

DATE OF MEETING: June 26, 2026

TO: Hornby Island Local Trust Committee

FROM: Renée Jamurat, Regional Planning Manager  
Northern Team

COPY: Sonja Zupanec, Island Planner – Project Planner  
Mary Storzer, RPM, Regional Planning Team support

SUBJECT: Administrative TUP Processing Considerations for Proposed Bylaws 176 (OCP) and 177 (LUB)

## RECOMMENDATIONS

1. That the Hornby Island Local Trust Committee has reviewed the staff analysis of administrative capacity, financial resourcing and regulatory requirements, and implementation processes associated with Proposed Bylaw Nos. 176 and 177, and confirms its satisfaction that these considerations have been evaluated sufficiently to forward.
2. That the Hornby Island Local Trust Committee endorses the securement of additional human resources in the form of new temporary staff or independent contractors to support the processing of expected excess volume of short-term vacation rental – Temporary Use Permit applications, and forward to the Executive Committee for endorsement.
3. That the Hornby Island Local Trust Committee request staff to draft a business case based on the indicated option and forward to the Executive Committee for budget endorsement.

## REPORT SUMMARY

*New information has been presented through an earlier staff report on this June LTC agenda, which explains that the LTC cannot establish a limit on the number of TUP applications it will receive, and therefore cannot establish a 'cap'; or maximum number of TUPs in the Land Use Bylaw as a regulation.*

*Staff note that the LTC direction made from this earlier staff report on proposed changes will inform the relevancy and recommendation of the options for this report. Based on that direction for the proposed amendments and the overall project progression, staff can advise on the relevant motions and recommend that the LTC consider the options and confirm its desired approach for endorsement.*

The purpose of this report is to provide information in order for the LTC to approve an approach to implement the Proposed Bylaws Nos. 176 and 177, should they be adopted. The report provides an assessment of the regulatory, financial, administrative, and implementation implications of the proposed bylaw amendments.

*[Update on this information is subject to LTC direction at June 26 regular meeting]* The proposed bylaw amendments could result in Temporary Use Permits being issued by a future LTC, with renewals after three years.

In respecting the LTC's time and consideration for this issue, the LTC has asked staff to look into this further.

Staff have some concern with anticipating an influx of TUP applications to process because:

- Staff anticipate budget challenges with Trust Council supporting a staffing budget request for a Planner 2, which may not be revenue neutral, and more information may be needed.
- Staff do not anticipate support from Hornby Island community or LTC to increase taxes.
- Staff would need to explore other options to pursue: rollout phased approach over 3 yrs, enforcement implications with TUPs, Provincial opt-in / enforcement, feasibility request to the Regional District to explore business licensing with zoning regulations.

This LTC direction is required in order to seek Executive Committee endorsement to support the approach for the TUP processing which has wider resource implications to Planning Services. Should the EC endorse the approach, the proposed bylaw amendment will be prepared for a Public Hearing and Third Reading.

Staff also seek direction to proceed with preparing a business case for Hornby's project to request temporary staff support for processing Temporary Use Permits for next fiscal year 2027-2028, subject to Third Reading by the end of this fiscal year (March 2026).

## **BACKGROUND**

On March 20, 2026, the LTC passed the following resolutions:

**HO-2026-020 It was MOVED and SECONDED**

that the Hornby Island Local Trust Committee Bylaw No. 177 cited as "Hornby Island Land Use Bylaw No. 150, 2014, Amendment No. 1, 2024" be read a second time as amended. **CARRIED**

The proposed bylaw has been updated to reflect the LTC's requested amendment to allow a maximum of 87 temporary use permits to be issued at any given time.

**HO-2026-021 It was MOVED and SECONDED**

that the Hornby Island Local Trust Committee request staff to schedule a community information meeting and Public Hearing for Proposed Bylaw Nos. 176 (OCP) and 177 (LUB). **CARRIED**

A community information meeting (CIM) and public hearing (PH) would be scheduled following EC endorsement if the LTC is satisfied with the considerations provided in the analysis section of this report.

Staff also note that any motion for direction made leading up to this report at this June LTC regular meeting will also inform the consideration of options and recommendations by staff.

## ANALYSIS

Staff have identified the following regulatory, financial, administrative, and implementation considerations for the LTC's review and in relation to the proposed Temporary Use Permit framework outlined in Proposed Bylaw Nos. 176 (OCP) and 177(LUB):

### **1. Regulatory Framework and Decision-Making Authority in Application/Renewal Process**

The Hornby Island Local Trust Committee has authority under the *Local Government Act* section 493 to issue TUPs, including for short-term vacation rental use. Decisions to approve or refuse TUPs remain at the discretion of the LTC as elected decision-makers. New TUP applications would continue to require full review and decision by the LTC due to their discretionary nature.

Staff note that any further consideration of zoning changes will be addressed in a previous staff report for the June 26 LTC regular meeting agenda.

Staff also note that the nature of a TUP is to allow a temporary land use for a limited time, and with the intent of allowing time to consider a zoning amendment to make a temporary land use a permanent one.

However, the Act (section 154) also allows the LTC to delegate certain administrative functions to staff (i.e. Director or designate) through a bylaw. This means the LTC can retain overall approval authority for new applications while choosing to streamline parts of the process, such as TUP renewals, if clear rules and limits are established in advance. Renewal applications could be designed as a simplified process where staff confirm whether basic conditions are still met (such as no complaints, no changes to the use, and compliance with original permit terms). Where these conditions are met, renewals could be processed administratively; where the basic conditions are not met, the file could be referred back to the LTC for decision. A delegation bylaw approach for renewals could reduce administrative pressure while maintaining LTC oversight where needed.

All complete Temporary Use Permit applications could be compiled and presented to the LTC as a single consolidated batch at one dedicated special meeting for decision.

### **2. Administrative and Financial Considerations**

#### Proposed TUP Processing:

The proposed system would involve two types of processing: new applications and renewals.

Based on the estimated processing times, each new application may require approximately 22 hours of staff time, while each renewal may require approximately 5.5 hours. Using a scenario of anticipated volume of up to 87 new permits in Year 1 and up to 87 renewals on a three-year cycle, this equates to a peak workload of approximately 1,914 staff hours in the initial intake years and approximately 479 staff hours in renewal years.

A general assumption is made that the current staffing levels for the northern office can process between 20-30 new TUP applications before more staff were needed to assist with an increasing number of applications submitted (over 30). It is anticipated that there will be reduced service levels impacting projects and applications for the northern LTAs in order to process these TUP applications with the current team of planners.

This scenario translates to a shortcoming of staffing resources of approximately 1,254 hours which would be needed to process an additional 57 TUP applications (or over the threshold of 30 TUP

applications). To help reduce impact to staffing resource the LTC may also consider prioritizing the processing of STVR TUP applications during this timeframe. It is this 'shortcoming' that will inform the staffing budget request to Trust Council for a staffing resource to support the processing over 30 TUP applications.

Another factor, is that the LTC must consider all TUP applications that come in after the target 'administrative intake' date, in order for an STVR to be approved in time for the 2028 rental season. Staff must process all TUP applications that come in, and the LTC must consider those TUP applications on its merits; and approval is at the LTC discretion.

Overall, this represents a concentrated workload with an anticipated higher administrative demand in the initial years followed by lower but recurring cyclical renewal activity, and with corresponding revenues to potentially offset the costs of hiring additional temporary staff.

The TUP applications would be presented to the LTC in a series of dedicated meeting with no other agenda items scheduled to allow full focus on this matter. Staff could prepare a standardized presentation package for each application, including a summary of the proposal, compliance history, and a clear recommendation (approve, not approve, or defer pending additional information). To support LTC deliberations, presentation materials could also include mapping and visual slides showing the geographic distribution of all applications, enabling the LTC to consider spatial patterns, cumulative impacts, and community distribution in their decision-making.

#### Financial Implications:

The Hornby Island Fees Bylaw currently sets the fee for a Temporary Use Permit application at \$2,327 and \$758 for a renewal application (both subject to a 2% increase each April 1). No amendments to the fees bylaw are anticipated as part of this review project although Trust Council has requested a general fee review with options being targeted for presentation at the September 2026 Trust Council.

In financial terms, Year 1 (and subsequent intake years) could generate approximately \$202,449 in application fee revenue (87 TUP scenario × \$2,327), while a full renewal cycle would generate approximately \$65,946 in renewal fee revenue (87 TUP scenario × \$758). These estimates are based on processing 87 applications.

#### Options for LTC Decision:

The following options are available to the LTC. ***Staff are seeking LTC endorsement on the preferred option which will inform the overall approach for Executive Committee endorsement.***

#### **OPTION 1: Existing staff resources. No requested budget.**

Overall, staff cannot process an influx of TUP applications (i.e. over 30 applications) in a timely manner without substantial impacts to service levels.

Anticipated implications include:

- A general assumption is made that the current staffing levels for the northern office can process between 20-30 new TUP applications before more staff were needed to assist with the increasing number of applications submitted (i.e. up to 87).
- Re-allocation of staff from Hornby projects to processing applications.
- Increased processing time for all applications in the North office in order to accommodate a scenario of 87 additional permits within a possibly shorter processing timeframe, affecting all northern LTCs.

- May include reduced service levels for other services like enquiries, affecting all northern LTCs.
- Do not have capacity to process over 30 TUPs for LTC decision for early 2028 given need to also support all other Planning applications and the 6 northern LTCs' work programs.
- This option does not allow adequate time to increase staff resources for timely processing should an influx of TUP applications come in.

**(Recommended) OPTION 2: Request budget from Trust Council for staffing support**

The LTC could request the needed staffing be funded from the base budget of Trust Council in order to hire temporary or contracted staff to process TUP applications. Part of this request would be to ask to use TUP fee revenues to fund the new staffing position(s) needed to process the applications.

Anticipated implications include:

- Requiring Trust Council approval for new staff, funded by the base budget.
- Request the STVR TUP processing as an enhanced service level of the LTC to fund from the Trust Council base budget for the next fiscal budget (2027-2028).
- The LTC must submit a business case(s) to Trust Council for the budget request for new temporary staff position(s) as part of the budgeting process and note using the fees revenue generated through the TUP application fees to justify the request for the staff support. Temporary staff support is anticipated for about 5 months to help with processing new TUP applications.
- Hiring process would be initiated after budget approval by TC and bylaw adoption by LTC.
- Must allow time to coordinate hiring new staff and start of application intake, ahead of the targeted season.
- STVR TUPs intake could occur as early Fall 2027; approvals in Winter 2028 for May 2028 rental season.
- This would require less administrative resources to execute vs Option 3 but still requires resources to implement.

**OPTION 3: Special property tax requisition to the Hornby LTA in 2027/28**

The LTC could request a Hornby Local Trust Area special property tax requisition to pay for additional staffing to process the increased volume of applications.

A special property tax requisition is an extra tax collected only within one Local Trust Area to fund a program or service the Local Trust Committee wants to deliver that qualifies as an “additional operation”—meaning it is not offered in all local trust areas, represents an enhanced service level due to unique local demands or delegated powers, or exceeds the capacity of the base budget. Only residents of that area pay the tax, and it may be used solely for the purpose approved by Trust Council. (Refer to Attachment 1: Trust Council [Policy 6.3.2 Special Property Tax Requisitions](#))

The special property tax requisition does not divert fee revenue. It adds special taxes to the LTA properties to get this work done. This would result in the following:

- Increased fee revenue coming from Hornby Island LTA properties due to processing the number of TUPs as allowed under the TUP regulations.
- Increased tax revenue coming from Hornby Island LTA properties due to Special Taxes.

Anticipated implications include:

- Trust Council approval is required to hire staff, which would be funded by the special property tax requisition.

- Special tax requisitions can only be considered through Trust Council’s annual budget process, with the next opportunity falling in the 2027–2028 fiscal cycle.
- The LTC must submit a project funding request to Trust Council as part of the annual budget cycle, and note a request for special property tax requisition, following [Trust Council’s Special Property Tax Requisition Policy #6.3.2.](#)
- For this option, the land use bylaw adoption is contingent on the March 2027 budget decisions, and so the bylaw adoption would occur after that.
- The hiring process for any newly approved temporary staff would begin after Trust Council’s budget approval in March 2027, and after the LTC adopts the amended bylaw.
- This option must account for time to coordinate hiring new staff and starting the intake of applications, ahead of the targeted season. Staff support is anticipated for about 4 months.
- With these above factors in mind, this would mean that the adoption of the proposed bylaw should occur after April 1, 2027.
- STVR TUPs intake could occur as early Summer 2027; approvals in Winter 2028 for May 2028 rental season; subject to when the bylaw is adopted.
- This approach will require administrative resources and assistance from finance services to pursue budget request.
- In light of these factors, staff is concerned that there will not be appropriate time to prepare operationally and accounting for the timing of the bylaw adoption, before the start of the season.

Staff do not suggest this option because of low to no support anticipated from Hornby Island community or LTC to increase taxes, however the option is available to consider.

**OPTION 4: The LTC proceed no further.**

Should the LTC require further time to consider proposed changes to the Land Use Bylaw for short-term vacation rentals as it relates to TUP application processing, then staff advise that the budget request will not be submitted in time for the 2027-2028 budget cycle. Staff will require LTC direction given through the major project workplan.

**3. Implementation, Opportunities and Challenges**

Recall that special property tax requisitions do not divert fee revenue; they add special taxes to the Local Trust Area properties to get this work done. If this approach is chosen, this would result with the following:

- Increased fee revenue coming from HO due to TUPs.
- Increased tax revenue coming from HO due to Special Taxes.

Assuming that Trust Council approves the temporary hiring of staff based on the recommended Option 2 (Request funds from base budget), additional implementation challenges and factors include:

- The influx to the volume of applications submitted, particularly in the intake years, will create a significant workload and require careful coordination to avoid delays. This includes not just

planning resources to process applications and support project, but also administrative resources to support notifications.

- Other options may need to be explored to mitigate the increased processing demand such as exploring a phased approach, or delegating TUP renewals. This would likely require amendments to Hornby LTC's administrative bylaws such as [Development Procedures Bylaw No. 74](#).
- In renewal years, without delegation to staff, all renewals would require LTC decisions, increasing meeting and agenda demands.
- An application guide/checklist with submission requirements should be created so that expectations are clear and intake is consistent and fair. Examples exist for other LTAs such as North Pender.

Staff strongly recommend before bylaw adoption, to develop a clear public communication package and application guide that sets out submission requirements in detail to require complete applications at intake, reduce delays and applicant frustration, and improve transparency regarding the process and expectations.

- It should also be clearly communicated that issuance of Temporary Use Permits remains at the discretion of the LTC, and any number of permits may be issued.

#### Anticipated Timing:

- Ahead of the May 2028 rental season, the adoption of proposed bylaws should occur by early Spring 2027 to allow adequate time for communications and administration ahead of a summer 2027 intake. This anticipated timing may not allow adequate time to do that.
- In order to work through the direction above, the Public Hearing will need to wait until the EC endorsement, and adoption should wait until Trust Council budget approval is in place. The Public Hearing cannot be scheduled until this work happens over the coming months. Staff anticipate EC consideration and business case submission before the LTC's next regular business meeting in September.

## **RATIONALE FOR RECOMMENDATIONS**

In consideration of the recommended motions, and before proceeding to Public Hearing, the LTC should be satisfied that staff capacity, processing systems, and decision pathways are clear, feasible, and address the factors noted so that implementation of Proposed Bylaw Nos. 176 and 177 could proceed without unexpected service disruption that extend beyond the LTC work program impacting the ability to support the work programs of other Local Trust Committees. Staff recommendation is provided on page 1 of this report.

The LTC should indicate a preferred option by resolution and forward this report to EC for endorsement. At that stage, the EC may have further questions of the LTC.

#### **Next Steps:**

If the LTC concurs with the staff recommendations, this report will be forwarded to EC for endorsement, along with a draft business case for the budget request for temporary staff resources. Subject to LTC direction, if required a business case will be drafted to request funding for the completion of the project, should it receive Third Reading by the end of this fiscal year (March 2026). These business cases may come back to the LTC for endorsement at the September 1<sup>st</sup> regular business meeting.

Following EC endorsement, a community information meeting immediately prior to a Public Hearing can be scheduled for the following regular business meeting (likely September 1, 2026 or January 15, 2027).

Submitted By:	Renée Jamurat, RPP, MCIP, Regional Planning Manager	June 17, 2026
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**ATTACHMENTS**

- 1. Trust Council [Policy 6.3.2 Special Property Tax Requisitions.](#)
- 2. Islands Trust [2022 FAQ on Special Property Tax Requisitions.](#)
- 3. Trust Council [Policy 5.6.1 Application Processing Services](#) – For Information.
- 4. Trust Council [Policy 5.9.1 Best Management Practices for Delivery of Local Planning Services](#) – For Information.
- 5. [Hornby Island LTC Fees Bylaw No. 169](#) – For Information.
- 6. [Hornby Island LTC Development Procedures Bylaw No. 74](#) – For Information.



ATTACHMENT 1

<b>Policy:</b>	6.3.2
<b>Approved By:</b>	Trust Council
<b>Approval Date:</b>	December 10, 2004
<b>Amendment Date(s):</b>	June 16, 2005; September 11, 2013; September 24, 2024
<b>Policy Holder:</b>	Director, Administrative Services

## SPECIAL PROPERTY TAX REQUISITIONS

### Purpose

To permit an individual local trust committee (LTC) to request a special property tax requisition for additional operations that are not included within the general operations of all LTCs, or that require an enhanced level of service or funding beyond the capacity of the base budget. Special property tax requisitions are approved by the Islands Trust Council.

### A. Definitions

Special property tax requisition – a property tax requisition levied to taxable properties within a specified local trust area.

Financial Plan Bylaw – The bylaw that approves the financial plan (i.e. the budget) for any given fiscal year.

### B. Policy

#### 1. General

- 1.1 The *Islands Trust Act* (s. 47) provides the Islands Trust Council with the necessary authority to implement a special property tax requisition in respect of a local trust area;
- 1.2 A proposed special requisition related to a local trust area must be incorporated into the annual Islands Trust Financial Plan Bylaw and approved by the Islands Trust Council and the Minister;
- 1.3 The *Islands Trust Act* (s. 10) enables the Islands Trust Council to delegate by bylaw additional powers to a LTC subject to any restrictions or conditions specified in the bylaw.

#### 2. Budget Submission

- 2.1 “Additional operations” of a LTC are those programs or services that are deemed by the Islands Trust Council to be:
  - 2.1.1 programs or services not offered in all local trust areas;

2.1.2 enhanced service levels that reflect unique demands or additional powers that Trust Council has delegated to a LTC by bylaw; and

2.1.3 beyond the capacity of the base budget.

2.2 LTCs wishing to propose and undertake a LTC program or service valued at \$5,000 or higher must develop a business case to support the budget request to be presented for preliminary consideration by Trust Council in December of each year. Trust Council will determine if the proposed project constitutes an additional program or service requiring special requisition for funding under this policy.

2.3 The proposed program or service must be within the LTC's jurisdiction pursuant to the *Islands Trust Act* or be within powers delegated to it by Trust Council. Legal advice on that matter may be obtained and handled in accordance with Trust Council policies 2.1.6 *Legal Advice* and 6.9.2 *Legal Services Access*.

### **3. Evaluation Criteria**

3.1 The Islands Trust Council will evaluate and consider including a local trust committee's local initiative program or service in the preliminary Islands Trust's general budget based on the following criteria:

3.1.1 the program is considered to be a base service of the local trust committee;

3.1.2 the program is a scheduled official community plan review or land use bylaw update; and

3.1.3 the program has Trust-wide implications and benefits.

3.2 If none of the above criteria apply or if Trust Council does not approve a LTC budget funding request, then the LTC can propose a special requisition for its local trust area as a means of funding the proposed program or service.

3.3 Despite section 3.1 and 3.2 of this policy, where a delegation bylaw adopted by Trust Council pursuant to section 10 of the *Islands Trust Act* specifies that all or part of a LTC's operations related to delegated powers are to be funded by a special tax requisition within a local trust area, related requests from a LTC that are included in the preliminary Islands Trust budget must be in accordance with the requirements of the delegation bylaw.

3.4 A special property tax requisition will not be considered by Trust Council for an amount totaling less than \$5,000 per local trust area.

3.5 The process for development and approval of special property tax requisitions is subject to the provisions of Trust Council Policy 6.3.1 – *Budget Process*.

### **4. Public Consultation**

- 4.1 The LTC must solicit feedback from the public in the local trust area, minimally through a mechanism of advertising and otherwise advising the public of the purpose and the cost of the proposed special requisition.
- 4.2 Section 4.1 conditions may be met via Trust Council's solicitation for general budget feedback so long as the public in the relevant local trust area can clearly distinguish the purpose and cost of the proposed special requisition, and their feedback can be separated from the general budget feedback for separate consideration by Trust Council.
- 4.3 Programs or services funded through special requisition that extend into multiple fiscal years must solicit feedback in accordance with section 4.1 in each fiscal year where the special requisition is proposed.
- 4.4 The feedback received, if any, must be considered by the Islands Trust Council prior to the final adoption of any bylaw that incorporates the special property tax requisition.
- 4.5 Trust Council will not approve special requisition funding for programs or services that have not undergone public consultation.

## **5. Approval**

- 5.1 The proposed special property tax requisition must be formally requested by resolution of the LTC before being considered by the Islands Trust Council.
- 5.2 The proposed special requisition will be presented for approval to Trust Council in March of each year.
- 5.3 When presented to Trust Council, the special requisition program or service must be accompanied by a completed Special Property Tax Requisition Checklist outlined in section 7.
- 5.4 The special requisition(s) will be included in the Islands Trust Financial Plan Bylaw and forwarded by the Islands Trust Council to the minister responsible for the *Islands Trust Act* for approval. If the minister approves, the minister and Islands Trust staff will subsequently forward the requisition(s) to the Minister of Finance for collection within the relevant jurisdictions.
- 5.5 The Minister of Finance adds a collection fee to the requisition in calculating the amount of the levy to be assessed to property owners.

## **6. Funds Allocation**

- 6.1 Once approved by Islands Trust Council within the annual Financial Plan Bylaw, the LTC is authorized to undertake the approved initiative at its discretion.

- 6.2 The LTC must not authorize the expenditure of funds generated through a special property tax requisition for any purpose other than that for which the requisition was approved.
- 6.3 Any funds generated through the special requisition which are unspent at the conclusion of the fiscal year will be held in reserve for the LTC's use in the subsequent fiscal year:
  - 6.3.1 for any purpose for which the requisition was approved;
  - 6.3.2 to reduce the amount of the special requisition for the program or service in the next fiscal year;
  - 6.3.3 to complete the previously approved program or service; or
  - 6.3.4 in the event the previously approved program or service is complete, to undertake a new program within the local trust area at the request of the LTC.
- 6.4 Any special requisition funds held in reserve under section 6.3 that the LTC wishes to spend in the fiscal year must be included in the approved financial plan bylaw and approved by Trust Council as a transfer from the reserve fund prior to any expenditures being incurred. If a transfer from this reserve fund was not included in the financial plan bylaw, a budget amendment may be required under Policy 6.5.2 Budget Control and Adjustment Authority.
- 6.5 Unspent special requisition funds cannot be used to offset a general property tax requisition.

**7. Special Property Tax Requisition Checklist**

**Annual Budget Submission**

Description of Task	Deadline	Date Completed
<b>Recommended:</b>		
LTCs request staff to develop additional budget funding proposals. Planning staff communicate to finance staff base funding assumptions for FPC and TC information / awareness.	July - September	
<b>Required:</b>		
Planning Services staff develop 'additional operations' budget funding proposal for LTC's approval and submit them to Financial Planning Committee (FPC) for review prior to December Trust Council meeting.	October or November FPC meeting	

<p>Director of Planning Services presents 'additional operations' budget funding proposals to Financial Planning Committee, with input from LTCs, indicating whether any of the proposed 'additional operations' are related to delegated powers.</p>	<p>October or November FPC Meeting &amp; December Trust Council meeting</p>	
<p>Financial Planning Committee makes recommendations to Trust Council regarding budget funding proposals made by LTCs, identifying:</p> <ul style="list-style-type: none"> <li>• Any that must be funded through a special property tax requisition pursuant to a Trust Council delegation bylaw (e.g. Bylaw 154).</li> <li>• Any other LTC proposals that it recommends be funded through a special property tax requisition, rather than through inclusion in the general Islands Trust budget.</li> </ul> <p>Director of Planning Services provides additional information to Trust Council about LTC proposals, as needed.</p>	<p>November FPC Meeting &amp; December Trust Council meeting</p>	
<p>If Trust Council does not approve the LTC 'additional operations' budget funding proposal for inclusion in the general Islands Trust budget at their December meeting, or if the LTC additional operations are related to delegated powers that must be funded through a special property tax requisition, each of the following is required to receive approval of a special property tax requisition:</p>		
<ul style="list-style-type: none"> <li>• If not previously done, LTC passes resolution to pursue special property tax requisition to fund the proposed program:</li> </ul>	<p>Mid- December – early- January</p>	
<ul style="list-style-type: none"> <li>- Copy of resolution attached</li> </ul>		
<ul style="list-style-type: none"> <li>• LTC requests staff to conduct the required public consultation on the program proposed under the special tax requisition (see Section 4 of Policy 6.3.2):</li> </ul>	<p>Before consultation begins in late January to mid-February</p>	
<ul style="list-style-type: none"> <li>- Copy of advertisement attached</li> </ul>		
<ul style="list-style-type: none"> <li>- If a public meeting is held regarding the proposed program or service, minutes of the meeting and related discussion attached</li> </ul>		
<ul style="list-style-type: none"> <li>- Written summary of public feedback attached</li> </ul>		

<ul style="list-style-type: none"> <li>Staff prepare Request for Decision (RFD) proposed by LTC for the March Trust Council meeting, requesting a bylaw to authorize a special property tax requisition. The RFD will include an assessment of organizational and other implications, and a completed copy of this checklist along with any attached documentation noted throughout the checklist.</li> </ul>	February FPC meeting (mid-February)	
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**C. Legislated References**

*Islands Trust Act, S.10, S.14(3)(c)(iii), and S.47(5)*

*Community Charter, Part 6, Division 4, S.189 (1) and (2)*

**D. Links to Supporting Forms, Documents, Websites, Related Policies and Procedures**

Islands Trust Council Delegation Bylaw 154, 2013

Islands Trust Council Policy 2.1.6 – *Legal Advice*

Islands Trust Council Policy 6.5.1 – *Reserves and Surplus*

Islands Trust Council Policy 6.5.2 – *Budget Control and Adjustment Authority*

Islands Trust Council Policy 6.9.2 - *Legal Services Access*

Islands Trust Council Policy 7.2.6 – *Municipal Tax Requisition Calculation*



## Local Trust Committee Special Property Tax Requisitions Frequently Asked Questions

### WHAT IS A SPECIAL PROPERTY TAX REQUISITION?

Trust Council can approve a special property tax requisition for a local trust area to fund special initiatives taking place only in that particular local trust area. The tax is levied only on the property owners of that local trust area. The option to request special property tax requisition is available to all local trust committees.

The tax can be used when a local trust committee (LTC) wishes to take on a large initiative with local significance or additional operations. Although meant to support special projects, initiatives must still remain within the legislated jurisdiction of the Islands Trust, and be:

- a program or service not offered in all local trust areas;
- an enhanced service level that reflects a unique demand or additional power (authority) that Trust Council has delegated to an LTC by bylaw; and/or
- 'not included in the base budget.

### HOW MUCH CAN A LOCAL TRUST COMMITTEE REQUEST?

There is no limit. Trust Council policy does set a minimum of \$5,000 for any single special requisition.

### DOES THERE HAVE TO BE PUBLIC CONSULTATION ABOUT PROPOSED SPECIAL TAX REQUISITIONS?

Yes. Trust Council policy requires that local trust committees ask the public for feedback in the relevant local trust area about the purpose and cost of the proposed special requisition. LTCs are obliged to advertise and promote that they are looking for feedback. Trust Council will consider any feedback received before it provides final approval or denial of a special requisition.

### DOES EACH PROPERTY OWNER PAY THE SAME AMOUNT FOR A SPECIAL PROPERTY TAX?

Not necessarily. While the same tax rate for the requisition will be applied across the local trust area, the resulting dollar amount collected may be different for each property. The final amount is based on a number of factors, including tax rate, the type of property, and the assessed value of a property.

The Province collects the special requisition tax at the same time and in the same way as the general property tax levy that funds the Islands Trust.

### CAN PROPERTY OWNERS “OPT OUT” IF THE INITIATIVE DOESN’T BENEFIT THEM DIRECTLY?

No. A special levy is requisitioned from all taxable properties on all islands within the local trust area in question. A single property or island cannot opt out of a special requisition.

## **WHAT HAPPENS IF A LOCAL TRUST COMMITTEE DOESN'T SPEND THE REQUISITIONED FUNDS?**

If any funds are unspent at the end of the fiscal year, they will be put into a special reserve fund for future use by the local trust committee. Unspent funds can only be used to complete the special project or initiative for which they were collected. In the event the project is complete, the funds can be used for other work of the local trust committee, with Trust Council's approval. The funds cannot go into the Islands Trust's general revenues.

## **WHAT ARE EXAMPLES OF SPECIAL TAX REQUISITIONS?**

In 2013, the Islands Trust Council delegated certain coordination powers to the Salt Spring Island Local Trust Committee for the purposes of preserving and protecting water resources in the Salt Spring Island Local Trust Area. Each year since 2014, the Salt Spring Island Local Trust Committee has requested a special local tax requisition from the Salt Spring Island Local Trust Area to fund the coordination of initiatives to preserve and protect freshwater on Salt Spring Island.

## **HOW IS A SPECIAL PROPERTY TAX LEVY DECIDED UPON?**

- The local trust committee must submit a business case and detailed budget for the initiative to Trust Council's Financial Planning Committee by October 31st.
- At its November meeting, Financial Planning Committee will review whether the initiative meets the criteria for the special tax levy and will consider its recommendation to Trust Council.
- In December, Trust Council will consider whether to approve funding the initiative through the Islands Trust general budget for the following fiscal year.
  - If Trust Council decides the initiative is funded through the general budget, then there is no need for a special tax levy.
  - If Trust Council decides the initiative is not appropriate for support through the general budget but could be funded through a special tax levy, it is referred back to the local trust committee.
  - By the end of December, the local trust committee would need to pass a resolution to pursue a special property tax requisition.
  - The local trust committee will undertake public consultation on the proposed initiative during January and mid-February.
- Financial Planning Committee considers the public feedback on the special requisition at their February meeting and make a recommendation to Trust Council as to whether or not the initiative should be funded via special requisition.
- Trust Council considers the public feedback and Financial Planning Committee's recommendation when reviewing the draft budget at its March meeting.
- If Trust Council approves the special property tax requisition, it includes the special levy amount in the Islands Trust budget bylaw for the following fiscal year.

## **WHERE CAN I FIND ADDITIONAL INFORMATION?**

For more detailed information please refer to [Policy 6.3.2 – Special Property Tax Requisition](#).