

Staff Report to Council

Financial Services

FILE: 05-1900-05/20

REPORT DATE: September 09, 2020 MEETING DATE: September 15, 2020
TO: Mayor and Council
FROM: Cheryl Harding, Director of Financial Services
SUBJECT: 2021 Permissive Tax Exemptions

CHIEF ADMINISTRATIVE OFFICER REVIEW/APPROVAL:



RECOMMENDATION(S): THAT Council:

- A. Direct staff to decline the application for tax exemption from 2021 property taxes from the following organization:
 - A.1 Coastal Church #102 - #105 12099 Harris Road; OR
- B. Other.

PURPOSE

☐ Information Report ☐ Decision Report ☒ Direction Report

DISCUSSION

Background:

The authority for permissive exemptions is found in Section 224 of the Community Charter. The exemptions do not apply to water, sewer, diking, drainage or solid waste levies. The exemption bylaw must be adopted by October 31st of this year to exempt taxes for 2021.

In 2020, in accordance with the Community Charter, section 224 (2)(b) regarding land or improvements held by a municipality, the following properties leased by the City were given exemption for the five year period of 2018 through 2022:

- City of Pitt Meadows Library lease; and
- City of Pitt Meadows Senior Centre lease.

Since the Library and Senior Centre leases are City of Pitt Meadows leases, they were upheld in the same manner as owned properties and provided permissive exemption to not attract taxation.

In 2018, the City also provided 5 year Permissive Exemptions to provide tax exempt status for 2018 to 2022 to:

- Community of Christ Meadow Ridge Congregation Church;
- Pitt Meadows Community Church Society;
- Grace Community Evangelical Free Church;
- Pitt Meadows Lions Hall Society;
- Pitt Meadows Heritage and Museum Society;
- Pitt Meadows Athletic Association.

Relevant Policy, Bylaw or Legislation:

Council Policy C061 Permissive Tax Exemptions, originally approved by Council in September 2009 and amended on July 7, 2015, establishes the process and criteria for Council to consider permissive tax exemptions. Community Charter section 224 grants Council the general authority for Permissive Exemptions.

Analysis:

One permissive exemption application has been received for the 2021 tax year:

1. The only application received for 2021 is for Coastal Church which is their third application attempt. Coastal Church applied for Permissive Exemption for the 2016 tax year and for the 2019 tax year but those applications were declined.

Additional details are as follows:

- a) Qualifies differently under the Community Charter than other churches because they do not offer Worship Services at their property due to zoning regulations. Instead, they normally offer the services at an alternate location being the Cineplex theatres. During the pandemic those services have been moved online;
- b) Seeking exemption under section 224(2)(a) for property held by a Charitable Organization instead of section 224(2)(f) Public Worship building;
- c) The applicant is incorporated as a society under the Provincial Society Act and has a charitable registration number;

- d) Offer a variety of community programs available to the public as detailed in the application, such as youth and young adult programs, bible studies and relationship courses;
- e) Since COVID-19 have made themselves available as a resource to the City's Community Check-in Taskforce;
- f) The City currently receives approximately \$12,100 in municipal taxation for this property. This amount would have to be recovered from all other Business Class properties should an exemption be granted;
- g) The audited 2019 financial statements for the consolidated entity are healthy and show \$1 million revenues in excess of expenses that could pay for property taxes. The unaudited 2019 income statement for the Pitt Meadows location shows a deficit of \$103,000;
- h) The property in question is zoned Commercial.

The applicant has submitted the application in the prescribed form as specified in the Permissive Exemption Policy.

As required, the permissive tax exemption application process was advertised in the Maple Ridge News on August 20th and August 27th.

The Community Charter Permissive Exemption section 224 provides Council the ability to approve full exemptions, partial exemptions or deny exemptions to any or all of applying organizations.

COUNCIL STRATEGIC PLAN ALIGNMENT

- ☐ Principled Governance ☒ Balanced Economic Prosperity ☐ Corporate Excellence
☒ Community Spirit & Wellbeing ☐ Transportation & Infrastructure Initiatives
☐ Not Applicable

Granting property tax exemption creates the dynamic of considering the support of organizations who provide opportunities for residents to gather and connect versus the economics of distributing the exempted taxes amongst other property owners.

FINANCIAL IMPLICATIONS

- ☐ None ☐ Budget Previously Approved ☐ Referral to Business Planning
☒ Other
-

Estimated 2021 potential exempted municipal property taxes for the applicant property are listed in Attachment B. The potential amount of \$12,100 municipal taxation would be recovered from all other Business Class properties should an exemption be granted.

PUBLIC PARTICIPATION

☒ Inform ☐ Consult ☐ Involve ☐ Collaborate ☐ Empower

KATZIE FIRST NATION CONSIDERATIONS

Referral ☐ Yes ☒ No

SIGN-OFFS

Written by:

Cheryl Harding, Director of Financial Services

ATTACHMENT(S):

- A. Application for Permissive Exemption – Coastal Church
- B. Estimated 2021 Municipal Taxes
- C. Policy C061 Permissive Tax Exemptions

CITY OF PITT MEADOWS**PERMISSIVE TAX EXEMPTION****APPLICATION**

CANADA)
 PROVINCE OF)
 BRITISH COLUMBIA)

IN THE MATTER OF THE TAXATION EXEMPTION
 BYLAW PURSUANT TO SECTIONS 224 AND 225 OF
 THE *COMMUNITY CHARTER* IN THE CITY OF PITT
 MEADOWS
 (exemption from taxation under Annual Rates Bylaw)

Pursuant to Section 224 and 225 of the *Community Charter*

I, DAVID KOOP of 403-1650 BAYSHORE DRIVE
Name *Street Address*
VANCOUVER Telephone No. () or (604) 684-8475
City/Town *(Home)* *(Work)*

In the Province of British Columbia, do solemnly declare **THAT**:

1. I am the SENIOR PASTOR of the
Position Currently Held Within Organization
COASTAL CHURCH
Name of Corporation, Association, Society or Organization

Have knowledge of the facts hereinafter deposed with respect to the following property for which a tax exemption is being applied for:

<u>Property Address</u>	<u>Property Zoning</u>	<u>Roll/Folio No.</u>
<u>PLEASE SEE ATTACHED EXHIBIT A</u>		
<i>Legal Description of Property</i>		

2. Full name or title of organization: COASTAL CHURCH
3. Mailing address of the organization (including Postal Code): PO BOX 2801, VANCOUVER, BC V6B 3X2

4. Name and phone number of two other officials in organization (i.e. Pastor, President, Manager, etc.)

1. Name: CHERYL KOOP

2. Name: KEVAN DOBSIN

Title: SENIOR PASTOR

Title: PITT MEADOWS CAMPUS PASTOR

Day Phone No. 604-684-8475

Day Phone No. 604-684-8475

Night Phone No. 604-684-8475

Night Phone No. 604-684-8475

5. The lands are registered in the name of: COASTAL CHURCH

CERTIFICATE OF TITLE ATTACHED (SEE EXHIBIT B(1)-(3))

(In the case of a Society, Corporation, Association, please include a copy of the Certificate of Title)

6. The exemption claimed under Section 224 is pursuant to Subsection 2, Clause (3)
(Please supply the relevant clause designation from Section 224)

7. The gross floor area of the building: 3560 sqft.

8. Number of parking spaces: Gravel: 0

Blacktop: 0

Undeveloped: 0

9. **We require a current site plan of the property** indicating the grounds and buildings and their uses. This would include buildings, storage buildings, walkways, parking lot, playgrounds, bush areas, etc.
Show all dimensions.

SEE ATTACHED EXHIBIT C (1)-(2)

10. What is the principal use of the property?

CHURCH HALL FOR CHURCH AND COMMUNITY PROGRAMS . PLEASE SEE NEXT PAGE (PAGE 3)

11. Is any part of the building or of the property used or rented by commercial or private operators or by any group other than your organization?

YES, ONE OF OUR CHURCH MEMBER IS A LICENSED COUNSELLOR . HE RENTS ONE
OF THE ROOMS FOR \$200/MONTH TO PROVIDE COUNSELING SERVICE 2 DAYS A WEEK

10. What is the principle use of the property?

Coastal Church (the "Church") is applying for a permissive tax exemption pursuant to the Community Charter, SBC 2003, c 25, c 224(2)(a) (the "Community Charter"), for the property located at Units 102 to 105 at 12099 Harris Road (the "Property").

Pre Covid-19, the Church held its weekly Sunday service and children's ministry at the Cineplex Odeon Meadowtown (the "Theatre") at 19800 Lougheed Highway, Pitt Meadows at 9:30 AM. During Covid-19, Church services are held online. This will continue to be the main platform used for services in 2020.

The Church carries out broader programs in Pitt Meadows throughout the week, which could not be accommodated by the Church's rental relationship with the Theatre. To that end, the Church purchased the Property to effectively function as its church hall. The Property is necessary and concomitant to the Church's space for public worship.

The Church uses the Property for all activities regularly carried out by a Christian church save for public worship. During Covid-19 and fall 2020, if not having Sunday service at the Cineplex, we will use the property for small, physically distanced family events on Sundays. The church hall is used for ministry-related, children, youth, young adult, community, and community outreach programs; all of which are designed to build community and friendships, provide a sense of belonging and acceptance, encourage spiritual growth, foster healthy relationships, give opportunity for transformation of lives, serve and model Jesus Christ by being a good neighbour and ultimately fulfil the Church's mission and vision statement of equipping urban people through inspiring practical teach, so they can enjoy the abundant life in Christ Jesus, as given by God the Father, through the power of the Holy Spirit, and HELPS make the city a better place.

Programs include:

1. Church bible studies
2. Baptism classes and other classes for spiritual formation such as ministry school and Alpha
3. Youth and young adult programs such as weekly Friday events
4. Annual clothing swap for families with young children
5. Summer Kids day camp
6. Halloween Alternative night (Fall Fiesta)
7. Recovery program (freedom from all forms of bondages - physical, emotional and spiritual)
8. Prayer
9. Relationship courses (parenting, marriage, dating)

The Church is applying for a permissive tax exemption pursuant to subparagraph 224(2)(a) only because the Church neither owns the Theatre nor leases the Property. That is, if the Church owned the Theatre building, the Property could qualify under paragraph 224(2)(f)(ii) of the Community Charter as a "hall that the council considers is necessary to the exempt building and the land on which the hall stands." The Theatre, however, is not an exempt building and this subparagraph does not apply. Likewise, if the Church leased or licensed the Property, the Property could qualify under paragraph 224(2)(g) as "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." **We believe it is the wisdom of Canada to grant a tax exemption to faith based organization because they are non-profit and have a track record of doing good in the community. With the tax exemption, we will be able to give back to the City of Pitt Meadows even more than the actual taxes exempted by transforming individual lives, families, and generations through the different courses offered such as parenting and marriage course and events such as child dedication, kid's camp, summer picnic that build community.**

12. Please provide details of other activities on your property; such as daycare centres, catering and hall rental, thrift shop.

The following information is required for each activity:

- Hourly per day and/or days per week of operation
- Fee or charge
- Approximate number of participants
- Is the activity operated by the church or by an outside organization?

N/A

13. (a) How is your organization consistent with City policies, plan, bylaws, codes and regulations?

SEE NEXT PAGE

- (b) How is your organization non-profit?

SEE NEXT PAGE

- (c) How is your organization a complementary extension to City services and programs?

SEE NEXT 2 PAGES (PAGES 5-6)

- (d) How is your organization accessible to the public?

SEE PAGE 7

13 (a) How is your organization consistent with City policies, plan, bylaws, codes and regulations?

Coastal Church (Pitt Meadows Campus) has served and been a part of Pitt Meadows since 2012. As part of the local faith community, we continue to be committed to working with the City in compliance with municipal policies, plans, bylaws, codes and regulations. Since COVID, we've also collaborated with our BC Government to follow their protocol in support of our provincial leadership and our public health.

We offer a wide range of programs and activities at our Pitt Meadows Education Centre (PMEC) on the corner of Harris and Ford roads that promote community spirit and tolerance, in accordance with the permissive tax exemption policy. We list and describe these programs below in 13 (c).

(b) How is your organization non-profit?

We are incorporated as a society under the British Columbia Society Act and are a registered charity under the Income Tax Act of Canada, under charitable registration no. 899226682RR0001. As a non-profit and charity, we rely on donations from those who support our mission. Although our Pitt Meadows campus and donor base continues to grow, we currently rely on our Downtown campus to support and subsidize our Pitt Meadows staff and operations. This includes our full-time Campus Pastor, Kevan Dobsin, and one part-time contracted employee, Jason Krause, who runs our Freedom Session addiction recovery program. At our Pitt Meadows campus, along with all our campuses, we purpose to organize, operate and use all donations received effectively and solely to fulfill our mission of making the city a better place.

(c) How is your organization a complementary extension to City services and programs?

Central to our mission statement that "Coastal Church HELPS make the city a better place" is our commitment to doing all that we can to support this community and that our presence here would complement the work of our City council and administration. We are committed to helping Pitt Meadows residents of all ages through programs, services and initiatives which are all open to the public. Consistent with the City of Pitt Meadows Official Community Plan, our community and our programs meet residents' spiritual and religious as well as emotional and social needs, which contributes to a sense of permanence and stability to the community.

Pitt Meadows Community Check-In Taskforce: Since COVID, we have made ourselves available as a community resource to this City taskforce coordinated by Jackie Senchyna and Andy Buckle to provide any spiritual, emotional or practical support needed by those in Pitt Meadows who have been living alone or are vulnerable during this season.

Pitt Meadows Secondary School Student Breakfast Program: Each school year, we provide volunteers and donate to this student breakfast program with \$1,500/year in financial support. Each Tuesday throughout the school year, we provide free hot breakfast for students in partnership with others.

Pitt Meadows Elementary School Extracurricular Program: In spring and fall 2019, we gathered a team of volunteers and piloted a five-week after school LEGO Stop Motion Video workshop for students at Pitt Meadows Elementary School that was very well received by students and parents. Both times that we ran the workshop, student sign-ups were filled to capacity. Due to COVID, we

did not run a Spring 2020 workshop but look to continue partnering with School District 42 as school programs open up.

Pitt Meadows Education Centre: We offer a wide range of programs and activities at our Coastal Church Pitt Meadows Education Centre (PMEC) on the corner of Harris and Ford roads to support our City. Over the last 18 months, these have included:

- **Freedom Session:** A proven locally-developed recovery program that we run each year to lift people out of addiction and codependency. This year, approximately 30 people from our community went through the program with many returning this September to help volunteer and facilitate our next season of Freedom Session.
- **Marriage Courses:** In 2019, we ran a Marriage Equip course designed to give couples the tools build healthy and thriving marriages. With increased COVID isolation during the spring of 2020, we ran two different sessions of a seven-week Marriage Course online which saw nearly 500 couples register and attend. This confirmed that we were meeting a significant need in our community during this challenging year.
- **Financial Course:** Our church developed a four-week Financial Course to help people develop financial literacy and run financially-successful households, especially during this COVID season of financial uncertainty. We ran it in the spring and plan to run it again.
- **Alpha:** Alpha is a 12-week exploration of universal life questions (Who am I? Why am I here?, etc.) and an introduction to Christianity that allows people from all backgrounds to give and gain perspective. Since 2012, we have run Alpha every fall and spring and approximately 500 Pitt Meadows residents have attended the course.
- **Kids Camp:** Each Summer, we run a neighborhood Kids Camp for pre-school and elementary school ages that involves interactive music, games, crafts and lessons. In addition to PMEC we utilize Harris Road Park for our outdoor activities and sports games. This past summer, we did a Virtual Kids Camp for 20 local families with children who signed on.
- **Fall Fiesta Halloween Event:** Each year, we provide a safe, positive, fun, game and candy-filled event for families of younger children in Pitt Meadows that many local residents have enjoyed for the past seven years. Our Fall Fiesta this past October 2019 was co-sponsored by a number of local businesses in the area including Meadows Gate Dental, Midland Exteriors, Jolly Coachman Pub, Johnson Meier Insurance, Co-op, Pet Planet, Hollywood 3 Cinema, Langley Farm Market and Artista Pizza.
- **Counselling Services:** In addition to the emotional and spiritual support that we provide, our PMEC location provides space for Krause Counselling Services to offer professional therapy for residents in our community.
- **Candlelight Christmas Eve:** Each year, we open our doors on Christmas Eve at PMEC. In 2019, we had 95 local residents take in the celebration. Before COVID, there were plans to expand the celebration to facilitate more residents. We are monitoring the COVID situation closely to determine how best to bring the holiday spirit to our community in 2020.
- **Other Services:** Our PMEC location also supports various groups and social events such as young mom's support groups, men's breakfasts and youth hangouts.

13 (d) How is your organization accessible to the public?

As mentioned, in section 13 (c), all functions of the church are open to the public. Program times are easily accessible on our website (www.coastalchurch.org). Flyers and posters are typically printed and posted in local coffee shops such as Waves and other community boards. Members of the church are also always encouraged to promote the events in their apartment buildings, neighbourhoods and their sphere of influence. We also have a team who uses social media to promote our events.

(e) How is your organization used primarily by Pitt Meadows Municipal residents?

SEE NEXT PAGE

14. Other activities which may be pertinent to your application:

SEE NEXT PAGE

15. Does anyone live in the buildings? If yes, how many people?

NO

16. Square footage of living area: NIL

17. Has there been any change in the status or use of the buildings or property in the last 12 months?
If yes, please explain briefly.

NO, SINCE ACQUIRING THE PROPERTY FROM THE DEVELOPER IN JULY 2015,
IT HAS BEEN USED AS PER PAGE 3

18. **CHURCHES ONLY** complete the following additional questions:

(i) What is the seating capacity of the church?

Permanent: _____

Portable: _____

13 (e) How is your organization used primarily by Pitt Meadows Municipal residents?

Many of our congregation are Pitt Meadows residents and all of our programs and initiatives are designed to serve our Pitt Meadows community. As mentioned in Section 13 (c), we have programs serving our Pitt Meadows public schools, we run a number of practical self-help and recovery programs to support Pitt Meadows residents and families, and we provide services in heart of our community to help celebrate major holidays such as our Christmas Eve service and Fall Fiesta night on Halloween. Events held at our Pitt Meadows Education Centre also include youth meetings, summer kids' camp, marriage and parenting courses and social events. Our Fall Fiesta event on October 2019 was co-sponsored by a number of local businesses in the area including Meadows Gate Dental, Midland Exteriors, Jolly Coachman Pub, Johnson Meier Insurance, Co-op, Pet Planet, Hollywood 3 Cinema, Langley Farm Market and Artista Pizza.

Many residents pass by along the walkway in front our building as we are located next to the Public Library, a daycare and a number of local businesses in the complex.

14 Other activities which may be pertinent to your application:

Coastal Church members are encouraged to serve in and give of their time and talents to our local Pitt Meadows community.

Since COVID-19, we have made our staff and members available as a community resource to the City of Pitt Meadows Community Check-in Taskforce coordinated by Jackie Senchyna and Andy Buckle. We are on call to provide any spiritual, emotional or practical support needed by those in Pitt Meadows who have been living alone or vulnerable during this season.

While donations from those who support our mission have been steady, they have been affected by the COVID crisis and our Pitt Meadows Campus continues to require support from our downtown campus. Granting us the permissive tax exemption would allow us continue our mission serving the Pitt Meadows community and to contemplate adding specialist staff to provide more services to pre-school and school-aged children along with youth in our community.

(ii) What is the gross floor area of the

(a) Church: _____

(b) Hall: _____

(c) Other buildings: _____

Total Gross Floor Area: _____

(iii) Is every building on the lands set aside for public worship or for a Church Hall? _____

If no, please explain their use. _____

(iv) A manse or a building of similar kind

_____ is not used in association with the place of public worship

_____ is used for public worship; and an exemption is claimed for the land and improvement.

If the manse or a building is used for public worship, specify what area of the building and square footage.

Note: Manses may be considered if they are used for Sunday School, Bible Class, etc., but not for office, elders meetings, storage.

AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath, and by virtue of the CANADA EVIDENCE ACT.

DECLARED at the
City of Pitt Meadows in the
Province of British Columbia this 26th
day of AUGUST A.D. 2020


Signature

Attached is the financial statement for Coastal church for the year ended December 31, 2019.

Attached also is the income statement for the Pitt Meadows campus for the year ended December 31, 2019. As is evident, Pitt Meadows is being supported by the downtown campus to carry out the programs in the Pitt Meadows community.

Coastal Church - Pitt Meadows Campus
Income Statement 01/01/2019 to 12/31/2019

REVENUE

General Donation	127,540.79
Events (Fall Fiesta, Urban kids' Camp)	2,915.00
Facility Rent	2,400.00
Freedom Session	2,274.00

TOTAL REVENUE

135,129.79

EXPENSE

Urban kids' camp	1,650.79
Fall Fiesta	1,795.00
Easter	1,374.34
Christmas grand service	2,273.13
Other events	<u>1,570.53</u>
Total Events	8,663.79

Janitorial	131.40
Parking	1,764.00
Property taxes	20,058.12
Rent	43,312.50
Strata	20,551.32
Utilities	<u>4,113.93</u>
Total Facilities	89,931.27

Alpha	2,310.00
Dignity Breakfast	2,500.00
Freedom Session	9,534.00
Kiwanis Club	<u>2,000.00</u>
Total Missions	16,344.00

Advertising	851.00
Amortization	21,189.00
Auto	291.00
Bank Charge	2,599.24
Church service	8,355.60
Department	985.47
Leader's expense & training	1,597.52
Office	4,234.73
Telephone	1,003.74
Wages	82,300.00

TOTAL EXPENSE

238,346.36

NET INCOME

-103,216.57

FINANCIAL STATEMENTS OF
COASTAL CHURCH
December 31, 2019



INDEPENDENT AUDITOR'S REPORT

To the Members of
Coastal Church

Qualified Opinion

We have audited the financial statements of Coastal Church, which comprise the statement of financial position as at December 31, 2019, and the statements of operations and changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Church as at December 31, 2019, and its results of operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO).

Basis for Qualified Opinion

In common with many charitable organizations, the Church derives part of its revenue in the form of donations, completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of these revenues was limited to the amounts recorded in the records of the Church, and we were not able to determine whether any adjustments might be necessary to donations, excess of revenue over expenditures and net assets.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Church in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Church's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Church or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Church's financial reporting process.



INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Church's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Church's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Church to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

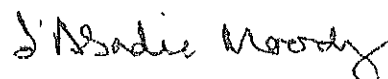
INDEPENDENT AUDITOR'S REPORT

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

As required by the Society Act of British Columbia, we report that, in our opinion, the accounting principles in Canadian accounting standards for not-for-profit organizations have been applied on a consistent basis with that of the preceding year.

Langley, British Columbia
March 11, 2020

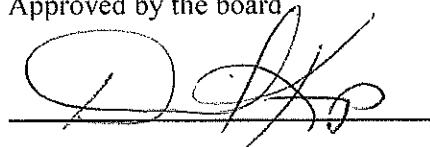


Chartered Professional Accountants

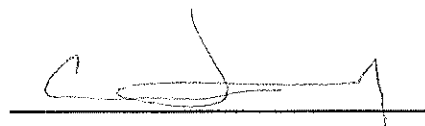
COASTAL CHURCH
STATEMENT OF FINANCIAL POSITION
As at December 31, 2019

	2019	2018
ASSETS		
Current		
Cash and cash equivalents	\$ 5,804,386	\$ 4,896,151
Accounts receivable	41,107	49,051
Inventory	17,555	13,550
Prepaid expenses and deposits	56,769	60,565
	<u>5,919,817</u>	<u>5,019,317</u>
Capital assets (Note 3)	<u>11,537,411</u>	<u>11,328,527</u>
	<u>\$ 17,457,228</u>	<u>\$ 16,347,844</u>
LIABILITY		
Current		
Accounts payable and accrued liabilities	\$ 226,534	\$ 138,661
NET ASSETS		
NET ASSETS (Note 4)	<u>17,230,694</u>	<u>16,209,183</u>
	<u>\$ 17,457,228</u>	<u>\$ 16,347,844</u>

Approved by the board



Member



Member

See accompanying notes to the financial statements



COASTAL CHURCH

STATEMENT OF OPERATIONS AND CHANGES IN NET ASSETS

Year ended December 31, 2019

	2019	2018
REVENUES	\$ 6,596,169	\$ 5,887,618
EXPENDITURES	5,574,658	4,668,737
EXCESS OF REVENUES OVER EXPENDITURES	1,021,511	1,218,881
NET ASSETS, beginning of year	16,209,183	14,990,302
NET ASSETS, end of year	\$ 17,230,694	\$ 16,209,183

See accompanying notes to the financial statements



COASTAL CHURCH
STATEMENT OF CASH FLOWS
Year ended December 31, 2019

	<u>2019</u>	<u>2018</u>
OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ 1,021,511	\$ 1,218,881
Change in non-cash working capital items		
Accounts receivable	7,944	(25,157)
Inventory	(4,005)	(465)
Prepaid expenses and deposits	3,796	31,967
Accounts payable and accrued liabilities	<u>87,873</u>	<u>(177,333)</u>
	1,117,119	1,047,893
FINANCING ACTIVITY		
Decrease in term debt	-	(312,811)
INVESTING ACTIVITY		
Purchase of capital assets	<u>(208,884)</u>	189,416
INCREASE IN CASH	908,235	924,498
CASH, beginning of year	<u>4,896,151</u>	<u>3,971,653</u>
CASH, end of year	<u>\$ 5,804,386</u>	<u>\$ 4,896,151</u>

See accompanying notes to the financial statements



COASTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

1. Nature of operations

Coastal Church, (the "Church"), a not-for-profit organization, was incorporated under the Societies Act of British Columbia and is a registered charity under the Canadian Income Tax Act and, as such, is not subject to income taxes.

The purpose of the Church is to develop a main Church body of believers in accordance with the Holy Scripture, dedicated to promoting spiritual and physical welfare at home and abroad.

2. Significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant accounting policies are detailed as follows:

(a) Cash and cash equivalents

The Church considers all investments redeemable at any time to be cash equivalents.

(b) Fund accounting

The Church follows the restricted fund method of accounting for contributions.

The General Fund accounts for the Church's operating activities and reports unrestricted resources.

The Capital Assets Fund reports the capital assets of the Church and any related debt.

The Building Fund reports only restricted resources that are able to be used for the purchase and improvement of the Church land and building.

The Missions Fund reports contributions designated for use in particular Church missions.

(c) Inventory

Inventory is recorded at the lower of cost and net realized value.

COASTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

2. Significant accounting policies, continued

(d) Capital assets

Capital assets are recorded at cost. The Church provides for amortization using the following methods at rates designed to amortize the cost of the capital assets over their estimated useful lives. The annual amortization rates and methods are as follows:

Buildings	40 years Straight-line
Motor vehicles	5 years Straight-line
Office equipment, furniture and fixtures	5 years Straight-line
Sound and video equipment	10 years Straight-line
Computer equipment	5 years Straight-line
Preschool equipment	5 years Straight-line
Mobile church equipment	5 years Straight-line
Eden Café equipment	5 years Straight-line

Amortization of leasehold improvements is recorded over the remaining term of the lease.

Amortization is taken at one-half of the normal rate in the year of acquisition. The Church regularly reviews its capital assets to eliminate obsolete items.

(e) Impairment of long-lived assets

The carrying value of long-lived assets, which includes capital assets, is reviewed for impairment whenever events or changes in circumstances indicate the recoverable value may be less than the carrying amount. Recoverable value is based on estimates of both undiscounted and discounted future net cash flows expected to be recovered from specific assets or groups of assets through use or future disposition. Impairment changes are recorded in the period in which determination of impairment is made by management.

(f) Revenue recognition

Unrestricted contributions are recognized as revenue in the General Fund in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Restricted contributions related to the building are recognized as revenue in the Building Fund in the year in which the revenue is received. All other restricted contributions are recognized as revenue in the Mission Fund.

(g) Contributions

Contributions and bequests are recorded as revenue at their estimated fair values when received.

COASTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

2. Significant accounting policies, continued

(h) Contributed materials and services

Volunteers contributed time to assist the Church in carrying out its activities. Because of the difficulty of determining their fair value, contributed services are not recognized in the financial statements. Contributed materials are recorded at fair value at the date of the contribution.

(i) Measurement uncertainty

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. Significant areas requiring the use of estimates include estimated useful lives of capital assets for amortization and net recoverable values for capital assets. Actual results could differ from those estimates.

3. Capital assets

	2019		2018	
	Cost	Accumulated amortization	Net Book Value	Net Book Value
Land	\$ 6,820,401	\$ -	\$ 6,820,401	\$ 6,820,401
Buildings	5,324,547	1,539,961	3,784,586	3,917,702
Motor vehicles	117,901	65,837	52,064	14,654
Office equipment, furniture and fixtures	426,647	332,064	94,583	147,054
Leasehold improvements	446,221	121,956	324,265	45,806
Sound and video equipment	845,914	493,724	352,190	339,980
Computer equipment	137,671	107,353	30,318	42,930
Preschool equipment	11,994	11,994	-	-
Mobile church equipment	175,198	137,237	37,961	-
Eden Café equipment	45,603	4,560	41,043	-
	<u>\$ 14,352,097</u>	<u>\$ 2,814,686</u>	<u>\$ 11,537,411</u>	<u>\$ 11,328,527</u>

COASTAL CHURCH
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

4. Net assets

	Unrestricted	Invested in capital assets	Building Fund	Mission Fund	2019
Balance, beginning of year	\$ 4,880,657	\$ 11,328,527	\$ -	\$ -	\$ 16,209,184
Excess (deficiency) of revenue over expenditures	1,111,106	(312,471)	170,032	52,843	1,021,510
Transfers: Purchase of capital assets	(351,323)	521,355	(170,032)	-	-
Eden Café donations to funds its operational expenses	63,135	-	-	(63,135)	-
Fund mission expenditures	(10,292)	-	-	10,292	-
Balance, end of year	\$ 5,693,283	\$ 11,537,411	\$ -	\$ -	\$ 17,230,694

COASTAL CHURCH
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2019

4. Net assets, continued

Comparative figures for 2018 are as follows:

	Unrestricted	Invested in capital assets	Building Fund	Mission Fund	2018
Balance, beginning of year	\$ 3,785,173	\$ 11,205,130	\$ -	\$ -	\$ 14,990,303
Excess (deficiency) of revenue over expenditures	1,687,527	(282,697)	32,952	(218,901)	1,218,881
Transfers: Purchase of capital assets	(52,116)	85,068	(32,952)	-	-
Fund mission expenditures	(218,901)	-	-	218,901	-
Fund repayment of term debt	(321,026)	321,026	-	-	-
Balance, end of year	\$ 4,880,657	\$ 11,328,527	\$ -	\$ -	\$ 16,209,184

5. Comparative amounts

The financial statements have been reclassified, where applicable, to conform to the presentation used in the current year. The changes do not affect prior year earnings.

COASTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

6. Commitments

The Church has committed to a property lease agreement for two office units requiring monthly payments of \$14,762 to \$16,607 and \$6,064 to \$6,822 respectively. The lease expires in May 2028.

The Church has also committed to a property lease agreement for Eden Café requiring monthly payments of \$6,500. The lease expires in July 2022.

In addition, the Church has entered into three theatre lease agreements for Sunday services at Cineplex as follows:

- (a) Richmond - requiring weekly rent payments of \$900 until August 2020;
- (b) Pitt Meadows - requiring weekly rent payments of \$825 until December 2020;
- (c) Vancouver - requiring weekly rent payments of \$875 until December 2020.

The summary of annual commitments under premise leases for the next five years is as follows:

2020	\$ 452,189
2021	338,328
2022	311,897
2023	270,732
2024	270,732
Subsequent years	<u>956,249</u>
	<u>\$ 2,600,127</u>

The Church has no commitments under equipment leases.

7. Financial instruments

Transactions in financial instruments may result in an entity assuming or transferring to another party one or more of the financial risks described below. The required disclosures provide information that assists users of financial statements in assessing the extent of risk related to financial instruments.

Fair value

The fair value of current financial assets and current financial liabilities approximates their carrying value due to their short-term maturity dates. The fair value of long-term financial liabilities approximates their carrying value based on the presumption that the Church is a going concern and thus expects to fully repay the outstanding amounts.

COASTAL CHURCH

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2019

7. Financial instruments, continued

Liquidity risk

The Church does have a liquidity risk in the accounts payable and accrued liabilities of \$226,534 (2018 - \$138,660). Liquidity risk is the risk that the Church cannot repay its obligations when they become due to its creditors. The Church reduces its exposure to liquidity risk by ensuring that it documents when authorized payments become due; maintains an adequate cash to repay trade creditors and repays long term debt interest and principal as they become due. In the opinion of management the liquidity risk exposure to the Church is low and is not significant.

8. Disclosure of Remuneration as required under the British Columbia Societies Act

During the year the Church did not pay any directors fees, however, two directors received \$199,525 and \$194,755, respectively in employment remuneration which included salary in their capacity as Senior Pastors and one director received \$64,168 in contract services for creative direction. Included in the employment remuneration is a taxable benefit for use of an apartment in Vancouver to allow the directors close access to the Church for ministry purposes.

During the year the Church had 7 other employees who received remuneration in excess of \$75,000. The remuneration for these seven employees totaled \$588,502.

COASTAL CHURCH
SCHEDULES TO THE FINANCIAL STATEMENTS
Year ended December 31, 2019



EXHIBIT A

Description of Property

102 – 12099 Harris Road

Property Zoning: Town Centre Commercial
Roll/Folio No.: 319 0243.255
Legal Description: PID 028-724-275
STRATA LOT 155 SECTION 1 BLOCK 5 NORTH RANGE 1 EAST
NEW WESTMINSTER DISTRICT STRATA PLAN BCS3929
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS
SHOWN ON FORM V

103 – 12099 Harris Road

Property Zoning: Town Centre Commercial
Roll/Folio No.: 319 0243.254
Legal Description: PID 028-724-267
STRATA LOT 154 SECTION 1 BLOCK 5 NORTH RANGE 1 EAST
NEW WESTMINSTER DISTRICT STRATA PLAN BCS3929
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS
SHOWN ON FORM V

104 – 12099 Harris Road

Property Zoning: Town Centre Commercial
Roll/Folio No.: 319 0243.261
Legal Description: PID 028-724-330
STRATA LOT 161 SECTION 1 BLOCK 5 NORTH RANGE 1 EAST
NEW WESTMINSTER DISTRICT STRATA PLAN BCS3929
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS
SHOWN ON FORM V

105 – 12099 Harris Road

Property Zoning: Town Centre Commercial
Roll/Folio No.: 319 0243.260
Legal Description: PID 028-724-321
STRATA LOT 160 SECTION 1 BLOCK 5 NORTH RANGE 1 EAST
NEW WESTMINSTER DISTRICT STRATA PLAN BCS3929
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN
PROPORTION TO THE UNIT ENTITLEMENT OF THE STRATA LOT AS
SHOWN ON FORM V

EXHIBIT B(1)

LAND TITLE OFFICE

STATE OF TITLE CERTIFICATE

Certificate Number: STSR1862808

Folio/File Reference: 1563010

DEJAGER VOLKENANT AND COMPANY
#5 - 15243 - 91 AVENUE
SURREY BC V3R 8P8

I certify this to be an accurate reproduction of title number **CA4538859** at 00:26 this 20th day of August, 2015.


REGISTRAR OF LAND TITLES



Title Issued Under	STRATA PROPERTY ACT (Section 249)
Land Title District Land Title Office	NEW WESTMINSTER NEW WESTMINSTER
Title Number From Title Number	CA4538859 BB4023576
Application Received	2015-07-16
Application Entered	2015-07-21
Registered Owner in Fee Simple Registered Owner/Mailing Address:	COASTAL CHURCH, INC.NO. S-32382 1160 WEST GEORGIA STREET VANCOUVER, BC V6E 3H7
Taxation Authority	CITY OF PITT MEADOWS

EXHIBIT B(2)

LAND TITLE OFFICE

STATE OF TITLE CERTIFICATE

Certificate Number: STSR1862808

Description of Land

Parcel Identifier:

028-724-275

Legal Description:

STRATA LOT 155 SECTION 1 BLOCK 5 NORTH RANGE 1 EAST NEW WESTMINSTER
DISTRICT STRATA PLAN BCS3929
TOGETHER WITH AN INTEREST IN THE COMMON PROPERTY IN PROPORTION TO THE UNIT
ENTITLEMENT OF THE STRATA LOT AS SHOWN ON FORM V

Legal Notations

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 26 OF THE LOCAL
GOVERNMENT ACT, SEE BB1137946, EXPIRES: N/A

HERETO IS ANNEXED EASEMENT BB1185074 OVER PART OF LOT 2 PLAN BCP33918
SHOWN ON PLAN BCP45943

PHASED STRATA PLAN DECLARATION (FORM P) FILED BB1185075
2010-08-31

HERETO IS ANNEXED EASEMENT BB1699741 OVER THE COMMON PROPERTY OF
STRATA PLAN BCS3929

THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 26 OF THE LOCAL
GOVERNMENT ACT, SEE BB194549

ZONING REGULATION AND PLAN UNDER THE AERONAUTICS ACT (CANADA)
FILED 22.08.1977 UNDER NO. N86369 PLAN NO. 53110

Charges, Liens and Interests

Nature:	STATUTORY RIGHT OF WAY
Registration Number:	BB1256536
Registration Date and Time:	2010-04-14 12:07
Registered Owner:	SHAW CABLESYSTEMS LIMITED INCORPORATION NO. 75382A
Remarks:	INTER ALIA

Nature:	COVENANT
Registration Number:	BB1185062
Registration Date and Time:	2010-08-31 12:43
Registered Owner:	CITY OF PITT MEADOWS
Remarks:	INTER ALIA

Nature:	COVENANT
Registration Number:	BB1185066
Registration Date and Time:	2010-08-31 12:43
Registered Owner:	CITY OF PITT MEADOWS
Remarks:	INTER ALIA

EXHIBIT B(3)

LAND TITLE OFFICE

STATE OF TITLE CERTIFICATE

Certificate Number: STSR1862808

Nature: STATUTORY RIGHT OF WAY
Registration Number: BB1185069
Registration Date and Time: 2010-08-31 12:44
Registered Owner: CITY OF PITT MEADOWS
Remarks: INTER ALIA

Nature: COVENANT
Registration Number: BB1185070
Registration Date and Time: 2010-08-31 12:44
Registered Owner: CITY OF PITT MEADOWS
Remarks: INTER ALIA

Nature: MORTGAGE
Registration Number: CA4539811
Registration Date and Time: 2015-07-16 11:13
Registered Owner: VANCOUVER CITY SAVINGS CREDIT UNION
INCORPORATION NO. FI-97
Remarks: INTER ALIA

Nature: ASSIGNMENT OF RENTS
Registration Number: CA4539812
Registration Date and Time: 2015-07-16 11:13
Registered Owner: VANCOUVER CITY SAVINGS CREDIT UNION
INCORPORATION NO. FI-97
Remarks: INTER ALIA

Duplicate Indefeasible Title NONE OUTSTANDING

Transfers NONE

Pending Applications NONE

This certificate is to be read subject to the provisions of section 23(2) of the Land Title Act(R.S.B.C. 1996 Chapter 250) and may be affected by sections 50 and 55-58 of the Land Act (R.S.B.C. 1996 Chapter 245).

jennifr uigama design
217 East 30th Avenue
Vancouver, BC V6M 1E5
604.275.1518
www.jennifrdesign.com

FOR PERMIT ONLY
DRAWINGS NOT FOR
CONSTRUCTION
ALL DIMENSIONS MUST
BE VERIFIED ON SITE

NO. / DATE / ISSUED
REVISIONS

PROJECT NAME
COASTAL CHURCH
EDUCATION CENTRE

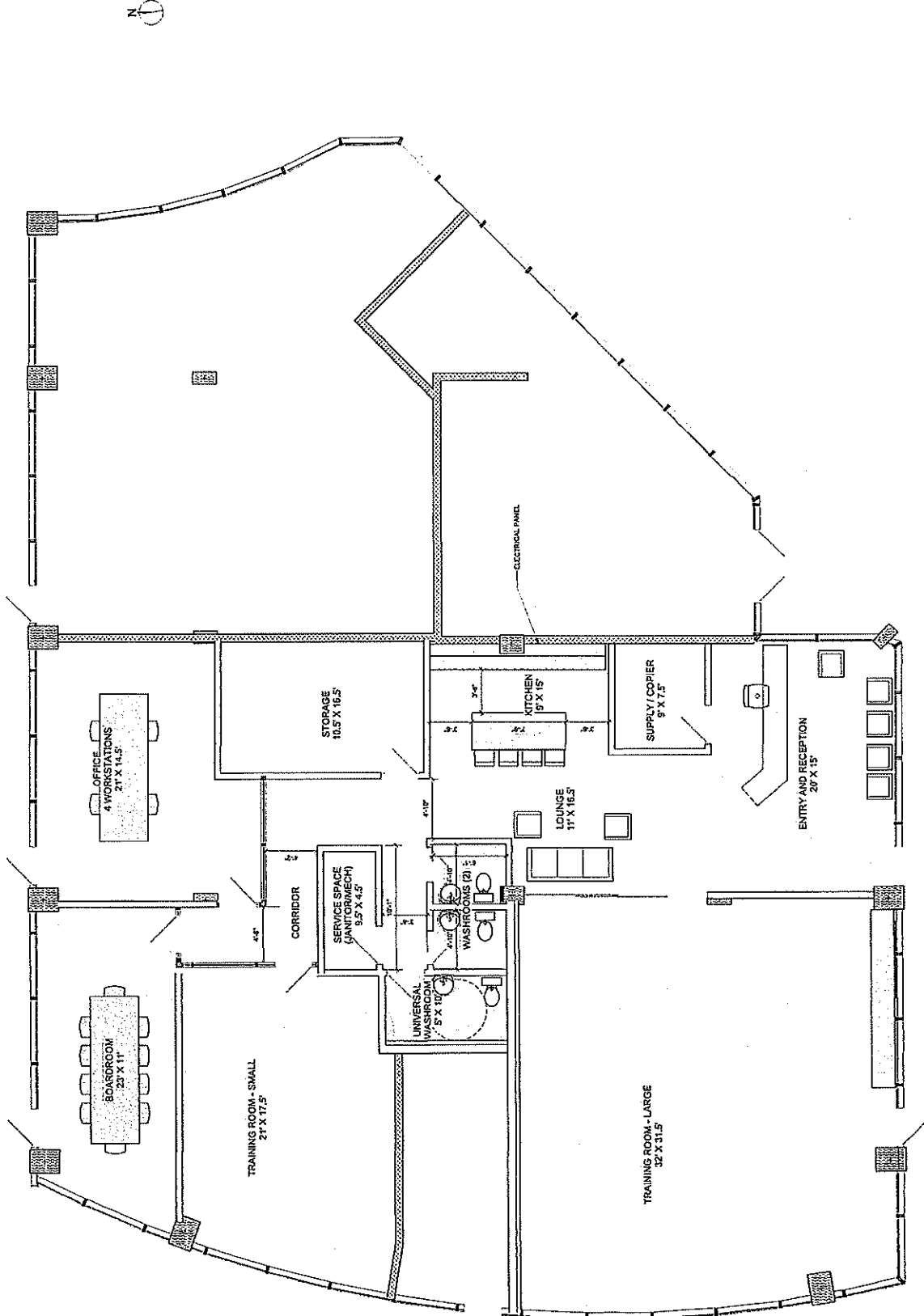
12099 HARRIS RD
PITT MEADOWS, BC

DRAWING TITLE

FLOOR PLAN
OPTION 3

PROJ.#
SCALE 1/8" = 1'-0"
DRAWN JU
DATE JULY 2015

DRAWING # A.1.2



jennifr uogama design
377 East 25th Avenue
Vancouver, BC V5N 1E5
604.271.1111
www.jennifrdesign.com

FOR PERMIT ONLY
DRAWINGS NOT FOR
CONSTRUCTION
ALL DIMENSIONS MUST
BE VERIFIED ON SITE

NO. / DATE / ISSUED
REVISIONS

PROJECT NAME
COASTAL CHURCH
EDUCATION CENTRE

12059 HARRIS RD
PITT MEADOWS, BC

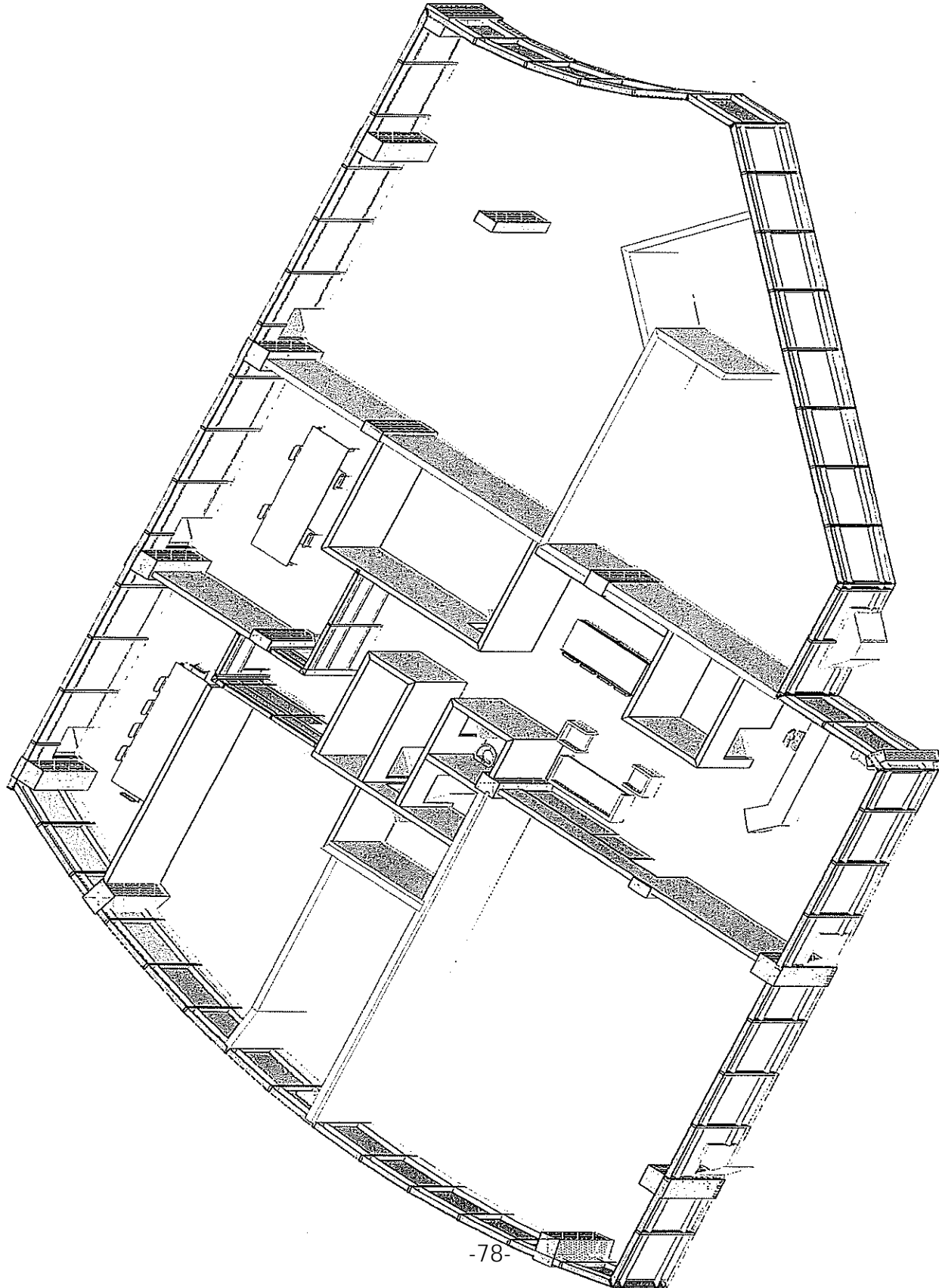
DRAWING TITLE

OPTION 3
PERSPECTIVE

PROJ #
SCALE 1/4" = 1'-0"
DRAWN JU
DATE JULY 17, 2015

APPROVED BY
DATE
PROJECT NO.
SHEET NO.
SHEET TOTAL

DRAWING # 1.2.3D



CITY OF PITT MEADOWS

ESTIMATED 2021 TAXES FOR PROPERTIES APPLYING FOR PERMISSIVE TAX EXEMPTION

Organization	Roll	Property Address	Authority for Consideration of Permissive Exemption	Estimated 2021 Municipal Taxes
NEW APPLICATIONS FOR 2021				
Coastal Church	0243.255, 0243.254, 0243.261, 0243.260	#102 – 105 12099 Harris Rd	224(2)(a)	\$12,156

ESTIMATED 2021 TAXES FOR PROPERTIES GRANTED PERMISSIVE TAX EXEMPTION

Note: This Information is provided for reference purposes only

FIVE YEAR PERMISSIVE EXEMPTIONS – CITY LEASED PROPERTIES: (Granted in 2017 for 2018 – 2022)				
City of Pitt Meadows Library Lease	243.262	#200 12099 Harris Road	224 (2)(b)	\$28,039
City of Pitt Meadows Senior Centre Lease	242.300	Lease space within 12000 190A St	224 (2)(b)	\$24,890

FIVE YEAR PERMISSIVE EXEMPTION: (Granted in 2017 for 2018 – 2022)				
Community of Christ Meadow Ridge Congregation Church	1008.000	19089 Advent Road	224(2)(f)	\$1,172
Grace Community Evangelical Free Church	141.100	12240 Harris Road	224(2)(f)	\$7,881
Pitt Meadows Lions Hall Society	1022.000	12479 Harris Road	224(2)(a)	\$2,889
Pitt Meadows Athletic Association	22.004 26.001	Harris Park (Allocated Portion)	224(2)(i)	N/A for 2021*
Pitt Meadows Heritage and Museum Society	988.000	12277 Harris Road	224(2)(a)	\$10,767
Pitt Meadows Community Church Society	986.001	12109 Harris Road	224(2)(f)	\$15,164

* no longer occupying the space

PITT MEADOWS POLICY MANUAL	POLICY NO. C061
SUBJECT: Permissive Tax Exemptions	Approved by Council: September 15, 2009 Amended Date: July 17, 2012 Amended Date: June 16, 2015

PURPOSE:

A permissive tax exemption is a means for Council to support organizations within the community which further Council's objectives of enhancing quality of life (economic, social, cultural) and delivering services economically. This policy guides identification of organizations meeting Council's objectives.

POLICY:

1. Process

Council will consider applications for permissive tax exemptions annually. The opportunity to apply will be advertised two times in the local newspaper and letters will be mailed to tax exemption recipients designated in the preceding tax year.

Applications must be submitted to the Director of Finance using the prescribed application form, before August 31st each year. The Director of Finance will review the applications for completeness, and arrange contact with applicants for additional information as necessary.

Application submissions must include:

- Copy of most recent annual Financial Statements
- Copy of state of title certificate or lease agreement, as applicable
- Description of programs/services/benefits delivered from the subject lands/improvements including participant numbers, volunteer hours, benefiting groups/individuals/special needs populations, fees charged for participation
- Description of any 3rd party use of the subject land/improvements including user group names, fees charged, conditions of use

The Director of Finance will present a summary report of the applications, relative to the eligibility criteria, to Council and arrange for delegations to Council by applicants if requested by Council.

2. Eligibility Criteria

- (a) Subject Property must be one of:
- Land and/or improvements owned, or in specific situations, leased
 - Land and/or improvements ancillary to a statutory exemption under s.220 of the *Community Charter*
- (b) Nature of organization must be:
- Non-profit organization
 - *Charitable/philanthropic* organization
 - Athletic or Service Club/Associations
 - Partner of the municipality by agreement under s. 225 of the *Community Charter*
 - Other local authority
 - Organization eligible to s.220 statutory exemption (e.g. place of public worship)

No permissive exemptions will be considered for organizations or properties providing services considered to be the responsibility/authority of senior levels of government such as care homes and private health care facilities.

- (c) The applicant organization's use of the land/improvements must benefit the community in one or more of the following ways:
- Provides recreational facilities for public use
 - Provides recreation programs to the public
 - Provides programs to and/or facilities used by youth, seniors or other special needs groups
 - Preserves heritage important to the community character
 - Preserves an environmentally, ecologically significant area of the community
 - Offers cultural or educational programs to the public which promote community spirit, cohesiveness and/or tolerance
 - Offers services to the public in formal partnership with the municipality
- (d) Housing co-operatives and common areas of multi family residential complexes are not eligible.

3. Duration of Exemption

Permissive exemptions will normally be provided for a period of one year. Eligible organizations may be considered for tax exemptions exceeding one year (to a maximum of 10 years) where it is demonstrated that the services/benefits they offer to the community are of a duration exceeding one year (i.e. for the period of the tax exemption).

4. Extent, Conditions, and Penalties

- (a) Council may designate only a portion of the land/improvements as exempted where the following circumstances exist:
 - A portion of the land/improvements is used by the private sector and/or organizations not meeting Council's exemption criteria
 - The applicant already received grant-in-aid from the municipality
- (b) Council may impose **conditions** on the exempted land/improvements with the applicant organization, including but not limited to:
 - Registration of a covenant restricting use of the property
 - An agreement committing the organization to continue a specific service/program
 - An agreement committing the organization to have field/facilities open for public use for certain times or a total amount of time
 - An agreement committing the organization to offer use of the field/facility to certain groups free of charge or at reduced rates
 - An agreement committing the organization to immediately disclose any substantial increase in the organization's revenue or anticipated revenue (e.g.) receives large operating grant from senior government)
- (c) Council may impose **penalties** on an exempted organization for a knowing breach of conditions of exemption, including but not limited to:
 - Revoking exemption with notice
 - Disqualifying any future application for exemption for specific time period
 - Requiring repayment of monies equal to the foregone tax revenue

CITY OF PITT MEADOWS

PERMISSIVE TAX EXEMPTION

APPLICATION

CANADA)
PROVINCE OF)
BRITISH COLUMBIA)

**IN THE MATTER OF THE TAXATION EXEMPTION
BYLAW PURSUANT TO SECTIONS 224 AND 225 OF
THE *COMMUNITY CHARTER* IN THE CITY OF PITT
MEADOWS
(exemption from taxation under Annual Rates Bylaw)**

Pursuant to Section 224 and 225 of the *Community Charter*

I, _____ of _____
Name Street Address

City/Town

Telephone No. (____) _____ or (____) _____
(Home) (Work)

In the Province of British Columbia, do solemnly declare **THAT**:

1. I am the _____ of the
Position Currently Held Within Organization

Name of Corporation, Association, Society or Organization

Have knowledge of the facts hereinafter deposed with respect to the following property for which a tax exemption is being applied for:

Property Address

Property Zoning

Roll/Folio No.

Legal Description of Property

2. Full name or title of organization: _____

3. Mailing address of the organization (including Postal Code): _____

4. Name and phone number of two other officials in organization (i.e. Pastor, President, Manager, etc.)

1. Name: _____

2. Name: _____

Title: _____

Title: _____

Day Phone No. _____

Day Phone No. _____

Night Phone No. _____

Night Phone No. _____

5. The lands are registered in the name of: _____

(In the case of a Society, Corporation, Association, please include a copy of the Certificate of Title)

6. The exemption claimed under Section 224 is pursuant to Subsection 2, Clause (_____) *(Please supply the relevant clause designation from Section 224)*

7. The gross floor area of the building: _____

8. Number of parking spaces: Gravel: _____

Blacktop: _____

Undeveloped: _____

9. **We require a current site plan of the property** indicating the grounds and buildings and their uses. This would include buildings, storage buildings, walkways, parking lot, playgrounds, bush areas, etc. **Show all dimensions.**

10. What is the principal use of the property?

11. Is any part of the building or of the property used or rented by commercial or private operators or by any group other than your organization?

12. Please provide details of other activities on your property; such as daycare centres, catering and hall rental, thrift shop.

The following information is required for each activity:

- Hourly per day and/or days per week of operation
- Fee or charge
- Approximate number of participants
- Is the activity operated by the church or by an outside organization?

13. (a) How is your organization consistent with City policies, plan, bylaws, codes and regulations?

- (b) How is your organization non-profit?

- (c) How is your organization a complementary extension to City services and programs?

- (d) How is your organization accessible to the public?

(e) How is your organization used primarily by Pitt Meadows Municipal residents?

14. Other activities which may be pertinent to your application:

15. Does anyone live in the buildings? If yes, how many people?

16. Square footage of living area: _____

17. Has there been any change in the status or use of the buildings or property in the last 12 months?
If yes, please explain briefly.

18. **CHURCHES ONLY** complete the following additional questions:

(i) What is the seating capacity of the church?

Permanent: _____

Portable: _____

(ii) What is the gross floor area of the

(a) Church: _____

(b) Hall: _____

(c) Other buildings: _____

Total Gross Floor Area: _____

(iii) Is every building on the lands set aside for public worship or for a Church Hall? _____

If no, please explain their use. _____

(iv) A manse or a building of similar kind

_____ is not used in association with the place of public worship

_____ is used for public worship; and an exemption is claimed for the land and improvement.

If the manse or a building is used for public worship, specify what area of the building and square footage.

Note: Manses may be considered if they are used for Sunday School, Bible Class, etc., but not for office, elders meetings, storage.

AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath, and by virtue of the CANADA EVIDENCE ACT.

DECLARED at the
City of Pitt Meadows in the
Province of British Columbia this _____
day of _____ A.D. _____

Signature

NOTE:

- (1) Exemptions may be claimed for a place of public worship, a church hall and the land upon which they are sited, and for adjacent land used for off-street parking, walks and landscaping associated with the principal use. A separate exemption may be provided for in Section 18 (iv) (above) where a manse or similar residence is associated with the place of public worship.
- (2) The personal information on this form is collected for the purpose of an operating program of the City of Pitt Meadows as noted in Section 26 (c) of the Freedom of Information and Privacy Act. If you have any questions about the collection and use of this information, please contact the Director of Corporate Services at 604.465.2433.
- (3) **Applications for Permissive Tax Exemption must be received by August 31st in the year prior to the taxation year for which exemption is requested in order to be included on the applicable annual Permissive Tax Exemption Bylaw.**
- (4) Permissive Tax Exemption Applications are to be submitted to:

City of Pitt Meadows
Finance Department
12007 Harris Road
Pitt Meadows, BC
V3Y 2B5