



DISTRICT OF SECHELT

PERMISSIVE PROPERTY TAX EXEMPTION SELECT COMMITTEE MEETING AGENDA

Thursday, July 4, 2024, 12:00 pm

Community Meeting Room

1st Floor, 5797 Cowrie St., Sechelt

PLEASE NOTE:

The District of Sechelt will continue to conduct Council and Committee meetings in-person in the Community Meeting Room. The public is welcome to attend.

Pages

1. LAND ACKNOWLEDGEMENT

The District of Sechelt is located on the traditional and unceded territory of the shíshálh Nation. We respect the histories, language and culture of the people of the shíshálh Nation, whose presence continues to enrich this community.

2. CALL TO ORDER AND DECLARATION OF CONFLICT

3. ADOPTION OF AGENDA

4. BUSINESS ITEMS

2

4.1 Review Updated Version of Council Policy 2.8.1

5. ADJOURNMENT



COUNCIL POLICY
2.8.1 – Permissive Property Tax Exemption

POLICY NAME	Permissive Property Tax Exemption	POLICY NO.	2.8.1
POLICY OWNER	Director of Financial Services	REVIEW PERIOD	
EFFECTIVE DATE	June 19, 1995	RESOLUTION NO.	9924
AMENDMENT DATE	October 2, 2002	AMENDMENT RESOLUTION NO.	15543
AMENDMENT DATE	October 1, 2008	AMENDMENT RESOLUTION NO.	08-10A-60a
AMENDMENT DATE	November 17, 2010	AMENDMENT RESOLUTION NO.	378-11/2010
AMENDMENT DATE	September 18, 2019	AMENDMENT RESOLUTION NO.	2019-09C-29
AMENDMENT DATE		AMENDMENT RESOLUTION NO.	

PURPOSE

To provide guidance in the processing of applications for exemption from property taxes pursuant to section 224 of the *Community Charter*. This policy is intended to establish general principles, which can serve as a guide in evaluation of applications for exemption.

POLICY STATEMENT

The District of Sechelt will provide statutory exemptions under section 220(1)(h) of the Community Charter for buildings used for public worship, and the land on which the building stands.

The District of Sechelt will consider granting permissive tax exemptions under section 224 to agencies within the District who financially require such exemptions in order to provide a service to the community and whose service results in an improvement to the quality of life within the community.

POLICY

Statutory Exemptions – Section 220, Community Charter

Section 220(1)(h) provides that a building set apart for public worship, and the land on which the building stands, is exempt from taxation.

Permissive Tax Exemptions – Section 224, Community Charter

Under section 224(1), a Council may, by bylaw, exempt land or improvements, or both from taxation. There is no obligation to give an exemption and an exemption cannot be granted if the owner does not qualify under the Community Charter.

A bylaw under section 224 must establish the term of the exemption, which may not be longer than 10 years; must comply with the notice requirements of section 227; and must come into force on or before October 31 in the preceding calendar year.

Council will consider approving permissive tax exemptions for up to 10 years.

All existing exemptions and new applications will be reviewed annually by the Finance Department to ensure, based on the most current available information, that the organizations qualify for a permissive exemption. The results of that review, and any new applications, are to be reported to Council for consideration.

The value of permissive tax exemptions should be taken into consideration when the annual grants to organizations are considered, recognizing that the exemption is similar in effect to a cash grant.

Aid to Charitable, Philanthropic Organizations and Not for Profit Corporations

Section 224(2)(a) provides for a permissive tax exemption for land and improvements that are owned or held by charitable, philanthropic or other not for profit corporation, and that Council considers are used for a purpose that is directly related to the needs of the residents of the District of Sechelt, or the Sunshine Coast, where such services are regional in nature.

The objective is to provide assistance to community organizations which provide services needed by the residents, and which depend upon charitable contributions and volunteer efforts to sustain their operations.

Permissive exemptions may be granted to such property subject to the following:

A permissive exemption shall only be granted where:

- The organization can show a financial need for exemption;
- The organization can establish that it is a charitable or philanthropic organization;
- That the property is not operated for profit or gain and is used exclusively for charitable or philanthropic purposes; and
- The organization can show that it is in receipt of public funding and/or volunteer labour.

It is expected that some organizations will have a mix of financial inputs including from the Provincial or Federal Governments or their related crown agencies, combined with public, corporate and private philanthropy.

Mixed Use

Section 224(2)(b) provides for a permissive tax exemption for land and improvements that are owned or held by a municipality, regional district or other local authority, and that Council considers are used for a purpose of the local authority.

Section 224(2)(c) provides for a permissive tax exemption for land and improvements that Council considers would otherwise qualify for exemption under section 220 [general statutory exemptions] were it not for a secondary use.

Partnering Agreement

Section 224(2)(e), provides for a permissive tax exemptions for the interest of a public authority, local authority or any other corporation or organization in land and improvements that are used or occupied by the corporation or organization if:

- i. the land and improvements are owned and used by a person who is providing municipal services under a partnering agreement; and
- ii. the partnering agreement expressly contemplates that the council may provide an exemption.

Public Worship

Section 224(2)(f) provides for permissive tax exemptions in relation to property that is statutorily exempt under section 220(1)(h) [buildings for public worship]. Under this section Council may provide an exemption for an area of land that is considered reasonably necessary in connection with the public worship.

Section 224(2)(g), provides for permissive tax exemptions for land or improvements used or occupied by a religious organization, as tenant or licensee, for the purpose of public worship or for the purposes of a hall that council considers is necessary to land or improvements so used or occupied.

A residence (Manse) and ancillary buildings located on the same property as the church, and the land upon which they stand, cannot be exempted for any portion utilized for residential purposes. An exemption may be requested for any portion that is being utilized for qualified purposes.

Recreational Facilities

Section 224(2)(i) provides for permissive tax exemptions for land and improvements owned or held by an athletic or service club or association. This property may be used as a public park, recreation ground, or for public athletic or recreational purposes.

The permissive exemption may apply to the whole or part of the taxable assessed value of land, improvements or both.

Private Hospitals

Section 224(2)(j), provides for a permissive tax exemptions for properties operated as a private hospital licensed under the “*Hospital Act*” or as a licensed community care facility, or registered assisted living residence, under the Community Care and Assisted Living Act.

General Conditions

A permissive tax exemption shall only be granted where the organization can show a financial need for the exemption. Determination of financial need would involve showing the value of the services or programs provided and that the lack of a tax exemption would impair services to the community or would impose significant hardship on the users of the facilities (such as user fees which would be substantially higher than those charged for other activities involving similar levels of supervision, instruction or capital investment).

The purpose of the use to be exempted should be one that, in the opinion of Council will result in an improvement in the quality of life within the community.

It is understood that many non-profit organizations are not organized for the benefit of their members but to provide a range of services or programs to community residents who may not be members of the organization. These services or programs must be provided in a professional and ethical manner and, within budget constraints, provided fairly to those members of the public eligible and in need of the service.

The organizations must be able to demonstrate that they hold annual meetings open to the general public and have bylaws in line with the appropriate Provincial or Federal statutes governing the organization.

The organization should not be operated for profit.

In reviewing any application, consideration will be given to the type and range of funding sources to ensure the organization is viable, sustaining, and well run. It is intended that the exemption provided goes to an organization demonstrating good stewardship and successful program or service delivery.

Council may determine the proportion of the assessment that is subject to permissive tax exemption based upon the equivalent proportion of services or programs provided by the organization that Council feels are beneficial to the community.

Where an organization has a facility that contains service areas such as food services, licensed premises, retail facilities, or concession stands operated either by the owner or by tenants, the proportion of the assessed values of the improvement eligible for exemption may be determined by Council

If all or part of the facility is leased to commercial ventures, or to organizations not eligible for exemption, Council may determine the proportion of the assessed values of the improvement eligible for exemption.

The total of Permissive Tax Exemptions approved in the current year for the subsequent year will not exceed 4.7% of the current year’s total budgeted property tax requisition. The permissive exemption values will be calculated by using the current year’s property assessment multiplied by the current year’s tax rates. In the case where the total calculated permissive exemption values for the subsequent year exceed 4.7% of the current year’s tax requisition, all permissive exemptions will be proportionately reduced.

Churches

For Properties that exceed one (1) hectare in size, the area of land shall be exempted up to one (1) hectare or five (5) times the mandatory exempted footprint (area) of the Church or Place of Worship buildings and halls, whichever is greater

Affordable and / or non-market housing projects that are owned and / or operated by an eligible non-profit organization may be granted a Permissive Tax Exemption

Market housing projects that are owned and / or operated by an eligible non-profit organization that will not be eligible for Permissive Tax Exemption. Market housing projects that are owned and / or operated by an eligible non-profit organization that are currently enjoying Permissive Tax Exemption will be subject to the following table.

Year	% of Exemption	Type of Housing
2025	100% Exemption	Market rental housing
2026	85% Exemption	Market rental housing
2027	70% Exemption	Market rental housing
2028	55% Exemption	Market rental housing
2029	40% Exemption	Market rental housing
2030	25% Exemption	Market rental housing
2031	10% Exemption	Market rental housing
2032	0% Exemption	Market rental housing

There will be no exemption or reduction to utility fees and charges for taxation exempt properties. Water, sewer, garbage and parcel taxes will be payable on all properties.

Council may consider to not give a grant-in-aid for organizations receiving a Permissive Tax Exemption.

Information Requirements

The information to be provided on the Permissive Tax Exemption Application Form may vary depending upon the nature of the application and shall include the following information:

- Financial statements most current actual and budget
- A statement of the likely impact if tax exemption is not granted

- If a recreation or sport facility, a statement as to whether the facility is to be open to the public or to members only, and whether the membership (if required) is available to any member of the community
- A description of any services or programs delivered by the organization
- Information on how the organization seeks to involve members of the public
- Information on the extend of use of the property, and the types of users
- An explanation of any retail facilities (such as food, liquor, equipment sales, etc.) and details of the operating arrangements
- Information on any leases of the property for commercial or private purposes

Council reserves the right to request any additional information which may be required to enable Council to determine if property tax exemption is warranted.

Application Deadlines

All applications are to be received no later than May 31, in the year prior to which an exemption is being requested.

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2024 Permissive Property Tax Exemption Listing

		Estimated 2024 Municipal Tax Exemption	Estimated 2024 Total Tax Exemption
1. Place of Worship Requested Exemptions			
Bethel Baptist Church	5717 Mermaid Street	\$ 717	\$ 1,391
Holy Family - Roman Catholic Church	5714 Nickerson Road	7221	14,086
Living Faith Lutheran Church	4607 Whitaker Road	2101	4,077
New Life Christian Fellowship Foundation	5895 Reef Road	5151	10,614
S.C. Seventh-Day Adventist Church	1581 Jack Road	3147	6,106
Sechelt Congregation of Jehovah Witnesses	6384 Norwest Bay Road	2908	5,643
St Hilda's Anglican Church	5838 Barnacle Street	6886	13,635
St John's United Church	5085 Davis Bay Road	2628	5,100
Sunshine Coast Calvary Fellowship	4943 Geer Road	4022	7,804
Crossroads Community Church	5116 Davis Bay Road	784	1,522
2. Community Services Requested Exemptions			
Sechelt Seniors Activity Centre Society	5604 Trail Ave	15,105	38,986
S.C. Association for Community Living	6442 Apple Orchard Road	3,152	5,577
S.C. Association for Community Living	214-5604 Inlet Ave	585	1,487
S.C. Association for Community Living	215-5604 Inlet Ave	585	1,487
S.C. Association for Community Living	318-5604 Inlet Ave	608	1,547
S.C. Association for Community Living	319-5604 Inlet Ave	608	1,547
SPCA - Sunshine Coast Branch	4376 Solar Road	6,345	16,377
S.C. Association for Community Living	103 - 5711 Mermaid Street	1,637	4,226
S.C. Association for Community Living	104 - 5711 Mermaid Street	814	2,102
S.C. Association for Community Living	105-5711 Mermaid St	1,538	3,970
S.C. Association for Community Living	5527 Schorncliffe Avenue	1,799	4,575
S.C. Association for Community Living	5910 Turnstone Crescent	2,050	5,216
S.C. Association for Community Living	5832 Medusa Street	2,025	5,152
S.C. Community Health Council (Shorncliffe)	5847 Medusa St	596	1,516
S.C. Community Health Council (Shorncliffe)	5847 Medusa St	11,209	28,513
S.C. Community Services Society	Yew Transition House	1,461	3,716
S.C. Community Services Society	5782 Cowrie St	5,518	14,243
S.C. Community Services Society (Food Bank)	5638 Inlet Ave	11,263	29,069
S.C. Community Services Society	5522 Trail Ave	1,466	3,785
S.C. Community Services Society	5520 Trail Ave	3,473	8,964
St. Marys Hospital Foundation Society - Sunshine Coast	5693-5695 Cowrie St	7,795	20,119
Sunshine Coast Lions Housing Society	5821 Medusa Street	4,401	11,194
Sunshine Coast Lions Housing Society	5803 Medusa St	2,649	6,737
Sunshine Coast Lions Housing Society	5583 Ocean Ave	2,611	6,641
Royal Canadian Legion	5546 Inlet Avenue	6,296	16,249
Sunshine Coast Search & Rescue	1975 Field Road	1,125	2,903
3. Recreational Facilities & Service Groups			
Davis Bay/Wilson Creek Community Assoc.	5123 Davis Bay Road	10,860	28,030
Elphinstone Aero Club	4540 Hilltop Rd	757	1,955
Girl Guides of Canada - Camp Olave	3965 Sunshine Coast Hwy	44,267	94,508
Suncoast Racquet Club	6000 Lighthouse Ave	6,395	16,505
Sunshine Coast Army Cadets Support Association	4403 Hilltop Road	2,122	5,478
Sunshine Coast Salmonoid Enhancement Society	4381 Parkway Drive	6,516	16,818
Sunshine Coast Botanical Garden Society	5941 Mason Road	12,593	24,896
Sunshine Coast R.A.A. Canada Chapter #580	Field Road Airport	1,895	4,892
Sunshine Coast Rod and Gun Club	4384 Parkway Dr	13,670	26,814
4. Mixed Use Exemptions			
Arts Council	5714 Trail Ave	6,599	17,031
Kirkland Centre	4602 Simpkins Rd	3,444	8,760
Rockwood Centre	5511 Shorncliffe Rd	10,276	26,522
The Nature Trust of BC (Sechelt Marsh)	5741 Wharf St	3,408	8,670
2023 TOTAL Exemptions		237,380	554,360
2024 TOTAL Exemptions Requested		\$255,083	\$596,752