



# Corporate Report

NO: R224

COUNCIL DATE: October 3,

2005

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## REGULAR

TO: **Mayor &  
Council**                      DATE: **October  
3, 2005**

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

SUBJECT: **SECTION 224 TAX EXEMPTION BYLAW 15836**

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

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## RECOMMENDATION

That the report be received; and

That Council consider three readings of the "Section 224 Tax Exemption Bylaw 2005, No. 15836"

## 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 not 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 values of the City portion of the tax exemptions under Section 224 By-law 2005 No. 15836 are as follows:

2006	\$576,061
2007	\$589,710
2008	\$609,833

## DISCUSSION

Applications for 19 new properties were received, 17 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.

10 of the new applications are for Community Care Facilities that are for profit, but provide a level of publicly funded care. Council amended the Tax Exemption Policy to include:

*“Council may exempt:*

- a) All of the land or improvements owned or held by a person or organization and operated as a private hospital licensed under the Hospital Act;*
- b) All of the land or improvements owned or held by a person or organization and operated as a non-profit institution licensed under the Community Care Facility Act”; and*
- c) That portion of the land or improvements owned or held by a person or organization and operated as a private organization licensed under the “Community Care and Assisted Living Act” that is providing publicly funded care.”*

Based on that criteria, the facilities are recommended for a proportionate tax exemption.

The following new applications from community organizations, and community care facilities have been included in the Bylaw and recommended for Council's consideration:

### **New Applications:**

- (1) Kinsmen Place Lodge, 13333 Old Yale Road – (Schedule A, Item 75) this is a non-profit community care facility operated by Whalley & District Senior Citizen Housing Society. The facility cares for 144 seniors, licensed under the Community Care and Assisted Living Act. The property has been included in the By-law for Council consideration.
- (2) Guildford Seniors Village Ventures Ltd. – 14568 – 104A Avenue – (Schedule C, Item 1) this is a for profit community care facility licensed for 87 beds. Public funding is provided for 60 permanent beds and 4 temporary beds – or 74% of the facility. It is therefore recommended that they receive a 74% tax exemption.
- (3) Peace Portal Lodge – 15441 – 16 Avenue – (Schedule C – Item 2) this is a for profit community care facility licensed for 84 beds. Public funding is provided for 27 beds – or 32%. It is therefore recommended that they receive a 32% tax exemption.
- (4) Newton Regency Care Home – 13855 – 68 Avenue – (Schedule C, Item 3) this is a for profit community care facility licensed for 135 beds. Public funding is provided for 11 permanent beds and 32 temporary beds – or 32% of the facility. It is therefore recommended that they receive a 32% tax exemption.
- (5) Bear Creek Lodge Ltd. – 13646 – 94A Avenue – (Schedule C, Item 4) this is a for profit community care facility licensed for 102 beds. Public funding is provided for 11 permanent beds and 27 temporary beds – or 37% of the facility. It is therefore recommended that they receive a 37% tax exemption.
- (6) Evergreen Cottages Ltd. – 15640 – 84 Avenue – (Schedule C, Item 5) this is a for profit community care facility licensed for 45 beds. Public funding is provided for 33 permanent beds and 1 temporary bed – or 76% of the facility. It is therefore recommended that they receive a 76% tax exemption.
- (7) Morgan Place Holdings Ltd. – 3288 – 156A Avenue – (Schedule C, Item 6) this is a for profit community care facility licensed for 144 beds. Public funding is provided for 122 permanent beds and 1 temporary bed – or 85% of the facility. It is therefore recommended that they receive a 85% tax exemption.
- (8) Fleetwood Place Holdings – 16011 – 83<sup>rd</sup> Avenue – (Schedule C, Item 7) this is a for profit community care facility licensed for 108 beds. Public funding is provided for 75 permanent beds – or 69% of the facility. It is therefore recommended that they receive a 69% tax exemption.
- (9) Crescent Gardens, 1222 King George Highway – (Schedule C, Item 8) this is a for profit community care facility licensed for 75 beds in individual strata units. Public funding is provided for 53 beds within the strata units, and these units are recommended for tax exemption and have been included on the by-law.
- (10) Cherington Intercare Inc. (Schedule C, Item 9) – this is a for profit community care facility licensed for 75 beds. All 75 beds are funded by the Fraser Health Authority and included in the by-law for Council consideration.

- (11) Hilton Villa Care Centre, 13525 Hilton Road (Schedule C, Item 10) – this is a for profit community care facility licensed for 124 beds, all of which are funded by the Fraser Health Authority and included in the by-law for Council consideration.
- (12) Surrey Association for Community Living, 17781 Barnston Drive, East (Schedule A, Item 84) this is a group home for adults with a developmental disability. The property has been included in the By-law for Council consideration.
- (13) Surrey Association for Community Living, 18919 – 62A Avenue (Schedule A, Item 85) this is a group home for adults with a developmental disability. The property has been included in the By-law for Council consideration.
- (14) Semiahmoo House Society – 2365 – 153A Street – (Schedule A, Item 86) this is a group home for adults with a developmental disability. The property has been included in the By-law for Council consideration.
- (15) Semiahmoo Foundation – 2360 – 153 Street - (Schedule A, Item 87) this property is used for temporary recreational programs for the Foundation and will be converted to a parking lot for the Semiahmoo House Society located next door. The property has been included in the By-law for Council consideration.
- (16) Atira Women's Resource Society - (Schedule A, Item 88) the property is used for a high risk pregnancy support program, which will include services provided by Fraser Health. The property has been included in the By-law for Council consideration.
- (17) BC Landscape Nursery Association - (Schedule A, Item 89) this is a non-profit association which promotes BC landscape standards development, fostering healthy stewardship and beautification of urban environments. The property has been included on the By-law for Council consideration.

#### **Not Recommended:**

- (1) South Fraser Community Services Society – 10689 – 135A Street – the subject lot is zoned Community Commercial (C-8). The building on the lot is currently vacant on the main floor and contains 6 legal non-conforming residential dwelling units in its second storey. The City has not issued a business license for any community service uses in the building. The residential units are currently being used as rental apartments.
- (2) Crescent Housing Society, 12882 – 26 Avenue – This is a large subsidized housing project, which is not licensed under the Community Care Facilities Act. 151 new units have been built on the property with the assistance of a forgivable loan from BC Housing. 176 existing units are provided with a 19.8% funding grant from BC Housing to bring these rentals to market rent.

It has not been the practice of the City to provide tax exemptions to subsidized (low cost) housing, as it has previously been the function of BC Housing to provide rent subsidies to include taxes. There are many more subsidized housing units in the City which do not receive tax exemptions.

#### **Applications Not Renewed/Changes:**

- (1) Lower Mainland German Shepherd Association 19461 – 36 Avenue – the Association leases property from

the City of Surrey, and is eligible for a 50% tax exemption. Previously they leased property at 2775 – 192<sup>nd</sup> Street and were receiving a 100% exemption.

- (2) Camp Kwomais – 1367 – 128 Street – the camp has been sold to the South Surrey Camping Committee of the United Church of Canada, B.C. Conference, which is a registered charity. The Camp will continue to be operated as a non-profit host for community and civic groups, youth groups such as Scouts, schools and adult groups.

**For Council's Consideration:**

- (1) Royal Canadian Legion, 2290 – 152 Street
- (2) Royal Canadian Legion, 13525 – 106 Avenue
- (3) Royal Canadian Legion, 2643 – 128 Street
- (4) Royal Canadian Legion, 17567 – 57 Avenue

## **CONCLUSION**

The Section 224 Tax Exemption Bylaw has 82 properties granted 100% exemption, 10 properties granted proportionate exemptions, and 3 properties granted 50% exemption. There are 17 new properties included in the By-law, with 4 additional properties for Council consideration. 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 2006, Council must pass this Bylaw before October 31, 2005.

Margaret Jones  
City Clerk

**Attachments can be viewed**

**at City Hall in Legislative Services**