

**MINUTES OF THE  
FINANCE AND GOVERNANCE STANDING COMMITTEE  
COMMITTEE ROOM 2  
SAANICH MUNICIPAL HALL, 770 VERNON AVENUE  
Monday, May 29, 2023, at 10 a.m.**

Present: Chair: Councillor Susan Brice  
Members: Councillors Chambers, Harper, Phelps Bondaroff  
Staff Members: Brent Reems, Chief Administrative Officer (CAO), Sheila Allen, Director of Corporate Services; Paul Arslan, Director of Finance, Lindsay Chase, Director of Planning; Jennifer Lockhart, Senior Manager, Financial Services; Pam Hartling, Housing Planning and Policy Manager; Carley Friesen, Senior Planner – Housing; Tara Judge, Committee Secretary

**TERRITORIAL ACKNOWLEDGEMENT & DIVERSITY, EQUITY AND INCLUSION STATEMENT**

Councillor Harper read the Territorial Acknowledgement and the Diversity, Equity and Inclusion Statement.

**MOVED by Councillor Chambers and Seconded by Councillor Harper: “That the rules of procedure contained in the Council Procedure Bylaw be temporarily suspended to allow electronic participation at the meeting of May 29, 2023.”**

**CARRIED**

**MINUTES FOR ADOPTION**

**MOVED by Councillor Harper and Seconded by Chambers: “That the minutes of the Finance and Governance Standing Committee meeting of March 13, 2023, be adopted as circulated.”**

**CARRIED**

**3<sup>RD</sup> TRIMESTER RESULTS REPORT (JAN 1, 2022, TO DEC. 31, 2022)**

A report from the Director of Finance with the 3<sup>rd</sup> Trimester Results for 2022 was reviewed. This report provided information on operational results for all three funds (water, sewer and general), capital program (specifically identifying any projects with a budget >1M in budget), investment analysis, procurement results and building permit statistics.

Staff noted that determining the number of demolition permits can be prepared and that they will check into the system to see if a method of preparing the total number of occupancy permits can easily be created. Staff will review to see if these stats are able to be incorporated into the next trimester report.

**MOVED by Councillor Chambers and Seconded by Councillor Phelps Bondaroff: “That the Finance and Governance Standing Committee receive the 3<sup>rd</sup> Trimester Report for information.”**

**CARRIED**

## PROPOSED PERMISSIVE TAX EXEMPTION (PTE) POLICY FOR AFFORDABLE RENTAL HOUSING

The Senior Planner - Housing presented on the Permissive Tax Exemption (PTE) Policy for Affordable Rental Housing and the following was noted:

- The *Community Charter* enables municipalities to institute a permissive tax exemption policy.
- Policy is proposed from a 2021 Council motion: *“That the Finance and Governance Standing Committee direct staff to bring back a subsequent report and options (with respect to PTEs) focusing on Council’s primary goal of increasing the affordable housing stock. Options may include to remain status quo or provide tax incentives for new developments or affordable housing with exemptions being provided for improvements only with land to be excluded.”*
- Is a top action item from Saanich’s Housing Strategy 1.2A: **“Facilitate the development of non-market and below-market housing by clarifying current incentives and identifying potential new incentives, such as...permissive tax exemptions...”**
- Is referenced in the Draft Official Community Plan (OCP): *“8.3.1 Continue to assess the full range of municipal tools available to attract, encourage and incentivize non-market housing, including...Considering property tax exemptions...”*
- Proposed policy aims to attract new affordable rental housing with a fixed 5-year term permissive tax exemption on tax-assessed land and improvements available on any new developments (occupancy in 2023 or later). Final application year of 2030. After the 5-year term, could then apply for a permissive tax exemption on tax-assessed improvements.
- Proposed policy aims to support existing affordable housing units by providing a 100% tax exemption on tax-assessed improvements. Final application year of 2026.
- Recommend including supporting housing for seniors or persons with disabilities. These units would be provided a 100% permissive tax exemption of land and improvements on a four year cycle.
- An application process would be formalized for all permissive tax exemption types.
- Sunset dates to allow the Corporation to review the policy and adjust if needed, or recommend continuation.

**MOVED by Councillor Harper and Seconded by Councillor Chambers “That the Finance and Governance Standing Committee recommend that Council endorse in principle the proposed permissive tax exemption policy for affordable rental housing.”**

**CARRIED**

## DAWSON HEIGHTS PERMISSIVE PROPERTY TAX EXEMPTION

The Committee reviewed the letter dated May 3, 2023, submitted by the Dawson Heights Housing Ltd and the following was noted:

- The Committee was informed by staff that this site has recently been redeveloped. The old complex (previously known as Twilight Homes Limited operated under old provincial legislation that exempted them from paying taxes) was demolished. As the

prior building and company no longer exists, this grandfathered tax exemption is no longer in place.

- This is a non-profit housing organization providing below market rental accommodations for people 55+. Their rents are below those set by BC Housing.
- The newly built units located at 3810 Cedar Hill Rd. provide independent housing only.
- Under the proposed permissive tax exemption policy for affordable rental housing, it would appear to qualify.

**MOVED by Councillor Chambers and Seconded by Councillor Harper “That the Finance and Governance Standing Committee recommend that Council endorse in principle a permissive tax exemption for 3810 Cedar Hill Cross Rd (The Dawson) and approve a property tax reduction for 2023 in accordance with the proposed permissive tax exemption policy.”**

**MOVED by Councillor Chambers and Seconded by Councillor Harper “That the motion be amended to: That the Finance and Governance Standing Committee recommend that if Council endorses the proposed Permissive Tax Exemption Policy for Affordable Rental Housing that Council endorse in principle a permissive tax exemption for 3810 Cedar Hill Cross Rd (The Dawson) and approve a property tax reduction for 2023 in accordance with the proposed permissive tax exemption policy.”**

**The Motion, as Amended, was CARRIED**

## ADJOURNMENT

**MOVED by Councillor Harper and Seconded by Councillor Chambers “That the meeting be adjourned and reconvened to In Camera in accordance with the *Community Charter*, Part 4, Division 3, Section 90 (1) (c) Section 93 (a) as the subject matter being considered relates to labour relations or other employee relations.”**

**CARRIED**

The meeting adjourned at 11:15 a.m.

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*Susan Brice*

Chair

I hereby certify these Minutes are accurate.

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*Tara Judge*

Committee Secretary