

2022 Recreation and Community Development Tax Abatements

ISSUE

The review of applications for the Recreation and Sport Tax Abatement Program, Assistance to Community Groups Social Services Program, and the Culture Grant Program have been completed. The recommendation for the provision of tax abatements to qualified organizations is included in this report.

RECOMMENDATION

That the Standing Policy Committee on Planning Development and Community Services recommend to City Council that tax abatements, totaling \$1,002,891.40, for the various groups deemed eligible under the Recreation and Sport Tax Abatement Program, Assistance to Community Groups Social Services Program and the Culture Grant Program, be approved as outlined in this report.

BACKGROUND

Recreation and Community Development provides a variety of supports to Recreation, Sport, Social Service and Culture organizations. Tax abatements are one way for the City of Saskatoon (City) to help support non-profit organizations that contribute to the quality of life for Saskatoon residents. There are three funding support programs in Recreation and Community Development that allow for tax abatements, which are all included together in this report to streamline City Council's approval process.

The Recreation and Sport Tax Abatement Program was approved by City Council in 2022 and supports organizations that further the goals and objectives of the Recreation and Parks Master Plan. Applications are assessed internally by the Administration. Tax abatements are recommended to applicants which meet the program criteria pursuant to [Policy C03-038 – Recreation and Sport Tax Abatement Program](#).

The Assistance to Community Groups Social Services Program is administered as part of the Saskatoon Collaborative Funders Partnership. The Saskatoon Collaborative Funders Partnership is a collaboration between the City's Social Services Grant Program and the United Way Community Initiatives Fund. Applications are reviewed by the Social Services Subcommittee (Subcommittee) that is appointed by recommendation of the Governance and Priorities Committee of City Council. The Subcommittee reviews applications from non-profit social services organizations, pursuant to [Policy C03-018, Assistance to Community Groups](#), ensuring objectives of the policy are met.

The Culture Grant and Support Program was created in 1997 and supports cultural organizations in Saskatoon. The program recognizes their role in providing cultural activities for Saskatoon residents, visitors and the contributions they make to the quality of life and economic prosperity of the city. The program provides support to organizations in the form of cash grants and/or approved tax abatements. Applications are assessed internally by the Administration. Tax abatements are recommended to applicants that have met the eligibility criteria of the program.

DISCUSSION/ANALYSIS

There were seven eligible applications to the 2022 Recreation and Sport Tax Abatement Program; all seven of these applications met the eligibility criteria for the program. A total of \$100,000 in tax abatements is recommended (see Appendix 1).

The Social Services Subcommittee reviewed 20 applications, to the 2022 Assistance to Community Groups Social Services Program, that are eligible for a tax abatement and are recommending a total of \$698,808.00 in tax abatements (see Appendix 1). Each of the 20 applicants reapply each year, allowing the Subcommittee to review current and proposed future activities to ensure that applicants continue to agree to the terms set forth by City Council in the fulfillment of the organization's initial request for an ongoing property tax abatement.

There are seven culture organizations which own property and are eligible for a tax abatement under the Culture funding support program. A total of \$204,083.40 in tax abatements is recommended (see Appendix 1). Organizations in this program are long-standing recipients of tax abatements and are recognized as such by the Government of Saskatchewan.

Applications for an Education Property Tax Abatement are made by the City every three years to the Government of Saskatchewan for the organizations in these programs who have education taxes of more than \$25,000.

FINANCIAL IMPLICATIONS

The Recreation and Sport Tax Abatement program, Social Tax Abatement, and Culture Tax Abatement are funded through the 2022 operating budget in the Community Support Business Line.

At the 2022/2023 Business Plan and Budget deliberations, City Council approved annual funding of \$100,000 for the newly approved Recreation and Sport Tax Abatement program in 2022, and \$200,000 in 2023. Based on the available funding for 2022, the eligible applicants under this program will receive an equal proportionate share of the available funding based on their total property tax. This equates to a tax abatement of 54% of their property tax.

The eligible groups under the long-standing Assistance to Community Groups Social Services Program and Culture Grant and Support Program, as in previous years, will receive a 100% tax abatement.

Tax Abatements are appropriately budgeted for in the annual operating budget based on the best information available at the time. Factors such as changing assessments and timing of abatements may result in variances which will be highlighted in future variance reporting if significant.

OTHER IMPLICATIONS

There are no privacy, legal, social or environmental implications to consider.

NEXT STEPS

Final notification of tax abatement decisions will be sent to all applicants by June 15, 2022.

APPENDICES

1. 2022 Recreation and Community Development Tax Abatement Estimates

REPORT APPROVAL

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