

1. Grants in Lieu of Taxes

Moved by Ald. Wilson,

THAT the following report of the Board of Administration under date of August 1st, 1960, re Grants in Lieu of Taxes, be adopted:

"A report was presented to Council on July 19th dealing with a proposal of the Board to deal departmentally with requests for grants in lieu of taxes for churches and charitable organizations.

Under the Charter, buildings used by churches and by certain charitable organizations are exempt from the payment of real property taxes.

Usually such buildings are occupied subsequent to the closing of the assessment roll for the succeeding year, and the result is to defer the date when tax exemption is obtained for periods up to 12 months.

Council, on numerous occasions, has made grants in lieu of taxes for varying periods during the year, and your Board suggested that a policy be laid down so that these requests could be dealt with departmentally.

Following the decision of Council to make these grants and to make the effective date that of the first building inspection of the new or reconstructed building, your Board

RECOMMENDS that the following regulations be adopted:

- (1) The organization in whose name the property and building is registered must make written application for the grant in lieu of taxes.
- (2) In the case of new buildings and those requiring alterations, the grant shall date from the time of the first building inspection. This is usually from two weeks to a month after the building permit is issued.
- (3) Where no alterations are required to the existing building, the grant shall date from the occupancy of the building and the owner will be required to give proof of date of occupancy.
- (4) Grants in lieu of taxes shall not be made for a period extending more than two calendar years.

(For example, a church which starts a building in September, 1960, and which is completed in November of 1961, would in all probability appear on the tax roll in varying amounts for 1961 and 1962, and would be eligible for a grant for a portion of 1961 and for the whole of 1962. In 1963, of course, it would obtain exemption from taxation under normal Charter provisions.)

- (5) The Board of Administration be instructed to make the necessary administrative arrangements."

- Carried.

Finance Matters

(1) Grants in Lieu of Taxes (Clause 2)

Moved by Ald. Bird,  
THAT Clause 2 of the Board of Administration report, Finance  
Matters, dated July 24th, 1963, be referred to the Finance Committee  
for report.

- CARRIED.

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Board of Administration, July 24, 1963 . . . . . 13

FINANCE MATTERS

The Board considered matters pertaining to Finance and  
submits the following report:

RECOMMENDATIONS:

2. Grants in Lieu of Taxes

The City Comptroller in letter dated July 18, 1963 recalls  
that City Council, by resolution of August 9, 1960, approved of an  
administrative method of handling requests for grants in lieu of  
taxes, for churches and incorporated charitable organizations, for the  
period prior to their being exempted on the Assessment Roll.

A request has now been received from an incorporated institute  
of learning and the City Comptroller recommends that the present  
policy, with respect to churches and charitable organizations, be  
extended to cover those properties which are exempt from taxes under  
Section 396 (C) of the Vancouver Charter. This would add certain  
institutes of learning and certain hospitals.

RECOMMENDED that the recommendation of the City Comptroller  
be approved.

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For adoption see page(s) .44. . .

J. Grant Requests Equal to Taxes

The Board of Administration, under date of July 23, 1969, submitted a report on the matter of requests for grants equal to taxes, as follows:

"On April 22, 1969, City Council referred grant requests equal to taxes back to the Board of Administration for detailed report, particularly with respect to the present and future use of the properties involved.

The Corporation Counsel has submitted a report, dated June 26th, attached, which provides some of the details requested. In the meantime additional applications for grants equal to taxes have been received.

Your Board feels that it would be appropriate to outline present City procedures and Charter provisions relating to the eligibility for tax exemption on property owned by charitable organizations, schools, hospitals, etc. to ensure that the distinction between grants in lieu of taxes and grants equal to taxes is clearly understood.

Regular Council, August 5, 1969 . . . . . 12

BOARD OF ADMINISTRATION AND OTHER REPORTS (cont'd)

Grant Requests Equal to Taxes

Grants in Lieu of Taxes

Section 396 of the City Charter allows exemption from City taxation on real property owned by charitable institutions, schools, hospitals and churches, providing the property is occupied by and wholly in use for the purposes of the organization.

When the date of eligibility for tax exemption occurs during the year and City taxes have been levied against the property for that year, the organization is permitted to apply to Council for a grant in lieu of taxes.

The amount of the grant is computed from the date of eligibility for tax exemption which is determined in accordance with City policy adopted by Council in 1960. This policy is set out on page 3 of the Corporation Counsel's report. The organization is then required to pay City taxes up to the date the property becomes eligible for exemption and must pay local improvement charges, if any, for the full year since these charges are not subject to exemption.