



## **GOVERNANCE AND PRIORITIES COMMITTEE**

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### **Municipal Tax Policy – Non-Residential to Residential Municipal Property Tax Ratio Update**

#### **Recommendation of the Committee**

That through the required Notice of Motion process under The Procedures and Committees Bylaw, 2014 that:

1. The March 26, 2025, previous direction of City Council to set a non-residential to residential tax ratio in accordance to option 1, the proposal rate of 1.88, effective for the 2025 to 2029 period be rescinded and;
2. A 1.71 ratio be adopted to maintain the original intent of a 68% to 32% property tax revenue split between residential and non-residential properties respectively.

#### **History**

The Governance and Priorities Committee, at its meeting held on April 9, 2025, considered a report of the Corporate Financial Services Division regarding the above. A letter from Jason Aebig, Greater Saskatoon Chamber of Commerce, dated April 7, 2025, was also considered.

In addition to the above noted recommendation, the Committee defeated a motion from Councillor MacDonald that Administration report back on the impacts of shifting the property tax distribution of 31.6% collected from non-residential properties and 68.4% collected from residential properties be maintained in 2025 but shifted to collect 33% from non-residential properties and 67% residential properties in 2026.

The Committee further resolved that the Administration report back in time for Budget Deliberations on the resource requirements to implement “Business Friendly Initiatives and Innovation”, as identified by the business community, which could include but not be limited to, investing and streamlining building/ permitting departments, increasing and expanding business grant programs (Ex. Façade) and exploring ideas such as downtown parking validation programs. Prior to reporting, engagement should be conducted with stakeholders in the city, departments within the city and the Business-Friendly Initiative Council Strategy pillar to ensure that we are focusing these initiatives in the most desired and needed areas. Reporting should provide options on how these could be funded including how a portion of a shift in the ratio could be utilized so there is no impact to the residential property tax class and the cost of these initiatives is fully funded from the non-residential property class. This recommendation was not unanimous.



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## Attachments

1. April 9, 2025 report of the Corporate Financial Services Division
2. April 7, 2025, letter from Jason Aebig, Greater Saskatoon Chamber of Commerce.