



PROPERTY TAX PHASE-IN

Engagement Report

January 13, 2024



CONTENTS

- Contents 2
- List of Figures 2
- List of Tables 2
- Engagement Summary 3
- Engagement report 7
- 1 Background..... 7
 - 1.1 Summary of Engagement Strategy 7
 - 1.2 Participants..... 8
- 2 Engagement Activities..... 9
 - 2.1 Survey 9
- 3 Evaluation of Engagement 14
 - 3.1 Survey Evaluations 14
 - 3.2 Data Limitations 15
 - 3.3 Opportunities for Improvement..... 15
- 4 Next Steps 16

LIST OF FIGURES

- Figure 1: Phase-in preference for the 2025 property reassessment cycle 10
- Figure 2: How confusing is the City's property tax process..... 11
- Figure 3: Survey review 14

LIST OF TABLES

- Table 1: Summary of engagement goals..... 8
- Table 2: Summary of engagement activities..... 8

ENGAGEMENT SUMMARY

INTRODUCTION

In 2024 the City of Saskatoon (City) engaged the community on the Property Tax Phase-In project to determine whether the City should implement a two-year, four-year or no-phase-in for the next legislated property reassessment cycle in 2025.

We explored the following:



- **Whether the City should implement a two-year, four-year or no-phase-in** for the next legislated property reassessment cycle in 2025.
- **Residents’ feedback on the benefits, concerns and/or preferences** for the phase-in process and how it is conducted.
- **Residents’ preferred communication methods** to receive reassessment information in 2025 and going forward.

Why Are We Doing This Work?

As provincially mandated, the City of Saskatoon’s (City) Property Assessment Office reassesses all property types every four years so that your property’s market value reflects a more up-to-date, accurate and fair property value. Along with the City’s budgeting process and taxation policy, a property’s updated market value (i.e., reassessment) is then used to calculate the amount of property tax an owner is required to pay for the next four years.

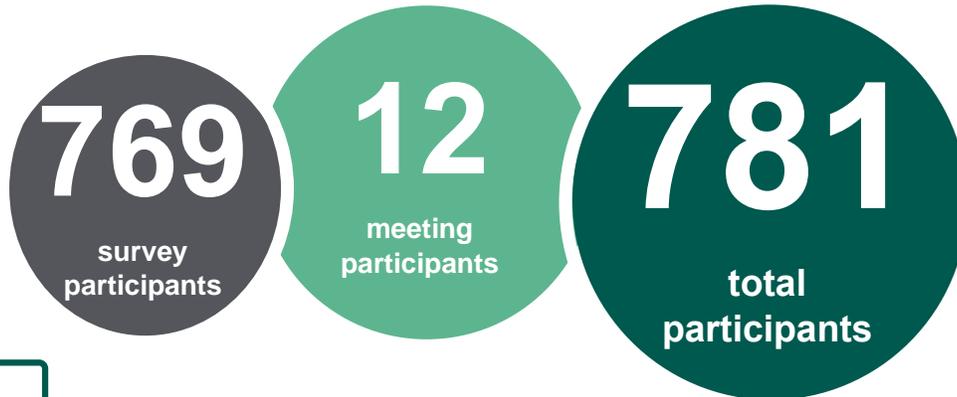
In 2021, City Council received correspondence from representatives of the business community asking for the City to review its assessment and tax collection policies. Following this request, City Administration [provided a report to the Governance and Priorities Committee](#) with information on the recommendations identified by the business community, the feasibility of a permanent four-year assessment phase-in policy and how the City can best share important information about assessments with property owners. City Council called on City Administration to engage property owners on their preference for how their change in property tax (i.e., increase or decrease), as a result of reassessment, should be phased in. Since the next provincially legislated reassessment year for all property types is 2025, the City explored options to implement a phase-in for the next property reassessment cycle in 2025.

Using What We Learned

Based on what we heard from participants, in addition to internal considerations, City Administration will develop the Tax Policy and Phase-In Report which will be presented to City Council in March 2025.

This condensed report outlines the feedback from all activities that informed the engagement goals for the project. For more information and detailed results please see the Engagement Report below.

WHAT WE DID



The City engaged with various commercial business and residential property owners.

Who We Engaged With:

- ⊕ Advocacy groups
- ⊕ Businesses and associations
- ⊕ Commercial property owners
- ⊕ Landlords
- ⊕ Multi-unit and affordable housing providers
- ⊕ Property managers
- ⊕ Residents and community members

How We Gathered Input:

- ⊕ Community survey
- ⊕ Meetings with internal departments
- ⊕ Meetings with external stakeholders

Questions we asked participants:



- Do they find the City's property tax process confusing?
- Would they prefer the City to use a two-year, four-year or no-phase-in for the next legislated property reassessment cycle in 2025?
- Which assessment-related topics would they like more information about?
- What are their preferred communication methods to receive reassessment information from the City?

WHAT WE HEARD

Phase-In Options

- Most participants favoured the City using a four-year phase-in (45%) for the next legislated property reassessment cycle in 2025.
- When asked to identify the most important factors that led to their decision, participants provided the following ranking:



1. I want a **consistent process** so I can plan my budget (54%)
2. I want as **much time as possible** to prepare for tax shifts (42%)
3. I want to have my decrease in property tax **reflected as soon as possible** (32%)
4. I want to **pay the change** in my property tax as soon as possible (15%)
5. I am willing to delay the decrease in the amount of property tax I owe to **help another property owner** delay their increase (13%).

Knowledge and Communications

- Participants found the City's property tax process to be somewhat confusing (average three out of five).
- Most respondents (73%) found the information provided (i.e., within the survey, on the City's Engage Page and through infographics) helpful in understanding the phase-in options.
- Throughout the survey many participants stressed the need for communication and awareness programs, including on the City's website (60%), utility billing information inserts (59%) and social media information posts on the City's channels (35%).

HOW CONFUSING DO YOU FIND THE CITY'S PROPERTY TAX PROCESS TO BE?



Information and knowledge gaps:

When asked which of the identified assessment-related topics they would like more information about, participants provided the following ranking:



1. How my **assessment is calculated** (59%)
1. How my **property's assessment differs from my property appraisal** (44%)
2. How **reassessment affects your 2025 property tax** (32%)
3. The difference between **mass appraisal vs single property appraisal** (31%)
4. Where to **find information** about my property (29%)
5. Why does my **property's assessment change** (29%)

Other Considerations

From the various comments provided throughout the engagement activities, participants emphasized the following topics:

Equity: some respondents felt that a phased approach could disproportionately benefit wealthier property owners; respondents stressed the need for a fair system in which everyone pays their fair share based on their property's value.

Fairness: some respondents felt that a phase-in approach was especially important for low-income residents and those on a fixed income, with some willing to delay their decrease in property taxes to assist low-income households; others felt that it is unfair for those with decreasing property values to subsidize those with increasing values.

Spending concerns: many respondents felt that property taxes are already too high and should not be increased; some respondents were concerned about how the City is spending taxpayer money, with calls for more responsible and transparent spending.

Swings: several respondents felt that the current process allows for property assessment values to “swing” and lead to large changes in property taxes.

Timing: respondents suggested gradually implementing future changes to the property reassessment process to reduce the impacts to all residents, especially low-income residents and those on a fixed income.

NEXT STEPS

Based on what we heard from the community, in addition to best practices and internal considerations, City Administration will present the Tax Policy and Phase-In Report to City Council in March 2025.

For more information about when the report will be presented to City Council, please visit our [Engage Page](#).

We thank all participants who provided their feedback for this and other City of Saskatoon projects.

ENGAGEMENT REPORT

1 BACKGROUND

As provincially mandated, the City of Saskatoon’s (City) Property Assessment Office reassesses all property types every four years so that your property’s market value reflects a more up-to-date, accurate and fair property value. Along with the City’s budgeting process and taxation policy, a property’s updated market value is then used to calculate (i.e., reassessment) the amount of property tax an owner is required to pay for the next four years. Although [The Cities Act](#) does not allow for the City to change the current four-year reassessment cycle, the City can determine its own tax policies for the variety of property classes in Saskatoon. This includes determining how changes in one’s property tax, as a result of a property’s reassessed value increasing/decreasing, are phased in.

In 2021, City Council received correspondence from representatives of the business community asking for the City to review its assessment and tax collection policies. Following this request, City Administration [provided a report to the Governance and Priorities Committee](#) with information on the recommendations identified by the business community, the feasibility of a permanent four-year assessment phase-in policy and how the City can best share important information about assessments with property owners. Following the approval of this report, City Council called on City Administration to engage property owners on their preference for how their change in property tax (i.e., increase or decrease), as a result of reassessment, should be phased in. Since the next provincially legislated reassessment year for all property types will take place in 2025, the City engaged property owners in 2024 to determine:

- Whether the City should implement a two-year, four-year or no-phase-in for the next legislated property reassessment cycle in 2025
- Their feedback on the benefits (ex. smoothing out shifts in property values), concerns (ex. delaying a potential property tax decrease, confusion with the process, etc.) and/or preferences for the phase-in process and how it is conducted
- Their preferred communication methods to receive reassessment information in 2025 and going forward.

Based on what we heard from the community, in addition to best practices and internal considerations, City Administration will present the Tax Policy and Phase-In Report to City Council in March 2025.

1.1 Summary of Engagement Strategy

Participants were provided the opportunity to inform the following engagement goals:

- Inform the community of proposed property tax phase-in options
- Determine support and impacts for the various options
- Determine opportunities for future communication efforts related to property reassessments.

A summary of the participants, level of influence, engagement objectives, engagement goals and engagement activities completed are provided below (Table 1).

Table 1: Summary of engagement goals

Participants	Level of Influence	Objective	Engagement Goal	Engagement Activities
Commercial and residential property owners	Consult	Inform the community, identify potential impacts and determine preference for phase-in options	Understanding	*Correspondence Meetings Survey

* Correspondence refers to emails and phone calls received by the project team.

A summary of engagement activities, activity dates, intended audience, and number of participants engaged is provided below (Table 2).

Table 2: Summary of engagement activities

Participants	Activity	Timeframe	Participants
Stakeholders	Meetings	Summer 2023	12
All participants	Survey	Fall 2024	769
Total Participants:			781

1.2 Participants

The participants outlined below were identified due to their knowledge, interest in or their potential to be impacted by the program. These groups included:

1.2.1 Impacted Groups

Those who may be impacted or disproportionately impacted by the program and its outcomes, including the following groups:

- Business and commercial property owners
- Business associations
 - Business Improvement Districts
 - Greater Saskatoon Chamber of Commerce
 - North Saskatoon Business Association
- Property managers
- Residential property owners

Engagement with all participants aimed to be inclusive in terms of neighbourhood, age, gender, culture, citizenship, income and other factors.

2 ENGAGEMENT ACTIVITIES

Participants provided their feedback through a survey, stakeholder meetings or by contacting the project team. All engagement activities are described in detail below.

2.1 Survey

The City conducted an online survey in August 2024. The survey included 12 closed- and open-ended questions to help identify the level of support for the different phase-in options and to determine considerations related to the property tax reassessment process. Respondents were able to write-in an “other” preference for numerous questions and provide explanations for their preferences.

2.1.1 Intended Audience

The survey was intended for all commercial and residential property owners in Saskatoon.

2.1.2 Communication Support

The following communication tools were used to reach the intended audiences.

1. City of Saskatoon Website (saskatoon.ca)
 - a. An Engage Page was created to encourage participation in the online survey.
 - b. The Engage Page was cross-promoted on saskatoon.ca/assessment.
 - c. A series of infographics were created to support understanding of the phase-in and assessment process.
2. Email/eBlast
 - a. Personalized emails were sent to various stakeholders and business associations asking for their participation in the survey and to share the information with their members.
 - b. Saskatoon Chamber of Commerce eBlasts were used to promote the survey to the business community to encourage participation and to share assessment information; this included reminders for the survey closing date.
3. Social Media
 - a. A social media campaign ran across the City’s channels to promote participation by members of the general public.
4. News Release/Public Service Announcements
 - a. Information was shared with media to promote participation in the survey; included reminders for survey closing date.

2.1.3 Analysis

Mixed methods were used to analyze the data. Qualitative methods included the thematic analysis and open coding of responses. The results were analyzed for the following indicators:

- Most popular opportunities and barriers (count)
- Level of support for the various options (count)
- Thematic analysis of considerations related to the different options.

2.1.4 What We Heard

Demographics

A total of 769 community members participated in the survey with 99% living in Saskatoon. The largest group of respondents were residential property owners (95%), followed by commercial property owners (6%), multi-unit property owners (6%), and those participating on behalf of a business (2%). Of the respondents, 78% stated that they had not interacted with the City's Property Assessment and Valuation Office before, followed by those that had (13%).

Almost every neighbourhood was represented, with the largest number of responses coming from the Rosewood (6%), Caswell Hill (5%), Silverwood Heights (4%), Stonebridge (4%) and Evergreen (4%).

Phase-In Options

Out of the proposed options most participants favoured the City using a four-year phase-in (45%) for the next legislated property reassessment cycle in 2025 (Figure 1).

When asked to identify the most important factors that led to their decision, participants provided the following ranking:



1. I want a consistent process so I can plan my budget (54%)
2. I want as much time as possible to prepare for tax shifts (42%)
3. I want to have my decrease in property tax reflected as soon as possible (32%)
4. I want to pay the change in my property tax as soon as possible (15%)
5. I am willing to delay the decrease in the amount of property tax I owe to help another property owner delay their increase (13%)
6. I do not understand why this work is needed (11%)
7. I find the concept of revenue neutral hard to understand (10%)
8. I find phase-in hard to understand (9%)

PREFERRED PHASE-IN OPTION



Figure 1: Phase-in preference for the 2025 property reassessment cycle

Knowledge and Communication

Participants found the City's property tax process to be somewhat confusing (average three out of five, Figure 2).

Most respondents (73%) found the information provided (i.e., within the survey, on the City's Engage Page and through infographics) helpful in understanding the phase-in options, followed by those who did not (12%). When asked which assessment-related topics they would like more information about, participants provided the following ranking:

HOW CONFUSING DO YOU FIND THE CITY'S PROPERTY TAX PROCESS TO BE?



Figure 2: How confusing is the City's property tax process



1. How my assessment is calculated (59%)
2. How my property's assessment differs from my property appraisal (44%)
3. How reassessment affects your 2025 property tax (32%)
4. The difference between mass appraisal vs single property appraisal (31%)
5. Where to find information about my property (29%)
5. Why does my property's assessment change (29%)
6. Understanding my assessment and property tax notice (27%)
6. What does it mean if my property's assessment increases or decreases (27%)
7. How to appeal my assessment (19%)
7. What is City's role and what can we change about reassessment (19%)
7. Important assessment and tax dates/deadlines (19%)
8. Why reassessment only occurs every four years (15%)
8. Revenue neutral (15%)
9. Reassessment base date (13%)
10. None (12%)

Other topics suggested by respondents included the following:

- How location effects property tax and why neighbourhoods are taxed differently
- How property taxes are related to the City's level of services
- How to prevent large changes in individual commercial assessments
- Rates of success in reassessment appeals and rationale
- Updated details on sold properties, since the data on the assessment site is outdated
- What exactly does the reassessment include and how are the various aspects determined
- What is the City's mill rate?
- Why are taxes on new properties not significantly higher to reflect the increased cost of services into new areas?

Throughout the survey many participants stressed the need for communication and awareness programs. Participants provided the following ranking for the proposed communication methods:



1. City of Saskatoon website including videos, guides, infographics (60%)
2. Utility billing information insert (59%)
3. Social media information posts on the City's channels (35%)
4. Subscription based newsletter dedicated to assessment-related information (23%)
5. Online event where you could learn from City Assessors (19%)
6. Sharing more assessment-related information through related community organizations (17%)
7. One-on-one meeting with a City Assessor (in-person or virtual) (14%)
8. Radio campaign to inform on key assessment dates (13%)
9. None (4%)

Other suggestions for communication methods provided by respondents included the following:

- Community association newsletters
- Emails to property owners
- Mailed to property owners
- Television ads
- Text messages to property owners

Final Thoughts

Final comments provided by respondents included the following main themes:

Equity: some respondents felt that a phased approach could disproportionately benefit wealthier property owners; respondents stressed the need for a fair system where everyone pays their fair share based on their property value; many respondents felt that it is increasingly more difficult to pay the increasing property taxes when their costs of living are so high.

Fairness: some respondents felt that a phase-in approach was especially important for low-income residents and those on fixed incomes, with some willing to delay their decrease in property taxes to assist low-income households; others believed that taxes should be paid as assessed without phasing, arguing that it is unfair for those with decreasing property values to subsidize those with increasing values

Spending concerns: many respondents felt that property taxes are already too high and should not be increased further; some respondents were concerned about how the city is spending taxpayer money, with calls for more responsible and transparent spending; examples included the quality of infrastructure, garbage collection and the impact of new developments on property values.

"Taxes are way too high as it is."

Swings: some respondents felt that the current process allows for property assessment values to "swing", leading to large changes in the corresponding property taxes; it was identified that landlords have regulations related to waiting periods (ex. up to 12 months) for rent increases and an immediate increase in property tax would impact property owners since as their costs are not recoverable.

"Larger shifts require longer phase-in to provide the same degree of relief that a shorter phase-in would provide to a smaller shift."

Timing: some respondents suggested gradually implementing any changes in the way property taxes are collected to reduce the impacts to all residents, especially low-income residents and those on a fixed income.

3 EVALUATION OF ENGAGEMENT

Evaluation is discussed in terms of feedback received during engagement activities and through informal comments, data limitations and opportunities for improvement.

3.1 Survey Evaluations

Survey participants indicated support for both the level of engagement conducted and the opportunities provided. Participants generally agreed with the information that was provided being clear and understandable (49%) with feeling they were able to provide their feedback accurately (54%) and understanding how their input would be used (45%), Figure 3).

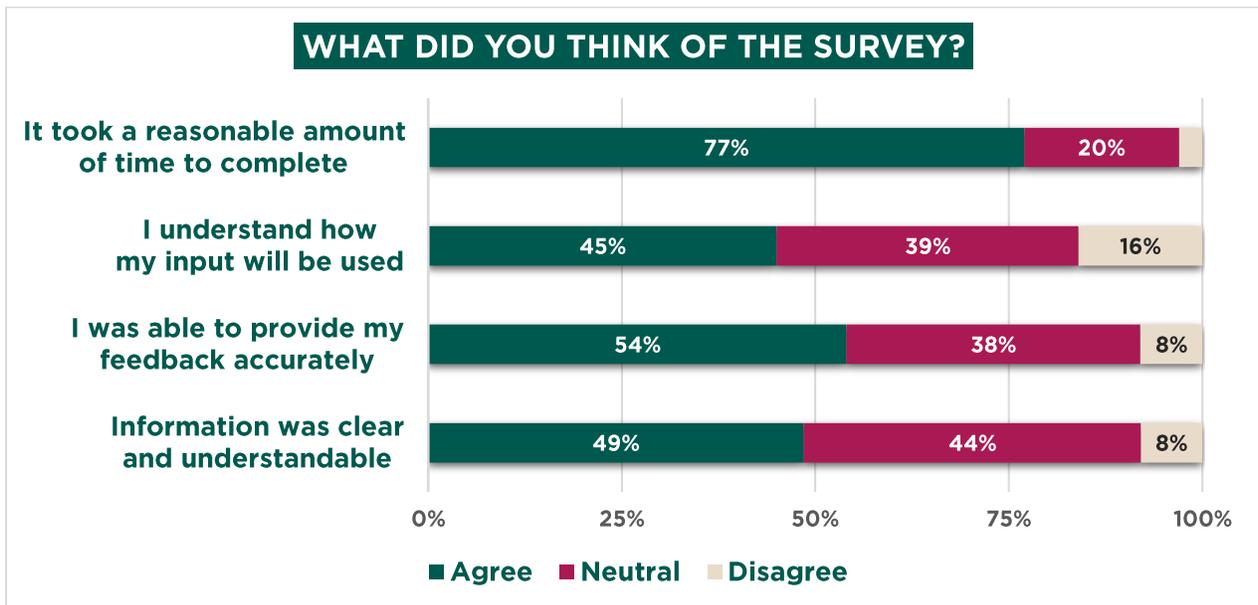


Figure 3: Survey review

Participants expressed their support for the process, the length of the survey and the opportunity to provide their feedback:

“Thanks for the opportunity to provide feedback.”

“Well thought out, easy to understand & participate in.”

Some participants found the topic of property reassessment and taxes to be confusing and/or complicated in nature. One respondent suggested it would be more useful if the City provided more information on how the different phase-in options could affect them directly over time. A few respondents suggested embedding all the additional information within the actual survey, rather than having links to the City’s website.

“I’d also like a better understanding of how the different options could impact me (positives and negatives), so I can provide more informed feedback.”

“Putting more graphics and explanation in line with the survey, instead of linking to a website, would've been better.”

A few participants felt that the survey was biased towards supporting a phased approach and that their input would not influence City Council's decision:

“The survey feels like it "pushes" for a phase-in.”

“Does our opinion really matter and taken into account? End of the day this Council will do what they want.”

3.2 Data Limitations

Some participants may not have been able to fully participate in the engagement activities conducted; however, the results are considered to provide the best available indication of how the community and participants perceive the program at the time.

Some participants identified that they did not have the experience and/or level of knowledge to provide valid feedback on the property reassessment process, the phase-in options or the potential impacts to their property taxes. This lack of understanding may have impacted the ability of participants to fully provide their feedback. It also helped to identify topics for future communication efforts to address.

3.3 Opportunities for Improvement

Based on participant feedback, the following opportunities for improvement will be considered for future engagement activities:

- Any written or verbal information uses plain language and easy-to-understand terms
- Educating the community on the property reassessment process, phase-in process and how they relate to their property taxes is important for future communications and awareness
- Reducing the number of secondary links and website information.

4 NEXT STEPS

Based on what we heard from the community, in addition to best practices and internal considerations, City Administration will present the Tax Policy and Phase-In Report to City Council in March 2025. For more information about when the report will be presented to City Council, please visit our [Engage Page](#).

We thank all participants who provided their feedback for this and other City of Saskatoon projects.