
Subject: FW: Email - Request to Speak - Jason Aebig and Keith Moen - Property Tax Ratio and Taxation Policy - CK 1920-1
Attachments: 2021_property_tax_ratio_council_letter_final.pdf

From: Web NoReply <web-noreply@saskatoon.ca>
Sent: Tuesday, March 2, 2021 4:41 PM
To: City Council <City.Council@saskatoon.ca>
Subject: Email - Request to Speak - Jason Aebig and Keith Moen - Property Tax Ratio and Taxation Policy - CK 1920-1

--- Replies to this email will go to ceo@saskatoonchamber.com ---

Submitted on Tuesday, March 2, 2021 - 16:40

Submitted by user: Anonymous

Submitted values are:

Date Tuesday, March 02, 2021

To His Worship the Mayor and Members of City Council

First Name Jason & Keith

Last Name Aebig & Moen

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Name of the organization or agency you are representing (if applicable) Greater Saskatoon Chamber of Commerce & NSBA

Subject Property Tax Ratio and Taxation Policy

Meeting (if known) Finance Committee - March 8

Comments

Please accept the attached letter on behalf of Jason Aebig, CEO of the Greater Saskatoon Chamber of Commerce and Keith Moen, Executive Director of the NSBA to be included in the March 8th Finance Committee Meeting and as a request to speak at said meeting.

Mr.Aebig and Mr.Moen would respectfully request the opportunity to both appear on the agenda and address the committee separately. Although both organizations are submitting the attached document outlining the joint positing on the property tax ratio and taxation policy both organizations would like an opportunity to address priorities.

[REDACTED]

[REDACTED]

[REDACTED]

March 2, 2021

Attention: City Council

Saskatoon City Hall
222 3rd Avenue North
Saskatoon, SK S7K 0J5

RE: Property Tax Ratio and Taxation Policy

Dear City Council,

The COVID-19 pandemic has required strong leadership from all levels of government to limit both the health and economic impacts of the crisis. Much of the attention has been rightly focused on addressing the challenges of the moment. As we begin to emerge from the crisis, however, we have an opportunity to lift our eyes to the future, focus on the post-pandemic well-being of our city, and take steps to recover the jobs, incomes and growth lost to COVID-19.

To that end, we have reviewed the 2021 commercial property tax reassessment roll and the impact a potential change to the commercial-to-residential tax ratio would have on Saskatoon's economic recovery at this critical time.

We strongly urge you to avoid an increase to the ratio for this tax cycle.

In 2013, City Council adopted a progressive, growth-oriented policy to move the commercial-to-residential tax ratio from 1.75 toward 1.43 over 11 years (starting in 2014 and completed prior to the 2025 revaluation year). Then, as now, this ratio strikes the right balance between residential and commercial property owners given the income tax differential between the two.

At the same time, this business surcharge helps to reduce the taxes residents would otherwise pay. The last four years proves the point. Saskatoon's business property tax base grew faster than the residential property tax base over this period, generating vital tax revenue to support municipal programs and services valued by residents and creating good-paying jobs and career paths for citizens.

A business-friendly tax environment enables both businesses and citizens to flourish. Growing the pie – rather than debating how to divide it – should be our ultimate goal.

Thanks to the strong leadership and vision of successive Councils, Saskatoon has taken meaningful steps toward the 1.43 commercial-to-residential tax ratio. Today's ratio of 1.59 has strengthened Saskatoon's standing as a preferred destination to build, scale and expand a business.

In light of the COVID-19 pandemic and the financial toll it continues to exact on our economy, an increase to the ratio would be ill-timed and lead to unintended consequences. Increases to commercial property taxes would slow Saskatoon's rate of economic recovery, weaken the ability of our current businesses to reopen, rehire and reinvest in their operations, make us less competitive within our region, and ultimately less attractive to any new businesses looking to establish here.

Critically, it would most adversely affect the small and medium businesses already here – like those in our Riversdale, Sutherland, Broadway, Mayfair and Downtown Business Districts – that are essential to the safety, vibrancy and quality of life in our core and historical neighbourhoods.

For those businesses operating on the periphery of our city, an increase could push them to neighbouring municipalities where the tax regime offers an advantage.

Saskatoon’s business owners, their employees and their families have weathered the COVID storm for the last 12 months, bailing water and doing their best to stay afloat. For many at this critical time, an increase in the ratio, and any corresponding increase in taxes, could be the final wave that sinks them along with the local jobs, products, services and taxes they currently provide. Bluntly, Saskatoon’s businesses cannot afford an increase in taxes.

By avoiding an increase to the current ratio, we can avoid a setback where we lose the progress made over the last 7 years, erode our commercial and residential tax base, and stall our post-COVID economic recovery.

Our economic recovery will be business-led. With capital to reopen, reinvest and rehire, our city’s businesses will help Saskatoon rebound stronger than ever.

Sincerely,



Jason Aebig
CEO
Greater Saskatoon Chamber of Commerce



Keith Moen
Executive Director
NSBA

