



Report Number: C2019-0698

Meeting: Combined Meeting of Council

Meeting Date: 2019 May 27

NOTICE OF MOTION

RE: TAX CANCELLATION FOR SILVERA FOR SENIORS PROPERTIES UNDER CONSTRUCTION

Sponsoring Councillor(s): Councillor Ward Sutherland

WHEREAS property tax exemptions in the Province of Alberta are governed by the *Municipal Government Act* (MGA) and ancillary regulations;

AND WHEREAS each Alberta municipality administers property tax exemptions in its jurisdiction within this legislative framework as part of the process of maintaining the municipality's property assessment roll;

AND WHEREAS to qualify for property tax exemption for seniors housing under MGA section 362(1)(m)(ii) there is a requirement that there be actual operational use of the property for the exempt purpose, and not an intended use such as a construction stage towards future operations;

AND WHEREAS Silvera for Seniors (Silvera) owns the properties with addresses 4850 50 Avenue SW (previously 5025 45 Street SW), 2500 Bow Trail SW and 1200 26 Street SW (The Properties) which were, in 2014 and years prior, exempt from taxation under MGA section 362(1)(m)(ii), pursuant to Silvera's use of the properties as seniors housing;

AND WHEREAS Silvera's use and operation of The Properties ceased in 2014 when the buildings were demolished for Silvera's construction of the new Glamorgan and Jacques Lodge facilities;

AND WHEREAS once operational, the new Glamorgan and Jacques Lodge facilities will be used to provide seniors housing and will be eligible for exemption under MGA section 362(1)(m)(ii), pursuant to Silvera's use of the properties as seniors lodge accommodation as defined by the *Alberta Housing Act*;

AND WHEREAS the development of the new Glamorgan and Jacques Lodge facilities will be in the planning stages throughout 2019 and thus are not eligible for a 2019 property tax exemption because the use requirement in MGA section 362(1)(m)(ii) is not being met;

AND WHEREAS Silvera is a designated a "management body" under the *Alberta Housing Act* operating within Calgary providing Lodge housing under the Ministry of Seniors and Housing, with Silvera and The City of Calgary (The City) as signatories to a Ministerial Order wherein The City may be requisitioned by Silvera for annual operating and capital deficits for the provision of Lodge Program facilities and amounts necessary to establish or continue a reserve related to Lodge facilities;

AND WHEREAS The City has allocated operating and capital funding to Silvera through the One Calgary budget process for 2019, 2020, 2021, or 2022 for the Lodge Program in lieu of the requisition;

AND WHEREAS Silvera's liability for property taxes for The Properties for 2015 and 2016 and municipal property taxes for 2017 and 2018 were cancelled by Council through Notices of Motion;

AND WHEREAS Silvera will be levied property taxes for 2019 totaling \$ 247,528.80 for The Properties. This amount includes \$ 156,641.76 in municipal property taxes and \$ 90,887.04 in provincial property taxes.

AND WHEREAS through its authority under section 347 of the MGA, Council can cancel property taxes for a

NOW THEREFORE BE IT RESOLVED THAT the 2019 Municipal portion of the property taxes for The Properties, specifically roll numbers 202366720, 065006207 and 201443702, be cancelled in the amount of \$156,641.76;

AND FURTHER BE IT RESOLVED that The City of Calgary request the Mayor to write a letter to the Ministers of Education and Municipal Affairs requesting that The Province cancel the Provincial requisition portion of the property taxes on Silvera's properties for the 2019 tax year.