

NO: R191

COUNCIL DATE: **September 28, 2015**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **September 11, 2015**

FROM: **City Clerk**

FILE: **1970-04**

SUBJECT: **Permissive Property Tax Exemption for the Tax Year 2016 for Properties Leased for the Purpose of Public Worship, Pursuant to 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, 2015, No. 18504" (the "Bylaw"), a copy of which is attached as Appendix I to this report.

INTENT

The purpose of this report is to request that Council consider permissive tax exemptions pursuant to Section 224(2)(g) of the *Community Charter*, S.B.C. 2003, Chap. 26 (for properties used for Public Worship) and in accordance with the City's Tax Exemption Policy.

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, 2015 so that the properties listed in the bylaw receive the property tax exemption for the 2016 taxation year.

DISCUSSION

The City received 17 applications from the tenants of leased properties in relation to a Section 224(2)(g) property tax exemption for 2016. 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:

2016	\$36,625
2017	\$38,050
2018	\$39,536

The following changes have been incorporated into the proposed Bylaw for the 2016 taxation year in comparison to the exemptions that were adopted by Council in the equivalent Bylaw related to the 2015 taxation year:

New Applications:

1. Khalsa Diwan Society of BC, #103, 7938 – 128 Street, Schedule A, Item 12
The Society provides public worship and outreach programs from the subject site. A site visit with BC Assessment was conducted to review the specific uses, and BC Assessment confirmed that the site can be considered a place of worship and fellowship hall. The properties occupied by the Society are included in the proposed Bylaw for Council's consideration.
2. Love Family Christian Assembly, 13555 – 105A Avenue, Schedule A, Item 14
This Society is a registered charity providing public worship services at the subject property. The portion of the property leased for public worship has been included in the proposed Bylaw for Council's consideration.

Application Changes:

1. Calvary Worship Centre, 11125 – 124 Street – Schedule A, Item 2
The Society advised that they amended their lease in late 2014 in order to reduce the amount of space they are occupying. BC Assessment issued a supplemental assessment for the 2015 tax roll. The schedule to the Bylaw has been updated to reflect the current leased area for 2016.
2. Celebration Life Ministries, 7452 – 132 Street – Schedule A, Item 4
The Society moved to a new premise in 2015 and changes have been made to the schedule to reflect the current location of the church.

3. Guildford Islamic Cultural Centre, #101, 15290 – 103A Avenue – Schedule A, Item 9
The Society has expanded into an adjacent unit to provide a women's prayer hall. The additional space has been added to the schedule to the Bylaw for 2016.
4. Somali Islamic Society of BC – #18, 13478 – 78 Avenue
The Society has purchased the property and is no longer leasing. BC Assessment have confirmed that the property will receive a statutory exemption in 2016. The property has been added to the Schedule for Bylaw No. 18502 for exemption under Section 220 and 224 of the *Community Charter*.

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 29 distinct properties or strata units leased to the 17 recommended applicants for either full or partial property tax exemption.

Applications Not Recommended for Property Tax Exemption:

All applications received for 2016 meet the criteria for permissive tax exemption and have been included in the schedule to the Bylaw.

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, 2015, No. 18504" (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, 2015, No. 18504

CITY OF SURREY

BYLAW NO. 18504

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 ENACTS AS FOLLOWS:

Title

1. This Bylaw may be cited as the "Section 224 (2) (g) Tax Exemption Bylaw, 2015, No. 18504".

Exemptions

2. The lands or improvements, or portions thereof, as outlined in Schedule A attached hereto, are hereby exempt from taxation for the Year 2016 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 Bylaw, 2014, No. 18292" is hereby repealed.

PASSED FIRST READING on the th day of September, 2015.

PASSED SECOND READING on the th day of September, 2015.

PASSED THIRD READING on the th day of September, 2015.

NOTICE OF INTENTION ADVERTISED in the SURREY LEADER AND PEACE ARCH NEWS on the th day and the th day of October, 2015.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the th day of October, 2015.

_____MAYOR

_____CLERK

Section 224 (2) (g) Tax Exemption Bylaw, 2015, No. 18504

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 33,767 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.	024-854-328	That 5,550 square foot portion of Lot 2, Section 20, Township 2, Plan LMP 47344, NWD, leased and occupied for the purpose of public worship	Celebration Life Ministries 224(2)(g)	Ground floor, 7452 – 132 Street	6201-01022-1
5.	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
6.	018-178-880	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	Faith Dominion Ministry 224(2)(g)	Unit 1, 12988 – 84 Avenue	6292-98043-1

	PID	LEGAL	Name	Address	Folio No.
7.	001-093-347	That 7,100 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 NWD, leased and occupied for the purpose of public worship	Great Light Healing Ministries International 224(2)(g)	12059 - 88 Avenue	6312-92006-9
9.	001-184-342	That 3,897 square foot portion of Lot 52, Section 28, Range 1, Plan 58484, NWD, leased and occupied for the purpose of public worship.	Guildford Islamic Cultural Centre 224(2)(g)	#101, 15290 - 103A Avenue	1280-50502-3
10.	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
11.	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
12.	024-997-978 024-997-960 024-997-951 024-997-986 024-997-994 024-998-052 024-998-044 024-998-079 024-998-061	Lots 4, 5,6, 7, 8, 13, 14, 15 and 16, Section 20, Township 2, NWD Strata Plan LMS 4385, leased and occupied for the purpose of public worship	Khalsa Diwan Society of BC 224(2)(g)	103, 7938 - 128 Street	6203-98204-0 6203-98203-9 6203-98202-7 6203-98205-2 6203-98206-4 6203-98212-X 6203-98211-8 6203-98214-3 6203-98213-1
13.	011-339-900	That 1166 square foot portion of Lot A, Section 8, Township 8, Plan 8731, NWD Part SW ₁ / ₄ , leased and occupied for the purpose of public worship.	Lighthouse Spiritual Centre 224(2)(g)	5722 - 176A Avenue	8082-90030-1
14.	009-858-369	That 1300 square foot portion of Lot 3,	Love Family Christian	13555 - 105A Avenue	2220-02012-5

	PID	LEGAL	Name	Address	Folio No.
		Block 2, Section 22, Range 2, Plan 13930 NWD, leased and occupied for the purpose of public worship.	Assembly		
15.	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
16.	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
17.	023-852-020	That 1,615 square foot portion of Lot 4, Section 22, Township 1, Plan NW 2669, NWD, 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 Boulevard	5224-98014-8