

PERMISSIVE PROPERTY TAX GRANT-IN-AID POLICY
Council Policy No. 21/20

POLICY:

To balance the social benefits that not-for-profit organizations add to the quality of life in the community with the acknowledgment that all property owners must contribute towards services that the City provides.

The City collects revenue on behalf of other organizations as part of the annual property tax bill: the Province of BC - School Tax, Hospital, Peace River Regional District, Municipal Finance Authority, BC Assessment Authority and BC Transit. These organization are defined as the non-municipal tax portion in this policy.

Commencing in 2021, changes to the Permissive Tax criteria will be phased in to allow organizations and groups to plan and prepare:

- Financial assistance to offset permissive property tax amounts will be granted through the Grant-in-Aid process for the 2021 Budget
- Commencing January 1, 2021, the City will cease to exempt 50% of the non-municipal portion of recipient exemption
- Commencing on January 1, 2022, the City will cease to exempt 100% of the non-municipal portion of recipient exemption
- Commencing January 1, 2023, all recipients will have five years to adjust to the 75% limit
- Each year recipients will receive 5% less in permissive tax exemptions until they are at the 75% exemption level of municipal taxes; new applicants will be exempted at the same level as current recipients
- Permissive Tax requests will be directed to the Community Foundation once established

LEGISLATION:

Permissive tax exemptions differ from statutory tax exemptions, which are automatic and provided by provincial legislation. When granting a permissive tax grant-in-aid, the City has the flexibility to tailor the financial contribution to meet particular circumstances. This includes the option of providing a grant-in-aid to all or part of an eligible property.

Since permissive tax exemptions result in the remainder of the taxpayers having to absorb those taxes not paid by others, care must be taken to ensure all exemptions are well aligned with the objective and values of the City. The City transitioned from the legislative process (permissive tax exemption bylaw) to a community driven grant-in-aid process that will provide additional transparency around the value provided by City taxpayers to each property that receives this type of financial assistance.

There is no obligation for Council to approve a permissive tax grant-in-aid request.

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ELIGIBILITY CRITERIA:

Eligibility for a permissive property tax grant-in-aid will be in accordance with *Community Charter* Section 224.

1. Permissive tax grants-in-aid may be considered for organizations that provide broad community benefits.
2. To be eligible for a permissive tax grant-in-aid, the organization must own or lease the property and contribute to the common good and must benefit the City in one or more of the following ways for the property to be considered:
 - Provide programs or facilities used by youth, seniors or other special needs groups
 - Provide facilities for public use
 - Provide programs to the public
 - Provide supportive housing for people with special needs
 - Preserve heritage important to the community character
 - Preserve an environmentally and ecologically significant area of the City
 - Offer cultural or educational programs to the public which promote community spirit, cohesiveness or tolerance
 - Offer services to the public with a formal partnership with the City.
3. Vacant and underdeveloped parcels owned but not actively used by a non-profit organization will not be considered for a permissive tax exemption. Parcels that are being used as parking lots by non-profit organizations but not developed to City specifications will not be considered.

LIMITATIONS:

There will be no exemption or reduction to utility fees and charges for properties that receive a permissive tax grant-in-aid. Water, sewer, garbage and local area service taxes are due and payable.

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APPLICATION PROCESS:

Council will consider permissive tax grant-in-aid applications annually.

The opportunity to apply will be advertised in a local newspaper a minimum of two times and on the City's web page. Letters will be mailed to recipients who received permissive tax grant-in-aid funding in the previous calendar year.

For the 2021 taxation year only, applications must be submitted to the Legislative Services Department, using the prescribed application form by July 15th. The application deadline for 2022 and subsequent taxation years is June 15th.

All applications will be reviewed by staff and presented to Council for their consideration.

All applicants will be required to make a presentation to Council at a Committee of the Whole meeting.

FUNDING:

Space rented to a commercial business within a non-profit organization's building is ineligible to be included in the non-profit organization's permissive tax grant-in-aid application.

Approved grants-in-aid for eligible organizations are limited to the municipal portion of the property tax.

Permissive tax grants-in-aid will be limited to 75% of the municipal portion of the taxation to ensure that essential services are supported.

Council may approve a reduced permissive tax grant-in-aid allocation for those non-profit organizations who receive other forms of grant-in-aid from the City.

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PERMISSIVE PROPERTY TAX GRANT-IN-AID APPLICATION

Date: _____ Date Received: _____

GENERAL INFORMATION			
Official Name of the Property Owner			
Mailing Address	City	Province	Postal Code
SOCIETY INFORMATION			
Society Registration Number	Charity's BN (Business Number) / Registration Number <i>(the number the Church/Society puts on charitable donation receipts)</i>		
Annual Report Filed with the Provincial Government <input type="checkbox"/> Yes; <input type="checkbox"/> No Date Last Report Filed: _____			
Board Executive			
Title	Name	Phone Number	
LOCAL CONTACT INFORMATION OF PERSON COMPLETING APPLICATION FORM			
Contact Name			
Mailing Address	City	Province	Postal Code
Work Telephone	Home Telephone	Cell Telephone	Email Address

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LEGAL INFORMATION OF PROPERTY FOR WHICH THE PERMISSIVE TAX GRANT-IN-AID IS BEING REQUESTED <i>Call City Hall If You Need Help With This Information</i>		
Civic (Street) Address		
Roll Number	PID	
Plan	Block	
Lot	Parcel	
Please indicate the clause under Section 224 of the <i>Community Charter</i> Subsection 2 (attached) that allows your organization to apply for this permissive tax exemption: Clause (____).		
a) Describe the purpose and use of the land and/or building(s). Attach a current map showing the property's building floor plan.		
b) Does anyone live in the building? <input type="checkbox"/> No; <input type="checkbox"/> Yes If Yes, How many people? _____ What is the square footage of the living area? _____		
c) Does your organization receive any income from rental or use of the building(s), parking lot(s), or other portions of the land(s)? <input type="checkbox"/> No; <input type="checkbox"/> Yes If yes, please indicate:		
Income Source	Annual Income	Hours Per Day or Days Per Week
List all licences held by your organization (e.g. Provincial Licences – Community Care Facility Act, Hospital Act, Health Act, Liquor Licences, etc.)		

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User Statistics

Your organization provides the following services to the common good of the community:

Circle One	Services Provided	If yes - list the name(s) of each program, facility, service as applicable. If a fee is charged, please include this amount
Yes/No	Programs or facilities used by youth, seniors or other special needs groups	
Yes/No	Provide facilities for public use	
Yes/No	Programs to the public	
Yes/No	Supportive Housing for people with special needs	
Yes/No	Preserve heritage important to the community character	
Yes/No	Preserve an environmentally and ecologically significant area of the City	
Yes/No	Cultural or educational programs to the public which promote community spirit, cohesiveness or tolerance	
Yes/No	Offer services to the public with a formal partnership with the City	

1. _____ The number of persons that are served by your organization annually.
2. _____ The number who are residents of the City of Fort St. John.

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Is your organization run by volunteers, paid staff or a combination of both?

1. _____ the number of volunteers and _____ the number volunteer hours worked per year.
2. The number of paid staff, their titles and number of paid hours per year.

Number	Title	Paid Hours Per Year

Other information that may be pertinent to your application.

Has your organization previously received a permissive property tax exemption or permissive tax exemption grant-in-aid from the City of Fort St. John? If yes, please list the three most current years that the non-profit has received the exemption and the amounts.

Years Exemption was Received	Monetary Value of Tax Exemption
1.	
2.	
3.	

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Has your organization received other grants in the last three years from the City of Fort St. John? If yes, please indicate the year, the amount and the purpose of the grant:

Year	Amount	Purpose

Provide details of initiatives made by your organization to work towards self-sufficiency:

List funding assistance and grants received from senior governments (federal / provincial), local or regional governments (other than the City of Fort St. John) or other funding agencies in the past three years:

Year	Amount	Name of Contributor

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Attach the following information:

- Most recent Financial Statements (audited are preferred) including a Balance Sheet and Income Statement
- Previous year's actual operating budget if the most recent Financial Statements provided are not the previous year (Please attach a copy of the income and expense statement in a format consistent with the non-profit's financial statements)
- Operating Budget for the Current Year (Please attach a copy of the projected income and expense statement in a format consistent with the non-profit's financial statements)
- Projected operating budget for the next year
- Copy of the building's floor plan
- If applicable - a copy of the lease agreement is required

DECLARATION

I hereby declare that the statements and information contained in the material submitted in support of this application are to the best of my belief true and correct in all respects.

I hereby agree to indemnify and save harmless the City of Fort St. John and its officers, employees against all claims, liabilities, judgments, costs and expenses of whatsoever kind which may in any way occur against the said City and its officers, employees in consequence of and incidental to, the granting of this grant-in-aid, if issued, and I further agree to conform to all requirements of the applicable bylaw and all other statutes and bylaws in force in the City of Fort St. John.

Signature of Applicant

Date

The personal information on this form is collected for the purpose of offering an operating program of the City of Fort St. John as noted in Section 26(c) of the *Freedom of Information and Protection of Privacy Act*. If you have any questions about the collection and use of this information, please contact the Freedom of Information Coordinator at City of Fort St. John 10631 – 100 Street, Fort St. John, BC V1J 3Z5 or by telephone at (250) 787-8153 .

APPLICATION DEADLINE – JULY 15 FOR 2021 TAXATION YEAR ONLY
APPLICATION DEADLINE - JUNE 15 FOR 2022 AND SUBSEQUENT TAXATION YEARS

SEND APPLICATIONS TO
CITY OF FORT ST. JOHN
10631 – 100TH STREET
FORT ST. JOHN, BC V1J 3Z5
Email: legislativeservices@fortstjohn.ca

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Community Charter Section 224(2)

- (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], (j) [hospitals] or (l) [private schools], any area of land surrounding the exempt building;
 - (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;

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- (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.