



CORPORATION OF THE CITY OF VERNON

FINANCE COMMITTEE

MONDAY, AUGUST 31, 2020 @ 1:30 P.M.

OKANAGAN LAKE ROOM

A G E N D A

- 1) **ADOPTION OF AGENDA**
- 2) **ADOPTION OF MINUTES**
May 28, 2020 (attached)
- 3) **NEW BUSINESS:**
Tax Exemption Applications
➤ Report to the Finance Committee (attached)
- 4) **INFORMATION ITEMS:**
a)
- 5) **DATE OF NEXT MEETING:**
The next meeting date is to be announced.
- 6) **ADJOURNMENT**



THE CORPORATION OF THE CITY OF VERNON

MINUTES OF THE FINANCE COMMITTEE HELD THURSDAY, MAY 28, 2020

PRESENT: VOTING
Councillor Gares, Chair
Councillor Mund
Mayor Cumming

STAFF: Debra Law, Director, Financial Services
Terry Martens, Manager, Financial Operations
Janice Nicol, Legislative Committee Clerk

ORDER The meeting was called to order at 1:33 p.m.

**ADOPTION OF
AGENDA** Moved by Mayor Cumming, seconded by Councillor Mund;

THAT the agenda for the Thursday, May 28, 2020 meeting of the Finance Committee be amended to add:

Item 4 b) Amendments to Council Discretionary Grant Policy;

AND FURTHER, that the agenda be adopted as amended.

CARRIED.

**ADOPTION OF
MINUTES** Moved by Councillor Mund, seconded by Mayor Cumming;

THAT the minutes of the Finance Committee meeting held November 28, 2019 be adopted.

CARRIED.

UNFINISHED BUSINESS

**CLARIFICATION OF
GRANT POLICY** An email was received from an applicant requesting clarification on how the Council Discretionary Policy was interpreted. Their organization had applied in April and was unsuccessful, they had then applied again in October of the same year and were told by the Finance Committee that they were ineligible. The applicant stated

‘in past years, we had always been encouraged to apply in October if we had unsuccessfully applied in April...’

The Finance Committee clarified that, as per the Council Discretionary Grant Policy Item 1.2 (d), ‘The organization may only submit one application per calendar year’.

NEW BUSINESS

**COUNCIL
DISCRETIONARY
GRANT
APPLICATIONS –
APRIL 30 INTAKE**

It was noted that Sovereign Lake Nordic Centre has returned their Discretionary Grant of \$10,000, received at the December 16th, 2019 Council Meeting, as their event has been cancelled due to the COVID-19 pandemic.

**ABBAYFIELD HOUSE
OF VERNON**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to Abbeyfield House of Vernon Society in the amount of \$7,300 as the City has limited funds for disbursement.

CARRIED.

**ARCHWAY SOCIETY
FOR DOMESTIC
PEACE**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to Archway Society for Domestic Peace in the amount of \$10,000 as the City has limited funds for disbursement

CARRIED.

**COMMUNITY
RECREATIONAL
INITIATIVES SOCIETY**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Community Recreational Initiatives Society in the amount of \$20,000 as the City has limited funds for disbursement.

CARRIED.

**FASD OKANAGAN
VALLEY
ASSESSMENT &
SUPPORT**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to FASD Okanagan Valley Assessment & Support in the amount of \$14,000 as the City has limited funds for disbursement.

CARRIED.

**FOOD ACTION
SOCIETY OF NORTH
OKANAGAN**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Food Action Society of the North Okanagan in the amount of \$24,000 as their application is incomplete.

CARRIED.

**HELPING OUT
PEOPLE EXPLOITED**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to Helping Out People Exploited in the amount of \$5,000 as the City has limited funds for disbursement.

CARRIED.

**HELPING THE
HOMELESS
FOUNDATION**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to Helping the Homeless Foundation in the amount of \$87,630 as their application is incomplete and they are not a registered society.

CARRIED.

**LEGACY
APARTMENTS
SENIOR COMPLEX**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to Legacy Apartments Seniors complex, of no specified amount, as their application is incomplete.

CARRIED.

**MADD CENTRAL
OKANAGAN**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to MADD Central Okanagan in the amount of \$1,500 as the City has limited funds for disbursement.

CARRIED.

**NEXUSBC
COMMUNITY
RESOURCE CENTRE**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to NexusBC Community Resource Centre in the amount of \$15,000 as the City has limited funds for disbursement.

CARRIED.

**NORTH OKANAGAN
CYCLING SOCIETY**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to the North Okanagan Cycling Society in the amount of \$5,000 to assist with funding the completion of a mountain bike trail in Kalamalka Provincial Park.

CARRIED.

**NORTH OKANAGAN
OPTIMIST CLUB**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to the North Okanagan Optimist Club in the amount of \$3,300 to assist with the purchase and construction of two playground boxes within City of Vernon boundaries.

CARRIED.

**NORTH VALLEY
GYMNASTICS**

Moved by Councillor Gares, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to North Valley Gymnastics in the amount of \$4,000 to assist in purchasing new gym equipment.

CARRIED.

**POWERHOUSE
THEATRICAL
SOCIETY**

Moved by Councillor Gares, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to Powerhouse Theatrical Society in the amount of \$5,000 to assist with production expenses to host free special performances to local schools.

CARRIED.

**SCHUBERT CENTRE
SOCIETY**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Schubert Centre Society in the amount of \$10,000 as the City has limited funds for disbursement.

CARRIED.

**SILVER STAR
FREESTYLE CLUB**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Silver Star Freestyle Club in the amount of \$7,500 as the City has limited funds for disbursement.

CARRIED.

**VERNON & DISTRICT
FAMILY HISTORY
SOCIETY**

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Vernon & District Family History Society in the amount of \$5,000 as the City has limited funds for disbursement.

CARRIED.

**VERNON ELKS
LODGE**

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Vernon Elks Lodge in the amount of \$10,000 as the city has limited funds for disbursement.

CARRIED.

VERNON FOLK-ROOTS MUSIC SOCIETY

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Vernon Folk-Roots Music Society in the amount of \$7,000 as the City has limited funds for disbursement

CARRIED.

VERNON GIRLS TRUMPET BAND ALUMNI ASSOCIATION

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to the Vernon Girls Trumpet Band Alumni Association in the amount of \$6,375 of the \$11,000 requested, to purchase jackets and hats;

AND FURTHER, that it be noted that this approval was granted as this is a newly formed society and that future Discretionary Grant applications must include the registered society number and complete financial information.

CARRIED.

VERNON ROWING AND DRAGON BOAT CLUB

Moved by Mayor Cumming, seconded by Councillor Mund:

THAT the Finance Committee recommends that Council **approve**, on a one time basis, a Council Discretionary Grant to the Vernon Rowing and Dragon Boat Club in the amount of \$1,000 to assist with expanding the current dock.

CARRIED.

VERNON SKI CLUB

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council deny a Council Discretionary Grant to the Vernon Ski Club in the amount of \$5,000 as the City has limited funds for disbursement.

CARRIED.

AMENDMENTS TO THE COUNCIL DISCRETIONARY POLICY

The Finance Committee discussed amendments to the Council Discretionary Grant Policy.

Moved by Councillor Mund, seconded by Mayor Cumming:

THAT the Finance Committee recommends that Council requests Administration to make the following amendments to the Council Discretionary Grant Policy:

- Awarded Grant monies include a 'spend and report' component within two years of being awarded;
- The Finance Committee will check with applicants within twelve months to ensure the awarded grant monies will be spent;
- Applicants who receive grants must disclose what the grant monies were spent on, and if no money was spent, the grant monies must be returned within two years; and
- If the above rules are not followed, the organization receiving the grant monies, will be banned from making future Council Discretionary Grant application.

CARRIED.

**DATE AND TIME OF
NEXT MEETING**

The next Finance Committee meeting is to be announced.

ADJOURNMENT

The Finance Committee meeting adjourned at 2:44 p.m.

CERTIFIED CORRECT:

Chair



THE CORPORATION OF THE CITY OF VERNON

REPORT/RECOMMENDATION TO FINANCE COMMITTEE

SUBMITTED BY: Terry Martens, Manager, Financial Operations **DATE:** August 18, 2020
FILE: 3900-02
1970-16

SUBJECT: Tax Exemption Amendment Bylaw Number 5832, 2020

PURPOSE:

To advise Council of new applications for tax exemption and emerging issues concerning tax exemptions; to ensure compliance with Council's policy regarding permissive tax exemptions, and to confirm the percentages of tax exemption per classification.

To amend the City of Vernon Tax Exemption Bylaw Number 5713, 2018.

RECOMMENDATION:

THAT Council confirm the percentage of tax exemption per classification for 2021 remain the same as 2020 namely as follows and that the Permissive Tax Exemption Policy be amended to reflect the percentages:

| | |
|-----------------------------------|------|
| Social Service services | 100% |
| Cultural and educational services | 75% |
| Recreational services | 50% |

AND FURTHER, that the following property making new application be granted 100% tax exemption, to be phased in over a three-year period:

North Okanagan Community Life Society: 4608 20 St

AND FURTHER, that the following property making new application be granted 50% tax exemption, with the three-year phase-in waived:

Vernon Pickleball Association: 6891 Okanagan Landing Rd

AND FURTHER, that the following properties making new application be denied exemption:

North Valley Gymnastics Society: 4700 31 St
Upper Room Mission Boutique: 2708 34 St
Miriam Masonic Holding Company: 3005A 32 St

AND FURTHER, that the following property be removed from the bylaw due to the sale of the property:

North Okanagan Community Life Society: 1307 40 Ave

AND FURTHER, that the exemption percentage for the following property be amended from 20% to 50% for 2021:

North Okanagan Valley Gleaners Society: 4405 29 St

ALTERNATIVES & IMPLICATIONS:

1. THAT Council resolves to deny new applications for tax exemption. This would result in no additional burden on the taxpayer, but would not be in accordance with the Tax Exemption Policy.

ANALYSIS:

A. Committee/Board Recommendations:

N/A

B. Rationale:

1. North Okanagan Community Life Society (4608 20 St)

Social Services – 100%

The Society's primary purpose is to provide housing for individuals with cognitive and physical disabilities.

It is estimated that 85% of the Society's users are residents of Greater Vernon.

The property is classified as Residential – Class 01. LTO title registration has the North Okanagan Community Life Society on title.

It is recommended to approve the application, to be phased in over a three-year period.

2. Vernon Pickleball Association

Recreation – 50%

The Association organizes pickleball activities and operates/maintains pickleball facilities within Marshall Fields. Activities include organized members' court time, open public court time, youth programs with schools and cadets, and public beginner lessons. The Association estimates that over 600 residents are active because of pickleball. It is further estimated that over 90% of the facility users are residents of Greater Vernon.

The Association has leased the pickleball courts in Marshall Fields from the City of Vernon since 2017. The lease agreement is in the process of being registered with BC Assessment Authority. It is anticipated that once registered, a separate taxable folio will be created for the leased portion of the property thus triggering taxation starting in 2021. The Association has applied for an exemption in anticipation of this event. The lease agreement requires the Association to pay any taxes levied

against the property. It is anticipated that the folio will be classified as Class 8 – Recreation/Non-profit.

It is recommended to approve the application without a three-year phase in due to the 50% exemption cap for recreation properties.

3. North Valley Gymnastics Society

Recreation – 50%

The Society has been delivering the sport of gymnastics to residents of Vernon and surrounding area for over 20 years and offers Artistic Gymnastics programs to children between the ages of 3 and 17 as well as drop in programs for all ages.

Membership is not restricted; however, weekly programs are geared toward children aged 3 to 17, while drop in programs are open to anyone.

The property is classified as Business – Class 06. The Society's 2020 application was denied. The Society re-applied for 2021 but only submitted the renewal application form and not a full comprehensive application.

It is recommended to deny the application as the application was incomplete.

4. Upper Room Mission Boutique

Mixed & Unique – 100%

The Boutique is a non-profit retail function of the Vernon Upper Room Mission Society. Its activities help lower income individuals with the purchase of clothing and household items at low cost. It is estimated that 95% of users are residents of Greater Vernon.

The retail space is leased from Wiseworth Holdings Ltd and is classified as Class 6 – Business. The property owner pays annual property taxes to the City.

It is recommended to deny the application for the Upper Room Mission Boutique since the lack of direct payment of property taxes is not compliant with the Policy.

5. Miriam Masonic Holding Company Ltd.

Social Service – 100%

The property is being used by Miriam Masonic Lodge #20 which has been in existence as a service club in Vernon since 1893. The goal of the lodge is "to make good men better, to encourage members to be compassionate towards their fellow man, and to practice charity".

Membership is restricted to "adult males of any race or religion who believe in a Supreme Being". The organization is not a registered society. The property has mixed classification of Class 6 – Business and Class 8 – Recreation/Non-profit.

It is recommended to deny the application for the Miriam Masonic Holding Company Ltd due to fact that the organization is not a registered society and due to restricted membership admission.

6. North Okanagan Valley Gleaners Society

Mixed and Unique – 20%

The North Okanagan Valley Gleaners used furniture and appliance store donates furniture to those in need up to \$500 worth of furniture through partnerships with other charitable societies in Vernon. Their partners include the Vernon Women's Transition House, Salvation Army Food Bank, Starting Points, NOYFFS, IHA, CMHA and local churches.

Last year, a 20% exemption was approved for their retail property at 4405 29 St which is classified as Class 6 - Business. 20% equates to their normal proportion of efforts that are directed towards local initiatives. This year, their operations were changed due to COVID. Their global work was forced to scale back which enabled the Society to focus more on local initiatives. As of the date of their current exemption application (June 16), they donated 40,000 pounds of vegetables to their local partners most likely utilizing their Lavington production facility. The Society also donated a large supply of PPE for local family practice medical facilities to assist with COVID relief.

As a result of this temporary change, an increase to their exemption percentage may be warranted for 2021.

It is recommended to amend the North Okanagan Valley Gleaners Society exemption from 20% to 50% for the 2021 tax year only due to their temporary shift of operations.

7. Changes for the 2021 Bylaw.

N/A

8. Other Properties Excluded from the 2021 Bylaw.

North Okanagan Community Life Society – The Society's property at 1307 40 Avenue was sold in 2020 and is being removed from the 2021 Bylaw.

C. Attachments:

- 2021 New Application Eligibility Matrix

D. Strategic Plan Objectives:

N/A

E. Policy (Existing/Relevance/None):

- Corporate Policy: Tax Exemptions - Permissive.

F. Relevant History:

N/A

G. Applicants Response:

N/A

H. Reasons for Bylaw:

The City of Vernon recognizes the significant value of volunteers and volunteer groups and agencies to the social, spiritual, cultural, educational and physical well-being of the community, and deems it appropriate that they be assisted through reduction in property taxation.

I. Resources:

- Tax Exemption Applications.

BUDGET IMPLICATIONS:

The summary breakdown of permissive exemptions recommended in this report are as follows for the City portion of tax revenue using the previous year's property assessments:

| Category | 2020 | 2021 |
|------------------------|------------------|------------------|
| Places of Worship | \$ 90,510 | \$100,072 |
| Private Schools | \$ 21,183 | \$ 22,820 |
| Other Permissive | \$565,006 | \$593,100 |
| Estimated Total | \$676,699 | \$715,992 |

1. The total difference of \$39,293 is derived from the following:
 - Anticipated change in tax rates & Assessments \$34,418
 - Phase-in adjustments \$ 1,545
 - New applications \$ 2,081
 - Deletion \$ (1,308)
 - Temporary adjustment \$ 2,557
2. The second and third phase of the new exemption applications approved for 2022 and 2023 will result in estimated reductions in tax revenue of approximately \$979 and \$1,034 respectively.
3. The estimated impact is subject to change once 2021 property assessments are available.

Prepared by:



Terry Martens,
Manager, Financial Operations

Approved for submission to Finance
Committee:



Debra Law,
Director, Financial Services

**CITY OF VERNON
2021 PERMISSIVE TAX EXEMPTION NEW APPLICATION ELIGIBILITY MATRIX**

| Policy Guidelines | Miriam Masonic Holding Company Ltd. | N.O. Community Life Society | Upper Room Mission Boutique | North Valley Gymnastics Society | Vernon Pickleball Assoc |
|---|---|---|--|---|--|
| Category - Percentage | Social Services - 100% | Social Services - 100% | Social Services - 100% | Recreation - 50% | Recreation - 50% |
| Is the Registered owner of the property, or a tenant under a lease requiring it to pay taxes directly to the City. | YES | YES | NO | YES | YES |
| Is a British Columbia registered non-profit Society | NO | YES | YES | YES | YES |
| Uses the property primarily for a purpose covered by Section 224 of the Community Charter. (Other incidental uses would not disqualify the application, but if substantial, will reduce the percentage of exemption). | | YES | YES | YES | YES |
| Primarily serves the residents of Greater Vernon | YES | YES | YES | YES | YES |
| Has its membership to the Society open to any resident of Greater Vernon. | Men Only | YES | YES | Primarily geared toward children aged 3-17. Drop In programs open to everyone. | YES |
| Provides a service supporting the social, spiritual, cultural, educational or physical well-being of the community. | YES | YES | YES | YES | YES |
| Was the Church/Organization operational at the time application was made? | YES | YES | YES | YES | YES |
| Provides a copy of its most recent certified financial statements to the City, and a budget for the current year; not to establish "need", but to demonstrate sound financial management. | Balance Sheet not provided. | YES | Balance Sheet not provided, Income Statement is only for one month and is out of date (Nov 1-30, 2018) | NO | YES |
| Other Information? | Adult males of any race or religion who believe in a Supreme Being. | 2020 Property Taxes are outstanding, as of Aug 19 | 2020 Property Taxes were paid by Landlord, Wiseworth Holdings Ltd. | NVGS purchased property in June 2017. Property is classified as Business - 06. Did not submit a full comprehensive application - used the renewal application form only. They were notified to re-submit with the correct form no later than July 24 - corrected submission not received. | No property taxes have been levied on the property to date. The lease is in the process of being registered with BC Assessment which will likely result in creation of a separate tax roll number for the leased area with taxable assessment beginning in 2021. |
| Does Church/Organization Qualify at this time? | NO | YES | NO | NO | YES |
| Finance Committee Decision to Approve or Deny? | DENY | APPROVE | DENY | DENY | APPROVE |



THE CORPORATION OF THE CITY OF VERNON
 3400 – 30th Street, Vernon, B.C. V1T 5E6
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Corporate Policy Manual

| | | |
|--------------|-----------------------------|--|
| Section: | Corporate Services | |
| Sub-Section: | | |
| Title: | Tax Exemptions – Permissive | |

RELATED POLICIES

| Number | Title |
|--------|-------|
| | |
| | |

APPROVALS

| POLICY APPROVAL: | AMENDMENT APPROVAL: | SECTION AMENDED |
|--|--|--|
| Approved by: "Sean Harvey" Mayor Date: September 10, 2001 | Amendment Approved by: "Jim MacGillivray" Mayor Date: October 11, 2005 | Addition of #10 under Procedures/Process. |
| | Amendment Approved by: "Rob Sawatzky" | Removal of reference to Permissive Tax Exemption - Application Form |
| | Mayor Date: May 27, 2013 Amendment Approved by: "Rob Sawatzky" | Include exemption rates, review intake dates, develop long and short form applications. |
| | Mayor Date: July 15, 2013 | |

POLICY

The City of Vernon recognizes the significant value of volunteers and volunteer groups and agencies to the social, spiritual, cultural, educational and physical well-being of the community. A permissive tax exemption is a means for Council to support organizations within the community and deems it appropriate that they be assisted through reductions in property taxation.

A permissive tax exemption applies to taxation for the City of Vernon, Okanagan Regional Library, Provincial of BC Schools, North Okanagan Columbia-Shuswap Regional Hospital District, Regional District of North Okanagan, Municipal Finance Authority and BC Assessment. Tax exemptions are not applied to charges for local service areas.

DEFINITIONS

Social service facilities: Properties used by eligible Societies primarily for the provision of support services to members of the community with a range of needs; and for administrative and fund-raising activities in support of those services.

Cultural and Educational Facilities: Properties used by eligible Societies primarily for the preparation and delivery of cultural and educational programs and events available to the public; and for fund-raising in support of those activities.

Recreational facilities: Properties used by eligible Societies primarily for the provision of space and equipment for the physical and mental enjoyment of the participants, with or without spectators.

Primary activity: At least 75% of an eligible Society's activity is in that area.

Phase-in: A three-year phase-in period will be used for any new applicants with the amount of eligible tax exemption increasing by one-third each year.

Intake Period: Applications for permissive tax exemption must be complete and submitted to the Financial Services Division between the dates of June 1 to July 15 each year (or the next business day if July 15 falls on a weekend or statutory holiday).

Manses: A clergy house and land occupied by, or formerly occupied by, a minister or parson.

NOTE: This policy does NOT apply to exemptions for heritage,

riparian, industrial, business or airport properties.

NOTE: Exemption Percentages are set annually by Council as part of their Financial Planning Process. Rates are not guaranteed to remain static over time.

PLACES OF WORSHIP:

Where the church property is owned by, or on behalf of a recognized church, the land surrounding the church building may be exempted to a maximum of seven (7) times the area of the church building. Manses, including land equivalent to a normal sized City lot, are not exempt from taxation.

ALL OTHER NON-PROFIT ORGANIZATIONS:

ELIGIBILITY CRITERIA

Eligibility for exemption should be based on the principal use of the property. The criteria below form the principal intent of this policy. There is no obligation on the part of Council to grant permissive tax exemptions in any given year. To be eligible for a permissive tax exemption an organization must comply with all of the eligibility criteria outlined below.

- A. Is the registered owner of the property, or a tenant under a lease requiring it to pay property taxes directly to the City.
- B. Is a British Columbia registered non-profit Society.
- C. Uses the property primarily for a purpose covered by Section 224 of the *Community Charter* (other incidental uses would not disqualify the applicant, but if substantial, will reduce the percentage of exemption).
- D. Primarily serves the residents of Greater Vernon.
- E. Has its membership to the Society open to any resident of Greater Vernon.
- F. Provides a service supporting the social, spiritual, cultural, educational or physical well-being of the community.
- G. Provides a copy of its most recent certified financial statements to the City.
- H. Provides a budget for the current year; not to establish "need", but to demonstrate sound financial management.
- I. Provides a copy of the lease agreement, if applicable.

The application for Permissive Tax Exemption is submitted within the *Intake Period*. Applications will NOT be considered for organizations that:

1. Request exemption on a parcel that is used exclusively for parking, unless it is in direct relationship to the organization's principal use.
2. New Applicants: A property under construction will not be considered for permissive tax exemption until construction is complete and an Occupancy Permit is issued. Occupancy must be issued by the City of Vernon prior to July 15 to be considered for a permissive tax exemption in the next calendar year.

CATEGORIES

Applications will be sorted into categories as follows:

- (a) Churches and Places of Worship
- (b) Social service facilities
- (c) Cultural and educational facilities
- (d) Recreational facilities.

PROCEDURES/PROCESS

1. The opportunity to apply for a permissive tax exemption will be advertised in the local newspaper once before and once during the application intake period.
2. Applications for exemption must be made annually by each organization.
3. All applicants will complete in full a Comprehensive application in 2018 and will be required to complete a Renewal application every year thereafter until 2022. The renewal application is confirmation that ownership and use of property has not changed and will be reviewed and approved before a permissive tax exemption is granted.
4. **New Applicants** after the 2018 intake period, will be required to submit in full the Comprehensive application. If granted tax exemption, the completion of a Renewal application will be required every year thereafter until 2022.
5. Applications with required supporting information **must be submitted prior to the July 15 deadline** of each year to be considered for the next permissive tax exemption year or cycle.

6. It is the organization's responsibility to notify the City of Vernon of any changes in property ownership and/or use of the property.
7. All applications forwarded to Council for approval must meet all the eligibility criteria.
8. Based on budgetary considerations, Council will annually determine the percentage of exemption afforded to each category.
9. New applications will have a three-year phase-in period with the amount of eligible tax exemption increasing by one-third each year.
10. Applicants who have had a change in use which results in a category re-allocation will have the exemption change phased-in if it is significant.
11. Council must adopt the tax exemption bylaw for the following year by October 31st of the current year.
12. All properties granted an exemption under this bylaw shall be exempted from property taxation to the extent granted in the bylaw unless not permitted by legislation.
13. Incomplete applications will not be considered.

LATE APPLICATIONS:

Applications received after the deadline will not be considered.

ADDITIONAL INFORMATION:

1. Council may request a presentation from the applying organization.
2. The City of Vernon may request additional information.
3. The City of Vernon reserves the right to review records and/or property to verify information provided in support of the application.
4. Successful applicants may be asked to publicly acknowledge the exemption.
5. Council may, at its discretion, reject any or all applications brought forward for consideration in any given year.