

CITY OF SASKATOON COUNCIL POLICY

NUMBER
C03-038

POLICY TITLE <i>Recreation and Sport Tax Abatement Program</i>	ADOPTED BY <i>City Council</i>	EFFECTIVE DATE <i>February 28, 2022</i>
ORIGIN/AUTHORITY <i>City Council Public Hearing – item 6.2.1 – Report of the General Manager, Community Services – February 28, 2022</i>	CITY FILE NO. <i>CK 1965-0</i>	PAGE NUMBER <i>1 of 5</i>

1. PURPOSE

The purpose of this Policy is to provide financial support in the form of a tax abatement to sports organizations that provide a community benefit through recreation and sport.

The objectives of this Policy are to:

- a) provide non-profit and charitable sports organizations with financial support for recreation and sport activities that provide a benefit and enhance the quality of life for Saskatoon residents.
- b) provide fair, consistent treatment and consideration of financial support to sports organization who demonstrate delivery of recreation and sport activities in an effective and efficient manner.

2. DEFINITIONS

- 2.1 Abatement - a cancellation, reduction, refund, or deferral of property taxes authorized by Section 244 of *The Cities Act*.
- 2.2 Access/accessible/accessibility - the degree to which an activity, service, or physical environment is available to as many people as possible, regardless of their physical abilities or socio-economic background. Improving accessibility involves removing economic, physical, cultural, and transportation barriers to participation in programs, projects, and facilities.
- 2.3 Assessed value - the property assessment determined in accordance with *The Cities Act* and adopted by the Saskatchewan Assessment Management Agency.
- 2.4 Public Sector Agency – a public service body or a public entity.

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2.5 Sports Organizations – a non-profit or charitable organization that delivers an opportunity for residents to participate in established recreational programming.

3. POLICY

Sports organizations may receive financial support in the form of a tax abatement, subject to City Council approval, provided they meet the criteria and requirements outlined in this Policy.

3.1 General Eligibility Criteria

- a. A tax abatement will be limited to those sports organizations that are registered as a non-profit corporation under the *Non-Profit Corporations Act, 1995* or be a registered member of a recognized provincial sport-governing body and not in operation for commercial gain.
- b. The organization must not be a public-sector agency.
- c. The organization must maintain a non-restrictive membership with programs, services, and activities available to a broad sector of the community.
- d. The primary purpose of the organization must be the provision of space and delivery of programs for a specific sport activity to all ages and must align with the objectives of the Recreation and Parks Master Plan.
- e. The organization must be based in Saskatoon and must serve the needs of Saskatoon residents, with priority being given to those organizations which are accessible to, and impact, the largest number of people in the community.
- f. The organization must own their building and land.

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- g. The organization must have been in operation in Saskatoon for at least two consecutive years prior to applying for a tax abatement under this Policy.
- h. The organization must adhere to the rules and regulations governing all developmental stages of the specific sport activity.
- i. The organization must be in compliance with all applicable regulations and legislation.

4. FINANCIAL SUPPORT

The type of financial support available will be in the form of a tax abatement as follows:

- 4.1 Tax abatements may be granted to the portion of a property or a percentage of the assessed value, equivalent to the proportion of services provided by the Applicant as determined by the City of Saskatoon (City).
 - 4.1.1 This program would abate the City tax portion. The City would need to obtain prior approval from the Province for education property tax abatement greater than \$25,000, as this portion of the tax is subject to the rules contained in *The Education Property Tax Act*.
 - 4.1.2 If there are more requests than funding available, a prorated amount will be approved for eligible applicants. The total amount of abated municipal tax dollars will not exceed the budgeted amount approved by City Council.
- 4.2 The approval of an abatement is based on the eligibility criteria and applicant's ownership of the property; any change to the sports organization or their programs without the prior approval of the City may result in revocation of a tax abatement.
- 4.3 Sports organizations must reapply each year and may receive a tax abatement for one calendar year.

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4.4 Where an organization breaches any conditions of the tax abatement, one or more of the following actions may be taken:

- i) revoke the tax abatement with notice;
- ii) disqualify any future application for tax abatements for a specific period; or
- iii) require repayment of monies equal to the foregone tax revenue.

5. APPROVAL

5.1 Applications for tax abatements are subject to City Council approval.

5.2 The sports organization will be informed, when the matter is being considered by City Council and will be notified in writing, of Council's decision.

6. RESPONSIBILITIES

6.1 Administration

6.1.1 Administration will receive and review applications and present recommendations to the Standing Policy Committee on Planning, Development and Community Services for consideration and approval.

6.1.2 Assist groups in making application for assistance under the Recreation and Sport Tax Abatement Program.

6.2 City Council

6.2.1 Approve recommendations for all tax abatement applications.

6.2.2 Review and approve amendments to this Policy.

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7. REPORTING REQUIREMENTS

Administration will report out on all tax abatements under this Policy in the Recreation and Community Development Annual Report.

8. REVIEW AND AMENDMENTS

8.1 This Policy shall be reviewed five years after its enactment.