

October 24, 2019

Dear Members of the City of Regina Council;

This letter is to ask you to support of the **Finance and Administration Committee's** unanimous recommendation to provide tax mitigation to the three agricultural properties in the West Commercial Corridor, (New Neighbourhood 300k population category). See October 28, 2019 Council agenda, Bylaws and Related Reports, item CR 19-95, Dewdney West Boundary Alteration – Property Tax Exemption (mitigation).

The Committee recommendation is supportable because:

- **It follows the four principals for tax mitigation originally set in the boundary alteration plan that annexed these properties.**
 1. Protect annexed land from unreasonable financial hardship.
 2. Balance the City's financial viability while protecting long term growth needs.
 3. Mitigation be applied through existing legislation; and,
 4. Tax mitigation will expire when the property is developed or when the time frame for mitigation expires.
- **It sets a strong precedent.**
 - That the Committee will consider mitigation requests on the merits of each request.
 - That the property is, and always was, farmed by the owners.
 - It matches Council's February 25, 2019 approval that mitigation be applied to farmland in the eastern part of the city.
- **It applies fairness**
 - Predicted growth has not occurred.
 - Development has not occurred on the property.
 - The farmland involved will bear taxes in line with other farmland in the city.
- **It has the least effect on the original plan adopted by council.**
 - Only three properties affected.
- **It has the least financial impact.**
 - Annual foregone municipal levy is \$5,330*. (*City Directors' report to the Finance and Administration Committee, Appendix C Summary of Financial Impacts)
- **Mitigation will cease upon the use of the property changing.**
 - City staff advised the Committee that bylaws are in place for immediate tax reassessment if development occurs.

Background:

Of the three properties recommended for mitigation, one property belongs to my wife and me, the other two belong to our neighbours the Farleys. We all actively farm our lands. The land was annexed by the City of Regina in 2014. It received a five year tax mitigation setting taxes to approximately equal the rural tax levy. City of Regina annual mill rate increases were applied each year following annexation. We mistakenly believed our property would be subject to future

mitigation. However, future mitigation was restricted to property deemed to be in the 500k population growth category; ours is in the 300k population category.

None of the property receives any City services except road maintenance. This is equal to the services provided by the former rural municipality.

Without mitigation taxes increase 2.36 times what was paid in 2018. This puts us at an unfair disadvantage to other city of Regina farmland that enjoys mitigation. We are also at a disadvantage to farmland in the adjoining Sherwood municipality. Of note, the city of Moose Jaw taxes its farmland at rates equal to the surrounding rural municipality.

Arbitrary labels and outdated growth plans are driving the tax increase. Growth has not occurred as planned; however our farm land is being taxed as if it had.

Thank you for your considerations.

Sincerely

A handwritten signature in blue ink that reads "Dick Wellman". The signature is written in a cursive style with a large initial "D".

Dick and Maria Wellman