

Lighthouse Supported Living Inc. Tax Abatement 2023

ISSUE

The Administration has reviewed the programs and services offered at Lighthouse Supported Living Inc in 2023, to ensure its eligibility to receive a tax abatement through the City of Saskatoon's Cash Grant Social program. A municipal property tax abatement can be awarded through the Cash Grant Social program to qualified organizations.

RECOMMENDATION

That the Standing Policy Committee on Planning, Development and Community Services recommend to City Council to reduce the 2023 tax abatement for Lighthouse Supported Living Inc. by 50% for a total of \$24,051.54, for the 5-6 months of operation of programs and services, in 2023.

BACKGROUND

The Standing Policy Committee on Planning, Development and Community Services (Committee), at its [meeting](#) on May 3, 2023, approved a report that included the following recommendation:

“2. That 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.”

City Council, at its Regular Business [Meeting](#) on May 31, 2023, amended the recommendations to exclude the tax abatement for Lighthouse Supported Living Inc (Lighthouse) from the overall tax abatements being recommended under the various City of Saskatoon (City) programs. In addition, City Council made the following motion:

“That consideration of Motion 2 be deferred until such time that Administration report back with confirmation regarding the services that are being provided at The Lighthouse Supported Living Inc.”

City Council voted that the above motion be deferred until such time that Administration report back with confirmation regarding the services that are being provided at the Lighthouse.

DISCUSSION/ANALYSIS

Section 244 of *The Cities Act* provides that the City can abate taxes where it is in the best interests of the community, and in previous years Lighthouse has provided valuable community programs warranting a tax abatement through the City's Cash Grant Social Program.

Changes to the Lighthouse in 2023 caused Administration to review the proposal submitted to the Cash Grant Social Grant program. Another factor in this decision was the announcement of the accounting firm MNP being appointed Receiver in April of 2023, taking over Lighthouse operations, in the short term.

The abatement tentatively proposed for 2023 was dependent on the Lighthouse continuing to provide a variety of community programs and the abatement was for the entire property taxes assessed against the property.

Administration has reviewed the activities within the Lighthouse as provided by MNP over the course of 2023 and deemed many of the programs and services were no longer in operation, as described in its 2023 grant application, including:

- Emergency Shelter – No activity in 2023;
- Stabilization Unit – Operated for January thru May; and
- Mobile Outreach – No activity in 2023.

While 2023 was a transitional year for the Lighthouse, it continued to offer supports to tenants in the building. From January to May 2023, MNP informed Administration that some drop-in services were provided during this time.

Based on the provision of services as described above, the Administration is recommending that City Council approve a 50% tax abatement for a total of \$24,051.54 to the Lighthouse for 2023.

FINANCIAL IMPLICATIONS

Tax abatements through the Cash Grant Social program were 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

In December 2023, it was publicly announced the Lighthouse properties were sold to the Province of Saskatchewan with the intention to sell the building. Lighthouse is in the process of wrapping up their corporate affairs. Administration concludes that 2023 will be the final year for a tax abatement for the Lighthouse in its present form.

NEXT STEPS

Future operators of the former Lighthouse facility would be eligible to submit an application under the Cash Grant Social or any other City grant program for 2024, subject to meeting the program's criteria and ultimate approval by City Council.

REPORT APPROVAL

Written by: Tenille Thomson, Community Development Manager
Reviewed by: Andrew Roberts, Director of Recreation and Community Development
Approved by: Lesley Anderson, Acting General Manager, Community Services

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