

DATE: September 24, 2021

TO: MAYOR AND COUNCIL

NAME AND TITLE: Standing Committee on Finance and Audit

SUBJECT: 2022 Permissive Tax Exemptions

ATTACHMENT(S): 1. Appendix “A” – 2022 Permissive Tax Exemptions
2. Staff Report to Standing Committee on Finance and Audit from Kris Dalio, Director of Finance dated August 20, 2021

RECOMMENDATIONS:

That Council:

1. Approve the recommendation for permissive tax exemptions for the years 2022-2023 for the organizations listed in Appendix “A” attached to the report dated September 24, 2021 from the Chair of the Standing Committee on Finance and Audit titled “2022 Permissive Tax Exemptions”; and
2. Grant first three readings to the “City of Prince George Permissive Tax Exemption Bylaw No. 9075, 2019, Amendment Bylaw No. 9243, 2021”.

PURPOSE:

The purpose of this report is to obtain approval from Council regarding 2022 Permissive Tax Exemptions.

The Director of Finance presented a report on the 2022 Permissive Tax Exemptions at the Standing Committee on Finance and Audit meeting held on August 30, 2021 and the Committee endorsed the approval of the new exemptions recommended in the report.

Permissive Tax Exemption Bylaws must be approved before October 31st as per Section 224 of the *Community Charter*.

STRATEGIC PRIORITIES:

The Permissive Tax Exemption program supports all of Council’s Social Development Priorities as well as Sustainable Fiscal Management and Organizational Excellence.

As per Sustainable Finance Guideline 5.5, permissive tax exemption is a means for Council to support organizations within the community which further Council’s objectives of enhancing quality of life (economic, social, and cultural) and delivering services economically. There is no obligation on the part of Council to grant exemptions.

The Permissive Tax Exemption Policy was used in conjunction with the Permissive Tax Exemption Administrative Procedure to adjudicate the Permissive Tax Exemptions. As per the Policy, the length of the exemptions provided will be granted to the organizations for a period that coincides with the existing Council’s term of office, up to a maximum of 4 years. However, the owners of the exempted properties

are expected to apply annually and state any changes that have occurred, which are then reviewed by Administration.

FINANCIAL CONSIDERATIONS:

The total estimated value for the tax exemptions in this report's recommendations is \$1,984,833 or 1.74% of the tax levy (based on 2021 tax rates and assessment values). The exact amount of these exemptions will not be known until the time that BC Assessment releases the revised property tax roll in 2021.

New folios recommended for approval include:

- Child Development Centre (1777 Strathcona - folio 00-26299-001) – An additional portion of the property under a different folio has been added to the property for use. This was submitted after the Finance and Audit report and thus was not part of the Committee's approval at that meeting. However, Administration has included it in the eligible properties in this report as it meets the criteria for the same reasons as the previously approved exemption for folio 00-26301-000 (1687 Strathcona).
- Prince George Lawn Bowling Club – The use of the bowling green provides low impact exercise to seniors, and other interested parties in a healthy and safe environment.

Update from the Finance and Audit Meeting – previously listed as recommended for approval:

- AiMHi – Prince George Association for Community Living – 10 Units were built as accessible housing with the intent of providing subsidized, low cost, non-profit housing for people in need. Need is identified through low income, status as seniors (65+), or disability. Priority is given to people that meet multiple categories and mobility issues. Nine units are rented out within the need categories and the 10th unit is rented out at fair market value. The 10th unit is not included in the exemption application. At the time of this report, more information was available. **No onsite services are provided at these units so they are not eligible for the exemption.**

SUMMARY AND CONCLUSION:

The Standing Committee on Finance and Audit requests that Council approve the new exemptions recommended in this report.

RESPECTFULLY SUBMITTED:

Councillor Garth Frizzell, Chair
Standing Committee on Finance and Audit

MEETING DATE: October 4, 2021