

Benefits and Tradeoffs of 50 Per Cent Versus 100 Per Cent Tax Uplift Rebate

Percentage Recovered	Developer Considerations	City Considerations
Option 1: 50% Uplift	<ul style="list-style-type: none"> • Longer cost recovery time and smaller incentive than 100 per cent option • Higher potential risk if the pace of subsequent development is slow 	<ul style="list-style-type: none"> • Longer period of reduced tax uplift revenue
Option2a: 100% Uplift For Fulton Creek Only	<ul style="list-style-type: none"> • Shorter time for cost recovery • Lower potential risk if subsequent development is slow • Change applies to only one developer • Construction and infrastructure from the project can stimulate activity within the benefitting area of the Fulton Creek Project leading to increased investment in the area and reduced reliance on tax uplift • Potentially higher value developments due to increased certainty of cost recovery 	<ul style="list-style-type: none"> • No tax uplift revenue until over-expenditure is paid back • Higher potential cost to City if subsequent development is slow • Greater potential benefit if subsequent development is quick • Potential increased investment stimulated for this area • Potentially higher tax uplift from higher value developments • Past and future industrial developers may seek additional exemptions
Option2b: 100% Policy Change	<ul style="list-style-type: none"> • Shorter time for cost recovery • Lower potential risk if subsequent development is slow • Policy is equitable and applies to all new developers • Construction and infrastructure from new projects across the City can stimulate additional activity leading to increased investment and reduced reliance on tax uplift • developers in an area potentially leading to increased investment and reduced reliance on tax uplift • Potentially higher value developments due to increased certainty of cost recovery 	<ul style="list-style-type: none"> • No tax uplift revenue until over-expenditure is paid back • Higher potential cost to City if subsequent development is slow • Greater potential benefit if subsequent development is quick • Potential increased investment stimulated across the city • Potential for increased industrial development, and higher value developments, resulting in increased industrial tax base over time • Past industrial developers may seek additional exemptions