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## City of Kelowna

# MEMORANDUM

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DATE: December 1, 2004  
FILE: 1855-20  
  
TO: City Manager  
  
FROM: Community Planning Manager  
  
RE: Community Planning Grants Programs

REPORT PREPARED BY: Theresa Eichler

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### RECOMMENDATION:

THAT Council add the \$7,800 in annual tax revenue resulting from the payment of taxes by NOW Canada for the building at 1720 Ethel St. to the annual \$50,000 budget for the Community Social Development grant program;

THAT Council authorize the annual funding for the Grants to Address the Sexual Exploitation of Youth Program in the form of a budget line item in the amount of \$22,000;

### REPORT:

This report addresses the "bring forward" items in the Council resolution of September 28, 2004, which served primarily to authorize the Central Okanagan Foundation to administer the three grant programs under Community Planning for a one year period. The Foundation will operate the programs in accordance with City policy direction for a fee not to exceed \$8,000.

During the meeting, two issues that were not specific to considering the Foundation's administration of the grant programs, were identified. The Director of Financial Services had advised Council and planning staff that the building operated by NOW Canada at 1720 Ethel St. and funded through an agreement with BC Housing had previously been exempted from property tax. However, discussions with the Society revealed that, in fact, BC Housing factors in the cost of property tax as part of its funding agreement with NOW Canada. Having reviewed its financial situation, NOW Canada has communicated with the City to confirm that it is capable of paying annual property taxes due to the BC Housing arrangement. The City would normally exempt shelters operated by a non-profit society from annual property taxes. A further factor in the 1720 Ethel St. building is that it is not strictly a shelter, but provides longer term housing for women who have left a sexual exploitation environment. Staff is recommending that the resulting annual \$7,800 that will now be received as property taxes for the 1720 Ethel St. building be re-directed to augment the budget for the annual Community Social Development grants program. Although the recommended fee for service to the Central Okanagan Foundation for administration of the grants programs in 2005 is \$8,000, this is being forwarded separately as a budget item. The revenue from property tax for 1720 Ethel is recommended for the grants program.

A further issue that was raised by Council on September 28<sup>th</sup>, was that funding for the Grants to Address the Sexual Exploitation of Youth was originally directed to come from revenue from specified types of businesses. With the changes to legislation affecting the business licensing process, this approach is no longer appropriate. Staff is therefore recommending that Council

consider an annual Community Planning budget item for the Grants to Address the Sexual Exploitation of Youth at \$22,000.

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Theresa Eichler, MCIP  
Community Planning Manager

Approved for Inclusion

David Shipclark  
Manager, Community Development & Real Estate

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