

May 8, 2025

**To: Mayor and Council, City of Vernon**

**From: Greater Vernon Chamber of Commerce**

**Subject: Impact of Facility Fee Increases on Vernon's Non-Profit Community**

Dear Mayor and Council,

We are writing in response to the letter received from the City of Vernon CAO Mr. Peter Weeber which focused on a response to the increased fees associated with the Vernon Farmers' Market.

Mr. Weeber's letter was sent to the Chamber following a 45-minute meeting between Mr. Weeber, our board and members of our Advocacy Committee. The letter disappointingly characterized this meeting to a singular item and organization and did not address broader concerns raised, which included the negative economic and social impacts on numerous non-profit organizations and our community resulting from the City's decisions related to the use of their facilities. In some cases, groups have experienced significantly higher increases due to reclassification or contractual changes.

The Greater Vernon Chamber of Commerce has a membership of 685 members who contribute to the local economy and many of which are impacted by the increased facility fees. Of these members there is a large group of non-profit organizations.

Non-profit organizations—largely driven by volunteers—bring immeasurable value to Vernon. Their work supports seniors, mental health, youth sports, local food security, the arts, cultural vibrancy, social housing and more. Many of these organizations rely heavily on revenue generated through community events and modest government support. With rising inflation, reduced grant availability and broader economic pressures, the ability to fundraise through events is more critical than ever.

Since 2023, the Chamber has been advocating for equitable treatment of non-profit user groups. In this effort we created a task force, gathered comparable data from other communities and submitted letters recommending that Council address the issues with service levels and reject the fee increases proposed by a third-party consultant, particularly as the consultant dismissed relevant comparable data citing "political sensitivity." Despite these efforts, Council approved two 5% increases and more recently an additional 2% levy as recommended by Mr. Weeber which occurred within weeks of our meeting.

In 2024 we witnessed troubling outcomes from these decisions the following is a highlight of a few:

- 1. Okanagan Military Tattoo**

A beloved cultural event, was forced to fold due to an unsustainable \$35,000 rental fee. Held at Kal Tire Place for 10 years, this event showcased Canadian military bands and celebrated patriotism and community. The \$35,000 rental fee for five days (setup, rehearsal, performance) ultimately rendered the event unsustainable. The City has now lost not only that \$35,000 in direct revenue but also the broader economic benefits associated with 400 entertainers who would have stayed, dined, and spent within Vernon. Additional losses include MRDT revenues and other visitor-related spending.

## 2. **Vernon Farmers' Market**

Lost 30% of its vendors during peak season after fees were increased by 300%. This non-profit supports tourism, food security, and local artisans. In 2023, the City tripled its rental fee from \$4,000 to \$12,000 for use of the Kal Tire Place North parking lot. Aside from electrical service and access to public washrooms, no additional amenities are provided. With few other viable spaces, the Market had no option but to accept the increase. The result was a 30% drop in vendors in 2024, with many choosing more affordable communities. For comparison, the Kamloops Farmers' Market pays just \$700 annually for use of downtown city blocks and adjacent parks, hosting approximately 120 vendors at peak season.

## 3. **Creative Chaos**

Western Canada's largest summer craft fair, will operate at a financial loss for the first time in its 50-year history due to a 30% increase in rental fees. This iconic craft fair has supported the Vernon economy since 1971 through tourism, entrepreneurship, and community spirit. Run entirely by volunteers, it operates on a break-even model. For 2025, however, it is projected to incur a financial loss following a 30% rental fee increase. The organization was also reclassified from the "Community Use" rate category (reserved for free-entry non-profits) to a "Private Sponsored" category, despite not charging ticketed admission.

In a recent survey, non-profit user groups were asked if the felt facility pricing was competitive with similar pricing elsewhere and 91% responded no. They were also asked based on the Recreation Services Manual of Fees and Charges, if they felt that they were charged appropriately for their type of event and facility and 50% said they were overcharged.

Non-profit organizations operate on the principle of reinvesting into the community for the greater good. If current trends continue, "non-profit" may become a literal outcome as organizations may be unable to sustain operations altogether.

These decisions not only ignore financial realities but also dismiss the critical social and economic value these groups provide. The Greater Vernon Chamber is once again calling for immediate attention to this matter and respectfully requests that Council:

- **Audit the fee categories** applied to all non-profit user groups to ensure appropriate classification;

- **Reassess** both past and proposed fee increases to evaluate their impact to help ensure the continued financial viability of these organizations;
- **Assess and review** the framework for service levels to ensure alignment with current operational demands, stakeholder expectations and performance benchmarks.
- **Implement a transparent subsidy framework** that enables strategic investments in organizations generating proven economic and social returns; and
- **Foster a culture** that recognizes and supports the economic and social contributions of non-profits, rather than positioning them as a source to backfill City budget.

We urge you to take these concerns seriously and act in the best interests of the entire Vernon community.

Sincerely,



**Kirndeeep Nahal**

President, Greater Vernon Chamber of Commerce

Enclosures – Previous Correspondence

July 5, 2023 letter - [Chamber provides recommendations on City of Vernon facility rentals](#)

July 13, 2023 backgrounder - [Facilities Comparison 2023](#)

Aug. 3, 2023 letter - [GVCC Letter - Facilities Recommendations to Vernon Council](#)

Aug. 24, 2023 letter - [GVCC Letter - Follow Up on Facilities Recommendations](#)