

DATE OF MEETING SEPTEMBER 24, 2018

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SUBJECT CONSIDERATION OF NEW PERMISSIVE TAX EXEMPTION APPLICATIONS

OVERVIEW

Purpose of Report

To obtain Council approval regarding the new permissive tax exemption applications received for properties to be exempt from 2019 property taxes.

Recommendation

That Council:

1. award a permissive tax exemption for the 2019 tax year to the 1st Nanaimo Scout Group/Scout Properties (B.C./Yukon) for property that it leases at 445 Comox Road; and,
2. deny a permissive tax exemption for the 2019 tax year to the Enchanted Woodland Childcare Centre for property that it leases at 1243 Nelson Street.

BACKGROUND

In prior years, new applications for a permissive tax exemption were reviewed by the Grants Advisory Sub-Committee, who then forwarded recommendations to approve or deny the applications to Council. With the dissolution of this Sub-Committee, the responsibility to review the new applications falls to the Finance and Audit Committee, or to the Committee of the Whole.

A copy of the Grants Policy and Guidelines document is attached to this report. Sections 7 and 8 provide specific direction on the evaluation of applications for permissive tax exemptions.

The new applications received follow this report, which consist of the following:

- Application page
- Questionnaire response
- Financial information
- Society Annual Report

1st NANAIMO SCOUT GROUP

The 1st Nanaimo Scout Group has been running youth programs in the same building and location in Nanaimo since 1927. The Group celebrates 90 years of history in Nanaimo and its focus is to ensure that each and every youth who wants to participate in scouting activities can. The organization will never turn away youth due to inability to pay the registration fees or not being able to afford the uniform or event fees.

The services provided by the 1st Nanaimo Scout Group meet the criteria for permissive tax exemptions as outlined in the Grants Policy and Guidelines Index (Attachment 1), as they provide recreational programs that could otherwise be considered an extension of municipal services and programs.

ENCHANTED WOODLANDS CHILDCARE CENTRE

The Enchanted Woodlands Childcare Centre is a non-profit childcare centre that provides affordable childcare for children up to 5 years old. The non-profit organization leases 1243 Nelson Street from the Vancouver Island Health Authority and also provides a preschool education program.

Under the current Grant Policy and Guidelines index, this organization does not meet the criteria for a permissive tax exemption because exemptions are not given to services that are otherwise provided on a private, for profit basis, as this would provide an unfair competitive advantage.

Child care services are not considered to be an extension of municipal government services, or programs that would fall under the responsibility of local government. Child care services fall under the responsibility of the Province of BC, and to provide a permissive tax exemption could represent a downloading of senior government costs to local taxpayers.

Council is being asked to approve or deny a permissive tax exemption for the years outlined below. Applications that are approved will be added to the 2019 Property Tax Exemption Bylaw that will come forward to Council in October 2018. |

OPTIONS

1. That Council:
 1. Award a permissive tax exemption for the 2019 tax year to the 1st Nanaimo Scout Group/Scout Properties (B.C./Yukon) for property that it leases at 445 Comox Road; and,
 2. Deny a permissive tax exemption for the 2019 tax year to the Enchanted Woodland Childcare Centre for property that it leases at 1243 Nelson Street.

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SUMMARY POINTS

- The City has received two new applications for permissive tax exemptions.
- The 1st Nanaimo Scout Group has requested a permissive tax exemption for the 2019 tax year.
- The Enchanted Woodlands Childcare Centre has requested a permissive tax exemption for the 2019 tax year.

ATTACHMENTS

Attachment 1: Grants Policy and Guidelines

Attachment 2: 2018 PTE-03 1st Nanaimo Scout Group

Attachment 3: 2018 PTE-04 Enchanted Woodlands Childcare Centre

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