

NO: R135

COUNCIL DATE: September 14, 2020

REGULAR COUNCIL

TO: **Mayor & Council** DATE: **September 3, 2020**

FROM: **General Manager, Corporate Services** FILE: **1970-04**

SUBJECT: **Proposed Permissive Property Tax Exemptions for Properties Leased for the Purpose of Public Worship for the 2021 Tax Year**

RECOMMENDATION

The Corporate Services Department recommends that Council:

1. Receive this report for information; and
2. Authorize the City Clerk to bring forward *Section 224 (2) (g) Tax Exemption Bylaw, 2020, No. 20154* (the "Bylaw"), as documented in Appendix "I", for the required readings.

INTENT

The purpose of this report is to request that Council consider permissive tax exemptions for properties leased for Public Worship pursuant to Section 224(2)(g) 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 the case of new applicants and those requesting changes to their exemption, site visits are undertaken and consultation with inspectors from BC Assessment are held to ensure that the property is deemed a place of public worship and meets the requirements of Section 224(2)(g). 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.

The exemptions included in the proposed Bylaw fall within Section 224 of the *Community Charter* as permissive exemptions. A bylaw under Section 224 may only come into effect for the subsequent tax year once public notice of the proposed bylaw has been given and subject to the bylaw being adopted on or before October 31 of the year prior to the tax year for which the exemption is approved.

The exemptions permitted under Section 224(2)(g) relate to land or improvements used or occupied by a religious organization as a tenant or licensee, for the purpose of public worship, or for the purposes of a hall that Council considers is necessary to land or improvements used or occupied by a religious organization as a tenant or licensee.

DISCUSSION

New Applications

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

1. [Abraar Foundation, 10625 King George Boulevard, Schedule A, Item 1](#)
This Society is a registered non-profit providing public worship services at the subject property. The portion of the property leased for public worship has been included in the proposed Bylaw for Council's consideration.
2. [The Evidence Church, Unit 1, 10468 Whalley Boulevard, Schedule A, Item 19](#)
This Society is a registered non-profit providing public worship services at the subject property. The portion of the property leased for public worship has been included in the proposed Bylaw for Council's consideration.

Status Updates

The following property contains operational or usage changes that has resulted in changes to the Bylaw for 2021:

1. [Bear Creek Punjab Cultural Society, 8580 - 132 Street](#)
The Society has historically leased a portion of the subject property for the purpose of public worship. The Society is no longer operational at this location and did not submit an application for the 2021 tax year. The property has been removed from the schedule accordingly.

Schedule A of the proposed Bylaw (attached as Appendix "I") includes a total of 33 distinct properties or strata units 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 three consecutive years.

The estimated total value of the Section 224(2)(g) property tax exemptions, as recommended in the proposed Bylaw, is as follows:

Year	Value of Exemption
2021	\$96,987
2022	\$99,683
2023	\$102,461

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 theme of Inclusion. 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; and
- Social Infrastructure and Innovation DO24: Surrey has a strong social infrastructure that supports the needs of its diverse and growing population.

CONCLUSION

Based on the above discussion, it is recommended that Council authorize the City Clerk to bring forward *Section 224 (2) (g) Tax Exemption Bylaw, 2020, No. 20154* for the required readings.

Rob Costanzo
General Manager, Corporate Services

Appendix "I": Section 224 (2) (g) Tax Exemption Bylaw, 2020, No. 20154

CITY OF SURREY

BYLAW NO. 20154

A Bylaw to provide for the exemption from property taxation
of certain properties in the City of Surrey pursuant to
Section 224 (2) (g) of the *Community Charter*
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WHEREAS Council may, by authority of Section 224 (2) (g) 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, the Council of the City of Surrey ENACTS AS FOLLOWS:

Title

1. This Bylaw may be cited as the "Section 224 (2) (g) Tax Exemption Bylaw, 2020, No. 20154".

Exemptions

2. The lands or improvements, or portions thereof, as outlined in Schedule A attached hereto are hereby exempt from taxation for the Year 2021 pursuant to Section 224 (2) (g) of the *Community Charter*, subject to the conditions provided for in this Bylaw.

Conditions

3. Where:
 - (a) a transfer, sale, or lease is made of property exempt from taxation under this Bylaw to some person not entitled to such exemption; or
 - (b) property used for some purpose which would entitle it to exemption under this Bylaw ceases to be so used; or

(c) property exempt from taxation under this Bylaw 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 from the date of the transfer, sale, lease, or change of use or conditions, as the case may be (the "Taxation Date").

4. Where the assessment roll is completed before the transfer, sale, lease or change of use or conditions described in Section 3 of this Bylaw comes to the attention of the collector:
- (a) the collector will provide written notice to the transferee, purchaser, lessee, or other person who, but for the exemption, would have been liable to taxation; and
 - (b) the person described in (a) shall pay to the City an amount equal to the total taxes that, but for the exemption, would have been payable on the property from the Taxation Date, together with interest compounded annually at the rate described in Section 246 of the *Community Charter*.

Repeal Section

5. "Section 224 (2) (g) Tax Exemption Bylaw, 2019, No. 19910" is hereby repealed.

PASSED FIRST READING on the th day of , 2020.

PASSED SECOND READING on the th day of , 2020.

PASSED THIRD READING on the th day of , 2020.

NOTICE OF INTENTION ADVERTISED in the SURREY NOW/LEADER AND PEACE ARCH NEWS newspapers on the th and th day of , 2020.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the th day of , 2020.

_____MAYOR

_____CLERK

Section 224 (2) (g) Tax Exemption Bylaw, 2020, No. 20154

	PID	LEGAL	Name	Address	Folio No.
1.	008-614-636	That 3,415 square foot portion of Lot 173, Block 5N, Section 22, Range 2W, Plan NWP38920, NWD, leased and occupied for the purpose of public worship.	Abraar Foundation 224(2)(g)	10625 Whalley Boulevard	2220-82204-7
2.	027-087-514	Strata Lot 22, Section 20, Township 2 NWD Strata Plan BCS1830, leased and occupied for the purpose of public worship	Calvary Grace Church (Faith and Vision) 224(2)(g)	#121, 7536 – 130 Street	6202-98036-9
3.	018-689-949	That 33,767 sq ft portion of Lot C (BH110375), Section 18, Block 5 North, Range 2West, NWD Plan 69522, Except Plan EPP507, leased and occupied for the purpose of public worship	Calvary Worship Centre 224(2)(g)	Portion of 11125 – 124 Street	2180-92001-5
4.	024-047-171 024-047-180 024-047-198 024-047-201	That 3,000 sq ft portion of Strata Lots 3, 4, 5 and 6 Section 17 Block 5 North Range 2 West NWD Strata Plan LMS3109 Together with an Interest in the Common Property in Proportion to the Unit Entitlement of the Strata Lot as shown on Form 1 leased and occupied for the purpose of public worship	Celebration Christian Fellowship International 224(2)(g)	#106 – 12332 Pattullo Place	2170-98004-0 2170-98005-2 2170-98006-4 2170-98007-6
5.	004-421-345	That 7,200 sq ft portion of Lot 1 Except: Firstly; Parcel A (Bylaw Plan 64918), Secondly; Part Dedicated Road on Plan LMP44217, Thirdly; Part Dedicated Road on Plan LMP51680, Section 29, Township 2, NWD Plan 62609, leased and occupied for the purpose of public worship	Celebration Life Ministries 224(2)(g)	Unit 2A, 13139 – 80 Avenue	6292-00004-7

	PID	LEGAL	Name	Address	Folio No.
6.	002-288-524	That 4,500 sq ft portion of the second floor of Lot 152, Section 18, Block 5 North Range 1, West NWD Plan 62582, leased and occupied for the purpose of public worship	Connecting Community Church 224(2)(g)	Portion of 14625 – 108 Avenue	1180-80102-7
7.	018-178-880	Lot 1, Section 29, Township 2, NWD Strata Plan LMS795 Together with an Interest in the Common Property in Proportion to the Unit Entitlement of the Strata Lot as shown on Form 1, leased and occupied for the purpose of public worship	Faith Dominion Ministry 224(2)(g)	Unit 1, 12988 – 84 Avenue	6292-98043-1
8.	001-093-347	That 7,100 sq ft portion of Lot 203, Section 20, Township 2, NWD, Plan 62200, leased and occupied for the purpose of public worship	Grace Baptist Church 224(2)(g)	#4 – 13570 – 78 Avenue	6204-85202-4
9.	018-495-915	Lot F, Block 319, District Lot 526 Plan LMP 12742, leased and occupied for the purpose of public worship	Great Light Healing Ministries International 224(2)(g)	12059 – 88 Avenue	6312-92006-9
10.	001-184-342	That 3,897 sq ft portion of Lot 52, Section 28, Block 5 North Range 1, NWD, Plan 58484, leased and occupied for the purpose of public worship	Guildford Islamic Cultural Centre 224(2)(g)	#101, 15290 – 103A Avenue	1280-50502-3
11.	010-205-772	Lot 1, Except: Part On Plan With Bylaw Filed A14399; Section 24 Block 5 North Range 2 West NWD Plan 16807, leased and occupied for the purpose of public worship	Hahn Seok Buddhist Foundation 224(2)(g)	14069 – 104 Avenue	2240-00014-4
12.	025-175-009	Lot 1, Section 15, Township 2, NWD, Plan LMP51687, leased and occupied for the purpose of public worship	Ismaili Jamatkhana Prayer Facility 224(2)(g)	15177 – 68 Avenue	6154-00007-8
13.	017-751-586	Lot 15, Section 10, Township 2, NWD, Plan NWS 3426, leased and occupied for the purpose of public worship	Jain Center of BC 224(2)(g)	#208, 14770 – 64 Avenue	6103-98029-X

	PID	LEGAL	Name	Address	Folio No.
14.	024-997-978 024-997-960 024-997-951 024-997-986 024-997-994 024-998-052 024-998-044 024-998-079 024-998-061	Lots 4, 5,6, 7, 8, 13, 14, 15 and 16, Section 20, Township 2, NWD Strata Plan LMS 4385, Together with an Interest in the Common Property in Proportion to the Unit Entitlement of the Strata Lot as shown on Form 1, leased and occupied for the purpose of public worship	Khalsa Diwan Society of BC 224(2)(g)	103, 7938 – 128 Street	6203-98204-0 6203-98203-9 6203-98202-7 6203-98205-2 6203-98206-4 6203-98212-X 6203-98211-8 6203-98214-3 6203-98213-1
15.	011-339-900	That 1,166 sq ft portion of Lot "A", Section 8, Township 8, NWD Plan 8731, leased and occupied for the purpose of public worship	Lighthouse Spiritual Centre 224(2)(g)	5722 – 176A Avenue	8082-90030-1
16.	009-858-369	That 1300 square foot portion of Lot 3, Block 2, Section 22, Range 2, Plan 13930 NWD, leased and occupied for the purpose of public worship.	Love Family Christian Assembly 224(2)(g)	13555 – 105A Avenue	2220-02012-5
17.	010-048-863	That 2,928 sq ft portion of Parcel A of Lot 68, Ref Plan 45360, Section 22, Range 2 Plan NWP15002, NWD, leased and occupied for the purpose of public worship	Spanish Alliance Church 224(2)(g)	10492 City Parkway	2220-90016-2
18.	001-184-342 001-184-351	That 6,204 sq ft (unit 103) and that 2,701 sq ft (unit 105) portion of Lot 52 and Lot 53, Section 28, Block 5 North Range 1 West, NWD Plan 58484, leased and occupied for the purpose of public worship	Praise International Church 224(2)(g)	15290-103A Ave and 10304 - 152A Street (known as #103 and #105 - 15310 – 103A Avenue)	1280-50502-3 1280-51002-X
19.	006-024-084	That 1,725 square foot portion of Lot 84, block 5N, Section 23, Range 2W, Plan NWP41185, NWD, leased and occupied for the purpose of public worship	The Evidence Church 224(2)(g)	Unit 1, 10468 Whalley Blvd	2230-66502-9
20.	011-384-328	Lot 46, Section 22, Block 5 North, Range 2 West, NWD Plan 9117, leased and occupied for the purpose of public worship	Transformation Christian Centre 224(2)(g)	10704 City Parkway	2220-45002-8

	PID	LEGAL	Name	Address	Folio No.
21.	023-852-020	That 1,615 sq ft portion of Strata Lot 4, Section 22, Township 1, NWD Strata Plan NW2669, Together with an Interest in the Common Property in Proportion to the Unit Entitlement of the Strata Lot as shown on Form 1, leased and occupied for the purpose of public worship	White Rock South Surrey Jewish Community Centre 224(2)(g)	32 – 3033 King George Boulevard	5224-98014-8