



COUNCIL REPORT

Report Date: September 27, 2024
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Meeting Date: October 22, 2024
[Submit comments to Council](#)

TO: Vancouver City Council
FROM: Deputy Director of Finance
SUBJECT: 2025 Property Tax Exemption – Seniors Housing

Recommendations

- A. THAT Council approve, in principle, the by-law for 2025 Property Tax Exemption-Seniors Housing attached as Appendix A;
- FURTHER THAT Council instruct the Director of Legal Services to bring forward for enactment a by-law generally in accordance with Appendix A.
- B. THAT Council endorse the parameters for determining whether tax exemption should continue or be removed for the legacy senior housing properties in accordance with existing Council policy, including redevelopment, infill development, renovation, or change in use as described in this report.

Purpose and Executive Summary

This report seeks Council approval and enactment of the annual by-law that grants a permissive tax exemption to certain legacy seniors housing properties, as set out in Appendix A. It also seeks Council endorsement of the parameters for determining whether the tax exemption should continue or be removed for a legacy seniors housing property.

Prior to 1974, seniors housing and community care facilities in Vancouver were subject to a statutory tax exemption. The Province then amended the Vancouver Charter, transferring the exemption authority to Council and subsequently clarifying that an annual by-law is required to effect such exemption. In 1994, Council enacted the first permissive exemption by-law for 39 legacy seniors housing properties that had been in existence prior to 1974 and had previously been exempt from taxation by statute. Since then, a similar by-law has been enacted every year, following the annual review of the status of each facility to confirm eligibility, with the number of qualified properties gradually decreasing over time.

For the 2025 tax year, a single property has been removed from the list of eligible properties due to a transferred ownership to a private owner, with the existing seniors social housing tenants relocated to a new social housing building. 35 of the legacy seniors housing properties continue to qualify for the property tax exemption, with an estimated forgone general purpose tax levy, based on 2024 assessments and tax rates, totalling \$1.2 million. Any foregone taxes are redistributed to non-exempt properties.

As the legacy seniors housing properties age, some owners or operators are considering whether to redevelop and/or renovate them. This report recommends that Council endorse the parameters for determining whether tax exemptions should continue or be removed for the legacy properties in accordance with existing Council policy. The endorsement will provide the consistency and clarity necessary for seniors housing operators to plan appropriately.

The City offers various incentives to support the development of new or expanded social housing (including seniors social housing), such as provision for increased height and density, Community Amenity Contributions (CAC) and Development Contribution Levies (DCL) exemptions, Community Housing Incentive Program (CHIP) grants, and the provision of City land.

Council Authority/Previous Decisions

On February 23, 1995, Council adopted the policy that the 39 legacy seniors housing properties retain their exempt status, subject to an annual by-law reflecting any changes to the status of the properties and that seniors housing projects constructed after March 31, 1974, not be considered eligible for the exemption.

On September 22, 2011 (RTS 08713), Council adopted the policy to support not-for-profit organizations through the existing range of statutory property tax exemptions available under section 396(1) of the Vancouver Charter and the City's grant programs.

On October 2, 2019 (RTS 13428), Council affirmed its policy that seniors housing projects constructed after March 31, 1974, should not be approved for permissive tax exemptions.

City Manager's Comments

The City Manager concurs with the foregoing recommendations.

Context and Background

Vancouver differs from other BC municipalities because it is primarily governed by the Vancouver Charter. The Vancouver Charter includes a variety of mandatory or statutory tax exemptions which are primarily administered by BC Assessment. The City's property tax exemptions are set out in sections 396 to 396F of the Vancouver Charter, which includes more statutory exemptions than the Community Charter that governs other municipalities in the province. Because of this, other municipalities in BC are more reliant upon permissive exemptions than Vancouver.

Prior to 1974, seniors housing 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 continued to be exempt from property 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. In 1995, Council adopted a policy that the 39 legacy seniors housing properties retain their exempt status, subject to an annual by-law reflecting any changes to the status of the properties and that seniors housing projects constructed after March 31, 1974, not be considered eligible for an exemption, instructing staff to communicate this policy to all future applicants.

In 2011, staff reported to Council that the City's grant programs are a more effective, flexible, transparent, and accountable process for disbursing public funds than a permissive tax exemption program. 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 the Vancouver Charter section 396(1) and the City's grant programs.

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.

In 2019, Council affirmed its policy that seniors housing projects constructed after March 31, 1974, should not be approved for permissive tax exemptions.

Since Council enacted the first permissive exemption by-law in 1994 for the 39 seniors housing facilities, the number of eligible properties for exemption has gradually decreased to 35 in 2025. However, staff anticipate that many of these properties will undergo renovation or redevelopment (for same or different housing use) in the future horizon as the buildings age.

Discussion

The following principles are central to the limited nature of the City's legacy seniors housing exemption.

A) Recognize the City's role supporting seniors housing, relative to other senior levels government.

The housing and supports needed to ensure the well-being of older adults fall under multiple jurisdictions and all governments and authorities need to work together to ensure success. The newly approved Seniors Housing Strategy supports the delivery of seniors housing and care through policies that enable these developments in neighbourhoods throughout the City, and through project partnerships with senior levels of government.

The City seeks to partner with other levels of government in delivering seniors housing and care, without expanding the role of the municipality by funding services that are better provided by the provincial and federal government. The funding of health care, which includes long-term care and assisted living, is the responsibility of the provincial government.

B) Limit support to charities and non-profit organization to statutory tax exemptions and grants.

In 1995, Council adopted policy that no new seniors housing projects constructed after March 31, 1974 should be approved for permissive exemptions, and that future applicants requesting permissive tax exemptions should be denied. In 2011, after the Province introduced additional permissive tax exemption authority for non-profits, Council established a policy to limit the support for charitable and not-for-profit organizations to the existing range of statutory exemptions available under the Vancouver Charter and utilize the City's grant programs rather

than providing new permissive exemptions. In 2019, Council reaffirmed the policy, adopted by Council in 1995, that seniors housing projects constructed after March 31, 1974, should not be approved for a permissive tax exemption.

The City provides various incentives to support development for new or expanded social housing including provisions for increased height and density, CAC and DCL exemptions, Community Housing Incentive Program (CHIP) grants, and the provision of City land. These contributions help improve the viability and sustainability of affordable housing projects with flexible, predictable upfront funding whereas permissive tax exemptions are not guaranteed. These capital grant contributions are also supported through development contributions and the empty homes tax rather than the general property tax levy.

Endorsing the parameters for determining tax exemption eligibility of legacy senior housing properties

As properties on the legacy list age, many will explore or undergo redevelopment, renovation or other changes which could affect the status of the property. To provide clarification for the owners of the legacy properties, staff have outlined the specific conditions and their effect on the eligibility for the legacy tax exemption.

1. Redevelopment

As properties on the legacy list continue to age, some non-profit operators are exploring the redevelopment of the property. They may choose to rebuild seniors-specific social housing or housing that is not specific to seniors. In either circumstance, the new building, having been constructed after March 31, 1974, would **not be eligible** for the seniors housing property tax exemption. The trigger for loss of the exemption in this circumstance is the issuance of the demolition permit, which aligns with the timing for issuance of the four months' notice to end tenancy for properties covered by the Residential Tenancy Act.

2. Infill development

Infill development refers to a new building developed on underutilized lands on a property with an existing development. In this case, the new building, once completed, having been constructed after March 31, 1974, would **not be eligible** for the exemption; however, the existing building would continue to be **eligible** for the exemption. For infill projects where the lots are not subdivided or otherwise separated into distinct taxable folios, the exemption will be prorated based on square footage (total floor space of legacy building divided by total floor space of the legacy building and new building). The trigger for the loss of the exemption for the new building is the earlier of either the subdivision of the lot or the issuance of its occupancy permit.

3. Renovation

For properties on the legacy list that are seeking to renovate/rehabilitate their existing building, where the existing property is not demolished (no demolition permit issued), the property will **remain eligible** for the tax exemption.

4. Change in use

Non-profit operators that seek to change the target population of their legacy building so that they no longer serve seniors only would **not be eligible** for the property tax exemption. Staff

will continue to review the population served as part the annual review to reflect any changes in the status of legacy properties.

Staff recommend that Council endorse the four specific parameters for determining whether tax exemption should continue or be removed for the legacy senior housing properties, as outlined above.

Since Council enacted the first permissive exemption by-law in 1994 for the 39 senior housing facilities, the number of eligible properties for exemption has gradually decreased to 36 properties in 2024, and to 35 in 2025. The one property that is no longer eligible for senior housing exemption in 2025 has transferred ownership to a private owner, with the existing seniors social housing tenants moved to a new social housing building and are seeking a redevelopment to a different use. Therefore, staff recommend that Council approve the exemption for the 35 legacy seniors housing properties that remain qualified for the property tax exemption for 2025, as outlined in Appendix A.

Financial Implications

The estimated forgone general purpose tax levy from the legacy seniors housing exemption is \$1.2 million, based on 2024 assessments and tax rates, representing approximately 0.10% of the overall levy. Any foregone taxes are redistributed to non-exempt properties.

Legal Implications

The proposed by-law is authorized by section 396F of the Vancouver Charter and grants a tax exemption to the named properties in Appendix A.

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**APPENDIX A
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 2025 the following lands and improvements:

2025 PROPERTY TAX EXEMPTION - SENIORS HOUSING

<u>Name.</u>	<u>Civic Address</u>	<u>Assessment Roll No.</u>	<u>Legal Description</u>	<u>Parcel Identifier No.</u>
Baptist Foundation of BC	6398 Clarendon St Vancouver BC V5S 4X8	024-266-772-26-0000	Lot 1 Block 3 District Lot 336 Plan BCP 13061	026-038-218
Baptist Foundation of BC	2526 Waverley Ave Vancouver BC V5S 4W1	024-765-266-06-0000	Lot A, Block 3, District Lot 336, Plan LMP42065	024-525-511
Baptist Housing Society of BC	1425 2 nd Ave E Vancouver BC V5N 5L9	014-631-232-04-0000	Lot 2, Block 71, District Lot 264A, Plan 11322	009-116-796
Hopehill Living In Community Society	2050 Rupert St Vancouver BC V5M 3S5	021-634-300-04-0000	Lot C, Section 29 THSL, Plan BCP23618	026-666-511
Hopehill Living In Community Society	3355 5 th Ave E Vancouver BC V5M 0A1	021-634-300-52-0000	Lot B, Section 29 THSL, Plan BCP23618	026-666-502
Hopehill Living in Community Society	2075 Cassiar St Vancouver BC V5M 4Y1	021-634-300-92-0000	Lot A, Section 29 THSL, Plan BCP23618	026-666-499
Brightside Community Homes Foundation	1630 Barclay St Vancouver BC V6G 1K1	027-605-113-66-0000	Lot 3, Block 58, District Lot 185, Plan VAP92	015-757-366
Brightside Community Homes Foundation	2495 3 rd Ave W Vancouver BC V6K 1L9	002-638-077-07-0000	Lot D, Block 221, District Lot 526, Plan 13958	007-987-072
Brightside Community Homes Foundation	1620 6 th Ave E Vancouver BC V5N 1P3	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	2330 Balsam St Vancouver BC V6K 3M8	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	1400 11th Ave E Vancouver BC V5N 1Y5	014-665-230-68-0000	Lot 30 of Lot D, Block 160, District Lot 264A, Plan 10940	009-226-885
Brightside Community Homes Foundation	1444 13th Ave E Vancouver BC V5N 2B6	014-683-230-82-0000	Lot F, Block 171, District Lot 264A, Plan 13858	008-003-408
Brightside Community Homes Foundation	2950 Euclid Ave Vancouver BC V5R 5C6	023-722-283-48-0000	Lot B, District Lot 37, Plan LMP16032	018-710-247
Brightside Community Homes Foundation	1451 12 th Ave E Vancouver BC V5N 2A1	014-670-230-85-0000	Lot A Block 160 Plan EPP109796 Lot 264A	031-403-166
Broadway Pentecostal Benevolent Association of British Columbia	2633 Broadway E Vancouver BC V5M 4G6	021-650-274-27-0000	Lot D, Block 22, Section 34, North Half, Town of Hastings Suburban Lands, Narrative Plan 15011	007-711-565
Calling Ministries	2768 King Edward Ave W Vancouver BC V6L 1T7	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 St Vancouver BC V6A 1X9	013-192-592-92-0000	Lot B, Block 122, District Lot 196, Plan 13208	008-706-221
Christ Church of China	300 Pender St E Vancouver BC V6A 1T9	013-192-592-04-0000	Lot A, Block 122, District lot 196, Plan 13208	008-706-212
Columbus Charities Association	5233 Joyce St Vancouver BC V5R 4G9	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	2100 Harrison Dr Vancouver BC 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	2230 Harrison Dr Vancouver BC V5P 2P6	025-828-258-02-0000	Lot 1 Block 24 Plan EPP96810 District Lot Fraserview	031-159-923
King Edward Court Society	2751 King Edward E Vancouver BC V6L 1T8	004-710-072-95-0000	Lot E, Block G, District Lot 2027, Plan VAP16624	007-396-953
Kiwanis Vancouver Senior Citizens Housing Society	8790 Marine Dr SW Vancouver BC V6P 6A4	012-125-832-84-0000	Lot B, Block E, District Lot 318, Plan 13136	008-724-482
Kiwanis Vancouver Senior Citizens Housing Society	7101 Kerr St Vancouver BC V5S 3E2	025-300-811-05-0000	North 1/2 of Lot 4 of Lot A, Block 71, Fraserview, Plan 11199	009-127-691

M. Kopernik (Nicolaus Copernicus) Foundation	3128 Rosemont Dr Vancouver BC	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 41 st Ave E Vancouver BC V5P 4N5	019-755-237-51-0000	Lot A, Blocks 1 and 2, District Lot 717, Plan 14859	007-719-230
New Chelsea Society	3075 Nanaimo St Vancouver BC V5N 5G4	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	3640 Victoria Dr Vancouver BC V5N 5P1	014-693-253-64-0000	Lot 1, Blocks D and 13, Plan VAP 13938, District Lot 195, Except Firstly part in SRW Plan 17162 and Secondly Portion in BCP10046	007-990-278
Parish of St Paul Vancouver	1254 Pendrell St Vancouver BC V6E 3N4	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	551 Georgia St E Vancouver BC V6A 1Z8	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
Society for Christian Care of Elderly	1030 Burnaby St Vancouver BC V6E 1N8	027-613-119-54-0000	Lot 2, Block 12, District Lot 185, Plan 14172	008-477-426
South Amherst Housing Society	7008 Balmoral St Vancouver BC V5P 4N3	025-244-805-96-0000	Lot 8, Block 2, Fraserview, Plan 8393	010-113-606
The V E L Housing Society 101-1717 Adanac St	2122 Oxford St Vancouver BC V5L 1E9	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 St	740 Commercial Dr Vancouver BC V5L 3W5	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
Ukrainian Senior Citizens Housing Society	7007 Kerr St Vancouver BC V5S 3E2	025-300-810-95-0000	Lot 3 of Lot A, Block 71, Fraserview, Plan 11199	009-127-682