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**TO:** Committee of the Whole                      **MEETING:** September 4, 2018  
**FROM:** Tiffany Moore  
          Manager, Accounting Services              **FILE:** 1970-04  
**SUBJECT:** Bylaw 1775 – Alberni-Clayoquot Regional District – 2019 Permissive Tax  
                  Exemption

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## **RECOMMENDATIONS**

1. That “Property Tax Exemption (Alberni-Clayoquot Mt. Arrowsmith Regional Park) Bylaw No. 1775, 2018” be introduced and read three times.
2. That “Property Tax Exemption (Alberni-Clayoquot Mt. Arrowsmith Regional Park) Bylaw No. 1775, 2018” be adopted.

## **SUMMARY**

The Regional District of Nanaimo has annually acknowledged that the Alberni Clayoquot Regional District’s Mt. Arrowsmith Regional Park should be a tax exempt property. The park is located within the boundaries of the Regional District of Nanaimo but is owned by the Alberni Clayoquot Regional District. This report recommends adoption of “Property Tax Exemption (Alberni-Clayoquot Mt. Arrowsmith Regional Park) Bylaw No.1775, 2018” as presented.

## **BACKGROUND**

Where a Regional District is the owner of property outside of its boundaries, it is not automatically exempt from property taxes. The Alberni-Clayoquot Regional District is the owner of the Alberni-Clayoquot Mt. Arrowsmith Regional Park, which is located within Electoral Area C of the Regional District of Nanaimo. The Board has adopted bylaws annually since 2004 to provide a permissive tax exemption for this property. Permissive tax exemption bylaws must be adopted annually or, with the assent of the electors, may cover a period not exceeding 10 years. Nanaimo and Alberni-Clayoquot Regional District staff have agreed that it is administratively easier to adopt a permissive tax exemption bylaw annually, and Bylaw 1775 covering the 2019 tax year is presented with this report.

## **ALTERNATIVES**

1. Introduce and adopt “Property Tax Exemption (Alberni-Clayoquot Mt. Arrowsmith Regional Park) Bylaw No. 1775, 2018” for the 2019 taxation year as presented.

2. Do not grant a permissive tax exemption for the 2019 taxation year for the Alberni-Clayoquot Regional District Mt. Arrowsmith Regional Park properties.

### **FINANCIAL IMPLICATIONS**

The 2018 assessed values for the two properties in question (folios 768 002268.420 and 768 002268.416) total \$2,222,000. Had the exemption not been in place for the 2018 taxation year, the properties would have been assessed Regional District taxes of approximately \$2,430. However, if the properties were no longer to be statutorily exempt, the assessment value could increase and the property taxes payable would also be higher. Despite this implication, there is an intent and expectation that local governments will be exempt on any land they own directly. These properties represent the only permissive tax exemption provided by the Regional District of Nanaimo.

### **STRATEGIC PLAN IMPLICATIONS**

Adopting the property tax exemption for Alberni-Clayoquot Mt. Arrowsmith Regional Park is consistent with the Regional District of Nanaimo Strategic Plan under Focus on Relationships – we look for opportunities to partner with other government to advance our region.



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July 27, 2018

Reviewed by:

- W. Idema, Director of Finance
- D. Wells, General Manager, Corporate Services
- P. Carlyle, Chief Administrative Officer

Attachments:

1. Bylaw No. 1775
2. Map showing ACRD Mt. Arrowsmith Regional Park