

# Request for Decision



To: Regular Meeting  
From: **Chief Financial Officer**  
Date: August 20, 2018  
Subject: Annual Permissive Tax Exemption Bylaw 2049  
Recommendation: **THAT Council gives first three readings to Bylaw No. 2049 "2019 Permissive Tax Exemptions"**

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## Background

2019 Annual Tax Exemption Bylaw No. 2050 was introduced to Council on July 23, 2018. This bylaw must be adopted prior to October 31, 2018 to permissively exempt certain properties from municipal taxation in 2019. As per legislation, the City has advertised the tax exemption notice on August 1<sup>st</sup> and 8<sup>th</sup> in the Grand Forks Gazette.

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 75<sup>th</sup> Avenue
- The Catholic Church - 7249 9<sup>th</sup> Street
- The Anglican Church - 7252 7<sup>th</sup> Street
- The Mennonite Brethren Church - 7048 Donaldson Drive
- Christ Lutheran Church - 7328 19<sup>th</sup> Street
- Grand Forks Christian Centre - 7525 4<sup>th</sup> 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 2<sup>nd</sup> 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:

| <b>Name</b>  | <b>Estimated 2019<br/>Exemption Value</b> |
|--|---|
| Grand Forks Curling Club - 7230 21 <sup>st</sup> Street          | \$ 12,225                                 |
| Grand Forks Masonic Building Society - 366 Market Avenue         | \$ 509                                    |
| Sunshine Valley Child Care Society - 978 72 <sup>nd</sup> Avenue | \$ 2,126                                  |
| Slavonic Seniors Citizens - 686 72 <sup>nd</sup> Avenue          | \$ 708                                    |
| Hospital Auxiliary Thrift Shop - 7239 2 <sup>nd</sup> Street     | \$ 2,609                                  |
| Royal Canadian Legion - 7353 6 <sup>th</sup> Street              | \$ 3,746                                  |
| Phoenix Manor Society - 876 72 <sup>nd</sup> Avenue              | \$ 3,367                                  |
| Boundary Lodge – 7130 9 <sup>th</sup> Street                     | \$ 1,310                                  |

The Seniors Centre in City Park has been removed from the bylaw, as they have provided us with notice of cancellation of their lease.

The estimated total value of permissive exemptions for the non-profits above is \$26,600. The total amount of exemptions proposed here represents 0.7% of estimated property tax revenues for 2019, and equates to \$9 annually per property.

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## **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**



#### **Community Livability**

- A permissive tax exemption is a means for Council to recognize and support volunteer groups and non-profit agencies in the community that provide services or programs which enhance the quality of life for its residents.



#### **Fiscal Responsibility**

- The above tax exemptions will reduce taxes collectible by the City by an estimated \$27,766. 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

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## **Recommendation**

**THAT Council gives first three readings to Bylaw No. 2049 “2019 Permissive Tax Exemptions”**

## **Options**

1. RESOLVED THAT Council accepts the recommendation.
2. RESOLVED THAT Council does not accept the recommendation.
3. RESOLVED THAT Council refers the matter back to staff for further information.

### Report Approval Details

|                      |   |
|----------------------|---|
| Document Title:      | Bylaw 2049 annual tax exemptions 3 readings.docx                                    |
| Attachments:         | - By2049 - Permissive Tax Exemption 2019.docx<br>- 2019 Permissive applications.pdf |
| Final Approval Date: | Jul 27, 2018  |

This report and all of its attachments were approved and signed as outlined below:

**No Signature - Task assigned to Diane Heinrich was completed by assistant Daniel Drexler**

**Diane Heinrich - Jul 27, 2018 - 3:45 PM**