



RPT 21-57

TITLE: Building Our Tax Base Incentive Programs Update

DATE: February 4, 2021

TO: City Council

PUBLIC: X

INCAMERA:

RECOMMENDATION:

That this report regarding the following Building Our Tax Base Incentive Programs be received as information and filed:

- Declining Scale Tax Rollback Program
- New Home Construction Tax Incentive Program
- Infill Redevelopment Incentive Program
- Outstanding Underground/Surface Improvements Cost Waiving Program

TOPIC & PURPOSE:

The purpose of this report is to update City Council on the success and status of the above noted Building Our Tax Base Incentive Programs.

PROPOSED APPROACH AND RATIONALE:

In 2020, the City processed and approved fourteen (15) Building Our Tax Base Incentive Program applications:

- One (1) for the Outstanding Underground/Surface Improvement Cost Waiving Program, which provided the applicant with a cost savings of \$33,839.97 for the development of eight (8) dwelling units;
- Twelve (12) for the New Home Construction Tax Incentive Program, which provided \$28,987.83 (municipal portion) in tax savings for seven (7) of the twelve (12) applications in 2020. The remaining applications will take effect the calendar year following construction completion, between 2021 and 2022.
- One (1) for the Infill Redevelopment Incentive Program, which will provide an estimated \$4000 (municipal portion) in tax relief annually for one (1) property, over the next five (5) years; and

- One (1) for the Declining Scale Tax Rollback Program, which will provide an estimated (total) abatement of \$77,250 in taxes over the next four (4) years for one (1) property.

On January 25, 2021, (Resolution No. 0013) City Council received and filed a report from Administration regarding the development of a multi-unit renovation incentive program. In the report, Administration indicated that options for this type of program would be brought forward to a future meeting for consideration, along with the above noted programs for renewal.

Since then, through a number of informal conversations with members of Council, Administration has been advised that a broader, less prescriptive approach to incentives was desired. Though more subjective, one of the potential benefits to taking a broader approach to incentives over the next year may be that it affords both Administration and City Council some flexibility with respect to implementation, as well as to financial commitment. The intention is to review and evaluate all incentive requests that are submitted and use our previous programs as more of a set of guidelines. Therefore, the above noted programs will not be renewed for 2021.

The City also has three (3) grant programs that will be reviewed and submitted to the PAC, and City Council for renewal in 2021.

PUBLIC NOTICE:

Public Notice pursuant to Public Notice Bylaw No. 24 of 2015 is not required.

Written by: Kristina Karpluk, Planning Manager

Approved by: Director of Planning and Development Services & City Manager