



## City of Kamloops

### Instructions for Permissive Tax Exemption for Not-for-profit Organizations - 2019-2021

#### Deadline for Submission May 31, 2018

1. The following pages set out the Council Policy that is applied to not-for-profit organizations that are requesting permissive tax exemptions. Be sure to read the guidelines to ensure that your organization and your application meet the requirements.
2. Please complete one Permissive Tax Exemption application for each civic address unless properties are adjacent to each other.
3. You must provide **financial statements** for your organization that include a balance sheet and a statement of revenue and expenditure. The financial statements must be signed by two of the organization's directors. If your financial year-end was prior to December 31, 2017, the City may request interim financial statements.

Financial statements must contain complete information for the organization, including funding received from such sources as government employment grants; lottery funds; or the proceeds from bingos, casinos, or other fundraising events.

4. Please prepare and attach an appropriate-scale drawing showing the following:
  - property boundaries and all dimensions
  - location and size of all buildings (if more than one building, number them 1, 2, 3, etc.)
  - location and size of parking lots and capacity
  - location and size of major landscaped areas
  - location and size of undeveloped land
5. All applications must be **clear and legible**, as numerous copies are made for committee and Council purposes.
6. Return completed applications by the May 31, 2018, deadline to:

City of Kamloops  
Attention: Grants and Revenue Services Manager  
Revenue and Taxation Division  
7 Victoria Street West  
Kamloops BC V2C 1A2

7. Inquiries may be directed to the Grants and Revenue Services Manager at 250-828-3459 or via email to [dbregoliss@kamloops.ca](mailto:dbregoliss@kamloops.ca).

8. Please ensure the following are attached to the application:

- scale drawing, as per Item No. 4 on the previous page
- 2018 operating budget
- 2019 operating budget
- most recent financial statement
- copy of report filed with the federal or provincial government



**CITY OF KAMLOOPS  
APPLICATION**

**FOR TAX EXEMPTION FOR NOT-FOR-PROFIT ORGANIZATIONS  
FOR THE YEARS 2019-2021 PURSUANT TO  
SECTION 224 OF THE COMMUNITY CHARTER**

**SUBMISSION DEADLINE: May 31, 2018**

**GENERAL INFORMATION**

Name of Organization \_\_\_\_\_

Not-for-profit Organization or Society Registration No. \_\_\_\_\_

Mailing Address \_\_\_\_\_ Kamloops, BC \_\_\_\_\_  
*(Postal Code)*

Phone No. (including area code) \_\_\_\_\_

Annual Report Filed with the Provincial or Federal Government?

Yes \_\_\_ No \_\_\_ Date of Report Filed: \_\_\_\_\_

Organization Executive:

| TITLE     | NAME | PHONE NO. |
|-----------|------|-----------|
| President |      |           |
| Secretary |      |           |
| Treasurer |      |           |
|           |      |           |
|           |      |           |

Contact Person \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

**Please answer the following: (Please reference attachments, if additional space is required.)**

1. The exemption claimed under Section 224 of the *Community Charter* is pursuant to Subsection 2, clause ( ). Please fill in the relevant clause from Section 224(2) (see attached).
2. Details of the service to the community performed by your organization (provide a brief description of the major programs/services/benefits delivered by your organization and the main user groups).

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Explain how your organization is a complementary extension of the City of Kamloops' services and programs.

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How is your organization not-for-profit?

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What fees are charged for admission and/or membership?

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3. Property information for which tax exemption is requested.

| <i>Folio #</i> | <i>Street Address</i> | <i>Legal Description</i> |
|----------------|-----------------------|--------------------------|
|                |                       |                          |
|                |                       |                          |

4. For each building identified on your drawing, indicate the purpose and use(s) of the building:

Building 1: does it include housing?       Yes       No

If yes, \_\_\_\_\_

a) How many units of housing? \_\_\_\_\_

b) Type of housing (refer to definitions in application package)

- Emergency shelter
- Temporary supported

c) Length of tenants' stay \_\_\_\_\_

d) What are the monthly rents per unit?

- Unit type    1.    \$ \_\_\_\_\_
2.    \$ \_\_\_\_\_
3.    \$ \_\_\_\_\_

e) Is there a caretaker unit?       Yes       No

If yes, provide a copy of the caretaker agreement.

Building 2: does it include housing?       Yes       No

If yes, \_\_\_\_\_

a) How many units of housing? \_\_\_\_\_

b) Type of housing (refer to definitions in application package)

- Emergency shelter
- Temporary supported

c) Length of tenants' stay \_\_\_\_\_

d) What are the monthly rents per unit?

- Unit type    1.    \$ \_\_\_\_\_
2.    \$ \_\_\_\_\_
3.    \$ \_\_\_\_\_

e) Is there a caretaker unit?       Yes       No

If yes, provide a copy of the caretaker agreement.

5. Does your organization receive any income from rental or use of the building(s), parking lot(s), or other portions of the land (s)?

Yes       No

If "yes", indicate the amount of annual income for each and the total revenue from this source:

| <u>Income Source</u> | <u>Annual Income</u> | <u>Hours per Day or Days per Week</u> |
|----------------------|----------------------|---------------------------------------|
| _____                | _____                | _____                                 |
| _____                | _____                | _____                                 |
| _____                | _____                | _____                                 |

6. List all licences held by your organization (e.g., licences under the *Community Care Facility Act* or the *Hospital Act*).

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

7. Identify the number of persons served by your organization within the City of Kamloops annually. \_\_\_\_\_

8. Is the organization run by volunteers, paid staff, or a combination of both?

a) Please state the number of volunteers and volunteer hours worked per year.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

b) Please list the number of paid staff who earn over \$75,000 per annum.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

9. Has your organization received other grants in previous years from the City of Kamloops? Please indicate the year, type of grant, and amount for the past three years.

| <u>Year</u> | <u>Type of Grant</u> | <u>Amount</u> |
|-------------|----------------------|---------------|
| _____       | _____                | _____         |
| _____       | _____                | _____         |
| _____       | _____                | _____         |

10. List funding assistance and grants received from senior governments (provincial/federal), local governments (other than the City of Kamloops), crown agencies, and other funding agencies for the past three years.

| <u>Name of Contributors</u> | <u>Year</u> | <u>Amount Received</u> |
|-----------------------------|-------------|------------------------|
| _____                       | _____       | _____                  |
| _____                       | _____       | _____                  |
| _____                       | _____       | _____                  |
| _____                       | _____       | _____                  |
| _____                       | _____       | _____                  |
| _____                       | _____       | _____                  |

11. Please list other sources of revenue not covered, such as membership fees charged or fundraising, etc.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12. Provide information on applications for grants recently (2017/2018) applied for.

| <u>Agency</u> | <u>Type of Grant Requested</u> | <u>Amount</u> | <u>Status (Approved, Denied, Pending)</u> |
|---------------|--------------------------------|---------------|---|
| _____         | _____                          | _____         | _____                                     |
| _____         | _____                          | _____         | _____                                     |
| _____         | _____                          | _____         | _____                                     |
| _____         | _____                          | _____         | _____                                     |

13. 2017 actual operating expenses \$ \_\_\_\_\_

14. 2018 annual operating budget of organization (Please attach a copy.) \$ \_\_\_\_\_

15. 2019 annual operating budget of organization (Please attach a copy of projected income and expense statement in a format consistent with your financial statements.) \$ \_\_\_\_\_

**APPLICATIONS MUST BE ACCOMPANIED BY YOUR ORGANIZATION'S  
MOST RECENT AUDITED FINANCIAL STATEMENTS  
(INCLUDING A BALANCE SHEET AND INCOME STATEMENT)**

The information contained in this application is true and correct to the best of my knowledge.

Name (please print) \_\_\_\_\_

Phone No. \_\_\_\_\_

\_\_\_\_\_  
*Authorized Signature*

\_\_\_\_\_  
*Title*

\_\_\_\_\_  
*Date*

Applications to be forwarded by May 31, 2018, to:

City of Kamloops  
Revenue and Taxation Division  
Attention: Grants and Revenue Services Manager  
7 Victoria Street West  
Kamloops BC V2C 1A2

**DEADLINE MAY 31, 2018**

The personal information on this form is collected for the purpose of an operating program of the City of Kamloops as noted in Section 26(c) of the *Freedom of Information and Privacy Act*. If you have any questions about the collection and use of this information, please contact the Freedom of Information Coordinator at 250-828-3484.

- Attach any additional information that would assist in the evaluation of your request for tax exemption.
- Ensure that each property for which exemption is required is fully described in your application.

**Checklist:**

- Scale drawing, as per Item No. 4 in the instruction sheet, attached
- 2018 operating budget
- 2019 operating budget
- Most recent financial statement
- Copy of annual report filed with the federal or provincial government





City of Kamloops

COUNCIL POLICY

|           |   |             |
|-----------|---|-------------|
| SUBJECT:  | PERMISSIVE TAX EXEMPTIONS FOR<br>NOT-FOR-PROFIT ORGANIZATIONS | NO. GGL-22  |
| FUNCTION: | GENERAL GOVERNMENT - LEGISLATIVE                              |             |
| DATE:     | APRIL 26, 2005  | PAGE 1 OF 4 |

Permissive tax exemptions must be passed by bylaw prior to October 31 for the following taxation year. This Policy is to establish guidelines to provide consistent and equal consideration for all applicants.

There is no obligation for Council to grant a permissive tax exemption.

**Eligibility Criteria**

In order to be considered for a permissive tax exemption the applicant must meet the following conditions, as applicable:

1. Qualify for an exemption under the provisions of the *Community Charter*, Part 7, Division 7, Section 224, General authority for permissive exemptions.
2. Operate as a registered charity or not-for-profit organization. A "not-for-profit" organization is a group that is organized for the purpose of social, religious, charitable, educational, athletic, literary, political or other such activities.

Although there are many different kinds of not-for-profit organizations, they all have one thing in common. The people involved in the not-for-profit organization cannot use it to make personal financial gain.

3. Comply with municipal policies, plans, bylaws, and regulations (i.e. business licensing, zoning).
4. Provide services or programs that are compatible or complementary to those offered by the City of Kamloops. When a service or program is offered by a not-for-profit group or club, the community may benefit from a more cost-effective provision of services.

Services provided by an organization should fulfill some basic need, or otherwise improve the quality of life for residents of Kamloops.

5. Operate and provide benefits and are accessible primarily to the residents of Kamloops. Organizations should provide services to the public, within the appropriate age range, to enable them to join a club or organization and participate in its activities for a nominal rate or fee.
6. Submit the application in relation to any area of land surrounding a statutory exempt land or improvements (e.g., seniors' homes, hospitals, etc.).



City of Kamloops

COUNCIL POLICY

|           |  |             |
|-----------|--|-------------|
| SUBJECT:  | PERMISSIVE PROPERTY TAX EXEMPTIONS<br>FOR NOT-FOR-PROFIT ORGANIZATIONS | NO. GGL-22  |
| FUNCTION: | GENERAL GOVERNMENT - LEGISLATIVE                                       |             |
| DATE:     | APRIL 26, 2005   | PAGE 2 OF 4 |

7. Meet the requirements of permissive exemptions of land or improvements licensed under the *Hospital Act* or under the *Community Care and Assisted Living Act*.
8. Meet the requirements of permissive exemptions of land or improvements for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act* before its repeal.

Council may, at its discretion, provide partial exemptions.

In addition to the above criteria, not-for-profit organizations whose operations fall into the housing continuum must also meet the following eligibility criteria:

1. Provide short-term housing with length of stay up to a maximum of three years, including emergency shelters, temporary supported housing, and group homes; and
2. Caretaker residence units will only be exempt if:
  - a) The property owner (organization) can provide a copy of a caretaker agreement in place describing the functions performed; and
  - b) Rent is not collected on the residence.

The intent of these requirements is to ensure that municipal support is not used to further activities of an organization or individual that if not for its not-for-profit status would otherwise be considered a business (i.e. an organization that is operating as a not-for-profit organization although charges market value for services available and would be comparable in operations and perception to public as a for-profit business).

Applications will **NOT** be considered for organizations that:

1. Conduct any retail operation or provide direct or indirect support to as an independent business(es) on commercial property that could compete with privately owned facilities providing a similar service; or
2. Provide liquor and/or meal services as its primary function; or
3. Request exemption on a parcel that is used exclusively for parking, unless it is in direct relationship to the organization's principal use; or



*City of Kamloops*

**COUNCIL POLICY**

|           |  |             |
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| DATE:     | APRIL 26, 2005   | PAGE 3 OF 4 |

4. Operate on a property that is under construction, which will not be considered for a permissive tax exemption until construction is complete and an Occupancy Permit is issued; occupancy must be issued by the City prior to August 31 to be considered for a permissive tax exemption in the next calendar year; or
5. Provide rental housing, except for short-term housing units as described above.

**Application Process**

- Council will consider applications for permissive tax exemptions annually in the fall.
- The opportunity to apply will be advertised in a local newspaper a minimum of two times and on the City's web page. The City will contact tax exemption recipients whose exemption duration is expiring.
- Applications must be submitted to the Revenue Division, Attention: Assistant Revenue and Taxation Manager, using the prescribed application form, by May 31 or the next business day if May 31 falls on a weekend annually.
- Annually approved applications will be forwarded to the Social Planning Council to use in conjunction with its review, decision-making, and awarding of Social Planning Grants.
- Eligible organizations may be considered for tax exemptions to a maximum of five years. During the five-year cycle, updated information is not necessary unless significant changes, financial or otherwise, occur.

**Funding**

- Council will determine a fixed total amount (funding cap) of revenue to be foregone by permissive tax exemptions for not-for-profit organizations for a five-year period, to coincide with the five-year application cycle. The funding cap will be based on the municipal-only portion of the tax exemptions and will increase by the same percentage as the general property tax increase set by Council.
- If the total of not-for-profit approved applications exceeds the established funding cap, all groups will receive a reduced fixed percentage exemption of their total property assessment for the five-year period.



*City of Kamloops*

**COUNCIL POLICY**

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| DATE:     | APRIL 26, 2005   | PAGE 4 OF 4 |

**New Applications**

- All new qualifying applications (including a new parcel from an existing exempt organization) will be subject to the funding cap limitations and will have a three-year phase-in period with the amount of eligible tax exemption increasing by one-third each year.

Amended:

September 12, 2006  
October 20, 2009  
September 13, 2011  
April 16, 2013  
September 15, 2015  
April 12, 2016

**COMMUNITY CHARTER  
CHAPTER 26**

**Part 7 — Municipal Revenue**

**Division 7 — Permissive Exemptions**

**General authority for permissive exemptions**

**224** (1) A council may, by bylaw in accordance with this section, exempt land or improvements, or both, referred to in subsection (2) from taxation under section 197 (1) (a) [*municipal property taxes*], to the extent, for the period and subject to the conditions provided in the bylaw.

(2) Tax exemptions may be provided under this section for the following:

(a) land or improvements that

(i) are owned or held by a charitable, philanthropic or other not for profit corporation, and

(ii) the council considers are used for a purpose that is directly related to the purposes of the corporation;

(b) land or improvements that

(i) are owned or held by a municipality, regional district or other local authority, and

(ii) the council considers are used for a purpose of the local authority;

(c) land or improvements that the council considers would otherwise qualify for exemption under section 220 [*general statutory exemptions*] were it not for a secondary use;

(d) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

(i) the land or improvements are owned by a public authority or local authority, and

(ii) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

(e) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

(i) the land or improvements are owned by a person who is providing a municipal service under a partnering agreement,

(ii) an exemption under section 225 [*partnering and other special tax exemption authority*] would be available for the land or improvements in relation to the partnering agreement if they were used in relation to the service,

(iii) the partnering agreement expressly contemplates that the council may provide an exemption under this provision, and

(iv) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

(f) in relation to property that is exempt under section 220 (1)

(h) [*buildings for public worship*],

(i) an area of land surrounding the exempt building,

(ii) a hall that the council considers is necessary to the exempt building and the land on which the hall stands, and

(iii) an area of land surrounding a hall that is exempt under subparagraph (ii);

(g) land or improvements used or occupied by a religious organization, as tenant or licensee, for the purpose of public worship or for the purposes of a hall that the council considers is necessary to land or improvements so used or occupied;

(h) in relation to property that is exempt under section 220 (1) (i) [*seniors' homes*] or (j) [*hospitals*], any area of land surrounding the exempt building;

(h.1) in relation to land or improvements, or both, exempt under section 220 (1) (l) [*independent schools*], any area of land surrounding the exempt land or improvements;

(i) land or improvements owned or held by an athletic or service club or association and used as a public park or recreation ground or for public athletic or recreational purposes;

(j) land or improvements owned or held by a person or organization and operated as a private hospital licensed under the *Hospital Act* or as a licensed community care facility, or registered assisted living residence, under the *Community Care and Assisted Living Act*;

(k) land or improvements for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act* before its repeal.

(3) The authority under subsection (2) (e) and (g) to (j) is not subject to section 25 (1) [*prohibition against assistance to business*].

(4) Subject to subsection (5), a bylaw under this section

(a) must establish the term of the exemption, which may not be longer than 10 years,

(b) may only be adopted after notice of the proposed bylaw has been given in accordance with section 227 [*notice of permissive tax exemptions*], and

(c) does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

(5) Subsection (4) (a) and (b) does not apply in relation to exemptions under subsection (2) (f), (h) and (h.1).

(6) If only a portion of a parcel of land is exempt under this section, the bylaw under this section must include a description of the land that is satisfactory to the British Columbia Assessment Authority.

(7) A bylaw under this section ceases to apply to property, the use or ownership of which no longer conforms to the conditions necessary to qualify for exemption and, after this, the property is liable to taxation.



**PERMISSIVE PROPERTY TAX EXEMPTION  
SHORT-TERM STAY HOUSING DEFINITIONS**

Based on the Kamloops Affordable Housing Needs Assessment from 2012, the following are definitions for emergency shelters and temporary supported housing that include emergency shelters, transitional housing, supported housing, and group homes.

**Emergency Shelters**

This category of housing aims to provide immediate housing relief and services for the homeless and for women and children fleeing violence, including:

- Shelters spaces such as the Emerald Centre, which is operated by the Canadian Mental Health Association;
- Emergency cold-weather shelter response programs such as the Out of the Cold program operated by the Society of Saint Vincent de Paul, which is supported in part by BC Housing; and
- Women's Emergency Shelters, which are operated by the Kamloops Community YMCA-YWCA.

**Temporary Supported Housing**

Temporary Supported Housing includes housing types such as transitional housing, second stage housing, and recovery homes, to name a few. This housing type is defined as housing from 30 days to two or three years that includes the provision of support services. This category includes:

- Dwellings funded and/or operated by Correctional Service Canada for people transitioning from incarceration to independent living (e.g., halfway houses);
- Residential recovery housing facilities serving people with drug or alcohol addictions such as the New Life Community's facilities for men and women;
- Youth targeted housing and services such as a set of units operated by Interior Community Services; and
- Housing for the "hard to house" and other demographics at risk of homelessness such as Henry Leland House, which is operated by the ASK Wellness Society.