

Date: June 15, 2022

To: Chair and Members of General Committee

From: Shari Lichterman, CPA, CMA, Commissioner of
Corporate Services and Chief Financial Officer

Originator's files:
PO.13.LIV

Meeting date:
June 29, 2022

Subject

Removal of the Municipal Capital Facility designation under By-law 0222-2014 for the City property known as 4141 Living Arts Drive (Ward 4).

Recommendation

1. That a by-law be enacted to repeal By-law 0222-2014 so that the property known as The Living Arts Centre ("Centre") located at 4141 Living Arts Drive is no longer designated as a municipal capital facilities for the purposes of Section 110 of the Municipal Act, 2001, S.O. 2001, c. 25.
2. That the Clerk be directed to notify the Minister of Education, Municipal Property Assessment Corporation, the Regional Municipality of Peel and the secretary of any school board which includes the land exempted, of the enactment of the By-law.
3. That all necessary by-laws be enacted.

Executive Summary

- Through a Master Relationship Agreement with the City dated July 1, 2014, the LAC Corporation managed and operated the Centre. The execution of the Master Relationship Agreement was authorized through By-law 0183-2014.
- The Centre was designated as a Municipal Capital Facility under By-law 0222-2014 effective the date of the Master Relationship Agreement between the City and LAC Corporation.
- Through By-law 0222-2014, the Centre became exempt from taxation for municipal and school purposes pursuant to Section 110 of the Municipal Act, 2001, S.O. 2001, c. 25, as amended effective as of the effective date of the Master Relationship Agreement.
- In 2019, the Master Relationship Agreement between the City and LAC Corporation was terminated effective December 31, 2019, enacted through By-law 0127-2019.
- Since the City has assumed the management and operation of the Centre, the Municipal Capital Facility designation of the Centre should be removed and By-law 0222-2014 can be repealed.

Background

The City is the owner of the Centre located at 4141 Living Arts Drive. The Centre is a City facility used as a multifaceted arts and entertainment facility for, but not limited to, the fostering, promotion and production of the performing arts, the visual arts, and various other arts for the benefit of the City, the artistic community and the members of the public.

On January 20, 1997, the City entered into a Relationship Agreement (“Relationship Agreement”) with the LAC Corporation and the Living Arts Centre Foundation (“Foundation”) which outlined the shared understanding and principles of the purposes of the LAC Corporation and the overall relationship and roles and responsibilities among the three parties related to the operation of the Centre. On the same date, the City also entered into a Lease Agreement with the LAC Corporation for the operation and management of the Centre.

In 2014, significant amendments and updates were made on the Relationship Agreement in order to reflect the actual roles and responsibilities of the City and the LAC Corporation with respect to the management and operations of the Centre.

Through By-law 0183-2014, on July 1, 2014, the City and the LAC Corporation entered into a new Master Relationship Agreement and ancillary agreement and documents, and the 1997 Relationship Agreement, including the ancillary Lease Agreement, Operating Loan Agreement and the General Security Agreement, were terminated.

By way of By-law 0222-2014, the City declared the Centre as a municipal capital facility thereby exempting the Centre from taxation for municipal and school purposes.

In 2019, in line with the City’s Cultural Master Plan, which included a change in the management model of the Centre, the Master Relationship Agreement between the City and LAC Corporation was terminated effective December 31, 2019, enacted through By-law 0127-2019.

Comments

With the City taking over the operation and management of the Centre effective January 1, 2020, there is no longer a requirement to designate it as a municipal capital facility; it is therefore necessary to repeal By-law 0222-2014, being “A By-law to exempt the property known as 4141 Living Arts Drive in Mississauga, from taxation for municipal and school purposes”, so that the Municipal Property Assessment Corporation (“MPAC”) is then provided with the required information to adjust the classification for the property in consideration that the property is owned and is now also operated and managed by the City.

Financial Impact

There is no financial impact in removing the Municipal Capital Facility designation from the Living Arts Centre.

Conclusion

Since the City has assumed the management and operation of the Centre, the Municipal Capital Facility designation of the Centre can be removed and By-law 0222-2014 can be repealed. This will enable MPAC to adjust the classification for the property in consideration that the property is owned and is now also operated and managed by the City.

Attachments

Appendix 1: The Living Arts Centre, 4141 Living Centre Drive



Shari Lichterman, CPA, CMA, Commissioner of Corporate Services and Chief Financial Officer

Prepared by: Janeth Huab, Project Leader, Realty Services