From: Web NoReply
To: City Council

Subject: Email - Communication - Lee and Grace Whittington - Four Oaks Investments - Property Tax Ratio Update - CK

1615-0

**Date:** Sunday, April 13, 2025 8:29:09 PM

Attachments: Letter to Saskatoon City Council 041125.docx

--- Replies to this email will go to

Submitted on Sunday, April 13, 2025 - 20:28

Submitted by user: Anonymous

Submitted values are:

I have read and understand the above statements.: Yes

I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.: No

I only want my comments shared with the Mayor or my Ward Councillor.: No

Date: Friday, April 11, 2025

To: Her Worship the Mayor and Members of City Council

First Name: Lee & Grace

Last Name: Whittington

Phonetic spelling of first and/or last name:

Phone Number :

Email:

I live outside of Saskatoon: Yes

Address: BOX , RR LCD MAIN

City: SASKATOON

Province: Saskatchewan

Postal Code:

Name of the organization or agency you are representing (if applicable): Four Oaks

Investments

What do you wish to do ?: Submit Comments

Comments:

April 11, 2025

From: Four Oaks Investments, HomeQuarter Coffeehouse and Bakery

Dear Mayor Block and Members of Saskatoon City Council,

I am writing to strongly urge the Council to reconsider a commercial-to-residential tax ratio of 1.88:1. There are other, lower cost options presented to the Council that would better reflect a better balance for the businesses that are the backbone of our local economy.

Let me make the decision to impose higher taxes on Saskatoon businesses personal.

Our small family business employs 15 people in our restaurant, and we have 11 small local businesses and national tenants in our commercial building. Already these tenants are warning of slowdowns in purchasing activity and warning us of challenges to pay rents in future. I would like to remind you of the history of this small business. We purchased the commercial property on Millar from a Saskatoon entrepreneur who built the structure in 1981. We rented some space for several years and eventually purchased the building as our business Riverbend Plantation grew. It takes years (a business lifetime of more than 25 years) to pay for this type of building. Our small family business have a combined current city tax of \$96,000 every year.

In recent years we have seen city taxes rise, the disappointment with city taxes became apparent when other governments were providing Covid assistance, the city of Saskatoon raised the taxes on our restaurant which was closed for most of 2 years!

Other tax challenges that have quietly eroded our financial well-being is the Storm Water levy and the backflow valve installation and annual inspection fees. These might go unnoticed by the residents and consumers, but these are real costs to business.

Lastly you might have noticed the heavy snowfalls the past two winters. My son and I log tens of hours moving snow with our bobcat so the tenants have space for customers to drive and park. We cannot pass on all that time to our tenants, then it costs us \$10,000 to remove the snow from the property (just for the November-early December 2024 snows). We now have snow moving and removal costs of twice our 5-year average during this past two seasons. We cannot pass that on to our tenants on a whim, we must finance this over a couple seasons, regardless of what the lease might allow the landlord to do.

Please keep in mind that on top of basic services of fire and security provided by the City, all small businesses also pay for our own equipment and monitoring services.

So, when you propose increasing tax on business, please keep in mind that the landlord and the tenant suffer. When a local business fails, that is the investment that a real family made in Saskatoon. It fed that family and now several people will need to look elsewhere for work and the entrepreneur who risked developing a building or manufacturing signs, or installing auto glass (to use a couple examples in our tenant base) must consider getting a job to pay their house mortgage since his business is no longer viable.

I would also like to respond directly to Councillor Jeffries' comment on the March 26 Council Meeting that he has not heard any concerns from Saskatoon businesses regarding the 1.88:1 ratio. As a business operating in Saskatoon, I want to be clear: we are deeply concerned. Given the tax decision is new, and we have many daily concerns, it is not logical to have the voice of business heard within a week or perhaps a month. You are certainly hearing from a large section of the business community now.

The current environment is extremely challenging for local businesses. We are contending with:

- Maintenance costs increasing and
- Doubling of materials for structural improvements (if we can get them)
- Snow removal costs
- US tariffs that affect our export capacity and raise the costs of goods
- Inflation that has driven up the cost of everything from raw materials to wages
- Tight and shrinking profit margins as we try to stay competitive
- Ongoing pandemic recovery, which continues to impact staffing, supply chains, and demand
- Rising crime, including theft and vandalism, that adds to our operating costs
- A shrinking labour pool, with both skilled and unskilled workers in short supply
- And limited connectivity and business opportunity compared to larger Western Canadian cities with better infrastructure and amenities

We don't have the same advantages as Calgary, Edmonton, Winnipeg or Vancouver in terms of market access, population size, international airport traffic, or amenities that attract and retain

talent. What we can offer is a tax environment that signals to businesses that we are welcome here, that Saskatoon wants us to succeed.

All these costs cited above must be passed on to our local consumers, or the community suffers because of fewer job opportunities. Less jobs, means less services, means a less vibrant community. Many small businesses operate at marginal profit or at a loss (always hoping next month or next year will be better).

I urge you to reconsider the 1.88:1 tax ratio and listen to the many business voices across this city who are speaking up—right now—with real concerns. This approach to taxation is unfair to the communities' employers and investors.

Sincerely,

Lee & Grace Whittington

Four Oas Investments & HomeQuarter Coffeehouse and Bakery

Proud Member, NSBA – Saskatoon's Business Association

## Attachments:

<u>Letter to Saskatoon City Council 041125.docx</u>28.45 KB

Will you be submitting a video to be vetted prior to council meeting?: No

The results of this submission may be viewed at:

https://www.saskatoon.ca/admin/structure/webform/manage/webform 398/submission/105900

## April 11, 2025

## From: Four Oaks Investments, HomeQuarter Coffeehouse and Bakery

Dear Mayor Block and Members of Saskatoon City Council,

I am writing to strongly urge the Council to reconsider a commercial-to-residential tax ratio of **1.88:1**. There are other, lower cost options presented to the Council that would better reflect a better balance for the businesses that are the backbone of our local economy.

Let.me.make.the.decision.to.impose.higher.taxes.on.Saskatoon.businesses.personal;

In.recent.years.we.have.seen.city.taxes.rise?the.disappointment.with.city.taxes.became. apparent.when.other.governments.were.providing.Covid.assistance?the.city.of.Saskatoon. raised.the.taxes.on.our.restaurant.which.was.closed.for.most.of.8.years\*

Other.tax.challenges.that.have.quietly.eroded.our.financial.well\_being.is.the.Storm.Water.levy. and.the.backflow.valve.installation.and.annual.inspection.fees;..These.might.go.unnoticed.by. the.residents.and.consumers?but.these.are.real.costs.to.business;.

Please.keep.in.mind.that.on.top.of.basic.services.of.fire.and.security.provided.by.the.City?all.small.businesses.also.pay.for.our.own.equipment.and.monitoring.services;

So?when.you.propose.increasing.tax.on.business?please.keep.in.mind.that.the.landlord.and. the.tenant.suffer;..When.a.local.business.fails?that.is.the.investment.that.a.real.family.made.in. Saskatoon;..It.fed.that.family.and.now.several.people.will.need.to.look.elsewhere.for.work.and. the.entrepreneur.who.risked.developing.a.building.or.manufacturing.signs?or.installing.auto. glass.(to.use.a.couple.examples.in.our.tenant.base).must.consider.getting.a.job.to.pay.their. house.mortgage.since.his.business.is.no.longer.viable;

I would also like to respond directly to **Councillor Jeffries' comment on the March 26 Council Meeting** that he has not heard any concerns from Saskatoon businesses regarding the 1.88:1 ratio. As a business operating in Saskatoon, I want to be clear: **we are deeply concerned**. Given.the.tax. decision.is.new?and.we.have.many.daily.concerns?it.is.not.logical.to.have.the.voice.of. business.heard.within.a.week.or.perhaps.a.month;.You.are.certainly.hearing.from.a.large. section.of.the.business.community.now;.

The current environment is extremely challenging for local businesses. We are contending with:

- Maintenance costs increasing and
- Doubling of materials for structural improvements (if we can get them)
- Snow removal costs
- US tariffs that affect our export capacity and raise the costs of goods
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We don't have the same advantages as Calgary, Edmonton, Winnipeg or Vancouver in terms of market access, population size, international airport traffic, or amenities that attract and retain talent. What we can offer is a tax environment that signals to businesses that we are welcome here, that Saskatoon wants.us.to.succeed.

All.these.costs.cited.above.must.be.passed.on.to.our.local.consumers?or.the.community. suffers.because.of.fewer.job.opportunities;.Less.jobs?means.less.services?means.a.less. vibrant.community;.Many.small.businesses.operate.at.marginal.profit.or.at.a.loss.(always.hoping.next.month.or.next.year.will.be.better);.

I urge you to reconsider the 1.88:1 tax ratio and listen to the many business voices across this city who are speaking up—right now—with real concerns. This approach to taxation is unfair to the communities' employers and investors.

Sincerely,

Lee & Grace Whittington

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