

CITY OF SASKATOON COUNCIL POLICY

NUMBER

C09-036

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| POLICY TITLE <i>Health Care Facility Property Tax Abatement During Construction</i> | ADOPTED BY: <i>City Council</i> | EFFECTIVE DATE <i>April 4, 2011</i> |
| ORIGIN/AUTHORITY <i>Clause 2, Report No. 5-2011 of the Administration and Finance Committee</i> | CITY FILE NO. <i>CK. 1965-1</i> | PAGE NUMBER <i>1 of 3</i> |

1. PURPOSE

To allow for the abatement of property taxes during construction for specific land uses for the purpose of encouraging the development of health care facilities which are determined to be critical to the long-term well-being of the community.

2. REFERENCE

This Policy supports the intent and purpose of *The Regional Health Services Act*.

3. DEFINITIONS

For the purposes of this program, the following definitions shall be used:

- 3.1 Vacant Site – means any fully serviced site within the city limits which does not contain a permanent building or structure.
- 3.2 Construction – means the erection or assembly, of a new, permanent, habitable building, or the redevelopment, renovation and retrofit of an existing permanent structure for habitation.
- 3.3 Construction Start – the date of the first inspection where the building inspector notes that construction has begun, or upon notice from owner/applicant of construction start.
- 3.4 Construction Period – the period of time between construction start and the following 24 consecutive months.
- 3.5 Construction Completion – the expiry of the construction period, or the date on which all Building, Development and Plumbing Permits are officially closed by the City of Saskatoon, whichever comes first.

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3.6 Property Tax Abatement – means the non-collection of property taxes during the construction period.

4. POLICY

The City may provide a property tax abatement for specific uses of land during the construction period, subject to meeting eligibility criteria.

4.1 Eligibility Criteria

- a) The use of land must be exempt from payment of property taxes upon the completion of construction as determined under the authority of Regional Health Services Act.
- b) It must be demonstrated through recent and relevant research, data and information that the proposed use is of long-term benefit to the well-being of the community.
- c) The use must be owned and operated by a non-profit agency or organization.

4.2 Abatement of Property Taxes

- a) The City of Saskatoon will deem any use which meets the Eligibility Criteria in 4.1 to be eligible for an abatement of property taxes equal to 100% of the payable property taxes during the construction period.
- b) Property taxes and any corresponding penalties will remain on the roll during construction, however the City of Saskatoon will defer the collection of property taxes until confirmation regarding exemptions is received from the Ministry of Health. All property taxes and penalties accrued after the construction period and prior to the completion of the building will be due and payable by the owner.
- c) Property taxes, and all penalties accrued during construction, will become payable immediately upon disqualification for property tax exemptions under the Regional Health Services Act.

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- d) Property taxes levied during construction will be abated, and any corresponding penalties cancelled, upon final approval for exemption under *The Regional Health Act*.

4.4 Approval

- a) All requests for abatement of property taxes under this Policy are subject to City Council approval.

5. RESPONSIBILITIES

5.1 General Manager of Corporate Services

- a) Receive and review all applications for consideration under this program.
- a) Submit any necessary reports and recommendations to City Council concerning the application of this Policy.
- b) Make recommendations to City Council concerning any amendments to this Policy from time to time as warranted

5.2 City Council

- a) Approve/reject recommendations for all tax abatement applications; and
- b) Review and approve amendments to this Policy.