



FISCAL IMPACT STATEMENT
NOTICE OF MOTION MM51.45

Financial Implications:

Operating
Current year impacts: \$1.2 million (gross) \$1.2 million (net)
Future year impacts: \$0.6 million (net)
Following year
Future years
Funding sources (specify):
Accommodation within approved operating budget
New revenues
Reserve/Reserve Fund contributions
Third party funding
Tax rate impact
Other
Budget adjustments: \$ (net)
Impact on staffing levels: (positions)

Capital
Current year impacts: \$0 (gross) \$0 (debt)
Future year impacts: \$0 (debt)
Following year
Future years
Funding sources (specify):
Accommodation within approved capital budget
New revenues
Reserve/Reserve Fund contributions
Third party funding
Debt
Other
Budget adjustments: \$ (debt)
Operating Impact:
Program costs: \$ (net)
Debt service costs: \$ (net)

Impacts/Other Comments:

- Service Level Impact (specify):
Consistent with Council Strategic directions and fiscal priorities (specify):

Notice of Motion – MM51.45 -- By providing a property tax exemption to the TIFF Bell Lightbox effective 2014, the City will forego annual municipal property tax revenue of approximately \$0.6 million per year, net of the charity rebate. In addition, there is a one-time loss of 2013 municipal taxation revenue associated with cancelling the 2013 taxes of approximately \$0.6 million, net of the charity rebate.

The Province will also experience a loss of revenue with respect to education taxes. Annual education taxes of approximately \$0.4 million (net of charity rebate) would no longer be required to be levied or remitted to the Province in 2014 and future. There will also be a one-time loss to the Province for education taxes of approximately \$0.4 million (net of charity rebate) for the taxes cancelled in 2013.

The refund for the municipal portion of taxes will be funded from the City's Non-Program Tax Deficiency account, with no impact on current year budgets. The education share of taxes to be refunded of approximately \$0.8 million would be fully recoverable from the Province/school boards with no impact on City finances.

Submitted by:
Deputy City Manager and Chief Financial Officer

Date: May 7, 2014