

DATE: August 4, 2021

FILE: 1970-04/2022

TO: Chair and Directors
Electoral Areas Services Committee

Supported by James Warren
Deputy Chief Administrative Officer

FROM: James Warren
Deputy Chief Administrative Officer

J. Warren

RE: Permissive Tax Exemption 2022 – Union Bay Historical Society

Purpose

To request consideration of a permissive tax exemption for the year 2022 pursuant to section 392(1)(c) (eligible heritage property) of the *Local Government Act* (RSBC 2015 c.1) (LGA) 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).

Recommendation from the Deputy Chief Administrative Officer:

THAT pursuant to section 392(1)(c) of the *Local Government Act* (RSBC 2015 c.1), a bylaw be prepared providing for a permissive tax exemption for the taxation year 2022 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).

Executive Summary

- The Society has requested a property tax exemption for 2022 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.
- An exemption complies with both the Comox Valley Regional District (CVRD) permissive tax exemption policy and the LGA provisions for heritage property.
- The CVRD Board and BC Assessment have supported the exemption requests in past years.
- A 100 per cent exemption for 2022 would result in a total reduction in provincial and local rural taxes collected of approximately \$7,097 (2021 - \$6,759).

Prepared by:

Concurrence:

K. Broughton

M. Foort

Kelly Broughton
Senior Accounting Technician

Myriah Foort, BBA, CPA, CA
Chief Financial Officer

Government Partners and Stakeholder Distribution (Upon Agenda Publication)

Union Bay Historical Society	✓
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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 (Appendix A) from the Society confirms the use of the building and requests a permissive tax exemption be granted for the year 2022. A 100 per cent exemption has been granted by the CVRD 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.

Policy Analysis

The property owned by the Society is eligible for an exemption under Section 392(1)(c) of the LGA - heritage buildings. An exemption would also comply with the regional district's permissive tax exemption policy.

A bylaw must be adopted by the CVRD Board prior to October 31 of each year in order for the exemption to be processed by BC Assessment for the following year.

Options

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

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

Financial Factors

A 100 per cent permissive tax exemption for 2022 would result in an estimated \$7,097 reduction in rural taxes collected for the provision of provincial and local services as follows:

Provincial – schools, roads, policing, etc.	\$3,346
Local – Comox Valley Regional District, UB Fire, 9-1-1 Emergency Answering Service	3,091
Comox-Strathcona Regional Hospital District	447
Other –VI Regional Library	212
Total	\$7,097

Legal Factors

In order for the tax exemption under the LGA to be enacted, a bylaw must be adopted by the Board by October 31 in the preceding year and forwarded to BC Assessment.

Regional Growth Strategy Implications

Not relevant.

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.

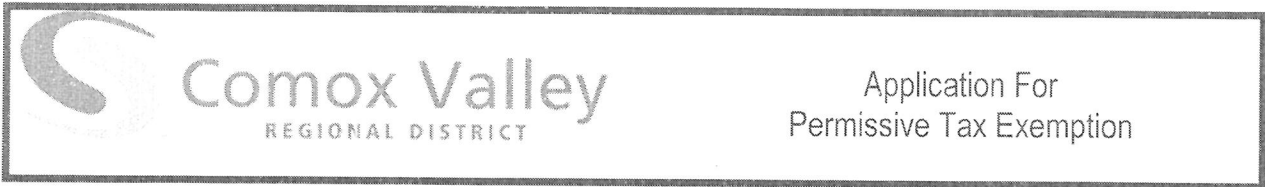
Interdepartmental Involvement

Not relevant.

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.

Attachment: Appendix A – Application for 2022 permissive tax exemption – Union Bay
Historical Society



1970.04/

DATE: July 14, 2021

1. Name of Organization: Union Bay Historical Society
2. Society Number: S 25547 Email Address: lindadawn@shaw.ca
3. Contact Person: Linda McKay Position: Chair UBHS
 Mailing Address: P.O. Box 448, Union Bay B.C.
 Postal Code: VOR 3B0 Telephone No: 250-757-9499
4. Purpose of Organization: To preserve and maintain two Heritage Buildings and many artifacts of Union Bay.
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: 35 # of Meetings per year: 4 (due to Pandemic)
8. What types of services does your organization provide: To catalogue and display artifacts, pictures, memorabilia, etc from Union Bay's past. Host a small Museum open to public during the summer, maintain our 2 Heritage Buildings & promote
9. What portion of your activities are considered: Union Bay & the Comox Valley
 Non-Profit All
 Recreational/Athletic /
 Commercial /

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

Members: \$10.00/person General Public: by donation to museum
 When was your last fee increase?: \$15.00/family March 2003

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

	NO	YES			
Grant-in-aid	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount	3750	Year 2020 Purpose New Windows
Permissive tax exemption	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount	All	Year 2020 Purpose Tax Exemption
Waiver/reduction of fees and charges	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Amount		Year Purpose

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

The Grand Old Post Office & Our Gaol house Museum are a welcoming sight for visitors to the Comox Valley. The Tax Exemption helps us keep these 2 Heritage Buildings in good repair and open to the public. It also assists us with the ability to preserve the Historical artifacts & photos of

13. Please include with your application, ^{UNION BAY} 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 14, 2021
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, 770 Harmston Avenue, Courtenay, BC V9N 0G8
 Fax: 250-334-4358 or Email: administration@comoxvalleyrd.ca

History of Union Bay

Union Wharf was founded in 1888 by the Union Coal Co. and was one of the busiest ports on the Pacific coast. In its heyday, Union Bay bustled with activity: coastal ferries, tugs with barges, sailing ships, steamships, and freighters from all around the world called for cargo and bunker coal. Huge locomotives brought long trains of coal cars from the mines in Cumberland to the shipping wharf.

Two hundred beehive-like ovens burned continuously; producing coke for copper smelters along the coast. Small steam engines worked around the clock shunting coal cars between washer, bunker, and dock. They would load the ships from the 60' high wharf which stretched out 560' into the bay. Chinatown was populated by about 100 Chinese who worked trimming the ships.

To serve the settlers, a town grew up around the port. The booming community of Union bay included a school, post office, customs house, bank, general store, two hotels, two confectionaries, and a gaol (the old English spelling of jail; also pronounced "jail").

In the early 1960s, as world coal markets waned, the mines were closed and Canadian Collieries (Dunsmuir) Ltd. was sold. Many workers found employment in the woods. The sleepy little town stood still until the 1980s when the picturesque setting began being discovered by retirees and was transformed into a retirement community. Union Bay, as it was in its past, is again a vibrant and energetic society.

Union Bay Historical Society

The Union Bay Historical Society, UBHS for short, was established in 1989 to preserve heritage buildings, artifacts, photos, and the character of Union Bay. Restoring 'Heritage Row' as the focal point of the village has been their goal.

In June of 1993, UBHS bought the historic Post Office building and completely restored it by 1995. Canada Post rents the 1st floor and visitors can still approach the original oak counter to buy stamps through the brass wicket. The addition of an access ramp has made the heritage site fully accessible.

The Gaolhouse was given to the UBHS and moved onto the Post Office property. Restoration of the Gaol was completed in 2000 and now houses the Society's growing collection of artifacts for public display.

Across the Island Highway on the breakwater sits the propeller, which was retrieved from the Bay by a local diving club for the Society.

Over the years, the UBHS has undertaken many fund raisers to accomplish their goals. They proudly point to Heritage Row which includes the Gaol (1901), the Post Office (1913), and the School (1915), as the center of town.

Items for sale in the Gaolhouse

- Shirts — Tees - \$18.00
- Sweats - \$30.00
- Note Cards — One - \$1.25
- Two - \$2.25
- Antique Post Cards - \$0.50
- Birdhouses of Gaolhouse lumber - \$15.00



UNION BAY HISTORICAL GAOLHOUSE

Local History, Historical Tours,
Victorian Garden, Exhibits, and
More.

Gaolhouse Hours:
July-August
Wednesday-Sunday
9:00 AM - 4:30 PM

ADMISSION BY DONATION

Box 448, 5527 Old Island Highway
Union Bay, BC
V0R 3B0

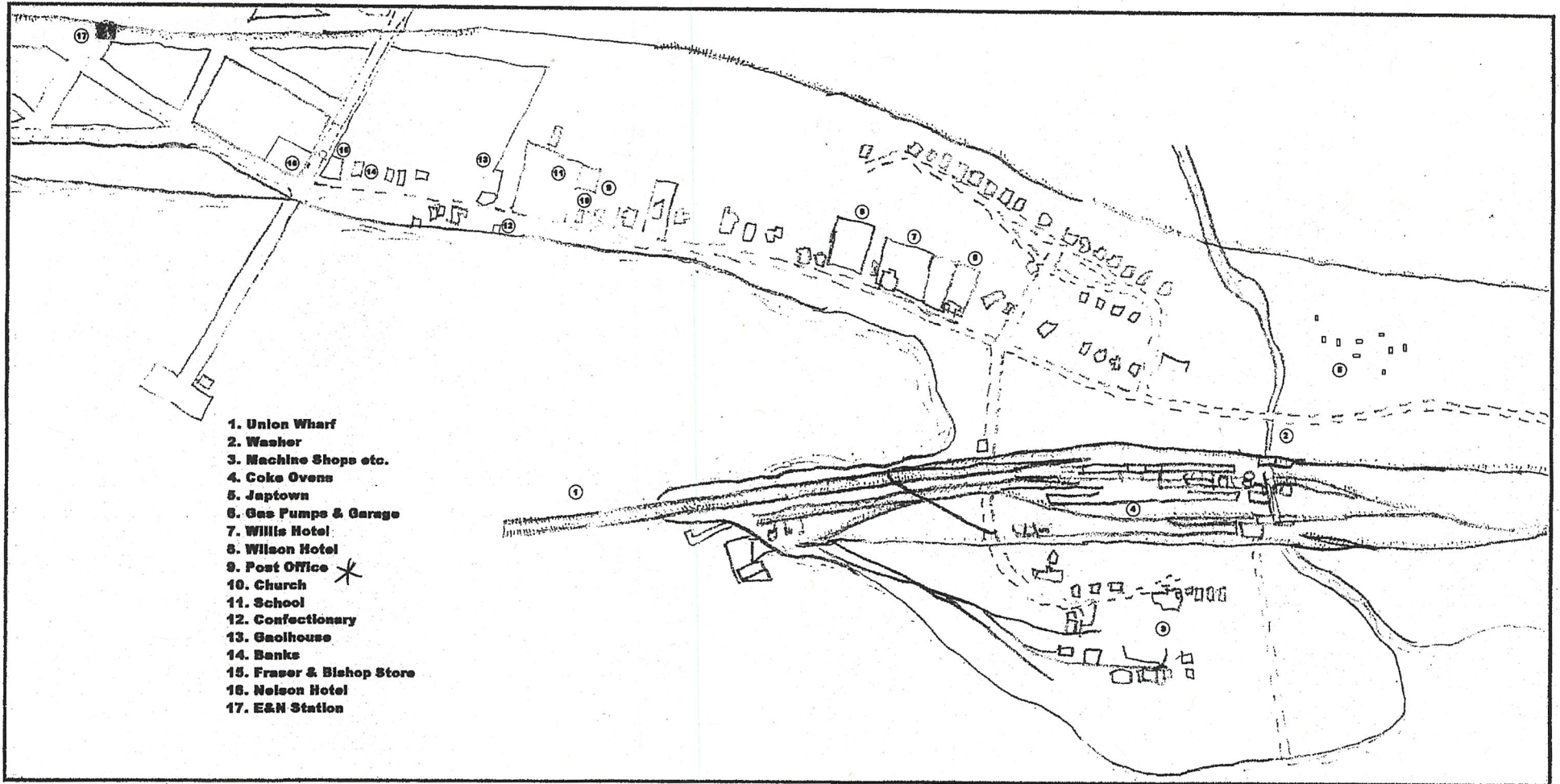
Phone: 335-9156

Contacts: Bill 335-2897 or

Janette 335-1042

<http://members.shaw.ca/unionbayhistoricalsociety/home/html>

Union Bay Townsite
Circa. 1944



*The Post Office is the centre of town and a place where residents exchange news and keep in touch with each other.