incorporate the following assessment elements:

Residential	Taxable Residential
Multi-Residential	Taxable Multi-Residential
Business	Taxable Commercial, Industrial, and Pipeline Classes
PIL	Properties from any class, which are subject to a Payment in Lieu, or Payment on Account of taxes

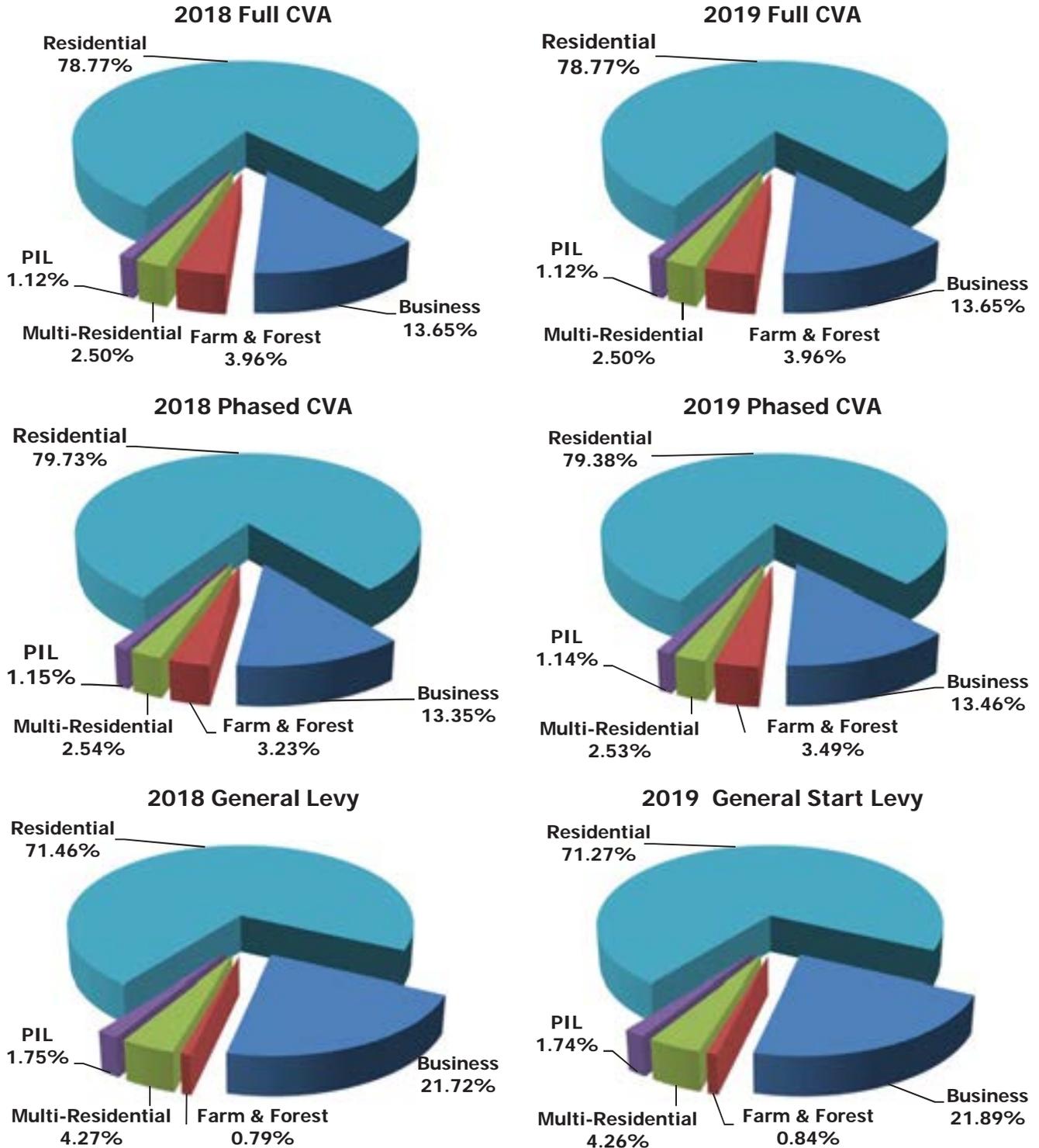
Typical Properties

It is also important to consider the impacts of reassessment at the property level. While the specific changes experienced by each ratepayer can vary widely, considering how the assessment and tax changes will materialize for a typical or average property can be very helpful in placing the broader change trends in an understandable perspective.

To this end, we have prepared Tables 26-A through F to illustrate the potential impact on various "typical" taxable properties within the jurisdiction, including:

- Single Detached Residential;
- All Residential;
- Multi-Residential;
- Commercial Occupied (CT/XT); and
- Industrial Occupied (IT/JT).

Figures 1 through 3 Distribution of Assessment and General Levy Among Broad Taxpayer Groups



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**Table 26-A
Reassessment Related CVA and CVA Tax Change: Single Detached Typical Residential Properties**

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	211,537	216,653	2.42%	\$1,200	\$1,448	\$2,648	\$1,182	\$1,450	\$2,632	-\$16	-0.60%
Grimsby	397,390	419,933	5.67%	\$2,254	\$989	\$3,243	\$2,292	\$986	\$3,278	\$35	1.08%
Lincoln	362,709	377,697	4.13%	\$2,057	\$1,546	\$3,603	\$2,061	\$1,539	\$3,600	-\$3	-0.08%
Niagara Falls	254,741	265,133	4.08%	\$1,445	\$1,157	\$2,602	\$1,447	\$1,156	\$2,603	\$1	0.04%
Niagara-on-the-Lake	486,509	506,367	4.08%	\$2,759	\$1,012	\$3,771	\$2,763	\$1,006	\$3,769	-\$2	-0.05%
Pelham	370,931	381,082	2.74%	\$2,103	\$1,829	\$3,932	\$2,080	\$1,821	\$3,901	-\$31	-0.79%
Port Colborne	186,162	190,504	2.33%	\$1,056	\$1,570	\$2,626	\$1,040	\$1,561	\$2,601	-\$25	-0.95%
St. Catharines	255,711	263,847	3.18%	\$1,450	\$1,378	\$2,828	\$1,440	\$1,372	\$2,812	-\$16	-0.57%
Thorold	243,077	249,292	2.56%	\$1,378	\$1,424	\$2,802	\$1,360	\$1,418	\$2,778	-\$24	-0.86%
Wainfleet	278,243	290,453	4.39%	\$1,578	\$1,616	\$3,194	\$1,585	\$1,615	\$3,200	\$6	0.19%
Welland	210,473	216,112	2.68%	\$1,194	\$1,630	\$2,824	\$1,179	\$1,626	\$2,805	-\$19	-0.67%
West Lincoln	345,520	361,900	4.74%	\$1,959	\$1,192	\$3,151	\$1,975	\$1,188	\$3,163	\$12	0.38%
Region Average	271,856	281,548	3.57%	\$1,542	\$1,401	\$2,943	\$1,536	\$1,400	\$2,936	-\$7	-0.24%
Region Median	242,500	251,000	3.51%	\$1,375	\$1,250	\$2,625	\$1,370	\$1,249	\$2,619	-\$6	-0.23%



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**Table 26-B
Reassessment Related CVA and CVA Tax Change: Other Typical Residential Properties**

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	197,139	201,230	2.08%	\$1,118	\$1,350	\$2,468	\$1,098	\$1,347	\$2,445	-\$23	-0.93%
Grimsby	296,595	313,758	5.79%	\$1,682	\$738	\$2,420	\$1,712	\$737	\$2,449	\$29	1.20%
Lincoln	307,378	324,702	5.64%	\$1,743	\$1,311	\$3,054	\$1,772	\$1,323	\$3,095	\$41	1.34%
Niagara Falls	207,735	215,305	3.64%	\$1,178	\$944	\$2,122	\$1,175	\$939	\$2,114	-\$8	-0.38%
Niagara-on-the-Lake	398,655	414,545	3.99%	\$2,261	\$829	\$3,090	\$2,262	\$823	\$3,085	-\$5	-0.16%
Pelham	254,314	264,888	4.16%	\$1,442	\$1,254	\$2,696	\$1,446	\$1,266	\$2,712	\$16	0.59%
Port Colborne	220,320	227,490	3.25%	\$1,249	\$1,858	\$3,107	\$1,241	\$1,864	\$3,105	-\$2	-0.06%
St. Catharines	216,114	222,224	2.83%	\$1,226	\$1,165	\$2,391	\$1,213	\$1,155	\$2,368	-\$23	-0.96%
Thorold	169,763	175,851	3.59%	\$963	\$995	\$1,958	\$960	\$1,000	\$1,960	\$2	0.10%
Wainfleet	229,091	237,228	3.55%	\$1,299	\$1,331	\$2,630	\$1,295	\$1,319	\$2,614	-\$16	-0.61%
Welland	178,504	184,404	3.31%	\$1,012	\$1,383	\$2,395	\$1,006	\$1,387	\$2,393	-\$2	-0.08%
West Lincoln	215,177	226,676	5.34%	\$1,220	\$742	\$1,962	\$1,237	\$744	\$1,981	\$19	0.97%
Region Average	231,577	240,288	3.76%	\$1,313	\$1,193	\$2,506	\$1,311	\$1,195	\$2,506	\$0	0.00%
Region Median	191,000	197,750	3.53%	\$1,083	\$984	\$2,067	\$1,079	\$984	\$2,063	-\$4	-0.19%



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**Table 26-C
Reassessment Related CVA and CVA Tax Change: All Typical Residential Properties**

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	206,438	211,190	2.30%	\$1,171	\$1,413	\$2,584	\$1,153	\$1,414	\$2,567	-\$17	-0.66%
Grimsby	359,364	379,877	5.71%	\$2,038	\$895	\$2,933	\$2,073	\$892	\$2,965	\$32	1.09%
Lincoln	339,761	355,718	4.70%	\$1,927	\$1,449	\$3,376	\$1,941	\$1,449	\$3,390	\$14	0.41%
Niagara Falls	242,743	252,415	3.98%	\$1,377	\$1,103	\$2,480	\$1,377	\$1,101	\$2,478	-\$2	-0.08%
Niagara-on-the-Lake	451,899	470,194	4.05%	\$2,563	\$940	\$3,503	\$2,566	\$934	\$3,500	-\$3	-0.09%
Pelham	340,072	350,335	3.02%	\$1,928	\$1,677	\$3,605	\$1,912	\$1,674	\$3,586	-\$19	-0.53%
Port Colborne	195,705	200,837	2.62%	\$1,110	\$1,650	\$2,760	\$1,096	\$1,646	\$2,742	-\$18	-0.65%
St. Catharines	244,050	251,589	3.09%	\$1,384	\$1,315	\$2,699	\$1,373	\$1,308	\$2,681	-\$18	-0.67%
Thorold	216,895	223,065	2.84%	\$1,230	\$1,271	\$2,501	\$1,217	\$1,269	\$2,486	-\$15	-0.60%
Wainfleet	250,430	260,335	3.96%	\$1,420	\$1,455	\$2,875	\$1,421	\$1,447	\$2,868	-\$7	-0.24%
Welland	202,531	208,235	2.82%	\$1,149	\$1,569	\$2,718	\$1,136	\$1,567	\$2,703	-\$15	-0.55%
West Lincoln	288,455	302,699	4.94%	\$1,636	\$995	\$2,631	\$1,652	\$994	\$2,646	\$15	0.57%
Region Average	259,215	268,598	3.62%	\$1,470	\$1,336	\$2,806	\$1,466	\$1,336	\$2,802	-\$4	-0.14%
Region Median	226,500	234,500	3.53%	\$1,284	\$1,167	\$2,451	\$1,280	\$1,166	\$2,446	-\$5	-0.20%

**Table 26-D
Reassessment Related CVA and CVA Tax Change: Typical Occupied Multi-Residential Properties**

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			2019 Municipal General Levy		Phase-In Related Tax Shift
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	1,353,474	1,364,071	0.78%	\$15,120	\$18,254	\$33,374	\$14,665	\$17,989	\$32,654	-\$720	-2.16%
Grimsby	2,078,250	2,138,583	2.90%	\$23,217	\$10,194	\$33,411	\$22,991	\$9,892	\$32,883	-\$528	-1.58%
Lincoln	1,530,158	1,588,225	3.79%	\$17,094	\$12,852	\$29,946	\$17,074	\$12,746	\$29,820	-\$126	-0.42%
Niagara Falls	2,427,686	2,543,287	4.76%	\$27,121	\$21,723	\$48,844	\$27,342	\$21,853	\$49,195	\$351	0.72%
Niagara-on-the-Lake	7,053,775	7,235,412	2.58%	\$78,801	\$28,903	\$107,704	\$77,785	\$28,313	\$106,098	-\$1,606	-1.49%
Pelham	1,589,273	1,598,864	0.60%	\$17,754	\$15,435	\$33,189	\$17,189	\$15,052	\$32,241	-\$948	-2.86%
Port Colborne	1,168,530	1,172,780	0.36%	\$13,054	\$19,408	\$32,462	\$12,608	\$18,932	\$31,540	-\$922	-2.84%
St. Catharines	3,118,202	3,239,842	3.90%	\$34,835	\$33,101	\$67,936	\$34,830	\$33,184	\$68,014	\$78	0.11%
Thorold	1,117,886	1,139,586	1.94%	\$12,488	\$12,902	\$25,390	\$12,251	\$12,769	\$25,020	-\$370	-1.46%
Wainfleet	456,500	456,750	0.05%	\$5,100	\$5,223	\$10,323	\$4,910	\$5,003	\$9,913	-\$410	-3.97%
Welland	2,164,489	2,190,994	1.22%	\$24,181	\$33,025	\$57,206	\$23,555	\$32,476	\$56,031	-\$1,175	-2.05%
West Lincoln	1,414,125	1,441,312	1.92%	\$15,798	\$9,613	\$25,411	\$15,495	\$9,323	\$24,818	-\$593	-2.33%
Region Average	2,390,928	2,472,484	3.41%	\$26,710	\$24,270	\$50,980	\$26,581	\$24,229	\$50,810	-\$170	-0.33%
Region Median	976,000	1,008,000	3.28%	\$10,903	\$9,907	\$20,810	\$10,837	\$9,878	\$20,715	-\$95	-0.46%



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**Table 26-E
Reassessment Related CVA and CVA Tax Change: Typical Commercial Properties**

Municipality	Average CVA			2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift	
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	339,270	347,778	2.51%	\$3,338	\$4,030	\$7,368	\$3,293	\$4,039	\$7,332	-\$36	-0.49%
Grimsby	898,814	974,014	8.37%	\$8,843	\$3,883	\$12,726	\$9,222	\$3,968	\$13,190	\$464	3.65%
Lincoln	532,601	553,157	3.86%	\$5,240	\$3,940	\$9,180	\$5,237	\$3,909	\$9,146	-\$34	-0.37%
Niagara Falls	1,332,387	1,391,071	4.40%	\$13,108	\$10,499	\$23,607	\$13,170	\$10,526	\$23,696	\$89	0.38%
Niagara-on-the-Lake	1,292,235	1,360,831	5.31%	\$12,713	\$4,663	\$17,376	\$12,884	\$4,690	\$17,574	\$198	1.14%
Pelham	419,447	434,160	3.51%	\$4,127	\$3,587	\$7,714	\$4,110	\$3,600	\$7,710	-\$4	-0.05%
Port Colborne	279,893	291,555	4.17%	\$2,754	\$4,094	\$6,848	\$2,760	\$4,145	\$6,905	\$57	0.83%
St. Catharines	678,800	711,485	4.82%	\$6,678	\$6,346	\$13,024	\$6,736	\$6,418	\$13,154	\$130	1.00%
Thorold	434,972	453,065	4.16%	\$4,279	\$4,421	\$8,700	\$4,289	\$4,471	\$8,760	\$60	0.69%
Wainfleet	174,727	186,274	6.61%	\$1,719	\$1,761	\$3,480	\$1,764	\$1,797	\$3,561	\$81	2.33%
Welland	436,801	454,005	3.94%	\$4,297	\$5,869	\$10,166	\$4,298	\$5,926	\$10,224	\$58	0.57%
West Lincoln	342,576	351,416	2.58%	\$3,370	\$2,051	\$5,421	\$3,327	\$2,002	\$5,329	-\$92	-1.70%
Region Average	744,604	779,103	4.63%	\$7,326	\$6,656	\$13,982	\$7,376	\$6,724	\$14,100	\$118	0.84%
Region Median	263,600	273,750	3.85%	\$2,593	\$2,356	\$4,949	\$2,592	\$2,362	\$4,954	\$5	0.10%



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**Table 26-F
Reassessment Related CVA and CVA Tax Change: Typical Industrial Properties**

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined	Region	Local	Combined	Region	Local	Combined		
Fort Erie	744,268	747,878	0.49%	\$11,100	\$13,401	\$24,501	\$10,734	\$13,167	\$23,901	\$10,734	\$13,167	\$23,901	\$10,734	\$13,167	\$23,901	-\$600	-2.45%
Grimsby	1,557,132	1,664,868	6.92%	\$23,223	\$10,197	\$33,420	\$23,895	\$10,281	\$34,176	\$23,895	\$10,281	\$34,176	\$23,895	\$10,281	\$34,176	\$756	2.26%
Lincoln	817,578	838,193	2.52%	\$12,194	\$9,168	\$21,362	\$12,030	\$8,980	\$21,010	\$12,030	\$8,980	\$21,010	\$12,030	\$8,980	\$21,010	-\$352	-1.65%
Niagara Falls	823,446	851,884	3.45%	\$12,281	\$9,837	\$22,118	\$12,227	\$9,772	\$21,999	\$12,227	\$9,772	\$21,999	\$12,227	\$9,772	\$21,999	-\$119	-0.54%
Niagara-on-the-Lake	584,770	610,600	4.42%	\$8,721	\$3,199	\$11,920	\$8,764	\$3,190	\$11,954	\$8,764	\$3,190	\$11,954	\$8,764	\$3,190	\$11,954	\$34	0.29%
Pelham	174,331	185,559	6.44%	\$2,600	\$2,260	\$4,860	\$2,663	\$2,332	\$4,995	\$2,663	\$2,332	\$4,995	\$2,663	\$2,332	\$4,995	\$135	2.78%
Port Colborne	756,609	773,746	2.27%	\$11,284	\$16,777	\$28,061	\$11,105	\$16,675	\$27,780	\$11,105	\$16,675	\$27,780	\$11,105	\$16,675	\$27,780	-\$281	-1.00%
St. Catharines	728,746	748,640	2.73%	\$10,869	\$10,328	\$21,197	\$10,745	\$10,237	\$20,982	\$10,745	\$10,237	\$20,982	\$10,745	\$10,237	\$20,982	-\$215	-1.01%
Thorold	658,452	668,169	1.48%	\$9,820	\$10,146	\$19,966	\$9,590	\$9,995	\$19,585	\$9,590	\$9,995	\$19,585	\$9,590	\$9,995	\$19,585	-\$381	-1.91%
Wainfleet	242,133	250,103	3.29%	\$3,611	\$3,699	\$7,310	\$3,590	\$3,657	\$7,247	\$3,590	\$3,657	\$7,247	\$3,590	\$3,657	\$7,247	-\$63	-0.86%
Welland	825,962	845,782	2.40%	\$12,319	\$16,824	\$29,143	\$12,139	\$16,737	\$28,876	\$12,139	\$16,737	\$28,876	\$12,139	\$16,737	\$28,876	-\$267	-0.92%
West Lincoln	423,030	430,625	1.80%	\$6,309	\$3,839	\$10,148	\$6,180	\$3,719	\$9,899	\$6,180	\$3,719	\$9,899	\$6,180	\$3,719	\$9,899	-\$249	-2.45%
Region Average	725,196	746,101	2.88%	\$10,816	\$9,828	\$20,644	\$10,708	\$9,761	\$20,469	\$10,708	\$9,761	\$20,469	\$10,708	\$9,761	\$20,469	-\$175	-0.85%
Region Median	335,000	345,750	3.21%	\$4,996	\$4,540	\$9,536	\$4,962	\$4,523	\$9,485	\$4,962	\$4,523	\$9,485	\$4,962	\$4,523	\$9,485	-\$51	-0.53%



Those experiencing higher rates of change can expect their proportional share of the regional levy to increase on a year-over-year basis. This is also true at the inter-municipal and property level. Simply put, any municipality, class or other group of properties subject to a rate of phase-in change around 4.05% would likely carry a similar share of the regional levy in 2019 in 2018. Representative property groupings (class, municipality, ward, etc.) experiencing higher rates of change will attract a greater share of the overall levy; and vice-versa for those increasing at rates below the aggregate.

Farm Class vs. Whole Farm Property Tax

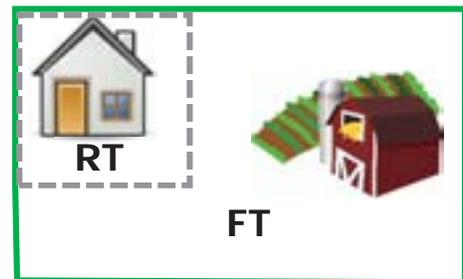
Although it is clear that farmland, captured by the farm property class is currently experiencing a relatively high rate of reassessment/phase-in change, this information is not sufficient to fully consider how bottom line taxes are changing for farms and farmers within the municipality.

The farm property class is considered to be a special tax incentive class and inclusion is based on a host of ownership, use and occupancy criteria. A large proportion of farms as understood outside the realm of property tax are made up of a farm class portion and portions that fall into other classes. It is important to consider these other elements in order to fully and accurately understand how farm taxes are changing.

The most common combination is a farm portion mixed with a residential portion associated with a farm house or other non-farm related improvements. Some farms also have elements classified as commercial or industrial based on use; this will be discussed later in the report.

This figure provides a simple illustration of a typical farm with a farmhouse. This property would fall under a single roll number, but would be comprised of two separate portions; a farm class portion and a residential portion.

For assessment purposes the underlying land is valued as farmland and the home and barn are valued on a replacement cost model derived from comparable farms.



One acre of land along with the farmhouse is classified and taxed as residential; the remainder of the land and all farm related out buildings are classified and taxed in the farm property class and subject to tax rates that are $\frac{1}{4}$ of those applicable to residential property.

As of roll return for 2019 taxation, there are 6,081 roll numbers (properties) in the Region that fall entirely or partially in the farm property class. The following tables have been prepared to give the reader a sense of these properties.

Table 28 shows that approximately 64% of all properties that make up the farm class have at least one other portion on the same roll number that is captured by another property class. Further, approximately 79% of farm property portions within the Region are part of multi-portion farms.

Table 28
Farm Class Rolls and Whole-Farm Property Portions

Local Municipality	Farm Class Rolls	Farm Property Portions	Farm Class Only			Multi-Portion Farms		
			Count	Share of Farm Rolls	Share of Farm Portions	Count	Share of Farm Rolls	Share of Farm Portions
Fort Erie	285	467	108	37.89%	23.13%	177	62.11%	76.87%
Grimsby	220	390	56	25.45%	14.36%	164	74.55%	85.64%
Lincoln	975	1,726	294	30.15%	17.03%	681	69.85%	82.97%
Niagara Falls	301	489	125	41.53%	25.56%	176	58.47%	74.44%
Niagara-on-the-Lake	895	1,483	360	40.22%	24.28%	535	59.78%	75.72%
Pelham	524	921	134	25.57%	14.55%	390	74.43%	85.45%
Port Colborne	291	473	115	39.52%	24.31%	176	60.48%	75.69%
St. Catharines	245	402	97	39.59%	24.13%	148	60.41%	75.87%
Thorold	202	306	100	49.50%	32.68%	102	50.50%	67.32%
Wainfleet	706	1,083	342	48.44%	31.58%	364	51.56%	68.42%
Welland	101	168	35	34.65%	20.83%	66	65.35%	79.17%
West Lincoln	1,336	2,300	422	31.59%	18.35%	914	68.41%	81.65%
Niagara Region	6,081	10,208	2,188	35.98%	21.43%	3,893	64.02%	78.57%

Typical Farm Property Changes

In light of the fact that the Region's Farms are not fully, or well represented by changes to farm class assessment and tax change alone, MTE has expanded on the typical farm property analysis.

- Table 29-A includes farm class property portions only, regardless of whether they represent the entire farm or only a component of the property;
- Table 29-B is based on single portion farms classified solely in the farm property class;
- Table 29-C looks at only those farm properties with additional non-farm portions; and
- Table 29-D includes all portions of all properties including both single and multi-portion farms.

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Table 29-A
Typical Farm Class (FT) Property Portions Only: Single and Multi-Portion Farms
(2018 actual to 2019 Notional General Municipal Levy Amounts – Farm Class Tax Only)

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			2019 Municipal General Levy		Phase-In Related Tax Shift
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	180,070	189,079	5.00%	\$255	\$308	\$563	\$258	\$316	\$574	\$11	1.95%
Grimsby	344,093	377,873	9.82%	\$488	\$214	\$702	\$516	\$222	\$738	\$36	5.13%
Lincoln	445,875	492,092	10.37%	\$632	\$475	\$1,107	\$671	\$501	\$1,172	\$65	5.87%
Niagara Falls	236,918	264,488	11.64%	\$336	\$269	\$605	\$361	\$288	\$649	\$44	7.27%
Niagara-on-the-Lake	496,492	552,532	11.29%	\$704	\$258	\$962	\$754	\$274	\$1,028	\$66	6.86%
Pelham	273,263	299,637	9.65%	\$387	\$337	\$724	\$409	\$358	\$767	\$43	5.94%
Port Colborne	174,557	184,769	5.85%	\$247	\$368	\$615	\$252	\$379	\$631	\$16	2.60%
St. Catharines	470,259	521,208	10.83%	\$667	\$634	\$1,301	\$711	\$677	\$1,388	\$87	6.69%
Thorold	232,298	245,058	5.49%	\$329	\$340	\$669	\$334	\$348	\$682	\$13	1.94%
Wainfleet	225,642	257,103	13.94%	\$320	\$328	\$648	\$351	\$357	\$708	\$60	9.26%
Welland	177,207	197,696	11.56%	\$251	\$343	\$594	\$270	\$372	\$642	\$48	8.08%
West Lincoln	273,501	313,331	14.56%	\$388	\$236	\$624	\$427	\$257	\$684	\$60	9.62%
Region Average	324,970	361,619	11.28%	\$461	\$419	\$880	\$493	\$450	\$943	\$63	7.16%
Region Median	229,450	259,000	12.88%	\$325	\$296	\$621	\$353	\$322	\$675	\$54	8.70%

Interpretation Note:

Based on all property in the farm property class but does not consider any portions of those properties that may be classified in other classes.



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Table 29-B
Typical Single Portion / Stand-Alone Farm Class (FT) Properties
(2018 actual to 2019 Notional General Municipal Levy Amounts – Farm Class Tax Only)

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	168,265	176,167	4.70%	\$239	\$288	\$527	\$240	\$295	\$535	\$8	1.52%
Grimsby	361,181	399,388	10.58%	\$512	\$225	\$737	\$545	\$234	\$779	\$42	5.70%
Lincoln	436,891	483,580	10.69%	\$619	\$466	\$1,085	\$660	\$492	\$1,152	\$67	6.18%
Niagara Falls	243,201	271,929	11.81%	\$345	\$276	\$621	\$371	\$297	\$668	\$47	7.57%
Niagara-on-the-Lake	512,624	576,892	12.54%	\$727	\$267	\$994	\$787	\$286	\$1,073	\$79	7.95%
Pelham	299,414	330,051	10.23%	\$424	\$369	\$793	\$450	\$394	\$844	\$51	6.43%
Port Colborne	177,977	190,367	6.96%	\$252	\$375	\$627	\$260	\$390	\$650	\$23	3.67%
St. Catharines	574,638	634,721	10.46%	\$815	\$774	\$1,589	\$866	\$825	\$1,691	\$102	6.42%
Thorold	206,898	218,302	5.51%	\$293	\$303	\$596	\$298	\$310	\$608	\$12	2.01%
Wainfleet	206,996	237,785	14.87%	\$293	\$301	\$594	\$324	\$331	\$655	\$61	10.27%
Welland	186,597	209,257	12.14%	\$265	\$361	\$626	\$285	\$394	\$679	\$53	8.47%
West Lincoln	253,710	293,242	15.58%	\$360	\$219	\$579	\$400	\$241	\$641	\$62	10.71%
Niagara Region	321,388	359,757	11.94%	\$456	\$328	\$784	\$491	\$351	\$842	\$58	7.40%

Interpretation Note:

This table only includes properties that are solely assessed in the farm property class. Farm properties attached to non-farm portions have been excluded.



Table 29-C
Multi-Portion Farm Properties: Farm (FT) + Mixed Portion(s)
(2018 actual to 2019 Notional General Municipal Levy Amounts for all Applicable Classes)

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined		
Fort Erie	361,410	380,319	5.23%	\$1,299	\$1,569	\$2,868	\$1,315	\$1,613	\$2,928	\$60	2.09%
Grimsby	558,910	602,836	7.86%	\$1,751	\$769	\$2,520	\$1,794	\$772	\$2,566	\$46	1.83%
Lincoln	704,146	765,723	8.74%	\$2,340	\$1,759	\$4,099	\$2,413	\$1,802	\$4,215	\$116	2.83%
Niagara Falls	488,772	533,536	9.16%	\$2,113	\$1,693	\$3,806	\$2,202	\$1,760	\$3,962	\$156	4.10%
Niagara-on-the-Lake	764,561	833,522	9.02%	\$2,626	\$963	\$3,589	\$2,716	\$989	\$3,705	\$116	3.23%
Pelham	490,752	525,931	7.17%	\$1,692	\$1,471	\$3,163	\$1,720	\$1,506	\$3,226	\$63	1.99%
Port Colborne	356,793	374,711	5.02%	\$1,427	\$2,122	\$3,549	\$1,443	\$2,167	\$3,610	\$61	1.72%
St. Catharines	662,391	723,685	9.25%	\$2,270	\$2,157	\$4,427	\$2,348	\$2,237	\$4,585	\$158	3.57%
Thorold	465,959	490,963	5.37%	\$1,565	\$1,617	\$3,182	\$1,586	\$1,653	\$3,239	\$57	1.79%
Wainfleet	407,394	449,662	10.38%	\$1,325	\$1,357	\$2,682	\$1,377	\$1,402	\$2,779	\$97	3.62%
Welland	378,214	406,210	7.40%	\$1,442	\$1,969	\$3,411	\$1,461	\$2,015	\$3,476	\$65	1.91%
West Lincoln	477,428	527,852	10.56%	\$1,628	\$991	\$2,619	\$1,680	\$1,011	\$2,691	\$72	2.75%
Niagara Region	549,600	598,167	8.84%	\$1,891	\$1,381	\$3,272	\$1,947	\$1,416	\$3,363	\$91	2.78%

Interpretation Note:

These results consider all multi-portion farms, which are those rolls with a farm classification and at least one other portion (residential, commercial, etc...). Properties solely assessed in the farm property class have been excluded.

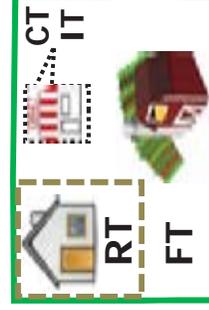
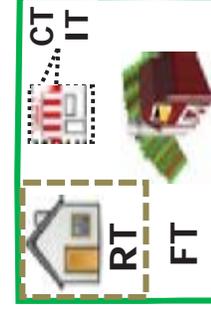
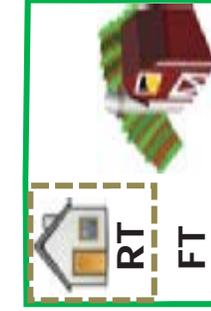


Table 29-D
All Farm Rolls: Single and Multi-Portion Farms
(2018 actual to 2019 Notional General Municipal Levy Amounts for all Applicable Classes)

Municipality	Average CVA		2018 Municipal General Levy			2019 Municipal General Levy			Phase-In Related Tax Shift		
	2018	2019	Change	Region	Local	Combined	Region	Local	Combined	Tax Shift	
Fort Erie	288,218	302,956	5.11%	\$897	\$1,083	\$1,980	\$907	\$1,113	\$2,020	\$40	2.02%
Grimsby	508,579	551,049	8.35%	\$1,435	\$630	\$2,065	\$1,476	\$635	\$2,111	\$46	2.23%
Lincoln	623,558	680,646	9.16%	\$1,821	\$1,369	\$3,190	\$1,885	\$1,407	\$3,292	\$102	3.20%
Niagara Falls	386,790	424,895	9.85%	\$1,379	\$1,105	\$2,484	\$1,441	\$1,152	\$2,593	\$109	4.39%
Niagara-on-the-Lake	663,223	730,296	10.11%	\$1,862	\$683	\$2,545	\$1,940	\$706	\$2,646	\$101	3.97%
Pelham	441,822	475,840	7.70%	\$1,368	\$1,189	\$2,557	\$1,395	\$1,222	\$2,617	\$60	2.35%
Port Colborne	286,127	301,860	5.50%	\$963	\$1,432	\$2,395	\$975	\$1,464	\$2,439	\$44	1.84%
St. Catharines	627,648	688,462	9.69%	\$1,694	\$1,609	\$3,303	\$1,762	\$1,678	\$3,440	\$137	4.15%
Thorold	337,711	355,982	5.41%	\$936	\$967	\$1,903	\$948	\$989	\$1,937	\$34	1.79%
Wainfleet	310,317	347,025	11.83%	\$825	\$845	\$1,670	\$867	\$883	\$1,750	\$80	4.79%
Welland	311,812	337,959	8.39%	\$1,034	\$1,412	\$2,446	\$1,054	\$1,453	\$2,507	\$61	2.49%
West Lincoln	406,763	453,746	11.55%	\$1,228	\$747	\$1,975	\$1,276	\$768	\$2,044	\$69	3.49%
Niagara Region	467,487	512,385	9.60%	\$1,374	\$1,002	\$2,376	\$1,423	\$1,033	\$2,456	\$80	3.37%

Interpretation Note:
This table shows the average assessment and corresponding taxes for all properties with a farm classification. It considers single portion farms and all elements of multi-portion farm properties.



New Agri-Food Business Subclasses for Farm Properties

As part of the previous Government's *2017 Ontario Economic Outlook and Fiscal Review (Fall Budget)*, The Minister of Finance announced that new property sub-classes would be introduced to facilitate special treatment of commercial and industrial improvements on farm properties. These new sub-classes are *optional for municipal purposes* and are intended to give municipalities a means of incenting / supporting small scale Agri-Food enterprises.

It was announced that these sub-classes would apply for education purposes, regardless of whether a municipality chooses to participate. This means that local municipalities will be required to administer these new sub-classes even if they do not use them for municipal tax purposes.

The following has been prepared to provide staff and decision makers with a measure of general insight regarding the purpose, nature and potential financial implications of these new sub-classes.

As MPAC did not include these property portions on the roll as returned for 2019 it is not possible to incorporate these new sub-classes into a fully realized tax policy model. Instead, we have prepared a general qualitative overview to consider the purpose, structure and function of the new sub-classes.

Farm Class and New Sub-Class Overview

Currently Ontario's property assessment and taxation system includes two mandated sub-classes within each of the commercial and industrial property classes: vacant land and excess land. In simple terms, the vacant land sub-classes include complete parcels (rolls) that are classified as commercial or industrial due to zoning or historic use but which are completely absent of assessable improvements. The excess land sub-class is assigned to unused portions of improved property that exceed local zoning requirements¹.

The new farm sub-classes will also be constituent of the commercial and industrial classes but distinct from those described above in three critical ways:

- 1) They will be optional and will not apply for municipal purposes unless adopted ²;
- 2) They will only apply to commercial or industrial portions of rolls that also include a portion included in the farm property class; and
- 3) Rather than applying to a physically delineated or identifiable property or portion of property, they apply to a portion of the property's value and as such will really only exist for taxation purposes alone.

Also, with uniform class specific reductions of 75% these sub-classes will attract much larger discounts than the current sub-classes, which default at 30% and 35% for commercial and industrial respectively.

¹ For example: If zoning required two acres for a gas station and the property was 10 acres, the buildings and two acres may be assessed as full commercial and the remaining eight acres assessed as commercial excess.

² The existing sub-classes apply by default and municipalities must seek special regulatory authority to opt out.

Eligible Properties

A large proportion of *farms* as understood outside the realm of property tax are made up of a farm class portion and portions that fall into other classes. The most common combination is a farm (FT) portion mixed with a residential (RT) portion associated with a farm house or other non-farm related improvements.

Some farms do have elements classified as commercial or industrial based on use. For example, if a farmer were to operate a produce market or butcher shop as part of their overall business model, the property could be made up of three separate portions: farmland, residential and commercial.

In this example the property is captured by a single roll number but made up of three separately classified and valued portions, each of which attracts distinct tax rates for both municipal and education purposes.

Element	Classification	CVA	Ratio	Rate	Tax
Farm Land & Buildings	Farm (FT)	300,000	0.25	0.25%	\$750
Home	Residential (RT)	100,000	1.00	1.00%	\$1,000
Retail Store	Commercial (CT)	125,000	1.50	1.50%	\$1,875
Property Total		525,000			\$3,625



It is understood that these new sub-classes will be exclusive to properties such as this that have a commercial or industrial portion, but which are mainly, or at least partially, assessed in the farm property class.

If adopted, the subclass would apply to the first 50,000 of the commercial CVA, thereby splitting the property into four portions rather than three. The following table illustrates the impact on our hypothetical example.

Element	Classification	CVA	Ratio	Discount	Rate	Tax
Farm Land & Buildings	Farm (FT)	300,000	0.25	1.00	0.25%	\$750
Home	Residential (RT)	100,000	1.00	1.00	1.00%	\$1,000
Retail Store	<i>Commercial</i>					
	Agri-Food Sub-Class	50,000	1.50	0.25	0.38%	\$188
	Fully Occupied	75,000	1.50	1.00	1.50%	\$1,125
Property Total		525,000				\$3,063
Without Sub-Class		525,000				\$3,625
Tax Savings			0			-\$563

As noted above, the application of this new treatment should not impact the overall assessment of the commercial (industrial) element or any other portion of the property. Also, unlike portions classified into one of the vacant or excess land sub-classes, the eligible element cannot be physically delineated or identified separately from the greater commercial (industrial portion).

What will really happen is that the value of the commercial portion will be split and a lower rate of taxation will be applied to the first 50,000. If the business class portion as a whole was assessed at less than 50,000 it would be captured solely by the sub-class.

As the program was conceived to be an incentive/benefit for small-scale commercial and industrial operations that are ostensibly ancillary to farming operations, they will place a ceiling of 1,000,000 of CVA on the overall value of eligible portions. As such, if our example property included a large scale industrial processing operation with over 1,000,000 in CVA, the sub-class would not apply.

This limitation is intended to ensure a level playing field among larger on-farm and off-farm commercial and industrial enterprises.

Nature of Enterprise

These sub-classes will not capture all on-farm business activities. The Regulation restricts the application to commercial and industrial activities that are derivative of the broader farm operation. Specifically, commercial and industrial activities must meet the following eligibility criteria.

Commercial: Land used primarily to sell farm products, or a product derived from a farm product or products, that are produced on the land or on land used to carry on the same farming business.

Industrial: Land used primarily to process, or manufacture something from, a farm product or products that are produced on the land or on land used to carry on the same farming business.

Although this seems to be consistent with the spirit and intent of introducing these new sub-classes we suspect that these criteria will prove exceptionally problematic. Of primary concern is the time and resources that it will take to identify and confirm the nature of each enterprise. If the Province had simply left it at on-farm commercial and industrial improvements, the new sub-classes could have been implemented easily without the need to identify what was actually going on at each site.

We anticipate this will result in implementation problems and delays and is also ripe for endless disputes and appeals over what is, and what is not, a derivative activity. Unfortunately such disputes will consume already scarce assessment resources and create additional and unnecessary points of potential frustration and conflict. Further, when we consider the quantum of tax involved here (+/- less than \$700 per property), the effort and complications involved may far outweigh any benefit for taxpayers or to the overall taxation system.

PART FIVE: TAX POLICY SENSITIVITY ANALYSIS

For 2019, the *Municipal Act* continues to provide upper and single-tier municipalities with a range of tax policy tools that may be used to alter the distribution of the tax burden both within and between tax classes. The following tools may be used to change or achieve local tax policy objectives, target the benefits of growth, or redistribute the impacts of assessment change.³

1. Tax ratios may be adjusted to affect the level of taxation on different tax classes;
2. Optional business property classes may be employed or collapsed to alter taxation within broad commercial or industrial tax classes;
3. Sub-class discounts for vacant and excess land may be adjusted;
4. Graduated taxation schemes for the business classes can be used to impose higher rates of taxation on properties with higher current value assessment in order to provide tax relief on properties with lower assessed values.

A comprehensive examination of tax ratios and a relevant sensitivity analysis should be undertaken each year. Specific examination of the use of optional tax classes and graduated taxation are generally only required if these options are being actively considered. After considering the contents of this report Council may wish to further explore the utility and application of these alternate apportionment and mitigation strategies.

Moving Tax Ratios

Single-tier municipalities are required to establish tax ratios for the multi-residential, commercial, industrial, landfill and pipeline classes prior to finalizing tax rates for the current year's tax cycle. Established ratios will ultimately govern the relationship between the rate of taxation for each affected class and the tax rate for the residential property class.

The tax ratio for the residential class is legislated at 1.0, while the farm and managed forest classes have a prescribed tax ratio of 0.25. Municipalities do have the flexibility to set a tax ratio for the farm class that is below 0.25, however, this reduction would only apply to the municipal portion of the property tax bill.

In setting tax ratios for all other property classes, municipalities must do so within the guidelines prescribed by the Province. Council may choose to adopt: (1) either the current tax ratio for any class (2018 adopted or 2019 starting ratio where levy restriction and/or optional classes applied in 2018), (2) establish a new tax ratio for the year that is closer to or within the Range of Fairness, as shown in Table 30; or (3) utilize restated revenue neutral transition ratios to mitigate reassessment related tax shifts between classes in accordance with the regulated calculations.

³ The by-law deadlines for many tax policy decisions is December 31st of the subject taxation year.

Table 30
Tax Ratio Summary

Realty Tax Class	2018 Ratios	2019 Start Ratios	Ranges of Fairness		Threshold Ratios	
			Lower Limit	Upper Limit	Threshold	Subject to Levy Restriction
Residential	1.000000	1.000000	1.00	1.00	-	N/A
Farm	0.250000	0.250000	0.00	0.25	-	N/A
Managed Forest	0.250000	0.250000	0.25	0.25	-	N/A
New Multi-Residential	1.000000	1.000000	1.00	1.10	-	N/A
Multi-Residential	1.970000	1.970000	1.00	1.10	2.00	No
Commercial	1.734900	1.734900	0.60	1.10	1.98	No
Industrial	2.630000	2.630000	0.60	1.10	2.63	No
Landfill	2.940261	2.940261	0.60	1.10	25.00	No
Pipeline	1.702100	1.702100	0.60	0.70	-	N/A

Where Optional Classes Apply

Where a municipality has elected to use optional tax classes, changes to tax ratios are regulated based on the relationship of the municipality's broad class ratios (the weighted average of commercial, shopping centre, office, and parking lot is equivalent to the broad commercial class, and industrial and large industrial are deemed to be the broad industrial class).

Council must ensure that the weighted average broad class ratio for the current year does not exceed the broad class ratio for the prior year. To strictly comply with the provisions of Section 308 of the *Municipal Act*, adjustments to tax ratios may be required for the commercial and industrial tax classes.

The legislated deadline that previously applied to the creation of new, or the collapsing of existing optional classes, has now been eliminated, however, municipalities that intend to make a change to the class structure need to make this decision before any tax rate or ratio by-laws can be passed. It is also critical to provide the Province with as much advanced notice of any such change, as it could impact the manner in which education tax rates are calculated and/or regulated for the taxation year.

Tax Ratios and Balance of Taxation

Tax ratios govern the tax rate of each property class in relation to the tax rate for the residential property class. Ontario's tax ratio system is not simply about expressing the relationship among tax rates, the real function of tax ratios is to manipulate the balance of taxation among property classes.

Tax ratios effectively alter the weighting, or distribution of the tax burden compared to how the total levy would be shared if each dollar of CVA was treated equally. Table 31 shows how the share of tax differs from the share of assessment for each class in accordance with the municipality's starting ratios for the year. The more dramatic the ratio, the larger the difference between the share of assessment and share of tax each class carries. By changing tax ratios, the municipality can influence and alter this balance.

**Table 31
Balance of Taxation**

Realty Tax Class	Assessment		General Levy	
	2019 CVA	%	2019 Tax	%
<i>Taxable</i>				
Residential	46,877,880,220	79.06%	\$255,643,196	71.27%
Farm	2,199,003,701	3.71%	\$3,000,078	0.84%
Managed Forest	13,907,719	0.02%	\$18,975	0.01%
New Multi-Residential	144,085,061	0.24%	\$786,297	0.22%
Multi-Residential	1,346,916,747	2.27%	\$14,480,189	4.04%
Commercial	6,954,686,379	11.73%	\$64,796,932	18.06%
Industrial	839,898,339	1.42%	\$11,434,577	3.19%
Landfill	3,536,625	0.01%	\$56,746	0.02%
Pipeline	240,756,173	0.41%	\$2,236,301	0.62%
Sub-Total Taxable	58,620,670,964	98.87%	\$352,453,291	98.26%
<i>Payment in Lieu</i>				
Residential	32,039,644	0.05%	\$174,847	0.05%
Farm	461,250	0.00%	\$629	0.00%
Commercial	624,897,194	1.05%	\$5,873,532	1.64%
Industrial	12,594,937	0.02%	\$167,080	0.05%
Landfill	1,481,925	0.00%	\$23,778	0.01%
Sub-Total PIL	671,474,950	1.13%	\$6,239,866	1.74%
Total (Taxable + PIL)	59,292,145,914	100.00%	\$358,693,157	100.00%

Discussion and Explanation

The assistance of Municipal Tax Equity (MTE) Consultants Inc. has been sought by the Region of Niagara to generate tax rates and corresponding levy amounts which may be under consideration for 2019.

In preparing these results, MTE has relied on the following general parameters:

1. The 2019 start ratios as documented in Table 16 of the municipality's 2019 Tax Policy Study dated January 16, 2019;
2. A 2019 revenue neutral general levy of \$352,453,424;
3. A 2019 target levy of \$365,725,637;
4. Tax amounts represent CVA taxes, no capping adjustments have been applied; and
5. Tax rate calculations performed are based on taxable only and exclude grantable (payment in lieu) assessment, as requested by the municipality.

Scenario 1 has been prepared to set out the impact of the levy increase using status quo ratios. The results of this model have been documented in the following tables.

Table 1-A summarizes the full class municipal purpose tax rates and the 2019 tax rate increase required to raise the levy requirement using status quo tax ratios.

Table 1-A
2019 Tax Ratios and General Tax Rates
(Start Ratios)

Realty Tax Class	Start Ratios	General Levy Tax Rates		
		Status Quo	Model	Change
Residential	1.000000	0.00545717	0.00566267	3.77%
Farm	0.250000	0.00136429	0.00141567	3.77%
Managed Forest	0.250000	0.00136429	0.00141567	3.77%
New Multi-Residential	1.000000	0.00545717	0.00566267	3.77%
Multi-Residential	1.970000	0.01075062	0.01115546	3.77%
Commercial	1.734900	0.00946764	0.00982417	3.77%
Industrial	2.630000	0.01435236	0.01489282	3.77%
Landfill	2.940261	0.01604550	0.01664973	3.77%
Pipeline	1.702100	0.00928865	0.00963843	3.77%

Table 1-B has been prepared to summarize the Region's revenue neutral (base) levy and full levy using status quo tax ratios and the tax rates set out in Table 1-A.

Table 1-B
2019 Regional General Levy Increase
(Start Ratios)

Realty Tax Class	2019 General Levy		Levy Increase	
	Revenue Neutral	Target Levy	\$	%
<i>Taxable</i>				
Residential	\$255,643,196	\$265,269,922	\$9,626,726	3.77%
Farm	\$3,000,078	\$3,113,064	\$112,986	3.77%
Managed Forest	\$18,975	\$19,689	\$714	3.76%
New Multi-Residential	\$786,297	\$815,906	\$29,609	3.77%
Multi-Residential	\$14,480,189	\$15,025,476	\$545,287	3.77%
Commercial	\$64,796,932	\$67,237,038	\$2,440,106	3.77%
Industrial	\$11,434,577	\$11,865,165	\$430,588	3.77%
Landfill	\$56,746	\$58,884	\$2,138	3.77%
Pipeline	\$2,236,301	\$2,320,512	\$84,211	3.77%
Sub-Total Taxable	\$352,453,291	\$365,725,656	\$13,272,365	3.77%
<i>Payment in Lieu</i>				
Residential	\$174,847	\$181,430	\$6,583	3.77%
Farm	\$629	\$653	\$24	3.82%
Commercial	\$5,873,532	\$6,094,719	\$221,187	3.77%
Industrial	\$167,080	\$173,372	\$6,292	3.77%
Landfill	\$23,778	\$24,674	\$896	3.77%
Sub-Total PIL	\$6,239,866	\$6,474,848	\$234,982	3.77%
Total (Taxable + PIL)	\$358,693,157	\$372,200,504	\$13,507,347	3.77%

Table 1-C documents the net year-over-year tax change by class before and after the levy increase is applied. Status quo starting ratios are applied in both instances.

Table 1-C
2019 Regional General Levy and Year-Over-Year Tax Change

Realty Tax Class	2018 As Revised	Revenue Neutral		Target Levy	
		\$	%	\$	%
<i>Taxable</i>					
Residential	\$256,369,618	-\$726,422	-0.28%	\$8,900,304	3.47%
Farm	\$2,801,577	\$198,501	7.09%	\$311,487	11.12%
Managed Forest	\$18,205	\$770	4.23%	\$1,484	8.15%
New Multi-Residential	\$780,797	\$5,500	0.70%	\$35,109	4.50%
Multi-Residential	\$14,547,107	-\$66,918	-0.46%	\$478,369	3.29%
Commercial	\$64,130,454	\$666,478	1.04%	\$3,106,584	4.84%
Industrial	\$11,482,587	-\$48,010	-0.42%	\$382,578	3.33%
Landfill	\$57,780	-\$1,034	-1.79%	\$1,104	1.91%
Pipeline	\$2,265,299	-\$28,998	-1.28%	\$55,213	2.44%
Sub-Total Taxable	\$352,453,424	-\$133	0.00%	\$13,272,232	3.77%
<i>Payment in Lieu</i>					
Residential	\$167,300	\$7,547	4.51%	\$14,130	8.45%
Farm	\$612	\$17	2.78%	\$41	6.70%
Commercial	\$5,947,061	-\$73,529	-1.24%	\$147,658	2.48%
Industrial	\$156,900	\$10,180	6.49%	\$16,472	10.50%
Landfill	\$20,973	\$2,805	13.37%	\$3,701	17.65%
Sub-Total PIL	\$6,292,846	-\$52,980	-0.84%	\$182,002	2.89%
Total (Taxable + PIL)	\$358,746,270	-\$53,113	-0.01%	\$13,454,234	3.75%

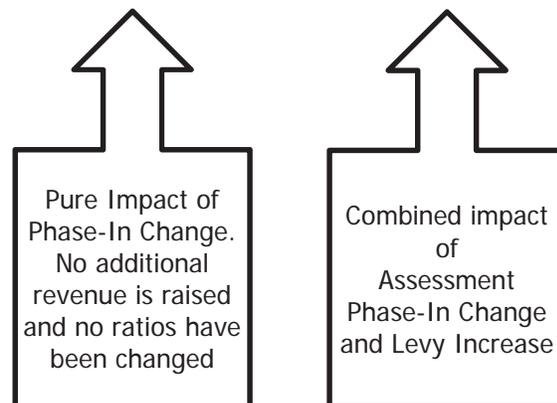


Table 1-D has been prepared to summarize the Region's revenue neutral (base) levy and full levy using status quo tax ratios by local municipality. Table 1-E documents the net year-over-year tax change by municipality before and after the levy increase is applied. Status quo starting ratios are applied in both instances.

Table 1-D
Regional General Levy Sensitivity
(In comparison to 2019 Base-Line Levy)

Local Municipality	Regional Levy		Difference	
	Revenue Neutral	Target Levy	\$	%
Fort Erie	\$22,072,979	\$22,904,183	\$831,204	3.77%
Grimsby	\$26,414,076	\$27,408,753	\$994,677	3.77%
Lincoln	\$20,591,427	\$21,366,842	\$775,415	3.77%
Niagara Falls	\$74,370,381	\$77,170,956	\$2,800,575	3.77%
Niagara-on-the-Lake	\$30,313,217	\$31,454,724	\$1,141,507	3.77%
Pelham	\$14,611,236	\$15,161,450	\$550,214	3.77%
Port Colborne	\$11,484,857	\$11,917,344	\$432,487	3.77%
St. Catharines	\$93,556,655	\$97,079,729	\$3,523,074	3.77%
Thorold	\$14,018,740	\$14,546,646	\$527,906	3.77%
Wainfleet	\$5,309,361	\$5,509,296	\$199,935	3.77%
Welland	\$28,758,816	\$29,841,789	\$1,082,973	3.77%
West Lincoln	\$10,951,546	\$11,363,949	\$412,403	3.77%
Niagara Region	\$352,453,291	\$365,725,661	\$13,272,370	3.77%

Table 1-E
Regional General Levy Sensitivity / Year-Over-Year Tax Change
(In comparison to 2018 Year-End Levy)

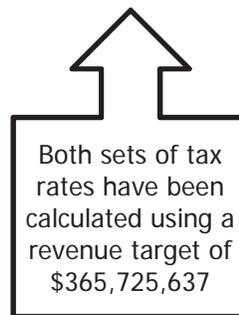
Local Municipality	2018 As Revised	Revenue Neutral		Target Levy	
		\$	%	\$	%
Fort Erie	\$22,428,328	-\$355,349	-1.58%	\$475,855	2.12%
Grimsby	\$25,883,857	\$530,219	2.05%	\$1,524,896	5.89%
Lincoln	\$20,443,857	\$147,570	0.72%	\$922,985	4.51%
Niagara Falls	\$74,209,801	\$160,580	0.22%	\$2,961,155	3.99%
Niagara-on-the-Lake	\$30,082,399	\$230,818	0.77%	\$1,372,325	4.56%
Pelham	\$14,718,064	-\$106,828	-0.73%	\$443,386	3.01%
Port Colborne	\$11,599,092	-\$114,235	-0.98%	\$318,252	2.74%
St. Catharines	\$93,802,595	-\$245,940	-0.26%	\$3,277,134	3.49%
Thorold	\$14,142,691	-\$123,951	-0.88%	\$403,955	2.86%
Wainfleet	\$5,281,328	\$28,033	0.53%	\$227,968	4.32%
Welland	\$29,032,299	-\$273,483	-0.94%	\$809,490	2.79%
West Lincoln	\$10,829,113	\$122,433	1.13%	\$534,836	4.94%
Niagara Region	\$352,453,424	-\$133	0.00%	\$13,272,237	3.77%

Scenario 3 has been prepared to document the impact of utilizing 50% of the negative residential shift at revenue neutral to reduce the multi-residential ratio. All classes share equally in the levy increase.

Table 3-A summarizes both the status quo starting ratios and the alternate ratios applied in this model; only the multi-residential ratio has been adjusted. This table also contains the full class municipal purpose tax rates required to raise the levy target using both the start and modified ratios.

Table 3-A
2019 Tax Ratios and Municipal Purpose Tax Rates
(To Raise Target Levy)

Realty Tax Class	Tax Ratios			General Levy Tax Rates		
	Start	Model	Change	Start	Model	Change
Residential	1.000000	1.000000	0.00%	0.00566267	0.00567071	0.14%
Farm	0.250000	0.250000	0.00%	0.00141567	0.00141768	0.14%
Managed Forest	0.250000	0.250000	0.00%	0.00141567	0.00141768	0.14%
New Multi-Residential	1.000000	1.000000	0.00%	0.00566267	0.00567071	0.14%
Multi-Residential	1.970000	1.902000	-3.45%	0.01115546	0.01078569	-3.31%
Commercial	1.734900	1.734900	0.00%	0.00982417	0.00983811	0.14%
Industrial	2.630000	2.630000	0.00%	0.01489282	0.01491397	0.14%
Landfill	2.940261	2.940261	0.00%	0.01664973	0.01667337	0.14%
Pipeline	1.702100	1.702100	0.00%	0.00963843	0.00965212	0.14%



Both sets of tax rates have been calculated using a revenue target of \$365,725,637

Table 3-B summarizes the 2019 municipal levy model prepared using the reduced multi-residential ratio.

Table 3-C compares that base-line, status-quo levy model with this revised model.

Table 3-B
2019 Regional General Levy Increase
(Reduced Multi-Residential Ratio)

Realty Tax Class	2019 General Levy		Levy Increase	
	Revenue Neutral	Levy Target	\$	%
<i>Taxable</i>				
Residential	\$256,006,250	\$265,646,559	\$9,640,311	3.77%
Farm	\$3,004,345	\$3,117,484	\$113,139	3.77%
Managed Forest	\$19,001	\$19,717	\$716	3.77%
New Multi-Residential	\$787,414	\$817,065	\$29,651	3.77%
Multi-Residential	\$14,000,230	\$14,527,426	\$527,197	3.77%
Commercial	\$64,888,976	\$67,332,445	\$2,443,462	3.77%
Industrial	\$11,450,813	\$11,882,014	\$431,200	3.77%
Landfill	\$56,827	\$58,967	\$2,140	3.77%
Pipeline	\$2,239,477	\$2,323,807	\$84,332	3.77%
Sub-Total Taxable	\$352,453,333	\$365,725,484	\$13,272,148	3.77%
<i>Payment in Lieu</i>				
Residential	\$175,091	\$181,687	\$6,593	3.77%
Farm	\$630	\$654	\$24	3.81%
Commercial	\$5,881,881	\$6,103,367	\$221,488	3.77%
Industrial	\$167,317	\$173,618	\$6,301	3.77%
Landfill	\$23,812	\$24,709	\$897	3.77%
Sub-Total PIL	\$6,248,731	\$6,484,035	\$235,303	3.77%
Total (Taxable + PIL)	\$358,702,064	\$372,209,519	\$13,507,451	3.77%

Both the revenue neutral and target levy have been calculated using the adjusted multi-residential ratio

Table 3-C
2019 Regional General Levy Interclass Shifts

Realty Tax Class	2019 General Levy		Interclass Shifts	
	Start Ratio	Alternate Model	\$	%
<i>Taxable</i>				
Residential	\$265,269,922	\$265,646,559	\$376,637	0.14%
Farm	\$3,113,064	\$3,117,484	\$4,420	0.14%
Managed Forest	\$19,689	\$19,717	\$28	0.14%
New Multi-Residential	\$815,906	\$817,065	\$1,159	0.14%
Multi-Residential	\$15,025,476	\$14,527,426	-\$498,050	-3.31%
Commercial	\$67,237,038	\$67,332,445	\$95,407	0.14%
Industrial	\$11,865,165	\$11,882,014	\$16,849	0.14%
Landfill	\$58,884	\$58,967	\$83	0.14%
Pipeline	\$2,320,512	\$2,323,807	\$3,295	0.14%
Sub-Total Taxable	\$365,725,656	\$365,725,484	-\$172	0.00%
<i>Payment in Lieu</i>				
Residential	\$181,430	\$181,687	\$257	0.14%
Farm	\$653	\$654	\$1	0.15%
Commercial	\$6,094,719	\$6,103,367	\$8,648	0.14%
Industrial	\$173,372	\$173,618	\$246	0.14%
Landfill	\$24,674	\$24,709	\$35	0.14%
Sub-Total PIL	\$6,474,848	\$6,484,035	\$9,187	0.14%
Total (Taxable + PIL)	\$372,200,504	\$372,209,519	\$9,015	0.00%

↑
Both models
include levy
increase

↑
Isolated impact
of pipeline tax
ratio change

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Table 3-D compares the net year-over-year tax change between the two models set out above. Both document the combined impacts of phase-in related tax change and municipal levy change; the alternate shift summary also reflects the multi-residential ratio change.

**Table 3-D
2019 Regional General Levy Year-Over-Year Tax Change**

Realty Tax Class	2018 As Revised	Start Ratio		Alternate Model	
		\$	%	\$	%
<i>Taxable</i>					
Residential	\$256,369,618	\$8,900,304	3.47%	\$9,276,941	3.62%
Farm	\$2,801,577	\$311,487	11.12%	\$315,907	11.28%
Managed Forest	\$18,205	\$1,484	8.15%	\$1,512	8.31%
New Multi-Residential	\$780,797	\$35,109	4.50%	\$36,268	4.64%
Multi-Residential	\$14,547,107	\$478,369	3.29%	-\$19,681	-0.14%
Commercial	\$64,130,454	\$3,106,584	4.84%	\$3,201,991	4.99%
Industrial	\$11,482,587	\$382,578	3.33%	\$399,427	3.48%
Landfill	\$57,780	\$1,104	1.91%	\$1,187	2.05%
Pipeline	\$2,265,299	\$55,213	2.44%	\$58,508	2.58%
Sub-Total Taxable	\$352,453,424	\$13,272,232	3.77%	\$13,272,060	3.77%
<i>Payment in Lieu</i>					
Residential	\$167,300	\$14,130	8.45%	\$14,387	8.60%
Farm	\$612	\$41	6.70%	\$42	6.86%
Commercial	\$5,947,061	\$147,658	2.48%	\$156,306	2.63%
Industrial	\$156,900	\$16,472	10.50%	\$16,718	10.66%
Landfill	\$20,973	\$3,701	17.65%	\$3,736	17.81%
Sub-Total PIL	\$6,292,846	\$182,002	2.89%	\$191,189	3.04%
Total (Taxable + PIL)	\$358,746,270	\$13,454,234	3.75%	\$13,463,249	3.75%

Table 3-E compares the base-line, status-quo levy model with the alternate model. Table 3-F compares the net year-over-year tax change between the two models. Both document the combined impacts of phase-in related tax change and regional levy change; the alternate shift summary also reflects the multi-residential ratio change.

Table 3-E
Regional General Levy Sensitivity
(In comparison to 2019 Base-Line Levy)

Local Municipality	Regional Levy		Difference	
	Start Ratio	Model	\$	%
Fort Erie	\$22,904,183	\$22,921,389	\$17,206	0.08%
Grimsby	\$27,408,753	\$27,436,488	\$27,735	0.10%
Lincoln	\$21,366,842	\$21,389,118	\$22,276	0.10%
Niagara Falls	\$77,170,956	\$77,162,857	-\$8,099	-0.01%
Niagara-on-the-Lake	\$31,454,724	\$31,493,800	\$39,076	0.12%
Pelham	\$15,161,450	\$15,176,195	\$14,745	0.10%
Port Colborne	\$11,917,344	\$11,919,324	\$1,980	0.02%
St. Catharines	\$97,079,729	\$96,958,487	-\$121,242	-0.12%
Thorold	\$14,546,646	\$14,551,360	\$4,714	0.03%
Wainfleet	\$5,509,296	\$5,516,941	\$7,645	0.14%
Welland	\$29,841,789	\$29,822,088	-\$19,701	-0.07%
West Lincoln	\$11,363,949	\$11,377,440	\$13,491	0.12%
Niagara Region	\$365,725,661	\$365,725,487	-\$174	0.00%

Table 3-F
Regional General Levy Sensitivity / Year-Over-Year Tax Change
(In comparison to 2018 Year-End Levy)

Local Municipality	2018 As Revised	Status Quo		Alternate Model	
		\$	%	\$	%
Fort Erie	\$22,428,328	\$475,855	2.12%	\$493,061	2.20%
Grimsby	\$25,883,857	\$1,524,896	5.89%	\$1,552,631	6.00%
Lincoln	\$20,443,857	\$922,985	4.51%	\$945,261	4.62%
Niagara Falls	\$74,209,801	\$2,961,155	3.99%	\$2,953,056	3.98%
Niagara-on-the-Lake	\$30,082,399	\$1,372,325	4.56%	\$1,411,401	4.69%
Pelham	\$14,718,064	\$443,386	3.01%	\$458,131	3.11%
Port Colborne	\$11,599,092	\$318,252	2.74%	\$320,232	2.76%
St. Catharines	\$93,802,595	\$3,277,134	3.49%	\$3,155,892	3.36%
Thorold	\$14,142,691	\$403,955	2.86%	\$408,669	2.89%
Wainfleet	\$5,281,328	\$227,968	4.32%	\$235,613	4.46%
Welland	\$29,032,299	\$809,490	2.79%	\$789,789	2.72%
West Lincoln	\$10,829,113	\$534,836	4.94%	\$548,327	5.06%
Niagara Region	\$352,453,424	\$13,272,237	3.77%	\$13,272,063	3.77%

Effects of Levy Restriction

Section 311 of the *Municipal Act* mandates that where a municipality's tax ratio for any of the multi-residential, or broad commercial and industrial classes is above the Provincial "threshold", the class is deemed to be *levy restricted* and is protected from the full effect of any municipal budgetary increase. When this circumstance prevails a larger share of levy change is absorbed by the unrestricted classes.

Table 30 includes a comparison of the municipality's 2018 starting tax ratios at the broad class level to the current Provincial Threshold Ratios. Where a levy restriction applies, the limitations on municipal increases must be considered relative to a specific budgetary decision. The municipality's revenue neutral tax rate, which raises the revenue limit on taxation, can be used as the benchmark.

Under certain budget increase scenarios, Council may wish to consider exercising its option to reduce the tax ratio for any restricted class(es) to or below the Provincial Threshold. By doing so, the class previously receiving the benefit of the restriction would absorb its full share of the municipality's budgetary increase. This should, however, be carefully weighed against the cost of reducing the tax ratio, which will result in tax shifts to all other classes.

The Region of Niagara is not subject to levy restriction in any class.

PART SIX: OTHER REVENUE AND LEVIES

Provincial Education Taxes

While municipalities levy and collect the education portion of the property tax bill, they have no authority over the tax rates employed for this purpose. Since 1998, education tax rates have been regulated by the Minister of Finance on an annual basis. Uniform education tax rates have been prescribed for properties in residential, multi-residential, farm and managed forest property classes, which apply across the entire province. Traditionally, annual adjustments to the uniform residential education rate have been made to maintain approximate revenue neutrality on a Province-wide basis; it will inevitably impact overall tax levels within each municipal jurisdiction, depending on how values in each area have behaved relative to Province-wide phase-in change averages.

The Province also prescribes business education (BET) rates, however, these are set at a unique level for each upper and single-tier jurisdiction. From 1998 through 2007, the Province attempted to maintain revenue neutrality at the single and upper-tier municipal level when setting education tax rates for the business classes, which meant municipal specific adjustments in reassessment years and rate freezes for non-reassessment years. This changed, however, in 2008 at which time the Minister of Finance began a migration towards uniform commercial and industrial education tax rates. This migration was slowed as of 2011, however, some progress has been made since and the schedule of rates for each year is shown below.

BET Annual Target and Ceiling Rates

Year	Uniform Residential Education Rate	Uniform Farm / Forest Education Rates	Target BET Rates (C&I)	Maximum BET Rates	
				Commercial	Industrial
2008	0.00264000	0.00066000	1.60%	2.50%	3.00%
2009	0.00252000	0.00063000	1.52%	2.30%	2.70%
2010	0.00241000	0.00060250	1.43%	2.15%	2.45%
2011	0.00231000	0.00057750	1.33%	1.73%	1.93%
2012	0.00221000	0.00055250	1.26%	1.49%	1.59%
2013	0.00212000	0.00053000	1.26%	1.49%	1.59%
2014	0.00203000	0.00050750	1.22%	1.46%	1.56%
2015	0.00195000	0.00048750	1.19%	1.43%	1.53%
2016	0.00188000	0.00047000	1.18%	1.40%	1.50%
2017	0.00179000	0.00044750	1.14%	1.39%	1.39%
2018	0.00170000	0.00042500	1.09%	1.34%	1.34%
2019	NOT YET ANNOUNCED OR REGULATED				

Treatment of "New Construction" Properties

Certain business properties may also receive special tax treatment for education purposes if they are eligible for inclusion in one of the "new construction" classes.

- Commercial New Construction: commercial residual, shopping centre or office building.
- Industrial New Construction: industrial residual or large industrial.

The five new construction property classes are based on the same criteria as their traditional counterpart classes, and are subject to differential treatment for education tax purposes only.

2019 Education Tax Rates Not Available as of Publication

As of the date of publication the Province has not announced or published any details regarding 2019 education tax rates. While rates have yet to be spoken about, the Province did publish its education property tax revenue projections as part of its Fall Economic Outlook and Fiscal Review, published on November 15th. The revenue estimates used are consistent with projections from the previous Government's spring budget and suggest a status quo approach to rate setting.

Based on this information, MTE has calculated hypothetical 2019 education tax rates using historic protocols traditionally employed by the Ministry of Finance in setting these rates. The purpose of this exercise is simply to illustrate how the local education levy may change on a year-over-year basis if a status-quo approach is utilized in the setting of these rates for 2019.

Table 37
2018 vs. 2019 Hypothetical Education Levy

Realty Tax Class	Education Levy		Difference	
	2018 as Revised	2019 as Returned	\$	%
<i>Taxable</i>				
Residential	\$76,924,700	\$75,959,200	-\$965,500	-1.26%
Farm	\$840,000	\$890,800	\$50,800	6.05%
Managed Forest	\$5,500	\$5,600	\$100	1.82%
New Multi-Residential	\$234,100	\$233,400	-\$700	-0.30%
Multi-Residential	\$2,213,700	\$2,182,000	-\$31,700	-1.43%
Commercial	\$64,305,400	\$65,013,500	\$708,100	1.10%
Commercial New Construction	\$7,868,700	\$8,009,900	\$141,200	1.79%
Industrial	\$9,008,600	\$9,067,500	\$58,900	0.65%
Industrial New Construction	\$1,175,300	\$1,160,300	-\$15,000	-1.28%
Landfill	\$84,300	\$84,300	\$0	0.00%
Pipeline	\$2,558,100	\$2,527,900	-\$30,200	-1.18%
Total (Taxable + PIL)	\$165,218,400	\$165,134,400	-\$84,000	-0.05%

Results based on Speculative / Estimated Tax Rates and are provided for illustrative purposes only.

The results contained in Table 37 could be impacted by a host of factors once final education tax rates are levied for 2019 including, but not limited to:

- Differences in data/methodology employed by the Ministry in setting tax rates;
- A decision to freeze or even increase education tax rates for 2019;
- A change in the treatment of sub-classes for education purposes; or
- A wholesale change of some description to the manner in which these rates are set or education taxes levied.

One of the reasons we chose to prepare estimated tax rates based on historic protocol was to facilitate the quantification of local impacts should a change in methodology be adopted.

Linear Properties

Unlike the types of properties discussed in preceding elements of this report, railway and power utility lands (commonly known as linear properties) are taxed on the basis of area rather than market value. To facilitate this from an assessment perspective linear properties are returned on the roll with an acreage area rather than a CVA. The tax liability of each property is calculated by applying Provincially regulated rates per acre by the reported area.

The rates per acre prescribed for municipal and education purposes are set out by geographic region in *Ontario Regulations 387/98* and *392/98* respectively. A summary of the current rates for each property type and levy is contained in Table 38. As only a single municipal rate is prescribed, municipalities within two-tier jurisdictions must calculate the upper-tier and local shares of the revenue within the context of their broader “banking” function. In its simplest form, the sharing formula relies on the proportional share each tier collects from the commercial property class.

The treatment of these properties for education purposes, and the manner in which the education portion raised is shared, varies depending on the ownership and tax status of each specific property. The education portion is remitted to the school boards unless local retention is explicitly provided for. Properties coded with an RTQ of “G” do not attract an education rate.

Table 39 provides a summary of the linear properties in each local municipality. Particular attention should be paid to the addition of the new Shortline Railway classification. These applied for 2018, but were not reflected on the original roll as returned. The reader will note that these Shortline Railways are exempt from the municipal rate increases imposed in 2017 and again in 2018 and are therefore subject to a lower rate per acre.

Table 38
Rate per Acre Summary

Linear Property Type	2018 Rates Per Acre	
	Municipal	Education
Utility Corridors	396.09	436.50
Railway Right-of-Way	277.83	291.60
Shortline Railway Right-of-Way	264.83	291.60

Linear Rate Critical Notes

The rates utilized herein are those most recently regulated by the Ministry of Finance. It is unknown if rates will be updated for 2019. Municipalities must confirm final application of rates prior to billing.

Table 40 has been prepared to assist the municipality in quantifying the revenue that may be collected from these properties. These results are summarized by local municipality and RTC-Q. The retention of education levy amounts is discussed further in this report.

Table 39
Linear Property Summary

Local Municipality	RTC/ RTQ	Category	2018 Roll Return		2018 Revised / 2019 Roll Return	
			Count	Acreage	Count	Acreage
Fort Erie	WT	Railway	2	263.67	2	263.67
	UT	Utility	3	74.57	3	76.07
Grimsby	WT	Railway	2	105.24	2	105.24
	UH	Utility	1	91.70	1	91.70
Lincoln	WT	Railway	1	150.69	1	150.69
	UH	Utility	1	246.76	1	246.76
Niagara Falls	WT	Railway	2	339.72	2	339.72
	UT	Utility	1	19.89	1	19.89
	UH	Utility	1	739.63	1	729.21
NOTL	UH	Utility	1	0.44	1	0.44
Pelham	WT	Railway	1	62.01	1	62.01
	UH	Utility	1	398.34	1	398.34
Port Colborne	WT	Railway	2	149.14	2	149.14
	WF	Railway	4	145.83	1	96.13
	BT	Shortline Rail	0	0.00	3	49.70
St. Catharines	WT	Railway	2	176.77	1	107.07
	BT	Shortline Rail	0	0.00	2	69.70
	UH	Utility	1	102.15	1	102.15
Thorold	WT	Railway	2	244.97	1	124.47
	BT	Shortline Rail	0	0.00	2	120.50
	UH	Utility	1	547.76	1	547.76
Wainfleet	WT	Railway	5	221.02	3	160.02
	BT	Shortline Rail	0	0.00	2	61.00
Welland	WT	Railway	5	223.80	2	51.35
	BT	Shortline Rail	0	0.00	3	172.45
	UH	Utility	1	143.66	1	143.66
West Lincoln	WT	Railway	1	146.00	1	146.00
	UH	Utility	1	1,123.09	1	1,123.09
Total			42	5,716.85	44	5,707.93

Municipalities that have had shortline railways added should check to ensure all appropriate adjustments have been made.

Table 40
Linear Property Levy Summary

Local Municipality / Category	2018 Roll Return		2018 Roll Revised		Change	
	Municipal	Education	Municipal	Education	Municipal	Education
Fort Erie						
WT	\$73,255	\$76,886	\$73,255	\$76,886	\$0	\$0
UT	\$29,536	\$32,550	\$30,131	\$33,205	\$595	\$655
Grimsby						
WT	\$29,239	\$30,688	\$29,239	\$30,688	\$0	\$0
UH	\$36,321	\$40,027	\$36,321	\$40,027	\$0	\$0
Lincoln						
WT	\$41,866	\$43,941	\$41,866	\$43,941	\$0	\$0
UH	\$97,739	\$107,711	\$97,739	\$107,711	\$0	\$0
Niagara Falls						
WT	\$94,384	\$99,062	\$94,384	\$99,062	\$0	\$0
UT	\$7,878	\$8,682	\$7,878	\$8,682	\$0	\$0
UH	\$292,960	\$322,848	\$288,833	\$318,300	-\$4,127	-\$4,548
NOTL						
UH	\$174	\$192	\$174	\$192	\$0	\$0
Pelham						
WT	\$17,228	\$18,082	\$17,228	\$18,082	\$0	\$0
UH	\$157,778	\$173,875	\$157,778	\$173,875	\$0	\$0
Port Colborne						
WT	\$41,436	\$43,489	\$41,436	\$43,489	\$0	\$0
WF	\$40,516	\$42,524	\$26,708	\$28,032	-\$13,808	-\$14,492
BT	\$0	\$0	\$13,162	\$14,493	\$13,162	\$14,493
St. Catharines						
WT	\$49,112	\$51,546	\$29,747	\$31,222	-\$19,365	-\$20,324
BT	\$0	\$0	\$18,459	\$20,325	\$18,459	\$20,325
UH	\$40,461	\$44,588	\$40,461	\$44,588	\$0	\$0
Thorold						
WT	\$68,060	\$71,433	\$34,582	\$36,295	-\$33,478	-\$35,138
BT	\$0	\$0	\$31,912	\$35,138	\$31,912	\$35,138
UH	\$216,962	\$239,097	\$216,962	\$239,097	\$0	\$0
Wainfleet						
WT	\$61,406	\$64,449	\$44,458	\$46,662	-\$16,948	-\$17,787
BT	\$0	\$0	\$16,155	\$17,788	\$16,155	\$17,788
Welland						
WT	\$62,178	\$65,260	\$14,267	\$14,974	-\$47,911	-\$50,286
BT	\$0	\$0	\$45,670	\$50,286	\$45,670	\$50,286
UH	\$56,902	\$62,708	\$56,902	\$62,708	\$0	\$0
West Lincoln						
WT	\$40,563	\$42,574	\$40,563	\$42,574	\$0	\$0
UH	\$444,845	\$490,229	\$444,845	\$490,229	\$0	\$0
Total	\$2,000,799	\$2,172,441	\$1,991,115	\$2,168,551	-\$9,684	-\$3,890

It is critical for the reader to note that Table 40 is based on the linear rates regulated for the 2018 taxation year. It is unknown if or how these rates may be adjusted for 2019. If they remain unchanged, the municipality can expect its 2019 linear property levies to match the 2018 levies as revised.

Retained Education Levies for Certain Payment in Lieu Properties

Federal and Provincially owned and occupied properties are exempt from both municipal and Provincial (education) property taxes. Both levels of government do, however, maintain programs whereby payments are made to local governments in lieu of the taxes that would otherwise be applicable to property that they own and occupy.

PIL payments are made and administered under a variety of Federal and Provincial statutes and regulations, including the federal *Payment in Lieu of Taxes Act*, and Ontario's *Municipal Tax Assistance Act*, *Municipal Act, 2001*, *Assessment Act*, and various supporting regulations. This collection of statutes and regulations prescribe not only the circumstances and amounts of PILs that are made, but also the manner in which the payments are shared and distributed.

Of particular interest regarding the sharing of revenues raised against PIL properties is the fact that in certain circumstances the local municipality retains the education portion of the levy as local revenue. This is provided for under sections 2 and 3 of *Ontario Regulation 392/98*, which state that in the case of payments made under a number of specific authorities, the "education" portion is ultimately retained by the local municipality. The eligible payments captured by these rules, are those made in accordance with:

- Subsection 27 (3) of the *Assessment Act*;
- The *Municipal Grants Act (Canada)*, which may be referenced as the *Payment in Lieu of Taxes Act*; and
- Subsections 84(2), (3) or (5) of the *Electricity Act*.

Table 41 provides a speculative summary of the education levy amounts that may be raised under these authorities and which may be retained by the local municipality. As discussed above, all 2019 calculations are based on speculative / estimated tax rates and are provided for general illustrative purposes only.

Table 41
Retained Education Levy Amounts
(Based on Hypothetical 2019 Rates – For Illustrative Purposes only)

RTC/RTQ	Education Levy		Change	
	2018	2019	\$	%
<i>Fort Erie</i>				
CF	\$107,217	\$104,674	-\$2,543	-2.37%
Total Fort Erie	\$107,217	\$104,674	-\$2,543	-2.37%
<i>Grimsby</i>				
CF	\$184,317	\$194,825	\$10,508	5.70%
CH	\$12,535	\$13,550	\$1,015	8.10%
IH	\$743	\$886	\$143	19.25%
UH	\$40,027	\$40,027	\$0	0.00%
Total Grimsby	\$237,622	\$249,288	\$11,666	4.91%
<i>Lincoln</i>				
CF	\$54,477	\$54,966	\$489	0.90%
CH	\$9,785	\$10,291	\$506	5.17%
IH	\$6,977	\$7,853	\$876	12.56%
IK	\$1,004	\$1,301	\$297	29.58%
UH	\$107,711	\$107,711	\$0	0.00%
Total Lincoln	\$179,954	\$182,122	\$2,168	1.20%
<i>Niagara Falls</i>				
CF	\$237,493	\$242,440	\$4,947	2.08%
CH	\$73,452	\$77,563	\$4,111	5.60%
CJ	\$7,007	\$7,030	\$23	0.33%
CK	\$6,904	\$6,650	-\$254	-3.68%
IH	\$41,817	\$46,117	\$4,300	10.28%
IJ	\$175	\$170	-\$5	-2.86%
IK	\$2,359	\$2,708	\$349	14.79%
UH	\$322,848	\$318,300	-\$4,548	-1.41%
Total Niagara Falls	\$692,055	\$700,978	\$8,923	1.29%
<i>Niagara-on-the-Lake</i>				
CF	\$268,392	\$269,955	\$1,563	0.58%
CH	\$11,044	\$11,411	\$367	3.32%
CJ	\$1,399	\$1,390	-\$9	-0.64%
CK	\$384	\$397	\$13	3.39%
CV	\$16,783	\$17,459	\$676	4.03%
IH	\$1,702	\$1,859	\$157	9.22%
IJ	\$13,864	\$15,151	\$1,287	9.28%
UH	\$192	\$192	\$0	0.00%
Total NOTL	\$313,760	\$317,814	\$4,054	1.29%
<i>Pelham</i>				
CF	\$9,310	\$9,238	-\$72	-0.77%
IH	\$310	\$333	\$23	7.42%
UH	\$173,875	\$173,875	\$0	0.00%
Total Pelham	\$183,495	\$183,446	-\$49	-0.03%

Table 41 Continued
Retained Education Levy Amounts
(Based on Hypothetical 2019 Rates – For Illustrative Purposes only)

RTC/RTQ	Education Levy		Change	
	2018	2019	\$	%
<i>Port Colborne</i>				
CF	\$117,861	\$116,711	-\$1,150	-0.98%
IH	\$1,014	\$999	-\$15	-1.48%
WF	\$42,524	\$28,032	-\$14,492	-34.08%
Total Port Colborne	\$161,399	\$145,742	-\$15,657	-9.70%
<i>St. Catharines</i>				
CF	\$382,032	\$376,663	-\$5,369	-1.41%
CH	\$59,943	\$59,339	-\$604	-1.01%
CK	\$4,184	\$4,116	-\$68	-1.63%
IH	\$23,421	\$25,155	\$1,734	7.40%
IK	\$5,057	\$5,084	\$27	0.53%
UH	\$44,588	\$44,588	\$0	0.00%
Total St. Catharines	\$519,225	\$514,945	-\$4,280	-0.82%
<i>Thorold</i>				
CF	\$68,330	\$69,422	\$1,092	1.60%
CH	\$6,938	\$7,043	\$105	1.51%
IF	\$1,695	\$1,680	-\$15	-0.88%
IH	\$20,360	\$20,271	-\$89	-0.44%
UH	\$239,097	\$239,097	\$0	0.00%
Total Thorold	\$336,420	\$337,513	\$1,093	0.32%
<i>Wainfleet</i>				
IH	\$137	\$136	-\$1	-0.73%
Total Wainfleet	\$137	\$136	-\$1	-0.73%
<i>Welland</i>				
CF	\$103,764	\$102,189	-\$1,575	-1.52%
CH	\$13,999	\$13,485	-\$514	-3.67%
CK	\$250	\$240	-\$10	-4.00%
IH	\$6,230	\$6,401	\$171	2.74%
IJ	\$15	\$15	\$0	0.00%
HF	\$15,819	\$18,653	\$2,834	17.92%
UH	\$62,708	\$62,708	\$0	0.00%
Total Welland	\$202,785	\$203,691	\$906	0.45%
<i>West Lincoln</i>				
CF	\$21,689	\$21,205	-\$484	-2.23%
IH	\$1,306	\$1,317	\$11	0.84%
HF	\$6,636	\$6,245	-\$391	-5.89%
UH	\$490,229	\$490,229	\$0	0.00%
Total West Lincoln	\$519,860	\$518,996	-\$864	-0.17%
Total Niagara Region	\$3,453,929	\$3,459,345	\$5,416	0.16%

PART SEVEN: BUSINESS TAX CAPPING

Since 1998, property in the multi-residential, commercial and industrial tax classes have been subject to mandatory tax impact mitigation measures that are intended to protect them from year-over-year increases in taxation above maximum thresholds, exclusive of any municipal budgetary change.

Over time, a variety of modified tax capping protection regimes have been implemented, replacing earlier incarnations with more permanent forms of relief. This tradition has created a long legacy of inequity within the multi-residential, commercial and industrial tax classes, which has effectively undermined the original goals of a stable, fair, transparent, and easily administered assessment and property tax system in the Province of Ontario.

The following has been prepared as an overview of the newly expanded slate of capping tools and exit options, and to provide the municipality with an understanding of what its locally specific policy options and program outcomes may be for 2018. The first step is to discuss the options and local eligibility for immediate and/or phased opt-out. The municipality must then consider the newly expanded capping calculation options and the local implications of various strategic combinations.

Expanded Local Capping Options

The Minister of Finance passed legislation that granted municipalities more local autonomy in respect of the business tax capping program as of 2016. The increased options included the ability for municipalities to opt-out of capping altogether if no properties remained eligible for protection. Where properties remained eligible for protection, progress towards full CVA tax (assessment X applicable tax rates) could be further accelerated using the expanded and newly added calculation parameter options. These options were further enhanced and expanded as of the 2017 taxation year.

Similar to the traditional capping calculation/parameter options, the options to opt-out of the business tax capping program have been provided on a class-by-class basis, as are the constraints and limitations being imposed for their use. As such, municipalities must consider both the availability and desirability of these opt-out provisions for each of the multi-residential, commercial and industrial property classes. These options are summarized below.

Immediate Opt-Out: A municipality may exclude a class from the capping program in its entirety if no property within that class was subject to a capping adjustment as of final 2018 tax billing.

Phased Opt-Out: If properties continue to be eligible for capping adjustments, but no property classified as occupied (CT vs. CX, IT vs. IX, etc.) received a capping credit greater than 50% of its total un-capped tax liability for the previous taxation year, the municipality may initiate a staged, four-year exit plan for that class.

In addition to the opt-out and phase-out options, municipalities may also choose to limit protection levels to any outstanding capping protection related to prior reassessment cycles, while flowing through any tax increases resulting from the current reassessment. In effect, this means that taxpayers will not have historic protection removed, but new increases will not be capped.

Capping Decisions

Where a property class is eligible for immediate opt-out, and the municipality chooses this option, the implications are simple; capping will not apply to that class for the tax year in respect of which the policy option is taken, or any subsequent taxation year.

For all other property classes, including those eligible to enter a four-year phase-out, the municipality must establish a complete set of capping parameters for the year, and undertake all of the elements of the capping exercise as in the past. The phase-out will be applied by means of reducing any calculated capping protection by staged percentages. The mechanics of this program are detailed later in this section.

It is important to note that as with any change to a municipality's tax policy, opting out of capping does not apply to prior taxation years, or any adjustment made in respect of a prior taxation year. That is, if a municipality were to exclude the commercial property class for 2018, it would continue to be responsible for considering, and applying any capping protection (or claw-back) that might apply should a recalculation of taxes be required for a prior year.

For any class not eligible for immediate opt-out, or where that option is not exercised, it remains mandatory for the municipality to establish the local capping parameters via by-law before final billing can occur. The range of optional capping tools available fall into three distinct categories and any may be used on their own, or in combination, and be applied differently to each capped class. These categories are:

- 1) Calculation Parameters;
- 2) Property Specific Exclusions; and
- 3) Phase-Out and Flow-Through of Current Cycle Increases.

Calculation Parameters

The first category includes options for adjusting the parameters/thresholds applied in the capping calculation itself. Under these options, municipalities now have the flexibility to:

- Increase the annual cap from 5% of the previous year's final (annualized) capped taxes up to 10%;
- Set a second limit for annual increases of up to 10% of the previous year's annualized CVA (uncapped) taxes;
- Institute a threshold of up to \$500 for increasing properties, decreasing properties, or both. Where a threshold is set, and the difference between a property's capped tax and CVA tax is less than the threshold amount, that property is moved directly to its CVA tax destination; and/or
- For any class with no occupied properties eligible for protection in excess of 50% of CVA tax, initiate the first year of a four-year phase-out.

What is important to take note of in respect of these first two options is the fact that the 10% of Prior Year's CVA Tax limit will always exceed the maximum tax calculated against the Prior Year's Annualized Capped Tax. When the CVA tax limit was restricted to 5%, these two tests were mutually exclusive with one always being greater than the other; this is no longer the case.

Property Specific Exclusions

The second category consists of elements that can be employed to exclude properties from the cap based on the relationship between a property's "Capped tax" and "CVA tax" liability. These options, which may be adopted on their own or in combination with one another, are as follows:

- Exclude properties that reach their CVA tax destination; under this option a property is excluded from the current year's capping program if its final (capped) taxes for the previous year were equal to its CVA taxes for that year;
- Exclude properties that are subject to a cap in one year, and if it were not for the exclusion, would be subject to a claw-back in the next; and/or
- Exclude properties that are subject to claw-back in one year, and if it were not for the exclusion, would be subject to capping in the next.

Although the availability of these various tools has not eliminated all issues related to capping, their use, particularly in light of the enhancements, can be used to effectively move towards a full capping opt-out.

Phase-Out and Current Cycle Flow-Through

For properties in a class that has entered a phase-out plan, a final adjustment will be made to any amount of capping protection calculated for the year, allowing only a portion of the capping credit to flow through. For example, a property that would otherwise be entitled to a \$1,000 capping credit would only receive a \$750 credit in Year 1 of a phase-out plan; the other 25% of this credit would be *phased-out*.

The proportion of the calculated billing adjustment to be added back in, or phased-out, will be based on an annual phase-out factor that will increase from 25% to 100% over four years.

Phase-Out Year	Phase-Out Factor
Pre-Qualifying Year	Once no adjustment exceeds 50%
Year 1	25%
Year 2	33%
Year 3	50%
Year 4	100%

As a class must meet an eligibility requirement before entering Year 1 of the phase-out, the percentages change based on the program year, not the calendar year and different classes may be subject to different phase-out factors. In our example below, the hypothetical multi-residential and commercial classes are in Year 1, while the industrial class has not yet qualified for the phase-out program. If the 2019 capping campaign resulted in all occupied industrial properties being billed at greater than 50% of their CVA tax liability, the industrial class would be eligible for Year 1 treatment in 2019.

The following example has been prepared to illustrate how the phase-out will work in its simplest form. We have used the property with the lowest tax level in each class in order to illustrate how both eligibility for the phase-out and the phase-out itself function.

Illustrative Eligibility and Phase-Out Model

Capping Calculation Elements	Capped / Increasing Properties		
	Multi-Residential	Commercial	Industrial
2018 CVA Tax	\$9,000	\$9,000	\$9,000
2018 Capped Tax	\$5,000	\$8,065	\$4,000
2018 Tax Level	55%	90%	44%
2019 CVA Tax	\$9,500	\$9,500	\$9,500
Maximum Increase (10% Limit)	\$500	\$807	\$400
Pre Phase-Out Maximum Tax	\$5,500	\$8,872	\$4,400
Pre Phase-Out Billing Adjustment	-\$4,000	-\$628	-\$5,100
Threshold Test - \$500	No	No	No
Eligible for Capping Phase-Out*	Yes	Yes	No
Phase-Out Factor	25%	25%	-
Capping Phase-Out Adjustment	\$1,000	\$157	-
Final Billing Adjustment	-\$3,000	-\$471	-\$5,100
Final Capped Tax	\$6,500	\$9,029	\$4,400

**Eligibility determination made at the class, not the property level*

The option to allow current reassessment cycle increases to flow-through functions in a manner quite similar to the phase-out tool in that it layers on an additional tax increase for eligible properties after the core capping calculation has been completed.

With the traditional capping calculation, we adjust based on the relationship between the previous year's actual capped (base) tax and the current year's CVA (destination) tax. To effectively allow current cycle increases to flow-through, while continuing to provide mitigation for prior cycle increases, this new tool considers the tax change that would have occurred if the property had not been capped. The basic mechanics of this tool can be best explained by using the multi-residential property above as an illustrative example. In this simplified model, we have considered the difference between how two identical properties would experience the current cycle reassessment change if one was capped in 2018 and the other was already at its CVA tax destination.

Illustrative Example: Current Cycle Increase Flow-Through

	No 2018 Capping	Capped in 2018	
		No Flow- Through	Flow- Through
2018 CVA Tax	\$9,000	\$9,000	\$9,000
2018 Capped Tax	\$9,000	\$5,000	\$5,000
2019 CVA Tax	\$9,500	\$9,500	\$9,500
CVA Tax Change	\$500	\$500	\$500
Amount Subject to Capping	\$0	\$4,500	\$4,500
Pre Flow-Through Billing Adjustment	\$0	-\$3,000	-\$3,000
Pre Flow-Through Adjusted Tax	\$9,500	\$6,500	\$6,500
Current Cycle Flow-Through	-	-	\$500
Final Billing Adjustment	\$0	-\$3,000	-\$2,500
Final Capped Tax	\$9,500	\$6,500	\$7,000

As with all capping calculations there are a number of complications and nuances that the Provincial regulations impose, however, the general phase-out and flow-through mechanisms will see the final billing adjustments for increasing properties reduced **after** the traditional capping calculations have been completed. Where a property is deemed eligible for a phase-out, that adjustment will be the last step in the calculation and the threshold test will not be re-applied.

No Final Threshold Test for Increasing/Capped Properties

The manner in which the threshold will be applied for increasing properties is illustrated in our commercial class example above where the Pre Phase-Out billing adjustment does not meet the threshold test but the final billing adjustment does. Even though the final billing adjustment is less than \$500, we do not move the property to CVA tax after the phase-out has been applied. The logic behind this is that a taxpayer should not be moved too many steps in one year. The logic/reasoning does not give consideration to the movement of decreasing/clawed back properties, which might otherwise benefit from the increasing threshold being applied as a final test.

Understanding the Municipality's Capping Dynamics

In light of the significant number of capping options, an even broader range of possible combinations, and the potential for revenue shortfalls to materialize, undertaking a comprehensive pro forma capping analysis is an educational exercise that remains a critical element of Council's annual tax policy decision making process.

To document the implications of the options available to the municipality, MTE has modelled the effects of different combinations of these tools in an effort to ensure that these capping options are given comprehensive treatment and consideration as part of the 2018 tax policy development process.

The pro forma capping models that have been produced and presented in this section of the report are intended to give the reader an understanding as to how the overall capping dynamic will be manifested in each eligible property class this year. The models have been prepared on the following basis:

1. 2018 (final) capped tax figures are employed as the "previous year's base taxes";
2. 2019 CVA taxes are determined by applying revenue neutral tax rates for municipal purposes and 2018 actual education tax rates against the 2019 phased CVA for each property; and
3. Overall levy change is set at zero, as revenue neutral tax rates are employed.

While these results remain speculative in light of the outstanding details regarding how each specific test will be operationalized, they will provide the municipality with some valuable preliminary indications as to the potential capping outcomes for 2019, including:

1. Which, if any, classes the municipality may be able to opt-out of capping completely;
2. Which classes may be eligible for the initiation of a four-year phase-out;
3. The progress of the local capping program, where protection remains mandatory;
4. How the enhanced parameters may be applied to further accelerate properties to their full CVA tax; and
5. Where preliminary results indicate undesirable, or less than ideal outcomes could materialize as part of the actual 2018 capping campaign, this "early warning" allows for the exploration and modelling of alternative options and/or cost recovery strategies.

Preliminary Pro forma Results

As the availability of some policy options depends on the current or anticipated state of the local capping program, Table 42 has been prepared to summarize what the municipality's range of options may be for 2019.

**Table 42
2019 Capping Options**

	Multi- Residential	Commercial	Industrial
<i>Full Opt-Out</i>			
Number of Properties Protected for 2018	0	2	0
Anticipated Protected Property Count for 2019	0	0	0
Eligible for Full / Immediate Opt-Out	✓	✗	✓
<i>Program Phase-Out</i>			
Minimum Tax Level in 2018	-	92%	-
Eligible for Four-Year Phase-Out	-	Y3	-
<i>Flow-Through Current Cycle Increase</i>			
	-	✓	-
<i>Calculation Parameters and Limits</i>			
0% - 10% of Prior Year's CVA Tax Limit	-	✓	-
5% - 10% of Prior Year's Capped Tax Limit	-	✓	-
\$0 - \$500 Threshold: Increasing Properties	-	✓	-
\$0 - \$500 Threshold: Decreasing Properties	-	✓	-
<i>Property Specific Exclusions</i>			
At CVA Tax Exclusion Option	-	✓	-
Cross CVA Tax Exclusion – Claw-back to Cap	-	✓	-
Cross CVA Tax Exclusion – Cap to Claw-back	-	✓	-
<i>Cost Recovery</i>			
Claw-back	-	✓	-
Forgone Revenue	-	✓	-

The Region has already opted out of capping for multi-residential class and will be able to opt out of the industrial class in 2019. Pro forma results for the commercial class are contained in Table 43. The first column summarizes the 2018 actual capping results at the time that the cap was run for final billing. The second column represents a 2019 pro forma model based on the recommended mix of capping tools for 2019.

Table 43
2019 Pro Forma Capping

	Commercial	
	2018 Actual	2019 Pro Forma
Class Level Opt-Out	Not Eligible	Not Eligible
Capping Phase-Out	Y2	Y3
Flow-Through Current Cycle Increase	Yes	Yes
Annualized Tax Limit	10%	10%
Prior Year CVA Tax Limit	10%	10%
CVA Tax Threshold – Increasers	\$500	\$500
CVA Tax Threshold – Decreasers	\$50	\$50
At CVA Tax Exclusion Option	Yes	Yes
Cross CVA Tax Exclusion: CB to Cap	Yes	Yes
Cross CVA Tax Exclusion: Cap to CB	Yes	Yes
Cost of Capping Protection	\$5,570	\$0
Decrease Retained	97.4%	100%
Decrease Clawed Back	2.5%	0%
Net Class Impact	\$0	\$0
Number of Properties Capped	2	0
Number of Properties Clawed Back	19	0

Pro Forma Commentary

It is anticipated that all properties in the commercial class will reach full CVA tax in 2019, allowing the Region to opt out of capping entirely for 2020.

PART EIGHT: GENERAL SUMMARY AND NEXT STEPS

PURPOSE AND SCOPE

The following notes, commentary and suggestions represent a compilation of the observations and thoughts that arose throughout the preparation and review of this report. This qualitative content does not represent a comprehensive commentary on any issue and it is not intended to be provided as policy advice. No financial, taxation or municipal policy decisions should be made on the basis of these comments; they are intended only as general observations, which may or may not be of interest to the reader.

ASSESSMENT AND REVENUE GROWTH

The Region's assessment and revenue growth remained steady in 2018 with the regional general levy revenue growth standing at 1.61% which is similar to last year's growth of 1.58%.

This is in part driven by positive growth trends and efforts to update/correct the assessment roll throughout the year. This may also be impacted by the new ARB rules and scheduling protocols, which are putting appeal matters off further into the assessment cycle than in the past. The municipality is advised to monitor assessment and taxes at risk closely.

BUSINESS TAX CAPPING

The Region's commercial class will remain subject to business tax capping rules for 2019, however, there is the potential that the commercial class will see no actual adjustments. If this materializes, the commercial class will be eligible for full exclusion in 2020.

POTENTIAL FOR PROVINCIAL TAX POLICY CHANGES

As of publication the new Provincial Government has been virtually silent on municipal finance matters which could mean that no significant changes are being contemplated for 2019, however, in the absence of any information we must be prepared for any matter of change or adjustment. Should any changes be announced, the contents of this study will provide a solid baseline against which local impacts can be measured.

Decision makers should also be well informed of the potential for Provincial tax policy changes. Additional care should be taken in announcing any tax outcomes for the coming year.

RECOMMENDED NEXT STEPS

- 1) It is recommended that specific tax policy options be modelled and considered with care before any annual decisions are made. For 2019 we also recommend that no final decisions be put before Council prior to receiving word from the Province with regards to their 2019 tax policy intentions.
- 2) Staff will want to keep a keen eye on any Provincial policy changes or suggestions in respect of multi-residential treatment or tax policy rules in general for 2019. MTE will keep the Region informed as we become aware of any information in this regard.
- 3) The municipality may wish to update the education levy results contained herein once final decisions have been announced in regards to those levies for 2019.

- 4) Where specific tax policy challenges or pressures are anticipated, early attention should be devoted in order to effectively address and understand any potential challenges, opportunities and/or tax implications.
- 5) Staff are also encouraged to take steps necessary to ensure that both Council and the public are well informed regarding base line tax impacts and any implications related to potential policy change. MTE would be pleased to provide any level or type of support that may be deemed appropriate and/or necessary in this regard.

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Fort Erie</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,340,920,372	3,434,792,472	93,872,100	2.81%
Farm	59,595,600	56,455,300	-3,140,300	-5.27%
Managed Forest	1,212,400	1,461,200	248,800	20.52%
New Multi-Residential	47,900	47,900	0	0.00%
Multi-Residential	40,015,400	40,015,400	0	0.00%
Commercial	272,240,409	269,280,809	-2,959,600	-1.09%
Industrial	48,992,791	49,745,291	752,500	1.54%
Pipeline	15,286,000	15,468,000	182,000	1.19%
Sub-Total: Taxable	3,778,310,872	3,867,266,372	88,955,500	2.35%
<i>Payment In Lieu</i>				
Residential	1,111,500	1,111,500	0	0.00%
Commercial	13,166,900	12,156,900	-1,010,000	-7.67%
Industrial	54,000	54,000	0	0.00%
Sub-Total: Payment In Lieu	14,332,400	13,322,400	-1,010,000	-7.05%
Total (Taxable + PIL)	3,792,643,272	3,880,588,772	87,945,500	2.32%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Fort Erie</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	46,944,482	1.43%	93,872,100	2.81%
Farm	-491,100	-0.82%	-3,140,300	-5.27%
Managed Forest	-63,300	-4.96%	248,800	20.52%
New Multi-Residential	0	0.00%	0	0.00%
Multi-Residential	0	0.00%	0	0.00%
Commercial	1,395,309	0.52%	-2,959,600	-1.09%
Industrial	388,391	0.80%	752,500	1.54%
Pipeline	222,000	1.47%	182,000	1.19%
Sub-Total: Taxable	48,395,782	1.30%	88,955,500	2.35%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	2,447,700	22.83%	-1,010,000	-7.67%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	2,447,700	20.60%	-1,010,000	-7.05%
Total (Taxable + PIL)	50,843,482	1.36%	87,945,500	2.32%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Fort Erie</i>	2018 Phased CVA		Phased CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,191,825,704	3,283,595,985	91,770,281	2.88%
Farm	54,179,128	51,319,965	-2,859,163	-5.28%
Managed Forest	1,155,706	1,399,686	243,980	21.11%
New Multi-Residential	41,450	41,450	0	0.00%
Multi-Residential	39,400,733	39,400,733	0	0.00%
Commercial	259,220,846	256,617,503	-2,603,343	-1.00%
Industrial	47,299,751	48,102,009	802,258	1.70%
Pipeline	14,593,000	14,766,749	173,749	1.19%
Sub-Total: Taxable	3,607,716,318	3,695,244,080	87,527,762	2.43%
<i>Payment In Lieu</i>				
Residential	1,111,000	1,111,000	0	0.00%
Commercial	12,773,000	11,779,800	-993,200	-7.78%
Industrial	52,000	52,000	0	0.00%
Sub-Total: Payment In Lieu	13,936,000	12,942,800	-993,200	-7.13%
Total (Taxable + PIL)	3,621,652,318	3,708,186,880	86,534,562	2.39%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Fort Erie</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$21,851,654	\$22,479,926	\$628,271	2.88%
Farm	\$92,729	\$87,836	-\$4,894	-5.28%
Managed Forest	\$1,978	\$2,396	\$418	21.13%
New Multi-Residential	\$284	\$284	\$0	0.00%
Multi-Residential	\$531,393	\$531,393	\$0	0.00%
Commercial	\$2,992,945	\$2,960,197	-\$32,748	-1.09%
Industrial	\$828,321	\$842,766	\$14,445	1.74%
Pipeline	\$170,049	\$172,074	\$2,025	1.19%
Sub-Total: Taxable	\$26,469,353	\$27,076,872	\$607,517	2.30%
<i>Payment In Lieu</i>				
Residential	\$7,606	\$7,606	\$0	0.00%
Commercial	\$151,709	\$139,912	-\$11,797	-7.78%
Industrial	\$655	\$655	\$0	0.00%
Sub-Total: Payment In Lieu	\$159,970	\$148,173	-\$11,797	-7.37%
Total (Taxable + PIL)	\$26,629,323	\$27,225,045	\$595,720	2.24%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Fort Erie</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$306,405	1.47%	\$628,271	2.88%
Farm	-\$684	-0.78%	-\$4,894	-5.28%
Managed Forest	-\$99	-4.92%	\$418	21.13%
New Multi-Residential	\$0	0.00%	\$0	0.00%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	-\$2,467	-0.08%	-\$32,748	-1.09%
Industrial	\$14,687	1.85%	\$14,445	1.74%
Pipeline	\$2,399	1.48%	\$2,025	1.19%
Sub-Total: Taxable	\$320,241	1.26%	\$607,517	2.30%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$28,491	23.44%	-\$11,797	-7.78%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$28,491	21.96%	-\$11,797	-7.37%
Total (Taxable + PIL)	\$348,732	1.37%	\$595,720	2.24%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Fort Erie</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	3,283,595,985	3,359,194,245	75,598,260	2.30%
Farm	51,319,965	53,887,634	2,567,669	5.00%
Managed Forest	1,399,686	1,430,442	30,756	2.20%
New Multi-Residential	41,450	44,675	3,225	7.78%
Multi-Residential	39,400,733	39,708,066	307,333	0.78%
Commercial	256,617,503	262,949,157	6,331,654	2.47%
Industrial	48,102,009	48,923,650	821,641	1.71%
Pipeline	14,766,749	15,117,375	350,626	2.37%
Sub-Total: Taxable	3,695,244,080	3,781,255,244	86,011,164	2.33%
<i>Payment In Lieu</i>				
Residential	1,111,000	1,111,250	250	0.02%
Commercial	11,779,800	11,968,350	188,550	1.60%
Industrial	52,000	53,000	1,000	1.92%
Sub-Total: Payment In Lieu	12,942,800	13,132,600	189,800	1.47%
Total (Taxable + PIL)	3,708,186,880	3,794,387,844	86,200,964	2.32%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
 (Local General Levy)

Fort Erie Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00684613	0.00669430	-2.22%
Farm	0.250000	0.250000	0.00%	0.00171153	0.00167358	-2.22%
Managed Forest	0.250000	0.250000	0.00%	0.00171153	0.00167358	-2.22%
New Multi-Residential	1.000000	1.000000	0.00%	0.00684613	0.00669430	-2.22%
Multi-Residential	1.970000	1.970000	0.00%	0.01348688	0.01318777	-2.22%
Commercial	1.734900	1.734900	0.00%	0.01187735	0.01161394	-2.22%
Industrial	2.630000	2.630000	0.00%	0.01800532	0.01760601	-2.22%
Pipeline	1.702100	1.702100	0.00%	0.01165280	0.01139437	-2.22%
Sub-Total of Taxable Levy				\$27,076,872	\$27,076,885	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00684613	0.00669430	-2.22%
Commercial	1.734900	1.734900	0.00%	0.01187735	0.01161394	-2.22%
Industrial	2.630000	2.630000	0.00%	0.01800532	0.01760601	-2.22%
Sub-Total of Payment In Lieu Levy				\$148,173	\$147,092	-0.73%
Total Taxable + PIL Levies Based on Rate Set				\$27,225,045	\$27,223,977	0.00%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Fort Erie</i>	Local General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$22,479,926	\$22,487,454	\$7,528	0.03%
Farm	\$87,836	\$90,185	\$2,349	2.67%
Managed Forest	\$2,396	\$2,394	-\$2	-0.08%
New Multi-Residential	\$284	\$299	\$15	5.28%
Multi-Residential	\$531,393	\$523,661	-\$7,732	-1.46%
Commercial	\$2,960,197	\$2,965,441	\$5,244	0.18%
Industrial	\$842,766	\$835,198	-\$7,568	-0.90%
Pipeline	\$172,074	\$172,253	\$179	0.10%
Sub-Total: Taxable	\$27,076,872	\$27,076,885	\$13	0.00%
<i>Payment In Lieu</i>				
Residential	\$7,606	\$7,439	-\$167	-2.20%
Commercial	\$139,912	\$139,000	-\$912	-0.65%
Industrial	\$655	\$653	-\$2	-0.31%
Sub-Total: Payment In Lieu	\$148,173	\$147,092	-\$1,081	-0.73%
Total (Taxable + PIL)	\$27,225,045	\$27,223,977	-\$1,068	0.00%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Fort Erie</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$18,620,583	\$18,331,694	-\$288,889	-1.55%
Farm	\$72,756	\$73,518	\$762	1.05%
Managed Forest	\$1,984	\$1,952	-\$32	-1.61%
New Multi-Residential	\$235	\$244	\$9	3.83%
Multi-Residential	\$440,164	\$426,886	-\$13,278	-3.02%
Commercial	\$2,451,993	\$2,417,415	-\$34,578	-1.41%
Industrial	\$698,081	\$680,850	-\$17,231	-2.47%
Pipeline	\$142,532	\$140,420	-\$2,112	-1.48%
Sub-Total: Taxable	\$22,428,328	\$22,072,979	-\$355,349	-1.58%
<i>Payment In Lieu</i>				
Residential	\$6,300	\$6,064	-\$236	-3.75%
Commercial	\$115,893	\$113,311	-\$2,582	-2.23%
Industrial	\$543	\$532	-\$11	-2.03%
Sub-Total: Payment In Lieu	\$122,736	\$119,907	-\$2,829	-2.30%
Total (Taxable + PIL)	\$22,551,064	\$22,192,886	-\$358,178	-1.59%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Fort Erie</i>	Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$41,100,509	\$40,819,148	-\$281,361	-0.68%
Farm	\$160,592	\$163,703	\$3,111	1.94%
Managed Forest	\$4,380	\$4,346	-\$34	-0.78%
New Multi-Residential	\$519	\$543	\$24	4.62%
Multi-Residential	\$971,557	\$950,547	-\$21,010	-2.16%
Commercial	\$5,412,190	\$5,382,856	-\$29,334	-0.54%
Industrial	\$1,540,847	\$1,516,048	-\$24,799	-1.61%
Pipeline	\$314,606	\$312,673	-\$1,933	-0.61%
Sub-Total: Taxable	\$49,505,200	\$49,149,864	-\$355,336	-0.72%
<i>Payment In Lieu</i>				
Residential	\$13,906	\$13,503	-\$403	-2.90%
Commercial	\$255,805	\$252,311	-\$3,494	-1.37%
Industrial	\$1,198	\$1,185	-\$13	-1.09%
Sub-Total: Payment In Lieu	\$270,909	\$266,999	-\$3,910	-1.44%
Total (Taxable + PIL)	\$49,776,109	\$49,416,863	-\$359,246	-0.72%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Grimsby</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	4,144,665,522	4,274,136,031	129,470,509	3.12%
Farm	92,321,395	90,563,795	-1,757,600	-1.90%
Managed Forest	907,400	913,800	6,400	0.71%
Multi-Residential	29,469,000	29,772,000	303,000	1.03%
Commercial	349,888,500	359,891,900	10,003,400	2.86%
Industrial	53,036,400	56,906,800	3,870,400	7.30%
Pipeline	7,741,000	7,831,000	90,000	1.16%
Sub-Total: Taxable	4,678,029,217	4,820,015,326	141,986,109	3.04%
<i>Payment In Lieu</i>				
Residential	4,797,300	4,797,300	0	0.00%
Commercial	35,211,700	35,211,700	0	0.00%
Industrial	80,800	80,800	0	0.00%
Sub-Total: Payment In Lieu	40,089,800	40,089,800	0	0.00%
Total (Taxable + PIL)	4,718,119,017	4,860,105,126	141,986,109	3.01%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Grimsby</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	72,279,723	1.77%	129,470,509	3.12%
Farm	1,802,895	1.99%	-1,757,600	-1.90%
Managed Forest	0	0.00%	6,400	0.71%
Multi-Residential	2,151,000	7.87%	303,000	1.03%
Commercial	-9,909,300	-2.75%	10,003,400	2.86%
Industrial	-3,659,200	-6.45%	3,870,400	7.30%
Pipeline	-12,000	-0.15%	90,000	1.16%
Sub-Total: Taxable	62,653,118	1.36%	141,986,109	3.04%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	0	0.00%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	0	0.00%
Total (Taxable + PIL)	62,653,118	1.35%	141,986,109	3.01%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Grimsby</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,719,249,292	3,836,277,963	117,028,671	3.15%
Farm	77,100,310	75,700,412	-1,399,898	-1.82%
Managed Forest	763,200	769,196	5,996	0.79%
Multi-Residential	28,062,758	28,202,445	139,687	0.50%
Commercial	299,143,522	307,399,787	8,256,265	2.76%
Industrial	45,613,945	49,011,380	3,397,435	7.45%
Pipeline	7,443,961	7,530,507	86,546	1.16%
Sub-Total: Taxable	4,177,376,988	4,304,891,690	127,514,702	3.05%
<i>Payment In Lieu</i>				
Residential	3,965,750	3,965,750	0	0.00%
Commercial	28,499,350	28,499,350	0	0.00%
Industrial	55,450	55,450	0	0.00%
Sub-Total: Payment In Lieu	32,520,550	32,520,550	0	0.00%
Total (Taxable + PIL)	4,209,897,538	4,337,412,240	127,514,702	3.03%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Grimsby</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$9,247,779	\$9,539,167	\$291,388	3.15%
Farm	\$47,993	\$47,121	-\$871	-1.81%
Managed Forest	\$475	\$479	\$4	0.84%
Multi-Residential	\$137,650	\$138,335	\$685	0.50%
Commercial	\$1,263,413	\$1,298,006	\$34,594	2.74%
Industrial	\$290,063	\$309,834	\$19,771	6.82%
Pipeline	\$31,548	\$31,915	\$367	1.16%
Sub-Total: Taxable	\$11,018,921	\$11,364,857	\$345,938	3.14%
<i>Payment In Lieu</i>				
Residential	\$9,874	\$9,874	\$0	0.00%
Commercial	\$114,451	\$114,451	\$0	0.00%
Industrial	\$363	\$363	\$0	0.00%
Sub-Total: Payment In Lieu	\$124,688	\$124,688	\$0	0.00%
Total (Taxable + PIL)	\$11,143,609	\$11,489,545	\$345,938	3.10%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Grimsby</i> Realty Tax Class	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$157,766	1.81%	\$291,388	3.15%
Farm	\$1,081	2.52%	-\$871	-1.81%
Managed Forest	\$0	0.00%	\$4	0.84%
Multi-Residential	\$10,307	8.04%	\$685	0.50%
Commercial	-\$32,077	-2.62%	\$34,594	2.74%
Industrial	-\$14,582	-5.09%	\$19,771	6.82%
Pipeline	-\$49	-0.16%	\$367	1.16%
Sub-Total: Taxable	\$122,446	1.17%	\$345,938	3.14%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$0	0.00%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$0	0.00%	\$0	0.00%
Total (Taxable + PIL)	\$122,446	1.16%	\$345,938	3.10%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Grimsby</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	3,836,277,963	4,055,206,983	218,929,020	5.71%
Farm	75,700,412	83,132,103	7,431,691	9.82%
Managed Forest	769,196	841,498	72,302	9.40%
Multi-Residential	28,202,445	28,987,222	784,777	2.78%
Commercial	307,399,787	333,645,846	26,246,059	8.54%
Industrial	49,011,380	52,959,089	3,947,709	8.05%
Pipeline	7,530,507	7,680,754	150,247	2.00%
Sub-Total: Taxable	4,304,891,690	4,562,453,495	257,561,805	5.98%
<i>Payment In Lieu</i>				
Residential	3,965,750	4,381,525	415,775	10.48%
Commercial	28,499,350	31,855,525	3,356,175	11.78%
Industrial	55,450	68,125	12,675	22.86%
Sub-Total: Payment In Lieu	32,520,550	36,305,175	3,784,625	11.64%
Total (Taxable + PIL)	4,337,412,240	4,598,758,670	261,346,430	6.03%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
 (Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00248988	0.00234799	-5.70%
Farm	0.250000	0.250000	0.00%	0.00062247	0.00058700	-5.70%
Managed Forest	0.250000	0.250000	0.00%	0.00062247	0.00058700	-5.70%
Multi-Residential	1.970000	1.970000	0.00%	0.00490507	0.00462554	-5.70%
Commercial	1.734900	1.734900	0.00%	0.00431970	0.00407353	-5.70%
Industrial	2.630000	2.630000	0.00%	0.00654839	0.00617521	-5.70%
Pipeline	1.702100	1.702100	0.00%	0.00423803	0.00399651	-5.70%
Sub-Total of Taxable Levy				\$11,364,857	\$11,364,863	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00248988	0.00234799	-5.70%
Commercial	1.734900	1.734900	0.00%	0.00431970	0.00407353	-5.70%
Industrial	2.630000	2.630000	0.00%	0.00654839	0.00617521	-5.70%
Sub-Total of Payment In Lieu Levy				\$124,688	\$131,433	5.41%
Total Taxable + PIL Levies Based on Rate Set				\$11,489,545	\$11,496,296	0.06%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Grimsby</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$9,539,167	\$9,509,050	-\$30,117	-0.32%
Farm	\$47,121	\$48,799	\$1,678	3.56%
Managed Forest	\$479	\$494	\$15	3.13%
Multi-Residential	\$138,335	\$134,082	-\$4,253	-3.07%
Commercial	\$1,298,006	\$1,326,848	\$28,842	2.22%
Industrial	\$309,834	\$314,894	\$5,060	1.63%
Pipeline	\$31,915	\$30,696	-\$1,219	-3.82%
Sub-Total: Taxable	\$11,364,857	\$11,364,863	\$6	0.00%
<i>Payment In Lieu</i>				
Residential	\$9,874	\$10,288	\$414	4.19%
Commercial	\$114,451	\$120,724	\$6,273	5.48%
Industrial	\$363	\$421	\$58	15.98%
Sub-Total: Payment In Lieu	\$124,688	\$131,433	\$6,745	5.41%
Total (Taxable + PIL)	\$11,489,545	\$11,496,296	\$6,751	0.06%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Grimsby</i> Realty Tax Class	Upper-Tier General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$21,725,791	\$22,100,819	\$375,028	1.73%
Farm	\$107,320	\$113,416	\$6,096	5.68%
Managed Forest	\$1,090	\$1,148	\$58	5.32%
Multi-Residential	\$315,062	\$311,631	-\$3,431	-1.09%
Commercial	\$2,956,251	\$3,083,842	\$127,591	4.32%
Industrial	\$705,657	\$731,876	\$26,219	3.72%
Pipeline	\$72,686	\$71,344	-\$1,342	-1.85%
Sub-Total: Taxable	\$25,883,857	\$26,414,076	\$530,219	2.05%
<i>Payment In Lieu</i>				
Residential	\$22,489	\$23,911	\$1,422	6.32%
Commercial	\$260,665	\$280,588	\$19,923	7.64%
Industrial	\$827	\$978	\$151	18.26%
Sub-Total: Payment In Lieu	\$283,981	\$305,477	\$21,496	7.57%
Total (Taxable + PIL)	\$26,167,838	\$26,719,553	\$551,715	2.11%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Grimsby</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$31,264,958	\$31,609,869	\$344,911	1.10%
Farm	\$154,441	\$162,215	\$7,774	5.03%
Managed Forest	\$1,569	\$1,642	\$73	4.65%
Multi-Residential	\$453,397	\$445,713	-\$7,684	-1.69%
Commercial	\$4,254,257	\$4,410,690	\$156,433	3.68%
Industrial	\$1,015,491	\$1,046,770	\$31,279	3.08%
Pipeline	\$104,601	\$102,040	-\$2,561	-2.45%
Sub-Total: Taxable	\$37,248,714	\$37,778,939	\$530,225	1.42%
<i>Payment In Lieu</i>				
Residential	\$32,363	\$34,199	\$1,836	5.67%
Commercial	\$375,116	\$401,312	\$26,196	6.98%
Industrial	\$1,190	\$1,399	\$209	17.56%
Sub-Total: Payment In Lieu	\$408,669	\$436,910	\$28,241	6.91%
Total (Taxable + PIL)	\$37,657,383	\$38,215,849	\$558,466	1.48%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Lincoln</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,038,939,656	3,090,842,665	51,903,009	1.71%
Farm	538,161,200	524,850,700	-13,310,500	-2.47%
Managed Forest	1,024,100	1,024,100	0	0.00%
Multi-Residential	22,996,000	21,808,500	-1,187,500	-5.16%
Commercial	219,369,900	220,776,700	1,406,800	0.64%
Industrial	104,898,000	105,122,600	224,600	0.21%
Pipeline	20,572,000	20,580,000	8,000	0.04%
Sub-Total: Taxable	3,945,960,856	3,985,005,265	39,044,409	0.99%
<i>Payment In Lieu</i>				
Residential	5,320,200	5,320,200	0	0.00%
Commercial	17,969,900	18,195,900	226,000	1.26%
Industrial	2,131,500	2,131,500	0	0.00%
Sub-Total: Payment In Lieu	25,421,600	25,647,600	226,000	0.89%
Total (Taxable + PIL)	3,971,382,456	4,010,652,865	39,270,409	0.99%



Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Lincoln</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	35,676,920	1.19%	51,903,009	1.71%
Farm	2,966,000	0.55%	-13,310,500	-2.47%
Managed Forest	75,900	8.00%	0	0.00%
Multi-Residential	-813,000	-3.41%	-1,187,500	-5.16%
Commercial	117,400	0.05%	1,406,800	0.64%
Industrial	1,275,300	1.23%	224,600	0.21%
Pipeline	60,000	0.29%	8,000	0.04%
Sub-Total: Taxable	39,358,520	1.01%	39,044,409	0.99%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	226,000	1.26%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	226,000	0.89%
Total (Taxable + PIL)	39,358,520	1.00%	39,270,409	0.99%



Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Lincoln</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	2,776,672,062	2,825,453,252	48,781,190	1.76%
Farm	445,646,389	434,728,211	-10,918,178	-2.45%
Managed Forest	877,352	877,352	0	0.00%
Multi-Residential	20,968,650	19,991,400	-977,250	-4.66%
Commercial	202,418,299	203,881,217	1,462,918	0.72%
Industrial	98,795,528	99,107,189	311,661	0.32%
Pipeline	19,422,000	19,429,618	7,618	0.04%
Sub-Total: Taxable	3,564,800,280	3,603,468,239	38,667,959	1.08%
<i>Payment In Lieu</i>				
Residential	4,661,900	4,661,900	0	0.00%
Commercial	15,825,350	16,051,350	226,000	1.43%
Industrial	1,641,250	1,641,250	0	0.00%
Sub-Total: Payment In Lieu	22,128,500	22,354,500	226,000	1.02%
Total (Taxable + PIL)	3,586,928,780	3,625,822,739	38,893,959	1.08%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Lincoln</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$11,838,702	\$12,046,687	\$207,985	1.76%
Farm	\$475,019	\$463,381	-\$11,638	-2.45%
Managed Forest	\$935	\$935	\$0	0.00%
Multi-Residential	\$176,123	\$167,915	-\$8,208	-4.66%
Commercial	\$1,462,780	\$1,473,250	\$10,470	0.72%
Industrial	\$1,074,696	\$1,077,714	\$3,018	0.28%
Pipeline	\$140,948	\$141,003	\$55	0.04%
Sub-Total: Taxable	\$15,169,203	\$15,370,885	\$201,682	1.33%
<i>Payment In Lieu</i>				
Residential	\$19,876	\$19,876	\$0	0.00%
Commercial	\$117,060	\$118,731	\$1,672	1.43%
Industrial	\$16,775	\$16,775	\$0	0.00%
Sub-Total: Payment In Lieu	\$153,711	\$155,382	\$1,672	1.09%
Total (Taxable + PIL)	\$15,322,914	\$15,526,267	\$203,354	1.33%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Lincoln</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$150,163	1.36%	\$207,985	1.76%
Farm	\$3,214	0.77%	-\$11,638	-2.45%
Managed Forest	\$57	7.19%	\$0	0.00%
Multi-Residential	-\$5,502	-3.16%	-\$8,208	-4.66%
Commercial	\$5,670	0.40%	\$10,470	0.72%
Industrial	\$9,551	0.93%	\$3,018	0.28%
Pipeline	\$395	0.29%	\$55	0.04%
Sub-Total: Taxable	\$163,548	1.15%	\$201,682	1.33%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$1,672	1.43%
Industrial	-\$237	-1.65%	\$0	0.00%
Sub-Total: Payment In Lieu	-\$237	-0.17%	\$1,672	1.09%
Total (Taxable + PIL)	\$163,311	1.14%	\$203,354	1.33%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Lincoln</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	2,825,453,252	2,958,147,963	132,694,711	4.70%
Farm	434,728,211	479,789,455	45,061,244	10.37%
Managed Forest	877,352	950,726	73,374	8.36%
Multi-Residential	19,991,400	20,899,950	908,550	4.54%
Commercial	203,881,217	212,328,963	8,447,746	4.14%
Industrial	99,107,189	102,114,895	3,007,706	3.03%
Pipeline	19,429,618	20,004,809	575,191	2.96%
Sub-Total: Taxable	3,603,468,239	3,794,236,761	190,768,522	5.29%
<i>Payment In Lieu</i>				
Residential	4,661,900	4,991,050	329,150	7.06%
Commercial	16,051,350	17,123,625	1,072,275	6.68%
Industrial	1,641,250	1,886,375	245,125	14.94%
Sub-Total: Payment In Lieu	22,354,500	24,001,050	1,646,550	7.37%
Total (Taxable + PIL)	3,625,822,739	3,818,237,811	192,415,072	5.31%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00426363	0.00407361	-4.46%
Farm	0.250000	0.250000	0.00%	0.00106591	0.00101840	-4.46%
Managed Forest	0.250000	0.250000	0.00%	0.00106591	0.00101840	-4.46%
Multi-Residential	1.970000	1.970000	0.00%	0.00839936	0.00802501	-4.46%
Commercial	1.734900	1.734900	0.00%	0.00739698	0.00706731	-4.46%
Industrial	2.630000	2.630000	0.00%	0.01121336	0.01071359	-4.46%
Pipeline	1.702100	1.702100	0.00%	0.00725713	0.00693369	-4.46%
Sub-Total of Taxable Levy				\$15,370,885	\$15,370,870	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00426363	0.00407361	-4.46%
Commercial	1.734900	1.734900	0.00%	0.00739698	0.00706731	-4.46%
Industrial	2.630000	2.630000	0.00%	0.01121336	0.01071359	-4.46%
Sub-Total of Payment In Lieu Levy				\$155,382	\$159,763	2.82%
Total Taxable + PIL Levies Based on Rate Set				\$15,526,267	\$15,530,633	0.03%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

CSD 16-2019
Appendix 1
April 17, 2019
Confidential

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Lincoln</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$12,046,687	\$12,050,341	\$3,654	0.03%
Farm	\$463,381	\$488,618	\$25,237	5.45%
Managed Forest	\$935	\$968	\$33	3.53%
Multi-Residential	\$167,915	\$167,722	-\$193	-0.11%
Commercial	\$1,473,250	\$1,465,054	-\$8,196	-0.56%
Industrial	\$1,077,714	\$1,059,460	-\$18,254	-1.69%
Pipeline	\$141,003	\$138,707	-\$2,296	-1.63%
Sub-Total: Taxable	\$15,370,885	\$15,370,870	-\$15	0.00%
<i>Payment In Lieu</i>				
Residential	\$19,876	\$20,331	\$455	2.29%
Commercial	\$118,731	\$121,018	\$2,287	1.93%
Industrial	\$16,775	\$18,414	\$1,639	9.77%
Sub-Total: Payment In Lieu	\$155,382	\$159,763	\$4,381	2.82%
Total (Taxable + PIL)	\$15,526,267	\$15,530,633	\$4,366	0.03%



Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Lincoln</i> Realty Tax Class	Upper-Tier General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$16,022,552	\$16,143,116	\$120,564	0.75%
Farm	\$616,314	\$654,572	\$38,258	6.21%
Managed Forest	\$1,244	\$1,297	\$53	4.26%
Multi-Residential	\$223,333	\$224,687	\$1,354	0.61%
Commercial	\$1,959,475	\$1,962,642	\$3,167	0.16%
Industrial	\$1,433,399	\$1,419,295	-\$14,104	-0.98%
Pipeline	\$187,540	\$185,818	-\$1,722	-0.92%
Sub-Total: Taxable	\$20,443,857	\$20,591,427	\$147,570	0.72%
<i>Payment In Lieu</i>				
Residential	\$26,437	\$27,237	\$800	3.03%
Commercial	\$157,917	\$162,120	\$4,203	2.66%
Industrial	\$22,313	\$24,667	\$2,354	10.55%
Sub-Total: Payment In Lieu	\$206,667	\$214,024	\$7,357	3.56%
Total (Taxable + PIL)	\$20,650,524	\$20,805,451	\$154,927	0.75%



Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Lincoln</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$28,069,239	\$28,193,457	\$124,218	0.44%
Farm	\$1,079,695	\$1,143,190	\$63,495	5.88%
Managed Forest	\$2,179	\$2,265	\$86	3.95%
Multi-Residential	\$391,248	\$392,409	\$1,161	0.30%
Commercial	\$3,432,725	\$3,427,696	-\$5,029	-0.15%
Industrial	\$2,511,113	\$2,478,755	-\$32,358	-1.29%
Pipeline	\$328,543	\$324,525	-\$4,018	-1.22%
Sub-Total: Taxable	\$35,814,742	\$35,962,297	\$147,555	0.41%
<i>Payment In Lieu</i>				
Residential	\$46,313	\$47,568	\$1,255	2.71%
Commercial	\$276,648	\$283,138	\$6,490	2.35%
Industrial	\$39,088	\$43,081	\$3,993	10.22%
Sub-Total: Payment In Lieu	\$362,049	\$373,787	\$11,738	3.24%
Total (Taxable + PIL)	\$36,176,791	\$36,336,084	\$159,293	0.44%



Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Niagara Falls</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	8,396,305,518	8,649,976,918	253,671,400	3.02%
Farm	91,092,000	87,909,600	-3,182,400	-3.49%
Managed Forest	1,328,900	1,285,400	-43,500	-3.27%
New Multi-Residential	10,875,500	10,875,500	0	0.00%
Multi-Residential	317,187,900	318,844,900	1,657,000	0.52%
Commercial	2,623,424,600	2,615,800,203	-7,624,397	-0.29%
Industrial	139,031,700	145,046,700	6,015,000	4.33%
Landfill	3,152,500	3,152,500	0	0.00%
Pipeline	44,280,000	44,541,000	261,000	0.59%
Sub-Total: Taxable	11,626,678,618	11,877,432,721	250,754,103	2.16%
<i>Payment In Lieu</i>				
Residential	8,314,904	8,278,104	-36,800	-0.44%
Commercial	408,830,399	406,950,499	-1,879,900	-0.46%
Industrial	4,336,700	4,336,700	0	0.00%
Sub-Total: Payment In Lieu	421,482,003	419,565,303	-1,916,700	-0.45%
Total (Taxable + PIL)	12,048,160,621	12,296,998,024	248,837,403	2.07%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Niagara Falls</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	238,309,500	2.92%	253,671,400	3.02%
Farm	-775,200	-0.84%	-3,182,400	-3.49%
Managed Forest	-10,800	-0.81%	-43,500	-3.27%
New Multi-Residential	0	0.00%	0	0.00%
Multi-Residential	-1,204,000	-0.38%	1,657,000	0.52%
Commercial	34,581,900	1.34%	-7,624,397	-0.29%
Industrial	-5,018,400	-3.48%	6,015,000	4.33%
Landfill	-4,728,500	-60.00%	0	0.00%
Pipeline	347,000	0.79%	261,000	0.59%
Sub-Total: Taxable	261,501,500	2.30%	250,754,103	2.16%
<i>Payment In Lieu</i>				
Residential	0	0.00%	-36,800	-0.44%
Commercial	-1,969,000	-0.48%	-1,879,900	-0.46%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	-1,969,000	-0.46%	-1,916,700	-0.45%
Total (Taxable + PIL)	259,532,500	2.20%	248,837,403	2.07%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Niagara Falls</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	7,776,970,360	8,011,639,770	234,669,410	3.02%
Farm	74,074,020	71,312,416	-2,761,604	-3.73%
Managed Forest	1,143,800	1,106,600	-37,200	-3.25%
New Multi-Residential	9,776,820	9,776,820	0	0.00%
Multi-Residential	289,823,716	291,354,594	1,530,878	0.53%
Commercial	2,416,962,774	2,409,648,342	-7,314,432	-0.30%
Industrial	123,768,402	130,046,074	6,277,672	5.07%
Landfill	3,152,500	3,152,500	0	0.00%
Pipeline	42,334,000	42,519,092	185,092	0.44%
Sub-Total: Taxable	10,738,006,392	10,970,556,208	232,549,816	2.17%
<i>Payment In Lieu</i>				
Residential	6,381,552	6,357,126	-24,426	-0.38%
Commercial	396,311,400	395,036,364	-1,275,036	-0.32%
Industrial	3,390,900	3,390,900	0	0.00%
Sub-Total: Payment In Lieu	406,083,852	404,784,390	-1,299,462	-0.32%
Total (Taxable + PIL)	11,144,090,244	11,375,340,598	231,250,354	2.08%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Niagara Falls</i>				
Realty Tax Class	2018 Local General Levy		Annualized Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$35,284,380	\$36,350,268	\$1,065,888	3.02%
Farm	\$84,113	\$80,977	-\$3,136	-3.73%
Managed Forest	\$1,299	\$1,257	-\$42	-3.23%
New Multi-Residential	\$44,407	\$44,407	\$0	0.00%
Multi-Residential	\$2,593,314	\$2,607,012	\$13,698	0.53%
Commercial	\$18,607,723	\$18,550,222	-\$57,501	-0.31%
Industrial	\$1,372,160	\$1,434,171	\$62,009	4.52%
Landfill	\$42,101	\$42,101	\$0	0.00%
Pipeline	\$327,287	\$328,718	\$1,431	0.44%
Sub-Total: Taxable	\$58,356,784	\$59,439,133	\$1,082,347	1.85%
<i>Payment In Lieu</i>				
Residential	\$28,986	\$28,875	-\$111	-0.38%
Commercial	\$3,116,158	\$3,106,110	-\$10,047	-0.32%
Industrial	\$39,537	\$39,537	\$0	0.00%
Sub-Total: Payment In Lieu	\$3,184,681	\$3,174,522	-\$10,158	-0.32%
Total (Taxable + PIL)	\$61,541,465	\$62,613,655	\$1,072,189	1.74%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Niagara Falls</i>				
Realty Tax Class	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$961,510	2.85%	\$1,065,888	3.02%
Farm	-\$491	-0.64%	-\$3,136	-3.73%
Managed Forest	-\$12	-0.97%	-\$42	-3.23%
New Multi-Residential	\$0	0.00%	\$0	0.00%
Multi-Residential	-\$12,089	-0.47%	\$13,698	0.53%
Commercial	\$276,735	1.52%	-\$57,501	-0.31%
Industrial	-\$37,048	-2.72%	\$62,009	4.52%
Landfill	\$0	0.00%	\$0	0.00%
Pipeline	\$2,465	0.76%	\$1,431	0.44%
Sub-Total: Taxable	\$1,191,070	2.12%	\$1,082,347	1.85%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	-\$111	-0.38%
Commercial	\$194,180	6.51%	-\$10,047	-0.32%
Industrial	-\$753	-2.12%	\$0	0.00%
Sub-Total: Payment In Lieu	\$193,427	6.35%	-\$10,158	-0.32%
Total (Taxable + PIL)	\$1,384,497	2.33%	\$1,072,189	1.74%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Niagara Falls</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	8,011,639,770	8,330,808,344	319,168,574	3.98%
Farm	71,312,416	79,611,005	8,298,589	11.64%
Managed Forest	1,106,600	1,196,000	89,400	8.08%
New Multi-Residential	9,776,820	10,326,160	549,340	5.62%
Multi-Residential	291,354,594	305,099,748	13,745,154	4.72%
Commercial	2,409,648,342	2,512,724,285	103,075,943	4.28%
Industrial	130,046,074	137,546,388	7,500,314	5.77%
Landfill	3,152,500	3,152,500	0	0.00%
Pipeline	42,519,092	43,530,046	1,010,954	2.38%
Sub-Total: Taxable	10,970,556,208	11,423,994,476	453,438,268	4.13%
<i>Payment In Lieu</i>				
Residential	6,357,126	7,317,615	960,489	15.11%
Commercial	395,036,364	400,993,431	5,957,067	1.51%
Industrial	3,390,900	3,863,800	472,900	13.95%
Sub-Total: Payment In Lieu	404,784,390	412,174,846	7,390,456	1.83%
Total (Taxable + PIL)	11,375,340,598	11,836,169,322	460,828,724	4.05%



Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Niagara Falls Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00454208	0.00436154	-3.97%
Farm	0.250000	0.250000	0.00%	0.00113552	0.00109039	-3.97%
Managed Forest	0.250000	0.250000	0.00%	0.00113552	0.00109039	-3.97%
New Multi-Residential	1.000000	1.000000	0.00%	0.00454208	0.00436154	-3.97%
Multi-Residential	1.970000	1.970000	0.00%	0.00894790	0.00859223	-3.97%
Commercial	1.734900	1.734900	0.00%	0.00788005	0.00756684	-3.97%
Industrial	2.630000	2.630000	0.00%	0.01194567	0.01147085	-3.97%
Landfill	2.940261	2.940261	0.00%	0.01335490	0.01282407	-3.97%
Pipeline	1.702100	1.702100	0.00%	0.00773107	0.00742378	-3.97%
Sub-Total of Taxable Levy				\$59,439,133	\$59,439,137	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00454208	0.00436154	-3.97%
Commercial	1.734900	1.734900	0.00%	0.00788005	0.00756684	-3.97%
Industrial	2.630000	2.630000	0.00%	0.01194567	0.01147085	-3.97%
Sub-Total of Payment In Lieu Levy				\$3,174,522	\$3,102,678	-2.26%
Total Taxable + PIL Levies Based on Rate Set				\$62,613,655	\$62,541,815	-0.11%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Niagara Falls</i>		Local General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%	
<i>Taxable</i>					
Residential	\$36,350,268	\$36,296,118	-\$54,150	-0.15%	
Farm	\$80,977	\$86,807	\$5,830	7.20%	
Managed Forest	\$1,257	\$1,304	\$47	3.74%	
New Multi-Residential	\$44,407	\$45,038	\$631	1.42%	
Multi-Residential	\$2,607,012	\$2,621,487	\$14,475	0.56%	
Commercial	\$18,550,222	\$18,578,140	\$27,918	0.15%	
Industrial	\$1,434,171	\$1,446,658	\$12,487	0.87%	
Landfill	\$42,101	\$40,428	-\$1,673	-3.97%	
Pipeline	\$328,718	\$323,157	-\$5,561	-1.69%	
Sub-Total: Taxable	\$59,439,133	\$59,439,137	\$4	0.00%	
<i>Payment In Lieu</i>					
Residential	\$28,875	\$31,917	\$3,042	10.54%	
Commercial	\$3,106,110	\$3,027,528	-\$78,582	-2.53%	
Industrial	\$39,537	\$43,233	\$3,696	9.35%	
Sub-Total: Payment In Lieu	\$3,174,522	\$3,102,678	-\$71,844	-2.26%	
Total (Taxable + PIL)	\$62,613,655	\$62,541,815	-\$71,840	-0.11%	



Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Niagara Falls</i>		Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%	
<i>Taxable</i>					
Residential	\$45,383,334	\$45,413,796	\$30,462	0.07%	
Farm	\$101,100	\$108,612	\$7,512	7.43%	
Managed Forest	\$1,569	\$1,632	\$63	4.02%	
New Multi-Residential	\$55,442	\$56,352	\$910	1.64%	
Multi-Residential	\$3,254,856	\$3,280,011	\$25,155	0.77%	
Commercial	\$23,159,969	\$23,244,997	\$85,028	0.37%	
Industrial	\$1,790,562	\$1,810,063	\$19,501	1.09%	
Landfill	\$52,564	\$50,583	-\$1,981	-3.77%	
Pipeline	\$410,405	\$404,335	-\$6,070	-1.48%	
Sub-Total: Taxable	\$74,209,801	\$74,370,381	\$160,580	0.22%	
<i>Payment In Lieu</i>					
Residential	\$36,049	\$39,934	\$3,885	10.78%	
Commercial	\$3,877,981	\$3,788,046	-\$89,935	-2.32%	
Industrial	\$49,363	\$54,093	\$4,730	9.58%	
Sub-Total: Payment In Lieu	\$3,963,393	\$3,882,073	-\$81,320	-2.05%	
Total (Taxable + PIL)	\$78,173,194	\$78,252,454	\$79,260	0.10%	

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Niagara Falls</i>		Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%	
<i>Taxable</i>					
Residential	\$81,733,602	\$81,709,914	-\$23,688	-0.03%	
Farm	\$182,077	\$195,419	\$13,342	7.33%	
Managed Forest	\$2,826	\$2,936	\$110	3.89%	
New Multi-Residential	\$99,849	\$101,390	\$1,541	1.54%	
Multi-Residential	\$5,861,868	\$5,901,498	\$39,630	0.68%	
Commercial	\$41,710,191	\$41,823,137	\$112,946	0.27%	
Industrial	\$3,224,733	\$3,256,721	\$31,988	0.99%	
Landfill	\$94,665	\$91,011	-\$3,654	-3.86%	
Pipeline	\$739,123	\$727,492	-\$11,631	-1.57%	
Sub-Total: Taxable	\$133,648,934	\$133,809,518	\$160,584	0.12%	
<i>Payment In Lieu</i>					
Residential	\$64,924	\$71,851	\$6,927	10.67%	
Commercial	\$6,984,091	\$6,815,574	-\$168,517	-2.41%	
Industrial	\$88,900	\$97,326	\$8,426	9.48%	
Sub-Total: Payment In Lieu	\$7,137,915	\$6,984,751	-\$153,164	-2.15%	
Total (Taxable + PIL)	\$140,786,849	\$140,794,269	\$7,420	0.01%	

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Niagara-on-the-Lake</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	4,023,147,349	4,115,522,067	92,374,718	2.30%
Farm	545,818,225	544,672,725	-1,145,500	-0.21%
Managed Forest	1,048,000	1,392,300	344,300	32.85%
Multi-Residential	17,351,100	14,834,100	-2,517,000	-14.51%
Commercial	783,587,909	803,040,009	19,452,100	2.48%
Industrial	50,674,300	48,768,900	-1,905,400	-3.76%
Pipeline	18,402,000	18,492,000	90,000	0.49%
Sub-Total: Taxable	5,440,028,883	5,546,722,101	106,693,218	1.96%
<i>Payment In Lieu</i>				
Residential	3,552,600	3,687,600	135,000	3.80%
Commercial	38,965,000	38,965,000	0	0.00%
Industrial	2,011,000	2,011,000	0	0.00%
Sub-Total: Payment In Lieu	44,528,600	44,663,600	135,000	0.30%
Total (Taxable + PIL)	5,484,557,483	5,591,385,701	106,828,218	1.95%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Niagara-on-the-Lake</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	134,043,429	3.45%	92,374,718	2.30%
Farm	-8,828,875	-1.59%	-1,145,500	-0.21%
Managed Forest	8,500	0.82%	344,300	32.85%
Multi-Residential	183,000	1.07%	-2,517,000	-14.51%
Commercial	1,033,900	0.13%	19,452,100	2.48%
Industrial	-820,700	-1.59%	-1,905,400	-3.76%
Pipeline	116,000	0.63%	90,000	0.49%
Sub-Total: Taxable	125,735,254	2.37%	106,693,218	1.96%
<i>Payment In Lieu</i>				
Residential	-531,000	-13.00%	135,000	3.80%
Commercial	78,000	0.20%	0	0.00%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	-453,000	-1.01%	135,000	0.30%
Total (Taxable + PIL)	125,282,254	2.34%	106,828,218	1.95%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Niagara-on-the-Lake</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,719,402,387	3,807,248,706	87,846,319	2.36%
Farm	445,463,201	444,360,219	-1,102,982	-0.25%
Managed Forest	797,000	1,071,889	274,889	34.49%
Multi-Residential	16,526,990	14,107,550	-2,419,440	-14.64%
Commercial	698,572,754	714,904,257	16,331,503	2.34%
Industrial	44,092,981	42,721,844	-1,371,137	-3.11%
Pipeline	17,390,000	17,475,757	85,757	0.49%
Sub-Total: Taxable	4,942,245,313	5,041,890,222	99,644,909	2.02%
<i>Payment In Lieu</i>				
Residential	3,194,400	3,294,960	100,560	3.15%
Commercial	34,893,012	34,893,012	0	0.00%
Industrial	1,605,000	1,605,000	0	0.00%
Sub-Total: Payment In Lieu	39,692,412	39,792,972	100,560	0.25%
Total (Taxable + PIL)	4,981,937,725	5,081,683,194	99,745,469	2.00%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Niagara-on-the-Lake</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$7,736,209	\$7,918,926	\$182,717	2.36%
Farm	\$231,637	\$231,063	-\$573	-0.25%
Managed Forest	\$414	\$557	\$143	34.54%
Multi-Residential	\$67,720	\$57,806	-\$9,914	-14.64%
Commercial	\$2,491,440	\$2,551,973	\$60,535	2.43%
Industrial	\$217,109	\$211,574	-\$5,536	-2.55%
Pipeline	\$61,566	\$61,869	\$304	0.49%
Sub-Total: Taxable	\$10,806,095	\$11,033,768	\$227,676	2.11%
<i>Payment In Lieu</i>				
Residential	\$6,645	\$6,854	\$209	3.15%
Commercial	\$122,765	\$122,765	\$0	0.00%
Industrial	\$6,355	\$6,355	\$0	0.00%
Sub-Total: Payment In Lieu	\$135,765	\$135,974	\$209	0.15%
Total (Taxable + PIL)	\$10,941,860	\$11,169,742	\$227,885	2.08%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Niagara-on-the-Lake</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$262,345	3.62%	\$182,717	2.36%
Farm	-\$3,140	-1.49%	-\$573	-0.25%
Managed Forest	\$3	0.86%	\$143	34.54%
Multi-Residential	\$702	1.05%	-\$9,914	-14.64%
Commercial	\$12,552	0.53%	\$60,535	2.43%
Industrial	-\$1,598	-0.78%	-\$5,536	-2.55%
Pipeline	\$380	0.63%	\$304	0.49%
Sub-Total: Taxable	\$271,244	2.67%	\$227,676	2.11%
<i>Payment In Lieu</i>				
Residential	-\$1,065	-14.38%	\$209	3.15%
Commercial	\$289	0.24%	\$0	0.00%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	-\$776	-0.59%	\$209	0.15%
Total (Taxable + PIL)	\$270,468	2.63%	\$227,885	2.08%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Niagara-on-the-Lake</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	3,807,248,706	3,961,385,384	154,136,678	4.05%
Farm	444,360,219	494,516,457	50,156,238	11.29%
Managed Forest	1,071,889	1,232,094	160,205	14.95%
Multi-Residential	14,107,550	14,470,825	363,275	2.58%
Commercial	714,904,257	758,972,139	44,067,882	6.16%
Industrial	42,721,844	45,745,372	3,023,528	7.08%
Pipeline	17,475,757	17,983,879	508,122	2.91%
Sub-Total: Taxable	5,041,890,222	5,294,306,150	252,415,928	5.01%
<i>Payment In Lieu</i>				
Residential	3,294,960	3,491,280	196,320	5.96%
Commercial	34,893,012	36,929,006	2,035,994	5.83%
Industrial	1,605,000	1,808,000	203,000	12.65%
Sub-Total: Payment In Lieu	39,792,972	42,228,286	2,435,314	6.12%
Total (Taxable + PIL)	5,081,683,194	5,336,534,436	254,851,242	5.02%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00207996	0.00198637	-4.50%
Farm	0.250000	0.250000	0.00%	0.00051999	0.00049659	-4.50%
Managed Forest	0.250000	0.250000	0.00%	0.00051999	0.00049659	-4.50%
Multi-Residential	1.970000	1.970000	0.00%	0.00409752	0.00391315	-4.50%
Commercial	1.734900	1.734900	0.00%	0.00360852	0.00344615	-4.50%
Industrial	2.630000	2.630000	0.00%	0.00547029	0.00522415	-4.50%
Pipeline	1.702100	1.702100	0.00%	0.00354030	0.00338100	-4.50%
Sub-Total of Taxable Levy				\$11,033,768	\$11,033,788	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00207996	0.00198637	-4.50%
Commercial	1.734900	1.734900	0.00%	0.00360852	0.00344615	-4.50%
Industrial	2.630000	2.630000	0.00%	0.00547029	0.00522415	-4.50%
Sub-Total of Payment In Lieu Levy				\$135,974	\$137,761	1.31%
Total Taxable + PIL Levies Based on Rate Set				\$11,169,742	\$11,171,549	0.02%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

CSD 16-2019
Appendix 1
April 17, 2019
Confidential

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Niagara-on-the-Lake</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$7,918,926	\$7,868,777	-\$50,149	-0.63%
Farm	\$231,063	\$245,572	\$14,509	6.28%
Managed Forest	\$557	\$612	\$55	9.87%
Multi-Residential	\$57,806	\$56,627	-\$1,179	-2.04%
Commercial	\$2,551,973	\$2,586,262	\$34,289	1.34%
Industrial	\$211,574	\$215,135	\$3,561	1.68%
Pipeline	\$61,869	\$60,803	-\$1,066	-1.72%
Sub-Total: Taxable	\$11,033,768	\$11,033,788	\$20	0.00%
<i>Payment In Lieu</i>				
Residential	\$6,854	\$6,935	\$81	1.18%
Commercial	\$122,765	\$123,990	\$1,225	1.00%
Industrial	\$6,355	\$6,836	\$481	7.57%
Sub-Total: Payment In Lieu	\$135,974	\$137,761	\$1,787	1.31%
Total (Taxable + PIL)	\$11,169,742	\$11,171,549	\$1,807	0.02%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Niagara-on-the-Lake</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$21,590,108	\$21,617,953	\$27,845	0.13%
Farm	\$629,970	\$674,664	\$44,694	7.09%
Managed Forest	\$1,520	\$1,681	\$161	10.59%
Multi-Residential	\$157,602	\$155,570	-\$2,032	-1.29%
Commercial	\$6,957,686	\$7,105,261	\$147,575	2.12%
Industrial	\$576,833	\$591,042	\$14,209	2.46%
Pipeline	\$168,680	\$167,046	-\$1,634	-0.97%
Sub-Total: Taxable	\$30,082,399	\$30,313,217	\$230,818	0.77%
<i>Payment In Lieu</i>				
Residential	\$18,684	\$19,053	\$369	1.97%
Commercial	\$334,709	\$340,641	\$5,932	1.77%
Industrial	\$17,324	\$18,780	\$1,456	8.40%
Sub-Total: Payment In Lieu	\$370,717	\$378,474	\$7,757	2.09%
Total (Taxable + PIL)	\$30,453,116	\$30,691,691	\$238,575	0.78%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Niagara-on-the-Lake</i>	Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$29,509,034	\$29,486,730	-\$22,304	-0.08%
Farm	\$861,033	\$920,236	\$59,203	6.88%
Managed Forest	\$2,077	\$2,293	\$216	10.40%
Multi-Residential	\$215,408	\$212,197	-\$3,211	-1.49%
Commercial	\$9,509,659	\$9,691,523	\$181,864	1.91%
Industrial	\$788,407	\$806,177	\$17,770	2.25%
Pipeline	\$230,549	\$227,849	-\$2,700	-1.17%
Sub-Total: Taxable	\$41,116,167	\$41,347,005	\$230,838	0.56%
<i>Payment In Lieu</i>				
Residential	\$25,538	\$25,988	\$450	1.76%
Commercial	\$457,474	\$464,631	\$7,157	1.56%
Industrial	\$23,679	\$25,616	\$1,937	8.18%
Sub-Total: Payment In Lieu	\$506,691	\$516,235	\$9,544	1.88%
Total (Taxable + PIL)	\$41,622,858	\$41,863,240	\$240,382	0.58%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Pelham</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	2,429,599,737	2,480,194,170	50,594,433	2.08%
Farm	170,646,633	170,829,633	183,000	0.11%
Managed Forest	2,236,700	2,871,500	634,800	28.38%
New Multi-Residential	0	544,000	544,000	100.00%
Multi-Residential	17,693,000	17,693,000	0	0.00%
Commercial	91,534,600	94,616,397	3,081,797	3.37%
Industrial	3,541,930	3,294,700	-247,230	-6.98%
Pipeline	17,146,000	17,324,000	178,000	1.04%
Sub-Total: Taxable	2,732,398,600	2,787,367,400	54,968,800	2.01%
<i>Payment In Lieu</i>				
Residential	3,000	3,000	0	0.00%
Commercial	2,954,600	2,954,600	0	0.00%
Industrial	28,100	28,100	0	0.00%
Sub-Total: Payment In Lieu	2,985,700	2,985,700	0	0.00%
Total (Taxable + PIL)	2,735,384,300	2,790,353,100	54,968,800	2.01%



Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Pelham</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	68,646,902	2.91%	50,594,433	2.08%
Farm	-3,913,467	-2.24%	183,000	0.11%
Managed Forest	65,500	3.02%	634,800	28.38%
New Multi-Residential			544,000	100.00%
Multi-Residential	0	0.00%	0	0.00%
Commercial	9,384,359	11.42%	3,081,797	3.37%
Industrial	-1,637,570	-31.62%	-247,230	-6.98%
Pipeline	356,000	2.12%	178,000	1.04%
Sub-Total: Taxable	72,901,724	2.74%	54,968,800	2.01%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	-461,000	-13.50%	0	0.00%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	-461,000	-13.38%	0	0.00%
Total (Taxable + PIL)	72,440,724	2.72%	54,968,800	2.01%



Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Pelham</i>	2018 Phased CVA		Phased CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	2,291,395,631	2,339,018,348	47,622,717	2.08%
Farm	143,204,190	143,189,756	-14,434	-0.01%
Managed Forest	1,961,922	2,531,083	569,161	29.01%
New Multi-Residential	0	544,000	544,000	100.00%
Multi-Residential	17,482,000	17,482,000	0	0.00%
Commercial	84,021,436	86,971,992	2,950,556	3.51%
Industrial	3,038,822	2,908,852	-129,970	-4.28%
Pipeline	16,213,500	16,384,186	170,686	1.05%
Sub-Total: Taxable	2,557,317,501	2,609,030,217	51,712,716	2.02%
<i>Payment In Lieu</i>				
Residential	2,500	2,500	0	0.00%
Commercial	2,888,100	2,888,100	0	0.00%
Industrial	23,100	23,100	0	0.00%
Sub-Total: Payment In Lieu	2,913,700	2,913,700	0	0.00%
Total (Taxable + PIL)	2,560,231,201	2,611,943,917	51,712,716	2.02%



Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Pelham</i>				
Realty Tax Class	2018 Local General Levy		Annualized Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$11,296,398	\$11,531,174	\$234,776	2.08%
Farm	\$176,496	\$176,479	-\$18	-0.01%
Managed Forest	\$2,418	\$3,120	\$701	28.99%
New Multi-Residential	\$0	\$2,682	\$2,682	100.00%
Multi-Residential	\$169,784	\$169,784	\$0	0.00%
Commercial	\$710,546	\$737,228	\$26,684	3.76%
Industrial	\$38,935	\$37,250	-\$1,685	-4.33%
Pipeline	\$136,051	\$137,483	\$1,432	1.05%
Sub-Total: Taxable	\$12,530,628	\$12,795,200	\$264,572	2.11%
<i>Payment In Lieu</i>				
Residential	\$12	\$12	\$0	0.00%
Commercial	\$24,702	\$24,702	\$0	0.00%
Industrial	\$300	\$300	\$0	0.00%
Sub-Total: Payment In Lieu	\$25,014	\$25,014	\$0	0.00%
Total (Taxable + PIL)	\$12,555,642	\$12,820,214	\$264,572	2.11%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Pelham</i>				
Realty Tax Class	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$310,855	2.92%	\$234,776	2.08%
Farm	-\$2,683	-1.65%	-\$18	-0.01%
Managed Forest	\$61	2.79%	\$701	28.99%
New Multi-Residential			\$2,682	100.00%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	\$60,940	9.70%	\$26,684	3.76%
Industrial	-\$14,711	-29.16%	-\$1,685	-4.33%
Pipeline	\$2,736	2.11%	\$1,432	1.05%
Sub-Total: Taxable	\$357,198	3.03%	\$264,572	2.11%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	-\$3,117	-11.18%	\$0	0.00%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	-\$3,117	-11.07%	\$0	0.00%
Total (Taxable + PIL)	\$354,081	3.00%	\$264,572	2.11%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Pelham</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	2,339,018,348	2,409,606,273	70,587,925	3.02%
Farm	143,189,756	157,009,692	13,819,936	9.65%
Managed Forest	2,531,083	2,701,293	170,210	6.72%
New Multi-Residential	544,000	544,000	0	0.00%
Multi-Residential	17,482,000	17,587,500	105,500	0.60%
Commercial	86,971,992	90,794,195	3,822,203	4.39%
Industrial	2,908,852	3,101,776	192,924	6.63%
Pipeline	16,384,186	16,854,093	469,907	2.87%
Sub-Total: Taxable	2,609,030,217	2,698,198,822	89,168,605	3.42%
<i>Payment In Lieu</i>				
Residential	2,500	2,750	250	10.00%
Commercial	2,888,100	2,921,350	33,250	1.15%
Industrial	23,100	25,600	2,500	10.82%
Sub-Total: Payment In Lieu	2,913,700	2,949,700	36,000	1.24%
Total (Taxable + PIL)	2,611,943,917	2,701,148,522	89,204,605	3.42%



Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
<i>Pelham</i>						
Taxable						
Residential	1.000000	1.000000	0.00%	0.00492992	0.00477890	-3.06%
Farm	0.250000	0.250000	0.00%	0.00123248	0.00119473	-3.06%
Managed Forest	0.250000	0.250000	0.00%	0.00123248	0.00119473	-3.06%
New Multi-Residential	1.000000	1.000000	0.00%	0.00492992	0.00477890	-3.06%
Multi-Residential	1.970000	1.970000	0.00%	0.00971194	0.00941443	-3.06%
Commercial	1.734900	1.734900	0.00%	0.00855292	0.00829091	-3.06%
Industrial	2.630000	2.630000	0.00%	0.01296569	0.01256851	-3.06%
Pipeline	1.702100	1.702100	0.00%	0.00839122	0.00813417	-3.06%
Sub-Total of Taxable Levy				\$12,795,200	\$12,795,210	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00492992	0.00477890	-3.06%
Commercial	1.734900	1.734900	0.00%	0.00855292	0.00829091	-3.06%
Industrial	2.630000	2.630000	0.00%	0.01296569	0.01256851	-3.06%
Sub-Total of Payment In Lieu Levy				\$25,014	\$24,556	-1.83%
Total Taxable + PIL Levies Based on Rate Set				\$12,820,214	\$12,819,766	0.00%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Pelham</i>				
Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$11,531,174	\$11,515,267	-\$15,907	-0.14%
Farm	\$176,479	\$187,584	\$11,105	6.29%
Managed Forest	\$3,120	\$3,227	\$107	3.43%
New Multi-Residential	\$2,682	\$2,600	-\$82	-3.06%
Multi-Residential	\$169,784	\$165,576	-\$4,208	-2.48%
Commercial	\$737,228	\$745,378	\$8,150	1.11%
Industrial	\$37,250	\$38,484	\$1,234	3.31%
Pipeline	\$137,483	\$137,094	-\$389	-0.28%
Sub-Total: Taxable	\$12,795,200	\$12,795,210	\$10	0.00%
<i>Payment In Lieu</i>				
Residential	\$12	\$13	\$1	8.33%
Commercial	\$24,702	\$24,221	-\$481	-1.95%
Industrial	\$300	\$322	\$22	7.33%
Sub-Total: Payment In Lieu	\$25,014	\$24,556	-\$458	-1.83%
Total (Taxable + PIL)	\$12,820,214	\$12,819,766	-\$448	0.00%



Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Pelham</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$13,264,082	\$13,149,631	-\$114,451	-0.86%
Farm	\$203,000	\$214,207	\$11,207	5.52%
Managed Forest	\$3,588	\$3,685	\$97	2.70%
New Multi-Residential	\$3,085	\$2,969	-\$116	-3.76%
Multi-Residential	\$195,299	\$189,077	-\$6,222	-3.19%
Commercial	\$848,018	\$851,170	\$3,152	0.37%
Industrial	\$42,848	\$43,945	\$1,097	2.56%
Pipeline	\$158,144	\$156,552	-\$1,592	-1.01%
Sub-Total: Taxable	\$14,718,064	\$14,611,236	-\$106,828	-0.73%
<i>Payment In Lieu</i>				
Residential	\$14	\$15	\$1	7.14%
Commercial	\$28,414	\$27,658	-\$756	-2.66%
Industrial	\$345	\$367	\$22	6.38%
Sub-Total: Payment In Lieu	\$28,773	\$28,040	-\$733	-2.55%
Total (Taxable + PIL)	\$14,746,837	\$14,639,276	-\$107,561	-0.73%



Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Pelham</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$24,795,256	\$24,664,898	-\$130,358	-0.53%
Farm	\$379,479	\$401,791	\$22,312	5.88%
Managed Forest	\$6,708	\$6,912	\$204	3.04%
New Multi-Residential	\$5,767	\$5,569	-\$198	-3.43%
Multi-Residential	\$365,083	\$354,653	-\$10,430	-2.86%
Commercial	\$1,585,246	\$1,596,548	\$11,302	0.71%
Industrial	\$80,098	\$82,429	\$2,331	2.91%
Pipeline	\$295,627	\$293,646	-\$1,981	-0.67%
Sub-Total: Taxable	\$27,513,264	\$27,406,446	-\$106,818	-0.39%
<i>Payment In Lieu</i>				
Residential	\$26	\$28	\$2	7.69%
Commercial	\$53,116	\$51,879	-\$1,237	-2.33%
Industrial	\$645	\$689	\$44	6.82%
Sub-Total: Payment In Lieu	\$53,787	\$52,596	-\$1,191	-2.21%
Total (Taxable + PIL)	\$27,567,051	\$27,459,042	-\$108,009	-0.39%



Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Port Colborne</i>	2018 Full CVA		Full CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,592,946,136	1,607,142,914	14,196,778	0.89%
Farm	56,827,000	56,739,600	-87,400	-0.15%
Managed Forest	882,700	882,700	0	0.00%
New Multi-Residential	600,000	600,000	0	0.00%
Multi-Residential	38,878,000	38,878,000	0	0.00%
Commercial	136,216,700	139,770,654	3,553,954	2.61%
Industrial	85,488,500	81,511,968	-3,976,532	-4.65%
Pipeline	10,512,000	10,484,000	-28,000	-0.27%
Sub-Total: Taxable	1,922,351,036	1,936,009,836	13,658,800	0.71%
<i>Payment In Lieu</i>				
Residential	1,491,400	1,491,400	0	0.00%
Commercial	10,470,800	11,917,800	1,447,000	13.82%
Industrial	78,000	78,000	0	0.00%
Sub-Total: Payment In Lieu	12,040,200	13,487,200	1,447,000	12.02%
Total (Taxable + PIL)	1,934,391,236	1,949,497,036	15,105,800	0.78%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Port Colborne</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	9,161,500	0.58%	14,196,778	0.89%
Farm	-639,800	-1.11%	-87,400	-0.15%
Managed Forest	-195,000	-18.09%	0	0.00%
New Multi-Residential	600,000	100.00%	0	0.00%
Multi-Residential	-242,000	-0.62%	0	0.00%
Commercial	-562,200	-0.41%	3,553,954	2.61%
Industrial	2,417,700	2.91%	-3,976,532	-4.65%
Pipeline	22,000	0.21%	-28,000	-0.27%
Sub-Total: Taxable	10,562,200	0.55%	13,658,800	0.71%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	25,000	0.24%	1,447,000	13.82%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	25,000	0.21%	1,447,000	12.02%
Total (Taxable + PIL)	10,587,200	0.55%	15,105,800	0.78%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Port Colborne</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,514,141,526	1,527,066,995	12,925,469	0.85%
Farm	50,878,746	50,796,146	-82,600	-0.16%
Managed Forest	832,709	832,709	0	0.00%
New Multi-Residential	600,000	600,000	0	0.00%
Multi-Residential	38,593,250	38,593,250	0	0.00%
Commercial	123,510,984	126,841,407	3,330,423	2.70%
Industrial	78,030,884	76,081,016	-1,949,868	-2.50%
Pipeline	9,991,268	9,964,591	-26,677	-0.27%
Sub-Total: Taxable	1,816,579,367	1,830,776,114	14,196,747	0.78%
<i>Payment In Lieu</i>				
Residential	1,102,300	1,102,300	0	0.00%
Commercial	9,872,500	11,312,923	1,440,423	14.59%
Industrial	75,650	75,650	0	0.00%
Sub-Total: Payment In Lieu	11,050,450	12,490,873	1,440,423	13.03%
Total (Taxable + PIL)	1,827,629,817	1,843,266,987	15,637,170	0.86%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Port Colborne</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$12,762,940	\$12,871,903	\$108,964	0.85%
Farm	\$107,240	\$107,066	-\$174	-0.16%
Managed Forest	\$1,755	\$1,755	\$0	0.00%
New Multi-Residential	\$5,059	\$5,059	\$0	0.00%
Multi-Residential	\$641,000	\$641,000	\$0	0.00%
Commercial	\$1,795,173	\$1,844,392	\$49,219	2.74%
Industrial	\$1,659,856	\$1,630,743	-\$29,114	-1.75%
Pipeline	\$143,379	\$142,996	-\$383	-0.27%
Sub-Total: Taxable	\$17,116,402	\$17,244,914	\$128,512	0.75%
<i>Payment In Lieu</i>				
Residential	\$9,293	\$9,293	\$0	0.00%
Commercial	\$144,405	\$165,475	\$21,069	14.59%
Industrial	\$1,677	\$1,677	\$0	0.00%
Sub-Total: Payment In Lieu	\$155,375	\$176,445	\$21,069	13.56%
Total (Taxable + PIL)	\$17,271,777	\$17,421,359	\$149,581	0.87%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Port Colborne</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$81,370	0.68%	\$108,964	0.85%
Farm	-\$1,184	-1.19%	-\$174	-0.16%
Managed Forest	-\$347	-17.35%	\$0	0.00%
New Multi-Residential	\$4,910	100.00%	\$0	0.00%
Multi-Residential	-\$2,979	-0.47%	\$0	0.00%
Commercial	-\$2,755	-0.16%	\$49,219	2.74%
Industrial	\$36,746	2.44%	-\$29,114	-1.75%
Pipeline	\$20	0.01%	-\$383	-0.27%
Sub-Total: Taxable	\$115,781	0.72%	\$128,512	0.75%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$349	0.25%	\$21,069	14.59%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$349	0.24%	\$21,069	13.56%
Total (Taxable + PIL)	\$116,130	0.72%	\$149,581	0.87%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Port Colborne</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	1,527,066,995	1,567,104,955	40,037,960	2.62%
Farm	50,796,146	53,767,874	2,971,728	5.85%
Managed Forest	832,709	857,705	24,996	3.00%
New Multi-Residential	600,000	600,000	0	0.00%
Multi-Residential	38,593,250	38,735,625	142,375	0.37%
Commercial	126,841,407	133,306,029	6,464,622	5.10%
Industrial	76,081,016	78,796,493	2,715,477	3.57%
Pipeline	9,964,591	10,224,296	259,705	2.61%
Sub-Total: Taxable	1,830,776,114	1,883,392,977	52,616,863	2.87%
<i>Payment In Lieu</i>				
Residential	1,102,300	1,296,850	194,550	17.65%
Commercial	11,312,923	11,615,362	302,439	2.67%
Industrial	75,650	76,825	1,175	1.55%
Sub-Total: Payment In Lieu	12,490,873	12,989,037	498,164	3.99%
Total (Taxable + PIL)	1,843,266,987	1,896,382,014	53,115,027	2.88%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00843103	0.00819413	-2.81%
Farm	0.250000	0.250000	0.00%	0.00210776	0.00204853	-2.81%
Managed Forest	0.250000	0.250000	0.00%	0.00210776	0.00204853	-2.81%
New Multi-Residential	1.000000	1.000000	0.00%	0.00843103	0.00819413	-2.81%
Multi-Residential	1.970000	1.970000	0.00%	0.01660912	0.01614244	-2.81%
Commercial	1.734900	1.734900	0.00%	0.01462699	0.01421600	-2.81%
Industrial	2.630000	2.630000	0.00%	0.02217360	0.02155056	-2.81%
Pipeline	1.702100	1.702100	0.00%	0.01435045	0.01394723	-2.81%
Sub-Total of Taxable Levy				\$17,244,914	\$17,244,910	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00843103	0.00819413	-2.81%
Commercial	1.734900	1.734900	0.00%	0.01462699	0.01421600	-2.81%
Industrial	2.630000	2.630000	0.00%	0.02217360	0.02155056	-2.81%
Sub-Total of Payment In Lieu Levy				\$176,445	\$177,406	0.54%
Total Taxable + PIL Levies Based on Rate Set				\$17,421,359	\$17,422,316	0.01%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Port Colborne</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$12,871,903	\$12,838,234	-\$33,669	-0.26%
Farm	\$107,066	\$110,145	\$3,079	2.88%
Managed Forest	\$1,755	\$1,757	\$2	0.11%
New Multi-Residential	\$5,059	\$4,916	-\$143	-2.83%
Multi-Residential	\$641,000	\$625,288	-\$15,712	-2.45%
Commercial	\$1,844,392	\$1,884,119	\$39,727	2.15%
Industrial	\$1,630,743	\$1,637,850	\$7,107	0.44%
Pipeline	\$142,996	\$142,601	-\$395	-0.28%
Sub-Total: Taxable	\$17,244,914	\$17,244,910	-\$4	0.00%
<i>Payment In Lieu</i>				
Residential	\$9,293	\$10,626	\$1,333	14.34%
Commercial	\$165,475	\$165,124	-\$351	-0.21%
Industrial	\$1,677	\$1,656	-\$21	-1.25%
Sub-Total: Payment In Lieu	\$176,445	\$177,406	\$961	0.54%
Total (Taxable + PIL)	\$17,421,359	\$17,422,316	\$957	0.01%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Port Colborne</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$8,657,763	\$8,550,075	-\$107,688	-1.24%
Farm	\$72,014	\$73,355	\$1,341	1.86%
Managed Forest	\$1,181	\$1,170	-\$11	-0.93%
New Multi-Residential	\$3,402	\$3,274	-\$128	-3.76%
Multi-Residential	\$431,143	\$416,432	-\$14,711	-3.41%
Commercial	\$1,240,555	\$1,254,795	\$14,240	1.15%
Industrial	\$1,096,853	\$1,090,786	-\$6,067	-0.55%
Pipeline	\$96,181	\$94,970	-\$1,211	-1.26%
Sub-Total: Taxable	\$11,599,092	\$11,484,857	-\$114,235	-0.98%
<i>Payment In Lieu</i>				
Residential	\$6,251	\$7,078	\$827	13.23%
Commercial	\$111,299	\$109,970	-\$1,329	-1.19%
Industrial	\$1,128	\$1,103	-\$25	-2.22%
Sub-Total: Payment In Lieu	\$118,678	\$118,151	-\$527	-0.44%
Total (Taxable + PIL)	\$11,717,770	\$11,603,008	-\$114,762	-0.98%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Port Colborne</i>	Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$21,529,666	\$21,388,309	-\$141,357	-0.66%
Farm	\$179,080	\$183,500	\$4,420	2.47%
Managed Forest	\$2,936	\$2,927	-\$9	-0.31%
New Multi-Residential	\$8,461	\$8,190	-\$271	-3.20%
Multi-Residential	\$1,072,143	\$1,041,720	-\$30,423	-2.84%
Commercial	\$3,084,947	\$3,138,914	\$53,967	1.75%
Industrial	\$2,727,596	\$2,728,636	\$1,040	0.04%
Pipeline	\$239,177	\$237,571	-\$1,606	-0.67%
Sub-Total: Taxable	\$28,844,006	\$28,729,767	-\$114,239	-0.40%
<i>Payment In Lieu</i>				
Residential	\$15,544	\$17,704	\$2,160	13.90%
Commercial	\$276,774	\$275,094	-\$1,680	-0.61%
Industrial	\$2,805	\$2,759	-\$46	-1.64%
Sub-Total: Payment In Lieu	\$295,123	\$295,557	\$434	0.15%
Total (Taxable + PIL)	\$29,139,129	\$29,025,324	-\$113,805	-0.39%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>St. Catharines</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	12,013,898,248	12,159,948,664	146,050,416	1.22%
Farm	141,783,700	140,178,200	-1,605,500	-1.13%
New Multi-Residential	60,879,500	62,266,242	1,386,742	2.28%
Multi-Residential	730,548,400	697,136,240	-33,412,160	-4.57%
Commercial	2,074,924,805	2,084,678,616	9,753,811	0.47%
Industrial	206,825,600	189,966,400	-16,859,200	-8.15%
Pipeline	30,868,000	31,079,000	211,000	0.68%
Sub-Total: Taxable	15,259,728,253	15,365,253,362	105,525,109	0.69%
<i>Payment In Lieu</i>				
Residential	3,141,200	3,304,200	163,000	5.19%
Commercial	88,439,200	87,198,200	-1,241,000	-1.40%
Industrial	2,726,300	2,726,300	0	0.00%
Sub-Total: Payment In Lieu	94,306,700	93,228,700	-1,078,000	-1.14%
Total (Taxable + PIL)	15,354,034,953	15,458,482,062	104,447,109	0.68%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>St. Catharines</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	57,692,103	0.48%	146,050,416	1.22%
Farm	-404,500	-0.28%	-1,605,500	-1.13%
New Multi-Residential	28,223,900	86.43%	1,386,742	2.28%
Multi-Residential	350,200	0.05%	-33,412,160	-4.57%
Commercial	10,504,205	0.51%	9,753,811	0.47%
Industrial	6,700	0.00%	-16,859,200	-8.15%
Pipeline	112,000	0.36%	211,000	0.68%
Sub-Total: Taxable	96,484,608	0.64%	105,525,109	0.69%
<i>Payment In Lieu</i>				
Residential	-24,000	-0.76%	163,000	5.19%
Commercial	-328,000	-0.37%	-1,241,000	-1.40%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	-352,000	-0.37%	-1,078,000	-1.14%
Total (Taxable + PIL)	96,132,608	0.63%	104,447,109	0.68%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>St. Catharines</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	11,314,778,782	11,453,055,159	138,276,377	1.22%
Farm	116,556,433	115,213,486	-1,342,947	-1.15%
New Multi-Residential	53,780,980	55,283,360	1,502,380	2.79%
Multi-Residential	678,157,533	646,503,582	-31,653,951	-4.67%
Commercial	1,867,087,017	1,875,070,050	7,983,033	0.43%
Industrial	195,506,482	181,136,013	-14,370,469	-7.35%
Pipeline	29,657,500	29,815,359	157,859	0.53%
Sub-Total: Taxable	14,255,524,727	14,356,077,009	100,552,282	0.71%
<i>Payment In Lieu</i>				
Residential	2,875,600	3,029,347	153,747	5.35%
Commercial	83,254,565	82,005,894	-1,248,671	-1.50%
Industrial	2,311,501	2,311,501	0	0.00%
Sub-Total: Payment In Lieu	88,441,666	87,346,742	-1,094,924	-1.24%
Total (Taxable + PIL)	14,343,966,393	14,443,423,751	99,457,358	0.69%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>St. Catharines</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$60,905,378	\$61,650,484	\$745,106	1.22%
Farm	\$157,017	\$155,208	-\$1,809	-1.15%
New Multi-Residential	\$289,800	\$297,896	\$8,096	2.79%
Multi-Residential	\$7,198,913	\$6,862,894	-\$336,019	-4.67%
Commercial	\$17,366,805	\$17,446,538	\$79,729	0.46%
Industrial	\$2,641,892	\$2,447,152	-\$194,741	-7.37%
Pipeline	\$272,013	\$273,461	\$1,448	0.53%
Sub-Total: Taxable	\$88,831,818	\$89,133,633	\$301,810	0.34%
<i>Payment In Lieu</i>				
Residential	\$15,495	\$16,324	\$828	5.34%
Commercial	\$774,254	\$762,581	-\$11,673	-1.51%
Industrial	\$30,362	\$30,362	\$0	0.00%
Sub-Total: Payment In Lieu	\$820,111	\$809,267	-\$10,845	-1.32%
Total (Taxable + PIL)	\$89,651,929	\$89,942,900	\$290,965	0.32%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>St. Catharines</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$344,565	0.58%	\$745,106	1.22%
Farm	\$52	0.04%	-\$1,809	-1.15%
New Multi-Residential	\$120,540	78.64%	\$8,096	2.79%
Multi-Residential	\$24,979	0.35%	-\$336,019	-4.67%
Commercial	\$107,772	0.64%	\$79,729	0.46%
Industrial	\$1,592	0.06%	-\$194,741	-7.37%
Pipeline	\$970	0.36%	\$1,448	0.53%
Sub-Total: Taxable	\$600,470	0.70%	\$301,810	0.34%
<i>Payment In Lieu</i>				
Residential	-\$45	-0.30%	\$828	5.34%
Commercial	-\$3,181	-0.41%	-\$11,673	-1.51%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	-\$3,226	-0.40%	-\$10,845	-1.32%
Total (Taxable + PIL)	\$597,244	0.69%	\$290,965	0.32%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>St. Catharines</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	11,453,055,159	11,806,501,916	353,446,757	3.09%
Farm	115,213,486	127,695,843	12,482,357	10.83%
New Multi-Residential	55,283,360	58,774,801	3,491,441	6.32%
Multi-Residential	646,503,582	671,819,914	25,316,332	3.92%
Commercial	1,875,070,050	1,979,874,356	104,804,306	5.59%
Industrial	181,136,013	185,551,208	4,415,195	2.44%
Pipeline	29,815,359	30,447,179	631,820	2.12%
Sub-Total: Taxable	14,356,077,009	14,860,665,217	504,588,208	3.51%
<i>Payment In Lieu</i>				
Residential	3,029,347	3,166,774	137,427	4.54%
Commercial	82,005,894	84,602,048	2,596,154	3.17%
Industrial	2,311,501	2,518,900	207,399	8.97%
Sub-Total: Payment In Lieu	87,346,742	90,287,722	2,940,980	3.37%
Total (Taxable + PIL)	14,443,423,751	14,950,952,939	507,529,188	3.51%

Confidential

**Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)**

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00538853	0.00519917	-3.51%
Farm	0.250000	0.250000	0.00%	0.00134713	0.00129979	-3.51%
New Multi-Residential	1.000000	1.000000	0.00%	0.00538853	0.00519917	-3.51%
Multi-Residential	1.970000	1.970000	0.00%	0.01061540	0.01024236	-3.51%
Commercial	1.734900	1.734900	0.00%	0.00934856	0.00902004	-3.51%
Industrial	2.630000	2.630000	0.00%	0.01417183	0.01367382	-3.51%
Pipeline	1.702100	1.702100	0.00%	0.00917182	0.00884951	-3.51%
Sub-Total of Taxable Levy				\$89,133,633	\$89,133,564	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00538853	0.00519917	-3.51%
Commercial	1.734900	1.734900	0.00%	0.00934856	0.00902004	-3.51%
Industrial	2.630000	2.630000	0.00%	0.01417183	0.01367382	-3.51%
Sub-Total of Payment In Lieu Levy				\$809,267	\$807,567	-0.21%
Total Taxable + PIL Levies Based on Rate Set				\$89,942,900	\$89,941,131	0.00%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>St. Catharines</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$61,650,484	\$61,321,636	-\$328,848	-0.53%
Farm	\$155,208	\$165,978	\$10,770	6.94%
New Multi-Residential	\$297,896	\$305,580	\$7,684	2.58%
Multi-Residential	\$6,862,894	\$6,881,021	\$18,127	0.26%
Commercial	\$17,446,538	\$17,775,228	\$328,690	1.88%
Industrial	\$2,447,152	\$2,414,678	-\$32,474	-1.33%
Pipeline	\$273,461	\$269,443	-\$4,018	-1.47%
Sub-Total: Taxable	\$89,133,633	\$89,133,564	-\$69	0.00%
<i>Payment In Lieu</i>				
Residential	\$16,324	\$16,464	\$140	0.86%
Commercial	\$762,581	\$759,056	-\$3,525	-0.46%
Industrial	\$30,362	\$32,047	\$1,685	5.55%
Sub-Total: Payment In Lieu	\$809,267	\$807,567	-\$1,700	-0.21%
Total (Taxable + PIL)	\$89,942,900	\$89,941,131	-\$1,769	0.00%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>St. Catharines</i> Realty Tax Class	Upper-Tier General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$64,879,836	\$64,364,618	-\$515,218	-0.79%
Farm	\$163,338	\$174,214	\$10,876	6.66%
New Multi-Residential	\$313,500	\$320,744	\$7,244	2.31%
Multi-Residential	\$7,222,389	\$7,222,481	\$92	0.00%
Commercial	\$18,360,408	\$18,657,285	\$296,877	1.62%
Industrial	\$2,575,339	\$2,534,500	-\$40,839	-1.59%
Pipeline	\$287,785	\$282,813	-\$4,972	-1.73%
Sub-Total: Taxable	\$93,802,595	\$93,556,655	-\$245,940	-0.26%
<i>Payment In Lieu</i>				
Residential	\$17,179	\$17,282	\$103	0.60%
Commercial	\$802,525	\$796,721	-\$5,804	-0.72%
Industrial	\$31,952	\$33,637	\$1,685	5.27%
Sub-Total: Payment In Lieu	\$851,656	\$847,640	-\$4,016	-0.47%
Total (Taxable + PIL)	\$94,654,251	\$94,404,295	-\$249,956	-0.26%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>St. Catharines</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$126,530,320	\$125,686,254	-\$844,066	-0.67%
Farm	\$318,546	\$340,192	\$21,646	6.80%
New Multi-Residential	\$611,396	\$626,324	\$14,928	2.44%
Multi-Residential	\$14,085,283	\$14,103,502	\$18,219	0.13%
Commercial	\$35,806,946	\$36,432,513	\$625,567	1.75%
Industrial	\$5,022,491	\$4,949,178	-\$73,313	-1.46%
Pipeline	\$561,246	\$552,256	-\$8,990	-1.60%
Sub-Total: Taxable	\$182,936,228	\$182,690,219	-\$246,009	-0.13%
<i>Payment In Lieu</i>				
Residential	\$33,503	\$33,746	\$243	0.73%
Commercial	\$1,565,106	\$1,555,777	-\$9,329	-0.60%
Industrial	\$62,314	\$65,684	\$3,370	5.41%
Sub-Total: Payment In Lieu	\$1,660,923	\$1,655,207	-\$5,716	-0.34%
Total (Taxable + PIL)	\$184,597,151	\$184,345,426	-\$251,725	-0.14%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Thorold</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,841,863,900	1,953,311,560	111,447,660	6.05%
Farm	55,098,600	52,079,240	-3,019,360	-5.48%
Managed Forest	526,600	526,600	0	0.00%
New Multi-Residential	65,945,300	65,945,300	0	0.00%
Multi-Residential	42,120,300	42,120,300	0	0.00%
Commercial	182,905,200	183,881,900	976,700	0.53%
Industrial	74,617,500	72,432,100	-2,185,400	-2.93%
Pipeline	25,451,000	25,610,000	159,000	0.62%
Sub-Total: Taxable	2,288,528,400	2,395,907,000	107,378,600	4.69%
<i>Payment In Lieu</i>				
Residential	5,242,400	4,974,400	-268,000	-5.11%
Farm	491,000	491,000	0	0.00%
Commercial	11,552,400	12,091,400	539,000	4.67%
Industrial	1,597,200	1,731,200	134,000	8.39%
Sub-Total: Payment In Lieu	18,883,000	19,288,000	405,000	2.14%
Total (Taxable + PIL)	2,307,411,400	2,415,195,000	107,783,600	4.67%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Thorold</i>	2017 Full CVA Growth		2018 Full CVA Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	47,125,500	2.63%	111,447,660	6.05%
Farm	-17,294,700	-23.89%	-3,019,360	-5.48%
Managed Forest	99,600	23.33%	0	0.00%
New Multi-Residential	0	0.00%	0	0.00%
Multi-Residential	853,300	2.07%	0	0.00%
Commercial	-1,455,100	-0.79%	976,700	0.53%
Industrial	-2,502,800	-3.25%	-2,185,400	-2.93%
Pipeline	322,000	1.28%	159,000	0.62%
Sub-Total: Taxable	27,147,800	1.20%	107,378,600	4.69%
<i>Payment In Lieu</i>				
Residential	0	0.00%	-268,000	-5.11%
Farm	0	0.00%	0	0.00%
Commercial	0	0.00%	539,000	4.67%
Industrial	0	0.00%	134,000	8.39%
Sub-Total: Payment In Lieu	0	0.00%	405,000	2.14%
Total (Taxable + PIL)	27,147,800	1.19%	107,783,600	4.67%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Thorold</i>	2018 Phased CVA		Phased CVA Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,741,742,306	1,848,166,089	106,423,783	6.11%
Farm	49,761,655	46,924,130	-2,837,525	-5.70%
Managed Forest	464,631	464,631	0	0.00%
New Multi-Residential	61,583,150	61,583,150	0	0.00%
Multi-Residential	40,542,894	40,542,894	0	0.00%
Commercial	167,991,038	168,980,091	989,053	0.59%
Industrial	70,156,956	68,141,746	-2,015,210	-2.87%
Pipeline	24,133,000	24,284,559	151,559	0.63%
Sub-Total: Taxable	2,156,375,630	2,259,087,290	102,711,660	4.76%
<i>Payment In Lieu</i>				
Residential	4,719,430	4,456,200	-263,230	-5.58%
Farm	431,500	431,500	0	0.00%
Commercial	10,799,600	11,337,344	537,744	4.98%
Industrial	1,516,950	1,645,882	128,932	8.50%
Sub-Total: Payment In Lieu	17,467,480	17,870,926	403,446	2.31%
Total (Taxable + PIL)	2,173,843,110	2,276,958,216	103,115,106	4.74%



Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Thorold</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$10,204,537	\$10,828,055	\$623,517	6.11%
Farm	\$72,886	\$68,730	-\$4,156	-5.70%
Managed Forest	\$681	\$681	\$0	0.00%
New Multi-Residential	\$360,804	\$360,804	\$0	0.00%
Multi-Residential	\$467,940	\$467,940	\$0	0.00%
Commercial	\$1,674,220	\$1,681,627	\$7,408	0.44%
Industrial	\$988,214	\$961,595	-\$26,618	-2.69%
Pipeline	\$240,661	\$242,172	\$1,511	0.63%
Sub-Total: Taxable	\$14,009,943	\$14,611,604	\$601,662	4.29%
<i>Payment In Lieu</i>				
Residential	\$27,650	\$26,107	-\$1,542	-5.58%
Farm	\$632	\$632	\$0	0.00%
Commercial	\$109,773	\$115,238	\$5,466	4.98%
Industrial	\$23,374	\$25,361	\$1,987	8.50%
Sub-Total: Payment In Lieu	\$161,429	\$167,338	\$5,911	3.66%
Total (Taxable + PIL)	\$14,171,372	\$14,778,942	\$607,573	4.29%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Thorold</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$289,969	3.02%	\$623,517	6.11%
Farm	-\$6,458	-8.57%	-\$4,156	-5.70%
Managed Forest	\$103	19.40%	\$0	0.00%
New Multi-Residential	\$0	0.00%	\$0	0.00%
Multi-Residential	\$11,266	2.48%	\$0	0.00%
Commercial	-\$7,856	-0.48%	\$7,408	0.44%
Industrial	-\$32,354	-3.26%	-\$26,618	-2.69%
Pipeline	\$2,900	1.26%	\$1,511	0.63%
Sub-Total: Taxable	\$257,570	1.93%	\$601,662	4.29%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	-\$1,542	-5.58%
Farm	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$5,466	4.98%
Industrial	\$0	0.00%	\$1,987	8.50%
Sub-Total: Payment In Lieu	\$0	0.00%	\$5,911	3.66%
Total (Taxable + PIL)	\$257,570	1.91%	\$607,573	4.29%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Thorold</i>	Phase Adjusted CVA		Change	
Realty Tax Class	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	1,848,166,089	1,900,738,851	52,572,762	2.84%
Farm	46,924,130	49,501,686	2,577,556	5.49%
Managed Forest	464,631	495,616	30,985	6.67%
New Multi-Residential	61,583,150	63,764,225	2,181,075	3.54%
Multi-Residential	40,542,894	41,331,597	788,703	1.95%
Commercial	168,980,091	176,430,999	7,450,908	4.41%
Industrial	68,141,746	70,286,923	2,145,177	3.15%
Pipeline	24,284,559	24,947,280	662,721	2.73%
Sub-Total: Taxable	2,259,087,290	2,327,497,177	68,409,887	3.03%
<i>Payment In Lieu</i>				
Residential	4,456,200	4,715,300	259,100	5.81%
Farm	431,500	461,250	29,750	6.89%
Commercial	11,337,344	11,714,372	377,028	3.33%
Industrial	1,645,882	1,688,541	42,659	2.59%
Sub-Total: Payment In Lieu	17,870,926	18,579,463	708,537	3.96%
Total (Taxable + PIL)	2,276,958,216	2,346,076,640	69,118,424	3.04%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
<i>Thorold</i>						
Taxable						
Residential	1.000000	1.000000	0.00%	0.00585881	0.00568796	-2.92%
Farm	0.250000	0.250000	0.00%	0.00146470	0.00142199	-2.92%
Managed Forest	0.250000	0.250000	0.00%	0.00146470	0.00142199	-2.92%
New Multi-Residential	1.000000	1.000000	0.00%	0.00585881	0.00568796	-2.92%
Multi-Residential	1.970000	1.970000	0.00%	0.01154186	0.01120528	-2.92%
Commercial	1.734900	1.734900	0.00%	0.01016445	0.00986804	-2.92%
Industrial	2.630000	2.630000	0.00%	0.01540867	0.01495933	-2.92%
Pipeline	1.702100	1.702100	0.00%	0.00997228	0.00968148	-2.92%
Sub-Total of Taxable Levy				\$14,611,604	\$14,611,609	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00585881	0.00568796	-2.92%
Farm	0.250000	0.250000	0.00%	0.00146470	0.00142199	-2.92%
Commercial	1.734900	1.734900	0.00%	0.01016445	0.00986804	-2.92%
Industrial	2.630000	2.630000	0.00%	0.01540867	0.01495933	-2.92%
Sub-Total of Payment In Lieu Levy				\$167,338	\$168,334	0.60%
Total Taxable + PIL Levies Based on Rate Set				\$14,778,942	\$14,779,943	0.01%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Thorold</i>	Local General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$10,828,055	\$10,811,327	-\$16,728	-0.15%
Farm	\$68,730	\$70,391	\$1,661	2.42%
Managed Forest	\$681	\$705	\$24	3.52%
New Multi-Residential	\$360,804	\$362,688	\$1,884	0.52%
Multi-Residential	\$467,940	\$463,132	-\$4,808	-1.03%
Commercial	\$1,681,627	\$1,703,445	\$21,818	1.30%
Industrial	\$961,595	\$958,394	-\$3,201	-0.33%
Pipeline	\$242,172	\$241,527	-\$645	-0.27%
Sub-Total: Taxable	\$14,611,604	\$14,611,609	\$5	0.00%
<i>Payment In Lieu</i>				
Residential	\$26,107	\$26,821	\$714	2.73%
Farm	\$632	\$656	\$24	3.80%
Commercial	\$115,238	\$115,598	\$360	0.31%
Industrial	\$25,361	\$25,259	-\$102	-0.40%
Sub-Total: Payment In Lieu	\$167,338	\$168,334	\$996	0.60%
Total (Taxable + PIL)	\$14,778,942	\$14,779,943	\$1,001	0.01%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Thorold</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$10,480,561	\$10,372,655	-\$107,906	-1.03%
Farm	\$66,524	\$67,535	\$1,011	1.52%
Managed Forest	\$659	\$676	\$17	2.58%
New Multi-Residential	\$349,225	\$347,972	-\$1,253	-0.36%
Multi-Residential	\$452,923	\$444,340	-\$8,583	-1.90%
Commercial	\$1,627,661	\$1,634,327	\$6,666	0.41%
Industrial	\$930,737	\$919,508	-\$11,229	-1.21%
Pipeline	\$234,401	\$231,727	-\$2,674	-1.14%
Sub-Total: Taxable	\$14,142,691	\$14,018,740	-\$123,951	-0.88%
<i>Payment In Lieu</i>				
Residential	\$25,270	\$25,732	\$462	1.83%
Farm	\$612	\$629	\$17	2.78%
Commercial	\$111,539	\$110,907	-\$632	-0.57%
Industrial	\$24,547	\$24,235	-\$312	-1.27%
Sub-Total: Payment In Lieu	\$161,968	\$161,503	-\$465	-0.29%
Total (Taxable + PIL)	\$14,304,659	\$14,180,243	-\$124,416	-0.87%



Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Thorold</i>	Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$21,308,616	\$21,183,982	-\$124,634	-0.58%
Farm	\$135,254	\$137,926	\$2,672	1.98%
Managed Forest	\$1,340	\$1,381	\$41	3.06%
New Multi-Residential	\$710,029	\$710,660	\$631	0.09%
Multi-Residential	\$920,863	\$907,472	-\$13,391	-1.45%
Commercial	\$3,309,288	\$3,337,772	\$28,484	0.86%
Industrial	\$1,892,332	\$1,877,902	-\$14,430	-0.76%
Pipeline	\$476,573	\$473,254	-\$3,319	-0.70%
Sub-Total: Taxable	\$28,754,295	\$28,630,349	-\$123,946	-0.43%
<i>Payment In Lieu</i>				
Residential	\$51,377	\$52,553	\$1,176	2.29%
Farm	\$1,244	\$1,285	\$41	3.30%
Commercial	\$226,777	\$226,505	-\$272	-0.12%
Industrial	\$49,908	\$49,494	-\$414	-0.83%
Sub-Total: Payment In Lieu	\$329,306	\$329,837	\$531	0.16%
Total (Taxable + PIL)	\$29,083,601	\$28,960,186	-\$123,415	-0.42%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Wainfleet</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	891,881,215	906,926,515	15,045,300	1.69%
Farm	202,814,303	203,726,703	912,400	0.45%
Managed Forest	1,548,900	1,590,100	41,200	2.66%
Multi-Residential	457,000	457,000	0	0.00%
Commercial	21,407,300	20,883,700	-523,600	-2.45%
Industrial	4,108,200	4,108,200	0	0.00%
Pipeline	5,525,000	5,530,000	5,000	0.09%
Sub-Total: Taxable	1,127,741,918	1,143,222,218	15,480,300	1.37%
<i>Payment In Lieu</i>				
Residential	275,200	275,200	0	0.00%
Commercial	1,316,000	1,316,000	0	0.00%
Industrial	10,600	10,600	0	0.00%
Sub-Total: Payment In Lieu	1,601,800	1,601,800	0	0.00%
Total (Taxable + PIL)	1,129,343,718	1,144,824,018	15,480,300	1.37%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Wainfleet</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	2,938,115	0.33%	15,045,300	1.69%
Farm	1,168,603	0.58%	912,400	0.45%
Managed Forest	32,700	2.16%	41,200	2.66%
Multi-Residential	0	0.00%	0	0.00%
Commercial	-1,007,600	-4.50%	-523,600	-2.45%
Industrial	158,600	4.02%	0	0.00%
Pipeline	34,000	0.62%	5,000	0.09%
Sub-Total: Taxable	3,324,418	0.30%	15,480,300	1.37%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	0	0.00%
Industrial	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	0	0.00%
Total (Taxable + PIL)	3,324,418	0.30%	15,480,300	1.37%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Wainfleet</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	826,029,436	840,442,450	14,413,014	1.74%
Farm	158,597,930	159,303,036	705,106	0.44%
Managed Forest	1,271,844	1,306,097	34,253	2.69%
Multi-Residential	456,500	456,500	0	0.00%
Commercial	18,794,233	18,267,756	-526,477	-2.80%
Industrial	3,836,852	3,836,852	0	0.00%
Pipeline	5,234,000	5,238,740	4,740	0.09%
Sub-Total: Taxable	1,014,220,795	1,028,851,431	14,630,636	1.44%
<i>Payment In Lieu</i>				
Residential	264,400	264,400	0	0.00%
Commercial	1,249,500	1,249,500	0	0.00%
Industrial	10,250	10,250	0	0.00%
Sub-Total: Payment In Lieu	1,524,150	1,524,150	0	0.00%
Total (Taxable + PIL)	1,015,744,945	1,030,375,581	14,630,636	1.44%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Wainfleet</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$4,797,670	\$4,881,382	\$83,712	1.74%
Farm	\$230,289	\$231,313	\$1,024	0.44%
Managed Forest	\$1,847	\$1,896	\$50	2.71%
Multi-Residential	\$5,223	\$5,223	\$0	0.00%
Commercial	\$185,249	\$179,944	-\$5,305	-2.86%
Industrial	\$57,670	\$57,670	\$0	0.00%
Pipeline	\$51,743	\$51,790	\$47	0.09%
Sub-Total: Taxable	\$5,329,691	\$5,409,218	\$79,528	1.49%
<i>Payment In Lieu</i>				
Residential	\$1,536	\$1,536	\$0	0.00%
Commercial	\$12,591	\$12,591	\$0	0.00%
Industrial	\$157	\$157	\$0	0.00%
Sub-Total: Payment In Lieu	\$14,284	\$14,284	\$0	0.00%
Total (Taxable + PIL)	\$5,343,975	\$5,423,502	\$79,528	1.49%

Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Wainfleet</i> Realty Tax Class	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	\$18,935	0.41%	\$83,712	1.74%
Farm	\$1,191	0.60%	\$1,024	0.44%
Managed Forest	\$27	1.64%	\$50	2.71%
Multi-Residential	\$0	0.00%	\$0	0.00%
Commercial	-\$5,532	-3.02%	-\$5,305	-2.86%
Industrial	\$3,247	6.10%	\$0	0.00%
Pipeline	\$319	0.63%	\$47	0.09%
Sub-Total: Taxable	\$18,187	0.35%	\$79,528	1.49%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$0	0.00%
Industrial	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$0	0.00%	\$0	0.00%
Total (Taxable + PIL)	\$18,187	0.35%	\$79,528	1.49%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Wainfleet</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	840,442,450	873,684,483	33,242,033	3.96%
Farm	159,303,036	181,514,872	22,211,836	13.94%
Managed Forest	1,306,097	1,448,099	142,002	10.87%
Multi-Residential	456,500	456,750	250	0.05%
Commercial	18,267,756	19,575,728	1,307,972	7.16%
Industrial	3,836,852	3,972,525	135,673	3.54%
Pipeline	5,238,740	5,384,370	145,630	2.78%
Sub-Total: Taxable	1,028,851,431	1,086,036,827	57,185,396	5.56%
<i>Payment In Lieu</i>				
Residential	264,400	269,800	5,400	2.04%
Commercial	1,249,500	1,282,750	33,250	2.66%
Industrial	10,250	10,425	175	1.71%
Sub-Total: Payment In Lieu	1,524,150	1,562,975	38,825	2.55%
Total (Taxable + PIL)	1,030,375,581	1,087,599,802	57,224,221	5.55%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Wainfleet Realty Tax Class	-----Tax Ratios-----			-----Tax Rates-----		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00580811	0.00555981	-4.28%
Farm	0.250000	0.250000	0.00%	0.00145203	0.00138995	-4.28%
Managed Forest	0.250000	0.250000	0.00%	0.00145203	0.00138995	-4.28%
Multi-Residential	1.970000	1.970000	0.00%	0.01144197	0.01095283	-4.27%
Commercial	1.734900	1.734900	0.00%	0.01007649	0.00964571	-4.28%
Industrial	2.630000	2.630000	0.00%	0.01527532	0.01462230	-4.28%
Pipeline	1.702100	1.702100	0.00%	0.00988598	0.00946335	-4.28%
Sub-Total of Taxable Levy				\$5,409,218	\$5,409,221	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00580811	0.00555981	-4.28%
Commercial	1.734900	1.734900	0.00%	0.01007649	0.00964571	-4.28%
Industrial	2.630000	2.630000	0.00%	0.01527532	0.01462230	-4.28%
Sub-Total of Payment In Lieu Levy				\$14,284	\$14,025	-1.81%
Total Taxable + PIL Levies Based on Rate Set				\$5,423,502	\$5,423,246	0.00%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Wainfleet</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$4,881,382	\$4,857,520	-\$23,862	-0.49%
Farm	\$231,313	\$252,297	\$20,984	9.07%
Managed Forest	\$1,896	\$2,013	\$117	6.17%
Multi-Residential	\$5,223	\$5,003	-\$220	-4.21%
Commercial	\$179,944	\$184,317	\$4,373	2.43%
Industrial	\$57,670	\$57,117	-\$553	-0.96%
Pipeline	\$51,790	\$50,954	-\$836	-1.61%
Sub-Total: Taxable	\$5,409,218	\$5,409,221	\$3	0.00%
<i>Payment In Lieu</i>				
Residential	\$1,536	\$1,500	-\$36	-2.34%
Commercial	\$12,591	\$12,373	-\$218	-1.73%
Industrial	\$157	\$152	-\$5	-3.18%
Sub-Total: Payment In Lieu	\$14,284	\$14,025	-\$259	-1.81%
Total (Taxable + PIL)	\$5,423,502	\$5,423,246	-\$256	0.00%

Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Wainfleet</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$4,765,972	\$4,767,845	\$1,873	0.04%
Farm	\$225,844	\$247,639	\$21,795	9.65%
Managed Forest	\$1,852	\$1,976	\$124	6.70%
Multi-Residential	\$5,100	\$4,910	-\$190	-3.73%
Commercial	\$175,688	\$180,914	\$5,226	2.97%
Industrial	\$56,306	\$56,063	-\$243	-0.43%
Pipeline	\$50,566	\$50,014	-\$552	-1.09%
Sub-Total: Taxable	\$5,281,328	\$5,309,361	\$28,033	0.53%
<i>Payment In Lieu</i>				
Residential	\$1,500	\$1,472	-\$28	-1.87%
Commercial	\$12,293	\$12,145	-\$148	-1.20%
Industrial	\$153	\$150	-\$3	-1.96%
Sub-Total: Payment In Lieu	\$13,946	\$13,767	-\$179	-1.28%
Total (Taxable + PIL)	\$5,295,274	\$5,323,128	\$27,854	0.53%

Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Wainfleet</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$9,647,354	\$9,625,365	-\$21,989	-0.23%
Farm	\$457,157	\$499,936	\$42,779	9.36%
Managed Forest	\$3,748	\$3,989	\$241	6.43%
Multi-Residential	\$10,323	\$9,913	-\$410	-3.97%
Commercial	\$355,632	\$365,231	\$9,599	2.70%
Industrial	\$113,976	\$113,180	-\$796	-0.70%
Pipeline	\$102,356	\$100,968	-\$1,388	-1.36%
Sub-Total: Taxable	\$10,690,546	\$10,718,582	\$28,036	0.26%
<i>Payment In Lieu</i>				
Residential	\$3,036	\$2,972	-\$64	-2.11%
Commercial	\$24,884	\$24,518	-\$366	-1.47%
Industrial	\$310	\$302	-\$8	-2.58%
Sub-Total: Payment In Lieu	\$28,230	\$27,792	-\$438	-1.55%
Total (Taxable + PIL)	\$10,718,776	\$10,746,374	\$27,598	0.26%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>Welland</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	4,080,024,627	4,140,240,667	60,216,040	1.48%
Farm	22,640,900	22,036,600	-604,300	-2.67%
Managed Forest	771,400	998,400	227,000	29.43%
New Multi-Residential	9,776,500	10,203,500	427,000	4.37%
Multi-Residential	162,471,800	163,032,900	561,100	0.35%
Commercial	405,387,800	416,432,620	11,044,820	2.72%
Industrial	73,551,800	79,746,640	6,194,840	8.42%
Landfill	455,400	455,400	0	0.00%
Pipeline	20,784,000	20,854,000	70,000	0.34%
Sub-Total: Taxable	4,775,864,227	4,854,000,727	78,136,500	1.64%
<i>Payment In Lieu</i>				
Residential	930,600	930,600	0	0.00%
Commercial	11,101,000	11,262,000	161,000	1.45%
Industrial	521,500	521,500	0	0.00%
Landfill	1,334,300	1,334,300	0	0.00%
Sub-Total: Payment In Lieu	13,887,400	14,048,400	161,000	1.16%
Total (Taxable + PIL)	4,789,751,627	4,868,049,127	78,297,500	1.63%

Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>Welland</i> Realty Tax Class	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
<i>Taxable</i>				
Residential	65,462,400	1.63%	60,216,040	1.48%
Farm	99,400	0.44%	-604,300	-2.67%
Managed Forest	-156,100	-16.83%	227,000	29.43%
New Multi-Residential	1,750,300	21.81%	427,000	4.37%
Multi-Residential	-638,000	-0.39%	561,100	0.35%
Commercial	-4,945,600	-1.21%	11,044,820	2.72%
Industrial	-1,190,100	-1.59%	6,194,840	8.42%
Landfill	59,900	15.15%	0	0.00%
Pipeline	77,000	0.37%	70,000	0.34%
Sub-Total: Taxable	60,519,200	1.28%	78,136,500	1.64%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	-10,400	-0.09%	161,000	1.45%
Industrial	1,700	0.33%	0	0.00%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	-8,700	-0.06%	161,000	1.16%
Total (Taxable + PIL)	60,510,500	1.28%	78,297,500	1.63%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>Welland</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	3,862,070,815	3,919,777,830	57,707,015	1.49%
Farm	18,385,122	17,897,924	-487,198	-2.65%
Managed Forest	631,354	833,518	202,164	32.02%
New Multi-Residential	9,449,400	9,858,900	409,500	4.33%
Multi-Residential	158,313,150	158,898,700	585,550	0.37%
Commercial	372,255,283	382,936,264	10,680,981	2.87%
Industrial	68,533,470	74,849,601	6,316,131	9.22%
Landfill	312,850	312,850	0	0.00%
Pipeline	19,884,500	19,951,457	66,957	0.34%
Sub-Total: Taxable	4,509,835,944	4,585,317,044	75,481,100	1.67%
<i>Payment In Lieu</i>				
Residential	858,300	858,300	0	0.00%
Commercial	10,675,650	10,836,650	161,000	1.51%
Industrial	466,593	466,593	0	0.00%
Landfill	886,150	886,150	0	0.00%
Sub-Total: Payment In Lieu	12,886,693	13,047,693	161,000	1.25%
Total (Taxable + PIL)	4,522,722,637	4,598,364,737	75,642,100	1.67%

Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>Welland</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$29,865,937	\$30,312,873	\$446,936	1.50%
Farm	\$35,598	\$34,655	-\$943	-2.65%
Managed Forest	\$1,222	\$1,614	\$391	32.00%
New Multi-Residential	\$73,185	\$76,356	\$3,172	4.33%
Multi-Residential	\$2,415,458	\$2,424,392	\$8,934	0.37%
Commercial	\$4,928,315	\$5,042,530	\$114,213	2.32%
Industrial	\$1,356,598	\$1,488,453	\$131,854	9.72%
Landfill	\$7,124	\$7,124	\$0	0.00%
Pipeline	\$262,130	\$263,012	\$883	0.34%
Sub-Total: Taxable	\$38,945,567	\$39,651,009	\$705,440	1.81%
<i>Payment In Lieu</i>				
Residential	\$6,646	\$6,646	\$0	0.00%
Commercial	\$143,314	\$145,477	\$2,163	1.51%
Industrial	\$9,494	\$9,494	\$0	0.00%
Landfill	\$20,179	\$20,179	\$0	0.00%
Sub-Total: Payment In Lieu	\$179,633	\$181,796	\$2,163	1.20%
Total (Taxable + PIL)	\$39,125,200	\$39,832,805	\$707,603	1.81%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>Welland</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$458,668	1.60%	\$446,936	1.50%
Farm	\$160	0.51%	-\$943	-2.65%
Managed Forest	-\$289	-20.99%	\$391	32.00%
New Multi-Residential	\$12,006	20.01%	\$3,172	4.33%
Multi-Residential	-\$6,183	-0.25%	\$8,934	0.37%
Commercial	-\$12,735	-0.27%	\$114,213	2.32%
Industrial	-\$1,111	-0.08%	\$131,854	9.72%
Landfill	\$329	6.35%	\$0	0.00%
Pipeline	\$927	0.36%	\$883	0.34%
Sub-Total: Taxable	\$451,772	1.21%	\$705,440	1.81%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	-\$138	-0.10%	\$2,163	1.51%
Industrial	\$23	0.26%	\$0	0.00%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	-\$115	-0.07%	\$2,163	1.20%
Total (Taxable + PIL)	\$451,657	1.20%	\$707,603	1.81%

Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>Welland</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	3,919,777,830	4,030,009,274	110,231,444	2.81%
Farm	17,897,924	19,967,262	2,069,338	11.56%
Managed Forest	833,518	915,957	82,439	9.89%
New Multi-Residential	9,858,900	10,031,200	172,300	1.75%
Multi-Residential	158,898,700	160,965,800	2,067,100	1.30%
Commercial	382,936,264	399,684,448	16,748,184	4.37%
Industrial	74,849,601	77,298,122	2,448,521	3.27%
Landfill	312,850	384,125	71,275	22.78%
Pipeline	19,951,457	20,402,728	451,271	2.26%
Sub-Total: Taxable	4,585,317,044	4,719,658,916	134,341,872	2.93%
<i>Payment In Lieu</i>				
Residential	858,300	894,450	36,150	4.21%
Commercial	10,836,650	11,049,325	212,675	1.96%
Industrial	466,593	494,046	27,453	5.88%
Landfill	886,150	1,110,225	224,075	25.29%
Sub-Total: Payment In Lieu	13,047,693	13,548,046	500,353	3.83%
Total (Taxable + PIL)	4,598,364,737	4,733,206,962	134,842,225	2.93%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
Taxable						
Residential	1.000000	1.000000	0.00%	0.00774491	0.00752403	-2.85%
Farm	0.250000	0.250000	0.00%	0.00193623	0.00188101	-2.85%
Managed Forest	0.250000	0.250000	0.00%	0.00193623	0.00188101	-2.85%
New Multi-Residential	1.000000	1.000000	0.00%	0.00774491	0.00752403	-2.85%
Multi-Residential	1.970000	1.970000	0.00%	0.01525747	0.01482234	-2.85%
Commercial	1.734900	1.734900	0.00%	0.01343664	0.01305344	-2.85%
Industrial	2.630000	2.630000	0.00%	0.02036910	0.01978820	-2.85%
Landfill	2.940261	2.940261	0.00%	0.02277205	0.02212261	-2.85%
Pipeline	1.702100	1.702100	0.00%	0.01318261	0.01280665	-2.85%
Sub-Total of Taxable Levy				\$39,651,009	\$39,650,997	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00774491	0.00752403	-2.85%
Commercial	1.734900	1.734900	0.00%	0.01343664	0.01305344	-2.85%
Industrial	2.630000	2.630000	0.00%	0.02036910	0.01978820	-2.85%
Landfill	2.940261	2.940261	0.00%	0.02277205	0.02212261	-2.85%
Sub-Total of Payment In Lieu Levy				\$181,796	\$185,161	1.85%
Total Taxable + PIL Levies Based on Rate Set				\$39,832,805	\$39,836,158	0.01%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

CSD 16-2019
Appendix 1
April 17, 2019
Confidential

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>Welland</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$30,312,873	\$30,277,742	-\$35,131	-0.12%
Farm	\$34,655	\$37,559	\$2,904	8.38%
Managed Forest	\$1,614	\$1,723	\$109	6.75%
New Multi-Residential	\$76,356	\$75,475	-\$881	-1.15%
Multi-Residential	\$2,424,392	\$2,385,890	-\$38,502	-1.59%
Commercial	\$5,042,530	\$5,113,055	\$70,525	1.40%
Industrial	\$1,488,453	\$1,489,764	\$1,311	0.09%
Landfill	\$7,124	\$8,498	\$1,374	19.29%
Pipeline	\$263,012	\$261,291	-\$1,721	-0.65%
Sub-Total: Taxable	\$39,651,009	\$39,650,997	-\$12	0.00%
<i>Payment In Lieu</i>				
Residential	\$6,646	\$6,730	\$84	1.26%
Commercial	\$145,477	\$144,104	-\$1,373	-0.94%
Industrial	\$9,494	\$9,766	\$272	2.86%
Landfill	\$20,179	\$24,561	\$4,382	21.72%
Sub-Total: Payment In Lieu	\$181,796	\$185,161	\$3,365	1.85%
Total (Taxable + PIL)	\$39,832,805	\$39,836,158	\$3,353	0.01%



Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>Welland</i>	Upper-Tier General Levy		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$22,194,956	\$21,960,410	-\$234,546	-1.06%
Farm	\$25,374	\$27,241	\$1,867	7.36%
Managed Forest	\$1,182	\$1,250	\$68	5.75%
New Multi-Residential	\$55,908	\$54,742	-\$1,166	-2.09%
Multi-Residential	\$1,775,130	\$1,730,482	-\$44,648	-2.52%
Commercial	\$3,692,118	\$3,708,490	\$16,372	0.44%
Industrial	\$1,089,839	\$1,080,524	-\$9,315	-0.85%
Landfill	\$5,216	\$6,163	\$947	18.16%
Pipeline	\$192,576	\$189,514	-\$3,062	-1.59%
Sub-Total: Taxable	\$29,032,299	\$28,758,816	-\$273,483	-0.94%
<i>Payment In Lieu</i>				
Residential	\$4,867	\$4,881	\$14	0.29%
Commercial	\$106,517	\$104,518	-\$1,999	-1.88%
Industrial	\$6,951	\$7,084	\$133	1.91%
Landfill	\$14,775	\$17,814	\$3,039	20.57%
Sub-Total: Payment In Lieu	\$133,110	\$134,297	\$1,187	0.89%
Total (Taxable + PIL)	\$29,165,409	\$28,893,113	-\$272,296	-0.93%



Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>Welland</i> Realty Tax Class	Municipal General Levies (UT + Local)		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$52,507,829	\$52,238,152	-\$269,677	-0.51%
Farm	\$60,029	\$64,800	\$4,771	7.95%
Managed Forest	\$2,796	\$2,973	\$177	6.33%
New Multi-Residential	\$132,264	\$130,217	-\$2,047	-1.55%
Multi-Residential	\$4,199,522	\$4,116,372	-\$83,150	-1.98%
Commercial	\$8,734,648	\$8,821,545	\$86,897	0.99%
Industrial	\$2,578,292	\$2,570,288	-\$8,004	-0.31%
Landfill	\$12,340	\$14,661	\$2,321	18.81%
Pipeline	\$455,588	\$450,805	-\$4,783	-1.05%
Sub-Total: Taxable	\$68,683,308	\$68,409,813	-\$273,495	-0.40%
<i>Payment In Lieu</i>				
Residential	\$11,513	\$11,611	\$98	0.85%
Commercial	\$251,994	\$248,622	-\$3,372	-1.34%
Industrial	\$16,445	\$16,850	\$405	2.46%
Landfill	\$34,954	\$42,375	\$7,421	21.23%
Sub-Total: Payment In Lieu	\$314,906	\$319,458	\$4,552	1.45%
Total (Taxable + PIL)	\$68,998,214	\$68,729,271	-\$268,943	-0.39%

Local Results Table 1
2018 Local Assessment Growth
(Full / Non Phase-Adjusted CVA)

<i>West Lincoln</i> Realty Tax Class	2018 Full CVA		Full CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,659,881,125	1,701,978,431	42,097,306	2.54%
Farm	470,314,275	471,822,739	1,508,464	0.32%
Managed Forest	1,925,400	2,028,600	103,200	5.36%
Multi-Residential	7,074,000	7,074,000	0	0.00%
Commercial	71,997,000	76,770,800	4,773,800	6.63%
Industrial	32,910,900	34,194,100	1,283,200	3.90%
Pipeline	28,586,000	29,028,000	442,000	1.55%
Sub-Total: Taxable	2,272,688,700	2,322,896,670	50,207,970	2.21%
<i>Payment In Lieu</i>				
Residential	403,500	403,500	0	0.00%
Commercial	2,908,300	2,908,300	0	0.00%
Industrial	112,500	105,100	-7,400	-6.58%
Landfill	371,700	371,700	0	0.00%
Sub-Total: Payment In Lieu	3,796,000	3,788,600	-7,400	-0.19%
Total (Taxable + PIL)	2,276,484,700	2,326,685,270	50,200,570	2.21%



Local Results Table 1-B
Year-To-Year Assessment Growth Comparison
(Full / Non Phase-Adjusted CVA)

<i>West Lincoln</i>	2017 Full CVA Growth		2018 Full CVA Growth	
	\$	%	\$	%
Realty Tax Class				
<i>Taxable</i>				
Residential	51,743,525	3.22%	42,097,306	2.54%
Farm	-5,075,225	-1.07%	1,508,464	0.32%
Managed Forest	-14,900	-0.77%	103,200	5.36%
Multi-Residential	-993,000	-12.31%	0	0.00%
Commercial	767,300	1.08%	4,773,800	6.63%
Industrial	8,424,100	34.40%	1,283,200	3.90%
Pipeline	204,000	0.72%	442,000	1.55%
Sub-Total: Taxable	55,055,800	2.48%	50,207,970	2.21%
<i>Payment In Lieu</i>				
Residential	0	0.00%	0	0.00%
Commercial	0	0.00%	0	0.00%
Industrial	0	0.00%	-7,400	-6.58%
Landfill	0	0.00%	0	0.00%
Sub-Total: Payment In Lieu	0	0.00%	-7,400	-0.19%
Total (Taxable + PIL)	55,055,800	2.48%	50,200,570	2.21%

Local Results Table 2
2018 Local Assessment Growth
(Phase-Adjusted CVA)

<i>West Lincoln</i> Realty Tax Class	2018 Phased CVA		Phased CVA Growth	
	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	1,510,592,050	1,549,004,656	38,412,606	2.54%
Farm	363,908,545	365,396,886	1,488,341	0.41%
Managed Forest	1,564,695	1,647,978	83,283	5.32%
Multi-Residential	6,633,500	6,633,500	0	0.00%
Commercial	67,304,853	72,029,664	4,724,811	7.02%
Industrial	31,760,421	33,009,697	1,249,276	3.93%
Pipeline	26,907,000	27,330,728	423,728	1.57%
Sub-Total: Taxable	2,008,671,064	2,055,053,109	46,382,045	2.31%
<i>Payment In Lieu</i>				
Residential	398,500	398,500	0	0.00%
Commercial	2,775,800	2,775,800	0	0.00%
Industrial	104,900	97,500	-7,400	-7.05%
Landfill	371,700	371,700	0	0.00%
Sub-Total: Payment In Lieu	3,650,900	3,643,500	-7,400	-0.20%
Total (Taxable + PIL)	2,012,321,964	2,058,696,609	46,374,645	2.30%



Local Results Table 3
2018 Local Revenue Growth
(Annualized)

<i>West Lincoln</i>	2018 Local General Levy		Annualized Growth	
Realty Tax Class	As Returned	As Revised	\$	%
<i>Taxable</i>				
Residential	\$5,212,403	\$5,344,949	\$132,546	2.54%
Farm	\$313,922	\$315,206	\$1,284	0.41%
Managed Forest	\$1,350	\$1,422	\$72	5.33%
Multi-Residential	\$45,092	\$45,092	\$0	0.00%
Commercial	\$397,682	\$426,321	\$28,640	7.20%
Industrial	\$285,068	\$295,801	\$10,735	3.77%
Pipeline	\$158,031	\$160,519	\$2,489	1.58%
Sub-Total: Taxable	\$6,413,548	\$6,589,310	\$175,766	2.74%
<i>Payment In Lieu</i>				
Residential	\$1,375	\$1,375	\$0	0.00%
Commercial	\$16,617	\$16,617	\$0	0.00%
Industrial	\$952	\$885	-\$67	-7.04%
Landfill	\$3,771	\$3,771	\$0	0.00%
Sub-Total: Payment In Lieu	\$22,715	\$22,648	-\$67	-0.29%
Total (Taxable + PIL)	\$6,436,263	\$6,611,958	\$175,699	2.73%



Local Results Table 3-B
Year-To-Year Annualized Local Revenue Growth Comparison
(Local General Purpose Levy)

<i>West Lincoln</i>	2017 Local Annualized Revenue Growth		2018 Local Annualized Revenue Growth	
Realty Tax Class	\$	%	\$	%
<i>Taxable</i>				
Residential	\$163,259	3.39%	\$132,546	2.54%
Farm	-\$3,058	-1.12%	\$1,284	0.41%
Managed Forest	-\$7	-0.58%	\$72	5.33%
Multi-Residential	-\$4,729	-9.60%	\$0	0.00%
Commercial	\$4,355	1.12%	\$28,640	7.20%
Industrial	\$72,262	34.51%	\$10,735	3.77%
Pipeline	\$1,086	0.71%	\$2,489	1.58%
Sub-Total: Taxable	\$233,168	3.96%	\$175,766	2.74%
<i>Payment In Lieu</i>				
Residential	\$0	0.00%	\$0	0.00%
Commercial	\$0	0.00%	\$0	0.00%
Industrial	\$0	0.00%	-\$67	-7.04%
Landfill	\$0	0.00%	\$0	0.00%
Sub-Total: Payment In Lieu	\$0	0.00%	-\$67	-0.29%
Total (Taxable + PIL)	\$233,168	3.94%	\$175,699	2.73%



Local Results Table 4
Year-Over-Year Phase-In Change
(2018 to 2019 Phased CVA)

<i>West Lincoln</i> Realty Tax Class	Phase Adjusted CVA		Change	
	2018 Revised	2019 Returned	\$	%
<i>Taxable</i>				
Residential	1,549,004,656	1,625,491,549	76,486,893	4.94%
Farm	365,396,886	418,609,818	53,212,932	14.56%
Managed Forest	1,647,978	1,838,289	190,311	11.55%
Multi-Residential	6,633,500	6,853,750	220,250	3.32%
Commercial	72,029,664	74,400,234	2,370,570	3.29%
Industrial	33,009,697	33,601,898	592,201	1.79%
Pipeline	27,330,728	28,179,364	848,636	3.11%
Sub-Total: Taxable	2,055,053,109	2,188,974,902	133,921,793	6.52%
<i>Payment In Lieu</i>				
Residential	398,500	401,000	2,500	0.63%
Commercial	2,775,800	2,842,050	66,250	2.39%
Industrial	97,500	101,300	3,800	3.90%
Landfill	371,700	371,700	0	0.00%
Sub-Total: Payment In Lieu	3,643,500	3,716,050	72,550	1.99%
Total (Taxable + PIL)	2,058,696,609	2,192,690,952	133,994,343	6.51%

Local Results Table 5
Starting Ratios and Revenue Neutral (Notional) Tax Rates
(Local General Levy)

Realty Tax Class	Tax Ratios			Tax Rates		
	2018 Actual	2019 Start Ratio	Change %	2018 Actual	2019 Revenue Neutral (Notional)	Change %
<i>West Lincoln</i>						
Taxable						
Residential	1.000000	1.000000	0.00%	0.00345057	0.00328346	-4.84%
Farm	0.250000	0.250000	0.00%	0.00086264	0.00082087	-4.84%
Managed Forest	0.250000	0.250000	0.00%	0.00086264	0.00082087	-4.84%
Multi-Residential	1.970000	1.970000	0.00%	0.00679762	0.00646842	-4.84%
Commercial	1.734900	1.734900	0.00%	0.00598639	0.00569647	-4.84%
Industrial	2.630000	2.630000	0.00%	0.00907500	0.00863550	-4.84%
Pipeline	1.702100	1.702100	0.00%	0.00587322	0.00558878	-4.84%
Sub-Total of Taxable Levy				\$6,589,310	\$6,589,308	0.00%
Payment In Lieu						
Residential	1.000000	1.000000	0.00%	0.00345057	0.00328346	-4.84%
Commercial	1.734900	1.734900	0.00%	0.00598639	0.00569647	-4.84%
Industrial	2.630000	2.630000	0.00%	0.00907500	0.00863550	-4.84%
Landfill	2.940261	2.940261	0.00%	0.01014558	0.00965423	-4.84%
Sub-Total of Payment In Lieu Levy				\$22,648	\$21,969	-3.00%
Total Taxable + PIL Levies Based on Rate Set				\$6,611,958	\$6,611,277	-0.01%

NOTE: These results are based on preliminary start ratios and notional levy amounts and are subject to change based on municipal policy decisions, spending decisions and/or Provincial tax policy updates. No rates or ratios should be considered final, or used for actual taxation purposes until final by-laws are passed.

Local Results Table 6
Year-Over-Year Interclass Tax Shifts
(Local General Levy)

<i>West Lincoln</i> Realty Tax Class	Local General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$5,344,949	\$5,337,236	-\$7,713	-0.14%
Farm	\$315,206	\$343,624	\$28,418	9.02%
Managed Forest	\$1,422	\$1,509	\$87	6.12%
Multi-Residential	\$45,092	\$44,333	-\$759	-1.68%
Commercial	\$426,321	\$418,644	-\$7,677	-1.80%
Industrial	\$295,801	\$286,474	-\$9,327	-3.15%
Pipeline	\$160,519	\$157,488	-\$3,031	-1.89%
Sub-Total: Taxable	\$6,589,310	\$6,589,308	-\$2	0.00%
<i>Payment In Lieu</i>				
Residential	\$1,375	\$1,317	-\$58	-4.22%
Commercial	\$16,617	\$16,189	-\$428	-2.58%
Industrial	\$885	\$875	-\$10	-1.13%
Landfill	\$3,771	\$3,588	-\$183	-4.85%
Sub-Total: Payment In Lieu	\$22,648	\$21,969	-\$679	-3.00%
Total (Taxable + PIL)	\$6,611,958	\$6,611,277	-\$681	-0.01%



Local Results Table 7
Year-Over-Year Upper-Tier Levy Shifts
(Upper-Tier General Levy)

<i>West Lincoln</i> Realty Tax Class	Upper-Tier General Levy		Change	
	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$8,784,080	\$8,870,584	\$86,504	0.98%
Farm	\$518,023	\$571,105	\$53,082	10.25%
Managed Forest	\$2,336	\$2,508	\$172	7.36%
Multi-Residential	\$74,106	\$73,682	-\$424	-0.57%
Commercial	\$700,632	\$695,794	-\$4,838	-0.69%
Industrial	\$486,133	\$476,125	-\$10,008	-2.06%
Pipeline	\$263,803	\$261,748	-\$2,055	-0.78%
Sub-Total: Taxable	\$10,829,113	\$10,951,546	\$122,433	1.13%
<i>Payment In Lieu</i>				
Residential	\$2,260	\$2,188	-\$72	-3.19%
Commercial	\$27,309	\$26,907	-\$402	-1.47%
Industrial	\$1,454	\$1,454	\$0	0.00%
Landfill	\$6,198	\$5,964	-\$234	-3.78%
Sub-Total: Payment In Lieu	\$37,221	\$36,513	-\$708	-1.90%
Total (Taxable + PIL)	\$10,866,334	\$10,988,059	\$121,725	1.12%



Local Results Table 8
Year-Over-Year Municipal Levy Shifts
(Upper-Tier and Local General Levy Amounts)

<i>West Lincoln</i>	Municipal General Levies (UT + Local)		Change	
Realty Tax Class	2018 as Revised	2019 Notional	\$	%
<i>Taxable</i>				
Residential	\$14,129,029	\$14,207,820	\$78,791	0.56%
Farm	\$833,229	\$914,729	\$81,500	9.78%
Managed Forest	\$3,758	\$4,017	\$259	6.89%
Multi-Residential	\$119,198	\$118,015	-\$1,183	-0.99%
Commercial	\$1,126,953	\$1,114,438	-\$12,515	-1.11%
Industrial	\$781,934	\$762,599	-\$19,335	-2.47%
Pipeline	\$424,322	\$419,236	-\$5,086	-1.20%
Sub-Total: Taxable	\$17,418,423	\$17,540,854	\$122,431	0.70%
<i>Payment In Lieu</i>				
Residential	\$3,635	\$3,505	-\$130	-3.58%
Commercial	\$43,926	\$43,096	-\$830	-1.89%
Industrial	\$2,339	\$2,329	-\$10	-0.43%
Landfill	\$9,969	\$9,552	-\$417	-4.18%
Sub-Total: Payment In Lieu	\$59,869	\$58,482	-\$1,387	-2.32%
Total (Taxable + PIL)	\$17,478,292	\$17,599,336	\$121,044	0.69%



Performance Measures

The table below provides the 2018 measures for total property taxes for Niagara versus the 2018 BMA study average. Note that the study results are based on 2018 rates, and therefore are not impacted by 2019 tax policy decisions and approved budgets.

Table 1 – 2018 BMA Study – Total Property Taxes and Municipal Burden

	Niagara Average*	Study Average	Variance		Comparison to Study
			\$	%	
Total Property Taxes (\$ Per Median Dwelling Value)	\$3,832	\$3,836	(4)	(0.10)	Below
Total Property Taxes as % of Hhld. Income	4.0%	3.8%			Above
Total Municipal Burden: Taxes and W/WW (\$)	\$4,768	\$4,910	(142)	(2.89)	Below
Total Municipal Burden: Taxes and W/WW as % of Hhld. Income	4.9%	4.8%			Above

*Calculated using a simple average of all LAMs (weighted average is 5.2%).

The combined Niagara Region, Local Area Municipalities, and education tax levy compares competitively to the BMA study average for 108 Ontario Municipalities surveyed. Total taxes as classified by BMA are in the mid-range tax burden for all but the Large Industrial and Office buildings which is in the low-range and Hotels which are in the high-range. The Region is above the study average in seven categories per Table 2 below.

Table 2 – 2018 BMA Study Tax Metrics by Property Class

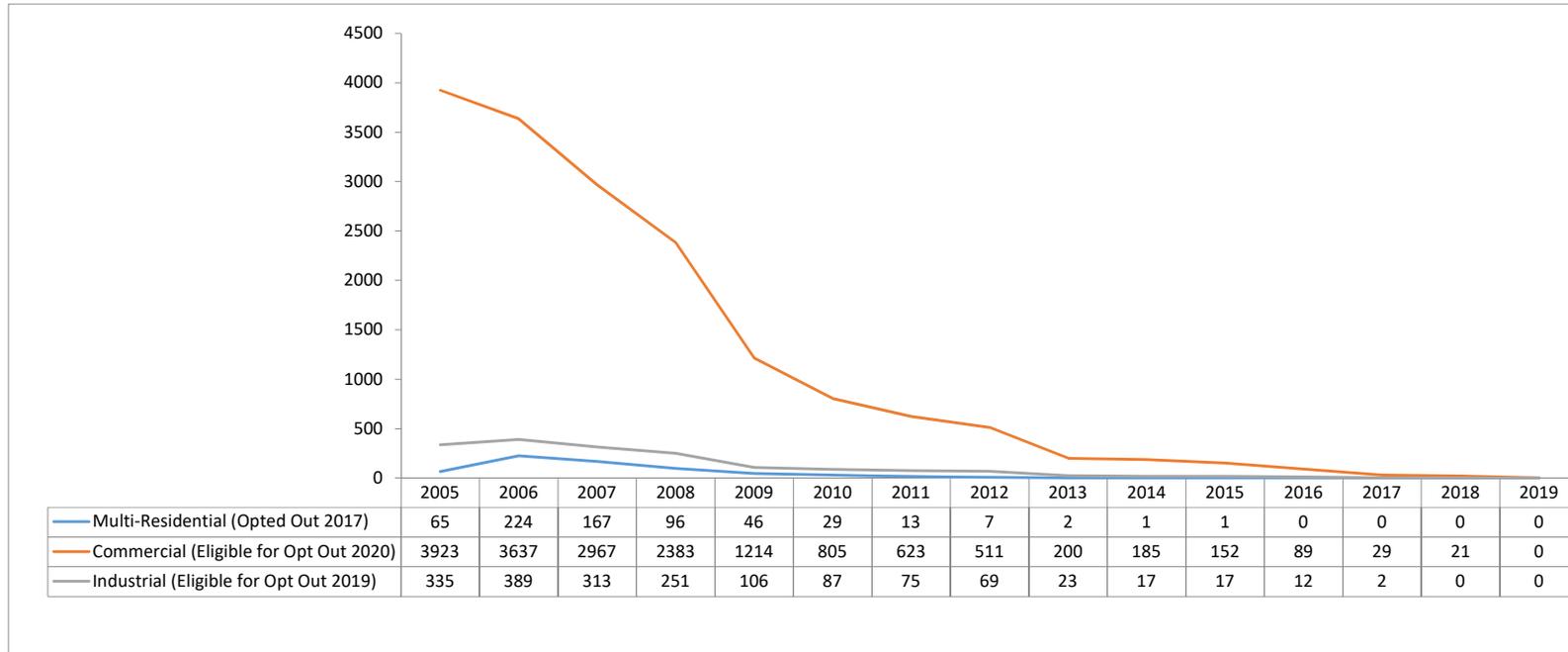
Property Class	Property Type	Comparison Metric	Niagara Average* (\$)	Study Average (\$)	Variance		Comparison to Study
					\$	%	
Residential	Bungalow	Tax/Unit	3,466	3,397	69	2.03%	Above
	2 Storey	Tax/Unit	4,656	4,524	132	2.92%	Above
	Executive	Tax/Unit	6,296	6,286	10	0.16%	Above
Multi-Res	Walk-Up	Tax/Unit	1,577	1,382	195	14.11%	Above
	Mid/High-Rise	Tax/Unit	1,716	1,715	1	0.06%	Par
Commercial	Office Buildings***	Tax/ Sq. Ft.	2.77	3.04	(0.27)	-8.88%	Below
	Shopping	Tax/ Sq. Ft.	3.75	2.63	1.12	42.59%	Above
	Hotels**	Tax/Unit	1,844	1,602	242	15.11%	Above
	Motels	Tax/Unit	1,084	1,240	(156)	-12.58%	Below
Industrial	Industrial Vacant Land	Tax/Acre	3,118	3,673	(555)	-15.11%	Below
	Standard Industrial	Tax/ Sq. Ft.	1.82	1.67	0.15	8.98%	Above
	Large Industrial***	Tax/ Sq. Ft.	0.87	1.11	(0.24)	-21.62%	Below

*Calculated using a simple average of all LAMs.

**Classified to be in the high range.

***Classified to be in the low range.

Number of Properties Impacted by Capping



History of Regional Tax Ratios

Realty Tax Class	2014 Ratios	2015 Ratios	2016 Ratios	2017 Ratios	2018 Ratios	2019 Start Ratios	Ranges of Fairness		Threshold Ratios	
							Lower Limit	Upper Limit	Threshold	Subject to Levy Restriction
Residential	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.00	1.00	-	N/A
Farm	0.250000	0.250000	0.250000	0.250000	0.250000	0.250000	-	0.25	-	N/A
Managed Forest	0.250000	0.250000	0.250000	0.250000	0.250000	0.250000	0.25	0.25	-	N/A
New Mult-Res	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.00	1.10	-	N/A
Multi-Residential	2.044000	2.044000	2.044000	2.000000	1.970000	1.970000	1.00	1.10	2.00	No
Commercial	1.758600	1.758600	1.758600	1.758600	1.734900	1.734900	0.60	1.10	1.98	No
Industrial	2.630000	2.630000	2.630000	2.630000	2.630000	2.630000	0.60	1.10	2.63	No
Landfill	N/A	N/A	N/A	2.940261	2.940261	2.940261	0.60	1.10	25.00	No
Pipeline	1.702100	1.702100	1.702100	1.702100	1.702100	1.702100	0.60	0.70	-	N/A