

**Date:** 2023-08-03

**Subject:** **Civic Centre (Leased Space) - Municipal Capital Facility Designations**

**Contact:** Dave Salt, Manager, Facilities Services and Operations, Public Works & Engineering

**Report Number:** Public Works & Engineering-2023-674

**Recommendations:**

1. That the report from Dave Salt, Manager, Facilities Services and Operations, Public Works & Engineering to the City Council Meeting of August 9th, 2023, re: **Civic Centre (Leased Space) - Municipal Capital Facility Designations**, be received;
2. That the two By-Laws set out in Attachments 1 and 2 to this report, designating the leased space under two leases within the building at 150 Central Park Drive, Brampton ("Civic Centre") as Municipal Capital Facilities, be enacted, to be effective on or after the transfer of the Civic Centre to Toronto Metropolitan University ("TMU") and lease back of the leased space by the City;
3. That upon the passing and effectiveness of these two By-Laws, the Clerk of the City shall give written notice of the contents of these By-laws to (a) the Municipal Property Assessment Corporation, (b) the Clerk of any other municipality that would, but for these By-laws, have had authority to levy rates on the assessment for the land and property exempted by these By-laws, and (c) the Secretary of any school board that would, but for these By-laws, have had authority to require a municipality to levy rates on the assessment for the land exempted by these By-laws.

<b>Overview:</b>
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- 1. Municipal facilities which are occupied by The Corporation of the City of Brampton (the “City”) are exempt from property taxation under the Assessment Act.**
- 2. The City will be entering into two lease agreements with Toronto Metropolitan University (“TMU”) as per the terms of the Council approved agreement for the transfer of ownership of the Civic Centre. The City will occupy space within the Civic Centre for municipal operations under the first lease agreement and for the Lester B Pearson Theatre under the second lease agreement.**
- 3. To extend the property tax exempt status to these two leased facilities, by-laws to designate these leased spaces as a Municipal Capital Facility are required.**

**Background:**

The *Municipal Act, 2001* provides that the Council of a municipality may exempt from all or part of the taxes levied for municipal and school board purposes land on which municipal capital facilities are or will be located. These provisions of the *Municipal Act, 2001* apply to agreements entered into by the municipality with others for the provision of Municipal Capital Facilities.

**Current Situation:**

Council has approved the transfer of ownership of the Civic Centre to Toronto Metropolitan University (“TMU”), with the City to lease back from TMU certain space at the Civic Centre under two lease agreements with TMU for municipal operations and for the Lester B Theatre. For the City-leased space to be exempt from property taxation in the manner that other buildings and land used by the municipality are, Council must enact by-laws to declare each of the leased spaces in the Civic Centre as Municipal Capital Facilities.

**Corporate Implications:****Financial Implications:**

It is expected that designating the facilities leased by the City from Toronto Metropolitan University in the Civic Centre as Municipal Capital Facilities will save the City the cost of property taxes for the Region of Peel and School Board purposes.

**Strategic Focus Area:**

Government & Leadership: Brampton is a well-run City, continuously improving the day-to-day operations of the corporation by streamlining service delivery, effectively managing municipal assets, and leverage.

**Conclusion:**

Designating each of the leased spaces at Civic Centre as a Municipal Capital Facility reflects the purpose and use of the City's leased space and brings the tax treatment of the leased spaces in the building in line with all other municipal facilities.

Authored by:

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Submitted by:

Approved by:

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Marlon Kallideen  
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Marlon Kallideen  
Chief Administrative Officer

**Attachments:**

- Attachment 1 – 2023-08-02 By-law City Operations Area MCF
- Attachment 2 – 2023-08-02 By-law Lester B Pearson Theatre MCF