

Request for Decision



To: Committee of the Whole
From: Chief Financial Officer
Date: July 23, 2018
Subject: Annual Permissive Tax Exemption Bylaw 2049
Recommendation: **THAT the Committee of the Whole recommends that Council give first three readings to Bylaw No. 2049 “2019 Permissive Tax Exemptions” at the August 20th Regular Meeting of Council.**

Background

Section 224 of the Community Charter provides the authority for Council to grant tax exemptions for other local authorities, non-profit organizations, and property owned by places of worship which is not exempt under other statutory provisions.

The following areas of land surrounding the buildings for public worship are eligible for exemption under Section 224 (2) (f), (g) and (h) of the Community Charter:

- The United Church - 920 Central Avenue
- The Pentecostal Church - 2826 75th Avenue
- The Catholic Church - 7249 9th Street
- The Anglican Church - 7252 7th Street
- The Mennonite Brethren Church - 7048 Donaldson Drive
- Christ Lutheran Church - 7328 19th Street
- Grand Forks Christian Centre - 7525 4th Street
- Jehovah's Witnesses Church - 7680 Donaldson Drive

The estimated value of 2019 municipal taxes for the above permissive exemptions is \$1,166.

The following property is owned by the City, and subject to a lease agreement requiring the City to pay property taxes if an exemption is not available. Granting this property a permissive exemption will save the City that portion of taxes which is due to other authorities.

The Baptist Church – 7850 2nd Avenue – eligible under 224 (2) (g):

In addition, BC Assessment has recommended that the bylaw include the property leased by the Regional District of Kootenay Boundary at 8120 Donaldson Drive (former SPCA Building) which is eligible under Section 224 (b).

The bylaw will also exempt certain non-profit organizations under Section 224 (2) (h) of the *Community Charter* as follows:

Name	Estimated 2019 Exemption Value
Grand Forks Curling Club - 7230 21 st Street	\$ 12,225
Grand Forks Masonic Building Society - 366 Market Avenue	\$ 509
Sunshine Valley Child Care Society - 978 72 nd Avenue	\$ 2,126
Slavonic Seniors Citizens - 686 72 nd Avenue	\$ 708
Hospital Auxiliary Thrift Shop - 7239 2 nd Street	\$ 2,609
Royal Canadian Legion - 7353 6 th Street	\$ 3,746
Grand Forks Senior Citizens Drop-in Centre (City Park) - 565 71 st Avenue	\$ 4,340
Phoenix Manor Society - 876 72 nd Avenue	\$ 3,367
Boundary Lodge – 7130 9 th Street	\$ 1,310

The estimated total value of permissive exemptions for the non-profits above is \$30,940. The total amount of exemptions proposed here represents 0.8% of estimated property tax revenues for 2019, and equates to \$10 annually per property.

Drawings are included in the bylaw for the places of worship but not for the properties listed below as the entire lots are being exempted.

This tax exemption bylaw is planned for first three readings on August 20th and final reading on September 4th 2018, and must be adopted by October 31, 2018. As per legislation, the City will be advertising the tax exemption notice for two consecutive issues of the Grand Forks Gazette in early August.

Benefits or Impacts

General

Granting tax exemption to these applicants assists the organizations in continuing the operation of their facilities and in providing services to the residents of the community.

Strategic Impact



Fiscal Responsibility

- The above tax exemptions will reduce taxes collectible by the City by an estimated \$32,106. The tax savings on City owned leased properties will be approximately \$832.

Policy/Legislation

Section 224 of the Community Charter

Attachments

2019 Annual Tax Exemption Bylaw No. 2049
Applications Received for Permissive Tax Exemption

Recommendation

THAT the Committee of the Whole recommends that Council give first three readings to Bylaw No. 2049 “2019 Permissive Tax Exemptions” at the August 20th Regular Meeting of Council.

Options

1. Resolved that the Committee of the Whole accepts the recommendation.
2. Resolved that the Committee of the Whole does not accept the recommendation.
3. Resolved that the Committee of the Whole refers the matter back to staff for further information.