



Corporate NO: R207

Report COUNCIL DATE: October 1, 2001

REGULAR COUNCIL			
TO:	Mayor & Council	DATE:	September 20, 2001
FROM:	A/City Clerk	FILE:	0580-001
SUBJECT:	SECTION 341 TAX EXEMPTION BYLAWFor properties under Section 341 and 342 of the <i>Local Government Act</i>		

RECOMMENDATION

That the report be received; and

That Council consider three readings of the Section 341 Tax Exemption Bylaw.

BACKGROUND

The exemptions included in this Bylaw 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 a property tax exemption are sent to organizations in the current year's Bylaw. Once the application is returned, the information is compared to the facts in that Bylaw. 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 Bylaw.

DISCUSSION

Nine new applications were received, seven of which have been included in the Bylaw. Two properties have been added from the Section 339 Bylaw where they received approval in past. In each case, the application has been reviewed and certain verifications conducted to ensure the properties meet the criteria for the legislation. The following new applications have been included in the Bylaw for Council's consideration:

New Applications:

1] Muslim Youth Centre – Section – Section 341 2(b) [Bylaw Item # 67]. This is two units combined in a strata warehouse complex, purchased in April 2000 and operated by a registered non-profit society as a youth centre. Council provided the Muslim Youth Centre a grant in 2001 to offset the property taxes paid for the portion of 2001 that the centre was in operation.

2] Surrey Community Services Society – Section 341 2(c) [Bylaw Item # 6]. This is a newly constructed building owned by the Society on property leased from the City of Surrey. Through this facility, the organization provides a number of community programs such as the crisis line, counselling services and volunteer training.

3] Greater Vancouver Youth for Christ – Section 341 2(c) [Bylaw Item # 70]. This is two units combined a light industrial strata warehouse complex that is used as the main offices for the Greater Vancouver Youth for Christ organization, and for a youth centre/teen mom kitchen. The facility has a fully functioning kitchen area, a TV room,

pool table, basketball net and furniture for the youth centre and kitchen area, and programs are planned and underway.

4] Rosemary Heights Retreat Centre – Section 341 2(c) [Bylaw Item # 54 and 55]. This property has been moved from the Section 339 Bylaw where it has been approved for exemption in past. The property, while owned and operated by the The Roman Catholic Archbishop of Vancouver, is not used specifically for public worship but is instead used as a retreat centre and to provide meeting space for multi-day sessions for church groups and others. This property is comparable to the Faith Mission Conference Centre, which has received exemption under Section 341 2(c) for the past 10 years.

5] The Salvation Army – Section 341 2(c) [Bylaw Item # 73]. This property was previously exempted as a place of public worship under the Section 339 Bylaw. While it is no longer used as a place of public worship, the Salvation Arm operates a soup kitchen, family services centre, and a career and life management skills teaching centre at this location.

6] Morgan Place Seniors Home – Section 341 2(g) [Bylaw Item #12]. This is a newly constructed intermediate care facility operating under a Community Care License for a maximum of 144 senior citizens.

7] Bonnymuir Lodge - Section 341 2(g). [Bylaw Item #60]. This is a long term care facility operating under a Community Care License for a maximum of 36 senior citizens.

8] Grace Baptist Church – Section 341 2(k) [Bylaw Item # 8]. This is a new application for a place of public worship located in a leased property on King George Highway.

9] James Creighton House – Heritage Property – Section 342 – [Bylaw Item #3(5)]. This is a property designated “heritage” under Bylaw #14446.

Not Recommended:

1] The Semiahmoo Foundation - a new application for an undeveloped property at 2366 153 Street that the Foundation plans to consolidate with adjacent land to eventually build a new facility to house their administrative offices and some of their programs. The application has not been included in the bylaw and is not recommended for approval as it is undeveloped land and does not meet the requirements of the legislation. The Foundation has been advised it may reapply once the construction is completed and the facility is occupied.

2] Progressive Intercultural Community Services - an application for a tax exemption for a low cost seniors housing project at 7566 120A Street has not been included in the bylaw and is not recommended for approval as construction has not begun as of this date and it does not meet the requirements of the legislation.

Applications Not Renewed:

1] Sunnyside Saddle Club - Section 341 2(b) - this organization is no longer using the City of Surrey property for which a tax exemption was received in past years. An application was not received for 2002.

CONCLUSION

The Section 341 Tax Exemption Bylaw has 89 properties listed, seven of which are new applications and two applications have been moved from the Section 339 Bylaw. In order for the listed properties to receive a tax exemption in 2002, Council must pass this Bylaw by two-thirds of its members before October 31, 2001.

Margaret Jones

A/City Clerk

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