

Report to Council



Date: October 5, 2015
File: 0280-70
To: City Manager
From: Lynn M. Walter, Revenue Manager
Subject: 2016 Permissive Tax Exemption Bylaw No. 11145
Report prepared by Tina Waddell, Accountant

Recommendation:

THAT Council receives, for information, the Report from the Revenue Manager dated October 5, 2015 with respect to the 2016 Permissive Tax Exemption Bylaw;

AND THAT Bylaw No. 11145, being the 2016 Permissive Tax Exemption Bylaw be forwarded for reading consideration.

Purpose:

Council to consider a property tax exemption for those organizations that have met the qualification as outlined in Permissive Tax Exemption Policy #327.

Background:

Section 224 of the Community Charter provides the authority for permissive tax exemptions. Council may exempt land and improvements in their entirety or a portion thereof for a period of up to 10 years. Authority to grant permissive tax exemptions is a policy tool available to council to promote or achieve specific goals. As a general rule when Council grants a permissive tax exemption on a specific property, that property is automatically exempted from municipal, school, regional district, hospital and BC Assessment taxes. The permissive tax exemption does not apply to utility fees such as garbage/landfill/recycle charges or to parcel taxes such as the Water Parcel tax.

Council Policy #327, Permissive Tax Exemption Policy originally approved in 2005 and endorsed again in 2012 sets out the extent, conditions, and penalties, along with the general process and the eligibility criteria used by the City of Kelowna to determine property eligibility for Permissive Tax Exemptions.

There is no obligation on the part of Council to grant a permissive tax exemption in any year. Permissive tax exemptions that are granted in any year reduce the total value of the tax base for that year and thereby increase the burden of taxation to properties that are not exempt.

The process requires the completion of applications on a five year basis for places of worship, private schools and hospitals, with other non-profit organizations reapplying and being reconsidered annually. The year 2016 is the beginning of a new five year cycle for places of worship, private schools and hospitals, so applications were received from all organizational types over the summer of 2015.

All currently exempt applicants as well as new applicants were reviewed by staff in relation to Council Policy # 327 and the below recommendations represent the changes to the status of each applicant.

The following are revisions to Schedules A through I of the 2015 Tax Exemption Bylaw No. 11009:

Schedule A, Public Worship:

CHANGES in relation to 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	21300	Lot 19-20, Plan 2085, District Lot 139	Unitarian Fellowship of Kelowna Society	Criteria #5: 1462 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property. (ie, there is a new lease/rental to Serendipity Daycare)
2	6199358	Lot H, Sec 26, Twp 26, Plan 26182	Faith Lutheran Church of Kelowna	Criteria #5: 800 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property (ie, there is a new lease/rental Imagination Way Preschool).
3	6735000	Lot A, Plan 11520	Trustees Rutland United Church Pastoral Charge of the United Church	Change in exemption area: 1645 sq ft taxable (increased from 1278 sq ft in prior year) as principal use of property not directly related to principal purpose of organization owning the property (lease/rental Green Gables Daycare).
4	10519844	Lot A, Plan 37351 (Portion of Lot)	Apostolic Resource Centre Society	Change in exemption area.: 8896 sq ft taxable (increased from 3520 sq ft in prior year) as principal use of property not directly related to principal purpose of organization owning the property (Commercial Class 06).

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
5	11097073	Lot 1, Plan KAP52447, DL 136	C3 Church	Change status to fully exempt. Preschool no longer operating on the property.

DELETE the following rolls that were included in 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	11025480	Lot 1, Plan 34984	Trustees of the Congregation of St Paul's United Church	Change status to fully taxable. Site is under construction and will be assessed as vacant commercial (06) land in 2016.

Schedule B, Private Schools: No Change

Schedule C, Hospitals:

DELETE the following rolls that were included in 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	55260	Lot A, Plan EPP11464	Interior Health Authority	Permissive Exemption no longer required: Already stat exempt under Health Auth Act
2	73571	Lot 15, Plan 32159, DL 137	Interior Health Authority	Permissive Exemption no longer required: Already stat exempt under Health Auth Act
3	82282	Lot A, Plan EPP18664	Interior Health Authority	Permissive Exemption no longer required: Already stat exempt under Health Auth Act
4	4529001	Lot A, Plan KAP84779, DL 136	Interior Health Authority	Permissive Exemption no longer required: Already stat exempt under Health Auth Act

Schedule D, Special Needs Housing:

DELETE the following rolls that were included in 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	43090	Lot 1, Plan 7765	Howard-Fry Housing Society	Change status to fully taxable. Criterion #8: Exemptions will not be granted for housing with stays longer than two years. Rationale: The City would not normally provide long-term housing, and housing provided for periods longer than 2 years is not deemed to be emergency-type housing. See Appendix F: Letter from John Howard Society.

Schedule E, Social Services:

DELETE the following rolls that were included in 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	10522014	Lot 10 Plan KAS3728	Kelowna Elks Lodge No 52	Change status to fully taxable. Elks Lodge no longer owns the property

Schedule F, Public Park or Recreation Ground, Public Athletic or Recreational: No Change

Schedule G, Cultural Organizations:

CHANGES in relation to 2015 Permissive Tax Exemption Bylaw 11009:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	77062	Lot 1, Plan 42511	City of Kelowna/Kelowna Museums Society	Planned Reduction in Exemption Percentage: Criterion # 3: 1,300 sq ft 20% exempt (4th year of the 5 year phase out program) as area's primary purpose are commercial liquor sales. Per Policy 327: "Non-profit organizations conducting retail and/or commercial activity and charging rates or fees at market value are considered to be in competition with for-profit businesses and will not be eligible for tax exemption." Note: The portion of the Wine Museum which is a VQA Wines store would be taxable - Approx. 60% of the Wine Museum area (1,300 sq. ft.).
2	80250	Lot A, KAP67454	Kelowna Visual & Performing Arts Centre Society / City of Kelowna	Increase in exemption area. Change in lease within the leased portion of the property (1185 sq ft). The previous lease holder of this unit was taxable under tax roll 80252. The new lease holder is a Non-profit organization (New Vintage Theatre) and qualifies as an exempt area.

Schedule H, Other Non-Profit Societies: No Change

Schedule I, Partnering, Heritage or Other Special Exemption Authority: No Change

There is one tax exemption request that is not being recommended for exemption:

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	4802840	Lot 74, Plan KAP25984	John Howard Society of the Central & South Okanagan	Denied. Exemptions will not be granted for housing with stays longer than two years. Rationale: The City would not normally provide long-term housing, and housing provided for periods longer than 2 years is not deemed to be emergency-type housing. See Appendix F: Letter from John Howard Society.

The following have been included as attachments:

Appendix A, 2016 Tax Exemptions Summary - Municipal Tax Impact related to General Exemption and Permissive Exemption

Appendix B, 2016 Tax Exemptions Summary - Municipal Tax Impact related to Permissive Exemption only

Appendix C, Policy # 327

Appendix D, Tax Exemption Bylaw - Schedules Background

Appendix E, Proposed Bylaw # 11145 to be presented for first 3 readings on Monday, October 5, 2015

Appendix F, Letter from John Howard Society of the Central & South Okanagan

The foregoing changes for 2016 property tax exemption are placed before Council for consideration.

Internal Circulation:

Sandra Kochan, Cultural Services Manager
Jim Gabriel, Director, Active Living & Culture

Legal/Statutory Authority:

Council may, by bylaw in accordance with sections 220, 224 and 225 of the Community Charter exempt land or improvements, or both, from taxation to the extent, for the period and subject to the conditions provided in the bylaw.

Legal/Statutory Procedural Requirements:

Under section 227 of the Community Charter Council must give notice of a proposed bylaw in accordance with section 94 [public notice must be once a week for 2 consecutive weeks prior], identifying the property that would be subject to the bylaw, describe the proposed exemption, state the number of years that the exemption may be provided and provide an estimate of the amount of taxes that would be imposed on the property if it were not exempt, for the year in which the proposed bylaw is to take effect and the following 2 years. Under Division 7 - Permissive Exemptions of the Community Charter a bylaw may only be adopted by an affirmative vote of the majority of Council, and does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

Existing Policy:

Permissive Tax Exemption Policy 327

Financial/Budgetary Considerations:

Tax exemptions are not financed through a budgetary line item in the same way as municipal spending, nor do they affect the amount that has to be raised through property taxes. Nevertheless, tax exemptions do impose a cost on taxpayers who are not exempt. Tax exemptions reduce the total value of the tax base (i.e. the taxable value of property). Therefore, tax exemptions transfer the burden of taxation from properties that are exempt to properties that are taxable. An increase in the value of tax exemptions increases the taxes paid by properties that are not tax exempt. Refer to Appendix A, 2016 Tax Exemptions Summary - General Exemption and Permissive Exemption - Municipal Tax Impact and Appendix B, 2016 Tax Exemptions Summary - Permissive Exemption - Municipal Tax Impact.

Considerations not applicable to this report:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Submitted by:

L.M. Walter, CPA, CMA
Revenue Manager

Approved for inclusion:



(Genelle Davidson, CPA, CMA, Director, Financial Services)

cc: BC Assessment

Appendix A, 2016 Tax Exemptions Summary - Municipal Tax Impact related to General Exemption and Permissive Exemption:

Schedule	Class 01: Residential	Class 06: Business*	Class 08: Recreation / Non-Profit	Total
A - Places of Worship				
Assessed Values	0	6,831,750	122,800,814	129,632,564
Municipal Taxes	\$0	\$58,085	\$490,015	\$548,100
B - Private Schools				
Assessed Values	519,700	43,630,150	10,174,800	54,324,650
Municipal Taxes	\$2,074	\$370,952	\$40,603	\$413,628
C - Hospitals				
Assessed Values	0	5,012,900	0	5,012,900
Municipal Taxes	\$0	\$42,621	\$0	\$42,621
D - Special Needs Housing				
Assessed Values	12,400,600	745,200	0	13,145,800
Municipal Taxes	\$49,480	\$6,336	\$0	\$55,815
E - Social Services				
Assessed Values	2,360,000	20,842,900	522,200	23,725,100
Municipal Taxes	\$9,417	\$177,210	\$2,084	\$188,710
F - Public Park or Recreation Ground, Public Athletic or Recreational				
Assessed Values	16,698,200	8,794,600	75,256,143	100,748,943
Municipal Taxes	\$66,631	\$74,774	\$300,297	\$441,702
G - Cultural				
Assessed Values	1,600	36,114,774	2,365,700	38,482,074
Municipal Taxes	\$6	\$307,055	\$9,440	\$316,501
H - Other				
Assessed Values	2,235,200	3,950,000	1,052,600	7,237,800
Municipal Taxes	\$8,919	\$33,584	\$4,200	\$46,703
I - Partnering, Heritage or Other Special Exemption Authority				
Assessed Values	25,600	696,000	0	721,600
Municipal Taxes	\$102	\$5,918	\$0	\$6,020
Grand Total				
Assessed Values	34,240,900	126,618,274	212,172,257	373,031,431
Municipal Taxes	\$136,629	\$1,076,535	\$846,639	\$2,059,803

Appendix B, 2016 Tax Exemptions Summary - Municipal Tax Impact related to Permissive Exemption only:

Schedule ¹	Class 01: Residential	Class 06: Business*	Class 08: Recreation / Non-Profit	Total
A - Places of Worship				
Assessed Values	0	1,344,500	67,384,500	68,729,000
Municipal Taxes	\$0	\$11,431	\$268,885	\$280,316
B - Private Schools				
Assessed Values	423,000	16,818,300	3,633,000	20,874,300
Municipal Taxes	\$1,688	\$142,992	\$14,497	\$159,177
C - Hospitals				
Assessed Values	0	1,857,000	0	1,857,000
Municipal Taxes	\$0	\$15,789	\$0	\$15,789
D - Special Needs Housing				
Assessed Values	12,400,600	723,300	0	13,123,900
Municipal Taxes	\$49,480	\$6,150	\$0	\$55,630
E - Social Services				
Assessed Values	2,360,000	20,642,900	522,200	23,525,100
Municipal Taxes	\$9,417	\$175,512	\$2,084	\$187,013
F - Public Park or Recreation Ground, Public Athletic or Recreational				
Assessed Values	16,698,200	8,674,600	75,256,143	100,628,943
Municipal Taxes	\$66,631	\$73,753	\$300,300	\$440,684
G - Cultural				
Assessed Values	1,600	36,014,774	2,365,700	38,382,074
Municipal Taxes	\$6	\$306,204	\$9,440	\$315,650
H - Other				
Assessed Values	2,235,200	3,890,000	1,052,600	7,177,800
Municipal Taxes	\$8,919	\$33,074	\$4,200	\$46,193
I - Partnering, Heritage or Other Special Exemption Authority				
Assessed Values	25,600	686,000	0	711,600
Municipal Taxes	\$102	\$5,833	\$0	\$5,935
Grand Total				
Assessed Values	34,144,200	90,651,374	150,214,143	275,009,717
Municipal Taxes	\$136,243	\$770,738	\$599,406	\$1,506,387

¹ Schedules A, B & C include the land assessed values of the buildings footprint which is a general exemption.



City of Kelowna
1435 Water Street
Kelowna, BC V1Y 1J4
250 469-8500
kelowna.ca

Council Policy

Permissive Tax Exemption Policy

APPROVED August 8, 2005

RESOLUTION: R375/10/04/26
REPLACING: R446/06/05/15; R759/05/08/08
DATE OF LAST REVIEW: April 2010

A. PREAMBLE

The City of Kelowna recognizes the significant value of volunteers, volunteer groups and agencies to the spiritual, educational, social, cultural, and physical well-being of the community. A permissive tax exemption is a means for Council to support organizations within the community that further Council's objective to enhance the quality of life while delivering services economically to the citizens of Kelowna.

The Permissive Tax Exemption Policy is intended to:

- Provide clarity, consistency and certainty to the municipality, the public and prospective applicants.

B. EXTENT, CONDITIONS, AND PENALTIES

1. Council may designate only a portion of land/improvements as exempted where the following circumstances exist:
 - a. A portion of the land/improvements is used by private sector and/or organization not meeting Council's exemption criteria.
 - b. The applicant already receives grant in aid from the municipality, provincial or federal government.
 - c. The applicant meets all eligibility criteria, however Council may at its discretion grant a partial exemption.
2. Council may impose conditions on the exempted land/improvements with the applicant organization, including but not limited to:
 - a. Registration of a covenant restricting use of the property
 - b. An agreement committing the organization to continue a specific service/program
 - c. An agreement committing the organization to have field/facilities open for public use for specific times or a total amount of time
 - d. An agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates
 - e. An agreement committing the organization to immediately disclose any substantial increase in the organization's revenue or anticipated revenue (i.e. receives large operating grant from senior government)
3. Council may impose penalties on an exempted organization for knowingly breaching conditions of exemption, including but not limited to:
 - a. Revoking exemption with notice
 - b. Disqualifying any future application for exemption for specific time period
 - c. Requiring repayment of monies equal to the foregone tax revenue.

C. PROCESS

Council will consider permissive tax exemption applications from Places of Worship, Private Schools and Hospitals for a period of up to 5 years. Other Non-Profit organizations will be considered annually.

The opportunity to apply for a permissive tax exemption will be advertised in the local newspaper once in the month of June. Application forms can be downloaded from the City of Kelowna website, or picked up at City Hall in the Revenue Branch of the Financial Services Department.

Application Forms

Places of Worship, Private Schools and Hospitals are required to complete the Place of Worship, Private School, and Hospital 5 Year Application. The City of Kelowna will administer these applications on a 5 year cycle. If the application is approved the organization will be exempt for the number of years remaining in the cycle. At the end of the 5 year cycle all organizations must complete an application for the next 5 years. It is the organization's responsibility to notify the City of Kelowna of any changes in property ownership and/or use of the property.

For example:

Application Period	Number of Years Exempt	Application Due Date
2011 – 2015	5 Years	July 15, 2010
2012 – 2015	4 Years	July 15, 2011
2013 – 2015	3 Years	July 15, 2012
2014 – 2015	2 Years	July 15, 2013
2015	1 Year	July 15, 2014

Other Non-Profit Organizations will be required to complete a Comprehensive Non-Profit Application. If the application is approved for the next tax year, the organization will be required to submit a short renewal application every year for the next 4 tax years. The renewal application is confirmation that ownership and use of property has not changed and will be reviewed and approved before a permissive tax exemption is granted.

The Place of Worship, Private Schools and Hospital applications and the Comprehensive Non-Profit applications must have the following information attached before consideration of a 5 year permissive tax exemption:

Copy of last Registered Charity Information Return or Non-Profit Organization Information Return submitted to the CCRA

Copy of most current Audited Financial Statements

Financial Budget (pro-forma Balance Sheet and Income Statement) for the current 12 months

Scale Drawing of Property, that includes buildings, parking lots, landscaping, playgrounds, fields, etc.

Copy of Lease Agreement if applicable

Applications with required supporting information must be submitted prior to July 15th of each year to be considered for the next permissive tax exemption year or cycle.

Additional Information

Council may request a presentation from applying organization.

The City of Kelowna may request additional information.

The City of Kelowna reserves the right to review records and/or property to verify information provided in support of

application.

Successful applicants may be asked to publicly acknowledge the exemption.

Council may, at its discretion, reject any or all applicants in any given year.

This policy does not apply to permissive tax exemptions for heritage revitalization, riparian, and other special exemption authority.

Eligibility Criteria

To be eligible for a permissive tax exemption an organization must comply with all of the eligibility criteria outlined below. The application forms and supporting documentation are an integral part of this policy. There is no obligation on the part of Council to grant permissive tax exemptions in any given year.

The applicant(s):

1. qualifies for an exemption under the provisions of the Community Charter, general authority for permissive exemptions. (Part 7, Division 7, Section 224).
2. and/or the property owner is in compliance with municipal policies, plans, bylaws, and regulations (i.e. business licensing, zoning).
3. is a Non-Profit Organization.

Tax exemptions will only be granted to organizations that are a Registered Charity or Non-Profit Organization.

The intent of this requirement 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 business, i.e. an organization that is operating as a Non-Profit; although it charges market value for services available, and would be comparable in operations and perception to public as a For Profit Business.

Non-profit organizations conducting retail and/or commercial activity and charging rates or fees at market value are considered to be in competition with for-profit businesses and will not be eligible for tax exemption.

4. provides services or programs that are compatible or complementary to those offered by the City of Kelowna. When a service or program is offered by a non-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 Kelowna.

5. principal use of property meets Council's objectives. The "principal use of the property" refers to the use related directly to the principal purpose of the organization **owning** the property.

Permissive tax exemptions will be based on the principal use of the property, not on the non-profit or charitable services of the organization.

6. will provide benefits and accessibility to the residents for Kelowna. Specifically, members of the public, within the appropriate age range, are able to join a club or organization and participate in its activities for a nominal rate or fee.

Kelowna residents must be the primary beneficiaries of the organization's services. The services provided on the property must be accessible to the public. Council may at its discretion provide partial exemptions.

7. that provide liquor and/or meal services as their primary function and/or source of revenue will not be eligible for permissive tax exemption.

8. provides short term housing with length of stay up to a maximum of two years.

This would include: emergency shelters, transitional housing, supportive housing for people with special needs, and group homes.

9. that have a residence in the building or on the property will only be exempt if a caretaking function is performed and the property owner (organization) can provide a copy of an agreement demonstrating:
1. rent is not collected on the residence, and
 2. there is a caretaker agreement in place.

Administration

The Revenue Branch in the Financial Services Department will review all applications for completeness and contact the applicant if additional information is necessary.

The Revenue Branch will prepare a summary report of applications and bylaw for presentation to Council the first week of October for approval and adoption prior to October 31st of each year.

A public notice will be placed in the local newspaper of proposed bylaw. The notice will include:

Property subject to bylaw

Description of the proposed exemption

Number of years the exemption will be provided

Estimate of the amount of taxes that would be imposed on the property if it were not exempt for the year of exemption and following 2 years.

Public notice will be in accordance with Section 94 of the Community Charter.

Places of Worship, Private Schools, and Hospitals that have been approved for permissive tax exemption will be exempt for up to 5 years.

All other Non-Profit Organizations that have been approved will be exempt for 1 year. To be considered for future years a renewal application must be submitted prior to July 15th of each year of the next 4 tax years. A comprehensive application must be submitted at least every 5 years.

Late Application

Applications received after the deadline for submission will be held until the next scheduled October presentation to Council that meets the application due date. Applicants may, at that time, request Council to consider a refund of the Municipal portion of taxes paid for the property to be exempted the following year.

REASON FOR POLICY

Provide clarity for permissive property tax exemption applications.

LEGISLATIVE AUTHORITY

Section 224 – *Community Charter*

PROCEDURE FOR IMPLEMENTATION

Council Resolution

Appendix D, Tax Exemption Bylaw - Schedules Background:

SCHEDULE A

Public Worship:

Place of worship are given a general exemption from taxation for the church building and the land on which the building stands under C.C. Section 220 (1) (h). While this part of the exemption does not require a bylaw, any other buildings (church hall) or lands (parking, etc.) to be exempted are at the discretion of Council through a permissive exemption. The exemption would not include living quarters (manse or other) for the staff.

If a statutory exemption occurs for a building set apart for public worship as well as the land on which the building stands the title to the land

- must be registered in the name of religious organization using the building
- or trustees for the use of that organization
- or religious organization granting a lease of the building and land to be used solely for public worship

A permissive tax exemption may be provided for the land surrounding the exempt building that Council considers necessary. (Section 224 (2) (f) of the Community Charter)

A permissive tax exemption may be provided for land and improvements used or occupied by a religious organization, as a tenant or licensee, for the purpose of public worship. (Section 224 (2) (g)) (The lessee under the lease must be required to pay property taxes directly to the City of Kelowna.)

SCHEDULE B

Private Schools:

Statutory Exemption

A building and the land on which the building stands if owned by an incorporated institution of learning that is regularly giving children instruction accepted as equivalent to that given in a public school, is exempt from taxation (Section 220(1)(l))

A permissive tax exemption may be provided for the land surrounding the exempt building. (Section 224(2)(h))

SCHEDULE C

Hospitals:

Statutory Exemption

A building set apart and used solely as a hospital under the Hospital Act, except a private hospital under that Act, together with the land on which the building stands is exempt from taxation. (Section 220 (1)(j))

- A permissive tax exemption may be provided for the land surrounding the exempt building. (Section 224(2)(h))
- A permissive tax exemption may be provided for land or improvements owned or held by a person or organization and operated as a private hospital licensee under the Hospital Act, or an institution licensed under the Community Care Facility Act. (Section 224(2)(j))

SCHEDULE D

Special Need Housing:

- a. A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or non profit, and Council considers are used for a purpose that is directly related to the purposes of the corporation. (Section 224(2)(a)) Special needs housing to members of the community such as:
 - short term emergency or protection housing
 - halfway houses, group homes, or supportive housing for people with special needs

SCHEDULE E

Social Services:

A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or non profit, and Council considers are used for a purpose that is directly related to the purposes of the corporation. (Section 224(2)(a)) Social services to members of community such as:

- Food banks, drop in centre for people with special needs, seniors or youth.
- Support services and programs for people with special needs, who are in some way disadvantaged and need assistance in maximizing their quality of life. (i.e. counselling for substance abuse, employment re- entry programs)

SCHEDULE F

Public Park or Recreation Ground, Public Athletic or Recreational

A permissive tax exemption may be provided for land or improvements owned or held by a person or athletic or service club or association and used as a public park or recreational ground or for public athletic or recreational purposes.(Section 224(2)(i))

- Facilities must be available to the public, exclusive membership clubs or associations not eligible for exemption.
- Council may impose covenant restricting use of property or require agreement committing organization to offer the field/facility to certain groups free of charge or at reduced rates.

A permissive exemption may be provided when land and improvements are owned by public authority or local authority, and used by a non-profit organization for the purpose of public park or recreation ground or athletic or recreational purposes, which would have been exempt if land and improvements were owned by that organization. (Section 224(2)(d) (The

lessee under the lease must be required to pay the property taxes directly to the City of Kelowna, or have a partnership agreement with the City of Kelowna.)

SCHEDULE G

Cultural Organizations

A permissive exemption may be provided for land and improvements that are owned or held by a non profit that provides cultural education and recreation. (Section 224(2) (a)). The Facility must be available for members of the public.

SCHEDULE H

Other Non- Profit Societies

A permissive tax exemption may be provided for land and improvements that are owned or held by a registered charity or nonprofit society that Council deems beneficial to the community, such as museums, animal shelters, property to preserve wildlife and environmental areas. (Section 225(2)(a)).

A permissive tax exemption may be provided for land or improvements, for which a grant has been made, after March 31, 1974, under the Housing Construction (Elderly Citizens) Act before its repeal. (Section 224 (2) (k))

SCHEDULE I

Partnering, Heritage Property and Revitalization

The following property is eligible for a tax exemption under this section:

- (a) eligible partnering property, being property that
 - (i) is owned by a person or public authority providing a municipal service under a partnering agreement, and
 - (ii) the Council considers will be used in relation to the service being provided under the partnering agreement;
- (b) eligible heritage property, being property that is
 - (i) protected heritage property,
 - (ii) subject to a heritage revitalization agreement under section 966 of the *Local Government Act*,
 - (iii) subject to a covenant under section 219 of the *Land Title Act* that relates to the conservation of heritage property, or

(iv) if property referred to in subparagraphs (i) to (iii) is a building or other improvement so affixed to the land as to constitute real property, an area of land surrounding that improvement;

SCHEDULE J

Assessment and Taxation Impact

Includes land and improvements associated with the following:

1. Total projected municipal taxation impact for each of Schedule A, B, C, D, E, F, G, H, I by assessment class for the year's 2016, 2017 and 2018.
2. The projected taxation impact for 2016, 2017, 2018 have been calculated by increasing the 2015 actual municipal taxation rate by 4.42%, 3.24%, and 3.15% respectively as this relates to the 2015 five year financial plan approved by Council.

Appendix E, Proposed Bylaw # 11145:

Schedule A - Public Worship

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	1230	Lot 1, Blk 13, Plan 202, DL138	The Union of Slavic Churches of Evangelical Christians c/o Trustees	
2	1350	Lots 2 and 3, Blk 15, Plan 202, DL 138	Trustees of First United Church	
3	1360	Lot 4, Blk 15, Plan 202, DL 138 In Trust - DD 197582F	Trustees of First United Church	Note: Parking Lot
4	1370	Lot 5, Blk 15, Plan 202, DL 138 In Trust - DD 197582F	Trustees of First United Church	Note: Parking Lot
5	6911	Lot 25, Plan 578, DL 138, Except Plan H16278, & Lot A PL	Kelowna Buddhist Society	
6	18380		Kelowna Buddhist Society	
7	21300	Lot 19-20, Plan 2085, District Lot 139	Unitarian Fellowship of Kelowna Society	Criteria #5: 1462 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property. (lease/rental to Serendipity Daycare)
8	21640	Lot 5, Blk B, Plan 2167, DL 139	Christian Science Society of Kelowna	
9	22500	Lot 6, Plan 2271, DL 139	Kelowna Tabernacle Congregation - Trustees	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
10	51070	Lot 1, Plan 11332, DL 137	Governing Council of the Salvation Army in Canada	Note: Parking Lot
11	57010	Lot 1, Plan 15741	Ray Chase, Emsley Hunter, and Cyril Nash (Trustees)	Criteria #5: 3096 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property. (1548 sq ft Taxable: lease/rental to L'Eslale daycare) & (1548 sq ft Taxable: lease/rental to Music School)
12	57510	Lot A, Plan 16013, DL 137	Convention Baptist Churches of BC	
13	62110	Lot A, KAP65650	The Trustees of Congregation of Kelowna Bible Chapel	
14	62120	Lot 2, Plan 17933	The Trustees of Congregation of Kelowna Bible Chapel	Note: Parking Lot
15	68680	Lot 3, Plan 25524	Trustees Congregation - Grace Baptist Church	Criteria #3: No change in status per Policy 327 as "Daycare" is operating on avg. at below market (Thrive out of school club).
16	69380	Lot A, Plan 27070	Roman Catholic Bishop Of Nelson	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
17	71130	Lot 1, Plan 30180, DL137	Governing Council of the Salvation Army in Canada (Community Church)	
18	71680	Lot 4, Plan 30824	Seventh Day Adventist Church (BC Conference)	
19	74502	Lot A, Plan 33076, DL138	Roman Catholic Bishop of Nelson	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
20	75210	Lot 1, Plan 34637	Trustees of The Congregation of the Christ Evangelical Lutheran Church	
21	76394	Lot C, Plan 40170, DL137	The Congregation of the First Mennonite Church	
22	78266	Lot 1, Plan KAP47242	Ukrainian Catholic Eparchy of New Westminster	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
23	83239	Lot A, Plan KAP91385, DL 14	Synod-Diocese of Kootenay	
24	3255224	Lot 1, Plan KAP56294	Trust Cong St David's Presb Church	
25	3337370	Lot A, Plan 23927	Kelowna Christian Reformed Church	Criteria #5: 2,974 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property. (lease/rental to GRASP)
26	3337769	Lot A, Plan KAP83760	Okanagan Jewish Community Association	Criteria #5: 1,200 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property (lease/rental North Glenmore Daycare)
27	3378102	Lot A, Plan 44041	Glenmore Congregation of Jehovah's Witnesses	
28	3922000	Lot A, Plan 5223	BC Assn of Seventh Day Adventist	
29	4310442	Lot A, Plan 31085	Seventh Day Adventist Church (BC Conference)	
30	4360460	Lot 2, Twp 26, Plan 27837	Roman Catholic Bishop of Nelson	
31	4423888	Lot PT 26, Plan 187 Except Plan 3067, That PT of L 25 PL 187 S/O PL B130	Synod of the Diocese of Kootenay	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
32	4571592	Lot 1, Sec 19, Twp 26, Plan 37842	Kelowna Full Gospel Church Society	Criteria #3: No change in status per Policy 327 as "Daycare" is operating on avg. at below market (Thrive out of school club). Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Housing Society)
33	4645000	Lot 7, Plan 3727	Church of the Nazarene - Canada Pacific	
34	4660000	Lot 1, Plan 4877	Serbian Orthodox Par- Holy Prophet St Ilija (Parish)	Criteria #9: 680 sq. ft taxable as residences will be excluded from otherwise tax exempt property. [Note: Church Manse/Rectory]
35	4803156	Lot A, Sec 22, Twp 26, Plan 27717	BC Assoc of Seventh Day Adventists	
36	4804250	Lot A, Plan 29696	Gurdwara Guru Amardas Darbar Sikh Society	Criteria #9: 240 sq ft taxable as residences will be excluded from otherwise tax exempt property (Note: church manse/rectory).
37	5475931	Lot Pcl Z, Sec 23, Twp 26, Plan 24426, Except Plan KAP69971, DD J53659	NW Canada Conf Evangelical Church	
38	5476791	Lot B, Plan 41234	BC Conference of Mennonite Brethren Churches	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Housing Society)
39	5606001	Lot A, Plan KAP76650	Okanagan Sikh Temple & Cultural Society	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
40	5611000	Lot PT 2, Plan 2166	Roman Catholic Bishop of Nelson	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
41	5752000	Lot A, Plan 4841	Okanagan Chinese Baptist Church	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
42	6198870	Lots 78, 79 & 80, Sec 26, Twp 26, Plan 22239	Pentecostal Assemblies of Canada	
43	6198872	Parcel A, Plan 22239	Synod of the Diocese of Kootenay	
44	6199358	Lot H, Sec 26, Twp 26, Plan 26182	Faith Lutheran Church of Kelowna	Criteria #5: 800 sq ft taxable as principal use of property not directly related to principal purpose of organization owning the property (lease/rental Imagination Way Preschool).
45	6339000	Lot 14, Sec 27, Twp 26 Plan 14897	BC Muslim Association	
46	6370120	Lot A, Plan 19465, DL 143, Sec 27, Twp 26	Trustees of Spring Valley Congregation of Jehovah's Witnesses	
47	6372497	Lot 1, Plan KAP55460	Kelowna Christian Centre Soc Inc	
48	6372506	Lot A, Plan KAP56177	New Apostolic Church of Canada Inc.	
49	6496742	Lot 1, Sec 29 & 32, Plan KAP64073	The Church of Jesus Christ of Latter-Day Saints	
50	6735000	Lot A, Plan 11520	Trustees Rutland United Church Pastoral Charge of the United Church	Criteria #5: 1645 sq ft taxable (increased from 1278 sq ft in prior year) as principal use of property not directly related to principal purpose of organization owning the property (lease/rental Green Gables Daycare).
51	7212492	Lot 1, Plan 37256	Synod of the Diocese of Kootenay	
52	10407200	Lot A, Plan 20452, DL 128	Christian & Missionary Alliance - Canadian Pacific District	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
53	10468000	Lot 2, Plan 9491, DL 129	St. Peter & Paul Ukrainian Greek Orthodox Church of Kelowna	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Orchard Haven Housing Society)
54	10519214	Lot 9, Plan 20128, DL 129	Kelowna Trinity Baptist Church	
55	10519844	Lot A, Plan 37351 (Portion of Lot)	Apostolic Resource Centre Society	Criteria #5: 8896 sq ft (increased from 3520 sq ft in prior year) taxable as principal use of property not directly related to principal purpose of organization owning the property (Commercial Class 06).
56	10519902	Lot 1, Plan KAP 45185	Kelowna Trinity Baptist Church	
57	10738200	Lot 1, Plan 27982, DL 131	Canadian Baptists of Western Canada	Criteria #5: 1,200 sq ft Taxable as principal use of property not directly related to principal purpose of organization owning the property (lease/rental to Montessori Pre-School). Criteria #9: House on property is taxable as residences will be excluded from otherwise tax exempt property (Note: rental unit).
58	10738366	Lot 2, Plan KAP44292, DL 131	Evangel Tabernacle of Kelowna	Criteria #3: No change in status per Policy 327 as church "Daycare" is operating on avg. at below market.
59	10768002	Lot 2, Plan KAP81588	Roman Catholic Bishop of Nelson	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
60	10936348	Lot 1, Plan 35917	Kelowna Gospel Fellowship Church	
61	10936653	Lot 1, Plan 41844	Canadian Mission Board of the German Church of God Dominion of Canada	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Housing Society)
62	10937443	Lot A, Plan KAP76720	First Lutheran Church of Kelowna BC	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
63	11025140	Lot 1, Plan 25466, DL 135	Trustees of The Lakeshore Congregation of Jehovah's Witnesses	
64	11025172	Lot 7, Plan 25798, DL 135	Congregation of Bethel Church of Kelowna	Criteria #3: No change in status per Policy 327 as church "Daycare" is operating on avg. at below market. (Village Daycare)
65	11059000	Lot 1, Plan 12441, DL 136 Trustees	Guisachan Fellowship Baptist Church	
66	11097073	Lot 1, Plan KAP52447, DL 136	C3 Church	Change status to fully exempt. Preschool no longer operating on the property.

Schedule B - Private Schools

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	52700	Lot C, Plan 12546, DL 138	Roman Catholic Bishop of Nelson	
2	74502	Lot A, Plan 33076, DL 138	Roman Catholic Bishop of Nelson	Criteria #9: Residences will be excluded from otherwise tax exempt property (Note: Church Manse/Rectory)
3	3458033	Lot 1, KAP86356	Aberdeen Hall Senior School Society	Criteria #5: 2 parcels of land amalgamated with this property in 2014 are taxable as principal use of property not directly related to principal purpose of organization owning the property
4	4417000	Lot A, Plan KAP1725	Okanagan Montessori Elementary School Society	Criteria #3: No change in status per Policy 327 as "Daycare" is operating on avg. at below market.
5	5122000	Lot 2, Plan 3849, Sec 23, Twp 26, Ld 41 exc Plan 16489 (15 ac.)	Seventh-Day Adventist Church - BC Conference	
6	6372497	Lot 1, Plan KAP55460	Kelowna Christian Centre Society Inc	
7	6372527	Lot A, Plan KAP71175	Vedanta Educational Society Inc	
8	7212595	Lot A, Plan KAP48732	Waldorf School Association of Kelowna	Criteria #3: No change in status per Policy 327 as "Daycare" is operating on avg. at below market.
9	7212596	Lot B, Plan KAP48732	Waldorf School Association of Kelowna	
10	10589111	Lot 1, Plan KAP59724	Kelowna Society for Christian Education	Criteria #3: No change in status per Policy 327 as "Daycare" is operating on avg. at below market.
11	10738366	Lot 2, Plan KAP44292, DL 131	Evangel Tabernacle of Kelowna	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
12	10738378	Lot A, Plan KAP54674, DL 131	The Catholic Independent Schools of Nelson Diocese	
13	10937443	Lot A, Plan KAP76720	First Lutheran Church of Kelowna	
14	12184557	Lot 2, Plan 69898, DL 41	Waldorf School Association of Kelowna/City of Kelowna	Criteria #3: Per Policy 327, "Daycare" is operating on avg. at below market.

Schedule C - Hospitals

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	79392	Lot A, Plan KAP60581, DL 14	Canadian Cancer Society	

Schedule D - Special Needs Housing

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	4340	Lot 15, Plan 462, DL 139	Kelowna Gospel Mission Society	
2	7270	Lot 4, Plan 635, DL 14	Bridge Youth & Family Services Society	
3	23390	Lot 10, Plan 2498, DL 137	Bridges to New Life Society	
4	33110	Lot 2, Plan 3929	New Opportunities for Women (NOW) Canada Society	
5	46240	Lot 20, Plan 9138	Kelowna Gospel Mission Society	
6	46250	Lot 21, Plan 9138	Kelowna Gospel Mission Society	
7	48500	Lot 8, Plan 10011	Okanagan Halfway House Society Inc	
8	48750	Lot 33, Plan 10011, D.L. 137	Resurrection Recovery Resource Society Inc.	
9	48770	Lot 35, Plan 10011	Okanagan Halfway House Society	
10	50050	Lot 22, Plan KAP10689	Resurrection Recovery Resource Society	
11	50060	Lot 23, Plan 10689	Resurrection Recovery Resource Society	
12	50070	Plan 10689, Lot 24	Resurrection Recovery Resource Society	
13	50080	Lot 25, Plan 10689	Resurrection Recovery Resource Society	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
14	50650	Lot A, PL 11018	Society of St. Vincent De Paul of Central Okanagan	
15	55030	Lot 4, Plan 14741	Central Okanagan Emergency Shelter Society	
16	55040	Lot 5, Plan 14741	Central Okanagan Emergency Shelter Society	
17	55150	Lot A, Plan 14836	Okanagan Halfway House Society	
18	71805	Lot 1, Plan 31153	Adult Integrated Mental Health Services Society	
19	80873	Plan KAS2634, Lot 1	Okanagan Mental Health Services Society	
20	5476630	Plan KAP33003, Lot A	The Bridge Youth & Family Services Society	
21	6370241	Plan KAP22268, Lot D	The Bridge Youth & Family Services Society	
22	10519958	Lot 4, Plan KAS1717	Kelowna Child Care Society	
23	11097075	PCL A, Plan KAP52447, DL 136	National Society of Hope /Provincial Rental Housing Corp	

Schedule E - Social Services

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	4330	Lot 14, Plan 462 Block 5	Kelowna Gospel Mission Society	
2	4580	Lots 3 and 4, Blk 8, DL 139, Plan 462	Ki-Low-Na Friendship Society	
3	4830	Lot E 1/2 L 15 Plan 462, Blk 10	Kelowna Community Resources & Crisis Centre Society	
4	9900	Plan 830, Lot 2, DL 14, Blk 21 exc Parcel 2A, B1750	Canadian Mental Health Association	
5	10470	Lot 11, Plan 922	Kelowna & District S.H.A.R.E. Society	
6	16620	Lot 8, Plan 1303 & Lot 1, DL 139 PL13585 & Lot 1 DL139 PL 3585	Kelowna Community Food Bank Society	
7	26190	Lot 138, Plan 3163	Okanagan Boys & Girls Clubs/City of Kelowna	Criteria #3: No change in status per Policy 327 "Daycare/Afterschool Care" is operating on avg. at below market.
8	45862	Lot A, Plan 9012	Okanagan Boys & Girls Clubs/City of Kelowna	Criteria #3: No change in status Per Policy 327 "Daycare/Afterschool Care" is operating on avg. at below market.
9	57060	Plan 15778, Lot B	Ki-Low-Na Friendship Society	
10	59530	Lot A, Plan 16898	Okanagan Boys & Girls Clubs/City of Kelowna	Criteria #3: No change in status per Policy 327 "Daycare/Afterschool Care" is operating on avg. at below market.
11	66250	Lot 1, Plan 22678	Kelowna(#26) Royal Canadian Legion	Criteria #7: 32% land and improvements not exempt - Main Dining area 870 sq ft, Cooler area 92 sq ft - Total 1,786 of 5,522 sq ft

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
12	76262	Lot 1, Blk 6, Sec 20, Twp 26, ODYD, Plan 39580	Central Okanagan Child Development Association	
13	82144	Lot A Plan KAP86241	Pathways Abilities Society / City of Kelowna	
14	4918002	Lot A Plan KAP90062	Governing Council of the Salvation Army in Canada	
15	5477053	Lot 5 Plan KAS2126	MADAY Society for Seniors	
16	6198704	Lot 1, Plan KAP91112	Boys & Girls Clubs/City of Kelowna	Criteria #3:No change in status per Policy 327 "Daycare/Afterschool Care" is operating on avg. at below market.
17	6370273	Lot 19, Plan 23749	Ki-Low-Na Friendship Society	
18	6371030	Lot 2, Plan KAP30323	Pathways Abilities Society	
19	6774486	Lot 2 Plan: KAS2048	Big Brothers Big Sisters of the Okanagan Society	
20	6774491	Lot:7 Plan KAS2048	Big Brothers Big Sisters of the Okanagan Society	
21	10508002	Lot 2, Plan 15777	Kalano Club of Kelowna	
22	10519925	Lot A, Plan KAP54261	Reach Out Youth Counselling & Services Society	
23	10707000	Lot 1, Plan 15596, Except Plan KAP73753	BHF Building Healthy Families Society	

Schedule F - Public Park or Recreation Ground, Public Athletic or Recreational

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	571	Part DL 14 (.727 Acres) Lot A, Plan 5352	Kelowna Lawn Bowling Club /City of Kelowna	
2	37220	Lot 4, Plan 4921	Kelowna Badminton Club/City of Kelowna	
3	73507	Lot 2, Plan 32159	City of Kelowna/Kelowna Cricket Club	
4	80966	Lot B, Plan KAP76448	Kelowna Major Men's Fastball Association / City of Kelowna	No Change in Status as liquor license held by CofK not organization.
5	80967	Lot A, Plan KAP76448	Kelowna Curling Club / City of Kelowna	Criteria # 7: 2,000 sq ft taxable as areas primary use is liquor/food services.
6	83521	Lot 1, Plan EPP29214	Kelowna Yacht Club	Criteria # 6: Approx 21,168 sq ft (88%) taxable as the principal use of this portion of the property is not directly related to principal purpose of organization owning the property (rental/lease/restaurant)
7	4009000	Plan 2020, Parcel A , PCL A (KG34204)	Kelowna & District Fish & Game Club	Exempting non-commercial and non-residential class only
8	4078511	Lot 2, KAP80134	City of Kelowna	H2O Centre to be exempted except for space occupied by current tenant "Jugo Juice" which is taxed under its own tax roll # 4078513
9	4078511	Lot 2, KAP80134	Kelowna United Football Club/City of Kelowna	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
10	4453000	Lot 1 & 2, Plan 3067	East Kelowna Community Hall Association	Criteria#9: Caretaker Agreement in place
11	4525505	Lot 1, KAP61083	Central Okanagan Land Trust / Central Okanagan (Regional District)	Land Conservation (Parkland)
12	6198705	Lot 1, Plan KAP91112	Okanagan Gymnastic Centre / City of Kelowna	
13	6224735	Lot B, Plan KAP53836	Rutland Park Society	Criteria #5: 1,200 sq ft taxable as primary use of property not the principal purpose of the organization <u>owning</u> the property (Lease/Rental: Little Bloomers Daycare).
14	6935000	Part S 1/2 of SW 1/4	Central Okanagan Land Trust / Central Okanagan (Regional District)	Land Conservation (Parkland)
15	6936000	Part N 1/2 of SW 1/4	Central Okanagan Land Trust / Central Okanagan (Regional District)	Land Conservation (Parkland)
16	6961000	Lot Fr E 1/2 Sec 17, Twp 28 exc Plan B4553	Nature Trust of BC	Land Conservation (Parkland)
17	6962004	Fr NE 1/4 Sec 17, Twp 28 SDYD, shown Amended Plan B4553, exc Plan 26911	Crown Provincial/ Nature Trust of BC	Land Conservation (Parkland)
18	6962006	Lot A, Sec 17, Twp 28, Plan 41403	Nature Trust of BC	Land Conservation (Parkland)
19	6962008	Lot B, Plan 41403	Nature Trust of BC	Land Conservation (Parkland)
20	6974000	Lot 11, Sec. 22, Plan 4080	Scout Properties (BC/Yukon) Ltd	
21	6976000	Lot 11, Sec. 22, Plan 4080	Scout Properties (BC/Yukon) Ltd	Criteria #9: Caretaker Agreement in place

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
22	9461001	Lot B, DL 14, LD 41, KAP 10727	Kelowna Outrigger Racing Canoe Club Society/City of Kelowna	
23	9472588	Lot 2, DL 14, LD 41, KAP53240	Kelowna Outrigger Racing Canoe Club Society/City of Kelowna	Criteria #9: Caretaker Agreement in place
24	10776000	Plan 9359, Lot 2	Kelowna Riding Club	Criteria #9: Caretaker Agreement in place
25	11029007	That part of Plan 37018, DL 136, shown as park	Central Okanagan Heritage Society/City of Kelowna	Criterion #9: 566 Sq ft taxable as residences will be excluded from otherwise tax exempt property. (Rental Unit)
26	11151000	Lot 1, Plan 11796	Kelowna Minor Fastball Society/City of Kelowna	
27	11501989	Lot 1, Plan 35229	Central Okanagan Small Boat Association / City of Kelowna	Criteria #9: Caretaker Agreement in place
28	12184556	Lot 1, Plan KAP69898	Okanagan Mission Community Hall Association	

Schedule G - Cultural

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	950	Lot 1, Block 12, Plan 202	Centre Cultural François De L' Okanagan	
2	1830	Lot 49, Plan 262, Blk 15	Kelowna Canadian Italian Club	
3	38641	Lot A, Plan 5438	Okanagan Military Museum Society / City of Kelowna	
4	38644	Plan 5438, D.L. 139	Kelowna Centennial Museum Association / City of Kelowna	
5	75959	Lot 2, Plan 37880	Kelowna Music Society	
6	77062	Lot 1, Plan 42511	City of Kelowna/Kelowna Museums Society	Change in Status. Criterion # 3: 1,300 sq ft 20% exempt (4th year of the 5 year phase out program) as area's primary purpose are commercial liquor sales. Per Policy 327: "Non-profit organizations conducting retail and/or commercial activity and charging rates or fees at market value are considered to be in competition with for-profit businesses and will not be eligible for tax exemption." Note: The portion of the Wine Museum which is a VQA Wines store would be taxable - Approx. 60% of the Wine Museum area (1,300 sq. ft.).
7	79055	Lot 3, Plan KAP 57837, DL 139	Okanagan Regional Library / City of Kelowna Library Society	
8	79932	Lot A, Plan KAP67454	Kelowna Art Gallery/City of Kelowna	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
9	80250	Lot A, KAP67454	Kelowna Visual & Performing Arts Centre Society / City of Kelowna	<p>The following areas will be Exempt areas - (80250)</p> <p>Centre Society area 37,034 Theatre Kelowna 892 sq ft Okanagan Artists Alternative Association (2 areas) 2,058 sq ft Ponderosa Spinners and Weavers area 409 sq ft Music Room 520 sq. ft. Potters Addict 1589 sq ft Cool Arts Society 429 sq ft New Vintage Theatre (non-profit) 1,185 sq ft</p> <p>Non-exempt areas - total 3178 ft. 80251 KVPACS Bistro 1,236 sq ft 80255 Angie Bonten, Trina Ganson, Sara Parsons studio 350 sq ft 80256 Mal Gagnon studio area 428 sq ft 80257 Aunaray Clusiau studio area 370 sq ft 80258 Blind Eye Photography 444 sq. ft. 80260 Brandy Marsh 350 sq ft</p>
10	83355	Lot 1, KAP92254	Okanagan Symphony Society/City of Kelowna	
11	7212624	Lot 10, KAP72245	Westbank First Nation	
12	10349220	Lot B, Plan 28112	German - Canadian Harmonie Club	Criteria #7: 4,413 sq ft taxable as areas primary purpose is liquor and or meal services
13	10768001	Lot A, Plan 6710	Roman Catholic Bishop of Nelson Pandosy Mission	

Schedule H - Other Non-Profit Societies

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	16670	Lot 16, Plan 1303	Kelowna Yoga House Society	Criteria #4: No Change in Status. Per Policy 327: house on property used by society & similar programs offered at Sport & Rec.
2	23360	Lot 7, Plan 2498	Columbus Holding Society	
3	28740	Lot 8, Plan 3398	Kelowna Centre for Positive Living Society	
4	70030	Lot A, Plan 28311	Columbus Holding Society	Criteria #5: Upper floor & main floor fully taxable as primary use of property not the principal purpose of the organization owning the property (lease/rental upper floor - Inn From the Cold, main floor Lease/Rental Taxable-Right to Life, basement 100% Exempt: Knights of Columbus
5	77364	Lot A, Plan 43658	Kelowna Sr. Citizens Society of BC	Criteria #9: Caretaker agreement in place.
6	5763001	Lot A, Plan KAP82536	Kelowna General Hospital Foundation	
7	6198706	Lot 1, Plan KAP91112, Safety Village Lease only (.739 ac.) (Parent 06198.702)	Kelowna & District Safety Council Society / City of Kelowna	
8	6199682	Lot 2, Plan 39917	Father DeLestre Columbus (2009) Society	
9	6371365 - 6371403	Lot 1-39, Plan KAS384	The Society of Housing Opportunities and Progressive Employment	Partial Exemption based on difference - one parcel vs. individual strata units
10	10759011	Lot 11, Plan 515, Blk 1	BC Society for Prevention of Cruelty to Animals	

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
11	12188047	Lot B Plan 40681	Cowen, Sandra K & Heather I Henderson (Trustees: Arion Therapeutic Riding Association)	Criteria #5: Carriage house above the barn is taxable as primary use of property not the principal purpose of the organization owning the property (Lease/Rental Unit).

Schedule I - Partnering, Heritage or Other Special Exemption Authority

Tax Exempt Properties for 2016 Tax Year

NO.	ROLL NO.	LEGAL DESCRIPTION	REGISTERED OWNER/LESSEE	RATIONALE/COMMENTS
1	10388000	Lots 15 and 16, Blk. 7, Plan 415B	Central Okanagan Heritage Society	Criteria #9: Caretaker agreement in place.

Schedule J - Estimated Municipal Property Tax Impact For the Years 2016 - 2018

Schedule	Property Classification	2016	2017	2018
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A - Places of Worship

Class 01 - Residential	0	0	0
Class 06 - Business	11,431	11,800	12,171
Class 08 - Recreation/Non-Profit	268,887	277,603	286,344
Total Municipal Taxes	\$280,318	\$289,403	\$298,515

B - Private Schools

Class 01 - Residential	1,688	1,743	1,798
Class 06 - Business	142,992	147,623	152,273
Class 08 - Recreation/Non-Profit	14,497	14,966	15,437
Total Municipal Taxes	\$159,177	\$164,332	\$169,508

C - Hospitals

Class 01 - Residential	0	0	0
Class 06 - Business	15,789	16,301	16,814
Class 08 - Recreation/Non-Profit	0	0	0
Total Municipal Taxes	\$15,789	\$16,301	\$16,814

D - Special Needs Housing

Class 01 - Residential	49,480	51,085	52,695
Class 06 - Business	6,150	6,349	6,549
Class 08 - Recreation/Non-Profit	0	0	0
Total Municipal Taxes	\$55,630	\$57,434	\$59,244

E - Social services

Class 01 - Residential	9,417	9,722	10,028
Class 06 - Business	175,510	181,197	186,904
Class 08 - Recreation/Non-Profit	2,084	2,152	2,220
Total Municipal Taxes	\$187,011	\$193,071	\$199,152

F - Public Park or Recreation Ground, Public Athletic or ecreational

Class 01 - Residential	66,631	68,791	70,958
Class 06 - Business	73,754	76,144	78,543
Class 08 - Recreation/Non-Profit	300,296	310,026	319,792
Total Municipal Taxes	\$440,681	\$454,961	\$469,293

G - Cultural

Class 01 - Residential	6	6	6
Class 06 - Business	306,205	316,126	326,086
Class 08 - Recreation/Non-Profit	9,441	9,747	10,054
Total Municipal Taxes	\$315,652	\$325,879	\$336,146

H - Other

Class 01 - Residential	8,919	9,208	9,498
Class 06 - Business	33,074	34,146	35,222
Class 08 - Recreation/Non-Profit	4,200	4,337	4,473
Total Municipal Taxes	\$46,193	\$47,691	\$49,193

I - Partnering, Heritage or Other Special Exemption Authority

Class 01 - Residential	102	105	108
Class 06 - Business	5,833	6,022	6,212
Class 08 - Recreation/Non-Profit	0	0	0
Total Municipal Taxes	\$5,935	\$6,127	\$6,320

Total Impact

Class 01 - Residential	136,243	140,660	145,091
Class 06 - Business	770,738	795,708	820,774
Class 08 - Recreation/Non-Profit	599,406	618,831	638,320
Total Municipal Taxes	\$1,506,387	\$1,555,199	\$1,604,185

Appendix F, Letter from John Howard Society of the Central & South Okanagan



September 16, 2015

Kelowna City Council
1435 Water Street
Kelowna, BC V1Y 1J4

Re: Permissive Tax Exemption Policy

Dear Council Members:

We have just been made aware of the rejection of our application for the permissive tax exemption for our below market housing residence at 1033 Harvey Avenue, and specialized housing at 2817 Springfield Rd. I would like to ask you to reconsider the two year restriction on the eligibility criteria for the exemption.

The John Howard Society of the Central and South Okanagan operates 86 units of housing along a continuum that ranges from Cardington Apartments, a low/no barrier building that is transitional in nature and has a soft limit of 2 years, to New Gate Apartments which is secure, monitored and permanent housing for people with disabilities or other barriers to achieving market housing. Also along the spectrum is our 1043 Harvey avenue house that provides second-stage addition housing in partnership with Interior Health. All three of those buildings are exempt from property tax due to the supportive housing label and partnership with BC Housing and the City of Kelowna.

Our other two properties at 1033 Harvey Ave and 2817 Springfield are intended to be part of our continuum as well. Many of the residents at 1033 Harvey have moved through Cardington and then New Gate and are ready to live completely independently, although communally with others. None of the residents would be able to afford market housing in Kelowna and many of them have injuries/disabilities that prevent their accessing market rentals. We screen residents and manage conflicts that arise between tenants, and we also provide some of the basic household necessities for them.

The 2817 Springfield house was purchased specifically to house a client who is also supported by Interior Health's new Assertive Community Treatment (ACT) team and Community Living BC. This client has been evicted from every residence she has ever had, and her behaviours have become much more dangerous to herself and others over the past couple of years. She has been, at times, a significant risk to the community and a disproportionate user of emergency services that is costly both in dollars and time spent on treating her. This housing model is new for us and uses a 'professional neighbour' in the upstairs unit who is intended to keep an eye on what is going on downstairs, contact emergency services and/or the ACT team when necessary and be a source of minimal but significant support to the client who lives in the downstairs suite.

As you know, housing prices are high here. The downstairs suite can only contain the one client due to her behaviours, and a significant reduction in rent is required to engage a tenant upstairs who will fulfill the 'professional neighbour' role and endure the behaviours of the client. Between the two, including the housing subsidy available to the client from BC Housing through the Living Positive Resource Centre

Phone: 250.763.1331 • Fax: 250.763.1483 • Email: info@jhscso.bc.ca
1440 St Paul Street, Kelowna, British Columbia Canada V1Y 2E6

we were not able to completely cover the basic costs of the mortgage, insurance and repairs/maintenance. CLBC and Interior Health have come to the table to fill the gap between the income from the two tenants and our costs. These costs were calculated without the property taxes included.

The City of Kelowna has a huge influx of Housing First funding coming into the community, and permanent housing offered to people who are episodically or chronically homeless is the underlying premise. Agencies like ours, who are able and willing to take on the risk of ownership in this market to house those who would otherwise be homeless are being penalized by this policy for offering permanent housing solutions rather than the two year maximum option.

Point 8 of the Eligibility Criteria reads:

Provides short term housing with length of stay up to a maximum of two years.

This would include: emergency shelters, transitional housing, supportive housing for people with special needs, and group homes.

The two categories 'supportive housing for people with special need' and 'group homes' are not generally short-term housing options. Is the exemption extended to those on a longer term basis? I'm curious about what requirements there are under this definition for supportive housing.

Please reconsider our applications for tax exemptions for both of these properties for this year. Depending on what the taxes actually are we can budget for them for next year and hopefully pass the extra cost along to the tenants in the next leasing cycle without causing undue hardship to them.

Thank you for giving us the opportunity to write to you about this issue. I would be very happy to respond to any questions you may have through attendance at a council meeting, or via electronic or regular mail.

We are committed to finding creative solutions to the housing challenge that every one of our clients faces in this community. The City has always been a fabulous partner and we look forward to continuing to work with you on addressing the needs of the most vulnerable.

Sincerely,



Gaelene Askeland
Executive Director