

## **Municipality of Chatham-Kent**

### **Finance, Budget, Information Technology & Transformation**

#### **Financial Services**

**To:** Mayor and Members of Council

**From:** Amy McLellan, CPA, CGA  
Manager, Revenue

**Date:** July 15, 2024

**Subject:** By-law to Invoice Payments in Lieu of Taxes on Provincial Institutions

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#### **Recommendation**

It is recommended that:

1. A by-law be passed to provide for the annual levy of payments in lieu of taxes on Universities and Colleges, and Public Hospitals for the year 2024 as per Section 323 of the Municipal Act, 2001.

#### **Background**

An annual by-law is required to levy an amount on Universities or Colleges and Public Hospitals pursuant to Section 323 of the Municipal Act, 2001. The purpose of the by-law is to levy an amount based on the number of full-time students enrolled and residents placed in provincially rated beds on each of St. Clair College of Applied Arts and Technology - Thames Campus, University of Guelph - Ridgetown Campus, Chatham-Kent Health Alliance - Sydenham District Hospital site, Chatham-Kent Health Alliance - Public General Hospital Society of Chatham site. Tax on Provincial institutions is limited to an annual payment in lieu of realty taxes. Each year, in order that the Municipality may invoice and collect the allowable payments in lieu of taxes on Provincial institutions, Council is required to pass a separate by-law.

#### **Comments**

The current payment payable to Ontario municipalities is \$75.00 per unit (person or bed) and the number of units associated with applicable institutions are determined each year by the Ministry of Municipal Affairs and Housing and provided to eligible municipalities by way of letter.

The 2024 payment in lieu of taxes amount per unit remains at \$75.00, the same rate that has been in effect since 1987. Chatham-Kent administration and many other municipalities continue to lobby the Province for an inflation adjustment.

### **Areas of Strategic Focus**

The recommendation in this report supports the following areas of strategic focus:

			
<b>Economic Prosperity</b>	<b>Healthy &amp; Safe Community</b>	<b>People &amp; Culture</b>	<b>Environmental Sustainability</b>
1.1, 1.4	2.3		

### **Consultation**

The Ministry of Municipal Affairs and Housing, Municipal Programs and Analytics Branch provided the data for the Payments in Lieu of Taxes grant owed to the Municipality of Chatham-Kent.

### **Communication**

Communication is proposed to be through the inclusion of this report on the Council agenda. Chatham-Kent Health Alliance, University of Guelph, and St. Clair College will each be issued an invoice from the Municipality of Chatham-Kent along with an explanatory letter advising them of the amounts due per Section 323 of the Municipal Act.

### **Diversity, Equity, Inclusion and Justice (DEIJ)**

This report does not have implications related to diversity, equity, inclusion or justice.

### **Financial Implications**

The Payments in Lieu of Taxes grant applies to Chatham-Kent Health Alliance, University of Guelph - Ridgetown Campus, and St. Clair College - Thames Campus. The total 2024 payment for these facilities is \$146,100. This is an increase of \$8,925 over the 2023 payment, as a result of an increase in capacity at University of Guelph - Ridgetown Campus and St. Clair College - Thames Campus.

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Attachments: By-law to invoice Payments in Lieu of Tax on Provincial Institutions