

NO: **R183**

COUNCIL DATE: **October 7, 2019**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **September 26, 2019**

FROM: **General Manager, Corporate Services**

FILE: **1970-04**

SUBJECT: **Proposed 2020 Permissive Property Tax Exemptions for Heritage Properties**

RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Receive this report for information; and
2. Authorize the City Clerk to bring forward *Section 225 Tax Exemption Bylaw, 2019, No. 19911* (the "Bylaw"), as documented in Appendix "1", for the required readings.

INTENT

The purpose of this report is to request that Council consider permissive tax exemptions for select Heritage properties pursuant to Section 225 of the *Community Charter, S.B.C. 2003, Chap. 26* and in accordance with the City's Tax Exemption Policy (the "Policy").

BACKGROUND

In the spring of each year, the City forwards permissive property tax exemption applications to organizations that have previously been granted a property tax exemption by the City as well as to any organization that has expressed an interest in applying for an exemption. In the case of applications for sites that have been previously approved for exemption, these are also subject to an annual review to determine if any changes have transpired from the previous year.

In each case, the application was reviewed by a staff team and verifications conducted to ensure that the related property met the criteria outlined in legislation and the Policy for such an exemption. In addition, a staff Committee comprised of representatives from the Finance Department, Planning & Development Department and the Legislative Services Division meet to review any applications that may contain an anomalous situation and subsequently forwards recommendations to Council for consideration.

All of the properties included in the proposed Bylaw are heritage properties that have an active Heritage Designation Bylaw or Heritage Revitalization Agreement Bylaw, and fall within the scope of Section 225. In each case, the application was reviewed by staff, which included verifications conducted by the Planning & Development Department, to ensure that the related property met the criteria for such an exemption as outlined in the Policy and in the Heritage Property

Standards of Maintenance Bylaw. While these properties generally receive a full property tax exemption, there are a few exceptions where the exemption is recommended for a portion of the respective property. In these cases, the partial exemption relates to a "non-heritage" addition and/or alteration on the property.

A bylaw under Section 225 may only come into effect for the subsequent tax year once public notice of the proposed bylaw has been given. The bylaw must be adopted on or before October 31 of the year prior to the tax year for which the exemption is approved by an affirmative vote of at least 2/3 of Council members.

DISCUSSION

New Applications:

The City has received four new applications for permissive tax exemption:

1. Arthur Hedley House, 11927 – 96A Avenue - Schedule A, Item 1
This property was exempt under prior ownership and was last approved for exemption for the 2017 tax year. The current owners have applied for exemption for the 2020 tax year. The property is recommended for a property tax exemption and has been included in the schedule for Council's consideration.
2. Brynjolfson Residence, 12876 Crescent Road - Schedule A, Item 3
This property is a new heritage property protected by a Heritage Revitalization Agreement. There is a second home under construction on a portion of the property. The original house and its surrounding land are included in the schedule for Council's consideration.
3. Cobblestones, 2854 O'Hara Lane - Schedule A, Item 4
This property is a new heritage property protected by a Heritage Revitalization Agreement. The interior of the home has undergone extensive renovation, however, the exterior façade and porch are deemed to have heritage value and are protected. As only a portion of the house and land is eligible for exemption, a map has been provided and the property has been included in the schedule for Council's consideration.
4. Daniel Johnson House, 13951 Crescent Road - Schedule A, Item 6
The original heritage home and significant trees were protected by a Heritage Revitalization Agreement which was adopted by Council in 2002. The original home was destroyed by fire and a new home has since been constructed. The trees and a portion of the lands containing the trees remain protected. As only a portion of the land is eligible for exemption, a map has been provided and the property has been included in the schedule for Council's consideration.

The schedule to the proposed Bylaw includes the above-referenced amendments, which have been bolded for clarity. There are 19 distinct properties which are recommended for either full or partial property tax exemption.

Public Notice

In accordance with Section 227 of the *Community Charter*, public notification of the estimated value of each exemption must be advertised for two consecutive weeks in a local newspaper in advance of the bylaw being forwarded to Council for adoption. The public notification process requires that an estimate of the total value of the property tax exemptions proposed under the bylaw be provided for each of the following three years.

The estimated total value of the Section 225 property tax exemptions, as recommended in the proposed Bylaw, is as follows:

Year	Value of Exemption
2020	\$63,957
2021	\$65,731
2022	\$67,560

SUSTAINABILITY CONSIDERATIONS

The work of the proposed property tax exemptions supports the objectives of the City's Sustainability Charter 2.0. In particular, this project supports the Sustainability Charter 2.0 themes of Inclusion and Education and Culture. Specifically, this project supports the following Desired Outcomes ("DO"):

- Community Pride and Engagement DO₂₃: Numerous active local clubs and agencies contribute to the community's well-being;
- Social Infrastructure and Innovation DO₂₄: Surrey has a strong social infrastructure that supports the needs of its diverse and growing population; and
- Arts and Heritage DO₁₀: Surrey celebrates, protects and promotes its natural and built heritage sites.

CONCLUSION

Based on the above discussion, it is recommended that Council authorize the City Clerk to bring forward *Section 225 Tax Exemption Bylaw, 2019, No. 19911* for the required readings.

Rob Costanzo
General Manager, Corporate Services

SH/RAC/jhs

Appendix "I": "Section 225 Tax Exemption Bylaw, 2019, No. 19911"

CITY OF SURREY

BYLAW NO. 19911

A Bylaw to provide for the exemption from taxation
of certain properties in the City of Surrey pursuant to
Section 225 of the *Community Charter*

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WHEREAS Council may, by authority of Section 225 of the *Community Charter*, S.B.C. 2003,
Chap. 26, exempt from taxation certain properties;

AND WHEREAS Council deems it expedient to exempt from taxation the properties listed in
Schedule A attached hereto.

NOW, THEREFORE, Council of the City of Surrey ENACTS AS FOLLOWS:

Title

1. This Bylaw may be cited as the "Section 225 Tax Exemption Bylaw, 2019, No. 19911"

Exemptions

2. The lands or improvements, or portions thereof, as outlined in Schedule A attached to
this Bylaw, are exempt from taxation for the Year 2020 pursuant to Section 225 of the
Community Charter subject to the conditions provided for in this Bylaw.

Conditions

3. If an eligible heritage property exempt from taxation under this Bylaw:
 - (a) is destroyed, whether with or without proper authorization under the
requirements of the heritage protection of the property; or
 - (b) is altered by or on behalf of the owner without proper authorization under the
requirements of the heritage protection of the property; or
 - (c) ceases to meet the conditions necessary to qualify for the exemption including, but
not limited to, compliance with City policies and bylaws,

the property shall be liable to taxation and the owner of the property shall pay to the City
an amount equal to the total taxes exempted under this Bylaw plus interest from the time

at which the exempt taxes would otherwise have been payable, compounded annually at the rate described in Section 246 of the *Community Charter*.

Repeal Section

4. "Section 225 Tax Exemption Bylaw, 2018, No. 19667" is hereby repealed.

PASSED FIRST READING on the th day of , 2019.

PASSED SECOND READING on the th day of , 2019.

PASSED THIRD READING on the th day of , 2019.

NOTICE OF INTENTION ADVERTISED in the SURREY NOW/LEADER AND PEACE ARCH NEWS newspapers on the th and th day of , 2019.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the th day of , 2019.

_____MAYOR

_____CLERK

Section 225 Tax Exemption Bylaw 2019, No. 19911

	P.I.D.	LEGAL	Name	Address	Folio No.
1.	028-028-414	Lot 3 Block 5N Section 36 Range 3W NWD Plan BCP42131	Arthur Hedley House	11927 – 96A Avenue	3360-02031-5
2.	025-971-832	Lot 1, Section 7 Township 8, NWD Plan BCP11903 (with exempt portion shown hatched on sketch attached hereto)	Boothroyd House	Portion of 16811 – 60 Avenue	8073-00023-4
3.	011-146-974	Lot 2 Section 20 Township 1 NWD Plan NWP5724 Part NW 1/4 (with exempt portion shown hatched on sketch attached hereto)	Brynjolfson Residence	12876 Crescent Road	5203-01002-X
4.	002-420-686	Lot 37 District Lot 52 Block 5 NWD Plan NWP2200 (with exempt portion shown hatched on sketch attached hereto)	Cobblestones	2854 O'Hara Lane	5700-36004-4
5.	009-214-771	Lot 22, Section 8, Township 8, NWD Plan 76430	Cecil Heppell House	5818 – 182 Street	8081-21003-9
6.	025-635-794	Lot 2 District Lot 157 NWD Plan BCP4864 (with exempt portion shown hatched on sketch attached hereto)	Daniel Johnson House	13951 Crescent Road	5700-01132-3

	P.I.D.	LEGAL	Name	Address	Folio No.
7.	026-507-323	Lot 2, Section 21, Township. 1, NWD Plan BCP 21102 (with exempt portion shown hatched on sketch attached hereto)	Feedham House	Portion of 14040 – 32 Avenue	5214-01024-2
8.	025-110-209	Lot 5, Section 10, Township 2, NWD Plan LMP49644 (with exempt portion shown hatched on sketch attached hereto)	George Rankin House	Portion of 14805 – 57 Avenue	6101-04015-X
9.	008-892-571	Lot 4, Section 25, Township 1, NWD, Plan 26296, (with exempt portion shown hatched on sketch attached hereto)	Historic Collishaw Farm	Portion of 16520 – 40 Avenue	5254-03002-1
10.	010-822-810	Lot 17 Block 15 Section 7 Township 1 NWD Plan 2834	John Horner House	12645 – 14B Avenue	5074-16010-8
11.	017-999-481	Lot C (BF437078), Block 12, Section 7, Township 1, NWD, Plan 2834	Ocean Park Community Hall	1577 – 128 Street	5074-92001-2
12.	029-845-793	Lot 1, Section 28, Township 8 NWD Plan EPP60921 (with exempt portion shown hatched on sketch attached hereto)	Port Kells Fire Hall No. 7	18922 – 88 Avenue	8284-00015-5
13.	024-828-068	Lot 1, Section 7, Township 8, NWD Plan LMP 46989, (with exempt portion shown hatched on sketch attached hereto)	Richardson House	16940 Friesian Drive	8072-00021-4
14.	004-613-422	Lot 22, Section 4, Township 8, NWD, Plan 58597, (with exempt portion shown hatched on sketch attached hereto)	Robert Dougal MacKenzie House	Portion of 5418 – 184 Street	8043-21002-0

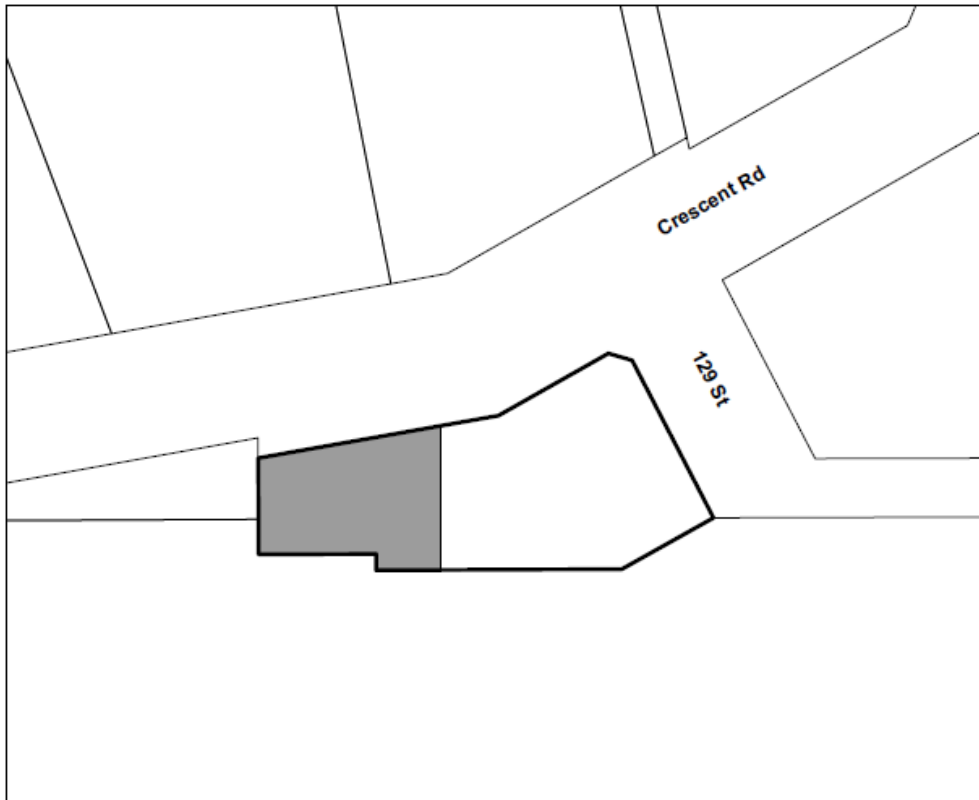
	P.I.D.	LEGAL	Name	Address	Folio No.
15.	004-294-408	Lot 25, Block 4, District Lot 52, Group 2, NWD Plan 2200	Rothwell House	2598 O'Hara Lane	5700-24002-6
16.	013-215-051	Parcel 5 (Reference Plan 6696), North West Quarter, Section 11, Township 2, Except: Firstly: Parcel "One" (Explanatory Plan 10684), Secondly: Parcel "C" (Bylaw Plan 62479), Thirdly: Part Dedicated Road on Plan LMP 32970, NWD.	Sullivan Community Hall	6306 – 152 Street	6113-97104-1
17.	013-238-558	Parcel "B" (Plan with Fee Deposited No. 15329F), North West Quarter, Section 31, Township 8, NWD.	Tynehead Community Hall	9568 – 168 Street	8313-91002-1
18.	010-179-046	Lot 11, Section 12, Township 1, NWD, Plan 16055 Except Plan EPP 22394	White Rock Seventh Day Adventist Church	16017 – 8 Avenue	5122-10004-4
19.	012-589-748	Lot 24, Block 4, District Lot 52, Group 2, NWD Plan 2200	Willard Kitchen Heritage House	2590 O'Hara Lane	5700-23002-1



Boothroyd House
 Folio: 8073-00004-0
 16811 60 Ave

Legend

- EXEMPT: 510 Sq/m
- NOT EXEMPT: 438 Sq/m
- Total Area: 948 Sq/m

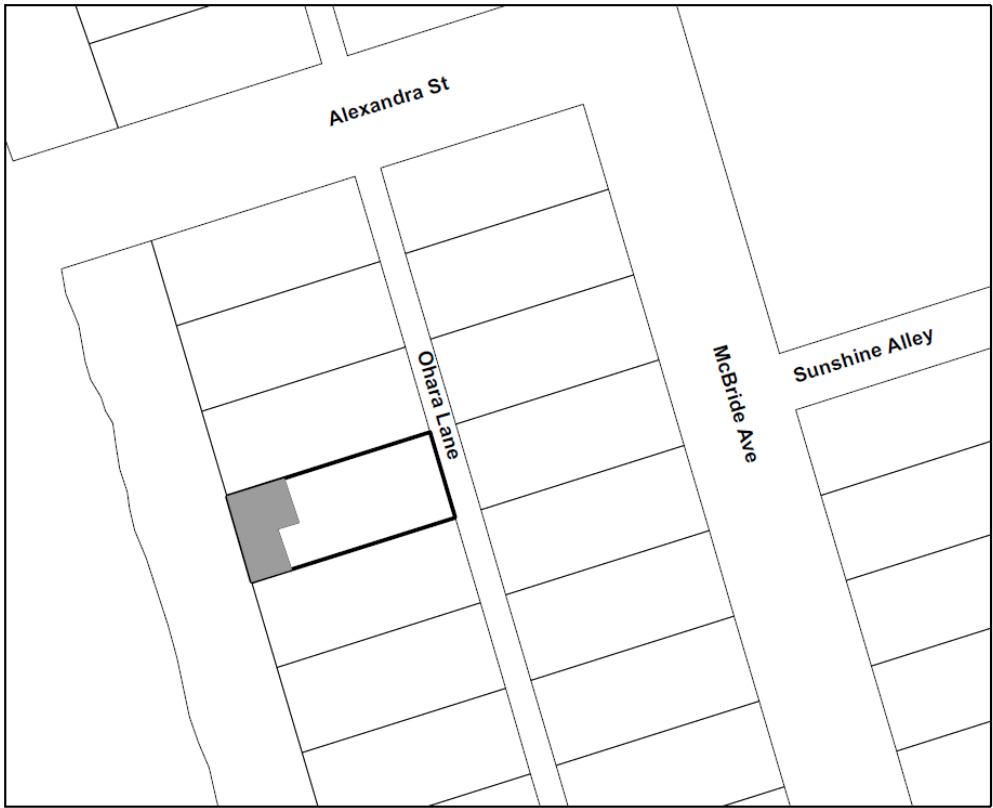


Brynjolfson Residence
 Folio: 5203-01002-X
 12876 Crescent Rd

Legend

- EXEMPT: 633 Sq/m
- NOT EXEMPT: 1243 Sq/m
- Total Area: 1876 Sq/m





Cobblestones
 Folio: 5700-36004-0
 2854 O'Hara Lane

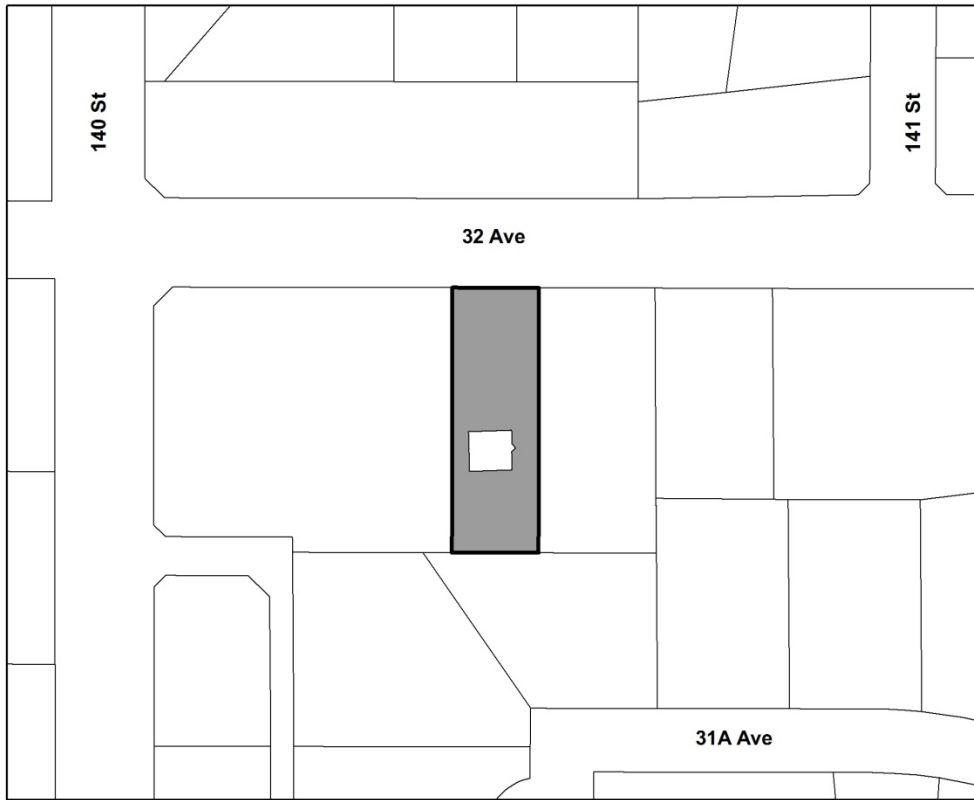
Legend
 ■ EXEMPT: 134 Sq/m
 □ NOT EXEMPT: 423 Sq/m
 □ Total Area: 557 Sq/m



Daniel Johnson House
 Folio: 5700-01132-3
 13951 Crescent Rd




Legend
 ■ EXEMPT: 2156 Sq/m
 □ NOT EXEMPT: 4489 Sq/m
 □ Total Area: 6645 Sq/m

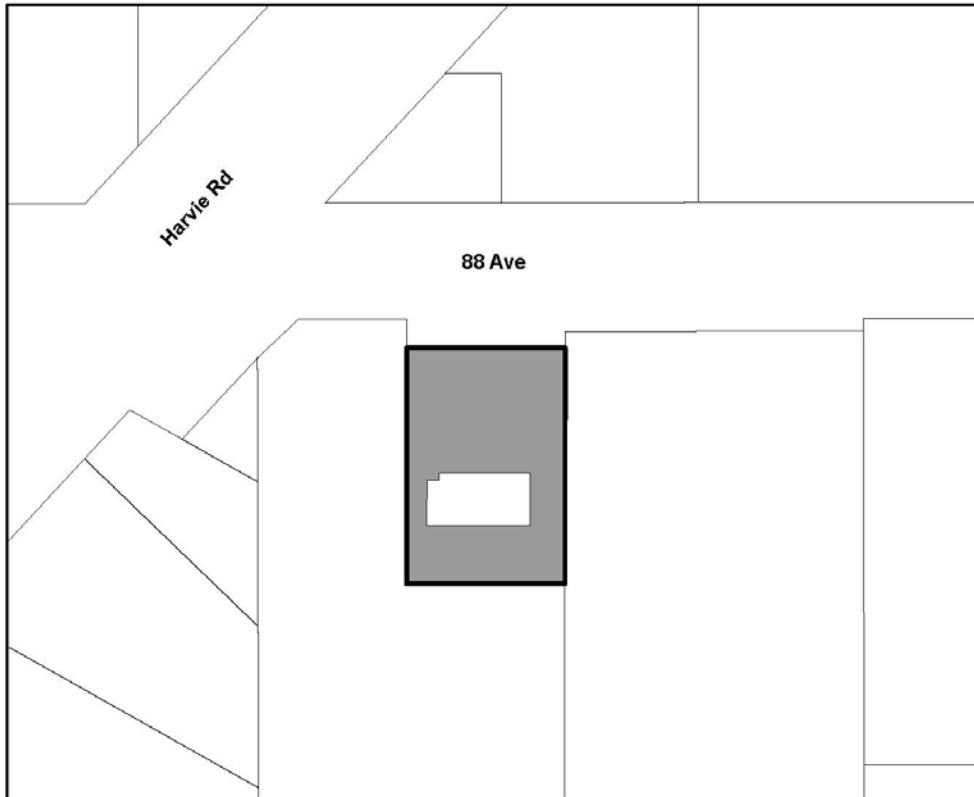




Feedham House
 Folio: 5214-01024-2
 14040 32 Ave




Legend

-  EXEMPT: 1429 Sq/m
-  NOT EXEMPT: 115 Sq/m
-  Total Area: 1544 Sq/m

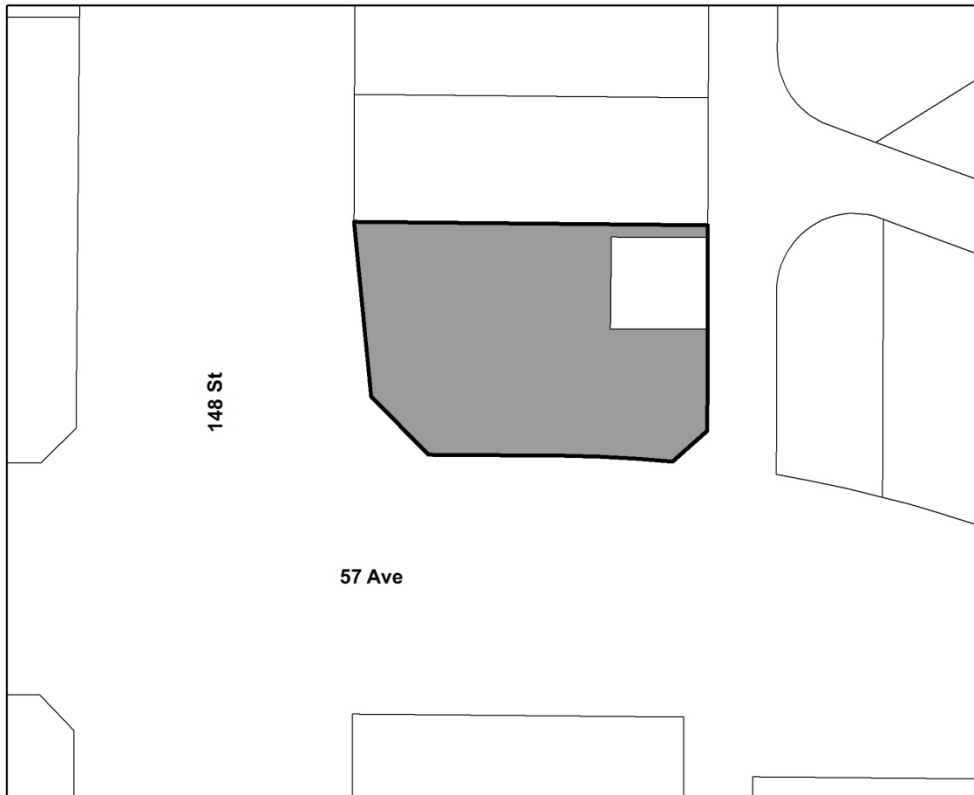


Fire Hall No 7
 Folio: 8284-00015-5
 18922-88 Ave

Legend




-  EXEMPT, 958 Sq/m
-  NOT EXEMPT, 160 Sq/m
-  Total Area, 1118 Sq/m

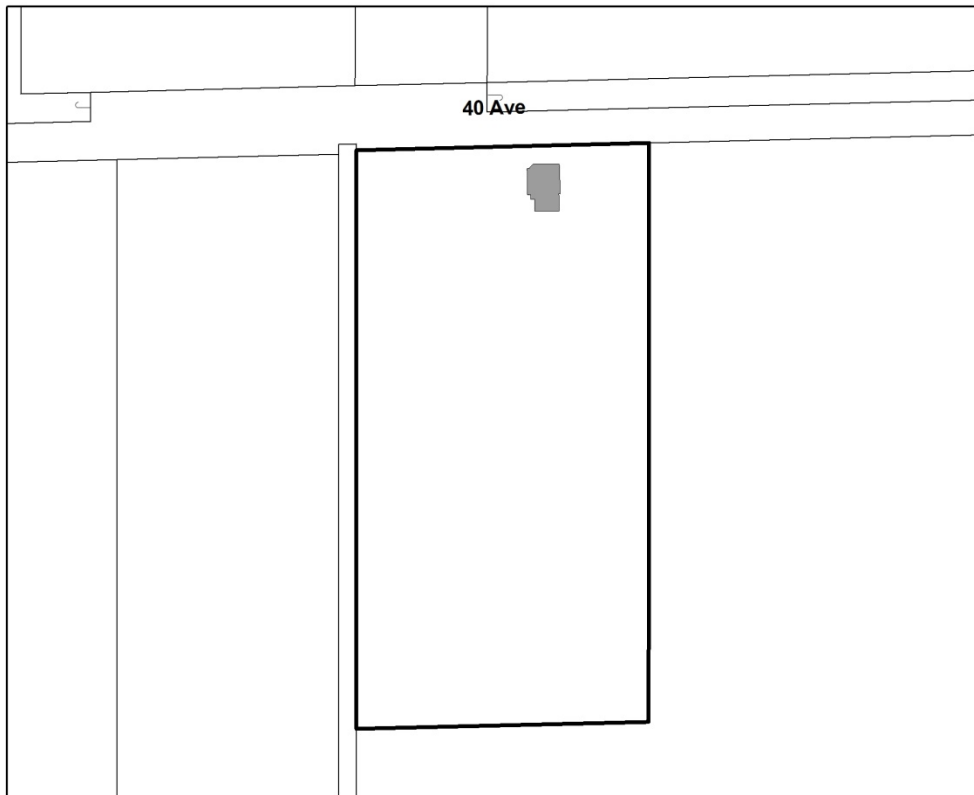




George Rankin House
 Folio: 6101-04015-X
 14805 57 Ave




Legend

-  EXEMPT: 514 Sq/m
-  NOT EXEMPT: 66 Sq/m
-  Total Area: 580 Sq/m

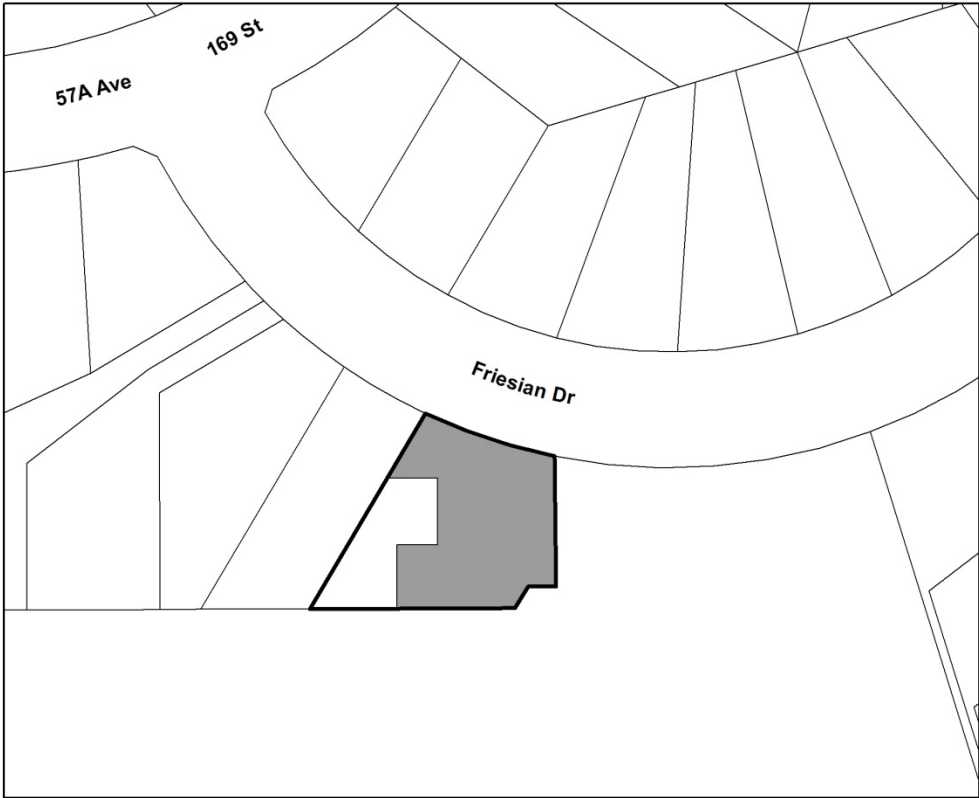


Historic Collishaw Farm
 Folio: 5254-03002-1
 16520 40 Ave

Legend

-  EXEMPT: 163 Sq/m
-  NOT EXEMPT: 20060 Sq/m
-  Total Area: 20223 Sq/m





Richardson House
Folio: 8072-00021-4
16940 Friesian Dr

- Legend**
- EXEMPT: 708 Sq/m
 - NOT EXEMPT: 270 Sq/m
 - Total Area: 978 Sq/m



Robert Dougal Mackenzie House
Folio: 8043-21002-0
5418 184 St

- Legend**
- EXEMPT: 3858 Sq/m
 - NOT EXEMPT: 185 Sq/m
 - Total Area: 4043 Sq/m

