



Committee of the Whole Report

For the Meeting of September 23, 2021

To: Committee of the Whole **Date:** September 16, 2021
From: Jo-Ann O'Connor, Deputy Director of Finance
Subject: Royal Canadian Legion, Permissive Tax Exemption Application

RECOMMENDATION

That Council receive this report for information.

EXECUTIVE SUMMARY

The purpose of this report is to bring forward information on the property assessment and parking lot portion for the Royal Canadian Legion Trafalgar Pro Patria Branch 292 property located at 411 Gorge Road East, and three years of financial statements as directed by Council.

At the September 9, 2021 Committee of The Whole meeting, Council was presented with the 2022 permissive exemptions report and staff recommendations. The report did not recommend an additional permissive tax exemption for the class 6 (business) portion of the Royal Canadian Legion's property in alignment with the Permissive Tax Exemption Policy and previous Council direction. Council provided alternative direction to staff and are considering approving the Royal Canadian Legion's application for a full exemption on the class 6 (business) assessment for 2022, subject to staff providing additional details on the class 6 (business) and class 8 (recreation) property assessments, parking lot, and three years of financial statements.

The Royal Canadian Legion has provided financial statements (Appendix A) for 2018, 2019 and 2020 that include a statement of profit and loss and balance sheet.

To determine the portion in each classification related to the parking lot, staff contacted BC Assessment. BC Assessment confirmed that the parking lot area is estimated at 62% of the total lot area. This results in an estimated class 6 (business) assessment of \$3.27 million and class 8 (recreation) assessment of \$1.76 million. The estimated City portion of property tax attributed to the class 6 (business) portion of the parking lot is \$34,998 (other agencies \$20,157) and the value included in the existing class 8 (recreation) exemption is \$12,429 (other agencies \$5,713) as outlined in the table below.

ASSESSMENT BREAKDOWN

CLASS 6:	<u>ASSESSMENT</u>	<u>CITY PORTION</u>	<u>OTHER AGENCIES</u>	<u>TOTAL</u>
Land	\$2,036,069	\$21,805	\$12,559	\$34,364
Parking Lot Area	3,267,931	34,998	20,157	55,155
Improvement	162,000	1,628	938	2,565
TOTAL CLASS 6:	\$5,466,000	\$58,432	\$33,654	\$92,085

CLASS 8:	<u>ASSESSMENT</u>	<u>CITY PORTION</u>	<u>OTHER AGENCIES</u>	<u>TOTAL</u>
Land	\$1,096,345	\$7,744	\$3,560	\$11,304
Parking Lot Area	1,759,655	12,429	5,713	18,142
Improvement	87,700	619	285	904
TOTAL CLASS 8:	\$2,943,700	\$20,793	\$9,557	\$30,350

TOTAL CLASS 6 & 8:	\$8,409,700	\$79,224	\$43,211	\$122,435
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Providing permissive exemptions is entirely at Council's discretion and the Permissive Exemption Policy is simply the guiding document.

Respectfully submitted,

Layla Monk
Accounts Receivable Coordinator

Jo-Ann O'Connor
Deputy Director of Finance

Susanne Thompson
Deputy City Manager/CFO

Report accepted and recommended by the City Manager

List of Attachments

Appendix A - Royal Canadian Legion Trafalgar Pro Patria Branch 292 Financial Statements