

2023 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:

1. Tax abatements, totaling \$1,012,572.00, 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; and
2. The 2023 tax abatement for The Lighthouse Supported Living Inc, of \$48,103.07, be subject to the receipt and assessment of the plan of action for 2023 from the Receiver for the Lighthouse Supported Living Inc.

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 which contribute to 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 goals and objectives of the Recreation and Parks Master Plan. Applications are assessed internally by Administration. Tax abatements are recommended to applicants which meet program criteria, pursuant to [Council Policy C03-038, Recreation and Sport Tax Abatement Program Policy](#).

The Assistance to Community Groups Social Services Program is administered as part of the Saskatoon Collaborative Funders Partnership, which 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), which is appointed by recommendation of the Governance and Priorities Committee. The Subcommittee reviews applications from non-profit social services organizations, pursuant to [Council Policy C03-018, Assistance to Community Groups Policy](#), ensuring objectives of the policy are met.

The Culture Grant and Support Program (Program), created in 1997, supports cultural organizations in Saskatoon and recognizes their role in providing cultural activities for Saskatoon residents and 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 Administration. Tax abatements are recommended to applicants who have met the eligibility criteria of the program.

DISCUSSION/ANALYSIS

There were five eligible applications to the 2023 Recreation and Sport Tax Abatement Program; all five of these applications met the eligibility criteria for the program. A total of \$130,528.30 in tax abatements is recommended (see Appendix 1).

The Subcommittee reviewed 20 applications for the 2023 Assistance to Community Groups Social Services Program that were eligible for a tax abatement and are recommending a total of \$718,308.96 in tax abatements. Applicants have to reapply each year, allowing the Subcommittee to review current and proposed future activities to ensure applicants continue to agree to the terms set forth by City Council in fulfillment of the organization's initial request for an ongoing property tax abatement.

Administration considered recent changes at Lighthouse Supported Living Inc (Lighthouse), including the announcement of the accounting firm MNP being appointed receiver and essentially taking over Lighthouse operations in the short term. Subject to receipt and assessment from MNP of 2023 plans for the Lighthouse, confirming program continuation in 2023, Administration recommends the City provide a one-year tax abatement of \$48,103.07 for 2023. In addition, it is recommended that the City provide notice that the matter will be carefully reviewed before any further abatement in 2024 or beyond.

There are seven culture organizations which own property and are eligible for a tax abatement under the culture funding support program. A total of \$163,734.74 in tax abatements is recommended. Organizations in this program are long-standing recipients of tax abatements and are recognized as such by the Government of Saskatchewan.

The City submits applications every three years to the Government of Saskatchewan, for an Education Property Tax Abatement, for the organizations in these programs that 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 approved 2023 Operating Budget in the Community Support Business Line.

Tax abatements are budgeted in the annual operating budget, based on the information available at the time. If there are significant factors such as changing assessments and timing of abatements which may result in variances, these will be highlighted in future variance reporting.

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, 2023.

APPENDICES

1. 2023 Recreation and Community Development City and Library Tax Abatement Estimates

REPORT APPROVAL

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SP/2023/RCD/PDCS/2023 Recreation and Community Development Tax Abatements/gs