

NO: R178

COUNCIL DATE: **September 23, 2013**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **September 12, 2013**

FROM: **City Clerk**

FILE: **1970-04**

SUBJECT: **Section 224 Tax Exemption Bylaw No. 18046
For Properties Being Exempted from Property Taxes 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. authorize the City Clerk to bring forward for the required readings "Section 224 (2) (g) Tax Exemption Bylaw, 2013, No. 18046" (the "Bylaw"), a copy of which is attached as Appendix I to this report.

BACKGROUND

The exemptions permitted under Section 224 (2) (g) of the *Community Charter* relate to 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 improvements used or occupied by a religious organization as a tenant or licensee. Permissive exemptions under this provision require notice to the public. The related Bylaw must be adopted by an affirmative vote of a majority of Council members on or before October 31, 2013 so that the properties listed in the bylaw receive the property tax exemption for the 2014 taxation year.

DISCUSSION

The City received 16 applications from the tenants of leased properties in relation to a Section 224(2)(g) property tax exemption for 2014. In each case, the application was reviewed by a staff team and verifications conducted to ensure that the related property met the criteria outlined in legislation and the related City policy for such an exemption. In accordance with Section 227 of the *Community Charter*, public notification of the estimated value of each such exemption will be advertised for two consecutive weeks in a local newspaper in advance of the bylaw being forwarded to Council for adoption.

The public notification process as outlined in legislation requires that an estimate of the total value of the property tax exemptions proposed under the Bylaw be provided for each of the following 3 years.

The estimated total value of the Section 224 (2)(g) property tax exemptions as recommended in the Bylaw attached as Appendix I to this report is as follows:

2014	\$31,474
2015	\$32,704
2016	\$33,980

The following changes have been incorporated into the proposed Bylaw for the 2014 taxation year in comparison to the exemptions that were adopted by Council in the equivalent Bylaw related to the 2013 taxation year.

New Applications:

1. Connecting Community Church, 14625 – 108 Avenue – Schedule A, Item 6
This property was previously leased by the Christian Life Assembly Society and permissive tax exemption was approved for 2013. Connecting Community Church held public worship services and bible studies in the building concurrently with the lessee, and assumed the lease upon its expiry with Christian Life Assembly Society. The portion of the property used for public worship has been included in the proposed Bylaw for Council's consideration. The remainder of the building is used for commercial purposes and is not recommended for permissive tax exemption.
2. Great Light Healing Ministries International Soc., 12059 – 88 Avenue - Schedule A, Item 8
This Society is a registered charity that is new to Surrey, but has an existing location in Burnaby with 50% of its congregation from Surrey. The property that the Society has leased in Surrey was formerly used as a prayer hall for the Pakistan-Canada Society and appeared in the schedule for the Section 224(2)(a) Bylaw in 2013. It has been moved to the Section 224(2) (g) Bylaw for 2014 in that it best fits the criteria relevant to this Bylaw.
3. Radical Faith Pentecostal Assembly Soc., Unit 1A, 12988 – 84 Avenue - Schedule A, Item 14
This Society is a registered charity providing public worship services at the lower floor of the subject property. The portion of the property used for public worship has been included in the proposed Bylaw for Council's consideration. The remainder of the building is used for commercial purposes and is not recommended for permissive tax exemption.

Application Changes:

1. Celebration Life Ministries Society, Unit 105, 7533 – 135 Street, - Schedule A, Item 4
This Society moved to a new property in 2013 and continues to provide public worship services to its congregation. The schedule has been updated to reflect the new location from which this Society operates.

The proposed Bylaw attached as Appendix I to this report includes the above-referenced amendments in Schedule "A", which have been bolded for clarity. The proposed Bylaw includes a total of 21 properties and strata units for either full or partial property tax exemption.

CONCLUSION

Based on the above discussion, it is recommended that Council authorize the City Clerk to bring forward for the required readings "Section 224 (2) (g) Tax Exemption Bylaw, 2013, No. 18046" (the "Bylaw"), a copy of which is attached as Appendix I to this report.

Jane Sullivan
City Clerk

Appendix I: Section 224 (2) (g) Tax Exemption Bylaw, 2013, No. 18046

CITY OF SURREY

BYLAW NO. 18046

A Bylaw to provide for the exemption from property 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 Bylaw may be cited as the "Section 224 (2) (g) Tax Exemption Bylaw, 2013, No. 18046".

Exemptions

- 2. The lands or improvements, or portions thereof, as outlined in Schedule "A" attached hereto, are hereby exempt from taxation for the Year 2014 pursuant to Sections 224 (2) (g) of the *Community Charter*, subject to the conditions provided for in this Bylaw.

Conditions

- 3. Where:
 - (a) a transfer, sale, or lease is made of property exempt from taxation under this Bylaw to some person not entitled to such exemption; or
 - (b) property used for some purpose which would entitle it to exemption under this Bylaw ceases to be so used; or

- (c) property exempt from taxation under this Bylaw ceases to meet the conditions necessary to qualify for the exemption including, but not limited to, compliance with City policies and bylaws,

the property shall be liable to taxation from the date of the transfer, sale, lease, or change of use or conditions, as the case may be (the "Taxation Date").

- 4. Where the assessment roll is completed before the transfer, sale, lease or change of use or conditions described in Section 3 of this Bylaw comes to the attention of the collector:
 - (a) the collector will provide written notice to the transferee, purchaser, lessee, or other person who, but for the exemption, would have been liable to taxation; and
 - (b) the person described in (a) shall pay to the City an amount equal to the total taxes that, but for the exemption, would have been payable on the property from the Taxation Date, together with interest compounded annually at the rate described in Section 246 of the *Community Charter*.

Repeal Section

- 5. "Section 224 (2) (g) Tax Exemption By-law, 2012, No. 17747" is hereby repealed.

PASSED FIRST READING on the th day of , 2013.

PASSED SECOND READING on the th day of , 2013.

PASSED THIRD READING on the th day of , 2013.

NOTICE OF INTENTION ADVERTISED in the SURREY LEADER AND PEACE ARCH NEWS on the th and th day of , 2013.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the th day of , 2013

_____MAYOR

_____CLERK

Section 224 (2) (g) Tax Exemption Bylaw, 2013, No. 18046

SCHEDULE A

	PID	LEGAL	Name	Address	Folio No.
1.	024-942-626	That 4,000 square foot portion of Lot B, Section 29, Township 2, NWD 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	018-689-949	That 52,961 square feet portion of Lot C, Block 5N, Section 18, Range 2W, Plan 69522, NWD, except Plan EPP507, (BH110375), leased and occupied for the purpose of public worship	Calvary Worship Centre 224(2)(g)	Portion of 11125 – 124 Street	2180-92001-5
3.	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 NWD 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
4.	018-412-394	Lot 5 Section 20 Township 2 Plan LMS1022 NW, Part SE 1/4, leased and occupied for the purpose of public worship	Celebration Life Ministries 224(2)(g)	Unit 105, 7533 – 135 Street	6201-98059-3
5.	015-158-497	That 11,650 square foot portion of Lot 13, Section 17, Township 8, Plan 83263 NWD leased and occupied for the purpose of public worship.	Cloverdale Christian Fellowship Society 224(2)(g)	Bldg A, 17802 – 66 Avenue	8172-12006-0
6.	002-288-524	That 4,500 square foot portion of the second floor of Lot 152, Section 18, Range 1, Plan 62582, NWD leased and occupied for the purpose of public worship.	Connecting Community Church 224(2)(g)	Portion of 14625 – 108 Avenue	1180-80102-7

	PID	LEGAL	Name	Address	Folio No.
7.	001-093-347	That 7,820 square foot portion of Lot 203, Section 20, Township 2, NWD, Plan 62200, leased and occupied for the purpose of public worship.	Grace Baptist Church 224(2)(g)	#4 - 13570 - 78 Avenue	6204-85202-4
8.	018-495-915	Lot F, Block 319, Plan LMP 12742, Lot 526 NWS, leased and occupied for the purpose of public worship.	Great Light Healing Ministries International 224(2)(g)	12059 - 88 Avenue	6312-92006-9
9.	010-205-772	Lot 1, Section 24, Range 2, Plan 16807 NWD 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
10.	025-175-009	Lot 1, Section 15, Township 2, NWD, Plan LMP51687, leased and occupied for the purpose of public worship.	Ismaili Jamatkhana Prayer Facility 224(2)(g)	15177 - 68 Avenue	6154-00007-8
11.	023-735-091 023-735-104	That 3,754 square foot portion of Lots 21&22, Section 10, Township 2, Plan LMS2619, NWD Part NW1/2, Phase 2, leased and occupied for the purpose of public worship.	Lifesource Canada Society 224(2)(g)	#215 & #216, 6333 - 148 Street	6103-98081-1 6103-98082-3
12.	009-723-439	That 2,395 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 224(2)(g)	10635 King George Boulevard	2220-17004-4
13.	001-184-342 001-184-351	That 6,204 square foot (unit 103) and that 2,701 square foot (unit 105) portion of Lot 52 and Lot 53 Section 28 Range 1 Plan 58484 NWD, 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

	PID	LEGAL	Name	Address	Folio No.
14.	018-178-880	That 1,500 square foot lower floor portion of Lot 1, Section 29, Township 2, Plan LMS795 NWD, Part SW 1/4, Together with an interest in the common property in proportion to the unit entitlement of the strata lot as shown on Form I or V, as appropriate, leased and occupied for the purpose of public worship	Radical Faith Pentecostal Assembly 224(2)(g)	Unit 1A, 12988 - 84 Avenue	6292-98043-1
15.	015-340-929	That 4954 square foot portion of Lot 18, Section 20, Township 2 Plan NW3116 NWD Part NE1/4 leased and occupied for the purpose of public worship.	Somali Islamic Society of BC 224(2)(g)	18 - 13478 - 78 Avenue	6204-98087-7
16.	023-852-020	That 1,615 square foot portion of Lot 4, Section 22, Township 1, Plan NW 2669, NWD, Part NE 1/4, 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