

DATE OF MEETING OCTOBER 5, 2020

AUTHORED BY BARBARA D. WARDILL, MANAGER, REVENUE SERVICES

SUBJECT PROPERTY TAX EXEMPTION BYLAW FOR 2021 PROPERTY TAXES

OVERVIEW

Purpose of Report

To introduce “Property Tax Exemption Bylaw 2020 No. 7315”, for first, second and third readings.

Recommendation

1. That “Property Tax Exemption Bylaw 2020 No. 7315” (To provide exemption from 2021 property taxes) pass first reading;
2. That “Property Tax Exemption Bylaw 2020 No. 7315” pass second reading; and,
3. That “Property Tax Exemption Bylaw 2020 No. 7315” 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 to ensure that they continue to meet eligibility criteria.

Properties that were included in the tax exemption bylaw for 2020 property taxes, adjusted for organizations that have moved, etc. have been carried forward to be exempt in 2021. New Permissive Tax Exemption applications received by the July 1 deadline were reviewed by Laura Mercer, Director, Finance, and Barbara Wardill, Manager, Revenue Services.

During 2020, seven new properties were approved to be added to the tax exemption bylaw, as noted below:

- | | |
|---|-------------------------------|
| • Clay Tree Society | 838 Old Victoria Road; |
| • Nanaimo Community Gardens Society | 2300 Bowen Road (Beban Park); |
| • Island Crisis Care Society | 3413 Littleford Road; |
| • Society for Equity Inclusion and Advocacy | 403 – 489 Wallace Street; |
| • Nanaimo Brain Injury Society | 101 – 235 Bastion Street; |
| • Vancouver Island Mental Health Society | 285 Rosehill Street; and, |
| • Nanaimo Unique Kids Organization | 60 Needham Street. |

Seven organizations that were previously exempt no longer require a permissive tax exemption are:

- Trustees of The Congregation of the Brechin United Church – 2020 Estevan Road (repurposed property);
- Island Corridor Foundation – 0 Port Drive (amalgamated property folios);
- Mid Island Metis Nation Association – #109 – 285 Prideaux Street;
- Mid Island Intergroup Society – #212 – 285 Prideaux Street;
- Nanaimo Citizen Advocacy Association – #114 – 285 Prideaux Street;
- Nanaimo Brain Injury Society – #106 – 285 Prideaux Street; and,
- Nanaimo Women’s Resource Society – 150 Wallace Street.

The 2020 property tax value for the properties that will receive a property tax exemption in 2021 is provided in the table below:

	# Organizations	# Properties	2020 – City Portion Only (\$)
Church Properties	36	39	\$ 339,558
Senior Citizens’ Housing Facilities	1	10	105,773
Community Care Facilities	2	5	207,786
Non-Profit Organizations	48	70	419,018
Parks	2	17	197,537
Other City-owned properties	19	21	148,113
Museum	2	2	16,106
TOTAL	110	164	\$ 1,433,891

With the Bylaw updated for the changes during the year, the permissive tax exemptions for 2021 are estimated to be \$1,476,908, an increase of \$43,017 from 2020. This increase is largely attributed to an estimated 2021 tax increase.

OPTIONS

1. That “Property Tax Exemption Bylaw 2020 No. 7315” (To provide exemptions from 2021 property taxes) pass first reading.
2. That “Property Tax Exemption Bylaw 2020 No. 7315” pass second reading.
3. That “Property Tax Exemption Bylaw 2020 No. 7315” pass third reading.
 - The advantage of this option: This aligns with the Livability theme in the Strategic Plan and meets the October 31st deadline to adopt a permissive tax exemption bylaw.
 - The disadvantage of this option: Remaining properties in each tax class would be required to absorb \$1.48 million in property taxes.
4. That Council deny first, second and third readings to “Property Tax Exemption Bylaw 2020 No. 7315” (To provide exemptions from 2021 property taxes.)
 - Legal Implication: Bylaw adoption will not meet the October 31st statutory deadline.

SUMMARY POINTS

- The Bylaw to approve permissive tax exemptions for the 2021 tax year must be adopted by 2020-OCT-31.
- Seven new applications have been added and seven properties removed from the current bylaw..

ATTACHMENTS:

“Property Tax Exemption Bylaw 2020 No. 7315”

Submitted by:

Barbara Wardill
Manager, Revenue Services

Concurrence by:

Laura Mercer
Director, Finance

Shelley Legin
General Manager, Corporate Services