

A stylized, flat-design illustration of an industrial landscape. In the foreground, there are various industrial buildings: a brown building with a grey roof on the left, a grey building with multiple windows in the center, and a grey building with two large blue cylindrical structures on the right. In the background, there are blue mountains and a light blue sky with white clouds. Two tall grey smokestacks with yellow bands are visible on the right. A white rectangular box with the title 'Industrial Assessment' is positioned in the upper left, and an orange rectangular box with the subtitle is in the lower left.

Industrial Assessment

A Review of Middlesex County Industrial
Tax Base & Improvement Methodologies

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A stylized, flat-design illustration of an industrial cityscape. In the foreground, there are various industrial buildings, including a large grey building with multiple windows, a brown building with a brown roof, and a building with a yellow and black striped hazard pattern. In the background, there are blue mountains and a blue sky with white clouds. A tall, grey industrial chimney is visible in the distance. The overall style is modern and clean.

01

Executive Summary

Executive Summary

Middlesex County's industrial tax share notably falls below the provincial average and the average of other southwestern Ontario Counties

Given the impending provincial policy changes that could raise land assembly costs and the County's below average industrial tax share, there's a strategic imperative to explore industrial assessment growth opportunities including:

- Modifications to the County Loan Program
- A Middlesex County Industrial Land Community Improvement Program
- A Middlesex County Affordable Housing Community Improvement Plan



A stylized, flat-design illustration of an industrial facility. In the foreground, there are various structures including a grey building with a yellow and black striped hazard pattern, a brown building with a blue window, and a tall grey tower with a white section and orange horizontal bands. To the right is a grey building with a brown roof and blue windows. In the background, there are blue mountains, a grey smokestack, and a blue sky with white clouds. A yellow square with the number '02' and a white rectangle with the word 'Background' are overlaid on the left side of the image.

02

Background

Research Overview



Legislative Framework

In Ontario, nonresidential property classifications generally pay higher municipal taxes than residential property classifications.



Fiscal Distribution

Taxes collected from non residential property classifications account for 28% to 51% of all property tax revenues, while municipal spending on these property classifications only accounted for 31% to 40% of municipal expenditures.



Tax Trends

Lower municipal tax rates paid by residential property classifications reflect the fact that municipalities face incentives to minimize taxation on property classifications most likely to vote in municipal elections, most notably homeowners

Taxes Generated/ \$100,000 of Assessment

| Residential | Farmland | Commercial | Industrial |
|-------------|----------|------------|------------|
| \$431.24 | \$107.81 | \$493.73 | \$752.56 |

A stylized, flat-design illustration of an industrial facility. In the foreground, there are various structures including a building with a brown roof and grey walls, a tall grey tower with horizontal bands, and a building with a grid-patterned roof. In the background, there are blue mountains and a blue sky with white clouds. A yellow square with the number '03' is positioned on the left side of the image.

03

FIR Assessment

Financial Information Return Assessment

| Tax Levy Classification Share | | | |
|-------------------------------|-------------|------------|------------|
| Municipality | Residential | Commercial | Industrial |
| Huron Co | 89.73% | 6.63% | 1.89% |
| Middlesex Co | 86.09% | 5.72% | 2.68% |
| Elgin Co | 87.91% | 5.81% | 3.18% |
| Perth Co | 86.26% | 6.24% | 3.18% |
| Wellington Co | 83.49% | 8.18% | 5.24% |
| Lambton Co | 76.48% | 13.70% | 5.40% |
| Essex Co | 84.00% | 6.91% | 5.94% |
| Oxford Co | 72.52% | 12.45% | 9.46% |
| Average | 83.31% | 8.20% | 4.62% |



Residential Classification

16.21% of the Middlesex County residential property classification is farmland. Farmland property classification pays 22-25% of the residential property tax rate

A stylized, flat-design illustration of an industrial cityscape. The background features various buildings in shades of grey, brown, and orange. Some buildings have multiple windows, some are taller with many windows, and others are shorter. There are also industrial elements like smokestacks, pipes, and a large storage tank. The sky is light blue with a few white clouds. In the foreground, there are yellow and black striped safety barriers and a set of stairs leading up to a building entrance.

\$131,476,852

Additional Industrial Assessment required to achieve southwestern Ontario average

A stylized, flat-design illustration of an industrial cityscape. In the foreground, there are various industrial buildings: a grey building with multiple windows on the left, a brown building with a large garage door and yellow-and-black hazard stripes, and a grey building with a white entrance and hazard stripes. In the middle ground, a tall grey smokestack with horizontal bands stands out. To the right, a grey building with orange horizontal accents and a brown-roofed building with blue windows are visible. The background features blue mountains and a light blue sky with a few white clouds.

04

County Loan Program

County Loan Program



Program Overview

The original purposes of the Loan Program was to facilitate infrastructure investments to replace lost assessment from the 1993 City of London annexation of lands from within Middlesex County.



Application Streams

The program is funded from the Middlesex County Capital Works Reserve Fund and has three funding envelopes:

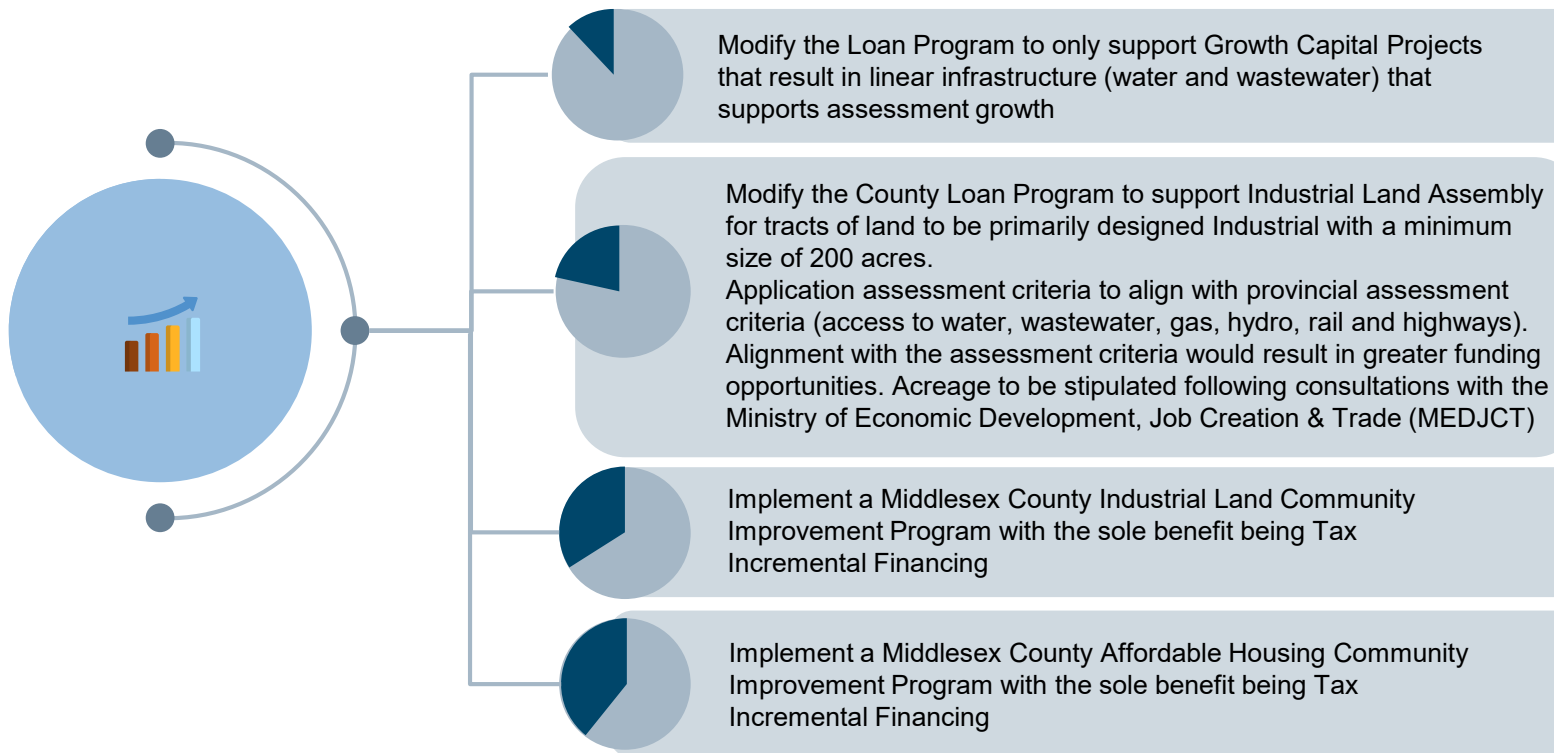
- Growth Capital Projects
- Non-Growth Capital Projects
- Non-Growth Interest

A stylized, flat-design illustration of an industrial cityscape. In the foreground, there are various industrial buildings, including a large grey building with multiple windows, a smaller orange building, and a building with a brown roof. A tall, grey smokestack is visible in the middle ground. The background features blue mountains and a light blue sky with a few white clouds. A yellow square with the number '05' is positioned on the left side of the image. A white banner with the text 'Opportunity Analysis' is centered across the middle of the image.

05

Opportunity Analysis

Opportunity Analysis



Potential Benefits



Provincial

- Support the provincial economic growth strategy
- Align with current provincial government priorities



Lower-Tiers

- Assists with non-residential classification assessment growth and provides financial benefits to lower-tier levies
- Diversifies assessment base



Middlesex County

- Address the current Middlesex County financial realities and support a sustainable financial future.
- Maintains Middlesex County focus on core service area functions and incentivizes invest in the same.
- Maintains a low residential property classification tax rate.
- Maintains low non residential property classification tax rates to support economic development.
- Provide a reoccurring, innovative program to advocate, engage and consult with the provincial government.
 - The County Loan Program provides a direct benefit that would separate Middlesex County initiatives from other municipal efforts.
 - Overtime Middlesex would develop objective statistics of growth and investment to advocate for additional provincial

A stylized, flat-design illustration of an industrial cityscape. In the foreground, there are various industrial buildings: a grey building with multiple windows on the left, a brown building with a large orange section in the center, and a grey building with a brown roof on the right. A tall, grey smokestack with horizontal bands is visible in the background. The sky is light blue with a few white clouds. In the foreground, there are yellow and black striped hazard patterns and several grey pipes. A large yellow square with the number '06' and a white rectangle with the word 'Questions' are overlaid on the left side of the image.

06

Questions