

For Information Only

Request from Non-Profit Curling Clubs

Presented To:	Finance Committee
Presented:	Monday, Mar 28, 2011
Report Date	Thursday, Mar 24, 2011
Type:	Follow Up Reports to Parking Lot Items

Recommendation

For Information

Purpose

This report deals with property taxes and the non-profit curling clubs in the City of Greater Sudbury.

Background

At the public input budget session of January 31, 2011, a representative of the City of Greater Sudbury's curling clubs made a presentation requesting that the City take over the ice making plants at the non-profit curling clubs.

Based on the public input proposal presented on January 31st, and based on research performed by Finance, savings will not materialize if the City purchases the ice plant hydro accounts.

The provincial benefit is paid by or credited to retail consumers and anyone who consumes over 250,000 kWh per year. Presentation of the provincial benefit on monthly invoices depends on who is supplying the electricity. Regardless, it is charged on every monthly invoice which includes all City accounts.

Subsequently, if City Council wishes to provide financial assistance to the curling clubs in an alternate manner, Council may want to consider other options.

Section 361 of the Municipal Act authorizes a municipality to provide a rebate of 40% of the property taxes paid by registered charities in commercially assessed property. This is mandatory legislation.

Section 361 (4) provides optional legislation allowing municipalities, by bylaw to define similar organizations in any tax class as charities and rebate up to 100% of the property taxes paid. In the past, the City of Greater Sudbury has used this component of the legislation to provide a 100% property tax rebate to non profit daycares, Legions, Polish Combatants and The Navy League of Canada.

An inventory of local curling clubs and their tax liability is outlined on the attached Schedule A. The curling clubs listed are assessed in the residential tax class and taxed at the residential tax rate. Providing a 50% property tax rebate to curling clubs in the City of Greater Sudbury for 2010 would have cost

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\$15,443.85 of which the City's share would have been \$13,281.17 and the School Board share \$2,162.68.

This funding request would impact the 2011 tax levy by approximately \$13,300.00.

City Council has three options:

Option 1

Maintain the status quo and do not provide a 50% property tax rebate.

Option 2

Provide a 50% property tax rebate for 2011 and future years utilizing Section 361 of the Municipal Act.

Option 3

Provide a grant equivalent to 50% of the property taxes.

Conclusion

City staff does not recommend Option 2, which utilizes Section 361 of the Municipal Act for this funding proposal. City Council may wish to consider Option 3 above and a budget option has been prepared.

SCHEDULE 'A'

<u>ROLL#</u>	<u>CURLING CLUB</u>	<u>ADDRESS</u>	<u>2010 PROPERTY TAXES</u>
010.007.114	Sudbury Curling Club	300 Wessex Street	\$8,208.79
060.040.005	Idylwylde Golf and Country Club Limited	350 Walford Road	\$5,700.00
080.004.193	Copper Cliff Curling Club	39 Veterans Road	\$7,830.06
140.001.061	Onaping Curling Club (Municipally Owned)	10 Fraser Extension	Exempt
190.007.177	Capreol Curling Club	0 Stull Street	\$5,833.70
220.002.115	Falconbridge Curling Club (Municipally Owned)	2 Franklin Street	Exempt
230.003.048	Coniston Curling Club	67 Fourth Avenue	\$3,315.15
			Total \$30,887.70