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# Corporate Report

NO: R029

COUNCIL DATE: February 9,

2004

**REGULAR** 

TO: **Mayor & Council** DATE: January 16,

2004

FROM: City Clerk FILE:

1850-20/XC:

General Manager, Finance,

1970-04

Technology & HR

SUBJECT: **Property Tax Exemptions - Requests for** 

**Further Consideration** 

#### RECOMMENDATION

That Council:

1. Approve grants for the following organizations:

a) Lighthouse of Faith Fellowship

\$3,750

b) Atira Women's Resource Society

\$ 630

2. Make no request to the Province to write off taxes or waive penalties for the properties detailed in this report.

## **BACKGROUND**

The Local Government Act and the Community Charter (224 (1)) allow tax exemptions for certain properties, both of which require that a by-law be adopted by October 31st in order to exempt taxes for the following year.

The Municipal Grant Policy allows Council to consider grant requests for the City's portion only, on properties that have missed that deadline. During the 2004 Municipal Grant approval process, Council approved \$4,700 to address possible tax exemption requests.

Council may also make a request to the Province of BC to write off property taxes or waive penalties once they have been levied.

### **DISCUSSION**

Since the property tax exemption by-law was adopted, several organizations have made requests to Council, seeking relief from current or previous years property taxes. The Municipal Grant Policy allows Council to provide grants for the City portion of the property taxes that would otherwise have received a tax exemption.

The Grant Committee has reviewed these requests and recommends the following:

1. Lighthouse of Faith Fellowship, located at #8 – 19335 Langley Bypass, missed the tax exemption application deadline, resulting in omission from the 2004 Tax Exemption By-Law. They have requested that the City explore other options that may allow for assistance or relief from property taxes in 2004. The city portion of the 2003 property tax levy was \$3,645.53.

The Grant Committee recommends that a grant for approximately 100% of the 2004 General Tax Levy (\$3,750) be awarded to the Lighthouse of Faith Fellowship to assist them with the 2004 property tax levy.

2. Atira Women's Resource Society, located at 14523 – 16 Avenue, also missed the tax exemption application deadline, resulting in omission from the 2004 Tax Exemption By-Law and has requested that the City explore other options that may allow for assistance or relief from property taxes in 2004. The City's portion of the 2003 property tax levy was \$609.47.

The Grant Committee recommends that a grant for approximately 100% of the 2004 General Tax Levy (\$630) be awarded to the Atira Women's Resource Society to assist them with the 2004 property tax levy.

3. The National Muslim Foundation of Canada has requested that taxes be written off for the years 2001, 2002 and 2003. The National Muslim Foundation has had a mosque at 13560 – 105A Avenue and 10528 – 135A Street for the years they are requesting that the taxes be written off. They did not have a good understanding of the tax exemption process and missed submitting an application to the City to have their taxes exempted. They have been included in the 2004 Tax Exemption By-law. However, they are looking for compensation for previous years taxes. The City's portion of the 2003 property tax levy for the two properties was \$4,254.20.

This request does not meet the criteria set out in the Grant Policy since the request is for prior years taxes. The Grant Committee therefore, recommends that no grant be awarded. It is also recommended that Council NOT make a request to the Province to write off taxes as this would set a precedent that may become unmanageable in the future.

4. The BC Family Hearing Resource Centre, located at 15220 92 Avenue, has requested that property taxes be written off for 2003, indicating that it was their understanding that they could not apply for an exemption until they were occupying their new facility. When they applied for tax exemption in 2003, they thought it was for a 2003 tax exemption. They have been included in the 2004 Tax Exemption By-law. They are looking for compensation for their 2003 property taxes. The City's portion of their 2003 tax levy was \$3,913.82.

This request does not meet the criteria set out in the Grant Policy since the request is for prior years taxes. The Grant Committee therefore, recommends that no grant be awarded. It is also recommended that Council NOT make a request to the Province to write off taxes as this would set a precedent that may become unmanageable in the future.

5. The B.C. Aboriginal Society, located at 13629 108 Avenue, is requesting some relief for their 2003 taxes, as it was their understanding that when they applied for tax exemption in 2003, it was for the 2003 taxes. They have been included in the 2004 Tax Exemption By-law. The City's portion of their 2003 property taxes was \$5,750.53.

This request does not meet the criteria set out in the Grant Policy since the request is for prior years taxes. The Grant Committee therefore, recommends that no grant be awarded. It is also recommended that Council NOT make a request to the Province to write off taxes as this would set a precedent that may become unmanageable in the future.

#### **CONCLUSION**

All of the above organizations provide an excellent service to residents of Surrey. The Grant Committee has reviewed these requests and made recommendations to award a total of \$4,380 to assist the organizations with their 2004 property taxes. It is also recommended that Council not request the Province to write off the property taxes for those organizations that asked to have their prior years property taxes written off, since this would set a precedent that will become unmanageable in the future.

Should Council accept these recommendations the available Grant Funding will be as follows:

Special Recognition Funds	\$ 2,500
High School Dry Grads	1,100
Property Taxes 320	
One-time Grants	<u>9,000</u>
	<u>\$12,920</u>

Marg Jones, Vivienne Wilke, CGA

City Clerk General Manager, Finance, Technology & HR