

DATE OF MEETING SEPTEMBER 24, 2018

AUTHORED BY JAMIE SLATER, ACTING MANAGER, REVENUE SERVICES

SUBJECT PROPERTY TAX EXEMPTION BYLAW FOR 2019 PROPERTY TAXES

OVERVIEW

Purpose of Report

To introduce "Property Tax Exemption Bylaw 2018 No. 7271", for first, second and third readings.

Recommendation

1. That "Property Tax Exemption Bylaw 2018 No. 7271" (To provide exemptions from 2019 property taxes) pass first reading;
2. That "Property Tax Exemption Bylaw 2018 No. 7271" pass second reading; and,
3. That "Property Tax Exemption Bylaw 2018 No. 7271" pass third reading.

BACKGROUND

The City adopts a bylaw annually to exempt certain properties from property taxes for the next year. The City's Grants Policy and Guidelines requires that all properties that receive a permissive tax exemption (PTE) be reviewed every three years to ensure that they continue to meet eligibility criteria. The last review was conducted in 2014, with the next three-year review scheduled to be completed in 2017.

The Grants Advisory Sub-Committee started the review process in January, 2017. However, in late February, Council adopted a motion to dissolve the Committee. As such, the review has not been completed. In order for a review to take place, a Committee will need to be created and assigned this task.

Properties that were included in the tax exemption bylaw for 2018 property taxes, adjusted for organizations that have moved, etc. have been carried forward to be exempt in 2019. New Permissive Tax Exemption applications received by the July 1 deadline were reviewed at the 2018-SEP-24 Committee of the Whole Meeting.

During 2018, three new properties were approved to be added to the tax exemption bylaw, as noted below:

- | | |
|---|---------------------------|
| • Nanaimo Unique Kids Organization (NUKO) | 60 Needham Street |
| • Felice Cavalotti Lodge | 2060 East Wellington Road |
| • 1 st Nanaimo Scout Group | 445 Comox Road |

One organization that was previously exempt and no longer requires a permissive tax exemption is:

- The Kings Temple Missionary Society – 1085 Moyse Crescent (Moved, didn't reapply)

A summary of the properties that received a property tax exemption in 2018 is provided in the table below:

	# Organizations	# Properties	2018 Actual – City Portion Only (\$)
Church properties	36	40	\$ 215,719
Senior citizens' housing facilities	2	10	90,672
Community care facilities	2	5	211,543
Non-profit organizations	47	65	411,060
Parks	2	17	198,126
Other City-owned properties	24	25	156,827
Museum	2	2	15,455
TOTAL	115	164	\$ 1,299,402

With the Bylaw updated for the changes during the year, the permissive tax exemptions for 2019 are estimated to be \$1,344,491, an increase of \$63,346 from 2018. |

OPTIONS

1. That "Property Tax Exemption Bylaw 2018 No. 7271" (To provide exemptions from 2019 property taxes) pass first reading;
2. That "Property Tax Exemption Bylaw 2018 No. 7271" pass second reading; and,
3. That "Property Tax Exemption Bylaw 2018 No. 7271" pass third reading.
 - **Legal Implication:** October 31 is the deadline to adopt a permissive tax exemption bylaw.
 - **Strategic Priorities Implication:** Social equity is a Council priority.
4. Do not give first, second and third readings to "Property Tax Exemption Bylaw 2019 No. 7271" (To provide exemptions from 2019 property taxes).
 - **Legal Implication:** Bylaw adoption will not meet statutory deadline. |

SUMMARY POINTS

- The Bylaw to approve permissive tax exemptions for the 2019 tax year must be adopted by 2018-OCT-31.
- Three new applications have been added and one property removed from the current bylaw.

- In order to schedule a comprehensive review of organizations receiving a permissive tax exemption, a Committee will need to be created.

ATTACHMENTS

- “Property Tax Exemption Bylaw 2018 No. 7271”

Submitted by:

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Concurrence by:

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