

# Request for Decision



To: Mayor and Council  
From: Finance  
Date: 2017-08-21  
Subject: 2018 Annual Permissive Tax Exemption Bylaw  
Recommendation: RESOLVED THAT Council receives for introduction and discussion Bylaw No. 2040 "2018 Permissive Tax Exemptions" and refers the first three readings of the Bylaw to the September 5<sup>th</sup>, 2017 Regular Meeting of Council.

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## 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) 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 2018 municipal taxes for the above permissive exemptions is \$1,209.

The following properties are owned by the City, and are subject to lease agreements requiring the City to pay property taxes if an exemption is not available. Granting these properties 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> Street – eligible under 224(2)(d):
- Whispers of Hope - 7212 Riverside Drive – eligible under Section 224(2)(d)

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) and has been granted a tax exemption in prior years.

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

<b>Name</b>	<b>Estimated 2018 Exemption</b>
Grand Forks Curling Club - 7230 21 <sup>st</sup> Street	\$ 11,486
Grand Forks Masonic Building Society - 366 Market Avenue	\$ 516
Sunshine Valley Child Care Society - 978 72 <sup>nd</sup> Avenue	\$ 2,036
Slavonic Seniors Citizens - 686 72 <sup>nd</sup> Avenue	\$ 656
Hospital Auxiliary Thrift Shop - 7239 2 <sup>nd</sup> Street	\$ 2,642
Royal Canadian Legion - 7353 6 <sup>th</sup> Street	\$ 3,629
Grand Forks Senior Citizens Drop-in Centre (City Park) - 565 71 <sup>st</sup> Avenue	\$ 4,086
Phoenix Manor Society - 876 72 <sup>nd</sup> Avenue	\$ 3,294
Boundary Lodge – 7130 9 <sup>th</sup> Street	\$ 3,207

The estimated total value of permissive exemptions for the non-profits above is \$31,552. The total amount of exemptions proposed here represents 0.9% of estimated property tax revenues for 2018, and equates to \$11 annually per property.

This tax exemption bylaw is planned for first three readings on September 5th and final reading on September 18<sup>th</sup> 2017, and must be adopted by October 31, 2017. As per legislation, the City will be advertising the tax exemption notice for two consecutive issues of the Grand Forks Gazette in late August and early September.



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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

-  The above tax exemptions will reduce taxes collectible by the City by an estimated \$32,761. The tax savings on City owned leased properties will be approximately \$2,800.
-  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.

### Policy/Legislation

Section 224 of the Community Charter.

### Attachments

Draft 2018 Annual Tax Exemption Bylaw No. 2040  
Applications Received for Permissive Tax Exemption

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### **Recommendation**

RESOLVED THAT Council receives for introduction and discussion Bylaw No. 2040 “2018 Permissive Tax Exemptions” and refers the first three readings of the Bylaw to the September 5<sup>th</sup>, 2017 Regular Meeting of Council.

### **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:	RFD - CFO - 2018 Permissive Tax Exemptions.docx
Attachments:	- By2040 Permissive Tax Exemption 2018.docx - 2018 Permissive applications.pdf
Final Approval Date:	Aug 9, 2017

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 - Aug 9, 2017 - 4:01 PM**