



COMMITTEE REPORT TO COUNCIL

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DATE: September 21, 2018

TO: MAYOR AND COUNCIL

NAME AND TITLE: Standing Committee on Finance and Audit

SUBJECT: 2019 Permissive Tax Exemptions

ATTACHMENT(S): Staff Report to Standing Committee on Finance and Audit from Kris Dalio, Director of Finance dated September 11, 2018
Appendix A – 2019 Permissive Tax Exemptions

RECOMMENDATIONS:

That Council:

1. Approve the recommendation for 100% permissive tax exemptions for the year 2019 for the organizations listed in Appendix “A” attached to the report dated September 21, 2018 from the Director of Finance title “2019 Permissive Tax Exemptions”; and
2. Grant first three readings to the “City of Prince George Permissive Tax Exemption Bylaw No. 8990, 2018”.

PURPOSE:

The purpose of this report is to obtain approval from Council regarding 2019 Permissive Tax Exemptions.

The Director of Finance presented a report on the 2019 Permissive Tax Exemptions at the Standing Committee on Finance and Audit meeting held on September 17, 2018 and the Committee endorsed the recommendation in the report.

Permissive Tax Exemption Bylaws must be approved before October 31st as per Section 224 of the *Community Charter*.

STRATEGIC PRIORITIES:

As per Sustainable Finance Guideline 5.5, permissive tax exemption is a means for Council to support organizations within the community which further Council’s objectives of enhancing quality of life (economic, social, and cultural) and delivering services economically. There is no obligation on the part of Council to grant exemptions.

The Permissive Tax Exemption program supports all of Council’s Social Development Priorities as well as Sustainable Fiscal Management and Organizational Excellence.

FINANCIAL CONSIDERATIONS:

The total estimated value for the tax exemptions in this report's recommendations is \$2,005,288 or 1.93% of the tax levy (based on 2018 tax rates and assessment values). The exact amount of these exemptions will not be known until the time that BC Assessment releases the revised property tax roll in 2019.

New folios recommended for approval include: Intersect Youth and Family Services to provide services for local at risk youth; Prince George and District Elizabeth Fry Society for support services to women, children and LGBTQ2 experiencing violence or leaving an abusive situation; and the inclusion of the Lheidli T'enneh First Nations newly renovated multi-purpose community centre including fitness room, community kitchen, games room and a hosting space for cultural activities throughout the year.

New information has arrived since the Director of Finance's report to the Finance and Audit Committee in September. The building in which Intersect Youth and Family Services operates out of was reflected to the Finance and Audit Committee at the full value of the building until Administration could determine what portion of the building that Intersect was delivering services out of. As a result, the estimated amount of the exemption has been reduced from \$51,393.42 to \$4,211.60 since the September report.

Other changes in the attached amendment bylaws relate to housekeeping items initiated by either BC Assessment or the City for clarity.

SUMMARY AND CONCLUSION:

The Standing Committee on Finance and Audit has endorsed the recommendations in the Director of Finance's attached report and requests that Council approve them.

RESPECTFULLY SUBMITTED:



Councillor Garth Frizzell, Chair
Standing Committee on Finance and Audit

MEETING DATE: October 1, 2018