



EXPLANATORY MEMO

2019 PERMISSIVE PROPERTY TAX EXEMPTION BYLAW NO. 3089

Under the Community Charter, Council has the ability to pass bylaws which exempt certain properties from property taxes.

The bylaw presented continues all exemptions included in the 2017 Permissive Property Tax Exemption Bylaw for a 1 year period.

Properties owned or occupied by the City

Community Police Office

The City of Langley Community Police Office is leased from a private company. To reduce the operating cost of the space, the City was able to exempt our portion of the building since we are the principal occupant. This exemption has been in place since 2007.

Non-profit occupiers of City land

The BC Assessment Authority considers any municipal owned land which is leased to a second party to be taxable. Under Section 224 of the Community Charter the City has the authority to provide a permissive exemption to these properties if they are occupied by a Non-profit Agency. In 2018, these exemptions reduced the City's portion of taxation revenue by \$108,572, which is 0.4% of the annual property taxes.

1. Langley Seniors Resource Society. The senior's centre is constructed on land leased from the City. The land and improvements became taxable in 1996 triggered by the registration of the lease. It was not the intent of the lease to change the taxable status of the facility; therefore, City Council approved a permissive exemption for the 1996 tax year, and has done so since.
2. Langley Stepping Stones Rehabilitative Society. In 1995, the Stepping Stones Society constructed a new facility on land leased to them by the City. When the lease was registered at the Land Titles Office the property reverted to a taxable status for the year 1996. City Council approved a permissive exemption for the 1996 tax year, and has done so since.
3. A portion of City Park owned by the City and leased to the Langley Community Music School Society (4809 207th Street). The property became taxable after the BC Assessment Authority undertook a review of non-municipal use of City owned land in 1997. City Council first approved a permissive exemption for the 1998 tax year.

4. Outdoor Langley Lawn Bowling Club. This is the Club's current outdoor facility adjacent to Douglas Park (20471 54th Ave). The property became taxable after the BC Assessment Authority undertook a review of non-municipal use of City owned land in 1997. City Council first approved a permissive exemption for the 1998 tax year.
5. Langley Community Services which leases the City owned land at 5339 207th Street. The property became taxable after the BC Assessment Authority undertook a review of non-municipal use of City owned land in 1997. City Council first approved a permissive exemption for the 1998 tax year.
6. The Governing Council of the Salvation Army has constructed a shelter at 5787 Langley Bypass on land leased from the City of Langley. To reduce the operating costs of the new facility the City passed a permissive exemption for this property which commenced in 2009. In 2011 this property was assessed as a supportive living facility and the majority of the property assessment was reduced to \$2 similar to other designated facilities within the City. The entire property is being included in the bylaw, to ensure its exemption status is continued if the property class was to change.

Organization	Property Address	Permissive Exemption City	Permissive Exemption Other	Permissive Exemption Total
Langley Seniors Resource Society	20605 51B Ave	\$ 40,711	\$ 13,134	\$ 53,845
Langley Stepping Stones	20101 Michaud Cr	4,011	2,487	6,498
Langley Community Music School	4901 207 St	28,616	20,060	48,676
Langley Lawn Bowling (Outdoor)	20471 54 Ave	25,211	8,133	33,344
Langley Community Services	5339 207 St	8,194	5,081	13,275
Governing Council of the Salvation Army	5787 Langley Bypass	1,829	1,134	2,963
		\$ 108,572	\$ 50,029	\$ 158,601

*Permissive Exemption Other includes taxes from other governments such as Translink, School Taxes, etc.

Other existing Permissive Exemptions

There are 13 other properties within the City that currently have permissive exemptions. The properties are all non-profit and fall within our current Tax Exemption Policy. In 2018, these exemptions reduced the City's portion of taxation revenue by \$91,948, which is 0.34% of the annual property taxes.

1. Global School Society, a non-profit society which operates a Montessori school. Although this property receives a partial statutory exemption for the building and the land directly beneath it, the City has historically provided a permissive exemption for the remaining property, similar to churches. This exemption has been in place since 2001.
2. Southgate Christian Fellowship currently leases space at the Langley Mall (5501 204 St.). The property is not eligible for a statutory exemption like other churches because it is not the registered owner. In order to treat the church consistently with the other churches in the community, Council provided a permissive exemption for the church occupied space in 2009.
3. Langley Care Society. In 2005, the City was informed by BC Assessment they would be revoking a partial property tax exemption from the Langley Lodge located at 5451 204 St. The property had been receiving the partial exemption since 1974, the year following its opening. The City granted a permissive exemption which took effect in 2006 to continue the tax exemption on the property. During 2009 this society expanded its facility and requested an extension of the permissive exemption to cover the newly constructed facility. In 2010, the City continued the same exemption based on the original & new building value using the historical percentage of 18% for land and 93% for the buildings.
4. Langley Hospice Society purchased a property located at 20660 48 Ave in the fall of 2009. In the fall of 2010 City Council approved a permissive exemption which has been in place since.
5. Langley Association for Community Living approached the City in 2010 requesting permissive exemptions for 8 properties owned by the association used to support adults with developmental disabilities and children with special needs. In the fall of 2010 City Council approved a permissive exemption which has been in place since.

Organization	Property Address	Permissive Exemption City	Permissive Exemption Other	Permissive Exemption Total
Global School Society	19785 55A Ave	6,024	4,223	10,247
Southgate Christian Fellowship	5501 204 St	32,489	10,481	42,970
Langley Care Society	5451 204 St	39,346	24,397	63,743
Langley Hospice Society	20660 48 Ave	3,649	2,262	5,911
Langley Association for Community Living	208-20239 Michaud Cr	746	462	1,208
Langley Association for Community Living	210-20239 Michaud Cr	788	489	1,277
Langley Association for Community Living	19977 45A Ave	2,175	1,348	3,523
Langley Association for Community Living	4570 209A St	2,295	1,423	3,718
Langley Association for Community Living	4830 196 St	2,175	1,348	3,523
Langley Association for Community Living	210-5650 201A St	581	360	941
Langley Association for Community Living	218-5650 201A St	748	464	1,212
Langley Association for Community Living	312-5650 201A St	932	578	1,510
		\$ 91,948	\$ 47,835	\$ 139,783

*Permissive Exemption Other includes taxes from other governments such as Translink, School Taxes, etc.

New applications for 2019

The City has received two new applications requesting permissive exemptions for 2019. A brief description of the application is below. The applicant is eligible for a permissive exemption under the Community Charter. In conjunction with the policy, City Council can consider application for permissive property tax exemptions from non-profit organizations which are viewed to provide a benefit to the residents of the City on a case by case basis.

- Langley Memorial Hospital Auxiliary (20560 Fraser Hwy) – The Langley Memorial Hospital Auxiliary purchased the property in December 2014 and operates Penny Pinchers at this location. A small portion of one of the buildings is being leased to a private company and that portion would be not included in a permissive exemption if it was to be granted. City Council denied a similar request from the Langley Memorial Hospital Auxiliary for the 2016, 2017, and 2018 taxation years.
- Langley Association for Community Living (20689 Fraser Hwy, Ground Floor office space) – The Langley Association for Community Living has owned the property since November 2014. City Council has denied a similar request from the Langley Association for Community Living for the 2016 and 2018 taxation years.

Organization	Property Address	Permissive Exemption City	Permissive Exemption Other	Permissive Exemption Total
Langley Memorial Hospital Auxiliary	20560 Fraser Hwy	\$ 24,153	\$ 16,931	\$ 41,084
Langley Association for Community Living	20689 Fraser Hwy (Ground Floor)	7,877	5,522	13,399
		\$ 32,030	\$ 22,453	\$ 54,483

*Permissive Exemption Other includes taxes from other governments such as Translink, School Taxes, etc.

The bylaw has been drafted as the status quo, extending all existing permissive exemptions for an additional 1 year period. The new applications, from the Langley Memorial Hospital Auxiliary and the Langley Association for Community Living have not been included. This has been recommended by staff considering the current pressures on the financial resources of the City. Council would need to propose an amendment if they choose to include the exemption applications for the Langley Memorial Hospital Auxiliary and the Langley Association for Community Living with the bylaw.



PERMISSIVE TAX EXEMPTION

BYLAW No. 3089

A Bylaw to exempt certain lands and improvements from municipal taxation for the year 2019

WHEREAS Council may, by bylaw, exempt properties from taxation for a fixed period of time pursuant to section 224 of the Community Charter, S.B.C 2003, c. 26;

NOW THEREFORE, the Council of the City of Langley, in open meeting assembled, enacts as follows:

1. Schedule "A" is attached to and forms parts of this bylaw
2. The lands and improvements on the properties listed in Schedule "A" are hereby exempt from taxation under section 197(1)(a) [municipal property taxes] under the Community Charter, S.B.C. 2003, c. 26 for the calendar year of 2019 in accordance with the percentages set out in Schedule "A".
3. Bylaw may be cited as the "Permissive Tax Exemption Bylaw, 2018, No. 3089".

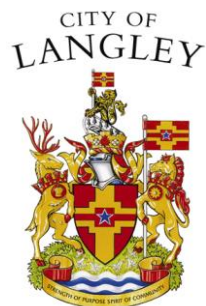
READ A FIRST, SECOND AND THIRD TIME this -- day of --, 2018.

NOTICE FOR THE PERMISSIVE TAX EXEMPTION was placed in the Langley Times Newspaper this -- day of --, 2018

FINALLY ADOPTED this -- day of -- , 2018.

MAYOR

CORPORATE OFFICER



PERMISSIVE TAX EXEMPTION BYLAW NO. 3089

Schedule "A" List of Exempt Properties

Organization	Property Address	Folio	Legal Description	Percentage of Exemption
Langley Community Music School	4901 207 St	000010	DL 304 NWD	100%
Langley Community Services	5339 207 St	003471	LT 1 DL 36 GR 2 PL BCP25710	40% (Land & Improvements attributable to the main floor leased for the CPO)
Langley Care Society	5451 204 St	003520	LT 88 DL 36 NWD PL 43610	100%
Langley Seniors Resource Society	20605 51B Ave	006531	LT 1 DL 36 NWD PL NWP86944	18% of Land & 93% Improvements
Langley Lawn Bowling (Outdoor)	20471 54 Ave	007950	LT 247 DL 36 NWD PL NWP60882	100%
Governing Council of the Salvation Army	5787 Langley Bypass	021080	LT 67 DL 37 NWD PL NWP57552	100%
Langley Stepping Stones	20101 Michaud Cr	030029	LT 2 DL 305 NWD PL LMP09453	100%
Southgate Christian Fellowship	5501 204 St	035450	LT 375 DL 36 NWD PL NWP46221	100% (Class 8)
Langley Association for Community Living	208-20239 Michaud Cr	044065	LT 15 DL 305 NWD PL LMS2725	100%
Langley Association for Community Living	210-20239 Michaud Cr	044066	LT 16 DL 305 NWD PL LMS2725	100%
Langley Association for Community Living	210-5650 201A St	052730	LT 30 DL 309 NWD PL BCS3568	100%
Langley Association for Community Living	218-5650 201A St	052737	LT 37 DL 309 NWD PL BCS3568	100%
Langley Association for Community Living	312-5650 201A St	052754	LT 54 DL 309 NWD PL BCS3568	100%
Langley Association for Community Living	19977 45A Ave	072151	LT 1 SEC 34 TWP 7 NWD PL NWP85148	100%
Langley Hospice Society	20660 48 Ave	090670	LT 33 SEC 35 TWP 7 NWD PL NWP25953	100%
Langley Association for Community Living	4570 209A St	100970	LT 99 SEC 36 TWP 7 NWD PL NWP37498	100%
Langley Association for Community Living	4830 196 St	113253	LT 3 SEC 3 TWP 8 NWD PL LMP30562	100%
Global School Society	19785 55A Ave	120462	SEC 3 TWP 8 NWD PL LMP30865	100%