

Her Worship Cynthia Block
Mayor, City of Saskatoon
City Hall
222 3rd Avenue North
Saskatoon, SK S7K 0J5

Dear Mayor Block and Members of City Council,

On behalf of the NSBA – Saskatoon's Business Association, I am writing to express our strong support for the proposal to adjust the commercial-to-residential property tax ratio to 1.43:1. We believe that implementing this ratio is crucial for enhancing Saskatoon's economic competitiveness and fostering a business-friendly environment.

Currently, Saskatoon's commercial-to-residential tax ratio stands at 1.63:1, meaning businesses pay \$1.63 in property tax for every \$1 paid by residents. This rate is higher than the proposed 1.43:1 ratio and places a disproportionate burden on businesses. In 2013, Saskatoon City Council committed to reducing this ratio to 1.43:1 over 11 years, aiming to position Saskatoon as an attractive destination for job creators and to grow the city's tax base. Maintaining a higher ratio not only reneges on this commitment but also risks sending a discouraging message to current and prospective businesses.

Furthermore, a recent study by Hemson Consulting recommends a target ratio of 1.25:1, suggesting that a lower ratio would balance fairness and competitiveness, making Saskatoon more appealing to businesses and encouraging economic growth.

Saskatoon faces inherent challenges compared to other major centers in Western Canada, including fewer business-to-business opportunities, a smaller pool of skilled and unskilled labor, limited air service, and fewer lifestyle amenities such as professional sports teams, museums, and educational institutions. To offset these disadvantages and attract and retain businesses, it is imperative that we offer a competitive edge through favorable tax policies. A reduced commercial property tax ratio would not only alleviate the financial burden on businesses but also promote affordability, stimulate investment, and ultimately lead to job creation and economic prosperity for our city.

We urge City Council to honor its previous commitment and adopt the proposed 1.42:1 commercial-to-residential tax ratio. By doing so, Saskatoon can reaffirm its dedication to fostering a vibrant and competitive business environment, ensuring long-term economic growth and prosperity for all residents.

Thank you for considering our perspective on this critical issue. We look forward to your leadership in implementing tax policies that support Saskatoon's business community and overall economic health.

Sincerely,



Keith Moen
Executive Director, NSBA