

# COMMITTEE REPORT TO COUNCIL

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**DATE:** February 13, 2024

**TO:** MAYOR AND COUNCIL

**NAME AND TITLE:** Garth Frizzell, Chair, Intergovernmental Affairs Committee

**SUBJECT:** NCLGA Resolution Related to Taxation on School District Property

**ATTACHMENT(S):** Draft Resolution to NCLGA Related to Taxation on School District Property.

## RECOMMENDATIONS:

That Council APPROVES the draft resolution attached to this report, titled NCLGA Resolution Related to Taxation on School District Property, dated February 13<sup>th</sup>, 2024, and DIRECTS administration to submit the resolution and substantiation to the North Central Local Government Associations 2024 annual general meeting.

## PURPOSE:

To provide Council a potential advocacy route to recoup lost revenues related to business operating on school district property and to communicate endorsement of this recommendation by the Standing Committee on Intergovernmental Affairs.

## BACKGROUND:

The Province of British Columbia through changes to the School Act and mechanisms within the Childcare BC Plan (such as the New Spaces Fund, School Age Care on School Grounds Stream) are encouraging the creation of childcare spaces on school properties. This co-location between educational facilities and childcare spaces has several practical advantages for families and staff.

However, an unintended consequence of encouraging this co-location is that childcare operations housed on school properties become exempt from the mechanisms through which businesses are normally taxed by local government.

While being sensitive to the need for additional childcare spaces, local governments across BC are responsible for an array of services and have heavy infrastructure burdens, it is fiscally responsible to ensure that all appropriate fees and taxes are collected by the local government to ensure high quality service delivery now and in the future.

Recent changes to the School Act allow for school boards to directly operate childcare. In some cases, the school may hold the license but in others, a community provider may be the licensee. The provincial government is encouraging school districts to help meet the demand for more before-and after-school care, though they are not required to do so under the School Act. Where possible, school districts are also encouraged to partner with a third party to create and operate licensed childcare spaces.

**STRATEGIC PRIORITIES:**

It is assessed that pursuing this line of advocacy supports the City's strategic pillar of City Government and Infrastructure Priorities. Specifically, being able to recuperate these potential revenues supports continuing to improve processes and practices to support effective and efficient service delivery.

**FINANCIAL CONSIDERATIONS:**

There are no financial implications related to submitting a resolution to the NCLGA conference.

**SUMMARY AND CONCLUSION:**

This report provides a potential resolution that may be submitted to the NCLGA 2024 AGM.

**RESPECTFULLY SUBMITTED:**

Garth Frizzell, Chair, Intergovernmental Affairs Committee

**Prepared by:** Eric Depenau, Acting Director, Administrative Services

**APPROVED:**

Andy Beesley, Acting City Manager

Meeting Date: 2024/02/26