

Media Release

THE CORPORATION OF THE CITY OF VERNON 3400 – 30 Street Vernon, BC V1T 5E6

FOR IMMEDIATE RELEASE DATE: April 15, 2020 MEDIA CONTACT: Christy Poirier, Manager, Communications & Grants TELEPHONE: 250-550-3539

COVID-19 update: Council provides relief for 2020 municipal tax payments

The global COVID-19 pandemic has and continues to impact individuals, families, businesses and communities here and around the world. These impacts include changes to the physical, emotional, mental, social and financial well-being of many. And while these impacts may be felt individually, we are navigating them collectively.

City Council has carefully considered the circumstances of the pandemic and its impact on our residents, businesses and local economy. During its Special Regular Council meeting of April 15, Council approved changes to offer relief to all Vernon municipal tax payers within the means of a municipality.

"This is a very difficult time," said Mayor Victor Cumming. "Our routines have been disrupted and aspects of our lives have shifted. For many, this has included a significant shift in finances, so Council has taken a very close look at what can be done at a municipal level to help our citizens and businesses financially, while also maintaining the operation of our core services and the health and safety of our community."

Today, the following decisions have been made by Council:

- a one-time grant program will be established, to be available for all municipal tax payers, equivalent of 2.1% of the 2020 municipal property tax portion of the City of Vernon property tax notice;
- the due date for 2020 City of Vernon property taxes has been extended to September 1, 2020, with a 10% penalty for taxes paid after September 1, 2020; and
- Council will continue with the approved 2020-2024 Financial Plan to maintain City services.

Council reduced the amount of municipal property taxes payable in 2020 by more than \$906,000, to ease the tax load on both residents and businesses. Funds for the grant program will come from the 2019 year end unexpended uncommitted balance. Council may consider additional changes at future meetings.

"We have already seen the Provincial and Federal governments announce significant grant, income replacement, tax deferment, and stimulus programs for individuals and businesses. However, to date, we have not yet seen any programs that offer aid to municipalities," said

Mayor Cumming. "Council has made these modest changes to provide some relief for local tax payers where we can."

He continued, "This event is impacting everyone. Municipalities across Canada are experiencing dramatic reductions in revenue due to the pandemic, which could push many municipalities towards what would effectively be bankruptcy or insolvency. Therefore, we must be cautious about our decisions."

Council's decision to establish a one-time grant program will provide a modest reduction in municipal taxes payable. The one-time grant will be automatically applied to the 2020 Property Tax Notice for Vernon residential property owners. However, if businesses would like to access the one-time grant, they are required to enter into a Partnering Agreement, as required by Provincial statute.

The Partnering Agreement will require businesses to agree to enforce the COVID-19 Guidelines of the Provincial Health Officer on the premises of their business and in relation to their business, and not engage in secondary selling with respect to essential goods and supplies, as per section 9 of the Ministerial Order M084 of the Province of British Columbia.

"As we know, the circumstances of the COVID-19 pandemic continue to change quickly," said Mayor Cumming. "Council and Administration continue to monitor the situation closely and take our direction from the Provincial and Federal governments, making adjustments as necessary to protect our citizens, businesses, visitors and employees."

The City of Vernon has been and will remain open for business, as long as permitted, through the COVID-19 pandemic in order to support our residents and businesses and remains well positioned to implement a robust community and business recovery program. All core services including police, fire, bylaw enforcement, utilities, water reclamation, roads, development, engineering, building services, fleet, financial services, information services, parks, and support to Council all remain operational.

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Get informed:

Stay informed on the latest COVID-19 information by visiting accurate and reliable information sources:

- <u>City of Vernon COVID-19 page</u>
- Interior Health Authority (IHA)
- BC Centre for Disease Control (BC CDC)
- B.C. Ministry of Health
- Public Health Agency of Canada

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