

March 29, 2016

To: His Worship the Mayor
and Members of City Council

Re: Annual Property Tax Exemptions - 2016

**RECOMMENDATION OF THE FINANCE AND ADMINISTRATION COMMITTEE
- MARCH 8, 2016**

1. That City Council approve the property tax exemptions outlined in Appendix A.
2. That the City Solicitor be instructed to bring forward the necessary bylaw to provide for the property tax exemptions listed in Appendix A.

FINANCE AND ADMINISTRATION COMMITTEE – MARCH 8, 2016

The Committee adopted a resolution to concur in the recommendation contained in the report. Recommendation #3 does not require City Council approval.

Councillors: Wade Murray (Chair), Bryon Burnett, Shawn Fraser, Bob Hawkins, and Barbara Young were present during consideration of this report by the Finance and Administration Committee.

The Finance and Administration Committee, at its meeting held on March 8, 2016, considered the following report from the Administration:

RECOMMENDATION

1. That City Council approve the property tax exemptions outlined in Appendix A.
2. That the City Solicitor be instructed to bring forward the necessary bylaw to provide for the property tax exemptions listed in Appendix A.
3. That this report be forwarded to the March 29, 2016 City Council meeting for approval.

CONCLUSION

The exemptions outlined in Appendix A are consistent with exemptions provided in past years or are based on agreements entered into by the City. It is recommended that the exemptions in Appendix A be approved.

Appendix B provides additional information on the miscellaneous exemptions for 2016. As part of the land leasing or sale policy, City Council has approved the exemption of occupants of City owned properties from property tax, if the occupant maintains the property that otherwise would not be taxed and where the City would incur maintenance costs.

BACKGROUND

City Council annually considers property tax exemptions based on past practices or agreements. The purpose of this report is to consider exemptions for 2016. City Council has the authority pursuant to subsection 262(3) of *The Cities Act* to exempt from taxation, in whole or in part, any land or improvements designated in the bylaw.

DISCUSSION

Unless specifically exempted, all property in a municipality is subject to assessment and taxation pursuant to *The Cities Act*. There are specific exemptions provided in subsection 262(1) of *The Cities Act*. Further, City Council may, by bylaw, exempt from taxation the whole or part of any land or improvement designated in the bylaw. City Council may also enter into agreements, on any terms and conditions, to exempt property from taxation for not more than five years. Appendix A is a summary of the proposed annual exemptions for 2016, which include exemptions for small land parcels and easements. The exemptions include non-profit organizations, organizations providing support for our community and other properties City Council has determined are appropriate. These exemptions are consistent with past practices. The significant properties are the Mackenzie Art Gallery, Saskatchewan Science Centre, Regina & District Foodbank and the Regina Airport Authority. The estimated total municipal share of all the exemptions in Appendix A approximates \$1,580,993.

The changes in the properties included in Appendix A from 2016 are as follows:

Removals from the Annual Bylaw		
Lakeview Manor Condo Corp.	3403 Wascana Street	Corrected to reflect the Condo Corporation, has an easement agreement with the City rather than a lease. Removed from the annual bylaw.
101063955 Sask Ltd.	1834E Victoria Avenue	Corrected to reflect that there is an easement for entry and exit of the adjacent property, therefore removed from the annual bylaw.
Regina Thunder Football Club Inc.	750 Winnipeg Street	2015-64 Bylaw passed for tax exemption for period of 2016-2020, therefore removed from annual bylaw.

RECOMMENDATION IMPLICATIONS

Financial Implications

The property tax exemptions listed in Appendix A, total about \$2,794,629 in foregone tax revenue. The City's share of this foregone revenue is approximately \$1,580,993. These estimates are based on 2016 assessments. Municipal, library and school are based on 2015 rates. These amounts will change once the tax rates are finalized for 2016. All of the properties included in Appendix A were exempt in 2015.

Environmental Implications

None with regard to this report.

Policy and/or Strategic Implications

None with regard to this report.

Other Implications

None with regard to this report.

Accessibility Implications

None with regard to this report.

COMMUNICATIONS

All affected parties will be provided with a copy of this report prior to the Finance and Administration Committee and City Council meetings.

DELEGATED AUTHORITY

The recommendations contained in this report require City Council approval.

Respectfully submitted,

FINANCE AND ADMINISTRATION COMMITTEE



Ashley Thompson, Secretary