

# Considered at October 8, 2019 Regular Council Meeting

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## City of Port Moody Report/Recommendation to Council

Date: September 6, 2019  
Submitted by: Finance and Technology Department – Financial Services Division  
Subject: 2020 Permissive Tax Exemption Bylaw

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### Purpose

To present the annual Permissive Taxation Exemption Bylaw for consideration.

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### Recommended Resolution(s)

**THAT City of Port Moody Tax Exemption Bylaw, 2019, No. 3209 be read a first time as recommended in the report dated September 6, 2019 from the Finance and Technology Department – Financial Services Division regarding 2020 Permissive Tax Exemption Bylaw.**

**THAT Bylaw No. 3209 be read a second time.**

**THAT Bylaw No. 3209 be read a third time.**

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### Background

Section 224 of the *Community Charter* (**Attachment 1**) provides Council with the authority to grant permissive property tax exemptions. The Tax Exemption Bylaw must be adopted before October 31<sup>st</sup> of any given year for the subject properties to be exempt for the following tax year.

Statutory Tax Exemptions are given to buildings set apart for public worship, and the land on which the building stands; however, the land or improvements that surround the building require consideration by Council for a permissive tax exemption.

For 2020, there are no new applications.

### Discussion

The Estimated 2020 Tax Exemptions listing (**Attachment 2**) shows all properties that have either been given a statutory tax exemption, or are being presented for Council's consideration for a permissive tax exemption.

For 2020, the total statutory and permissive tax exemptions are estimated to be \$906,050 as compared to \$1,000,130 in 2019. This decrease is attributed to the lower-than-expected assessed value of Eagle Ridge Hospital, which only saw a 6% increase in assessed value from 2018 to 2019. Since this was far below the average class 6 increase of 27%, the estimated pre-

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exemption tax decreased by \$107,351. Amounts are estimated because the actual 2020 assessed values and tax rates will not be known until the spring of 2020.

The permissive exemption component of the \$906,050 is estimated to be \$122,859, which is an increase of \$14,364 over the 2019 amount of \$108,495. The primary reason for this increase is the completion of the Port Moody Legion, and subsequent increased assessment. The estimated tax exemption for 2020 is \$22,057 as opposed to \$8,381 in 2019.

For 2021 and 2022, estimates are provided on the attached spreadsheet (**Attachment 2**) per section 227(2)(d) of the *Community Charter* (**Attachment 3**).

Tax exemptions have been increased using the estimated tax increases as approved in the 2019 Five Year Financial Plan. These rates are 3.5% for 2020 and 2021, and 3% for 2022.

Draft City of Port Moody Tax Exemption Bylaw, 2019, No. 3209 is attached for Council's consideration (**Attachment 4**).

## Other Option(s)

THAT the report dated September 6, 2019 from Finance and Technology Department – Financial Services Division regarding 2020 Permissive Tax Exemption Bylaw be received for information.

## Financial Implications

The proposed permissive property tax exemptions represent approximately \$906,050 in exempted tax revenues in 2020. All renewals listed in **Attachment 2** have been exempted in previous years, resulting in an impact of approximately \$122,859 for 2020, \$126,544 for 2021, and \$130,339 for 2022. The impact of the tax burden would be distributed to the remaining properties on the assessment roll.

## Communications / Civic Engagement

The statutory public notice requirement of Council's intention to adopt a Permissive Tax Exemption Bylaw have been met by advertising in the local newspaper on September 19 and September 26, 2019.

## Council Strategic Plan Objectives

The Tax Exemption Bylaw aligns with Council's Healthy City Strategic Priority to provide local services and access to amenities for residents of all ages and abilities.

## Attachment(s)

1. *Community Charter* – Permissive Tax Exemption section 224.
2. Estimated 2020 Tax Exemption listing, showing authority to grant exemption and estimated Municipal taxes that will be exempted for 2020, 2021, and 2022.
3. *Community Charter* – Permissive Tax Exemption section 227.
4. Draft City of Port Moody Permissive Tax Exemption Bylaw, 2019, No. 3209.

## Report Author

Tyson Ganske

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Manager of Financial Planning

# Considered at October 8, 2019 Regular Council Meeting

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## Report Approval Details

Document Title:	2020 Permissive Tax Exemption Bylaw.docx
Attachments:	<ul style="list-style-type: none"><li>- Attachment 1.pdf</li><li>- Attachment 2.pdf</li><li>- Attachment 3.pdf</li><li>- Draft City of Port Moody Permissive Tax Exemption Bylaw, 2019, No. 3209.pdf</li></ul>
Final Approval Date:	Oct 1, 2019

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

Tyson Ganske

Paul Rockwood

Rosemary Lodge

Dorothy Shermer

Tim Savoie

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Attachment 1

## COMMUNITY CHARTER

### Part 7 — Municipal Revenue

#### Division 7 — Permissive Exemptions

##### General authority for permissive exemptions

**224** (1) A council may, by bylaw in accordance with this section, exempt land or improvements, or both, referred to in subsection (2) from taxation under section 197 (1) (a) [*municipal property taxes*], to the extent, for the period and subject to the conditions provided in the bylaw.

(2) Tax exemptions may be provided under this section for the following:

(a) land or improvements that

(i) are owned or held by a charitable, philanthropic or other not for profit corporation, and

(ii) the council considers are used for a purpose that is directly related to the purposes of the corporation;

(b) land or improvements that

(i) are owned or held by a municipality, regional district or other local authority, and

(ii) the council considers are used for a purpose of the local authority;

(c) land or improvements that the council considers would otherwise qualify for exemption under section 220 [*general statutory exemptions*] were it not for a secondary use;

(d) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

(i) the land or improvements are owned by a public authority or local authority, and

(ii) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

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(e) the interest of a public authority, local authority or any other corporation or organization in land or improvements that are used or occupied by the corporation or organization if

- (i) the land or improvements are owned by a person who is providing a municipal service under a partnering agreement,
- (ii) an exemption under section 225 [*partnering and other special tax exemption authority*] would be available for the land or improvements in relation to the partnering agreement if they were used in relation to the service,
- (iii) the partnering agreement expressly contemplates that the council may provide an exemption under this provision, and
- (iv) the land or improvements are used by the corporation or organization for a purpose in relation to which an exemption under this Division or Division 6 of this Part would apply or could be provided if the land or improvements were owned by that corporation or organization;

(f) in relation to property that is exempt under section 220 (1)

(h) [*buildings for public worship*],

- (i) an area of land surrounding the exempt building,
- (ii) a hall that the council considers is necessary to the exempt building and the land on which the hall stands, and
- (iii) an area of land surrounding a hall that is exempt under subparagraph (ii);

(g) 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 the council considers is necessary to land or improvements so used or occupied;

(h) in relation to property that is exempt under section 220 (1)

(i) [*seniors' homes*] or (j) [*hospitals*], any area of land surrounding the exempt building;

(h.1) in relation to land or improvements, or both, exempt under section 220 (1) (l) [*independent schools*], any area of land surrounding the exempt land or improvements;

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- (i) land or improvements owned or held by an athletic or service club or association and used as a public park or recreation ground or for public athletic or recreational purposes;
- (j) land or improvements owned or held by a person or organization and 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* ;
- (k) land or improvements for which a grant has been made, after March 31, 1974, under the *Housing Construction (Elderly Citizens) Act* before its repeal.

(3) The authority under subsection (2) (e) and (g) to (j) is not subject to section 25 (1) *[prohibition against assistance to business]*.

(4) Subject to subsection (5), a bylaw under this section

- (a) must establish the term of the exemption, which may not be longer than 10 years,
- (b) may only be adopted after notice of the proposed bylaw has been given in accordance with section 227 *[notice of permissive tax exemptions]*, and
- (c) does not apply to taxation in a calendar year unless it comes into force on or before October 31 in the preceding year.

(5) Subsection (4) (a) and (b) does not apply in relation to exemptions under subsection (2) (f), (h) and (h.1).

(6) If only a portion of a parcel of land is exempt under this section, the bylaw under this section must include a description of the land that is satisfactory to the British Columbia Assessment Authority.

(7) A bylaw under this section ceases to apply to property, the use or ownership of which no longer conforms to the conditions necessary to qualify for exemption and, after this, the property is liable to taxation.

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Attachment 2

CITY OF PORT MOODY  
ESTIMATED 2020 TAX EXEMPTIONS FOR A ONE YEAR TERM  
BYLAW NO. 3209

Description	Bylaw Ref	Folio #	Address	Authority to Grant Exemption	Exempt Tax Code	Municipal Assessment Exempted 2019	Class & Rate 2019	Municipal Tax Exemption 2020 (est)	Municipal Tax Exemption 2021 (est)	Municipal Tax Exemption 2022 (est)
<b>STATUTORY EXEMPTIONS (Provincially Exempted)</b>										
<b>Churches &amp; Hospitals:</b>										
Mennonite Church	2.1.1	03161-000	2622 St Johns Street	Section 220 (1) (h) (i)	90 - Churches	2,973,000	8 1.9049 \$	5,861 \$	6,066 \$	6,248
Catholic Church	2.1.2	03350-002	148 Moody Street	Section 220 (1) (h) (i)	90 - Churches	480,000	8 1.9049 \$	946 \$	979 \$	1,008
Anglican Church	2.1.3	04086-001	2206 St Johns Street	Section 220 (1) (h) (i)	90 - Churches	306,000	8 1.9049 \$	603 \$	624 \$	643
United Church	2.1.4	08947-001	1796 Ioco Road	Section 220 (1) (h) (i)	97 - Permissive Tax	69,700	8 1.9049 \$	137 \$	142 \$	146
United Church	2.1.5	08958-001	1790 Ioco Road	Section 220 (1) (h) (ii)	90 - Churches	359,000	8 1.9049 \$	708 \$	733 \$	755
Fraser Health Authority (Note 1)		16476-000	475 Guildford Way	Section 220 (1) (j)	78 - RHB's and CHC's	131,347,000	6 5.7004 \$	774,936 \$	802,059 \$	826,121
Total Statutory Exemptions								\$ 783,191	\$ 810,603	\$ 834,921
								<i>*based on 3.5% increase</i>	<i>*based on 3.5% increase</i>	<i>*based on 3.0% increase</i>
<b>PERMISSIVE EXEMPTIONS (Council's Consideration)</b>										
<b>Churches &amp; Hospitals:</b>										
Mennonite Church	2.1.1	03161-000	2622 St Johns Street	Section 224 (2) (f) (i,ii,iii)	97 - Permissive Tax	1,600,000	8 1.9049 \$	3,139 \$	3,233 \$	3,330
Catholic Church	2.1.2	03350-002	148 Moody Street	Section 224 (2) (f) (i,ii,iii)	97 - Permissive Tax	716,200	8 1.9049	1,405	1,447	1,490
Anglican Church	2.1.3	04086-001	2206 St Johns Street	Section 224 (2) (f) (i,ii,iii)	97 - Permissive Tax	1,267,200	8 1.9049	2,486	2,561	2,638
United Church	2.1.4	08947-001	1796 Ioco Road	Section 224 (2) (f) (i,ii,iii)	97 - Permissive Tax	1,243,000	8 1.9049	2,439	2,512	2,587
United Church	2.1.5	08958-001	1790 Ioco Road	Section 224 (2) (f) (i,ii,iii)	97 - Permissive Tax	807,300	8 1.9049	1,584	1,632	1,681
Subtotal Permissive Exemptions								\$ 11,053	\$ 11,385	\$ 11,726
<b>Other:</b>										
Port Moody Ecological Society	2.1.6	02089-010	340 Ioco Road	Section 224 (2) (d) (i, ii)	14 - Non Profit Organization	4,183,400	6 5.7004	24,562	25,299	26,058
Port Moody Heritage Society	2.1.7	03053-000	2734 Murray Street	Section 224 (2) (d) (i, ii)	14 - Non Profit Organization	1,280,100	6 5.7004	7,516	7,741	7,973
Port Moody Arts Centre Society	2.1.8	03219-001	2425 St Johns Street	Section 224 (2) (a)	14 - Non Profit Organization	51,900	6 5.7004	305	314	323
Port Moody Senior Housing Society	2.1.9	03351-000	2909 Hope Street	Section 224 (2) (h)	14 - Non Profit Organization	13,898,000	1 2.3986	34,336	35,366	36,427
Community Ventures Society	2.1.10	04027-000	2322 St Johns Street	Section 224 (2) (a)	14 - Non Profit Organization	1,845,000	6 5.7004	10,833	11,158	11,493
City of Port Moody	2.1.11	08977-020	Ioco Field	Section 224 (2) (i)	15 - Parks & Recreation	798,000	8 1.9049	1,566	1,613	1,661
Association of Neighbourhood Houses of BC DBA Sasamat Outdoor Centre	2.1.12	16712-000	3302 Sasamat Lake	Section 224 (2) (a)	14 - Non Profit Organization	205,000	6 5.7004	1,204	1,240	1,277
Association of Neighbourhood Houses of BC DBA Sasamat Outdoor Centre	2.1.12	16712-000	3302 Sasamat Lake	Section 224 (2) (a)	14 - Non Profit Organization	759,000	8 1.9049	1,489	1,534	1,580
City of Port Moody	2.1.13	17000-003	Ioco Road at Alderside Road	Section 224 (2) (d)	96 - Third Party Occupier	115,000	6 5.7004	675	695	716
City of Port Moody	2.1.14	17000-005	Cascade to Reed Point Marina	Section 224 (2) (d)	96 - Third Party Occupier	136,000	6 5.7004	799	823	848
City of Port Moody	2.1.15	17000-011	Ioco Road at Barber Street	Section 224 (2) (d)	96 - Third Party Occupier	264,000	6 5.7004	1,550	1,597	1,645
Community Ventures Society	2.1.16	03138-015	307-2502 St Johns Street	Section 224 (2) (a)	14 - Non Profit Organization	837,000	6 5.7004	4,914	5,061	5,213
Port Moody (Pacific #119) Branch of the Royal Canadian Legion	2.1.17	03152-501	2529 Clarke Street	Section 224 (2) (a)	14 - Non Profit Organization	3,744,000	6 5.7004	21,983	22,642	23,321
Port Moody (Pacific #119) Branch of the Royal Canadian Legion	2.1.17	03152-501	2529 Clarke Street	Section 224 (2) (a)	14 - Non Profit Organization	37,700	8 1.9049	74	76	78
Total Permissive Exemptions								\$ 111,806	\$ 115,159	\$ 118,613
Total Statutory and Permissive Exemptions								\$ 906,050	\$ 937,147	\$ 965,260

Note:

1. Fraser Health Authority has no reference on the permissive exemption bylaw as there is no permissive exemption component related to this organization.



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Attachment 3

## **COMMUNITY CHARTER**

### **Part 7 — Municipal Revenue**

#### **Notice of permissive tax exemptions**

**227** (1) A council must give notice of a proposed bylaw under this Division in accordance with section 94 [*public notice*].

(2) Subject to subsection (3), the notice under subsection (1) must

- (a) identify the property that would be subject to the bylaw,
- (b) describe the proposed exemption,
- (c) state the number of years that the exemption may be provided, and
- (d) provide an estimate of the amount of taxes that would be imposed on the property if it were not exempt, for the year in which the proposed bylaw is to take effect and the following 2 years.

(3) In the case of a bylaw under section 226 (4) [*revitalization program bylaw*], the notice under subsection (1) of this section must include a general description of each of the following:

- (a) the reasons for and the objectives of the program;
- (b) how the proposed program is intended to accomplish the objectives;
- (c) the kinds of property, or related activities or circumstances, that will be eligible for a tax exemption under the program;
- (d) the extent, amounts and maximum terms of the tax exemptions that may be provided under the program.

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## City of Port Moody

### Bylaw No. 3209

A Bylaw to provide for exemption from taxation for 2020.

The Council of the City of Port Moody enacts as follows:

#### 1. Citation

1.1 This Bylaw may be cited as "City of Port Moody Permissive Tax Exemption Bylaw, 2019, No. 3209".

#### 2. Lands to be Exempted

2.1 The following described lands and buildings, or portions of buildings situated thereon, will be exempt from taxation for the year 2020 as long as:

- the respective titles to the said lands are registered in the name of the religious organization/non-profit organization;
- the property or a portion of the property is occupied by a religious organization/non-profit organization as tenant or licensee for the purposes of public worship; or
- the non-profit organization in each case named, and provided that the lands, buildings, or portions of buildings thereon, continue to be used for the purpose for which tax exemption has been granted:

#### Churches Exempted Under Section 224:

<i>Ref.</i>	<i>Owner/Entity Name</i>	<i>PID</i>	<i>Folio Number</i>	<i>Legal description</i>	<i>Civic address</i>
2.1.1	BC CONFERENCE OF THE MENNONITE BRETHREN CHURCHES	029-107-059	03161-000	LOT A, BLOCK 11, PLAN EPP29530, DISTRICT LOT 201, NEW WEST DISTRICT GROUP 1.	2622 ST JOHNS ST
2.1.2	ROMAN CATHOLIC ARCHBISHOP OF VANCOUVER	009-200-487	03350-002	LOT 16, BLOCK 25, PLAN 24771, DISTRICT LOT 201, NEW WEST DISTRICT LOCAL GOV'T ACT EXEMPTION BY-LAW 2530, 2002 APPLIES.	148 MOODY ST
2.1.3	PARISH OF ST. JOHN THE APOSTLE	023-286-741	04086-001	PLAN LMP26284, DISTRICT LOT 202, NEW WEST DISTRICT PARCEL A, LOCAL GOV'T ACT EXEMPTION BY-LAW 2607-2004 APPLIES.	2206 ST JOHNS ST
2.1.4	TRUSTEES OF THE CONGREGATION OF IOCO UNITED CHURCH	010-158-936	08947-001	LOT 1, PLAN NWP15859, NEW WEST DISTRICT GOVERNMENT RESERVE LYING BETWEEN DL 226 & 256.	1796 IOCO RD
2.1.5	TRUSTEES OF THE CONGREGATION OF IOCO UNITED CHURCH	010-159-100	08958-001	LOT 21, PLAN NWP15859, NEW WEST DISTRICT GOVERNMENT RESERVE LYING BETWEEN DL 226 & 256.	1790 IOCO RD

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## Others Exempted under Section 224:

<b>Ref.</b>	<b>Owner/Entity Name</b>	<b>PID</b>	<b>Folio Number</b>	<b>Legal description</b>	<b>Civic address</b>
2.1.6	PORT MOODY ECOLOGICAL SOCIETY	026-776-626	02089-010	PLAN BCP24977, DISTRICT LOT 191, NEW WEST DISTRICT PARCEL A, GROUP 1, OCCUPIER OF.	340 IOCO RD
2.1.7	PORT MOODY HERITAGE SOCIETY	005-392-322	03053-000	LOT 55, PLAN NWP55698, DISTRICT LOT 201, NEW WEST DISTRICT GROUP 1.	2734 MURRAY ST
2.1.8	PORT MOODY ARTS CENTRE SOCIETY	lease	03219-001	BLOCK 15, PLAN NWP72, DISTRICT LOT 201, NEW WEST DISTRICT GROUP 1, LOTS 5 TO 9, MAIN FLR NE OFFICE AN MAIN FLR SE MEETING ROOM AS INDICATED ON THE ATTACHED FLR PL MARKED SCHEDULE D.	2425 ST JOHNS ST
2.1.9	PORT MOODY SENIOR HOUSING SOCIETY	007-062-443	03351-000	LOT 41, PLAN 34733, DISTRICT LOT 201, NEW WEST DISTRICT GROUP 1, EXCEPT PLAN 43621, LOCAL GOV'T ACT EXEMPTION BY-LAW 2530, 2002 APPLIES .	2909 HOPE ST
2.1.10	COMMUNITY VENTURES SOCIETY	011-454-016	04027-000	LOT 28, BLOCK 1, PLAN NWP55, DISTRICT LOT 202, NEW WEST DISTRICT	2322 ST JOHNS ST
2.1.11	CITY OF PORT MOODY	001-430-262	08977-020	NEW WEST DISTRICT, SECTION 18, TOWNSHIP 39 PARCEL C, (226748E).	115 FIRST ST
2.1.12	ASSOCIATION OF NEIGHBOURHOOD HOUSES DBA SASAMAT OUTDOOR CENTRE	014-358-425	16712-000	PLAN NWP81906, NEW WEST DISTRICT, SECTION 19, TOWNSHIP 39 PARCEL C, AND SECTION 30; AND SECTIONS 24 AND 25 FRACTIONAL TOWNSHIP WEST OF TOWNSHIP 39 (PORTION OF LOT C SE 1/4 - CAMP WALLACE).	3302 SASAMAT LAKE
2.1.13	CITY OF PORT MOODY	lease	17000-003	DISTRICT LOT 227, NEW WEST DISTRICT LEASE/PERMIT/LICENCE # GBMK 054-1007, GROUP 1, MILE 1.64 IOCO SPUR.	CPR ACCESS ALDERSIDE ROAD OFF OF IOCO ROAD
2.1.14	CITY OF PORT MOODY	lease	17000-005	DISTRICT LOT 268, NEW WEST DISTRICT LEASE/PERMIT/LICENCE # GBMK 371-0207, GROUP 1, MILE 117.16 CASCADE ACCESS TO REED POINT MARINA.	CASCADE ACCESS TO REED POINT MARINA
2.1.15	CITY OF PORT MOODY	lease	17000-011	DISTRICT LOT 226, NEW WEST DISTRICT LEASE/PERMIT/LICENCE # GBMK 610-0001, GROUP 1, MILE 0.35 - 2.25 IOCO SPUR LEASE.	CPR ACCESS ALDERSIDE ROAD OFF OF BARBER STREET
2.1.16	COMMUNITY VENTURES SOCIETY	025-893-416	03138-015	LOT 15, PLAN BCS618, DISTRICT LOT 201, NEW WEST DISTRICT	307 - 2502 ST JOHNS ST
2.1.17	PORT MOODY (PACIFIC 119) BRANCH OF ROYAL CANADIAN LEGION	030-494-052	03152-501	PLAN EPP79912, DISTRICT LOT 201, GROUP 1, NEW WESTMINSTER LAND DISTRICT, AIR SPACE PARCEL 1 DISTRICT	2529 CLARKE ST

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## 3. Severability

3.1 If a portion of this Bylaw is found invalid by a court, it will be severed and the remainder of the Bylaw will remain in effect.

**Read a first time** this \_\_\_ day of \_\_\_\_, 2019.

**Read a second time** this \_\_\_ day of \_\_\_\_, 2019.

**Read a third time** this \_\_\_ day of \_\_\_\_, 2019.

**Adopted** this \_\_\_ day of \_\_\_\_, 2019.

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R. Vagramov  
Mayor

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D. Shermer  
Corporate Officer

I hereby certify that the above is a true copy of Bylaw No. 3209 of the City of Port Moody.

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Dorothy Shermer  
Corporate Officer