

NO: R181

COUNCIL DATE: **September 11, 2017**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **August 28, 2017**

FROM: **City Clerk**

FILE: **1970-04**

SUBJECT: **Proposed 2018 Permissive Property Tax Exemptions for Heritage Properties**

RECOMMENDATION

The Legislative Services Division recommend that Council:

1. receive this report as information; and
2. authorize the City Clerk to bring forward "Section 225 Tax Exemption Bylaw, 2017, No. 19349" (the "Bylaw") for the required readings.

INTENT

The purpose of this report is to request that Council consider permissive tax exemptions for Heritage Properties pursuant to Section 225 of the *Community Charter*, S.B.C. 2003, Chap. 26 and in accordance with the City's Tax Exemption Policy.

BACKGROUND

The permissive property tax exemptions included in the subject Bylaw are for heritage properties that fall within the scope of Section 225 of the *Community Charter* S.B.C. 2003, Chap. 26 and which generally receive a full property tax exemption. There are a few exceptions where the recommended exemption is for a portion of the respective property. In these cases, the partial exemption relates to there being a "non-heritage" addition and/or alteration on the property.

The *Community Charter* stipulates that exemptions under Section 225 may only come into effect for any taxation year once notice of the proposed Bylaw has been given and subject to the Bylaw being adopted by no later than October 31 of the year prior to the taxation year to which the Bylaw relates and by an affirmative vote of at least 2/3 of Council members. Public notice must be given in accordance with the *Community Charter* following third reading of the Bylaw.

DISCUSSION

Council adopted "Heritage Property Standards of Maintenance Bylaw, 2017, No. 18931" (the "Heritage Bylaw") in April 2017. The Heritage Bylaw establishes minimum maintenance standards for protected heritage properties. Changes to the Tax Exemption Policy as a result of this, the Heritage Bylaw and other legislation have been recommended under the corporate report for Section 220 and 224 exemptions. Specifically, the following requirement for consideration of a permissive property tax exemption has been proposed:

"Heritage Properties (Section 225)

Council may exempt those properties protected by Heritage Designation or Heritage Revitalization Bylaws, and which meet or exceed the minimum maintenance standards regulated by Bylaw No. 18931. In addition, the property must be in compliance with its associated Designation or Revitalization Bylaw.

Exemption will be considered for the original maintained heritage structure only. Added improvements or reconstructed structures are not eligible for permissive exemption under this Section."

The City received applications from the owners of 15 properties that have an active Heritage Designation Bylaw or Heritage Revitalization Agreement Bylaw including two (2) new applications. In each case, the application was reviewed by a staff team and verifications conducted by the Planning Department to ensure that the related property met the criteria outlined in the Heritage Property Standards of Maintenance Bylaw and the City policy for such an exemption. All 15 properties have been included in the recommended Bylaw attached as Appendix "I" to this report.

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 following is a list of such estimates for the subject Bylaw:

2018	\$58,942
2019	\$61,240
2020	\$63,629

New Applications:

1. Port Kells Fire Hall No. 7, 18922 – 88 Avenue, Schedule A, Item 8
Council adopted Heritage Revitalization Bylaw No. 19279 on July 27, 2017. It is intended that this historic fire hall will have multiple uses upon completion of renovations. The property has been added to the schedule to the Bylaw for 2018 exemption.
2. Robert Dougal MacKenzie House, 5418 – 184 Street, Schedule A, Item 10
Council denied exemption in 2017 for this property for contravention of the Controlled Substance Property Bylaw No. 15820. The applicant is once more in good standing, and the property has been added to the schedule to the Bylaw for 2018 exemption.

Application Changes:

1. Arthur Hedley House, 11927 – 96A Avenue
No application was received for this property. The owner indicated in 2016 that he was planning to sell the property.

There were no other changes to the properties that received permissive tax exemption in 2017.

CONCLUSION

Based on the above discussion, it is recommended that Council authorize the City Clerk to bring "Section 225 Tax Exemption Bylaw, 2017, No. 19349" forward for the required readings

Jane Sullivan
City Clerk

Appendix "I": "Section 225 Tax Exemption Bylaw, 2017, No. 19349"

CITY OF SURREY

BY-LAW NO. 19349

A Bylaw to provide for the exemption from taxation
of certain properties in the City of Surrey pursuant to
Section 225 of the *Community Charter*

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WHEREAS Council may, by authority of Section 225 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 225 Tax Exemption Bylaw, 2017, No. 19349"

Exemptions

2. The lands or improvements, or portions thereof, as outlined in Schedule A attached to
this Bylaw, are exempt from taxation for the Year 2018 pursuant to Section 225 of the
Community Charter subject to the conditions provided for in this Bylaw.

Conditions

3. If an eligible heritage property exempt from taxation under this Bylaw:
 - (a) is destroyed, whether with or without proper authorization under the
requirements of the heritage protection of the property; or
 - (b) is altered by or on behalf of the owner without proper authorization under the
requirements of the heritage protection of the property; or
 - (c) ceases to meet the conditions necessary to qualify for the exemption including, but
not limited to, compliance with City policies and bylaws,

Section 225 Tax Exemption Bylaw 2017, No. 19349

SCHEDULE A

	P.I.D.	LEGAL	Name	Address	Folio No.
1.	025-971-832	Lot 1, Section 7 Township 8, NWD Plan BCP11903 (with exempt portion shown hatched on sketch attached hereto)	Boothroyd House	Portion of 16811 – 60 Avenue	8073-00023-4
2.	009-214-771	Lot 22, Section 8, Township 8, NWD Plan 76430	Cecil Heppell House	5818 – 182 Street	8081-21003-9
3.	026-507-323	Lot 2, Section 21, Township. 1, NWD Plan BCP 21102 (with exempt portion shown hatched on sketch attached hereto)	Feedham House	Portion of 14040 – 32 Avenue	5214-01024-2
4.	025-110-209	Lot 5, Section 10, Township 2, NWD Plan LMP49644 (with exempt portion shown hatched on sketch attached hereto)	George Rankin House	Portion of 14805 – 57 Avenue	6101-04015-X
5.	008-892-571	Lot 4, Section 25, Township 1, NWD, Plan 26296, (with exempt portion shown hatched on sketch attached hereto)	Historic Collishaw Farm	Portion of 16520 – 40 Avenue	5254-03002-1
6.	010-822-810	Lot 17 Block 15 Section 7 Township 1 NWD Plan 2834	John Horner House	12645 – 14B Avenue	5074-16010-8

	P.I.D.	LEGAL	Name	Address	Folio No.
7.	017-999-481	Lot C (BF437078), Block 12, Section 7, Township 1, NWD, Plan 2834.	Ocean Park Community Hall	1577 – 128 Street	5074-92001-2
8.	029-845-793	Lot 1, Section 28, Township 8 NWD Plan EPP60921	Port Kells Fire Hall No. 7	18922 – 88 Avenue	8184-00015-5
9.	024-828-068	Lot 1, Section 7, Township 8, NWD Plan LMP 46989, (with exempt portion shown hatched on sketch attached hereto)	Richardson House	16940 Friesian Drive	8072-00021-4
10.	004-613-422	Lot 22, Section 4, Township 8, NWD, Plan 58597, (with exempt portion shown hatched on sketch attached hereto)	Robert Dougal MacKenzie House	Portion of 5418 – 184 Street	8043-21002-0
11.	004-294-408	Lot 25, Block 4, District Lot 52, Group 2, NWD Plan 2200	Rothwell House	2598 O'Hara Lane	5700-24002-6
12.	013-215-051	Parcel 5 (Reference Plan 6696), North West Quarter, Section 11, Township 2, Except: Firstly: Parcel "One" (Explanatory Plan 10684), Secondly: Parcel "C" (Bylaw Plan 62479), Thirdly: Part Dedicated Road on Plan LMP 32970, NWD.	Sullivan Community Hall	6306 – 152 Street	6113-97104-1
13.	013-238-558	Parcel "B" (Plan with Fee Deposited No. 15329F), North West Quarter, Section 31, Township 8, NWD.	Tynehead Community Hall	9568 – 168 Street	8313-91002-1
14.	010-179-046	Lot 11, Section 12, Township 1,	White Rock Seventh Day	16017 – 8 Avenue	5122-10004-4

	P.I.D.	LEGAL	Name	Address	Folio No.
		NWD, Plan 16055 Except Plan EPP 22394	Adventist Church		
15.	012-589-748	Lot 24, Block 4, District Lot 52, Group 2, NWD Plan 2200	Willard Kitchen Heritage House	2590 O'Hara Lane	5700-23002-1











