

December 16, 2013

To: His Worship the Mayor  
and Members of City Council

Re: Exemption Request Regina Trades and Skills Inc. - 1269 Albert Street

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**RECOMMENDATION OF THE FINANCE AND ADMINISTRATION COMMITTEE  
- DECEMBER 3, 2013**

1. That a five-year property tax exemption be provided for the land at 1269 Albert Street owned by Suncor Energy Inc. and leased to Regina Trades and Skills Inc. that is occupied and used for the trades and skills training centre parking.
2. That the City Solicitor be instructed to prepare the required agreement and bylaw for approval of City Council.

*FINANCE AND ADMINISTRATION COMMITTEE - DECEMBER 3, 2013*

Chad Novak, representing The Saskatchewan Taxpayers Advocacy Group, addressed the Committee.

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

Councillors: Bryon Burnett, Shawn Fraser, Bob Hawkins, Terry Hincks and Wade Murray were present during consideration of this report by the Finance and Administration Committee.

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

The Finance and Administration Committee, at its meeting held on December 3, 2013, considered the following report from the Administration:

RECOMMENDATION

1. That a five-year property tax exemption be provided for the land at 1269 Albert Street owned by Suncor Energy Inc. and leased to Regina Trades and Skills Inc. that is occupied and used for the trades and skills training centre parking;
2. That the City Solicitor be instructed to prepare the required agreement and bylaw for approval of City Council; and
3. That this report be forwarded for consideration at the December 16, 2013 meeting of City Council.

## CONCLUSION

The Regina Trades and Skills Centre Inc. has requested a five-year exemption for the land it leases at 1269 Albert Street. This is adjacent to and is required for parking for its operation of its building at 1275 Albert Street. City Council, in report CR13-69, approved a five-year property tax exemption for the Trades and Skills Centre at 1275 Albert Street. The lease on the adjacent parking lot transferred with the sale and was not included in the exemption request. It is recommended that a five-year exemption from property taxes be approved, subject to the property continuing to be leased to and used by the Regina Skills and Trades Centre.

## BACKGROUND

A letter was received from Regina Trades and Skills Centre Inc. on November 12, 2013, attached as Appendix "A", requesting an exemption of property taxes for the property it leases at 1269 Albert Street used for parking exclusively for the Regina Trades and Skills Centre. City Council had approved a five-year property tax exemption for the property owned and used by the organization for the property at 1275 Albert Street.

## DISCUSSION

The Regina Trades and Skills Centre Inc. was established in 2007 and is incorporated as a not-for-profit corporation. The goals of the organization are to:

1. Deliver trades and skills training to high school students and adults leading to jobs in industries where workers are in high demand; and
2. Deliver relevant and recognized programs that respond to industry needs for trained and skilled workers

The Regina Trades and Skills Centre, in conjunction with school divisions in Regina and area, offers short-term programming for Grade 11 and 12 high school students interested in an accelerated trades or skills career path. High school students remain registered in their home schools; upon successful completion of the course students receive five high school credits, post-secondary recognition, apprenticeship hours, and potential summer or full-time employment. The program runs for the entire semester on a full-time basis. The teachers and assistants are from high schools whereas other teaching staff may be from SIAST and the trades. An Adult training program is also offered in addition to the High School Trades program.

The Regina Trades and Skills Centre is funded primarily by grants (54%); in addition, an operating fund transfer from the Ministry of Advanced Education and Employment (43%) is also provided. Capital Revenue accounts for 13% of revenue and building income accounts for 23% of revenue.

The organization has a 10-member Board of Directors that includes representatives from the City of Regina; Regina and District Chamber of Commerce; Saskatchewan Construction Association; Ministry of Advanced Education, Employment and Labour; Saskatchewan Apprenticeship and Trade Certification Commission; Regina Catholic Schools; Regina Public Schools; North Central Community Association; the Saskatchewan Institute of Applied Arts and Sciences; and the Ministry of Education.

The organization provides opportunities for youth and young adults to start meaningful careers while meeting the area's labour market needs to enable the continued strong growth of the community. The organization was created to address community needs that the current school system and labour market were not able to meet.

The organization is requesting a five-year property tax exemption for the land leased by the organization at 1269 Albert Street. The organization was granted a five-year exemption for the adjacent property at 1275 Albert Street, which includes the building used as the Trades and Skills Centre. The request for the exemption at 1275 Albert Street followed the organization moving to a larger location due to the success of the program and requesting a property tax exemption similar to the one it had received at its previous location at 870 Albert Street. In purchasing the property at 1275 Albert Street, the organization also assumed the long-term lease of the adjacent land that is used as parking for the building. The sales agreement for 1275 Albert Street included the lease for the land at 1269 Albert Street because the land is integral to the operation of the building. The land at 1269 Albert Street is improved as a paved parking lot and used exclusively by the Trades and Skills Centre. Because the land is leased, an exemption agreement would require the owner to pass through the benefit of the tax exemption to the tenant, the Regina Trades and Skills Centre Inc. It is recommended that a five-year property tax exemption be provided for 1269 Albert Street, because that land is used exclusively for the operation of the Trades and Skills Centre.

The 2013 assessment and estimated property taxes for 1269 Albert Street are shown in the following table.

	2013
Assessment	483,000
Property Taxes net of phase in:	
Municipal	3,632
School	2,173
Library	383
Total Taxes	6,187

## RECOMMENDATION IMPLICATIONS

### Financial Implications

If the recommendation in this report is approved, there would be a property tax exemption provided of approximately \$6,187 for 2013 with the municipal share being \$3,632. This amount would be adjusted for phase-in with the total exemption over the five-year period estimated at \$37,150, the municipal share being \$19,050.

### Environmental Implications

None with regards to this report.

### Policy and/or Strategic Implications

If the recommendations in this report are approved, it would be consistent with previous Council decisions to provide an exemption to Regina Trades and Skills Centre Inc.

Other Implications

None with regards to this report.

Accessibility Implications

None with regards to this report.

COMMUNICATIONS

The Library and School Boards and the Regina Trades and Skills Centre Inc. will be provided a copy of this report.

DELEGATED AUTHORITY

This report must be considered by City Council.

Respectfully submitted,

FINANCE AND ADMINISTRATION COMMITTEE



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Ashley Thompson, Secretary