



Corporate Report

NO: R251

COUNCIL DATE: September 27,

2004

REGULAR

TO: **Mayor
&
Council** DATE: **September
27, 2004**

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

SUBJECT: **SECTION 224 TAX EXEMPTION BYLAW 15477**

**For properties under Section 224 of the
*Community Charter***

RECOMMENDATION

That the report be received; and

That Council consider three readings of the "Section 224 Tax Exemption Bylaw 2004, No. 15477"

BACKGROUND

Each year, tax exemption application forms are sent to organizations that have previously been granted tax exemption, and any new organizations that wish to apply for a tax exemption. New applications may involve any of the following verifications - discussions with the applicant, a tax inquiry, title search, building file review, site visit, discussion with the local B.C. Assessment office, and contact with funding agencies of the Provincial Government such as BC Rental Housing. Re-applications are reviewed by looking at previous applications from the organization. Discrepancies are resolved using the same methods as for new applications.

The exemptions included in this Bylaw fall within Section 224 of ***the Community Charter, S.B.C. 2003, Chap. 26***, all of which are permissive exemptions. Most of the exemptions fall under Section 224 (1) (a) which states:

"(2) Tax exemptions may be provided under this section for the following:

(a) land or improvements that

- (i) are owned or held by a charitable, philanthropic or other not for profit corporation, and
- (ii) the Council considers are used for a purpose that is directly related to the purposes of the corporation; . . . "

A Bylaw under Section 224 may only come into force once public notice of the proposed bylaw has been given and the Bylaw is adopted on or before October 31. An affirmative vote of 2/3 of all Council members is no longer required.

The **Community Charter** requires that the public notice must:

- (a) identify the property that would be subject to the bylaw,
- (b) describe the proposed exemption,
- (c) state the number of years that the exemption may be provided, and
- (d) provide an estimate of the amount of taxes that would be imposed on the property if it were not exempt, for the year in which the proposed bylaw is to take effect and the following 2 years.

The value of the City portion of the tax exemptions under Section 224 By-law 2004 No. 15477 are as follows:

2005	\$367,358.08
2006	\$378,010.79
2007	\$388,974.02

DISCUSSION

Applications for 13 new properties were received, 9 of which have been included in the 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) HRC Care Society (Westminster House), 1653 – 140 Street S. 224 (2) (j) – this is a subsidized care facility licensed under the Community Care Facility Act, operated by Hope Reformed Church. The facility owns several units in the facility that provide subsidized care for seniors.

This year the Society has applied for additional exemptions for Strata Lot 30 and Strata Lot 93, which have been purchased by the Society. These are included in the By-law for Council consideration.

- (2) Agape Street Ministry, 11303 Lansdowne Drive – S.224 (2) (a) – this organization provides shelter to women recovering from drug and alcohol addiction, and includes training in life skills and mentoring to assist with integration into society. The property has been included in the By-law for Council consideration.
- (3) Progressive Intercultural Community Services Soc., 7566 – 120A Street – S.224 (2) (a) – this is a seniors care facility for which City taxes are paid by the Provincial Rental Housing Corporation. However, a 3200 square foot portion of the building (4.97%) used to conduct workshops to educate and orient farm workers on various statutes, rules and regulations, is not funded. PICS is requesting tax exemption on this portion of the building, and it has been included in the By-law for Council consideration.
- (4) Semiahmoo House Society, 2124 – 154 Street – this is a before and after school daycare on property owned by the School District. The daycare was formerly operated by the Peninsula Child Care Society. The Semiahmoo House Society is a non-profit society which has expanded the daycare to include physically and developmentally disabled children. The property has been included in the By-law for Council consideration.
- (5) Atira Women's Resource Society – the Society has purchased another property which is used as a safe shelter for abused women 55 years of age and older. The address of the property is not included for safety reasons. The property has been included in the By-law for Council consideration.
- (6) 5 Bread and 2 Fish Rich Media Ministry – Unit 115, 13045 – 84 Avenue – this is a charitable organization associated with the Bread of Life Christian Church, which provides support to Asian students and immigrants to help them with their adjustment to living in Canada. The property has been included in the By-law for Council consideration.
- (7) South Fraser Community Services Society – 10667 – 135A Street – this is a community service organization providing assistance to the homeless, street youth, temporary shelter, and medical assistance to those who need it. This has been included in the By-law for Council consideration.
- (8) Community Living Society – 18365 – 73 Avenue – this organization is licensed under the Community Care and Assisted Living Act and provides supportive housing to individuals with developmental disabilities. The property has been included in the By-law for Council consideration.
- (9) Society for the Prevention of Cruelty to Animals – the Society occupies land at 6706 – 152nd Street as part of a contract with the City of Surrey to shelter lost and injured animals. The Assessment Authority has advised that in 2005 the Society will be considered an occupier of the land and as such subject to City taxes. The property has been included on the by-law for Council consideration.

Not Recommended:

- (1) Agostino Velenosi, 10681 – 135A Street – this is a C-8 zoned property owned by Mr. Velenosi and used by Surrey Social Futures for a community garden. Surrey Social Futures utilizes the property under an informal agreement with Mr. Velenosi. Council policy requires that land must be owned by a charitable or philanthropic organization to qualify for tax exemption. As the property is privately owned, it does not meet the requirements of Council policy.
- (2) Philippine Community Centre Society – 13674 Grosvenor Road – this is a CD zoned property designated for a regional scale assembly hall. Although the society has applied for demolition permits on the property, a building permit has not been applied for and the project is still in the planning stages. Once

the facility is built and occupied, the Society will be able to apply for tax exemption.

- (3) South Fraser Community Services Society – 10689 – 135A Street – the principal use of this property is for supportive housing for people with HIV/AIDS. The property is zoned C8 which does not allow residential use. If the Society successfully rezones the property, the exemption can be considered in 2006.

Applications Not Renewed/Changes:

- (1) OPTIONS: Services to Communities Society S224 (2) (a) 6595 King George Highway this property will be receiving a property tax subsidy through B.C. Housing and will no longer require tax exemption from the City of Surrey.
- (2) Pamela Cameron Foundation, 2199 – 148 Street – this property was used for a memorial garden to commemorate the untimely death of youth in the South Surrey Community. The property has now been returned to the City of Surrey and the application for tax exemption will not be renewed.
- (3) Boy Scouts of Canada, Fraser Valley Region, Lots 11 and 12, – 14914 – 104 Avenue – these properties have been sold and no longer qualify for exemption.
- (4) HRC Care Society, 1653 – 140 Street – this Society has sold Strata Lot 95, and it is not included in the By-law.
- (5) Greater Vancouver Youth for Christ – Strata Lots 14 and 15, 12975 – 84th Avenue – the description has been changed in the By-law to reflect that the Greater Vancouver Youth for Christ are utilizing 3,918 square feet of the property, with the remainder being leased to a private firm.
- (6) Surrey & White Rock Home Support Association, 206 and 217 – 12837 – 76 Ave. – the Association is now leasing space in a commercial facility and as such does not qualify for tax exemption. (Council Policy provides that land or improvements must be owned by a charitable or philanthropic organization in order to qualify for tax exemption.)
- (7) Semiahmoo House Society – the Society has sold three properties previously granted tax exemption: 17165 – 20th Avenue, 16230 – 16th Avenue, and 6552 Claytonwood Place.
- (8) Peninsula Child Care – 2124 – 154 Street – this facility has now been taken over by the Semiahmoo House Society.
- (9) Lower Mainland German Shepherd Dog Club – the Club has relocated to 19461 – 36 Avenue. The Club leases the land from the City of Surrey and has moved from 2775 – 192nd Street due to development of

the Campbell Heights industrial lands.

- (10) Crescent Housing Society, 12882 – 26 Avenue – this Society previously received exemption for a portion of the property which qualified under Section 220 (1) (i) relating to a building constructed or reconstructed with assistance of aid granted by the Provincial Government after January 1, 1947 but before April 1, 1974. The building has now been demolished and no longer qualifies for exemption under this section.

CONCLUSION

The Section 224 Tax Exemption Bylaw has 76 properties granted 100% exemption and 3 properties granted 50% exemption. There are 10 new properties included in the By-law. All applications have been checked and verified 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 before October 31, 2004.

Margaret Jones
City Clerk