

NO: R180

COUNCIL DATE: **September 11, 2017**

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## REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **August 28, 2017**

FROM: **City Clerk**

FILE: **1970-04**

SUBJECT: **Proposed 2018 Permissive Property Tax Exemptions for Properties Leased for the Purpose of Public Worship**

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## RECOMMENDATION

The Legislative Services Division recommend that Council:

1. receive this report as information; and
2. authorize the City Clerk to bring forward "Section 224 (2) (g) Tax Exemption Bylaw, 2017, No. 19348" (the "Bylaw") for the required readings.

## 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 leased 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, 2017 so that the properties listed in the bylaw receive the property tax exemption for the 2018 taxation year.

## DISCUSSION

The City received 19 applications from the tenants of leased properties in relation to a Section 224(2)(g) property tax exemption for 2018 including one (1) new application and one (1) application with a changed location. 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 the case of new applicants and those requesting changes to their exemption, site visits were undertaken and consultation with inspectors from BC Assessment were held to ensure that the property is deemed a place of public worship and meets the requirements of Section 224(2)(g).

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:

|      |          |
|------|----------|
| 2018 | \$51,101 |
| 2019 | \$53,095 |
| 2020 | \$55,163 |

The following changes have been incorporated into the proposed Bylaw for the 2018 taxation year in comparison to the exemptions that were adopted by Council in the equivalent Bylaw related to the 2017 taxation year:

### **New Applications:**

1. Calvary Grace Church, #121, 7536 – 130 Street - Schedule A, Item 2  
This Society is a registered charity providing public worship services at the subject site. The property is included in the proposed Bylaw for Council's consideration.

### **Application Changes:**

1. Celebration Life Ministries, 2A, 13139 – 80 Avenue, - Schedule A, Item 5  
The Society moved to a new property in 2017 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.
2. Love Family Christian Assembly, 13555 – 105A Avenue  
The Society did not apply for 2018 permissive tax exemption. The lease submitted to the City expired on August 31, 2017.

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 31 distinct properties or strata units leased to the 19 applicants and recommended 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 "Section 224 (2) (g) Tax Exemption Bylaw, 2017, No. 19348" for the required readings.;

Jane Sullivan  
City Clerk

Appendix "I": Section 224 (2) (g) Tax Exemption Bylaw, 2017, No. 19348

CITY OF SURREY

BYLAW NO. 19348

A Bylaw to provide for the exemption from property taxation  
of certain properties in the City of Surrey pursuant to  
Section 224 (2) (g) of the *Community Charter*  
.....

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, 2017, No. 19348".

Exemptions

2. The lands or improvements, or portions thereof, as outlined in Schedule A attached hereto, are hereby exempt from taxation for the Year 2018 pursuant to Section 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, 2016, No. 18831" is hereby repealed.

PASSED FIRST READING on the    th day of           , 2017.

PASSED SECOND READING on the    th day of           , 2017.

PASSED THIRD READING on the    th day of           , 201.

NOTICE OF INTENTION ADVERTISED in the SURREY NOW-LEADER AND PEACE ARCH NEWS Newspapers on the    th and    th day of           , 2017.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk and sealed with the Corporate Seal on the    th day of October, 2017.

\_\_\_\_\_MAYOR

\_\_\_\_\_CLERK

Section 224 (2) (g) Tax Exemption Bylaw, 2017, No. 19348

SCHEDULE A

|    | PID  | LEGAL   | Name  | Address                           | Folio No.  |
|----|--|---|---|-----------------------------------|--|
| 1. | 024-942-626  | Lot B, Section 29, Township 2, NWD Plan LMP48694, leased and occupied for the purpose of public worship   | Bear Creek Punjab Cultural Society<br>224(2)(g)             | 8580 – 132 Street                 | 6294-91001-8   |
| 2. | 027-087-514  | <b>Strata Lot 22, Section 20, Township 2 NWD Strata Plan BCS1830, leased and occupied for the purpose of public worship</b>   | <b>Calvary Grace Church (Faith and Vision)</b><br>224(2)(g) | <b>#121, 7536 – 130 Street</b>    | <b>6202-98036-9</b>  |
| 3. | 018-689-949  | Lot C (BH110375), Section 18, Block 5 North, Range 2 West, NWD Plan 69522, Except Plan EPP507, leased and occupied for the purpose of public worship  | Calvary Worship Centre<br>224(2)(g)                         | Portion of 11125 – 124 Street     | 2180-92001-5   |
| 4. | 024-047-171<br>024-047-180<br>024-047-198<br>024-047-201 | Strata Lots 3, 4, 5 and 6 Section 17 Block 5 North Range 2 West NWD Strata Plan LMS3109 Together With An Interest in the Common Property In Proportion to the Unit Entitlement of the Strata Lot As Shown On Form 1 leased and occupied for the purpose of public worship | Celebration Christian Fellowship International<br>224(2)(g) | #105 – 12332 Pattullo Place       | 2170-98004-0<br>2170-98005-2<br>2170-98006-4<br>2170-98007-6 |
| 5. | 004-421-345  | <b>Lot 1 Except: Firstly; Parcel A (Bylaw Plan 64918), Secondly; Part Dedicated Road on Plan LMP44217, Thirdly; Part Dedicated Road on Plan LMP51680, Section 29, Township 2, NWD Plan 62609, leased and occupied for the purpose of public worship</b>                   | <b>Celebration Life Ministries</b><br>224(2)(g)             | <b>Unit 2A, 13139 – 80 Avenue</b> | <b>6292-00004-7</b>  |

|     | PID         | LEGAL  | Name  | Address                       | Folio No.    |
|-----|-------------|--|---|-------------------------------|--------------|
| 6.  | 002-288-524 | Lot 152, Section 18, Block 5 North Range 1, West NWD Plan 62582, leased and occupied for the purpose of public worship   | Connecting Community Church<br>224(2)(g)                  | Portion of 14625 – 108 Avenue | 1180-80102-7 |
| 7.  | 018-178-880 | Lot 1, Section 29, Township 2, NWD Strata Plan LMS795 Together With An Interest in The Common Property In Proportion to the Unit Entitlement of the Strata Lot As Shown On Form 1, leased and occupied for the purpose of public worship | Faith Dominion Ministry<br>224(2)(g)                      | Unit 1, 12988 – 84 Avenue     | 6292-98043-1 |
| 8.  | 001-093-347 | Lot 203, Section 20, Township 2, NWD, Plan 62200, leased and occupied for the purpose of public worship  | Grace Baptist Church<br>224(2)(g)                         | #4 – 13570 – 78 Avenue        | 6204-85202-4 |
| 9.  | 018-495-915 | Lot F, Block 319, District Lot 526 Plan LMP 12742, leased and occupied for the purpose of public worship   | Great Light Healing Ministries International<br>224(2)(g) | 12059 – 88 Avenue             | 6312-92006-9 |
| 10. | 001-184-342 | Lot 52, Section 28, Block 5 North Range 1, NWD, Plan 58484, leased and occupied for the purpose of public worship  | Guildford Islamic Cultural Centre<br>224(2)(g)            | #101, 15290 – 103A Avenue     | 1280-50502-3 |
| 11. | 010-205-772 | Lot 1, Except: Part On Plan With Bylaw Filed A14399; Section 24 Block 5 North Range 2 West NWD Plan 16807, leased and occupied for the purpose of public worship   | Hahn Seok Buddhist Foundation<br>224(2)(g)                | 14069 – 104 Avenue            | 2240-00014-4 |
| 12. | 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<br>224(2)(g)           | 15177 – 68 Avenue             | 6154-00007-8 |
| 13. | 017-751-586 | Lot 15, Section 10, Township 2, NWD, Plan NWS 3426, leased and occupied for the purpose of public worship  | Jain Center of BC<br>224(2)(g)                            | #208, 14770 – 64 Avenue       | 6103-98029-X |

|     | PID   | LEGAL  | Name   | Address  | Folio No.  |
|-----|---|--|--|--|--|
| 14. | 024-997-978<br>024-997-960<br>024-997-951<br>024-997-986<br>024-997-994<br>024-998-052<br>024-998-044<br>024-998-079<br>024-998-061 | Lots 4, 5,6, 7, 8, 13, 14, 15 and 16, Section 20, Township 2, NWD Strata Plan LMS 4385, Together With An Interest in The Common Property In Proportion to the Unit Entitlement of the Strata Lot As Shown On Form 1, leased and occupied for the purpose of public worship | Khalsa Diwan Society of BC<br><br>224(2)(g)                      | 103, 7938 – 128 Street   | 6203-98204-0<br>6203-98203-9<br>6203-98202-7<br>6203-98205-2<br>6203-98206-4<br>6203-98212-X<br>6203-98211-8<br>6203-98214-3<br>6203-98213-1 |
| 15. | 011-339-900   | Lot "A", Section 8, Township 8, NWD Plan 8731, leased and occupied for the purpose of public worship   | Lighthouse Spiritual Centre<br><br>224(2)(g)                     | 5722 – 176A Avenue   | 8082-90030-1   |
| 16. | 006-024-084   | Lot 84, Section 23, Block 5 North Range 2 West, NWD Plan 41185, leased and occupied for the purpose of public worship  | Peace House International Ministry                               | #3 & #4, 10468 Whalley Boulevard   | 2230-66502-9   |
| 17. | 001-184-342<br><br>001-184-351  | Lot 52 and Lot 53, Section 28, Block 5 North Range 1 West, NWD Plan 58484, leased and occupied for the purpose of public worship   | Praise International Church<br><br>224(2)(g)                     | 15290-103A Ave and<br>10304 - 152A Street<br>(known as #103 and<br>#105 - 15310 – 103A Avenue) | 1280-50502-3<br>1280-51002-X   |
| 18. | 011-384-328   | Lot 46, Section 22, Block 5 North, Range 2 West, NWD Plan 9117, leased and occupied for the purpose of public worship  | Transformation Christian Centre<br><br>224(2)(g)                 | 10704 City Parkway   | 2220-45002-8   |
| 19. | 023-852-020   | Strata Lot 4, Section 22, Township 1, NWD Strata Plan NW2669, Together With An Interest in The Common Property In Proportion to the Unit Entitlement of the Strata Lot As Shown On Form 1, leased and occupied for the purpose of public worship                           | White Rock South Surrey Jewish Community Centre<br><br>224(2)(g) | 32 – 3033 King George Boulevard  | 5224-98014-8   |