

DATE: July 26, 2017

FILE: 1970-04/2018

TO: Chair and Directors
Committee of the Whole

FROM: Russell Dyson
Chief Administrative Officer

RE: **Permissive Tax Exemption 2018 – Union Bay Historical Society**

Purpose

To request consideration of a permissive tax exemption for the year 2018 pursuant to section 392(1)(c) (eligible heritage property) of the *Local Government Act* for the Union Bay post office and gaolhouse museum buildings, located in electoral area A, and owned by the Union Bay Historical Society (the Society).

Policy analysis

The property owned by the Union Bay Historical Society is eligible for an exemption under section 392(1)(c) of the *Local Government Act* - heritage buildings. An exemption would also comply with the regional district's permissive tax exemption policy.

A bylaw must be adopted by the Comox Valley Regional District (CVRD) board prior to October 31st of each year in order for the exemption to be processed by BC Assessment for the following year.

Executive summary

The Society has requested a property tax exemption for 2018 for the post office building and gaolhouse located in Union Bay, both long time community landmarks which are funded, operated, and maintained by the Society. The CVRD Board and BC Assessment have supported the exemption requests in past years. A 100 per cent exemption for 2018 would result in a total reduction in provincial and local rural taxes collected of approximately \$7,451 (2017 - \$7,234).

Recommendation from the Chief Administrative Officer:

THAT pursuant to section 392(1)(c) of the *Local Government Act*, a bylaw be prepared providing for a permissive tax exemption for the taxation year 2018 for an amount equal to 100 per cent of the net taxable land and improvements for Section 32, Land District 34, Township 1, Folio #771 010800.000 (Union Bay Historical Society).

Respectfully:

R. Dyson

Russell Dyson
Chief Administrative Officer

Background/current situation

The CVRD has registered a heritage building covenant against the Union Bay post office property, which requires that the owner agree not to tear down or alter the building without the written consent of the regional district. Each year, the Society must supply the regional district with confirmation that the property continues to be used as a heritage site.

The current application from the Union Bay Historical Society confirms the use of the building and requests a permissive tax exemption be granted for the year 2018. A 100 per cent exemption has been granted by the regional district board in prior years and has been supported by BC Assessment. The building is classified as Class 06 - business/other. Rental revenue is received from a combination of commercial and non-profit organizations and the Society also earns revenues from fundraising initiatives to help cover maintenance and capital improvements.

Options

1. To support the permissive tax exemption as recommended
2. To not support a permissive tax exemption
3. To support a partial permissive tax exemption

Referring to the CVRD board policy, the permissive tax exemption guidelines provide for a 100 per cent tax exemption pursuant to *Local Government Act*, section 392(1)(c) 'Eligible Heritage Property'. As such, option 1 is recommended.

Financial factors

A 100 per cent exemption for 2018 would result in an estimated \$7,451 reduction in rural taxes (2017-\$7,234) collected for the provision of provincial and local services as follows:

Provincial – schools, roads, policing, etc.	\$3,200
Local – Comox Valley Regional District	2,021
Comox-Strathcona Regional Hospital District	725
Other – Union Bay Improvement District, VI Regional Library, 911 Emergency Answering service	1,505
Total	\$7,451

Legal factors

In order for the tax exemption under the *Local Government Act* to be enacted, a bylaw must be adopted by the board by October 31st in the preceding year and forwarded to BC Assessment.

Intergovernmental factors

Staff liaise with BC Assessment on permissive tax exemption issues to ensure bylaws adopted by the board will be invoked by BC Assessment once received.

Citizen/public relations

The Union Bay post office building and gaolhouse museum are long time community landmarks, and are funded, operated, and maintained by the Union Bay Historical Society. The Society indicates that the community uses the buildings extensively and takes pride in the facility as a resource for Union Bay history and culture for local citizens and tourists.

Prepared by:

R. Wyka

Renata Wyka, CPA, CGA
Sr. Financial Accounting Technician

Concurrence:

B. Dunlop

Beth Dunlop, CPPB, CPA, CGA
Corporate Financial Officer

Attachment: Appendix A – “Application for permissive tax exemption – dated July 18, 2017, Union Bay Historical Society”

 <p>Comox Valley Regional District REGIONAL DISTRICT</p> <p>File:</p>	<p>Application For Permissive Tax Exemption</p>
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JUL 18 2017

1970.04/2018 ✓

DATE: July 17, 2017

To:

1. Name of Organization: Union Bay Historical Society
2. Society Number: S25547 Email Address: lindadawn@shaw.ca
3. Contact Person: Linda McKay Position: Chair
Mailing Address: P.O. Box 448, Union Bay B.C.
Postal Code: V0R 3B0 Telephone No: 250-757-9499
4. Purpose of Organization: To preserve & maintain Heritage Buildings & Artifact
5. Folio Number of Property: 06-771-10800-000
Legal description of the property: Part of the North 1/4 of the Southwest 1/4 section 3, Nelson Land District
6. Executives of the Organization:
President/Chairperson: Linda McKay
Vice President/Vice Chairperson: Dave Davidson
Treasurer: Leslie O'Connell
7. Current Membership: 57 # of Meetings per year: 10
8. What types of services does your organization provide: catalogue & display photos & artifacts in our museum (open to public in the Summer) Maintain 2 Historical Buildings Promote Union Bay's history through talks & show
9. What portion of your activities are considered:
Non-Profit All
Recreational/Athletic /
Commercial /

10. What are your current fees? (if applicable)

Members: \$10.00 ea / \$15 couple General Public: Same

When was your last fee increase?: March 2003

11. Has your organization received any of the following in the past?

	NO	YES			
Grant-in-aid		<input checked="" type="checkbox"/>	Amount	<u>\$5,000</u>	<u>2015</u> Purpose <u>Roof - done</u>
Permissive tax exemption		<input checked="" type="checkbox"/>	Amount	<u>\$3,500</u>	Year <u>2016</u> Purpose <u>chimney repair & soffit vent</u>
Waiver/reduction of fees and charges	<input checked="" type="checkbox"/>		Amount	<u>\$ All</u>	Year <u>1999 to Present</u> Purpose <u>Tax Exemption</u>
			Amount	<u>\$</u>	Year <u></u> Purpose <u></u>

12. Describe how a permissive tax exemption will benefit the community:

The Tax Exemption helps us in Keeping our Heritage Buildings in good repair & open to the Public. It allows us to collect, catalogue & display Historical items & photos of Union Bay. The Post Office is the center of town where people gather and is a welcoming sight for tourists to the Comox Valley.

13. Please include with your application, copies of the following:

- (a) Year to date and the immediately preceding years' financial statements
- (b) Budget for the year in which the permissive tax exemption is being requested
- (c) If available, the most recent annual report
- (d) Copy of current year's property tax assessment notice
- (e) Copy of current year's rural property tax notice, if available.

**IF YOU HAVE ANY QUESTIONS ABOUT THE INFORMATION REQUIRED, PLEASE
PHONE 250-334-6000**

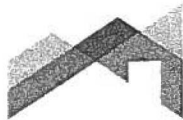
Linda D. McKay
Signature of Applicant

July 17, 2017
Date

Applications are to be submitted no later than July 15th to be considered for a tax exemption for the following year:

Mail: Comox Valley Regional District, 600 Comox Road, Courtenay, BC V9N 3P6
Fax: 250-334-4358 or Email: administration@comoxvalleyrd.ca

for info lessee



IMPORTANT INFORMATION FOR PROPERTY IDENTIFICATION

Area: 06 - Courtenay
Jurisdiction: 771 - Courtenay Rural
Roll: 10800.000

School District: 71 - Comox Valley
Neighbourhood: 160

CONFIDENTIAL PIN: 0001241764

BC ASSESSMENT

2017 PROPERTY ASSESSMENT NOTICE

Property Location & Description

5527 ISLAND HWY S

SECTION 32, TOWNSHIP 1, NELSON LAND DISTRICT, PT FR N 1/2 OF SW 1/4
MORE PARTICULARLY SHOWN ON A PL DEPOSITED UNDER DD 8240S
PID: 013-192-060

2017 Assessment - represents your property value as of July 1, 2016

	VALUE	CLASS
LAND	134,000	
BUILDINGS	245,000	
2017 ASSESSED VALUE	\$379,000	BUSINESS/OTHER
Less Exemptions	379,000	
TAXABLE VALUE	NIL	

This Is Not a Tax Notice.
Tax Notices Are Issued by Your Local Government.

This notice contains important information about your property. Please review and keep for your records.

No action is required unless you disagree with your assessment.

YOUR PROPERTY VALUE HISTORY

2017	+3%	\$379,000
2016	+2%	\$367,000
2015	-5%	\$359,000
2014	0%	\$379,000
2013	+2%	\$379,000

Important messages about your Assessment

• 2017 tax rates will be set in May. For tax information, please go to gov.bc.ca/ruralpropertytax.

The Assessment Office for this property is:

Courtenay Assessment Office
2488 Idiens Way
Courtenay BC V9N 9B5
06-71-771-10800.000

The Owner/Lessee of this property is:

59991

S-02
UNION BAY HISTORICAL SOCIETY
PO BOX 448
UNION BAY BC V0R 3B0

IMPORTANT DATES

- July 1, 2016**
Assessed value is estimated for most types of properties as of this date.
- October 31, 2016**
Assessed value reflects property's physical condition and permitted use as of this date.
- January 31, 2017**
Deadline for filing a Notice of Complaint (Appeal). Important information about the appeal process can be found on the back of this Notice.

CONTACT US

For more information go to bcassessment.ca

Review your property details and compare your assessment to others with our popular **e-valueBC** service.

Call us at **1-866-valueBC** (1-866-825-8322) or 604-739-8588. Fax us at 1-855-995-6209.