



## LOCAL GOVERNMENT DISTRICT OF PINAWA

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November 15, 2023

The Pinawa Chamber of Commerce  
Box 544  
PINAWA, Manitoba, Canada  
R0E 1L0

Dear Board of Directors,

I am writing on behalf of the Council of the Local Government District (LGD) of Pinawa to respond to the questions that you sent to us on July 11, 2023. Thank you for taking the time to compose these questions on behalf of businesses operating in the LGD of Pinawa. I apologize for the lengthy time that it has taken to respond.

Q1 Tax Determination Process.

Your question is seeking an explanation of how taxes for local businesses are determined within the LGD of Pinawa. Property assessments are the responsibility of the Provincial Assessment Branch and is the same for all municipalities except for the City of Winnipeg that has its own Property Assessment service.

In Manitoba, all properties, including commercial properties, are assessed at market value in accordance with *The Municipal Assessment Act*. Market value is the most probable selling price of the property had it been sold by a willing seller to a willing buyer. Regular reassessments ensure that property assessments keep pace with real estate market conditions, and taxes are distributed fairly to property owners. Property owners can appeal the assessment to the Board of Revision which is an LGD of Pinawa Board that hears appeals every September for the Property Assessment for the following year. Property owners that are not satisfied with the decision of the Board of Revision can appeal their taxes directly to the Municipal Board.

Properties in Manitoba are grouped into 10 property classes on the basis of use, and a portion of the assessment is taxed. Property classes and the portion of assessment that is taxed are established by regulation under *The Municipal Assessment Act*.

It should be noted that commercial property owners have the option to have their property

assessed based on income. Interested property owners should contact the Provincial Assessor to discuss this option.

At property tax time, the Provincial Government issues the Property Tax bills which are distributed by the LGD of Pinawa to all property owners, including commercial properties. The calculations are based on the assessment, class which determines the portion subject to tax, and the mill rates that are set through the Annual Financial Planning Processes for the LGD of Pinawa and the School District of Whiteshell.

## Q2. Fee Structure

The question requests the fee structure imposed on local businesses and requests itemized list of fees, permits, licenses, and other financial obligations required from businesses operating within the LGD of Pinawa. The fee schedule can be found at [www.pinawa.com](http://www.pinawa.com). The following summarizes the various fees based on type of business.

- Home-based businesses require a Home Business License which is renewable annually at the LGD Town office for \$105. These businesses operate within the footprint of the residential lot and are permitted in the Zoning By-law as follows: ***Home Occupations shall have a valid business license issued by the LGD and shall: - be limited to a maximum of 40% of the total floor area of the dwelling unit; - be operated by a live-in owner as a secondary use and may have a maximum of one (1) nonresident employee; - be open to the public only between the hours of 8:00 a.m. and 8:00 p.m.; (see Section 3.2 in the Zoning By-law).*** These businesses are assessed residential property taxes. The fee is now being reviewed annually.
- Bed and Breakfast businesses are defined in the Zoning By-law as: ***Bed and breakfast accommodations shall have a valid business license issued by the LGD and shall: - be restricted to the dwelling unit; - be operated by a live-in owner as a secondary use; - be limited to a maximum of four (4) guest bedrooms per dwelling; (see Section 3.4 in the Zoning By-law).*** These businesses are assessed residential property taxes.
- Transient Trader businesses require a license to operate within the LGD of Pinawa. These are available at the LGD of Pinawa Town office and are \$100 annually. These businesses are defined as operating a mobile business that does not originate in the LGD of Pinawa, operates intermittently and at differing locations as assigned/agreed to by the LGD or landowner that the business operates on, no permanent infrastructure associated with the business and/or its operation. These businesses are not assessed property taxes. The fee is now being reviewed annually.
- Mobile Food Vendors are businesses that operate a mobile food unit (trailer or truck). A license is required to operate a Mobile Food business in the LGD and is available at the LGD Town office. There are two licenses available: 1. The 7 day license for \$100 which allows you to operate for a period of up to 7 days. 2. Seasonal license for \$600 annually which allows the business to operate for the entire season in a specified location as defined in a Memorandum of Understanding (MOU). These businesses are not assessed property taxes. The fees are reviewed annually.

- Seasonal Businesses are businesses that operate a business on public lands within the LGD of Pinawa. These businesses pay a Seasonal Business Fee or Land Use Fee of \$2,500 annually and must enter into a Memorandum of Understanding which details the conditions around business operations. These businesses are not assessed property taxes unless they have a secondary location of operation located on commercial land, in which case they would be assessed commercial property taxes. This fee has been established in recent years with the development of tourist operations that did not exist prior to about 5 years ago. The Council and staff of the LGD of Pinawa review the fee annually. The goal is to understand the impact on the demand for services provided by the LGD of Pinawa with the further goal of minimizing the financial impact of the business on the other ratepayers in the LGD of Pinawa. This is a challenging determination as there is little experience to draw on from other municipalities and the impact of tourists, in general, on the services required of the LGD of Pinawa is complex and unique to our community.
- Short Term Rentals of less than 30 days duration are not permitted in residential zones.
- Campgrounds - there are both seasonal and overnight campgrounds operating within the LGD of Pinawa. They are assessed commercial property taxes and seasonal campgrounds are assessed a \$200 fee for every 30 trailer sites or part thereof, as per By-Law 550-96 to license and regulate trailer parks and tourist camps within the LGD of Pinawa. This By-Law is currently under review. LGD of Pinawa staff have been developing information regarding estimating the services that are required of the LGD of Pinawa for the campgrounds. Staff has also been making inquiries from nearby municipalities who have Campground fees. It is interesting to note that the Campgrounds actually pay residential property taxes in addition to any commercial taxes they may be assessed. Property Taxes Mill Rates include amounts to cover items like garbage and recycling collection, other Public Works services, RCMP, Fire Protection, etc. The plan is to revise By-Law 550-96 to establish fees that will cover the balance of costs not recovered through the Property Tax system. The review of the By-Law is ongoing and the LGD of Pinawa has publicly acknowledged that this review is long overdue.
- Commercial Businesses - there are a variety of commercial businesses that operate within the LGD of Pinawa that are not assigned any additional business license or operating fees other than the commercial property tax they are assessed as described in the response to Question 1.

### Q3 Public Consultation

Your question is seeking information on how the Public and the Pinawa Chamber of Commerce can provide input into the process of determining taxes and fees.

The assessment of Property Taxes is a Provincial responsibility. As previously mentioned, the owners have the opportunity to appeal their assessment to the Board of Revision through the LGD of Pinawa and then have the additional option to appeal directly to the Municipal Board. Property owners can also contact the Provincial Assessor to discuss their individual situation. In terms of the property taxes, the opportunity for the community to have input is through the Public Hearings for the Annual Financial Plans for the LGD of Pinawa and the School District of Pinawa.

With regards to fees, the Council and staff of the LGD of Pinawa have had meetings with the tourism vendors that have been established over the last 5 years. These meetings are typically one on one. We have meetings before and after each season to improve our understanding of the needs of those businesses and assess any new demands for additional services or expansion of existing services that are provided by the LGD of Pinawa. We also seek input into improvements the LGD of Pinawa could implement to improve the tourism experience. These discussions lead to the development of a Memorandum of Understanding (MOU) that each business must sign prior to the start of the season along with the remittance of the fee established by resolution of the Council of the LGD of Pinawa. The fee is not negotiated as part of the consultations. We have recognized that new businesses require some financial consideration to get established and have accordingly provided a reduced fee for the first year of operation.

To date, the Pinawa Chamber of Commerce has not been consulted in any capacity about any of our business license/permit/fees. Council has authority to set these fees as prescribed by section 252 (1) and (2) of The Municipal Act. If the Chamber of Commerce, in consultation with these seasonal businesses, would like to make a presentation to Council as a delegation, Council would be pleased to receive the presentation.

#### Q4 Future Plans and Changes

The member businesses of the Pinawa Chamber of Commerce are requesting the opportunity to be advised of any future plans and changes to the tax and fee structure for local businesses.

The Council and staff of the LGD of Pinawa are not aware of any planned changes to the method used for property assessments conducted by the Provincial Assessors. The process for annual financial plans is also not expected to change and the Public including the Pinawa Chamber of Commerce are invited to attend and participate at the Public Hearings.

As for fees for local tourism business operators, Council and staff of the LGD of Pinawa have pre-season and post-season meetings with the tourism vendors. We review what went right, what went wrong, and what needs improvement. Council reviews financial data, operational data, Public Works Manager's observations and comments, Office staff observations and comments, Seasonal Vendor observations and comments, Channel Float Parking Security Guard observations and comments and Resident's observations and comments (both written and verbal). Through these detailed discussions, Council adjusts our plan annually. This includes changes to MOUs and Land Use Agreements (LUAs) as well as setting the annual fees for the LGD of Pinawa Fee Schedule, which is approved annually by Resolution of Council. The Fee Schedule is updated annually as early in the year as possible.

If you have any questions with regards to the responses to your questions provided above, please do not hesitate to contact me at (204)753-2199. I am also offering to meet with the Board of Directors of the Chamber of Commerce to have a dialogue on these matters. On behalf of the Council of the LGD of Pinawa, we thank you for your thoughtful request for information and again, my apologies for the late response to your questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Blair C. Skinner". The signature is fluid and cursive, with a long horizontal line extending to the right.

Blair C. Skinner  
Mayor of the Local Government District of Pinawa