



Council Member Report
For the Committee of the Whole Meeting of June 27, 2019

To	Committee of the Whole	Date:	June 20, 2019
From	Councilors Alto and Thornton-Joe		
Subject	Tax Relief for the Royal Canadian Legion Trafalgar Pro Patria Branch No. 292		

Background

Broadly

The Royal Canadian Legion's mission has been the same for the last 100 years – to serve Veterans, which includes serving military and RCMP members and their families; to promote Remembrance; and to serve our communities and our country.

At the end of WWI there were 15 veteran's groups, and a number of regimental associations, that supported former service members across Canada. Despite working to help returning military personnel in need, they were fragmented and as such, to a greater extent, unsuccessful. An appeal for unity in 1925 led to the formation of the Dominion Veterans Alliance. From this start, the Canadian Legion was founded in Winnipeg in 1926. Initially focusing on WWI veterans, the outbreak of WWII saw many more service people requiring assistance. The Legion rose to the challenge and began helping returned service members as well as those serving abroad.

The Legion continues to help improve the lives of veterans, ex-service members and their families, and today has expanded its programs and services out into communities, in partnership with and support for other community-serving agencies and advocates. The Legion has 300,000 members in more than 1400 Branches. It advocates on behalf of veterans, including serving military and RCMP members, and their families, and provides essential support and alliances in communities across Canada.

Locally

The Royal Canadian Legion Trafalgar Pro Patria Branch No. 292 (the 'branch') is located at 411 Gorge Road in Victoria. Its mission is "To serve Veterans and their dependents." and "To promote Remembrance and to act in the service of Canada and its communities." It is a non-profit organization under the *Income Tax Act of Canada*.

With the recent closures of the Britannia Legion and the Esquimalt Legion, the Pro Patria Legion remains the only active Legion serving greater Victoria. ⁽¹⁾ The Pro Patria's current membership is 1340. Membership is not restricted to veterans or service people – all are welcome.

⁽¹⁾ The Public Service Branch, located in a provincial government building at 514 Government Street, opens only for special occasions and three hours on Friday afternoons, for a membership currently listed at 87.

The branch owns its property on Gorge Road. Its building accommodates a range of services, including offering spaces free of charge for community groups, and at reduced rates for private functions such as weddings, memorial services, celebrations etc. Approximately 60% of its property is taken up by a parking lot, used by members, guests, event attendees, and as drop-off/pick-up parking for parents of students at the nearby Montessori school.

The Current Issue – An Increasing Tax Burden

The branch's property assessments, and corollary tax bills, have fluctuated over recent years. In the last 5 years, these have been:

2015	\$77,744.15
2016	\$72,773.97
2017	\$74,030.78
2018	\$71,371.78
2019	\$104,231.78

Branch leadership demonstrated financial responsibility by anticipating that the 2019 tax assessment would follow the trend seen through the last 4 or 5 years, and fall in the range of approximately \$70,000+. The branch has reserved that amount to ensure its ability to pay its fair contribution to the city's property tax revenues.

The unusual, and unexpected, increase from 2018 to 2019, has placed a critical burden on the branch's capacity to sustain operations beyond this year. It does not have the capacity to pay the full amount of its 2019 tax assessment, and should such a payment remain due, will need to contemplate closure.

BC Assessment for 2019 determined that approximately 35% of the branch's property value arises from the category called 'recreation/not for profit', while approximately 65% arises from what BC Assessment considers 'business/other'. This translates to \$36,481.12 in taxes due for 'recreation/non-profit' and \$67,750.66 due for 'business/other', totalling the \$104,231.78 due on July 2 for 2019.

Tax Relief Policies from other Municipalities

Victoria remains one of only a few municipalities in British Columbia that offer no tax relief to a local Legion branch.

Most municipalities in which a Legion branch exists offer a mechanism to relieve tax payment, in the form of grants in amounts intended to contribute to tax payments, or exemptions based on different classes of assessments as defined and allowed by BC Assessment (BCA). Attached is a list of branches that have indicated that they had some form of permissive tax exemption or other type of property tax relief in 2018.

Exemption applications vary widely and ultimately it is up to BCA as to what they allow, based primarily on considerations within Class 8 (recreational) and Class 6 (commercial/other). A review of the varying degrees of exemptions, exclusions, allowances and categories permitted for different Legion branches reveals a miscellany of interpretation that appears to result from an inconsistent application of classifications. Some examples:

Partial Exemptions

- Chilliwack: provides a partial exemption (new for 2019) on Class 8 only; Class 6 (bar) is fully taxable
- Kelowna: Class 6 is not exempt but Class 8 portion is exempt
- District of West Vancouver: exempt class 8, Class 6 is fully taxable

Full Exemption

- Township of Langley: provides full exemption since 2018
- Abbotsford: provides a full exemption, and the property is 100% Class 8
- Coquitlam: provides full exemption for both Class 6 and 8
- Town of Sidney: provides full exemption (class 6 and 8)
- City of Port Coquitlam: provides full exemption for class 1, 6 and 8
- Burnaby: provides full exemption and property is classified as class 6
- District of Hope: provides full exemption for both Class 6 and Class 8

Other Grants

- Delta: doesn't provide an exemption, but gives a grant that approximates the Delta taxes the Legion pays

It should be noted that tax assessments and the regulations governing them are the purview of the BC Assessment Authority, and municipalities do not have the authority to override BC Assessment. Advocacy to the provincial government for changes in these regulations could provide a province-wide policy that would afford a more consistent, comprehensive approach to tax relief for all BC Legion branches.

Local Branch Community Contributions

The Pro Patria branch has, as one of its fundamental tenets, a commitment to supporting local community organizations, projects and services. A sample of recipients of its financial contributions to community-serving agencies for 2019, totalling over \$153,000, includes:

- Anawim House
- Victoria Single Parent Resource Centre
- Burnside Gorge Community Association
- Operation Trackshoes
- Victoria Women's Transition House
- Victoria Hospice Society
- Military Police Blind Children's Fund
- Gorge Soccer Association – Girls Under 16s
- Children's Health Foundation of Vancouver Island
- Veterans' Transition Program
- Vancouver Island Compassion Dog (PTSD Support dogs)
- Cockerell House transitional housing for homeless veterans
- The Lodge at Broadmead
- Legion Manor seniors' housing

The branch also offers scholarships, bursaries and awards to local students.

Additionally, the branch partners with a number of other local not-for-profit organizations, many of whom have offered letters of support for the branch, its activities and community involvement. Two such examples – from the Burnside Gorge Community Association and the Vancouver Island Compassion Dogs – are attached.

In Conclusion

The Royal Canadian Legion Branch #292 is the only remaining active Legion branch in the city of Victoria.

The branch has a history of community service, and continues to be a vital neighbourhood social service partner, and contributor to the city and its residents, including those with and without past or current military service.

The City of Victoria is one of a very few municipalities that offers no tax relief to a Legion branch within its boundaries.

A currently untenable, unexpected increase in property tax assessment has put the future of the branch in jeopardy.

Future tax assessments are unlikely to significantly decrease.

Providing an operational grant in an amount approximating 35% of the current (and future) tax assessments compares to the lower range of other municipalities' tax relief practices, and will enable the branch to remain open and maintain its financial and social service commitments.

Recommendations

That Council provide an immediate grant to the Royal Canadian Legion Trafalgar Pro Patria Branch No. 292, in the amount of \$36,481.12, to be paid from the 2019 contingency.

That in future years Council consider, as part of its annual budget deliberations, subsequent grants to the Royal Canadian Legion Trafalgar Pro Patria Branch No. 292 of \$40,000 in 2020, with the annual amount rising by \$5,000 in each subsequent year, until 2025, whereupon this custom will be reviewed.

That the Mayor, on behalf of Council, write to the province urging them to consider a province-wide policy and/or legislative change to enable the BC Assessment Authority or other relevant agencies to fully exempt all Legions in British Columbia from payment of property taxes.

Respectfully submitted,



Councillor Alto



Councillor Thornton-Joe

June 18, 2019

To Whom It May Concern:

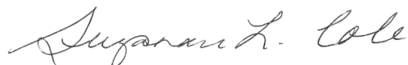
I am writing on behalf of the Burnside Gorge Community Association to lend our support of the Pro Patria Legion Branch 292. It is my understanding that the Legion is applying for financial relief for the property taxes of the building they occupy at 411 Gorge Rd East. The Legion has shown Burnside Gorge and its City of Victoria residents much support over the last 20 years; I truly hope the support for them is there when it is needed.

During the time that Burnside School operated as an Elementary School, the Legion was a dedicated partner in sharing special events and ceremonies with the children. Even after the closure of the school, the Legion continued to support children, youth and families in the neighborhood through generous annual donations to our Youth Centre and Christmas Hamper programs. The community donations are made available through the Legion's meat draws and other fundraising events. As a contributing community member, the Legion generously shares their parking lot and building space to assist others such as the Montessori School and supports community events such the Selkirk Waterfront Festival. The Legion is a strong presence and giving member of the Burnside Gorge Community and dedicates its efforts to supporting those less fortunate in our communities.

If the Legion were to close their doors, the Burnside Gorge Community Association and many other community agencies, would lose the valuable assistance that the Legion funds provide and the community would lose a most valued presence in the neighborhood. It is our hope that the Legion will receive the financial relief required to continue in their efforts to provide a high level of community service.

Please do not hesitate to contact me if you have any questions.

Sincerely,



Suzanne Cole
Executive Director



BC & ALBERTA GUIDE DOGS

GUIDE DOGS • AUTISM SUPPORT DOGS • PTSD SERVICE DOGS

bcandalbertaguidedogs.com



Serving those who served
A Division of BC Guide Dogs

June 7, 2019

Lorraine Salkus
President
RCL Trafalgar/Pro Patria Branch
#10 411 Gorge Road E,
Victoria, BC V8T 2W1

Dear,

On behalf of all of us at Vancouver Island Compassion Dogs and BC & Alberta Guide Dogs, thank you for your donation of \$1000 towards our PTSD Service Dog Program.

Your support will make a tremendous impact in our programs capacity to provide life-changing PTSD Service Dogs and support services to military Veterans and retired RCMP living with Post Traumatic Stress.

As you know our PTSD Service Dog program for Veterans includes a personalized 52 Week Healthy Community Living Program, as well as individual after care for the working life of the Service Dog, usually eight years, all at no cost to the recipient. This can only happen with the generous support of donors like you.

Thank you for helping us deliver this program that provides our Veterans with renewed purpose, confidence and unconditional support, facilitating increased participation and inclusion in society, and creating enormous positive impact on their families and the communities they live in

Respectfully,

Mike Annan
Executive Director
Vancouver Island Compassion Dogs
A Division of BC Guide Dogs

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Compassion Dogs**
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Mailing address: BC Head
Office
vicompassiondogs.ca



Legal Title: British Columbia Guide Dog Services
Registered Charity Number: 89131 1763 RR0001

BC/YUKON COMMAND LEGION BRANCHES WITH PERMISSIVE TAX EXEMPTION

Branch number	Branch name	Property tax?	Full, partial or no exemption	Percentage exempted
4	Chilliwack	No	Full	
6	Cloverdale	No	Full	
8	White Rock	No	Full	
10	Nanaimo	Yes	Partial	66.30%
17	Courtenay	Yes	Full	
20	Nakusp	Yes	Partial	62%
22	Summerland	Yes	Partial	33%
29	CRESTON	Yes	Partial	27%
32	Agassiz	No	Full	
34	Pouce Coupe	No	Full	
35	Armstrong	Yes	Partial	99.50%
36	Fernie	Yes	Partial	0%
46	Revelstoke	No		
49	Mount Arrowsmith	Yes	Partial	85.20%
50	Burns Lake	No	Full	
52	Kamloops	No	Full	
54	Sooke	No	Partial	
57	Mission	No	Full	
59	Grand Forks	No	Full	
61	Delta	No		
62	Salmon Arm	No	Full	
66	Lillooet	No	Full	
74	Kaslo	No	Full	
83	South Burnaby	No	Full	
84	Gulf islands	No	Full	
91	Prince Edward	No	Full	
94	Cariboo (Quesnel)	Yes	Partial	
96	MERRITT	No	Full	
98	Enderby	No		
99	Sicamous	Yes	Partial	
107	Chase	Yes	Partial	56%
109	Gibsons	Yes	Partial	

113	ASHCROFT	Yes	Partial	
118	North Vancouver	No	Full	
119	Port Moody	No		
122	Golden	Yes	Partial	15%
127	Public Service	No	Full	
133	Port Coquitlam	No	Full	
134	Malahat	Yes	Partial	30%
140	Sechelt	No		
141	Dawson Creek	No	Full	
147	Sayward Valley	No	Full	
150	Bowen Island	No		
162	Lytton	No		
164	Powell River	Yes	Partial	
171	Ladysmith	Yes	Partial	35.56%
176	Billy Bishop/Kerrisdale	Yes	Partial	20%
179	GRANDVIEW/COLLINGWOOD	Yes	Partial	44.85%
189	Oyama	No		
203	Edgewood	Yes	Partial	50%
210	Lake Cowichan	Yes	Partial	52%
217	Salmo	Yes	Partial	50%
228	Hope	No	Partial	
236	Westwold	Yes	Partial	87.20%
237	Port Hardy	Yes	Partial	66.00%
239	Pender island #239	Yes	Partial	66%
242	N Thompson	No	Full	
250	Kitimat	Yes	Partial	50%
257	Sea view Centennial	No		
259	Vavenby & District	Yes	Partial	75%
261	FOREST GROVE	No	Full	
263	coquitlam	No	Full	
265	Aldergrove	No	Full	
276	Slocan Valley	No	Full	
277	Diamond Head	No	full	
281	Port McNeill	Yes	Full	
286	Tumbler Ridge	Yes	Partial	
293	Alberni Valley	Yes	Partial	20%