

AGENDA FOR THE SPECIAL OPEN FINANCE / POLICY COMMITTEE OF THE WHOLE  
MEETING TO BE HELD IN THE BOARD ROOM, CITY HALL,  
ON MONDAY, 2011-AUG-29, COMMENCING AT 3:00 P.M.

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1. **CALL THE SPECIAL OPEN FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING TO ORDER:**

2. **INTRODUCTION OF LATE ITEMS:**

3. **ADOPTION OF AGENDA:**

4. **ADOPTION OF MINUTES:**

- (a) Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall, on Monday, 2011-JUN-20 at 4:30 p.m. Pg. 4-9

5. **PRESENTATIONS:**

- (a) Mr. B. E. Clemens, Director, Finance, to provide a PowerPoint presentation regarding Council's Permissive Tax Exemption policy.

6. **DELEGATIONS PERTAINING TO AGENDA ITEMS: (10 MINUTES)**

7. **COMMISSION REPORTS:**

8. **COMMITTEE REPORTS:**

- (a) **Grants Advisory Committee – Permissive Tax Exemption Policy Review (Report originally received 2011-JUL-25)** Pg. 10-24

Committee's Recommendations: That Council:

1. *rescind the existing Grants Policy and Guidelines and replace it with the updated version attached to the report;*

AND:

2. *provide direction to the Grants Advisory Committee on whether Permissive Tax Exemptions should be given to organizations that primarily provide services to businesses;*

AND:

3. *provide direction to the Grants Advisory Committee on whether Permissive Tax Exemptions should be given to organizations that provide services that are available from the private sector;*

AND:

4. *send a letter to the Province regarding Council's concern for the downloading of provincial responsibilities and costs.*

(b) **Grants Advisory Committee – 2011 Grants Advisory Committee Recommendations**

Pg. 25-27

Committee's Recommendations: *That Council:*

1. *award permissive tax exemptions to the following Applicants:*
  - PTE-11 Nanaimo Squash Club
  - PTE-12 Royal Canadian Legion Branch #10;

AND:

2. *deny a permissive tax exemption to Applicant PTE-13, Nanaimo Traveller's Lodge Society;*

AND:

3. *deny cash-in-lieu of permissive tax exemptions to the following Applicants:*
  - PTE-11 Nanaimo Squash Club
  - PTE-12 Royal Canadian Legion Branch #10
  - PTE-13 Nanaimo Traveller's Lodge Society;

AND:

4. *award an Other Grant to Applicant OG-05, Nanaimo & District BC SPCA (SNIP PROGRAM);*

AND:

5. *deny an Other Grant to Applicant OG-06, United Way Central & Northern Vancouver Island.*

(c) **Minutes of the Grants Advisory Committee Meeting held 2011-JUL-20**

Pg. 28-31

Committee's Recommendation: *That Council receive the Minutes of the Grants Advisory Committee Meeting held 2011-JUL-20.*

9. **STAFF REPORTS:** *(blue)*

10. **INFORMATION ONLY ITEMS:**

- (a) Report from Ms. J. Harrison, Manager, Legislative Services, Pg. 32  
re: 2011 By-Election Financial Disclosure Statements.
- (b) Report from Mr. B. Corsan, Manager, Planning, re: Council Directed Pg. 33-34  
Amendments to City of Nanaimo Zoning Bylaw 2011 No. 4500.

11. **CORRESPONDENCE:**

12. **NOTICE OF MOTION:**

13. **OTHER BUSINESS:**

14. **DELEGATIONS PERTAINING TO ITEMS NOT ON THE AGENDA:**  
(10 MINUTES)

- (a) None.

15. **QUESTION PERIOD:** *(Agenda Items Only)*

16. **PROCEDURAL MOTION:**

It was moved and seconded that Council move "In Camera" in order to deal with the following matters under the *Community Charter* Section 90(1):

- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*.

17. **ADJOURNMENT:**

MINUTES OF THE REGULAR FINANCE / POLICY COMMITTEE OF THE WHOLE MEETING  
HELD IN THE BOARD ROOM, CITY HALL,  
ON MONDAY, 2011-JUN-20 COMMENCING AT 4:30 P.M.

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PRESENT: Mayor J. R. Ruttan, Chair

Members: Councillor W. L. Bestwick  
Councillor G. E. Greves  
Councillor W. J. Holdom  
Councillor D. K. Johnstone  
Councillor J. A. Kipp  
Councillor J. F. K. Pattje  
Councillor L. J. Sherry  
Councillor M. W. Unger

Staff: A. C. Kenning, City Manager  
D. W. Holmes, Assistant City Manager and General Manager of  
Corporate Services (left at 5:05 p.m.)  
E. C. Swabey, General Manager of Community Safety and Development  
T. M. Hickey, General Manager of Community Services  
T. L. Hartley, Director of Human Resources and Organizational Planning  
B. E. Clemens, Director of Finance  
T. P. Seward, Director of Development  
A. J. Tucker, Director of Planning  
J. Kinch, Manager of Building Inspections  
G. Franssen, Manager of Sanitation and Recycling  
B. Sims, Manager of Water Resources  
D. Duncan, Manager of Finance  
J. Horn, Social Planner  
N. Richardson, Regulation Assistant (arrived at 5:30 p.m.)  
J. E. Harrison, Manager of Legislative Services  
T. Wilkinson, Recording Secretary

1. CALL THE OPEN MEETING TO ORDER:

The Regular Finance / Policy Committee of the Whole Meeting was called to order at 4:30 p.m.

2. INTRODUCTION OF LATE ITEMS:

- (a) Add Agenda Item 13 (a) – Other Business – Committee Terms of Reference and City Appointments.

3. ADOPTION OF AGENDA:

It was moved and seconded that the Agenda, as amended, be adopted. The motion carried unanimously.

4. ADOPTION OF MINUTES:

It was moved and seconded that the Minutes of the Regular Finance / Policy Committee of the Whole Meeting held in the Board Room, City Hall on Monday, 2011-APR-18 at 3:03 p.m. be adopted as circulated. The motion carried unanimously.

5. DELEGATIONS PERTAINING TO AGENDA ITEMS:

- (a) Delegations Pertaining to the 2010 Annual Municipal Report.

Mr. Fred Taylor, 204 Emery Way, Nanaimo, spoke regarding City advertising costs.

6. STAFF REPORTS:

ADMINISTRATION:

- (a) Island Corridor Foundation – Licence of Occupation

It was moved and seconded that Council approve the Licence of Occupation Agreement between the Regional District of Nanaimo, City of Nanaimo, District of Lantzville, City of Parksville, Town of Qualicum Beach and the Island Corridor Foundation for the term of 25 years from 2011 to 2035. The motion carried unanimously.

CORPORATE SERVICES:

- (b) 2011 UBCM Resolutions

No resolutions from this meeting were put forward by Council for the 2011 Union of British Columbia Municipalities Convention.

- (c) 2010 Annual Municipal Report

It was moved and seconded that Council approve the 2010 Annual Municipal Report. The motion carried unanimously.

- (d) 2010 Statement of Financial Information

It was moved and seconded that Council approve the City of Nanaimo 2010 Statement of Financial Information for filing with the Ministry of Community, Sport and Cultural Development. The motion carried unanimously.

COMMUNITY SERVICES:

(e) Customer Service Levels for Engineering and Public Works

Mr. T. M. Hickey, General Manager of Community Services, and Ms. D. Duncan, Manager of Finance, provided a PowerPoint presentation regarding Customer Service Levels for Engineering and Public Works.

7. INFORMATION ONLY ITEMS:

Councillor Pattje vacated the Board Room at 6:28 p.m.

- (a) Report from Mr. G. Franssen, Manager of Sanitation and Recycling, re: Refuse and Recycling Collection Route Addition.
- (b) Report from Mr. T. M. Hickey, General Manager of Community Services, re: Water Treatment Plant Referendum Information.
- (c) Report from Mr. I. Howat, Director of Strategic Relationships, re: Interim Appointees to the Nanaimo Economic Development Corporation Board of Directors.

8. OTHER BUSINESS:

It was moved and seconded that:

- 1. the Terms of Reference for the planNanaimo Advisory Committee be amended to increase the members from City Council from one to two members;
- 2. Councillor Ted Greves be appointed to the planNanaimo Advisory Committee for the remainder of the 2011 term;
- 3. the Mandate and Objectives Document for the Transportation Advisory Committee be amended to increase the members of Council from three to four; and,
- 4. Councillor Ted Greves be appointed to the Transportation Advisory Committee for the remainder of the 2011 term.

The motion carried unanimously.

9. QUESTION PERIOD:

- Mr. Fred Taylor, re: swales and drainage.
- Mr. Gordon Fuller, re: water treatment facility.
- Mr. Ron Bolin, re: water treatment filtration system.

Councillor Pattje returned to the Board Room at 6:43 p.m.

10. PROCEDURAL MOTION:

It was moved and seconded that Council move "In Camera" in order to deal with the following matters under the *Community Charter* Section 90(1):

- (f) law enforcement, if the Council considers that disclosure could reasonably be expected to harm the conduct of an investigation under or enforcement of an enactment;
- (j) information that is prohibited, or information that if it were presented in a document would be prohibited, from disclosure under section 21 of the *Freedom of Information and Protection of Privacy Act*; and,
- (k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the Council, could reasonably be expected to harm the interests of the municipality if they were held in public.

The motion carried unanimously.

Council moved into "In Camera" at 6:48 p.m.

Council moved out of "In Camera" at 8:30 p.m.

11. ADJOURNMENT:

It was moved and seconded at 8:30 p.m. that the meeting terminate. The motion carried unanimously.

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CHAIR

CERTIFIED CORRECT:

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MANAGER,  
LEGISLATIVE SERVICES

- (d) Report from Mr. B. Joiner, Energy Manager, Parks, Recreation and Culture, re: Energy Study for Beban Park Recreation Centre.

10. RECONSIDERATION OF BYLAWS:

- (a) "BUILDING AMENDMENT BYLAW 2011 NO. 5693.03" (To amend sprinkler regulations).

65911 It was moved and seconded that "BUILDING AMENDMENT BYLAW 2011 NO. 5693.03" be adopted. The motion carried unanimously.

- (b) "HOUSING AGREEMENT BYLAW 2011 NO. 7132" (To provide development cost charge relief for the Tillicum Lelum Society affordable housing project).

66011 It was moved and seconded that "HOUSING AGREEMENT BYLAW 2011 NO. 7132" be adopted. The motion carried unanimously.

11. INTRODUCTION OF DEVELOPMENT BYLAWS:

- (a) "ZONING AMENDMENT BYLAW NO. 2011 4500.001" (To rezone the property located at 1 Terminal Avenue [Howard Johnson site]).

66111 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.001" pass first reading. The motion carried.  
Opposed: Councillor Holdom

66211 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.001" pass second reading. The motion carried.  
Opposed: Councillor Holdom

- (b) "ZONING AMENDMENT BYLAW NO. 2011 4500.002" (To make 13 text amendments and 6 mapping changes to clarify the intent and to correct errors that have been identified in the newly adopted Zoning Bylaw No. 4500).

66311 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.002" pass first reading. The motion carried unanimously.

66411 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.002" pass second reading. The motion carried unanimously.

- (c) "ZONING AMENDMENT BYLAW NO. 2011 4500.003" (To rezone the property located at 150 Comox Road [Maffeo Sutton Park]).

66511 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.003" pass first reading. The motion carried unanimously.

66611 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.003" pass second reading. The motion carried unanimously.



- (d) "ZONING AMENDMENT BYLAW NO. 2011 4500.004" (To amend the height restrictions within the Single Dwelling Residential (R1/R1a) zones).

66711 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.004" pass first reading.

66811 It was moved and seconded that section 7.6.1 of "ZONING AMENDMENT BYLAW NO. 2011 4500.004" be amended for the R2, R3 and R4 Zones to change the height of the principal building for flat roofs from 7.0 metres to 6.71 metres, and to amend the height of the principal building for sloped roofs from 9.0 metres to 8.25 metres. The motion carried unanimously.

The vote was taken on the main motion, as amended.

The motion carried unanimously.

66911 It was moved and seconded that "ZONING AMENDMENT BYLAW NO. 2011 4500.004" pass second reading. The motion carried unanimously.

12. CORRESPONDENCE:

- (a) Petition received 2011-JUL-15 from residents of Stamp Way regarding sanitary sewer service for Departure Bay residents.

13. QUESTION PERIOD:

- Mr. Fred Taylor, heights in the zoning bylaw, parkland.

67011 It was moved and seconded that Council direct Staff to prepare a report regarding heights in all residential zones, and whether Council can distinguish between new and old subdivisions. The motion carried unanimously.

- Mr. Allan Davidson, building heights in the new zoning bylaw.

14. ADJOURNMENT:

67111 It was moved and seconded at 5:46 p.m. that the meeting terminate. The motion carried unanimously.

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MAYOR

CERTIFIED CORRECT:

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MANAGER,  
LEGISLATIVE SERVICES

## REPORT TO COUNCIL

FROM: COUNCILLOR DIANA JOHNSTONE, CHAIRPERSON,  
GRANTS ADVISORY COMMITTEE

RE: PERMISSIVE TAX EXEMPTION POLICY REVIEW

☒ Council  
☐ Committee  
☒ Open Meeting  
☐ In-Camera Meeting  
 Meeting Date: 2011-Jul-25

### COMMITTEE'S RECOMMENDATION: That Council:

1. Rescind the existing Grants Policy and Guidelines and replace it with the updated version attached to this report; and
2. Provide direction to the Grants Advisory Committee on whether Permissive Tax Exemptions should be given to organizations that primarily provide services to businesses; and
3. Provide direction to the Grants Advisory Committee on whether Permissive Tax Exemptions should be given to organizations that provide services that are available from the private sector; and
4. Send a letter to the Province regarding Council's concern for the downloading of provincial responsibilities and costs.

### EXECUTIVE SUMMARY:

As part of its three-year review of Permissive Tax Exemptions, the Grants Advisory Committee has done a review of the policy and has made some recommendations for changes to the policy. Most of the changes are relatively minor, with the most significant change being to remove "financial need" from the evaluation criteria. An additional change is to eliminate the practice of providing cash grants for property taxes in the year before the PTE comes into effect, except in unusual circumstances.

The Committee would like some direction from Council on a couple of areas; non-profit organizations that provide services to businesses, and organizations that provide services that are also provided by the private sector. Some direction from Council will assist the Committee in reviewing PTE applications and in making future recommendations to Council.

### BACKGROUND:

Part of the mandate of the Grants Advisory Committee is to periodically review the Permissive Tax Exemption (PTE) policy and make recommendations to Council on changes to the policy. The Committee met many times in the last few months and has reviewed the policy in depth.

The issue that the Committee struggled the hardest with is the concept of financial need: should it be applied to PTE applications, and if so, should there be some strict criteria for reviewing each application, or should there be general guidelines that the Committee should consider, but not be bound to follow.

In debating these questions, the Committee was mindful to balance the desire to support volunteer organizations and the great value that they bring to our city with the financial

☐ Council  
☒ Committee  
☒ Open Meeting  
☐ In-Camera Meeting  
 Meeting Date: 2011-Aug-29

implications to the general taxpayer when property taxes are exempt. The Committee was guided in their discussion by Council's policy statement on PTEs:

"The City of Nanaimo believes that Permissive Tax Exemptions are an appropriate way to recognize the value of the services provided to the community by non-profit organizations."

Members of the Committee were unanimous in their support of the organizations that apply for PTEs. It is recognized that most of these organizations are providing valuable services to members of our community at a low cost and often with very few resources. Many of these services would not be available at all, if not for a few dedicated people.

On the other hand, these organizations receive municipal services, and if they do not pay for these services through property taxes then the costs are carried by the general taxpayer. Many of these organizations are successful in raising revenues by charging for their services, sometimes through contracts to senior governments. For some of these organizations, paying property taxes would not be a hardship or affect their ability to deliver services. For them, property taxes are a small portion of their operating expenses.

In order to try to develop some consistent policies to evaluate PTE applications, the Committee grouped them into a number of categories so that criteria could be developed that was tailored to the kind of organization that was applying.

- (a) **Churches:** The church building and the land upon which it stands is tax exempt by the *Community Charter*. Council policy, in place since 1986, is to exempt an additional 2 acres of land surrounding the building as long as it is part of the same legal parcel as the church. No additional criteria are considered. The Grants Advisory Committee contemplated a reduction in the 2 acre limit, but ultimately decided not to recommend any change.
- (b) **Public Hospitals:** Similar to churches, the hospital building and the land it sits upon is exempt under the *Community Charter*. Council policy is to exempt any land surrounding the hospital that is necessary for the operation of the hospital. The hospital must meet the definition of a public hospital under the *Hospital Act*, otherwise no other criteria are considered. No changes are proposed for this category.
- (c) **Senior Citizens' Housing Facilities:** This category has some very specific statutory criteria and no new properties can be added. Existing properties exempted under this category are owned by the Mt. Benson Senior Citizens' Housing Society and the George R. Pearkes Senior Citizen Housing Society. No changes are proposed for this category.
- (d) **Community Care Facilities:** Council may exempt land and improvements used as a private hospital under the *Hospital Act* or as a licensed community care facility, or registered assisted living residence, under the *Community Care and Assisted Living Act*. The current policy is to exempt any property that meets these criteria and is owned or held and operated by a registered non-profit society. No changes are proposed for this category.
- (e) **Private Schools:** The *Community Charter*, with some restrictions, exempts buildings used as a private school. As with churches, Council has the option to exempt the land surrounding the private school. Permissive exemption will be recommended by the Committee where the land is necessary to the operation of the school and where the

organization permits the general public to use the land for appropriate purposes. This policy has been amended slightly to confirm that the land must be accessible to all.

- (f) **Recreation:** This category includes property used as a public park or recreation ground, or for public athletic or recreational purposes, such as properties owned by the Nature Trust for British Columbia. Applications under this category are reviewed against the basic guidelines and the Committee will make a recommendation to Council to approve or deny permissive tax exemption. The criteria for this category have been modified to remove the requirement for the applicant to have a long term financial need.
- (g) **Other groups:** The *Community Charter* permits Council to exempt property that is owned or held by a charitable, philanthropic, or other not for profit organization and is used for a purpose that is directly related to that organization. Typically, Council has rejected applications that are for land that is vacant, or is being used to generate revenue (such as a retail operation). These exemptions fall into a number of types:
- Community services (social services provided by not for profits like the St. John's Ambulance Society)
  - Community associations (e.g. Pleasant Valley Social Centre)
  - Arts & Cultural associations (e.g. Nanaimo Art Gallery)
  - Miscellaneous organizations

As with recreational groups, applications under this category are reviewed against the basic guidelines and the Committee will make a recommendation to Council to approve or deny permissive tax exemption. The criteria for this category have been modified to remove the requirement for the applicant to have a long term financial need.

Many of the organizations in the "other" category and some of the recreational organizations occupy property that is owned by the City of Nanaimo. This includes occupants of the Community Services Building and the Centre for the Arts Nanaimo, as well as organizations like the Vancouver Island Exhibition, the Nanaimo Canoe & Kayak Club, the Port Theatre and the Nanaimo Curling Club, just as examples. Some of these organizations are extensions of City services that are provided by non-profit organizations, others are clearly not, and many fall into the grey area in between. There is often confusion about why these properties are taxable when the land and buildings are owned by the City. The answer is that once a City-owned property is occupied by someone else, the property becomes taxable. The City then has the option to require the organization to pay property taxes, or to consider permissive tax exemption.

There were few changes made in the first six categories, and these were all minor changes to clarify the existing policy, or administrative changes to update references to the *Community Charter*. The majority of the discussion was around the "other" category and whether stricter criteria needed to be adopted, particularly around financial need. In the end, the Committee chose to eliminate existing references to financial need and to leave more discretion to the Committee to determine when a PTE is appropriate, subject, as always, to the final approval of Council.

The PTE policy contains the following criteria to be considered by the Grants Advisory Committee when making recommendations to Council on PTEs:

- a) the goals, policies, and general operating principles of the municipality as a whole are reflected in the organizations that receive municipal support;

- b) exemptions are not given to services that are otherwise provided on a private, for profit basis, this would provide an unfair competitive advantage;
- c) the services provided by the organizations should be an extension of municipal services and programs and must fall under the responsibility of local government, senior government program costs must not be transferred to property taxpayers, as this would represent a downloading of senior government costs to local taxpayers;
- d) the taxation burden resulting from the exemption must be a justifiable expense to the taxpayers of the municipality, the sources of municipal revenue are limited and requests for exemption must be considered in concert with the other needs of the municipality;
- e) the services provided by the organizations should provide benefits and be accessible to the residents of the City of Nanaimo, and, within an appropriate age range, the organization's regulations must allow all Nanaimo residents to participate at a reasonable fee;
- f) the organization is adhering to all City of Nanaimo bylaws and policies.

The only change in this section was to add some clarification to item (e) to include the reference to an appropriate age range.

In addition, applicants under the "Recreation" or "Other" categories would have some more criteria to consider:

- a) provide full financial and operating information as requested by the Grants Advisory Committee;
- b) meet the conditions of Section 224 of the *Community Charter*;
- c) are registered non-profit societies.

This section was modified to remove long term financial need as a criteria and to remove a redundant reference to another part of the policy.

## OTHER CHANGES TO THE POLICY

A section on Heritage Tax Exemptions was removed, as these are reviewed by the Heritage Advisory Committee, who makes recommendations to Council.

The policy was amended to allow the Grants Advisory Committee to review applications annually, for reasons to be determined by the Committee, in addition to the major review every three years. This was added because the Committee wanted to have the flexibility to review an organization annually to see if remained in compliance with the criteria for exemption.

## CASH GRANTS FOR PTES

Due to the timing required for the passing of bylaws, an organization can only be added to the PTE roll for the following year. The current policy allows for the organization to apply for a cash grant in the current year equal to the amount of the current year property taxes. Past practice with regard to these applications has been inconsistent. The Committee has recommended (and Council approved) any of the following: the full amount of the taxes, the municipal portion only, 50% of the municipal portion, and none at all. The Committee would like to establish a consistent guideline.

When the City pays a cash grant for the entire property tax bill, it is also paying the school, RDN, hospital and other taxes. One of the features of the permissive tax exemption is that it spreads the cost over several taxing authorities, not just the City.

Members of the Committee point out that, in the first year the property is acquired, the applicant will generally only be paying the taxes for a portion of the year. In fact, the taxes may have already been paid, or will be paid as part of the purchase of the property and the organization is only looking for reimbursement. The cost of the taxes is a relatively small part of the transaction. Therefore, the Committee is recommending that the cash grant only be made when there is an extraordinary financial need, i.e. the organization can demonstrate that it cannot pay those property taxes.

## PROCESS CHANGES

The Committee made some changes to the process that do not require Council approval. This included making some suggestions for improving the application form. The Committee also recommended that all applicants should include the amount of their Permissive Tax Exemption in their budgets. This was in response to the discovery that many of the organizations receiving a PTE did not know how much it was worth, nor did they acknowledge the contribution of the taxpayers.

## REQUEST FOR DIRECTION FROM COUNCIL

In reviewing some of the organizations who currently receive PTEs, the Committee occasionally struggled with the kinds of services that were being provided. One group of applicants that sparked considerable debate was those organizations that primarily serve businesses in the community, such as the Mid-Island Science, Technology and Innovation Council (MISTIC), Tourism Nanaimo and the DNBIA. The Committee eventually recommended against renewing the PTE for the DNBIA. The Committee considered Council's direction that PTEs are "...an appropriate way to recognize the value of the services provided to the community by non-profit organizations..." and would appreciate if Council would clarify whether this should include organization that primarily provide their services to businesses, rather than the general public.

The Committee also struggled with organizations that are proficient at raising their own revenues through selling their services. Some non-profits are difficult to distinguish from a business and in fact could be considered as being in competition with similar for profit businesses. An example of this would be the Nanaimo Recycling Exchange. To take away the PTE would, in effect, be punishing a non-profit organization that has been successful. If Council has any direction on these "enterprising non-profits", it would assist the Committee to make recommendations that would be acceptable to Council.

The Committee also noted that many organizations are providing social services and are almost entirely funded by the provincial government. Currently, these organizations receive a PTE, which means that their taxes are being paid by local taxpayers through higher property taxes. If the organization was a provincial agency, the City would receive grants in lieu of taxes, meaning that the taxes would be paid through provincial revenue sources. This is essentially a downloading of costs from the Province to the City. The Committee would like to recommend that Council send a letter to the Province regarding its concern for this provincial downloading of responsibilities and costs.

In conclusion, the Committee met several times to review the Permissive Tax Exemption policy in detail. With the exception of the elimination of the criteria for financial need, the changes to the policy are relatively minor.

Respectfully submitted

A handwritten signature in cursive script, appearing to read "Diana Johnstone".

Councillor Diana Johnstone  
Chair, Grants Advisory Committee

COUNCIL: 2011-Jul-25

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# CITY OF NANAIMO

## COUNCIL POLICY MANUAL

Pages: 1 of 9  
Approval Date:

<b>SECTION:</b>	<b>FINANCIAL ADMINISTRATION</b>
<b>SUBJECT:</b>	<b>Grants Policy and Guidelines</b>

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### GRANTS POLICY AND GUIDELINES



1. COMPOSITION AND TERM

The Grants Advisory Committee shall be appointed by Council and shall be comprised of:

- ☐ 2 members recommended by the Parks, Recreation and Culture Commission, one from the Cultural Committee, and one from the Recreation Committee
- ☐ 1 member recommended by the United Way
- ☐ 1 Council member as appointed by Council and that member will serve as Chair of the Committee
- ☐ 1 member recommended by the Nanaimo Alcohol and Drug Action Committee
- ☐ 1 member recommended by the Social Planning Advisory Committee
- ☐ 2 members of the general public appointed by Council
- ☐ 1 non-voting Staff liaison recommended by the City Manager

The bodies recommending appointees shall be requested to ensure that the recommended representatives provide a good balance of knowledge in their respective areas of service, and to ensure the commitment and attendance of their recommended representatives.

The maximum term for any member shall be three years.

2. TERMS OF REFERENCE

The Terms of Reference of the Grants Advisory Committee shall be:

- (a) to advise Council on the amount of financial assistance which the municipality should grant to applicants, including permissive taxation exemptions. Recommendations shall be made in accordance with the guidelines and criteria defined in this Policy;
- (b) to recommend policies to Council with regard to non-statutory tax exemption (Permissive Tax Exemptions under Sections 224 and 227 of the *Community Charter*);
- (c) to make recommendations on requests for the subsidized use of civic facilities and resources as if they were requests for financial assistance ("in-kind" grants);
- (d) to maintain the confidentiality of all matters reviewed by the Committee;
- (e) to provide all applicants with observations, recommendations and/or reasons for the recommendations of the Committee;
- (f) to ensure that civic grant funding does not subsidize activities that are the responsibility of senior governments, as this would represent a downloading of senior government costs to local taxpayers;
- (g) to ensure that priority of funding in all categories shall be given to small organizations, rather than larger ones;
- (h) to ensure that grants from the City will be awarded on the basis of demonstrated need for the service within the community.

- (i) to consider appeals by organizations who do not agree with grant recommendations made by City committees. Appeals are limited to a review of the process and are not intended to be a review of the Committee's judgment.

3. CATEGORIES OF GRANT FUNDING

Grant funding will be divided into the following categories:

- ☐ Security Checks
- ☐ Other Grants
- ☐ Permissive Tax Exemptions (Cash Grants)
- ☐ Permissive Tax Exemptions

Recommendations on the amount of grant funding any applicant will be awarded from these categories shall be made in accordance with the guidelines that are outlined in this Policy.

4. YEARLY ALLOCATION FOR GRANT FUNDING

The amount of money available in each category shall be determined by Council during the Financial Plan process each year.

5. COORDINATION OF GRANTS-IN-AID PROCEDURES (with the Regional District of Nanaimo)

Funding: The amount raised from the Regional District levy on the City of Nanaimo shall be returned to the City each year on the condition that the funds are used as either basic or supplementary grants to those organizations which have a primary base of operations within the city, but also provide services which are of a benefit to residents outside the City.

6. GUIDELINES FOR MAKING GRANT RECOMMENDATIONS (by category)

(a) SECURITY CHECKS

Statement of Purpose: Security Check grants are awarded to organizations that must have security checks performed by the R.C.M.P. on their employees and/or volunteers and meet the criteria specified below.

Criteria for Awarding Grants:

- ☐ must be able to identify services provided to residents of Nanaimo
- ☐ nonprofit organization
- ☐ sound financial and administrative management
- ☐ demonstrated financial need
- ☐ \$300/year maximum award to any organization from this category
- ☐ eligible organizations can only apply for financial support from this category once a calendar year (applications reviewed in November)
- ☐ applications for this category must be received by October 31st
- ☐ must adhere to all City of Nanaimo bylaws and policies
- ☐ awards from this category are exclusive of awards from the other categories

Kind of Funding:

- ☐ Security Check Fee Reimbursement

(b) OTHER GRANTS

Statement of Purpose: Applications that don't fit into any categories of any of the granting committees are to be referred to the Grants Advisory Committee for review and recommendation. If the scope of the grant request exceeds the committee's budget, the Grants Advisory Committee can make a recommendation subject to the grant being funded from Council contingency.

Criteria for Awarding Grants:

- ☐ large number of volunteers;
- ☐ registered non-profit society;
- ☐ sound financial and administrative management;
- ☐ financial need;
- ☐ accessible to a large portion of the community;
- ☐ must have a broad base of support;
- ☐ must have another source of financial support;
- ☐ must be local in focus and must adhere to all City of Nanaimo's bylaws and policies;
- ☐ cash grants will not be provided if the organization receives a Permissive Tax Exemption, or where the facility is provided by the City of Nanaimo free of charge or at a substantially reduced rate. Notwithstanding the above statement, organizations facing critical financial difficulties are eligible to apply for emergency funding.

Kind of Funding:

- ☐ educational funding;
- ☐ emergency funding;
- ☐ capital grants on a matching basis up to a maximum of \$5,000;
- ☐ in-kind funding for facility rental.

(c) PERMISSIVE TAX EXEMPTIONS (Cash Grants)

Statement of Purpose: An organization may only be added to the Permissive Tax Exemption roll for the following year. In some unusual cases it may be appropriate to give an organization a cash grant during the current year.

Criteria for Awarding Grants:

- the property must be recommended for a Permissive Tax Exemption in the following year; and
  - (1) the property qualifies for Permissive Tax Exemption as a Church, Public Hospital, Community Care Facility, or Private School; or
  - (2) the organization can demonstrate an extraordinary financial need;
  - (3) must adhere to all City of Nanaimo's bylaws and policies.

Application Deadline: Will be considered at the time of application for Permissive Tax Exemption.

7. PERMISSIVE TAX EXEMPTIONS

Section 220 of the *Community Charter* identifies certain properties which are exempt from taxation. This section includes property owned and occupied by Her Majesty, the municipality, School Boards, hospitals and churches. As Section 220 exemptions are specifically provided for, Council's discretion is restricted, except in determining the extent of the exemption in certain cases.

Sections 224, 225, 226 of the *Community Charter* identify situations in which Council may exercise discretion in granting full or partial exemptions from taxation. These exemptions must be adopted by bylaw, by the 31<sup>st</sup> of October of the year preceding exemption.

All buildings and properties that receive a permissive tax exemption must be reviewed every three years to ensure that they continue to meet the specific criteria set out in their applicable category. A report to Council with recommendations for their endorsement is done after each review. The Grants Advisory Committee may also review specific organizations annually for various reasons determined by the committee.

In making recommendations to Council, the Grants Advisory Committee should ensure that:

- (a) the goals, policies, and general operating principles of the municipality as a whole are reflected in the organizations that receive municipal support;
- (b) exemptions are not given to services that are otherwise provided on a private, for profit basis, this would provide an unfair competitive advantage;
- (c) the services provided by the organizations should be an extension of municipal services and programs and must fall under the responsibility of local government, senior government program costs must not be transferred to property taxpayers, as this would represent a downloading of senior government costs to local taxpayers;

- (d) the taxation burden resulting from the exemption must be a justifiable expense to the taxpayers of the municipality, the sources of municipal revenue are limited and requests for exemption must be considered in concert with the other needs of the municipality;
- (e) the services provided by the organizations should provide benefits and be accessible to the residents of the City of Nanaimo, and, in an appropriate age range, the organization's regulations must allow all Nanaimo residents to participate at a reasonable fee.
- (f) the organization is adhering to all City of Nanaimo's bylaws and policies.

In order to more clearly specify criteria, Permissive Tax Exemptions will be divided into the following categories:

- ☐ Churches
- ☐ Public Hospital
- ☐ Senior Citizens' Housing Facilities
- ☐ Community Care Facilities
- ☐ Private Schools
- ☐ Recreation
- ☐ Other
  - ☐ Community Services
  - ☐ Community Associations
  - ☐ Arts and Cultural Organizations
  - ☐ Other Permissive Exemptions

## 8. GUIDELINES FOR MAKING RECOMMENDATIONS ON PERMISSIVE TAX EXEMPTION BY CATEGORY

### (a) CHURCHES

General: The buildings set apart for public worship and the land upon which they stand are exempt from taxation under Section 220(1)(h) of the *Community Charter*. Church halls and such lands as Council considers necessary to support the statutory exemption may be considered as an extension of the exemption under Section 224(2)(f).

Policy: The maximum area of land to be exempted from taxation shall be 2 acres of the land upon which the buildings for public worship stand plus the footprint of the building(s) used for public worship (Revised 1986-AUG-25). This exempted area will not exceed the land area of the legal parcel(s) upon which these buildings stand. Church properties which are currently on the PTE roll and do not conform are to be removed.

Buildings for public worship shall be those established by the Area Assessor and will not include a church manse.

### (b) PUBLIC HOSPITALS

General: Buildings set apart and used as a hospital under the *Hospital Act*, except a private hospital under that *Act*, and the land upon which they stand are exempt from taxation under Sections 220(1)(j) and 220(1)(k) of the *Community Charter*. Council may, by bylaw, under Section 224(2)(h) of the *Community*

*Charter*, exempt any area of land surrounding the exempted building under Sections 220(1)(j) and 220(1)(k).

Policy: Where a building has been identified as a hospital under the *Hospital Act* (except a private hospital) by the Area Assessor, Council will exempt the legal parcel(s) upon which the hospital building stands and any adjoining parcel that Council finds to be necessary to the operation of the hospital.

(c) SENIOR CITIZENS' HOUSING FACILITIES

General: Section 220(1)(i) of the *Community Charter* exempts from taxation a building that was constructed or reconstructed with the assistance of aid granted by the Province after 1947-JAN-01, but before 1974-APR-01, and that is owned and used exclusively without profit by a corporation to provide homes for elderly citizens, together with the land on which the building stands. It also allows Council, by bylaw, under Section 224(2)(h) of the *Community Charter* to exempt, by bylaw, any area of land surrounding the exempted building. Section 224(2)(k) of the *Community Charter* allows Council to exempt from taxation land or improvements for which a grant has been made, after 1974-MAR-31, under the Housing Construction (Elderly Citizens) Act before its repeal in 1996.

Policy: Where a building has been identified as meeting the above criteria by the Area Assessor, Council will exempt the legal parcel(s) upon which the building stands. As it is impossible for any new building to meet this criteria, this section will apply to only seven existing properties: The Mt. Benson Sr. Citizens' Housing Society (tax folios 81301.000; 81312.000; 81315.000; 84328.000), and George R. Pearkes Sr. Citizens Housing Society (tax folios 16006.051; 16006.252; 16006.275).

(d) COMMUNITY CARE FACILITIES

General: Section 224(2)(j) of the *Community Charter*, allows Council to exempt from taxation land and 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*.

Policy: Council will exempt property that meets the above criteria and is owned or held and operated by a registered non-profit society.

(e) PRIVATE SCHOOLS

General: Section 220(1)(l) of the *Community Charter*, with certain restrictions, exempts private schools from taxation. It also allows Council, by bylaw, under Section 224(2)(h) of the *Community Charter* to exempt from taxation any area of land surrounding the exempted building.

Policy: Where a building has been identified as meeting the above criteria by the Area Assessor, Council will exempt the legal parcel(s) upon which the building stands and any adjoining parcel that Council finds to be necessary to the operation of the school. The permissively exempt property must be accessible to the general public as identified in 7 (e) above.

(f) RECREATION

General: Section 224(2)(i) of the *Community Charter* permits Council, by bylaw, to exempt from taxation, certain organizations using property as a public park or recreation ground, or for public athletic or recreational purposes.

Policy: Permissive Tax Exemptions will be given to organizations that own property that is maintained and used for public park or recreation purposes if they:

- (1) provide full financial and operating information as requested by the Grants Advisory Committee;
- (2) meet the conditions of Section 224 of the *Community Charter*;
- (3) meet the general guidelines outlined in 7(a) to 7(f) of this Policy;
- (4) are registered non-profit societies.

(g) OTHER

General: Section 224(2)(a) *Community Charter* permits Council, by bylaw, to exempt from taxation, land or improvements that are owned or held by a charitable, philanthropic, or other not for profit organization that are used for a purpose that is directly related to the purposes of the organization.

- Community Service Organizations

This has been historically interpreted to include organizations that provide service to the community such as social service agencies.

- Community Associations

This can include community associations that provide a place for local communities to meet, engage in activities that enhance the local community, or hold land that is available for community use.

- Arts & Cultural Organizations

This can include organizations that provide or promote arts and cultural activities.

- Other Permissive Exemptions

Policy: Permissive Tax Exemptions may be given to organizations that:

- (1) provide full financial and operating information as requested by the Grants Advisory Committee;
- (2) meet the conditions of Section 224 of the *Community Charter*; and
- (3) are registered non-profit societies.

9. APPEALS

Statement of Purpose The mandate of the Grants Advisory Committee is to review appeals for process issues only. That is, to determine whether the original advisory committee had all the correct information and used the appropriate criteria to make their recommendation. The Grants Advisory

Committee will not revisit the actual decision, i.e. whether the correct amount was granted.

Criteria for Allowing an Appeal:

- ☐ Was the advisory committee's decision based on the application not meeting certain criteria or submitting incomplete or incorrect information? Did the advisory committee misinterpret some of the information submitted?
- ☐ Did the committee notify the applicant of its recommendations two weeks before it was sent to the next level (either to Council or to the Parks, Recreation & Culture Commission), thereby giving the applicant time to respond?
- ☐ Does the applicant believe that the recommendation was based on incorrect or incomplete information? Does the applicant believe its information was misinterpreted?
- ☐ Did the advisory committee have all the information and the appropriate criteria to make its recommendation?
- ☐ Did the advisory committee determine the application should be reconsidered based on this new/different information?

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Previous Revision/s: 2002-FEB-25, 2000-MAY-08, 2000-FEB-02, 2000-JAN-13, 1998-OCT-19, 1998-JUN-29, 1998-JUN-15, 1998-APR-17, 1997-JUN-16, 1997-APR-28, 1996-DEC-11, 1995-OCT-16, 1994-DEC-05, 1994-FEB-14, 1993-FEB-15, 1993-FEB-08, 1991-OCT-28, 1991-MAY-27, 1991-MAR-18, 1991-FEB-18, 1990-OCT-22, 1990-OCT-22, 1989-APR-06, 1986-AUG-25, 1986-JUL-28, 1985-MAY-09, 1985-JAN-21, 1985-JAN-21, 1984-JUN-18, 1984-FEB-13, 1982-JUN-28



## REPORT TO COUNCIL

FROM: COUNCILLOR DIANA JOHNSTONE, CHAIRPERSON,  
GRANTS ADVISORY COMMITTEE

RE: 2011 GRANTS ADVISORY COMMITTEE RECOMMENDATIONS

COMMITTEE'S RECOMMENDATION: That Council:

1. **Award** permissive tax exemptions to the following Applicants

PTE-11	Nanaimo Squash Club
PTE-12	Royal Canadian Legion Branch #10

2. **Deny** a permissive tax exemption to the following Applicant

PTE-13	Nanaimo Traveller's Lodge Society
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3. **Deny** cash-in-lieu of permissive tax exemptions to the following Applicants

PTE-11	Nanaimo Squash Club
PTE-12	Royal Canadian Legion Branch #10
PTE-13	Nanaimo Traveller's Lodge Society

4. **Award** an Other Grant to the following Applicant

OG-05	Nanaimo & District BC SPCA (SNIP PROGRAM)
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5. **Deny** an Other Grant to the following Applicant

OG-06	United Way Central & Northern Vancouver Island
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☐ Council  
☒ Committee F/PCW  
☒ Open Meeting  
☐ In-Camera Meeting  
 Meeting Date: 2011-Aug-29

### EXECUTIVE SUMMARY:

The Grants Advisory Committee met on 2011-Aug-17. Included in this report are the Committee's recommendations.

### BACKGROUND:

The Grants Advisory Committee has reviewed in detail the financial data and background information provided by the applicant. Recommendations are made in accordance with the Grants Policy and Guidelines adopted by Council.

The Committee recognizes both the limited funding that the City has available and the excellent community services provided by the various organizations. We are hopeful that the funds allocated by Council will allow the organizations in need of assistance to continue to provide their valuable services.

Council is permitted to (but not required to) exempt certain organizations from property taxation. Sections 224, 225, 226 of the *Community Charter* identify situations in which Council may exercise discretion in granting full or partial exemptions from taxation. These exemptions must be adopted by bylaw, by the 31<sup>st</sup> of October of the year preceding exemptions.

## **NEW APPLICATIONS**

### **Permissive Tax Exemptions Category**

#### **Application PTE-11 Nanaimo Squash Club**

The Committee recommends that Council place this Society on the City's 2011 Permissive Tax Exemption Bylaw for premises leased at 256 Wallace Street, receiving exemption from taxation for the year 2012 and until the next review.

The Committee recommends denying the Nanaimo Squash Club a cash-in-lieu of 2011 permissive tax exemption in the amount of \$14,642.96 to be consistent with the new policy the Committee recently recommended to Council.

#### **Application PTE-12 Royal Canadian Legion Branch #10**

The Committee recommends that Council place the Royal Canadian Legion Branch #10 on the City's 2011 Permissive Tax Exemption Bylaw for premises the Legion owns at 129 Harewood Road, receiving exemption from taxation for the year 2012 and until the next review.

The Committee recommends denying the Royal Canadian Legion Branch #10 a cash-in-lieu of 2011 permissive tax exemption in the amount of \$6,854.24 to be consistent with the new policy the Committee recently recommended to Council.

#### **Application PTE-13 Nanaimo Traveller's Lodge Society**

The Committee recommends denying the Nanaimo Traveller's Lodge Society a cash-in-lieu of 2011 permissive tax exemption in the amount of \$14,318.94 to be consistent with the new policy the Committee recently recommended to Council.

The Committee recommends denying the Nanaimo Traveller's Lodge Society a permissive tax exemption for the recently amalgamated property at 1917 Northfield Road, until such time as the new senior's facility is under construction.

#### **Application OG-05 Nanaimo & District BC SPCA (SNIP PROGRAM)**

The Committee recommends awarding the Nanaimo & District BC SPCA a \$15,000 Other Grant to be used for its SNIP PROGRAM, with funds coming from Council's contingency, as the Committee supports this worthy cause.

Application OG-06 United Way Central & Northern Vancouver Island

The Committee recommends denying the United Way Central & Northern Vancouver Island an Other Grant in the amount of \$257.00 to cover staff costs for hanging the United Way Banner, as this Society already receives a permissive tax exemption and therefore does not qualify for an Other Grant from this Committee.

Respectfully submitted

A handwritten signature in cursive script, appearing to read "Diana Johnstone".

Councillor Diana Johnstone  
Chair, Grants Advisory Committee

COUNCIL: 2011-Sep-12

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MINUTES OF THE GRANTS ADVISORY COMMITTEE MEETING  
HELD IN THE CITY HALL BOARD ROOM, 455 WALLACE STREET  
July 20, 2011, 3:00 p.m.

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Present: Councillor D. Johnstone, Chair  
D. Bonner  
W. Anderson  
L. Avis  
J. Neville  
F. Tellier

Regrets: J. Lekisch

Resigned: D. Burnett

Staff: B. Clemens, Director of Finance  
W. Fulla, Acting Manager, Revenue Services  
C. Knapp, Recording Secretary

1. APPROVAL OF MINUTES:

It was noted that Dana Becker's name was incorrectly identified as Dana Beeker, Manager of both the A.V.I. Health Centre and Aids Vancouver Island.

MOVED and SECONDED that the minutes from the June 15<sup>th</sup> meeting be adopted as amended. CARRIED.

2. INFORMATION ITEMS:

Received.

3. NEW APPLICATIONS:

Central Vancouver Island Multicultural Society (PTE-09)

Committee members noted:

- This Society used to occupy space in the City's Community Services Building on Prideaux Street, but has recently moved to new leased premises at 101 – 319 Selby Street.
- A copy of the lease agreement has not been provided by the applicant, though they have provided a letter from the Landlord stating that any benefit the Society receives through a permissive tax exemption will 'flow through' to the Society.
- The Society currently has a very healthy bank account, though things may change following an accounting update indicating the cost of the new premises.
- This Society does compete with private business.
- The Society is funded by both the federal and provincial government. Could this be interpreted as 'downloading' of senior government responsibility?
- The Society states it has an office in Parksville in addition to the office here in Nanaimo. How many of the services offered in the Nanaimo office are provided to Nanaimo residents?

☐ Council  
☒ Committee *F.P.Cow*  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: *2011-AUG-29*

Members had a number of questions relating to the healthy financials of the Society and regarding the split between service in Nanaimo and Parksville offices, and asked whether it was possible to invite representatives of the Society to attend a meeting to address these concerns. Staff called the Society's office, and Ms. Hilde Schlosar, Executive Director, was able to attend to the Board Room within minutes.

Ms. Schlosar attended to the Board Room at 3:24 p.m.

- The Society may need to run a deficit this year; certainly the Society does not anticipate the same level of profit as in recent years.
- The rent in the new building has more than tripled and they now have to pay utility costs (triple net).
- They are unsure of what expenses will be in the new premises. Everything will be more expensive as they now have more space: cleaning, supplies, furnishings, etc.
- Leasehold expenses have totaled \$500,000 and they are still spending.
- The Society has experienced tremendous expansion, especially within the last year.
- They try to keep 3 months operating revenue in reserve in order to meet all financial obligations. This is fiscally responsible and often a requirement of any contracts awarded.
- The Society has signed a five year lease with an option to renew. The lease would still need to be paid even if the Society were to wind down, hence the reserve.
- The Society is able to sub-lease its premises if need be; this has been written into their lease.
- Cash flow is important when governments consider awarding contracts to the Society, as all contracts have a 90 day clause.
- 95% of their clients are from Nanaimo.
- They used to have an office in Parksville, but it has been closed. After three years it did not make sense to continue, as they have been successful in building partnerships in that community and the majority of their clients are from Nanaimo.
- They estimate their surplus will be less than \$100,000 this year, though any surplus will be directed towards the reserve fund that is now significantly below the recommended three months operating costs.
- A loss in BC Gaming Grant monies will cost the Society \$18,600 over two fiscal years.
- They may reapply for Gaming grants in November under a new category; however no bridging programs are available.
- The City of Nanaimo has benefitted from a matching capital grant in the amount of \$85,000 that the Society obtained to improve premises in the City's Community Services Building. The Society subsequently applied to expand within the building and was denied. This space was eventually given to the Nanaimo 7-10 Club Society.

Ms. Schlosar departed the Board Room at 3:40 p.m.

Committee members noted:

- The City supports and provides permissive tax exemptions to other Societies that are financially healthy and are well run, including St. John's Ambulance, Red Cross Society and Haven House.
- The Central Vancouver Island Multicultural Society has stated that it receives over 8,000 volunteer hours per year.

MOVED and SECONDED that the Central Vancouver Island Multicultural Society be placed on the City's 2011 Permissive Tax Exemption Bylaw for leased premises at 101 – 319 Selby Street, receiving exemption from taxation for the year 2012 and until the next review. CARRIED.

MOVED and SECONDED to deny the Central Vancouver Island Multicultural Society a cash-in-lieu of 2011 permissive tax exemption in the amount of \$6,899.42, to be consistent with the new policy recently recommended to Council. CARRIED.

Royal Canadian Legion Branch #256 (PTE-10)

Committee members noted:

- The Legion rents out their facility at reasonable rates.
- This Branch donates some \$12,000/year to the community.

MOVED and SECONDED that the Royal Canadian Legion Branch #256 be placed on the City's 2011 Permissive Tax Exemption Bylaw for property it owns at 1630 East Wellington Road, receiving exemption from taxation for the year 2012 and until the next review. CARRIED.

MOVED and SECONDED that the Royal Canadian Legion Branch #256 be denied cash-in-lieu of 2011 permissive tax exemption in the amount of \$17,295.49, to be consistent with the new policy this Committee recently recommended to Council. CARRIED.

Nanaimo Community Kitchens Society (OG-04)

D. Bonner stated that he felt that this Society could benefit from approaching service clubs for funding. The Rotary Club he belongs to could likely provide some financial assistance.

MOVED and SECONDED to deny a \$5,000 Other Grant to the Nanaimo Community Kitchens Society, as this application for funding is best directed towards the Social Planning Advisory Committee and the Society should be encouraged to apply to other service clubs for funding assistance. CARRIED.

4. POLICY AND CRITERIA REVIEW:

B. Clemens provided a recap of the Report to Council. This Report is going forward to the Special Meeting of Council to be held on 2011-Jul-25.

It was noted that changes in legislation have made it easier for organizations to apply for permissive tax exemptions.

Members welcome the direction asked for from Council within the Report.

5. NEXT MEETING:

The next meeting of the Grants Advisory Committee is scheduled for 3:00 p.m., Wednesday, August 17, in the City Hall Boardroom.

6. ADJOURNED:

MOVED and SECONDED, to adjourn the meeting at 4:26 p.m. CARRIED.

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## INFORMATION ONLY REPORT

TO: D. HOLMES, ASSISTANT CITY MANAGER /  
GENERAL MANAGER OF CORPORATE SERVICES

FROM: J.E. HARRISON, MANAGER OF LEGISLATIVE SERVICES

RE: 2011 BY-ELECTION FINANCIAL DISCLOSURE STATEMENTS

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### STAFF'S RECOMMENDATION:

That Council receive this report for information.

### DISCUSSION:

In accordance with Section 92.2(1) of the *Local Government Act*, a report must be presented at an open meeting of the local government of the municipality in relation to which the election was held respecting the following:

- (a) the name of any candidate who is subject to a penalty under section 92 [disqualification for failure to file].

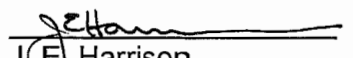
Please be advised that financial disclosure statements for the March 26, 2011 By-Election were not received by the August 24, 2011 late filing deadline from the following candidate:

- Murray McNab

In accordance with Section 92 of the *Local Government Act*, this candidate is now disqualified from being nominated for, elected to or holding office on a local government, Vancouver City Council, Board of school trustees, or as a local trustee of the Islands Trust, until after the next general local election.

As per Section 92.2(3) of the *Local Government Act*, a copy of this report together with a copy of the nomination documents for the candidate will be forwarded to the Inspector of Municipalities.

Respectfully submitted,

  
J.E. Harrison  
MANAGER  
LEGISLATIVE SERVICES

  
for Douglas Holmes  
ASSISTANT CITY MANAGER /  
GENERAL MANAGER CORPORATE SERVICES

☒ Council  
☒ Committee E/P/CAW  
☐ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: 2011-AUG-29



## FOR INFORMATION ONLY

REPORT TO: A. TUCKER, DIRECTOR OF PLANNING,  
COMMUNITY SAFETY & DEVELOPMENT

FROM: B. CORSAN, MANAGER, PLANNING SECTION,  
COMMUNITY SAFETY & DEVELOPMENT

RE: COUNCIL DIRECTED AMENDMENTS TO CITY OF NANAIMO  
ZONING BYLAW 2011 NO. 4500

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### STAFF'S RECOMMENDATION:

That Council receive the report for information.

### EXECUTIVE SUMMARY:

At its meeting of 2011-AUG-22, Council gave first and second readings to "ZONING AMENDMENT BYLAW 2011 NO. 4500.002." The Council report that presented the general amendments to "ZONING BYLAW 2011 NO. 4500" did not include one item that is contained within the Amendment Bylaw.

This report is intended to provide Council with information pertaining to that item; namely, amending the Maximum Allowable Base Density within the Single Dwelling Residential (R1/R1a) zone from a Floor Area Ratio of 0.55 to "One Single Residential Dwelling."

### BACKGROUND:

At its meeting of 2011-AUG-22, Council gave First and Second Readings to "ZONING AMENDMENT BYLAW 2011 NO. 4500.002," which includes a series of general amendments to address discrepancies within the newly adopted "ZONING BYLAW 2011 NO. 4500." However, one of the items contained within the Amendment Bylaw was not included in the associated Council report. The item not discussed in the original Council report pertains to amending the method used to calculate density within the Single Dwelling Residential (R1/R1a) zone.


Under the new Zoning Bylaw, the density requirements for lands located within the Single Dwelling Residential (R1/R1a) zone specify a Maximum Allowable Base Density of one single residential dwelling with a Floor Area Ratio of no greater than 0.55. There have been numerous instances where Council has considered variances to this condition of use requirement, with the most common rationale being challenges with site conditions (for example, sloped sites where Council has received requests to vary Floor Area Ratio to allow a crawl space to become a full height basement). An amendment to remove the reference to Floor Area Ratio and specify only that the Maximum Allowable Base Density is 'one single residential dwelling' would not affect the overall 'volume' of a single dwelling, which is controlled through lot coverage and building height regulations.

☒ Council  
☒ Committee *Flow*  
☒ Open Meeting  
☐ In-Camera Meeting  
Meeting Date: *2011-AUG-29*

Respectfully submitted,



B. Corsan  
Manager, Planning Section  
**Community Safety & Development**



A. Tucker  
Director of Planning  
**Community Safety & Development**



Fuz

Ted Swabey, General Manager  
Community Safety & Development

DJ/pm

Council: 2011-AUG-29

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