

NO: **R189**

COUNCIL DATE: **September 13, 2010**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **September 10, 2010**

FROM: **City Clerk**

FILE: **1970-04**

SUBJECT: **SECTION 224 TAX EXEMPTION BY-LAW NO. 17246**
For properties under Section 224 (2) (g) of the *Community Charter*

RECOMMENDATION

The Legislative Services Division recommends that Council:

1. receive this report as information; and
2. grant three readings to "Section 224 (2) (g) Tax Exemption By-law 2010, No. 17246".

BACKGROUND

The exemptions included in the recommended By-law fall under Section 224 (2) (g) of the *Community Charter* and are for land or improvements used or occupied by a religious organization as a tenant or licensee, for the purpose of public worship, or for the purposes of a hall that Council considers is necessary to land or improvement used or occupied by a religious organization as a tenant or licensee.

These permissive exemptions require notice to the public. The By-law must be adopted on or before October 31 for the properties listed in the by-law to receive the exemption in the next taxation year. An affirmative vote of a majority of Council members is required.

DISCUSSION

Applications for 10 properties were received under this category and all have been included in the By-law. In each case, the application has been reviewed and verifications conducted to ensure that the related property meets the criteria outlined in the legislation and City policy for such an exemption.

The estimated total value of the Section 224 (2)(g) exemptions that the By-law will provide is as follows:

2011	\$25,181.00
2012	\$26,418.00
2013	\$27,712.00

New Applications:

The proposed By-law contains the following properties which were not included in this category of exemptions in 2009.

- (1) Praise International Church, #105, 15310 – 103A Avenue (Schedule A, Item 7) - This church has expanded and leased the adjoining unit for Sunday school. This additional strata unit has been included in the by-law for exemption.
- (2) NightShift Street Ministries Society, 10635 King George Boulevard (Schedule A, Item 11) This is a registered charity providing daily public worship services, along with other community services. The portion of the property used directly for public worship has been included in the by-law for Council's consideration. The remainder of the building encompasses offices, thrift store, storage, and garage area and is not recommended for exemption.

Applications Not Renewed/Changes:

The following property that was included in this category of exemptions in 2009 has not been included in the recommended By-law.

- (1) Lighthouse of Faith Fellowship, #8 – 19335 Langley Bypass - This church is moving its operations to Langley Township in September 2010 and has advised that it intends to apply for a tax exemption in that municipality for 2011.

CONCLUSION

Eleven (11) properties have been included in the recommended "Section 224 (2) (g) Tax Exemption By-law, 2010, No. 17246" one of which is a new application. All applications have been reviewed to ensure they are eligible for tax exemption related to the requirements of legislation and City policy.

For the properties listed in the By-law to receive a tax exemption in 2011, Council must adopt the recommended Tax Exemption By-law by October 31, 2010.

Jane Sullivan
City Clerk

Appendix I: Tax Exemption Policy Q-27

Appendix II: Section 224 (2) (g) Tax Exemption By-law, 2010, No. 17246



CITY POLICY

No. Q-27

REFERENCE:REGULAR COUNCIL MINUTES
SEPTEMBER 29, 2003**APPROVED BY:**DATE: MAY 30, 2005

CITY COUNCIL

(RES.R05-1362)

HISTORY: SEPTEMBER 27, 2004

(RES.R04-2574)

SEPTEMBER 29, 2003

(RES.R03-2358)

TITLE: TAX EXEMPTION POLICY**PURPOSE**

This policy is intended to provide guidance in the processing of applications for exemption from property taxes pursuant to Sections 224, 225 and 226 of the *Community Charter*.

Exemptions provided for in Sections 224(1) (g) and (h), and Section 225 of the *Community Charter* are at the discretion of Council. This policy is intended to establish principles, which can serve as a guide in evaluation of applications for exemptions.

POLICY**General**

1. Additional exemption under Sections 224(1) (g) and (h), and Section 225 of the *Community Charter* are at the discretion of Council exercised in accordance with those sections. There is no obligation to give exemption. Exemptions cannot be granted if the owner does not qualify under the *Community Charter*.
2. To be considered for exemption, all applications must be consistent with municipal policies, plans, by-laws and regulations.
3. The exemptions can only be considered after the building is constructed, given final occupancy approval by the City and occupied save and except for buildings to which Section 224(1) (g) and (h) of the *Community Charter* applies.
4. Section 225 requires that the exemption be granted by by-law, adopted by a 2/3 majority of Council, prior to October 31 of the year preceding the year of exemption.

5. All exemptions are to be reviewed by staff each year to ensure that, based on the most current available information, they continue to be qualified for the exemption.
6. Exemptions will only be considered for non-profit, charitable organizations or community care and assisted living facilities providing publicly funded care.

Buildings for Public Worship

1. Exempted by the *Community Charter* (Section 224(1)(g))

A building set apart for public worship, and the land on which the building stands.

2. May be Exempted by Council

- a) any church hall considered by the Council to be necessary to the exempted building, and the land on which the church hall stands.
- b) any area of land surrounding the exempted building, an exempted hall, or both.
- c) applications for exemption under this section will be recommended to Council for inclusion in the by-law to exempt areas used by the religious facility for parking, and other portions of the property used for public worship.
- d) any area of land necessary for the church to function, and required by the city to be dedicated for easements/rights-of-way/detention ponds to accommodate city services such as sewer, water, storm sewer may be exempted from taxation.

3. Not to be Considered for Exemption by Council

- a) any areas NOT used for public worship, including accommodation, care homes, retirement homes, hospitals, commercial activities
- b) any lands owned by the place of public worship that are surplus to the facility's needs.

Hospitals

1. Exempted by the *Community Charter* (Section 224(1)(h))

A building set apart and used solely as a hospital under the *Hospital Act*, except a private hospital under that Act.

2. May be Exempted by Council

Any area of land surrounding the building, not including land exempted under the *Hospital Act* or *Hospital District Act*.

Schools

1. Exempted by the *Community Charter* (Section 224(1)(h))

A building owned by an incorporated institution of learning that is regularly giving children instruction accepted as equivalent to that given in a public school, in actual occupation by the institution and wholly in use for the purpose of giving the instruction.

2. May be Exempted by Council

- a) any area of land surrounding the exempted building that Council may, by by-law, exempt as being reasonably necessary in connection with that building.
- b) any area of land necessary for the school to function, and required by the city to be dedicated for easements/rights-of-way/detention ponds to accommodate city services such as sewer, water, storm sewer may be exempted from taxation.

Parks, Recreation & Athletic (Section 224(1)(i))

Council may exempt the land or improvements for certain parks, recreation and athletic purposes, provided the application meets the criteria set out in Section 224(1) (i) of the *Community Charter*.

To qualify for exemption under this section, the applicant must demonstrate that their facility is open to and used by Surrey residents.

Non Profit, Charitable or Philanthropic (Section 224(2)(a))

Council may exempt land or improvements not being operated for profit or gain and owned or held by a charitable, philanthropic organization or other not for profit corporation supported in whole or in part by public funds and used exclusively for charitable or philanthropic purposes.

To qualify for an exemption under this section, the applicant must demonstrate that the services of their organization are available and open to Surrey residents.

Private Hospitals/Institutions Licensed Under the *Community Care Facility Act* (Section 241(1)(j))

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 and Assisted Living 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.

Lands Used or Occupied by A Church as tenant or Licensee

Council may exempt the land or improvements used or occupied by a church as tenant or licensee for the purpose of public worship or for the purposes of a church hall, which Council considers necessary to the church.

The provisions in Section 2, Buildings for Public Worship apply to applications under this section.

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CITY OF SURREY

BY-LAW NO. 17246

A By-law to provide for the exemption from taxation of certain properties in the City of Surrey pursuant to Sections 224 (2) (g) of the "Community Charter"

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WHEREAS Council may, by authority of Section 224 (2) (g) of the *Community Charter*, S.B.C. 2003, Chap. 26, exempt from taxation certain properties;

AND WHEREAS Council deems it expedient to exempt from taxation the properties listed in Schedule A attached hereto.

NOW, THEREFORE, Council of the City of Surrey, in open meeting assembled, ENACTS AS FOLLOWS:

Title

- 1. This By-law may be cited as the "Section 224 (2) (g) Tax Exemption By-law, 2010, No. 17246".

Exemptions

- 2. The lands or improvements, or portions thereof, as outlined in Schedule "A" attached hereto, are hereby exempt from taxation for the Year 2011 pursuant to Section 224 (2) (g) of the *Community Charter*, S.B.C. 2003, Chap. 26.

Repeal Section

- 3. " Section 224 (2) (g) Tax Exemption By-law, 2009, No. 16973" is hereby repealed.

PASSED THREE READINGS by the City Council on the ____ day of _____, 2010.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the ____ day of _____, 2010.

_____MAYOR

_____CLERK

Section 224 (2) (g) Tax Exemption By-law 2010, No. 17246

SCHEDULE A

	PID	LEGAL	Name	Address	Folio No.
1.	024-942-626	That 7,000 square feet of land and 12,000 square feet of improvements, Lot B, Section 29, Township 2, New Westminster District Plan LMP48694, leased and occupied for the purpose of public worship.	Bear Creek Punjab Cultural Society 224(2)(g)	8580 – 132 Street	6294-91001-8
2.	024-047-171 024-047-180 024-047-198 024-047-201	That 2,027.2 square foot portion of Lots 3, 4, 5 and 6, Section 17, Range 2, Plan LMS3109 New Westminster District Strata, leased and occupied for the purpose of public worship.	Celebration Christian Fellowship International 224(2)(g)	#106 – 12332 Pattullo Place	2170-98004-0 2170-98005-2 2170-98006-4 2170-98007-6
3.	006-153-631	That 5,040 square foot portion of Lot A Section 20 Township 2 Plan 43080 New Westminster District Except Plan B/L 66875, LT A (R122902) leased and occupied for the purpose of public worship.	Celebration Life Ministries 224(2)(g)	13369 – 72 Avenue (known as 13369A&B, 13371A&B, 13373B – 72 Avenue)	6201-90013-5
4.	015-340-929	That 4954 square foot portion of Lot 18, Section 20, Township 2 Plan NW3116 New Westminster District Part NE1/4 leased and occupied for the purpose of public worship.	Grace Baptist Church 224(2)(g)	18 – 13478 – 78 Avenue	6204-98087-7
5.	010-205-772	Lot 1, Section 24, Range 2, Plan 16807 New Westminster District Except Plan A 14399, leased and occupied for the purpose of public worship.	Hahn Seok Buddhist Foundation 224(2)(g)	14069 – 104 Avenue	2240-00014-4

	PID	LEGAL	Name	Address	Folio No.
6.	025-175-009	Lot 1, Section 15, Township 2, New Westminster District, Plan LMP51687, leased and occupied for the purpose of public worship.	Ismaili Jamatkhana Prayer Facility 224(2)(g)	15177 – 68 Avenue	6154-00007-8
7.	001-184-342 001-184-351	That 6,204 square foot (unit 103) and that 2701 square foot (unit 105) portion of Lot 52 and Lot 53 Section 28 Range 1 Plan 58484 New Westminster District, leased and occupied for the purpose of public worship.	Praise International Church 224(2)(g)	15290-103A Ave and 10304 – 152A Street (known as #103 and #105 – 15310 – 103A Avenue)	1280-50502-3 1280-51002-X
8.	001-093-347	That 7,820 square foot portion of Lot 203, Section 20, Township 2, New Westminster District, Plan 62200, leased and occupied for the purpose of public worship.	Salvation Army Surrey Community Church 224(2)(g)	#4 – 13570 – 78 Avenue	6204-85202-4
9.	007-159-021	That 1,569 square foot portion of Lot 64 Block 5 North Section 26 Range 2 West Plan 35233 New Westminster District, leased and occupied for the purpose of public worship	Surrey Fellowship Gospel Assembly 224(2)(g)	13748 – 104 Avenue (known as 13760 – 104 Avenue)	2260-56502-5
10.	023-852-020	That 1,615 square foot portion of Lot 4, Section 22, Township 1, Plan NW 2669, New Westminster District, Part NE ¼, Strata Phase 2, leased and occupied for the purpose of public worship.	White Rock South Surrey Jewish Community Centre 224(2)(g)	#32 – 3033 King George Highway	5224-98014-8
11.	009-723-439	That 1736.65 square foot portion of Lot 18, Block 5 North, Section 22, Range 2 West, Plan 12614 NWD, leased and occupied for the purpose of public worship.	Nightshift Ministries Society	10635 King George Boulevard	2220-17004-4