



## ADMINISTRATIVE REPORT

Report Date: September 23, 2019  
Contact: Melanie Kerr  
Contact No.: 604.871.6281  
RTS No.: 13428  
VanRIMS No.: 08-2000-20  
Meeting Date: October 2, 2019

TO: Standing Committee on City Finance and Services  
FROM: Director of Finance  
SUBJECT: 2020 Exempt Seniors Housing

### **RECOMMENDATION**

- A. THAT Council approve, in principle, the by-law for 2020 Exempt Seniors Housing attached as Appendix A.
- B. That Council instruct the Director of Legal Services to bring forward for enactment a by-law generally in accordance with Appendix A.
- C. THAT Council affirm its policy that Seniors Housing projects constructed after March 31, 1974, should not be approved for a permissive tax exemption under section 396F of the *Vancouver Charter*, and that the Chishaun Housing Project, whose request for an exemption is set out in Appendix B, should be denied.

### **REPORT SUMMARY**

This report discusses the annual by-law that grants a permissive tax exemption to certain seniors housing projects, and recommends that Council enacts the by-law attached to this report. The report recommends Council does not expand the list of grandfathered properties that are currently granted a permissive tax exemption under section 396F of the *Vancouver Charter*, notwithstanding that another property is seeking the permissive exemption. Should Council wish to provide support to other seniors housing, it could consider a granting program outside of the permissive tax exemption.

### **COUNCIL AUTHORITY/PREVIOUS DECISIONS**

In 1994, Council enacted the first permissive exemption by-law for the 39 seniors housing facilities that had been in existence prior to 1974. Council also adopted a policy that no Seniors Housing project constructed after March 31, 1974, should be approved for permissive exemptions, and that future applicants requesting permissive tax exemptions should be denied.

## **CITY MANAGER'S/GENERAL MANAGER'S COMMENTS**

The City Manager recommends approval of the foregoing.

### **REPORT**

#### ***Background/Context***

The *Vancouver Charter* includes a variety of mandatory or statutory tax exemptions which are primarily administered by BC Assessment. City Council is also authorized to provide discretionary or permissive exemptions that meet certain criteria, but Council has not approved any new permissive exemptions in several decades.

Vancouver differs from other BC municipalities as it is primarily governed by the *Vancouver Charter*, and not the *Community Charter*. The City's property tax exemptions are set out in sections 396 to 396F of the *Vancouver Charter*. The *Vancouver Charter* includes more automatic or statutory exemptions than the *Community Charter*. Because of this, other municipalities in BC are more reliant upon permissive exemptions than Vancouver.

Prior to 1974, seniors housing and community care facilities in Vancouver were granted a statutory exemption from taxes. At the time, there were 39 seniors housing facilities that met the exemption criteria. The Province then amended the *Vancouver Charter*, transferring the exemption decision for any new seniors housing to Council. However, the pre-existing 39 facilities were protected from the change in the *Vancouver Charter*, and continued to be exempt from taxes.

The Province later amended the *Vancouver Charter* to clarify that in order for the properties to be exempt from taxation, Council had to enact a by-law granting that exemption.

In 1994, Council enacted the first permissive exemption by-law for the 39 seniors housing facilities that had been in existence and had been protected from taxation prior to 1974. A similar by-law has been enacted every year, although the number of properties exempt from taxation has fallen to 38. Council also adopted a policy that no Seniors Housing project constructed after March 31, 1974 should be approved for permissive exemptions, and that future applicants requesting permissive tax exemptions should be denied. Council instructed staff to communicate this policy to all future applicants.

In 2010 the Province further amended the *Vancouver Charter* by enacting section 396F, which grants Council broad discretionary power to enact by-laws to exempt not-for-profit properties from taxation for up to 10 years. Section 396F is similar to the permissive exemption powers granted to other BC municipalities under the *Community Charter*.

In September 2011, City of Vancouver staff reported to Council that the City's extensive grant programs are a more effective, flexible, transparent and accountable process for disbursing public funds than a permissive tax exemption program. According to the 2011 Property Tax Exemptions Report, "Council has since adopted the policy that the City will continue to support not-for-profit organizations through the existing range of statutory property tax exemptions available under Section 396(1) and the City's extensive grant programs, but will not consider the use of permissive property tax exemptions." So while the *Vancouver Charter* includes provisions for permissive exemptions, Council has

instead chosen to rely on existing statutory exemptions and grant programs. The City continues to receive exemption requests for consideration each year, and Council relies on staff to respond by citing the existing Council policy.

The Chishaun Housing Project has formally requested permissive tax exemption this year. The correspondence between Chishaun Housing Project and the City is attached as Appendix B to this report. The Chishaun Housing Project is seeking to be added to the list of properties that are set out in the draft by-law attached as Appendix A. Inclusion in the list of properties named in that by-law means you are exempt from City taxes. As noted in Appendix B, the Chishaun Housing Project currently receives funding from BC Housing and is unsure if that funding will continue into 2020, and has requested that the City provide a tax exemption to offset that potential loss of funding.

Staff do not recommend the inclusion of the Chishaun Housing Project in the draft by-law, as the property does not fit the unique history and criteria which the other properties included in the annual by-law met in 1994 and as described in this report. As well, the City's tax revenue should not be used to offset reductions in financing from BC Housing as these subsidies are the responsibility of the provincial government. According to best practice, property tax is not an appropriate funding source for redistributive services such as housing, and is not a transparent method for funding non-profits. As noted in the 2011 policy report adopted by Council, the use of grants to provide support to non-profits is a more transparent and equitable methodology to support not for profit organizations. Therefore Council should limit use of such an exemption to the existing list of properties presented in the draft by-law that have been approved historically.

However, the decision to include the Chishaun Housing Project in the by-law is up to Council. Council could decide to include the Chishaun Housing Project in the by-law, but such a decision will likely be a signal to other groups to also seek such an exemption. Should Council choose to provide funding to replace BC Housing funding, Council may direct staff to explore the possibility and effectiveness of a grant program and report back with program objectives and eligibility.

### ***Implications/Related Issues/Risk***

#### ***Financial***

The 2020 financial impact of this by-law for exemption of seniors housing properties built before 1974 is expected to be \$1,095,800 in foregone General Purpose tax levy which represents approximately 0.14% of the overall levy.

### ***CONCLUSION***

Staff recommend that the Chishaun Housing Project not be granted the permissive tax exemption, and that the draft by-law be enacted.

\* \* \* \* \*

**BY-LAW NO.**

**A By-law to exempt from taxation certain lands  
and improvements pursuant to  
section 396 of the *Vancouver Charter***

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. Pursuant to sections 396(1)(g) and 396F of the *Vancouver Charter*, Council exempts from real property taxation for the year 2020 the following lands and improvements:

2020 EXEMPT SENIORS HOUSING

<u>Name and Address No.</u>	<u>Assessment Roll No</u>	<u>Legal Description</u>	<u>Parcel Identifier Numbers</u>
The Baptist Foundation of BC 125 6165 Highway 17A Delta V4K 5B8	024-266-772-26-0000	Lot 1 Block 3 District Lot 336 Plan BCP 13061	026-038-218
The Baptist Foundation of BC 125 6165 Highway 17A Delta V4K 5B8	024-765-266-06-0000	Lot A, Block 3, District Lot 336, Plan LMP42065	024-525-511
The Baptist Housing Society of BC 125 6165 Highway 17A Delta V4K 5B8	014-631-232-04-0000	Lot 2, Block 71, District Lot 264A, Plan 11322	009-116-796
Beulah Garden Homes Society 3350 East 5 <sup>th</sup> Avenue Vancouver V5M 1P4	021-634-300-04-0000	Lot C, Section 29 THSL, Plan BCP23618	026-666-511
Beulah Garden Homes Society 3355 East 5 <sup>th</sup> Avenue Vancouver V5M 0A1	021-634-300-52-0000	Lot B, Section 29 THSL, Plan BCP23618	026-666-502
Beulah Garden Homes Society 3350 East 5 <sup>th</sup> Avenue Vancouver V5M 1P4	021-634-300-92-0000	Lot A, Section 29 THSL, Plan BCP23618	026-666-499
	021-650-274-27-0000	Lot D, Block 22, Section	007-711-565

Broadway Pentecostal Benevolent Association of British Columbia 2700 East Broadway Vancouver V5M 1Y8		34, North Half, Town of Hastings Suburban Lands, Narrative Plan 15011	
Calling Ministries A-3263 Blenheim Street Vancouver V6L 2X7	004-710-072-06-0000	Lot A (Explanatory Plan 7180), Block J District Lot 2027, Plan VAP5702	011-090-235
Chau Luen Kon Sol Society of Vancouver 325 Keefer Street Unit 102 Vancouver V6A 1X9	013-192-592-92-0000	Lot B, Block 122, District Lot 196, Plan 13208	008-706-221
Christ Church of China 300 East Pender Street Vancouver V6A 1T9	013-192-592-04-0000	Lot A, Block 122, District lot 196, Plan 13208	008-706-212
Columbus Charities Association 231 – 5589 Byrne Rd Burnaby V5J 3J1	023-306-720-45-0000	Lot 2, Blocks 69, 70 and 155 to 157, District Lot 37, Plan VAP13188	008-721-670
Finnish Canadian Rest Home Association 2288 Harrison Drive Vancouver V5P 2P6	025-828-251-94-0000	Lots 12 to 15 and B, Block 23, Fraserview, Plans 20067 and 8574	006-862-632 010-041-842 010-041-851 010-041-877 010-041-885
Finnish Canadian Rest Home Association 2288 Harrison Drive Vancouver V5P 2P6	025-828-258-06-0000	Lot F, Block 24, Fraserview, Plan LMP7749	018-035-361
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	027-605-113-66-0000	Lot 3, Block 58, District Lot 185, Plan 92	015-757-366
Brightside Community Homes Foundation 300 – 905 Pender St W	002-638-077-07-0000	Lot D, Block 221, District Lot 526, Plan 13958	007-987-072

Vancouver BC V6C 1L6			
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	014-641-234-20-0000	Lot 11, Except part in Explanatory Plan 17049, and Lot 12, except part in Ref Plan 1708 and part in Explanatory Plan 17049 of the north 1/2 of Lot B, Block 154, District Lot 264A, Plans 1141 and 1771	014-875-829 014-877-261
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	002-648-078-05-0000	Lots 19 and 20, Block 302, District Lot 526 Plan VAP1058	015-014-878 015-014-860
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	014-665-230-68-0000	Lot 30 of Lot D, Block 160, District Lot 264A, Plan 10940	009-226-885
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	014-670-230-83-0000	Lot 28 of Lot D, Block 160, District Lot 264A, Plan 10940	009-226-869
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	014-670-230-89-0000	Lot 29 of Lot D, Block 160, District Lot 264A, Plan 10940	009-226-877
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	014-683-230-82-0000	Lot F, Block 171, District Lot 264A, Plan 13858	008-003-408
Brightside Community Homes Foundation 101-1025 13 <sup>th</sup> Ave W Vancouver V6H 1N1	023-722-283-48-0000	Lot B, District Lot 37, Plan LMP16032	018-710-247
King Edward Court Society 2751 West King Edward Ave Vancouver V6L 1T8	004-710-072-95-0000	Lot E, Block G, District Lot 2027, Plan VAP16624	007-396-953

M. Kopernik (Nicolaus Copernicus) Foundation 3150 Rosemont Drive Vancouver V5S 2C9	025-817-300-22-0000	The westerly 217 feet only of Lot 44, District Lot 334, Plan 14240 (which portion is used as a low rental apartment for seniors & has the civic address of 3132 Rosemont Drive)	007-881-002
Mennonite Senior Citizens Society of British Columbia 1750 East 41 <sup>st</sup> Avenue Vancouver V5P 4N5	019-755-237-51-0000	Lot A, Blocks 1 and 2, District Lot 717, Plan 14859	007-719-230
Brightside Community Homes Foundation 300 – 905 Pender St W Vancouver BC V6C 1L6	013-645-194-47-0000	Lot C, Block 28, District Lot 200A, Plan 197(Explanatory Plan 9473)	012-145-564
New Chelsea Society 4300 North Fraser Way Burnaby V5J 0B3	014-270-670-95-0000	Lot 1 of Lot B, Block 166, District Lot 264A, Plan 8570, except for that portion currently leased to Telus for their cell towers	010-017-712
New Chelsea Society 4300 North Fraser Way Burnaby V5J 0B3	014-693-253-64-0000	Lot 1, Blocks D and 13, Plan 13938, District Lot 195, Except Firstly part in SRW Plan 17162 and Secondly Portion in BCP10046	007-990-278
Parish of St. Paul Vancouver c/o Terra Property Mgmt. 410–1669 Broadway E Vancouver V5N 1V9	027-609-117-44-0000	Lots 4 West Half and 5, Block 37, District Lot 185, Plan 92	015-741-010 015-741-001
Roman Catholic Archbishop of Vancouver John Paul II Pastoral Centre 4885 Saint John Paul II Way Vancouver V5Z 0G3	013-596-196-49-0000	Lots 19 to 25, Block 85, District Lot 196, Plan VAP196	015-565-572 015-565-599 015-565-602 015-565-611 015-565-637 015-565-645 015-565-653
	027-613-119-54-0000	Lot 2, Block 12, District	008-477-426

Society for Christian Care of the Elderly Attn: Terence Holmberg 216 – 1628 1 <sup>st</sup> Ave W Vancouver BC V6J 1G1		Lot 185, Plan 14172	
Soroptimist Club of Vancouver BC c/o Ascent Real Estate Management 2176 Willingdon Ave Burnaby, BC V5C 5Z9	007-683-165-54-0000	Lot A of Lot 5, Block 440, District Lot 526 Plan 5484	011-143-142
South Amherst Housing Society c/o Atira Property Management 405 Powell Street Vancouver V6A 1G7	025-244-805-96-0000	Lot 8, Block 2, Fraserview, Plan 8393	010-113-606
The V E L Housing Society 1717 Adanac Street, Ste 101 Vancouver V5L 4Y9	014-577-259-06-0000	Lots 1-3, Block 20, District Lot 184, Plan VAP178	015-684-695 015-684-709 015-684-717
The V E L Housing Society 101 – 1717 Adanac Street Vancouver V5L 4Y9	014-596-250-04-0000	Lot E, 2 & 3 of Lot 8 Block D, District Lot 183, Plan 6254 & 729	010-924-281 015-163-512 015-163-539
Ukranian Senior Citizens Housing Society 7007 Kerr Street Vancouver V5S 3E2	025-300-810-95-0000	Lot 3 of Lot A, Block 71, Fraserview, Plan 11199	009-127-682
Vancouver Kiwanis Senior Citizens Housing Society P O Box 3022 Stn Terminal Vancouver V6B 3X5	025-300-811-05-0000	North 1/2 of Lot 4 of Lot A, Block 71, Fraserview, Plan 11199	009-127-691
Vancouver Kiwanis Senior Citizens Housing Society P O Box 3022 Stn Terminal Vancouver V6B 3X5	012-125-832-84-0000	Lot B, Block E, District Lot 318, Plan 13136	008-724-482





**Chishaun Housing Society  
809 - 625 West 45th Avenue  
Vancouver V5Z 4G1**

September 10, 2019

To: Grant Murray, City of Vancouver  
(grant.murray@vancouver.ca)

453 West 12th Ave  
Vancouver, BC  
V5Y 1V4

Dear Sirs/Mesdames:

**Re: Chishaun Housing Society ("Chishaun") – 625 West 45th Avenue, Vancouver, BC  
("Oakridge House") – City of Vancouver (the "City") – Seniors' Housing Tax  
Exemption**

We write further to your letter to Chishaun's legal counsel dated August 23, 2019.

We appreciate your explanation in detail regarding the City's 2011 Property Tax Exemptions Report (the "Policy"), as well as the City's historical policies regarding property tax exemptions for seniors' housing facilities. However, we are very disappointed to learn that City staff does not intend to recommend that Council provide a permissive tax exemption for Chishaun, as an exception to the Policy, or otherwise.

As we have previously advised you, Chishaun continues to have concerns that it will be unable to operate after 2020, when its funding agreement with BC Housing will come to an end. Given the substantial costs associated with property taxes in Vancouver, Chishaun's continued viability may depend on receiving an exemption from the City. As such, we accept your offer to have our previous correspondence to the City, dated June 6, 2019, as well as the letter from our legal counsel, dated July 9, 2019, forwarded to Mayor and Council for their review and consideration, in support of Chishaun's request for a property tax exemption for the upcoming tax year. Further copies of those letters are enclosed for your ease of reference. We also ask that you forward a copy of this letter to Mayor and Council at the same time.

In that regard, we wish to emphasize the following points:

- Oakridge House is a longstanding low cost rental housing option for low income seniors in Vancouver, and has been continuously operated by Chishaun, on a not-for-profit basis, since 1985. Oakridge House currently houses 88 residents.

- The City has registered a restrictive covenant (N15337) against title to Oakridge House in favour of the City, which restricts Chishaun's use of Oakridge House to the non-profit operation of a seniors' housing facility (the "Covenant"). The majority of seniors housing facilities currently receiving a permissive tax exemption from the City do not have such a restriction on title, and would be able to freely use their properties for commercial or other uses.
- Chishaun has still been unable to confirm with BC Housing that it will continue its funding after 2020. Without that funding, Chishaun is unlikely to be able to continue its low-cost rental operations past 2020.
- City staff have advised Chishaun that none of the City's statutory exemptions or grants apply to Chishaun.
- The current housing crisis in Vancouver has had a heightened impact on vulnerable groups, including seniors. If Oakridge House is forced to transition to market housing (which would likely require the assistance of the City in removing the Covenant), this would have a serious detrimental impact on low income seniors in Vancouver.

On the strength of the above, we formally request that Mayor and Council provide Chishaun with a permissive exemption under sections 396(1)(g) and 396F of the *Vancouver Charter* for the upcoming tax year.

We would be pleased to appear before Mayor and Council to review this matter, including the above, as well as to answer any questions, if desired. In any event, we look forward to receiving Council's response.

Yours truly,



Alfred Wong, Director

Enclosures



LAW DEPARTMENT

Reply To: Grant Murray  
Direct Line: 604-873-7119  
Email: [grant.murray@vancouver.ca](mailto:grant.murray@vancouver.ca)  
File Number: LS-15-0144

**BY HAND DELIVERY**

Nathan Lapper  
Norton Rose Fulbright  
1800 – 510 West Georgia Street  
Vancouver BC V6B 0M3

August 23, 2019

Dear Mr. Lapper:

**RE: Chishaun Housing Society – Seniors' Housing Tax Exemption  
Your file 18-4587**

This concerns your letter to the City Manager, Sadhu Johnston, dated July 9, 2019. It was forwarded to the writer, in order to respond. We appreciate the opportunity to explain the Council of the City of Vancouver's policy and legislation regarding property tax exemptions.

Vancouver differs from other BC municipalities because it is primarily governed by the *Vancouver Charter*, and not the *Community Charter*. The City's property tax exemptions are set out in sections 396 to 396F of the *Vancouver Charter*, and are not governed by Division 6 and Division 7 of the *Community Charter*.

The Vancouver Charter includes a variety of mandatory or statutory exemptions which are administered by BC Assessment. City Council is also authorized to provide discretionary or permissive exemptions, but has not approved any new permissive exemptions in several decades. Other municipalities are more reliant upon permissive exemptions.

Prior to 1974, seniors housing and community care facilities were granted statutory exemptions. At the time there were 39 seniors housing facilities that met the exemption criteria. The Province then enacted section 396(c)(v) of the *Vancouver Charter*, transferring the exemption decision for any new seniors housing to Council, but the *pre-existing* 39 facilities were protected from the change in the legislation.

In 1994 Council enacted the first permissive exemption by-law for the 39 seniors housing facilities that had been in existence prior to 1974. Council also adopted an ongoing policy that no Seniors Housing project constructed after March 31, 1974 should be approved for exemptions, and that future applicants requesting permissive tax exemptions should be denied. Council instructed staff to communicate this policy to all future applicants. In 2010 the Province enacted section 396F of the Vancouver Charter, which grants Council broad discretionary power to enact by-laws to exempt not-for-profit properties from

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City of Vancouver Law Department  
Tel: 604.873.7512 Fax: 604.873.7445

Mailing Address: 453 West 12th Avenue, Vancouver, British Columbia, V5Y 1V4  
Delivery Address: 401-515 West 10th Avenue, Vancouver, British Columbia, V5Z 4A8

taxation for up to 10 years. Section 396F is similar to the permissive exemption powers granted to other BC municipalities under section 224 of the Community Charter.

In September 2011, City of Vancouver staff reported to Council that the City's extensive grant programs are more effective, flexible, transparent and accountable than a permissive exemption program. According to a 2011 Property Tax Exemptions Report, "Council has since adopted the policy that the City will continue to support not-for-profit organizations through the existing range of *statutory* property tax exemptions available under Section 396(1) and the City's extensive grant programs, but will not consider the use of permissive property tax exemptions." So while the *Vancouver Charter* includes provisions for permissive exemptions, Council has instead chosen to rely on existing statutory exemptions and grant programs. The City continues to receive exemption requests for consideration each year, and Council relies on staff to respond by citing the existing Council policy. While Council also approves a variety of grants, it does not appear that your client would meet the criteria of any of the current programs.

As discussed, your client's request for a permissive exemption is not supported by Council policy. Regardless, your client is free to make a written submission to Mayor and Council, seeking such an exemption, but staff will not support it because it does not align with current Council policy. If you are agreeable, we will simply forward this correspondence, including the June 6, 2019 letter from your client, to Mayor and Council. We do not think that this process should necessarily involve any oral representations to Council.

We trust this provides you with a better understanding of how Council manages tax exemptions in the City of Vancouver.

Regards,



Grant Murray  
Lawyer  
City of Vancouver

M. Radakovich, Deputy Collector of Taxes  
M Marzin, Collector of Taxes  
G Cheng, Director – Long-term Financial Strategy & Planning  
M Kerr, Director – Financial Services  
P Impey, GM – Finance, Risk & Supply Chain Management  
S Johnston, City Manager

July 9, 2019

**Sent By Courier**  
**Sent By Registered Mail**  
**Sent By E-mail (sadhu.johnston@vancouver.ca)**

Sadhu Johnston, City Manager  
453 West 12th Avenue  
Vancouver, BC  
V5Y 1V4



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Our reference  
18-4587

Dear Mr. Johnston:

**Chishaun Housing Society (“Chishaun”) – 625 West 45th Avenue, Vancouver, BC  
 (“Oakridge House”) – City of Vancouver (the “City”) – Seniors’ Housing Tax Exemption**

We are legal counsel for Chishaun. We write further to Chishaun’s letter to the City’s Mayor and Council, dated June 6, 2019 (the “Letter”), a copy of which is enclosed with this letter. The Letter was submitted to Mayor and Council online (case number 101012977563), as well as by registered mail, on June 6, 2019. We are advised that Chishaun has not received any response to the Letter. We have been instructed to provide you with a copy of the Letter and to seek a response from the City as soon as possible.

As set out in the Letter, Chishaun is a non-profit society, which has continuously operated Oakridge House, a low cost housing option for low income seniors in Vancouver, since 1985. Chishaun was established in 1982 under an Agreement to Convey between Chishaun, the City and Woodward Realty Ltd., who were the owners of Oakridge Mall at the time. Pursuant to that agreement, a restrictive covenant (N15337) was registered against title to Oakridge House in favour of the City, which generally restricts Chishaun’s use of Oakridge House to the non-profit operation of a seniors’ housing facility (the “Covenant”).

We are advised that, in early 2018, Chishaun sought the assistance of City staff in making an application for a permissive tax exemption, but was informed that, pursuant to City’s 2011 Property Tax Exemptions Report (the “Policy”), the City only provides statutory property tax exemptions that are mandatory under Section 396(1) of the *Vancouver Charter*, and limits the use of permissive property tax exemptions to heritage properties under section 396A of the *Vancouver Charter*. Chishaun was informed by City staff that there was “no process” under which an application could be made for a permissive tax exemption, and that other seniors’ housing facilities currently receiving an exemption from the City (most recently under City Bylaw No. 12269) had been “grandfathered” in, as they were receiving an exemption prior to the City’s adoption of the Policy.

In the Letter, Chishaun set out its concerns with the City’s Policy, including, among other things:

- (a) the City’s fettering of its discretion under the Policy, in not even allowing Chishaun to apply for a discretionary tax exemption under sections 396(1)(g) and 396F of the *Vancouver Charter*;

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Sadhu Johnson  
July 9, 2019



- (b) the Policy being overbroad, inflexible, and not appropriate, given the current housing crisis in Vancouver and its heightened impact on vulnerable groups, such as low income seniors; and
- (c) the unfairness of the Policy, given that the majority of the properties receiving an exemption from the City under Bylaw No. 12269 (almost 70%) have no registered charges restricting use, similar to the restrictions on Chishaun's use of Oakridge House under the Covenant (in favour of the City).

Further, as noted in the Letter, we are advised that the City's failure to provide Chishaun with a permissive tax exemption for 2020 will have significant prejudicial effects on Chishaun and its ability to operate Oakridge House going forward. In particular, Chishaun has been unable to confirm if BC Housing will continue to provide financial support to Chishaun after 2020, as it has for many years.

We therefore ask that the City provide Chishaun with a tax exemption under its seniors' housing discretionary tax exemption bylaw for 2020, which we understand will be adopted sometime in the next few months. If the City is not prepared to grant an exemption, Chishaun requests the opportunity to appear before City Council, at the earliest possible date, to formally apply for a permissive exemption under sections 396(1)(g) and 396F of the *Vancouver Charter*.

If you have any questions about the above, please contact the writer. Otherwise, we look forward to receiving your response, hopefully confirming Chishaun's permissive tax exemption for 2020. Given the time sensitive nature of this issue, we would appreciate receiving a response on or before **July 22, 2019**.

Yours very truly,

A handwritten signature in black ink, appearing to read "Nathan Lapper".

Nathan Lapper

NYL/tyt

Enclosure

**Chishaun Housing Society  
809 - 625 West 45th Avenue  
Vancouver V5Z 4G1**

June 6, 2019

To: City of Vancouver Mayor and Council

453 West 12th Ave  
Vancouver, BC  
V5Y 1V4

Dear Sirs/Mesdames:

**Re: Chishaun Housing Society (“Chishaun”) – 625 West 45th Avenue, Vancouver, BC (“Oakridge House”) – City of Vancouver (the “City”) – Seniors’ Housing Tax Exemption**

Chishaun is a non-profit society that operates Oakridge House, a low cost housing option for low income seniors in Vancouver. Chishaun was established in 1982 under an Agreement to Convey between Chishaun, the City and Woodward Realty Ltd., who were the owners of Oakridge Mall at the time. Pursuant to that agreement, a restrictive covenant (N15337) was registered against title to Oakridge House in favour of the City, which generally restricts Chishaun’s use of Oakridge House to the non-profit operation of a seniors’ housing facility (the “Covenant”). The Covenant was registered in 1985, under Section 215 of the *Land Title Act*, the equivalent of the current section 219 of the *Land Title Act*. The Covenant remains registered against title to Oakridge House.

Chishaun has historically received financial support from BC Housing. However, BC Housing’s support for Chishaun will end in 2020, and Chishaun has been unable to confirm with BC Housing that it will continue its support beyond that date. Chishaun has serious concerns that it will no longer be financially viable after that date, in large part, because of the substantial costs associated with property taxes in Vancouver, which have risen significantly over the past few years, especially along the Cambie corridor.

As a result, in early 2018, Chishaun sought the assistance of City staff in making an application for a permissive tax exemption. In particular, we corresponded with Mr. Marty Radakovich, the Manager of Tax & Utilities for the City. Mr. Radakovich informed us of the City’s 2011 Property Tax Exemptions Report (the “Policy”). We understand that under the Policy, the City only provides statutory property tax exemptions that are mandatory under Section 396(1) of the *Vancouver Charter*, and limits the use of permissive property tax exemptions to heritage properties under section 396A of the *Vancouver Charter*.

Mr. Radakovich also advised us that a number of seniors’ housing facilities continue to receive a discretionary tax exemption from the City (most recently under Bylaw No. 12269), as they



received tax exemptions prior to 2011, and have been “grandfathered” in by the City. Chishaun has never received such an exemption, despite having operated continuously as a non-profit society offering affordable housing to low income seniors since 1985.

In February 2018, we asked Mr. Radakovich how Chishaun could apply for a discretionary exemption. Mr. Radakovich advised us by e-mail that “[n]o properties are added to the list [of tax exempt properties] and there is no process by which a request can be made”. In short, the City appears to have restrained its discretion under the Policy, and will not even permit non-profits providing seniors’ housing, such as Chishaun, to apply for a discretionary tax exemption under sections 396(1)(g) and 396F of the *Vancouver Charter*, despite the fact that numerous other facilities receive a tax exemption due to being “grandfathered” under the Policy.

With respect, such a Policy is overbroad, inflexible, and not appropriate, especially given the current housing crisis in Vancouver and its heightened impact on vulnerable groups, such as low income seniors. Further, by subsuming section 396(1)(g) of the *Vancouver Charter* into section 396F, it appears that seniors’ housing non-profits have been excluded from receiving tax exemptions, potentially without due consideration from the City. For example, in limiting the use of permissive tax exemptions under section 396F, the Policy does not even mention section 396(1)(g), seniors’ housing charities, or any impact on those groups.

In our view, the Policy is also unfair. On our review of the properties that are “grandfathered” under Bylaw No. 12269, only a small number have any restrictions on use similar to the restrictions contained in the Covenant. In fact, the majority of these properties (almost 70%) have no registered charges restricting use, whether registered in favour of the City, or otherwise. Given the presence of the Covenant, we assert that Chishaun’s entitlement to a discretionary tax exemption is even greater than most of the properties currently receiving such a benefit. In the circumstances, the 2011 cut off for receiving an exemption appears arbitrary and unfair.

We understand City Council will likely be enacting its perennial seniors’ housing discretionary tax exemption bylaw for 2020 in the next few months. We submit that, based on the above, the City should provide Chishaun with a tax exemption under this forthcoming bylaw.

If the City is not prepared to grant an exemption, based on the above, we request the opportunity to appear before City Council, at the earliest possible date, to formally apply for a permissive exemption under sections 396(1)(g) and 396F of the *Vancouver Charter*.

We look forward to your receiving your response.

Yours truly,



Alfred Wong, Director