

THE CORPORATION OF THE
CITY OF WHITE ROCK
CORPORATE REPORT



DATE: July 25, 2022

TO: Mayor and Council

FROM: Candice Gartry, Director, Financial Services

SUBJECT: 2023 - 2027 Not for Profit Permissive Tax Exemptions Bylaw 2022, No. 2436

RECOMMENDATION

THAT Council receive the July 25, 2022, corporate report from the Director of Financial Services, titled “2023 - 2027 Not for Profit Permissive Tax Exemptions Bylaw 2022, No. 2436,” endorse the proposed five (5) year bylaw, and grant applications for exemption, to be given three readings and after the public notice requirements have been met, for adoption.

EXECUTIVE SUMMARY

This corporate report introduces the “2023 – 2027 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436” to Council for approval and adoption.

INTRODUCTION/BACKGROUND

The City has the authority to grant permissive property tax exemptions for non-profit organizations under conditions identified in the *Community Charter*, Section 224. Council has provided further direction for eligibility requirements in the White Rock City Council Policy No. 317 – Municipal Property Tax Exemptions (Appendix A).

Eligible Properties

Council Policy No. 317 – Municipal Property Tax Exemptions provides for consideration of permissive tax exemption applications for Not-for-Profit Organizations under the following section:

Section II: Types of Properties Exempted

- f) Property owned by organizations whose principal purpose is to directly support Peace Arch Hospital's provision of health and wellness services to the citizens of White Rock;*
- g) Property owned by charitable, philanthropic or other not-for-profit organizations whose principal purpose is delivery of social services to citizens of White Rock, provided that the property is being used for that purpose and it provides a beneficial service to the Community; and*
- h) Property owned by not-for-profit organizations whose principal purpose is delivery of cultural services to citizens of White Rock, provided that the property is being used for that purpose and it provides a beneficial service to the Community.*

The city received the following applications for exemption for 2023 that are eligible under this section, all of which were granted the exemption in prior years:

- Peace Arch Hospital Auxiliary Society;
- Sources Community Resources Society;
- White Rock Players' Club;
- Peace Arch Hospital and Community Health Foundation; and
- Options Community Services Society.

Previously the city has granted annual permissive tax exemptions on these properties. The same properties have been exempted for many years (except for 2018 when Options missed the deadline for application). The Community Charter and Council Policy No. 317 allow permissive tax exemptions to be granted for up to ten (10) years. Staff recommend that a five (5) year permissive tax exemption be granted for these organizations, (2023 – 2027), to reduce administration of the permissive exemption process for both the City and these organizations.

Annually, each year before the June 30, permissive tax exemption application deadline, staff will request confirmation that the use of these properties have not changed. If required, amendments to the five year bylaw will be presented to Council before the October 31 deadline for permissive tax exemption bylaw adoption.

FINANCIAL IMPLICATIONS

The eligible applicants received municipal tax exemptions totaling approximately \$85K in 2022. The extension of these permissive tax exemption has been included in the 2022 – 2026 Financial Plan and is expected to be extended into 2027.

COMMUNICATION AND COMMUNITY ENGAGEMENT IMPLICATIONS

In advance of the bylaw being adopted, public notice must be given in accordance with Sections 227 and 94 of the *Community Charter* regardless of whether Council endorses the proposed five (5) year bylaw, 2023 – 2027 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436 or, the alternate one (1) year bylaw, 2023 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436. Communication to the public will be done through the assistance of the Communications Department.

INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS

Communications Department staff assistance will be needed to provide public notice of the bylaw in advance of it being adopted.

ALIGNMENT WITH STRATEGIC PRIORITIES

Endorsement of the proposed five (5) year bylaw, 2023 – 2027 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436 aligns with the Community strategic objective number two (2) *Manage the delivery of City services efficiently and effectively.*

OPTIONS / RISKS / ALTERNATIVES

Staff have prepared two versions of the Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436, one is for the recommended five (5) years, the second is a one (1) year bylaw, which is

what council has approved in the past. The following options are available for Council's consideration:

1. Endorse the proposed five (5) year bylaw, 2023 – 2027 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436 or,
2. Endorse the alternate one (1) year bylaw, 2023 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436 or;
3. Not grant any permissive exemptions for the Not for Profit organizations.

CONCLUSION

In order to be effective for the 2023 taxation year, permissive tax exemption bylaws must be adopted by City Council before October 31, 2022. Before these bylaws can be adopted, public notice must be given in accordance with sections 227 and 94 of the *Community Charter*.

It is recommended that Council endorse the proposed five year bylaw, the "2023 – 2027 Not for Profit Permissive Tax Exemptions Bylaw, 2022, No. 2436" to be given three readings and, after the public notice requirements have been met, be adopted.

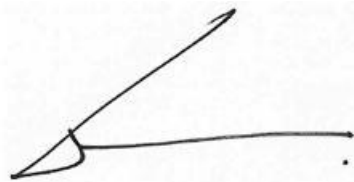
Respectfully submitted,



Candice Gartry
Director, Financial Services

Comments from the Chief Administrative Officer

I concur with the recommendation of this corporate report.



Guillermo Ferrero
Chief Administrative Officer

Appendix A: Council Policy No. 317 – Municipal Property Tax Exemptions