

Corporate Report

NO: R204

COUNCIL DATE: September 29,

2003

REGULAR COUNCIL

TO: **Mayor
&
Council** DATE: **September
29, 2003**

FROM: **City Clerk** FILE: **1970-04**

SUBJECT: **SECTION 341 & 342 TAX EXEMPTION BYLAW**
**For properties under Section 341 and 342 of
the *Local Government Act***

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:

"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.

DISCUSSION

Applications for 28 new properties were received, 18 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) Surrey Christian Life Assembly – Section 341 (2) (k) (Bylaw Item # 1). Unit 17 is a new addition to property leased by the Church at 12332 Pattullo Place. In conjunction with units 11 and 12 (previously granted exemption) unit 17 will be used for worship, spiritual teaching, counseling, and community support to youth and drug addicts and alcoholics.
- (2) Salvation Army Care & Share Centre – Section 341 (2) (c) (Bylaw Item # 11). This is a residence which has been converted into a Care and Share Centre, located at 14053 – 104 Avenue.
- (3) National Muslim Foundation of Canada (Section 341 (2) (k) (Bylaw Items # 8 and 9). This is a mosque located at 13560 – 105A Street, with parking at 10528 – 135A Street.
- (4) Surrey Aboriginal Cultural Society – 341 (2) (c) (Bylaw Item # 13). The Surrey Aboriginal Cultural Society has recently purchased and occupied property at 13629 – 108th Avenue. The Society provides services to Surrey's aboriginal people. Some of the services include finding homes for those who are at risk of becoming homeless, offering programs for children, community healing through counseling and support services, training youth in the culinary arts as well as in general trades.
- (5) The Land Conservancy of British Columbia (Section 341 (2) (c) (Bylaw Items #16 - 19). Four properties. The Land Conservancy maintains lands at 17055, 17174 and 17122 – 106 Avenue and 17215 – 104 Avenue. The lands were donated by Canada Lands to the Conservancy and adjoin lands owned by the Nature Trust and Surrey Bend Regional Park. The conservancy maintains the lands for fish habitat and green space for the enjoyment and education of the citizens of Surrey.
- (6) Surrey Community Services Society (Section 341 (2) (c) (Bylaw Item # 21). This property provides day rehabilitation programs for adults with mental illness, and is located at 9803 – 140th Street.
- (7) B.C. Family Hearing Resource Centre (Section 341 (2) (c) (Bylaw Item # 30). This facility located at 15220 – 92nd Avenue provides speech and language therapy and support services to families with young children with hearing loss and/or communication disorders.
- (8) Ukrainian Orthodox Church of St. Mary (Section 341 (2) (c) (Bylaw Item # 31). The Church has requested that 364 square feet of the manse be exempted from taxation. This portion of the property is used for religious instruction, education, counseling.

- (9) Community Living Society (Section 341 (2) (g) (Bylaw Items # 25, 32, and 40) The Community Living Society has 3 properties in Surrey located at 15659 – 96 Avenue, 15293 – 95th Avenue and 8041 Coopers Hawk Court, which are licensed under the Community Care Facility Act. The society provides shelter and support for individuals with developmental disabilities.
- (10) Options: Services to Communities Society – Section 341 (2)(c) (Bylaw Item # 51). This is a new application for an emergency shelter/transitional housing constructed at 6595 King George Highway
- (11) Radicalus Montessori Society – 341 (2) (c) (Bylaw Item # 64). This is the Roots & Wings Montessori School located at 5446 – 152nd Street. The Society operates an independent school, under a Temporary Commercial Use Permit.
- (12) South Surrey Field House Society (Section 341 (2) (b) (Bylaw Item # 80). The South Surrey Field House Society operates and maintains the Field House at the South Surrey Athletic Field. The Field House includes a daycare, meeting rooms, catering for the Field House, public washrooms, change rooms and sports and Rotary storage.

Not Recommended:

- (1) Peace Arch Hospital Foundation – residential properties located at 13039 – 13th Avenue and 13341 Marine Drive. These properties have been purchased for purposes of the Win-Fall Lottery and will be awarded in September 2004. The applications do not meet the criteria of Section 341 (2) (c) or Section 339 (1) (j).
- (2) Fleetwood Place Holdings Ltd. – this facility is currently under construction at 16011 – 83rd Avenue and will be a private for profit care facility for seniors. The facility does not meet the criteria of Council policy.
- (3) Rosemary Heights Retreat Centre – 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 remain in the bylaw.
- (4) Salamat Housing Society – this property located at 12689 – 72nd Avenue is owned by the Provincial Rental Housing Corporation and leased to Salamat Housing Society to provide low cost housing in Surrey. It is the policy of the Provincial Rental Housing Corporation to support the full payment of property taxes, and they have advised that they will support the full payment of property taxes for Salamat Housing Society.
- (5) Habitat Housing Society – this is low cost rental housing located at 6445 – 121 Street. This property is also owned by the Provincial Rental Housing Corporation and leased to Habitat Housing Society. The Corporation has advised that they will provide property tax subsidies to the Society.
- (6) OPTIONS: Services to Communities Society – two properties located at 17712 – 60th Avenue and 10080/82 – 128th Street are low cost housing for mental health clients. These facilities are funded by BC Housing, who have advised they will provide a property tax subsidy.
- (6) Progressive Intercultural Community Services Society - This is a recently constructed Seniors Affordable Housing Complex, with 70 residents. The main floor of the facility includes counseling and referral services for individuals and families and various culturally appropriate social services such as ESL, settlement/immigration services. B.C. Housing has advised that they will provide funding for municipal taxes for this facility.
- (7) SOS Children's Village - The SOS Children's Village has applied for tax exemption for four properties located at 14823, 14835, 14851 and 14843 – 66A Avenue. This is a national charitable organization that provides social

housing in the form of family foster homes. However, the homes are rented to foster parents at market value, and as such, they do not meet the criteria of Section 341 (2) (c).

- (8) Community Living Society – The Community Living Society has applied for tax exemption for four properties located at 17070 – 94A Avenue, 13048 – 97 Avenue, 6632 – 133 Street, and 18365 – 73 Avenue. Although the properties are providing shelter and support for individuals with developmental disabilities, they are not currently licensed as Community Care Facility and therefore do not meet the requirements of the legislation.

The following for-profit seniors care facilities licensed under the Community Care Facility Act do not meet the criteria of Council policy, and are not recommended to be included in the By-law:

- (1) Bear Creek Lodge – 13646 – 94A Avenue
- (2) Evergreen Cottages – 15660 – 84th Avenue
- (3) Newton Regency Care Home – 13855 – 68th Avenue
- (4) Crescent Gardens – 1222 King George Highway
- (5) Peace Portal Lodge – 15441 – 16th Avenue
- (6) Guildford Seniors Village – 14568 - 104A Avenue
- (7) Bonnymuir Lodge – 13729 – 92nd Avenue
- (8) Centennial Park Lodge – 11861 – 99th Avenue
- (9) Morgan Place – 3288 – 156A Avenue

Applications Not Renewed/Changes:

- (1) Boy Scouts of Canada – Fraser Valley Region – Section 341 (2) (b) & (c) – the Scouts previously owned Lots 7, 11, and 12. Lot 7 has been sold, so it is not included in the bylaw. However, exemptions are still requested for Lots 11 and 12.
- (2) Semiahmoo Foundation – (Section 341 (2) (c) – The Foundation has sold Units 101, 201 and 202 of 15585 – 24th Avenue, which were previously granted tax exemptions.
- (3) Surrey YMCA (Section 341 (2) (b) & (c) – The YMCA was not included in this By-law as the facility is tax exempt under Section 344.1 of the Local Government Act (Tax Exemptions under a Partnering Agreement) as set out in City of Surrey By-Law No. 14495.

CONCLUSION

The Section 341 & 342 Tax Exemption Bylaw has 97 properties listed, 18 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 2004, Council must pass this Bylaw by two-thirds of its members before October 31, 2003.

Margaret Jones
City Clerk