



# **Town of Markham**

## **Heritage Property Tax Reduction Program**

### **Information Brochure – 2008 Tax year**

The Ontario Government has enabled local municipalities to offer tax relief to owners of heritage properties to help owners maintain and restore these unique and valuable resources. On December 16, 2003, Council of the Town of Markham approved the implementation of a Heritage Property Tax Reduction Program, effective January 1, 2003.

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

- 1. Markham's Commitment to Conserving Heritage Resources**
- 2. Financial Incentives Help Preserve our Heritage Resources**
- 3. Amount of Tax Relief**
- 4. Eligibility Criteria for Heritage Properties**
- 5. Applying for a Tax Reduction and Application Deadline**
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Initial Printing December 2003  
Last Revised January 2008

## **1. Markham's Commitment to Conserving Heritage Resources**

The Town of Markham has a long history of ensuring the protection, preservation and enhancement of its local heritage properties. The incorporation of these resources into the fabric of our community has provided a distinct sense of place, which contributes to the evolution and character of our Town. This dedication to our heritage resources is reflected in the Town's motto of "Leading While Remembering". The preservation of heritage properties is an objective that has been vigorously pursued by all members of the community and was recently recognized by Heritage Canada in the awarding of the first Prince of Wales Prize to Markham for the stewardship of its built heritage.

Well-maintained heritage properties enrich our quality of life and give communities their unique character. Restoring heritage properties has been a catalyst for revitalizing historic town centres and drawing residents, businesses and visitors to communities. While heritage properties provide benefit and enjoyment to the whole community, most of these properties are in private ownership.

## **2. Financial Incentives Help Preserve our Heritage Resources.**

In Canada, there have been few incentives to encourage heritage property owners or developers of heritage properties to designate or restore their properties. Heritage Canada and the preservation community have long advocated tax incentives to promote preservation efforts. In the United States, there have been government incentives tied into its *Income Tax Act* since 1966. According to the Ministry of Canadian Heritage, Canada has lost nearly 25% of its pre-1920 building stock over the last 30 years. This is an extremely disturbing fact given the preservation efforts that are occurring in other countries.

Normal upkeep and maintenance are the responsibility of every property owner. However it is widely recognized that heritage properties may require more intensive care, custom work or restoration at a somewhat higher cost than one would encounter with newer buildings. To assist property owners, the Town has adopted a **Heritage Property Tax Reduction Program**. Property tax relief supports heritage conservation by recognizing that owners of heritage properties often incur above average costs to maintain aging structures and the heritage attributes of these properties.

## **3. Amount of Tax Relief**

In the Town of Markham, the amount of the annual tax reduction is **30%** of taxes payable on the eligible property. Property taxes are made up of three components: the municipal component (Markham), the school board component and the regional component (York).

**Please be advised that at this time (January 2008), only the municipal and school board component of the taxes will be subject to the 30% reduction. The Region of York has not agreed to participate in the Heritage Property Tax Reduction Program. The Town of Markham will not fund the Region's share. Therefore, only the municipal and school board components are currently eligible for the reduction.**

For example, on a \$4,113 residential tax bill (2007 rates), the following chart illustrates the different tax reduction amount:

<b>Components And Percent</b>	<b>Sample Tax Bill</b>	<b>30% Reduction</b>	<b>Tax Reduction (municipal and school board only)</b>
School Boards 25.8%	\$1,064	30%	\$319
Region 48.58%	\$1,998	30%	n/a
Markham 25.55%	\$1,051	30%	\$315
<b>Total</b>	<b>\$4,113</b>		<b>\$634*</b>

\* Application Fee to be deducted from this amount

#### **4. Eligibility Criteria for Heritage Properties**

To be eligible for tax relief, the property must comply with both provincial and municipal eligibility requirements.

Provincial Requirements: An eligible heritage property must be **designated as a property of cultural heritage value or interest** under Part IV of the *Ontario Heritage Act* (an individual property designation) or it must be part of a **heritage conservation district** under Part V on the *Ontario Heritage Act*; and in either case, the property must be subject to a **Heritage Easement Agreement** under section 22 or 37 of the *Ontario Heritage Act*.

A Heritage Easement Agreement is required because designation alone does not oblige owners to maintain their properties on an ongoing basis. The purpose of the tax relief measure is to offer an incentive for heritage property conservation. Therefore, relief will be available to those owners who have made a commitment to maintain and preserve their heritage properties on an ongoing basis.

The property must be subject to a **Heritage Easement Agreement and must be executed by the Owner by December 15th** of the taxation year for which the tax relief is sought. Be advised that Heritage Easement agreements take time to prepare and must be approved by Council. The final deadline for requesting a Heritage Easement agreement is October 15<sup>th</sup> of the taxation year for which the tax relief is sought.

Further information regarding property designation and Heritage Easement Agreements can be found in Appendices B and C.

Municipal Requirements (Town of Markham): An eligible property must meet the following criteria, to the satisfaction of the Commissioner of Development Services:

- a) be classified as a Group 1 property (of major significance and importance, worthy of designation) or Group 2 property (significant, worthy of preservation) using the Town of Markham's "Evaluating Heritage Resources" system; and
- b) be in a good and habitable condition.

The purpose of reviewing a property's heritage classification is to ensure that main heritage attributes are evident (such as the building dates from an early age, retains most of its original architectural features and is representative of an architectural style,

period or method of construction). The Town also wants to ensure that the building is in good condition and is habitable (as opposed to derelict and vacant). Further information regarding property evaluation and classification, and the interpretation of 'good and habitable condition' can be found in Appendix D.

Additional Municipal Requirements:

The property must not be the subject of any Town by-law contraventions, work orders or other outstanding municipal requirements, as of the date the application is received by the Town.

There must also be no outstanding municipal fines, arrears of taxes, fees or penalties assessed against the property.

## **5. Applying for a Tax Reduction and Application Deadline**

Eligible heritage property owners must apply to the Town of Markham to take advantage of the tax relief measure. An initial application is required for the first year that the property enters the program, and subsequent renewal applications are required every third year (each application covers a two-year period). The renewal application is required to ensure that the property is in compliance with the Heritage Easement Agreement. For renewal applications, the owner will be required to submit new photographs and verify in writing that the building is being maintained in accordance with the easement requirements.

**An application must be made no later than the last day of February in the year following the year for which the owner is seeking the tax relief. For the 2008 tax year, the deadline is February 28, 2009.**

## **6. Application Fees**

There is no up-front application fee. The application fee will be deducted from the amount of the tax reduction once it is calculated. The amount of the application fee is 20% of the annual heritage reduction amount for the first year and 10% of the annual heritage reduction amount for every renewal application. For example, in the initial year, if the tax reduction amount was calculated at \$1000, a sum of \$200 would be retained by the municipality as the application fee. This fee helps cover the administrative costs of the program. The fee is deducted for only the year of application.

In addition, to further assist property owners who require a Heritage Easement Agreement, the Town has eliminated the \$300 easement agreement preparation fee.

The minimum tax reduction amount that shall be paid for an individual property is \$50.

## **7. Application Submission Requirements**

The following information is required as part of the Heritage Property Tax Reduction application form:

- Confirmation that the property is designated under the *Ontario Heritage Act* either individually or in a heritage conservation district.
- Confirmation that the property is subject to a Heritage Easement Agreement with the Town of Markham
  - Submission of the name of your insurance carrier and policy number.
  - Submission of a letter or certificate from your insurance company/broker/agent is required stating that the owner has a valid insurance policy which insures the building against normal perils that are coverable by all risk property insurance in an amount equal to the replacement cost of a similar scaled new building with an exterior design complementary to the existing structure.
- Provision of any available historical or architectural information if the property needs to be designated or requires the preparation of a Heritage Easement Agreement.
- Submission of a current photograph of each elevation of the building (north, south, east and west) with the date of the photograph on the back.
- Confirmation that the property is occupied and in good and habitable condition.
- Confirmation that the property is not the subject of any Town by-law contraventions, work orders or other outstanding municipal requirements.
- Confirmation if the property is the subject of any other municipal tax reduction or rebate program.
- Identification of any anticipated work for the upcoming year.

An application form can be found in Appendix E as well as a copy of the Town's by-law enacting the program.

## **8. Inspection of Property**

Upon application, the property owner consents to the Town conducting an inspection of the interior and exterior of the eligible heritage property at any reasonable time, if required. The purpose of the inspection is to ensure compliance with the relevant Heritage Easement Agreement and to confirm the eligibility criteria.

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

The administration of the Heritage Property Tax Reduction Program primarily involves staff from the Planning Department (Heritage Section) and Finance Department (Taxation Division). Additional staff review for the purpose of ensuring compliance involves Building Standards, By-law Enforcement and Legal Services.

The initial Application Form allows staff to confirm that eligibility criteria are met and to capture key property information such as current photographs of the property, verification that the building is being maintained in accordance with the Heritage Easement Agreement, proof of insurance coverage and any anticipated restoration and maintenance costs for the coming year.

Staff from the Heritage Section is also responsible for evaluating the subject property to determine its municipal heritage classification. Only properties classified as Group 1 (of major significance and importance, worthy of designation) or Group 2 (significant, worthy of preservation) using the document entitled "Evaluating Heritage Resources in the Town of Markham" will be eligible for the Program.

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

Where a heritage property is currently receiving tax reductions or refunds under other municipal programs, such as commercial/industrial vacancy refunds or charity rebates, the amount of the heritage property tax reduction will be calculated on the adjusted taxes after the other rebates have been taken into account.

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

Tax reductions may apply to eligible property within any or all, of the commercial, industrial, farm, residential or multi-residential tax classes.

## **12. Eligible Portion of Property**

The property tax reduction applies to the building or structure (or portion of) that is an eligible heritage property, and the lands eligible are calculated as percentage of the total taxes levied on the property. The Town will determine the reduction amount with the assistance of the Municipal Property Assessment Corporation (MPAC). The intent is to ensure that the portion of the building and land that is valued by MPAC relates only to the eligible portion. For example, if a heritage farmhouse is located on a 10-acre parcel of land, the eligible portion would only be the farmhouse building and its land. The balance of the 10 acre farm would not be eligible for the tax reduction. However, in some cases, there may be a cultural heritage feature associated with the building such as a significant tree or cultural landscape element that has been identified in the designation by-law. In these instances, the eligible portion may include the building and some additional land.

### **13. Penalties**

The Town wants to make certain that a property that receives a Heritage Tax Reduction is in compliance with municipal by-laws and not the subject of any contraventions, work orders, penalties, fees, arrears of taxes, fines or any other outstanding requirements. Therefore, the Heritage Tax Reduction shall be repaid in full by the owner for every year where there is an outstanding contravention or where there are outstanding municipal fines, arrears of taxes, fees or penalties assessed against the owner.

A contravention is defined as “an offence under a municipal by-law, Act or regulation for which enforcement proceedings have been commenced”. This would include non-compliance with a Heritage Easement Agreement.

The purpose of this policy is to ensure that a contravention prior to application disqualifies an owner from making an application for the year or years during which the contravention exists. Once there is compliance, however, the owner becomes eligible for tax reductions for future years.

Where an owner commits a contravention after having received a Heritage Tax Reduction, the total amount of the tax reduction is to be repaid while there is non-compliance with the contravention. The Town may require the owner to pay interest on the amount of any repayment required. There will be no in-year adjustments. Any contravention in any year will disqualify the owner from a tax reduction for that entire year.

### **14. Limitations**

The Heritage Tax Reduction Program is subject to any regulations that the Ontario Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.

The Heritage Tax Reduction program, as adopted by Markham Council on December 16, 2003 and set out in By-law 2003-341, is subject at all times to the availability of funding for the program. Please take note that nothing in the implementing by-law requires the Town to provide funding for this program and the Heritage Tax Reduction contemplated by By-law 2003-341 may be eliminated by Council through repeal of the by-law at any time. Funding for the Heritage Tax Reduction Program will be reviewed on an annual basis.

Heritage property owners should carefully consider the impacts of this program before applying. In essence, to receive the tax reduction requires a commitment by the property owner. Should a property owner wish to opt out of the program in future years or should the program be subsequently eliminated by a future Council, the Heritage Easement Agreement would remain on the property.

### **15. Payment of Tax Reduction**

The payment of the tax reduction usually occurs in the late spring of the year following the application deadline in February. The payment is in the form of a separate cheque from the Town of Markham which is sent to the property owner.

Payments for the second year of an application period are automatically processed and forwarded to the property owner in late spring.

## **16. Further Information**

Further details concerning this program can be found in “Heritage Tax Reduction By-law” (By-law 2003-341) passed by Council on December 16, 2003 (see Appendix E) or by contacting the Heritage Section, Development Services Commission at the Town of Markham.

**Heritage Section  
Planning and Urban Design Department  
Development Services Commission  
101 Town Centre Boulevard  
Markham, Ontario L3R 9W3**

**Tel – 905-477-7000, ext. 2585**

**Fax – 905-475-4739**

Email – [heritage@markham.ca](mailto:heritage@markham.ca)

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January 2008.doc

## **APPENDIX A**

### **Frequently Asked Questions**

#### **How can I get my property designated?**

Contact Heritage Section staff if you wish to pursue designation of your property. Staff will review the implications of designation. Also review Appendix B of this document for a better understanding of designation.

#### **I own property in a heritage district. Can I take advantage of this program?**

If your property possesses an identified heritage building, you would meet one of the eligibility criteria for the Program. Most of the heritage district plans identify the significant or contributing heritage properties. Non-heritage buildings, including complementary new construction, are not eligible for the Program. To take advantage of the Program, you must also enter into a Heritage Easement Agreement with the Town and meet the municipal eligibility criteria (see Section 4 of the Information Brochure)

#### **I own a designated property. Am I eligible for the Property Tax Reduction?**

In addition to being designated you must also enter into a Heritage Easement Agreement with the Town and meet the municipal eligibility criteria (see Section 4 of the Information Brochure).

#### **What is a Heritage Easement Agreement?**

A Heritage Easement is a legal agreement. It allows the owner of heritage property to ensure its preservation while retaining possession and use of the property. An easement agreement gives a public body, (in this case, the Town of Markham), a legal interest in the property and is registered on the title to the property. The *Ontario Heritage Act* allows municipalities to enter into easement agreements to protect properties of historical or architectural interest. See Appendix C for more information.

#### **If the Program is cancelled sometime in the future, what happens to the designation by-law and the Heritage Easement Agreement?**

If the Program was cancelled in the future, the designation by-law and the Heritage Easement Agreement will remain on title to the property.

#### **Does the Province of Ontario contribute to this program?**

Yes, the Province does provide assistance. A portion of property taxes goes to school boards. Where a municipality introduces a property tax relief program, the Province will share in the cost by making up the reduction in tax revenues allocated to school boards.

#### **If I successfully appeal my property assessment, will it affect my heritage tax reduction?**

Yes. The heritage tax reduction would be re-calculated based on the new assessment.

#### **When do I receive my tax reduction?**

The heritage tax reduction application is usually reviewed/ processed in March/April of the year following the February application deadline. A cheque from the Town in Markham in the amount of the reduction is usually forwarded to the property owner in May/June.

**Do I have to do anything during the second year of my application period?**

No. Payments for the second year of an application period are automatically forwarded to the property owner.

**How and when do I renew my application for the heritage tax reduction?**

Applications for a heritage tax reduction are approved for a two year period. Renewal is required after the second year. The Town of Markham will forward renewal application forms to previously approved applicants in January following the renewal year to allow submission of the application form by the end of February.

## **APPENDIX B**

### **Heritage Property Designation**

One of the most important tools used by the Town of Markham to protect heritage resources is the designation of property under the provisions of the *Ontario Heritage Act*. Properties can be individually designated under Part IV of the Act or as a grouping or district under Part V of the Act.

Designation affords the municipality a certain level of control when conserving its built heritage. Owners of designated properties can also take advantage of financial assistance programs such as the *Town of Markham Heritage Loan Fund* for approved conservation and restoration projects or the **Heritage Property Tax Reduction Program**.

#### **Individual Property Designation**

An individual property can be designated for its cultural heritage value or interest. The “reasons for designation” can address historical and architectural attributes and are identified in a municipal by-law which is registered on title to the property. Individual designation provides an enhanced level of demolition control and ensures that the property cannot be altered in any manner that would jeopardize its identified heritage attributes, without approval.

If you wish to be considered for individual property designation, please contact Heritage Section staff at 905-477-7000, ext 2585 or [heritage@markham.ca](mailto:heritage@markham.ca).

#### **District Designation**

A heritage conservation district is a collection of buildings, streets and open spaces that together are of special historical and/or architectural significance to the community. A district possesses an integrity of its own that distinguishes it from other areas in the community. The purpose of district designation is not to prohibit change, but rather to guide change so that it contributes to the area’s historic character. Districts are comprised of both heritage and non-heritage buildings. Detailed plans have been adopted to preserve and enhance these special areas by providing policies for both public and private sector restoration and redevelopment.

Markham has three heritage districts: Thornhill Village; Markham Village and Unionville. If you possess a heritage building within a heritage conservation district, you may want to consider taking advantage of the Heritage Property Tax Reduction Program.

#### **Attachments:**

Heritage District Boundary Mapping

## APPENDIX C

### Heritage Easement Agreements

#### What is a Heritage Easement?

A Heritage Easement is a legal agreement. It allows the owner of a heritage property to ensure its preservation, while retaining possession and use of the property. An easement agreement gives a public body, such as a municipality, a legal interest in the property and is registered on the title to the property. The *Ontario Heritage Act* allows municipalities to enter into easement agreements to protect properties of historical or architectural interest.

#### How long does an Easement run?

A perpetual easement is the most appropriate as it provides indefinite protection.

#### Easements compared to Designation

Heritage Easements are more comprehensive than Designation under the *Ontario Heritage Act*. **For example, there are no provisions under the *Ontario Heritage Act* to require an owner of a designated property to maintain the building or its heritage features in good condition, ensure the building against perils or to rebuild the building in the event of damage.** Heritage Easements address these shortcomings. Easements also provide much stronger protection against demolition. It is desirable to protect a property by both an easement and designation. However, the property does not have to be designated to be protected by a Heritage Easement.

#### Impact on the Owner

The obligations of the owner are to ensure the ultimate preservation and maintenance of the building with the owner satisfying the following obligations:

- i. receive municipal approvals for any changes or alterations that will affect the heritage features of the structure;
- ii. the owner shall insure the structure in an amount equal to that of the replacement of the building, so there will be enough money to repair the heritage elements of the building in event of fire or other damage; and
- iii. the owner shall at all times maintain the building in as good and as sound a state of repair as a prudent owner would normally do, so that no deterioration in the building's condition and appearance shall take place.

When an owner enters into a Heritage Easement agreement, some of the rights, namely those that represent the right to develop or redevelop the land as one chooses, are shared with the easement holder. The owners are still the "owners" of the property and can sell it, leave it to their children or continue to enjoy it as they please.

#### Impact on Property Value

In the experience of the Ontario Heritage Foundation, an easement has no significant effect on the property's resale value, especially where a similar use for the property or one compatible with its heritage features is contemplated.

**Administration of the Easement**

The municipality is responsible for the administration of the Heritage Easement. Enforcement of the obligations may be undertaken by the municipality and the costs reimbursed by the owner or recoverable by action in a court of law.

A sample copy of an Easement Agreement is available from the staff in the Heritage Section.

## **APPENDIX D**

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

The Town of Markham adopted a document entitled “Evaluating Heritage Resources in the Town of Markham” in November 1991. There was a desire to create an equitable evaluation system that would assist in the rating and classification of heritage buildings as to their significance.

The Markham system is based upon well defined criteria to help limit the subjectivity of the evaluation process. The evaluation process consists of four stages: building research, evaluation, scoring and classification.

Once research is completed, the buildings are evaluated according to the approved criteria. The criteria used in Markham’s system were chosen to describe the qualities that contribute to the heritage significance of that building. The three main categories are: historical, architectural and environmental context.

Under the **Historical Value Section**, the rating criteria relates to the age of the building, its association with a notable person or event, and the building’s thematic potential as illustrative of patterns or trends of cultural, social, political, military, industrial or agricultural history. The building’s usefulness for illustrating and/or teaching cultural history and its tourism potential can also be factored in.

Under the **Architectural Value Section**, the rating criteria relates to the stylistic purity or rarity, the quality and/or rarity of design and craftsmanship, the significance of the architect/builder, the structural condition and the building’s state of preservation or integrity.

Under the **Environmental Context Section**, the rating criteria relates to how well the building contributes to the identity of the community or landscape.

Once evaluated using the system, the building is assigned a score. The score obtained from the evaluation stage allows a building to be classified as being a Group 1 (of major significance and importance, worthy of designation), Group 2 (significant, worthy of preservation) or Group 3 (noteworthy, worthy of documentation).

**For the purposes of the Heritage Property Tax Reduction Program, only those buildings classified by Heritage Section staff as Group 1 or 2 will be eligible.**

## **APPENDIX E**

### **Application Form and By-law**

The Property Tax Reduction Program Application Form and a copy of By-law 2003-341, as amended, are attached.

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DEVELOPMENT SERVICES COMMISSION  
 101 TOWN CENTRE BOULEVARD  
 MARKHAM, ONTARIO, L3R 9W3  
 (905) 475-4861  
 fax (905) 479-7768

## HERITAGE PROPERTY TAX REDUCTION PROGRAM

for applying for approval under Town of Markham BY-LAW 2003-341

Please review the Heritage Property Tax Reduction Program Information Brochure and By-law 2003-341 before submitting an application. Complete all applicable sections of the application form. An incomplete application will be returned to you.

PROPERTY INFORMATION					
Municipal Address:	Street No.:	Street Name:		Unit Num.:	
Tax Roll Number:					
Taxation Year:					
OWNER INFORMATION					
PROPERTY OWNER INFORMATION:		Person(s)		Company	
Registered Land	Surname:	First Name:		Initial:	
Name	(if Company)		Company Officer:		
Application Contact:	Surname:	First Name:		Initial:	Position:
Address:	Street No.:	Street Name:			Unit Num.:
Municipality			Province:	Postal	
Telephone	No. ( )	Fax: ( )		E-Mail:	
APPLICANT'S SIGNATURE					
I, hereby make the above application for the Heritage Property Tax Reduction Program, declaring all the information contained herein is true and correct, and acknowledging the Town of Markham will process the application based on the information provided. I also consent to allow the Town to conduct an inspection of the interior and exterior of the property at any reasonable time, if required, to ensure that the property is in compliance with the Heritage Easement Agreement and to assist in the review of the eligibility criteria.					
Signature:			Title:		
Printed Name of Signatory:			Date:		
FOR OFFICE USE ONLY					
<i>Date Rec'd :</i>					
<i>Application Information Rec'd</i>				YES	NO
<i>Application Rec'd By:</i>					
<i>Outstanding Requirements:</i>		<i>Insurance Certificate:</i>			
		<i>Photographs:</i>			
<i>Entered into AMANDA by:</i>				<i>Date:</i>	
<i>Application Number:</i>					

## **REQUIRED INFORMATION TO DETERMINE ELIGIBILITY**

### **Designation Under the Heritage Act**

- Is the property Designated?  
Part IV (individual) \_\_\_\_\_ By-law Number# \_\_\_\_\_  
Part V (District) \_\_\_\_\_ (Specify District)
- Not designated \_\_\_\_\_

### **Heritage Easement Agreement with the Town of Markham**

- Is there a Heritage Easement Agreement on the subject property? YES \_\_\_ NO \_\_\_

If the property requires to be designated or requires a Heritage Easement Agreement, please attach any available historical or architectural information.

NAME OF INSURANCE COMPANY \_\_\_\_\_

POLICY NUMBER \_\_\_\_\_

Submit a copy of the letter or certificate from your insurance company/agent/broker that states that the Owner has a valid insurance policy which insures the building against normal perils that are coverable by all risk property insurance in an amount equal to the replacement cost of a similar scaled new building with an exterior design complementary to the existing structure.

### **Municipal Heritage Classification**

Only properties classified as Group 1 (of major significance and importance, worthy of designation) or Group 2 (significant, worthy of preservation) using the document entitled "Evaluating Heritage Resources in the Town of Markham" will be eligible for the Program. Heritage Section staff will evaluate the subject property.

### **Photographs of Building or Features**

Photographs Provided YES \_\_\_\_\_ NO \_\_\_\_\_

Date of Photographs \_\_\_\_\_

Please provide a **current** photograph of each elevation of the building (north, south, east and west). On the back of each photograph, provide the date the photograph was taken.

### **Condition of Building**

To be eligible, the property/building must be in good and habitable condition.

Is the building occupied and habitable? YES \_\_\_\_\_ NO \_\_\_\_\_

Is the building in good condition? YES \_\_\_\_\_ NO \_\_\_\_\_

### **Contraventions**

Is the property the subject of any Town by-law contraventions, work orders, penalties, fees, arrears of taxes, fines or other outstanding municipal requirements as of the date of application?

YES \_\_\_\_\_ NO \_\_\_\_\_

If yes, please identify the issue \_\_\_\_\_.



# ***TOWN OF MARKHAM***



**A BY-LAW TO ESTABLISH A PROGRAM  
TO PROVIDE TAX REDUCTIONS OR REFUNDS  
IN RESPECT OF ELIGIBLE HERITAGE PROPERTIES**

This By-law is printed under and  
by authority of the Council of  
the Town of Markham

(Consolidated for convenience only  
to February 20, 2007)

**AMENDED BY:**

By-law 2007-23 – February 13, 2007



## BY-LAW 2003-341

Being a By-law to establish a program

to provide tax reductions or refunds

in respect of eligible heritage properties

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**WHEREAS** the Council of The Corporation of the Town of Markham is empowered by section 365.2 of the *Municipal Act, 2001*, S.O. 2001, c. 25, as amended, to pass a by-law establishing a program to provide heritage tax refunds in respect of eligible heritage properties;

**AND WHEREAS** the Council of The Corporation of the Town of Markham deems it advisable and in the public interest to provide financial assistance on the terms set out in this By-law as an incentive to encourage property owners to renovate, restore and maintain heritage buildings in the Town of Markham;

**NOW THEREFORE** the Council of The Corporation of The Town of Markham enacts as follows:

1. In this By-law:

“contravention “ means an offence under a municipal by-law, Act or regulation for which enforcement proceedings have been commenced that relates specifically to the building or land for which a Heritage Tax Reduction is sought or given;

"Council" shall mean the Council of The Corporation of the Town of Markham;

“Eligible Heritage Property” means land or buildings or a portion thereof that is,

- (i) located in the Town of Markham;
- (ii) designated under Part IV of the *Ontario Heritage Act* or is part of a heritage conservation district under Part V of the *Ontario Heritage Act*; and
- (iii) subject to a heritage easement agreement with the Town under section 22 or 37 of the *Ontario Heritage Act*

and that complies with the additional eligibility criteria set out in this By-law.

“Heritage Property Tax Reduction Program” means a financial assistance program adopted by the municipality to help owners of heritage properties maintain and restore

their properties for the benefit of the entire community by providing tax relief to owners of eligible heritage properties;

“Heritage Tax Reduction” means the amount of property tax reduction in respect of an Eligible Heritage Property;

“Lower Tier Municipality” has the same meaning as in Section 1 of the Municipal Act, 2001;

“MPAC” means the Municipal Property Assessment Corporation;

“Owner(s)” includes a corporation and partnership and the heirs, executors, administrators and other legal representatives of a person to whom the context can apply according to law;

"Person(s)" includes a corporation and partnership and the heirs, executors, administrators and other legal representatives of a person to whom the context can apply according to law;

"Town" means The Corporation of the Town of Markham.

2. The amount of a Heritage Tax Reduction shall be 30% of the taxes for municipal and school purposes levied on the property that are attributable to:
  - (i) the building or structure or portion of the building or structure that is the Eligible Heritage Property; and
  - (ii) the land used in connection with the Eligible Heritage Property, as determined by the Town.
3. Subject to the conditions set out in this by-law, one Heritage Tax Reduction may be paid annually for each eligible heritage property in the property tax class of Residential, Multi-Residential, Farm, Commercial and Industrial as defined by the *Assessment Act*, R.S.O 1990, c. A. 31 and Ontario Regulation 282/98 thereunder, as amended.
4. MPAC, at the request of the Town, shall determine the portion of a property’s total assessment that is an attributable to the Eligible Heritage Property.

## Eligibility Criteria

5. In order to be eligible to apply for a Heritage Tax Reduction, owners of the subject properties must provide proof, satisfactory to the Treasurer of the Town, of the following;

- (i) the property has been designated as a property of cultural heritage value or interest under Part IV of the *Ontario Heritage Act* or it must be part of a heritage conservation district under Part V of the *Ontario Heritage Act*; and
- (ii) is subject to a heritage easement agreement under section 22 or 37 of the *Ontario Heritage Act*; and
- (iii) the heritage easement agreement referred to in subsection (ii) above shall be executed by the owner of the property and returned to the Town by December 15<sup>th</sup> of the taxation year for which relief is sought;  
(Amended by By-law No. 2007-23)
- (iv) the Eligible Heritage Property is not the subject of any contraventions, work orders or outstanding municipal requirements; and
- (v) meets all of the following criteria, to the satisfaction of the Commissioner of Development Services:
  - (a) Be classified as a Group 1 or Group 2 structure as evaluated by Heritage Section staff using the Town of Markham's "Evaluating Heritage Resource" document ; and
  - (b) Be in a good and habitable condition
- (vi) there are no outstanding municipal fines, arrears of taxes, fees or penalties assessed against the applicant;
- (vii) Notwithstanding subsection (iii), for the 2006 taxation year, the owners of the following properties shall be required to return executed heritage conservation easement agreements to the Town by March 15, 2007, in order to obtain relief for the 2006 taxation year:
  - 2 David Gohn Circle
  - 4165 19<sup>th</sup> Avenue
  - 114 Main Street Markham North
  - 206 Main Street, Unionville
  - 236 Main Street, Unionville.

(Amended by By-law No. 2007-23)

6. All applications must include the following to be considered for the refund program:

- (i) Heritage easement agreement approved by Council.
- (ii) Photographs of all elevations of the Eligible Heritage Property.
- (iii) Proof of insurance on the Eligible Heritage Property.

7. The application will cover each year of the two-year period as long as the property remains an Eligible Heritage Property. Renewal of the Heritage Tax Reduction must be made by application every third year. The application fee shall be deducted from the Heritage Tax Reduction once calculated.

## **Limitations and Restrictions**

8. The Heritage Tax Reduction program set out in this By-law is subject at all times to the availability of funding for the program. Nothing in this By-law requires the Town to provide funding for this program and the Heritage Tax Reduction contemplated by this By-law may be eliminated by Council through repeal of the By-law at any time with no notice whatsoever to affected persons.
9. The Heritage Tax Reduction program is subject to any regulations that the Minister of Finance may make governing by-laws on tax refunds and reductions for heritage properties.
10. Where multiple easement and/or preservation and maintenance agreements are registered on one parcel of land, multiple refunds will not be provided in respect of the same heritage features.
11. Upon application, the owner must consent to the Town conducting an inspection of the interior and exterior of the Eligible Heritage Property at any reasonable time, if required, to ensure that the relevant heritage easement agreement is being complied with and to ensure that the eligibility criteria can be met.
12. No Heritage Tax Reduction will be given under this By-law where the Town determines that the relevant heritage easement agreement is not complied with to the satisfaction of the Town.
13. Heritage Tax Reductions shall be calculated using the assessed value of the property, as returned, for the taxation year for which the application is made.
14. If the assessment of a property for a year changes as a result of proceedings under the *Assessment Act* or *Municipal Act* or a judicial decision, the Heritage Tax Reduction shall be recalculated using the new assessment and the tax roll for the year shall be amended to reflect the determination. The Town may set off any amount in favour of the Town against any refund to be paid to the owner as a result of the appeal, or it may apply it against the taxes owed for the succeeding taxation year.
15. The Heritage Tax Reduction shall be repaid in full by the owner for every year where there is an outstanding contravention or where there are outstanding municipal fines, arrears of taxes, fees or penalties assessed against the owner.
16. The minimum amount of the Heritage Tax Reduction that shall be paid for an individual property is \$50.00.

## **Penalties**

17. If the owner of an Eligible Heritage Property demolishes the Eligible Heritage Property or breaches the terms of the relevant heritage easement, the Town may require the owner to repay part or all of any Heritage Tax Reduction(s) provided to the owner for one or more years under this By-law.

18. The Town may require the owner to pay interest on the amount of any repayment required under section 17, at a rate not exceeding the lowest prime rate reported to the Bank of Canada by any of the banks listed in Schedule I of the *Bank Act* (Canada), calculated from the date or dates the Heritage Tax Reduction(s) were provided. Any amount repaid under this section will be shared by the Town, School Boards and the Region of York (if applicable) in the same proportion as their respective shares of the Heritage Tax Reduction(s) on the property.
19. This By-law shall be known as the “Heritage Tax Reduction By-law”.
20. The effective date of this By-law is January 1, 2003.

READ A FIRST, SECOND, AND THIRD TIME AND PASSED THIS  
16<sup>TH</sup> DAY OF DECEMBER, 2003.

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SHEILA BIRRELL, TOWN CLERK

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DON COUSENS, MAYOR