



# Corporate NO: R223

# Report COUNCIL DATE: October 16, 2000

<b>REGULAR COUNCIL</b>			
TO:	<b>Mayor &amp; Council</b>	DATE:	<b>October 2, 2000</b>
FROM:	<b>City Clerk</b>	FILE:	<b>0580-001</b>
SUBJECT:	<b>SECTION 341 TAX EXEMPTION BY-LAW For properties under Section 341 and 342 of the <i>Local Government Act</i></b>		

## RECOMMENDATION

That the report be received; and

That Council consider three readings of the Section 341 Tax Exemption By-law.

## BACKGROUND

The exemptions included in this by-law fall within Sections 341 and 342 of the *Local Government Act*, R.S.B.C. 1996, Chap. 323, all of which are permissive exemptions. The legislation provides that “on or before October 31 in any year, a council may, by bylaw adopted by 2/3 of its members, exempt land or improvements referred to in subsection (2), or both, from taxation...” In the past, Council has chosen to grant tax exemptions to organizations applying under the criteria of subsections 341(2) of the Act, an extract of which follows for your ready reference:

“341(2) The following may be exempted under subsection (1):

- (a) land or improvements owned or held, maintained and operated as a park or recreation ground or for athletic or recreational purposes by another municipality;
- (b) land or improvements owned or held by an athletic or service club or association and used principally as a

public park or recreation ground or for public athletic or recreational purposes;

- (c) land or improvements not being operated for profit or gain and owned by a charitable or philanthropic organization sponsored in whole or in part by public funds and used exclusively for charitable or philanthropic purposes;
- (d) land or improvements owned and used exclusively by a horticultural or agricultural society;
- (e) land or improvements owned and used for water purposes by another municipality;
- (e.1) land or improvements, in whole or in part, owned by another municipality and used for a port to a small boat harbour, shelter or marina;
- (f) land or improvements, in whole or in part, owned by another municipality and used for an airport, seaplane base or landing area for aircraft;
- (g) land or improvements owned or held by a person or organization and operated as a private hospital licensed under the *Hospital Act* or an institution licensed under the *Community Care Facility Act*;
- (h) land or improvements, in whole or in part, for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act*;
- (i) land or improvements not being operated for profit or gain and owned by a charitable or philanthropic organization supported in whole or in part by public funds and used as an art gallery, museum or for other cultural purposes;
- (j) land or improvements not being operated for profit or gain and owned by a charitable or philanthropic organization supported in whole or in part by public funds and used as a search and rescue facility;
- (k) land or improvements used or occupied by a church as a tenant or licensee for the purpose of public worship or for the purposes of a church hall which the council considers necessary to the church;
- (l) land acquired for water purposes by another municipality but not actually in use for any purpose;
- (m) the interest in school buildings of a non-profit organization specified by the council that the non-profit organization used or occupies as licensee or tenant of a board of school trustees;
- (m.1) the interest of a francophone education authority in school buildings that the francophone education authority uses or occupies as licensee of a board of school trustees;
- (m.2) the interest in school buildings of a non-profit organization specified by the council that the non-profit organization uses or occupies as tenant or licensee of a francophone education authority;
- (n) the interest in municipal buildings of a non-profit organization specified by the council that the non-profit organization uses or occupies as a licensee or tenant of the municipality;
- (o) the part of a property that is taxable under section 129 of the *School Act* and used by a non-profit organization.”

And

“342(2)(a) exempt all or part of the eligible heritage property from taxation...”

Each year, forms to apply for tax exemption are sent to organizations in the current year's by-law. Once the application is returned, the information is compared to the facts in that by-law. Any discrepancies are resolved by one or more of the following methods: a tax inquiry, title search, building file review, site visit, or telephone call to the applicant or to the local B.C. Assessment office. Most of these methods of review were utilized this year in order to determine the appropriateness of including the property in the Section 341 Tax Exemption By-law.

## DISCUSSION

Twelve new applications were received for inclusion in the 2001 By-Law. In each case, the application has been reviewed and certain verifications conducted to ensure the properties meet the criteria for the legislation. One application did not meet the criteria and has not been included in the By-law. The following 11 new applications have been included in the 2001 By-law for Council's consideration:

### New Applications:

- 1] Shirley Dean Pavilion, Section 341 2(g). [By-Law Item #6]. This is an extended care facility for 60 residents primarily physician-sponsored admission. It is owned and operated by the South Fraser Health Region.
- 2] Options: Services to Communities Society – Section 341 2(c). [By-Law Item #16]. 13582 68 Avenue – this house is owned by Options and is used as a clubhouse called “The Roost”, through which the Society operates day programs for mentally ill adults. Ministry of Health funds staffing for five days only; there are no living quarters.
- 3] Destiny Christian Church – Section 341 2(k). [By-Law Item #17]. This public worship facility is currently being built in a strata warehouse unit. Organizers expect to be operating well in advance of January 1, 2001, and the Clerk's office will confirm that it is meeting its obligation at the appropriate time.
- 4] Semiahmoo Foundation – Section 341 2(c). [By-Law Item #18]. This is a new property owned by the Foundation and is in addition to existing exemptions for this group already in the By-law. The Foundation plans to use this newly acquired property for a group home for two or more developmentally challenged adults in future, although only one adult and his mother reside in the house at the current time.
- 5] Options: Services to Communities Society – Section 341 2(c). [By-Law Item #19]. Strata Lot 71, 17712 60 Avenue – this is an apartment unit owned by Options and used to provide housing for one mentally ill adult. B.C. Housing funds the operating costs for this facility.
- 6] Habitat Housing Society – Section 341 2(c). [By-Law Item #24]. This is a townhouse complex providing affordable housing for 25 families and one disabled person. Habitat Housing Society is affiliated with Options: Services to Communities Society. The complex is funded through B.C. Housing.
- 7] Options: Services to Communities Society – Section 341 2(c). [By-Law Item #28]. Evergreen House - this new facility is owned by Options and is used as an emergency shelter. The Ministry of Women's Equality funds the shelter, with the Society conducting fund-raising for most of the operating costs.
- 8] Centennial Park Lodge – Section 341 2(g). [By-Law Item #49]. This is a long term care facility operating under a Community Care License for a maximum of 26 beds.
- 9] Options: Services to Communities Society – Section 341 2(c). [By-Law Item #73]. 13690 111A Avenue – this is a house for five mentally ill adults. Funding for staffing is through the Ministry of Health/South Fraser Health Region, and the tenants receive subsidies from the government that covers their rent paid to the Society, which owns the property.

10] Options: Services to Communities Society – Section 341 2[c]. [By-Law Item #74]. 10080-128 Street – this is an eight unit permanent residence for mentally ill adults called Sandell House. Options Society owns the property. B.C. Housing funds the operating costs while staffing is provided for through funding from the Ministry of Health/South Fraser Health Region.

11] Collishaw Farm – Heritage Property – Section 342 – [By-Law Item #5] This is a designated heritage property.

The following new application was received but has not been included in the 2001 By-law for the reason given:

12] Muslim Youth Centre – Section 341 2(b). These are two units combined in a strata warehouse complex, purchased in April 2000 as a youth centre. There are no programs operating, no posted hours of operation, there is little furniture within or improvements made to the facility, in fact, nothing that would indicate a viable youth program was operating from the facility. The building was locked and vacant on a number of visits by my office. The applicant has been advised we will not be recommending approval of this application for property tax exemption, as it does not appear to meet the criteria in the legislation. We have not included this property in the 2001 By-law.

## CONCLUSION

The Section 341 Tax Exemption By-law has 79 properties listed, 11 of which are new applications. Council must pass this by-law by 2/3 of its members before October 31<sup>st</sup> in order for the listed properties to receive a tax exemption in 2001.

Donna B. Kenny, CMC

City Clerk

cc: City Manager