



JUN 01 2017

MR. KEVIN O'RIELLY  
MLA, FRAME LAKE

**Oral Question 438-18(2): Empowering Local Governments**

This letter is to follow-up on Oral Question 438-18(2) Empowering Local Governments that you asked on November 2, 2016. As you are aware, Municipal and Community Affairs (MACA) has the lead on the request from the City of Yellowknife to allow for the collection of a local hotel levy.

Such a request will require a legislative amendment to the *Cities, Towns and Villages Act*. MACA has engaged with the City to prepare a paper to facilitate discussion with the six municipal taxation authorities and other related stakeholders over the summer of 2017. Regular meetings have been taking place with City officials to advance this and other legislative amendments requested in the fall of 2016 by the City of Yellowknife.

In the preparation of that engagement paper, MACA completed an inter-jurisdictional scan to learn how this type of program has been delivered in other jurisdictions and assessed the success/challenges with taking each type of approach.

Prior to advancing a legislative proposal, MACA is concentrating its efforts to ensure there is a full understanding with stakeholders of how a hotel levy may work.

The Department understands the interest of the City in this legislative change and is pleased the City has been supportive and has fully engaged with MACA to complete our due diligence. City staff has recently voiced their satisfaction with this partnership with the Department. MACA commits to regularly reporting progress to Standing Committee as we work through the engagement and legislative process.

Robert R. McLeod  
Premier

c. Honourable Louis Sebert  
Minister of Justice

Honourable Robert C. McLeod  
Minister of Finance

Mr. Tim Mercer  
Clerk of the Legislative Assembly

Mr. David Hastings  
Legislative Coordinator