



# Corporate

 NO: R196

# Report

 COUNCIL DATE: October 7, 2002

<b>REGULAR COUNCIL</b>			
TO:	Mayor & Council	DATE:	October 1, 2002
FROM:	A/City Clerk	FILE:	1970-04
SUBJECT:	SECTION 341 & 342 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 & 342 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;

(a) land or improvements, in whole or in part, owned by another municipality and used for an airport, seaplane base or landing area for aircraft;

(b) 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*;

(c) 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*;

(d) 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;

(e) 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;

(f) 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;

(g) land acquired for water purposes by another municipality but not actually in use for any purpose;

(h) 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;

(a) 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;

(b) 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 & 342 Tax Exemption Bylaw.

## DISCUSSION

Applications for 12 new properties were received, 11 of which have been included in this Bylaw. 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] Hogben House – Section 341(2)(c) [Bylaw Items #5 & #6]. This is a duplex recently purchased by The John Howard Society of the Lower Mainland of B.C. The Society operates a federal halfway house from this location and has done so for the past 17 years.

[2] Guildford Seniors Village – Section 341(2)(g) [Bylaw Item #10]. This is a newly constructed intermediate care facility operating under a Community Care License for a maximum of 87 senior citizens.

[3] Surrey Pentecostal Assembly – Section 341(2)(k) [Bylaw Item #17]. This church sold its property at 15145 68 Avenue and has leased a strata unit in which to operate while they review options for building a new facility.

[4] B.C. Genealogical Society – Section 341(2)(c) & (i) [Bylaw Item #39]. This is a strata warehouse unit, both floors of which are used to provide space for an extensive collection of genealogical reference materials from around the world. The facility is open to the public for research purposes. The Society operates the facility largely on donations and membership fees and through the work of volunteer members, of which they have 650.

[5] Celebration Life Church – Section 341(2)(k) [Bylaw Item #43]. This is a unit in a strip mall leased by “Heal My People” – International Outreach Canada Association, for the purposes of public worship.

[6] Ismaili Jamatkhana Prayer Facility – Section 341(2)(k) [Bylaw Item #45]. This is a new free-standing building which is leased for use as a prayer facility by His Highness Prince Aga Khan Shia Imami Ismaili Council for B.C.

[7] Surrey YMCA – Section 341(2)(b), (c), (n) [Bylaw Item #49 & #50]. This new facility situated on two separate properties is offering community recreation in Surrey.

[8] Fraser Valley Heritage Railway Society – Section 341(2)(c), (i) & (n) [Bylaw Item #53]. This is property leased from the City of Surrey for location and restoration of a heritage rail car for Surrey.

[9] Sunnyside Saddle Club – Section 341(2)(b) [Bylaw Item #6 (50%)]. This Club neglected to apply in 2002 and the City was verbally informed it had ceased operating. However, an application has been received for 2003 and the club has renewed interest in the City of Surrey property leased for its operations.

### **Not Recommended:**

[1] Options: Services to Communities Society – a new application for an emergency shelter/transitional housing under construction at 6595 King George Highway has not been included in the bylaw and is not recommended for approval as the facility will not be ready for occupancy by January 1, 2003. The Society may apply for property tax exemption for future years.

## **Applications Not Renewed:**

[1] Word of Life Centre – Section 341(2)(k) – no application was received for the 2003 year and the facility is no longer occupied.

[2] The Semiahmoo Foundation – Section 341(2)(c) – the Foundation previously had two separate properties at the civic address 15310 24 Avenue which have now been consolidated into one property, which continues to be included in the bylaw.

[3] Kinsmen Club of Newton – Unwin Hall – Section 341(2)(b) & (n) – no application was received for the 2003 year as this hall has been closed and demolished.

[4] Rosemary Heights Retreat Centre – Section 341(2)(c) – this is a parcel of undeveloped land next to the Retreat Centre and does not qualify under existing legislation. The Retreat Centre and surrounding property remains in the bylaw.

## **CONCLUSION**

The Section 341 & 342 Tax Exemption Bylaw has 96 properties listed, 11 of which are new applications. All applications have been checked and verified by my office to ensure they comply with the legislation.

In order for the listed properties to receive a tax exemption in 2003, Council must pass this Bylaw by two-thirds of its members before October 31, 2002.

Margaret Jones

A/City Clerk

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