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BC ASSESSMENT

Supportive Housing (Class 03) Policy

Table of Contents

Purpose	2
Supportive Housing (Class 03) Importance	2
Policy Statements.....	3
Supportive Housing (Class 03) Requirements.....	4
Supportive Housing (Class 03) Annual Review Requirements	4
Supportive Housing (Class 03) Valuation Requirements.....	4
Supportive Housing (Class 03) Classification Requirements	4
Resources	5
Definitions.....	5
References	5
Appendices.....	6
Appendix 1: Supportive Housing Background.....	6
Appendix 2: Frequently Asked Questions.....	7



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Purpose

This Assessment Policy ensures that BC Assessment (BCA) consistently reviews properties recommended for Property Class 03 – Supportive Housing by BC Housing and the Provincial Health Authority according to the Ministry of Municipal Affair and Housing’s [Policy Statement on Class 3 Supportive Housing](#) and implements the statutory valuation as per the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81.

Note: Properties where the only form of funding is a mortgage received through BC Housing are considered eligible.

Supportive Housing (Class 03) Importance

Supportive Housing is property that is used by or on behalf of a person who received funding from the government or a regional health board in the preceding calendar year for the provision of supportive housing on that property. (Placeholder1) Class 03 – Supportive Housing is used to provide supportive housing property owners that provide housing for at risk individuals with assessment relief by mandating a \$1 valuation for both eligible land and improvement(s) for a total value of \$2.

BC Assessment reviews properties submitted for consideration by BC Housing and the Provincial Health Authority for Class 03 – Supportive Housing annually to:

- produce an accurate and consistent assessment roll and other property information products;
- ensure only eligible and potentially eligible folios are submitted to Cabinet to be included in the updated OIC for the assessment roll;
- ensure that designated folios in the OIC that are eligible for Class 03 – Supportive Housing are correctly valued and classed; and
- provide Class 03 – Supportive Housing property owners and local governments with consistent and uniform assessments.



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Policy Statements

1. Properties submitted for Class 03 – Supportive Housing designation by BC Housing and/or the Provincial Health Authority must be reviewed as per the [Supportive Housing \(Class 03\) Annual Review Requirements](#).
2. Property, or a portion of, that qualifies as supportive housing must be valued as per [Supportive Housing \(Class 03\) Valuation Requirements](#).
3. Class 03 – Supportive Housing must be applied to eligible properties according to [Supportive Housing \(Class 03\) Classification Requirements](#).



Supportive Housing (Class 03) Requirements

Supportive Housing (Class 03) Annual Review Requirements

1. Properties submitted for consideration by BC Housing and/or the Provincial Health Authority as potentially eligible for Class 03 – Supportive Housing must be reviewed annually for eligibility and split-classification, as applicable.

Supportive Housing (Class 03) Valuation Requirements

1. The portion of a designated property that qualifies as supportive housing must be valued at one dollar for land and one dollar for improvements using an override value with the following standard:
 - Type: Improvement/land (create separate override for each)
 - PC: 03: Supportive Housing
 - ETC: 00 – Fully Taxable
 - Override Value: \$1
 - Override date: as applicable
 - Override Comment: OIC under which the property was designated
 - Override Source: appraiser applying override value.

Supportive Housing (Class 03) Classification Requirements

1. Class 03 – Supportive Housing must only be applied to roll numbers designated by Cabinet on an annual basis.
2. Class 03 – Supportive Housing must only be applied to the portion of a designated property that meets the following requirements based on the [Supportive Housing Policy Statement](#) and found in the Class 3 - Supportive Housing Eligibility Questionnaire.
3. Properties under renovation or construction may be eligible for Class 03 – Supportive Housing if:
 - they meet or will meet the all other criteria; and
 - they will open or reopen as supportive housing.



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Resources

Definitions

- Refer to the [BC Assessment Glossary page](#) for term definitions.

References

- [Assessment Act](#)
- [Exempt Interests Regulation](#)
- [Supportive Housing Property Valuation Regulation](#)
- Ministry's [Policy Statement on Class 3 Supportive Housing](#)



Appendices

Appendix 1: Supportive Housing Background

Class 03 – Supportive Housing was created via *The Small Business and Revenue Statutes Amendment Act*, which gave Cabinet the authority to create a new property class for supportive housing properties, designate eligible supporting housing property into that class, and establish special valuation rules for property coming within that class.

The relevant provisions were brought into force on June 27, 2008 by Order in Council (OIC) 541/2008 (B.C. Reg. 208/2008). The OIC also amended the *Prescribed Classes of Property Regulation* and the *Exempt Interests Regulation* and enacted the *Supportive Housing Property Valuation Regulation*.

Eligible supportive housing property is defined in the *Assessment Act*, but supportive housing requirements are defined by [policy](#) that is the joint responsibility of the Ministry of Municipal Affairs & Housing and the former Ministry of Community, Sport and Cultural Development.

The legal policy no longer excludes supportive housing primarily intended for seniors. If a property meets the other requirements, the fact that it is primarily intended to house seniors will not render it ineligible for designation.

BC Assessment receives several listings of potential Class 03 – Supportive Housing properties from both BC Housing and various regional health authorities on an annual basis. Our role is to compile the listings and review the properties for consideration to determine if they meet the requirements, refer to [Supportive Housing \(Class 03\) Classification Requirements](#). Note that inclusion in Class 03 during the previous roll year does not automatically qualify a property for inclusion in the current roll year. Each property must be reviewed annually to ensure they meet the requirements listed in this policy. Once the review is complete by both the Quality Standards and Practices Department and the applicable region/area in early September a draft list of properties to be included in the OIC is sent to the Ministry of Finance – Property Assessment Services department for review and approval.



Appendix 2: Frequently Asked Questions

1. Does the *Supportive Housing Property Valuation Regulation* reduce the assessed value of property in Class 3 by two dollars, or does it reduce the assessed value to two dollars?

The *Supportive Housing Property Valuation Regulation* reduces the assessed value of property in Class 3 to a value of two dollars.

2. How does the *Supportive Housing Property Valuation Regulation* work to reduce the assessed value of supportive housing property to two dollars?

Section 20.4 of the *Assessment Act* provides that the actual value otherwise determined under the Act (e.g., market value under section 19) will be reduced by an amount to be established by Cabinet. Under section 1 of the *Supportive Housing Property Valuation Regulation*, the amount is the actual value otherwise determined under the Act (e.g., market value under section 19) minus two dollars. Therefore, the new actual value for supportive housing property is market value minus the amount, which equals two dollars. In terms of a formula, it looks like this:

- $\text{New Actual Value} = \text{Market Value} - \text{Amount}$
- $\text{Amount} = \text{Market Value} - \text{two dollars}$

3. Does the new value apply to the entire property?

The new value applies only to the portion of the property that qualifies for Class 3. Under section 2 of the *Supportive Housing Property Valuation Regulation*, one dollar is attributable to land and one dollar is attributable to the improvements.

4. What property class applies to portion of the folio that does not qualify for Class 3 (e.g., excess land or retail space)?

The portion of the property that does not qualify for Class 3 should be placed in its appropriate property class according to the *Prescribed Classes of Property Regulation*.

5. Do short-stay emergency shelters or transition shelters qualify for designation into the supportive housing property class? Does this mean that transition shelters should not qualify?

They do not qualify for class 03. However, "short-stay" is intended to apply to emergency shelters and transition shelters. Transition shelters may qualify if they meet all the requirements for Class 03.

