

DATE OF MEETING JUNE 13, 2018

AUTHORED BY JAMIE SLATER, ACTING MANAGER, REVENUE SERVICES

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, and for one property to be exempt from 2018 property taxes.

Recommendation

That the Finance and Audit Committee recommend that Council:

1. award a Permissive Tax Exemption for the 2019 tax year to the Nanaimo Unique Kids Organization (NUKO) for property that it leases at 60 Needham Street;
2. award a Permissive Tax Exemption Cash Grant for the 2018 tax year (pro-rated for the period from 2018-MAR-01 to 2018-DEC-31) to the Nanaimo Unique Kids Organization (NUKO) for the property that the organization began to lease on 2018-MAR-01. The value of the cash grant is approximately \$12,715; and,
3. award a Permissive Tax Exemption for the 2019 tax year to the Felice Cavallotti Lodge for property that it owns at 2060 East Wellington Road.

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.

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. All applications meet the minimum criteria of being a not-for-profit organization that provides service to the community. The application consists of the following:

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

NANAIMO UNIQUE KIDS ORGANIZATION

The Nanaimo Unique Kids Organization supports children and youth with neurological disabilities. They provide emotional, social, life-skills, tutoring, and behavioral support to children and youth. A cash grant is being requested for 2018 as the organization qualifies as a Community Care Facility under the Cash Grants criteria included in *Attachment 1: Grants Policy and Guidelines*.

The value of the cash grant is \$12,715. Funding for the cash grant would be provided from the Permissive Tax Exemption Cash Grant budget for \$5,000, with the remaining \$7,715 being funded by Council Contingency.

FELICE CAVALLOTTI LODGE

The Felice Cavallotti Lodge is a Community Center that is run by member volunteers. The Lodge promotes recreational and educational activities which will provide opportunities for personal and social development of the community. The Lodge provides low-cost facility rentals for community events.

The Committee 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 the fall of 2018.

OPTIONS

1. That the Financial and Audit Committee recommend that Council:
 - (a) award a Permissive Tax Exemption for the 2019 tax year to the Nanaimo Unique Kids Organization (NUKO) for property it leases at 60 Needham Street;
 - (b) award a Permissive Tax Exemption Cash Grant for the 2018 tax year (for the period from 2018-MAR-01 to 2018-DEC-31) to the Nanaimo Unique Kids Organization (NUKO) for the property that it leases at 60 Needham Street; and,

Budget Implication: Funding would be provided from the 2018 Cash Grant budget in the amount of \$5,000 with the remaining \$7,715 being funded from Council Contingency.

- (c) award a Permissive Tax Exemption for the 2019 tax year to the Felice Cavallotti Lodge for property it owns at 2060 East Wellington Road. |

SUMMARY POINTS

- The City has received two new applications for permissive tax exemptions that both meet the grants policy and guideline criteria for exemption.
- The Nanaimo Unique Kids Organization (NUKO) has requested a Cash Grant for the 2018 tax year and a Permissive Tax Exemption for the 2019 tax year.
- The Felice Cavalotti Lodge has requested a permissive tax exemption for the 2019 tax year.

ATTACHMENTS

Attachment 1: Grants Policy and Guidelines

Attachment 2: 2018 PTE-01 – Nanaimo Unique Kids Organization (NUKO)

Attachment 3: 2018 PTE-02 – Felice Cavallotti Lodge

Submitted by:

Jamie Slater, CPA, CA
Acting Manager, Revenue Services

Concurrence by:

Laura Mercer, CPA, CGA
Deputy Financial Officer