



The Corporation of the District of Central Saanich

REGULAR COUNCIL REPORT

For the Regular Council meeting on Monday, February 26, 2024

Re: Parcel Tax Roll Bylaw 2024

RECOMMENDATION:

1. That Bylaw No. 2173, Parcel Tax Roll, 2024, be introduced and read a first and second time.
2. That Bylaw No. 2173 be read a third time.
3. That the Parcel Tax Review Panel be convened.

PURPOSE:

To bring forward the bylaw that permits the District to add a parcel tax on the property taxes of those residents who have participated and received funding in 2023 for the Heat Pump Financing Program.

BACKGROUND:

The Heat Pump Finance Program, established by Bylaws No. 2105 (Heat Pump Financing Program) and No. 2107 (Financing for Heating System Retrofits Local Area Service Bylaw), permits residents to receive financing of up to \$12,000 to assist in the transition of fossil fuel heating to cleaner sources. The program was also expanded beyond oil to include natural gas and propane. The program is fully funded for up to 50 properties through to the end of 2023 with a grant received from the Federation of Canadian Municipalities (FCM).

The funds are collected over a 10-year period using a parcel tax method to recover the costs and invest them in future financing so that the program is self-sustaining. This is the same method often used to collect additional property taxes for area specific improvements such as sidewalks or sewers. This is a legislated financial process that adds a specific, agreed upon amount to an annual property tax statement.

DISCUSSION:

To authorize the parcel tax list, the District seeks to pass a parcel tax bylaw (No. 2173) that includes the roll of 15 properties who received funding prior to December 31, 2023 (Appendix A). These properties will see up to \$1,200 added to their property taxes due July 1, 2024. This will be an annual process as the program continues for new properties that subscribe into the process. The parcel taxes are set by bylaw and a special Parcel Tax Roll Review Panel is established to give the property owners the ability to dispute the tax roll if they feel there are errors. After the third reading of the bylaw by Council, notice of this Review Panel meeting and the opportunity for property owners will be communicated directly to affected property owners via letter and via newspaper ads and District web postings. The Review Panel will meet in late March to hear any concerns from those properties and owners affected, and then approve the roll. The bylaw will then come back to Council for adoption and be added to the property tax notices going out late May.

The method of creating multiple bylaws and a parcel tax for recovering the funding is due to the financial nature of the program which, while supported by organizations such as FCM, is outside the typical municipal authority for collections and must use the existing parcel tax model. It is anticipated that the Provincial Government will introduce legislation to ease the administration of this type of program; in the absence of that legislation, the parcel tax method is one available to local government to collect taxes. The process is generally used for improvements such as sewer and sidewalks for a geographically distinct improvement, however is being modified by recipients of the FCM grant – including the District of Saanich – to enable the financing program.

IMPLICATIONS:

Financial/ Resource

The approximately \$1,200 added to the parcel taxes of participating properties will be collected and added back into the Heat Pump program so that future property owners can take advantage of the financing program once the FCM funding is fully subscribed; the option to continue the program beyond the initial FCM grant-funded program will come forward after the pilot program has completed.

Communications

Notification of the parcel tax review panel will be sent via letter to the applicants. The parcel tax panel applies only to those residents who have subscribed/petitioned to join, not to all residents. They must give notice 48 hours prior to the panel of the intention to file a complaint and will then appear before the panel to state their case.

CONCLUSION:

The District’s Heat Pump Financing Program uses the parcel tax system to implement the financial repayments of the loans. A parcel tax roll is required alongside a parcel tax roll review panel in order to attach the parcel tax to the property taxes. Parcel Tax Roll Bylaw No. 2173 is provided for consideration which includes 15 properties who received funding prior to December 31, 2023.

Report written by:	Pamela Martin, Deputy Corporate Officer
Report submitted by:	Emilie Gorman, Director of Corporate Services/Corporate Officer
Concurrence by:	Troy Ziegler, Director of Financial Services
Concurrence by:	Christine Culham, Chief Administrative Officer

ATTACHMENTS:

Appendix A: Bylaw No. 2173