



**REVITALIZATION TAX EXEMPTION
BYLAW
NO. 977, 2013**

Adopted January 7, 2013

CONSOLIDATED VERSION FOR CONVENIENCE ONLY

Includes Amendment Bylaws:

Bylaw No.:

Date Adopted:

1037, 2016

March 7, 2016

**DISTRICT OF CHETWYND
BYLAW NO. 977, 2012**

A bylaw to establish a Revitalization Tax Exemption Program

WHEREAS Council may, by bylaw, establish a Revitalization Tax Exemption Program;

AND WHEREAS Council wishes to establish a Revitalization Tax Exemption Program in the District of Chetwynd in order to encourage the development and redevelopment of certain areas within the municipality;

AND WHEREAS Council has the following objectives for the program established by this bylaw:

- To encourage multi-family housing development (over five units);
- To encourage commercial development to sustain and enhance the existing commercial areas; and
- To advance the objectives of the District’s Official Community Plan to create an economically diverse and stable community.

AND WHEREAS Council has included within this bylaw a description of the reasons for and the objectives of the program and a description of how the program is intended to accomplish the objectives, as required by the *Community Charter*;

AND WHEREAS Council has given notice of its intent to adopt this bylaw in accordance with Section 227 of the *Community Charter* and considered the bylaw in conjunction with the objectives and policies set out in Section 165 (3.1) (c) of the *Community Charter* in the District’s financial plan;

NOW THEREFORE, the Council of the District of Chetwynd, in open meeting lawfully assembled, hereby enacts as follows:

1. This bylaw may be cited for all purposes as the “District of Chetwynd Revitalization Tax Exemption Bylaw No. 977, 2013.”
2. In this Bylaw:

“**Agreement**” means a Revitalization Tax Agreement between the owner of a Parcel and the District, substantially in the format of and with the content of Schedule “B”, attached to and forming part of this bylaw;

“**Assessed Value**” means the BC Assessment Authority land and improvements assessed value of the parcel subject to an Agreement for the purposes of calculating property taxes;

“**Baseline Assessment**” means the BC Assessment Authority’s last published land and improvements assessed value immediately before the commencement of the Project;

“**District**” means the District of Chetwynd;

“**Council**” means the Council of the District of Chetwynd;

“**Parcel**” means a legal parcel upon which an owner proposes a Project;

“**Program**” means the Revitalization Tax Exemption Bylaw Program established by this bylaw;

“**Project**” means a revitalization project on a Parcel involving the construction of a new improvement, alteration or renovation of an existing improvement, which meets the requirements of this bylaw, and the construction of which is begun after an application for a tax exemption has been submitted to, and approved by Council;

“**Multi-Family Housing**” means a self-contained building(s) containing five or more dwelling units that are intended to be used for rental housing and does not include buildings that are stratified. Multi-Family Housing meets an identified need for affordable housing in the District; since rent is controlled within rental buildings under the *Residential Tenancy Act*, this is a form of affordable housing;

“**Renovation**” means capital improvements, including reconstruction value of the Project, as determined based on the building permit(s) issued, in the amount of one million dollars (\$1,000,000.00) or greater;

“**Revitalization Area**” means a parcel which is currently within a land use zone that is subject to the Revitalization Tax Exemption Program established by this bylaw;

“**Tax Exemption**” means a revitalization tax exemption obtained pursuant to this bylaw;

“**Tax Exemption Certificate**” means a Revitalization Tax Exemption Certificate issued by the District of Chetwynd pursuant to this bylaw, the relevant Agreement, and the provisions of the *Community Charter*, substantially in the form of Appendix “B”, attached to and forming part of this bylaw.

3. The Program is hereby established pursuant to the provisions of Section 226 of the *Community Charter* which is intended to achieve its objectives by:
 - (a) Encouraging new developments in the community;
 - (b) Reducing the municipal tax burden on multi-family residential property owners and commercial property owners that undertake a Project.
 - (c) To advance the objectives of the District’s Official Community Plan to create an economically diverse and stable community.
4. The terms and conditions upon which a Tax Exemption Certificate may be issued are as set out in this bylaw, in the relevant Agreement entered into between the District and the Owner pursuant to this bylaw; and in the Tax Exemption Certificate in relation to a particular Parcel.
5. The amount of an annual tax exemption shall be equal to that part of the municipal portion of property taxes imposed under Section 197 (1) (a) of the *Community Charter* calculated by deducting the Baseline Assessment from the Current Assessed Value and applying the difference to the current municipal tax rate.

6. It shall not include an exemption from any local service tax or business improvement area tax payable in the designated area in which the Parcel is located.
7. Council may provide a tax exemption under this bylaw to an owner of eligible lands where:
 - (a) The new construction value, or the reconstruction value of the Project, as determined based on the building permit(s) issued, must be one million dollars (\$1,000,000.00) or greater.
 - (b) The land use applicable to the Project is:
 - (i) One of the uses permitted in the applicable zone for the Parcel, as set out in the District of Chetwynd's Zoning Bylaw as amended from time to time;
 - (ii) Consistent with the future land use designation for the Parcel, as set out in the Official Community Plan Bylaw as amended from time to time; and
 - (iii) Meets all other applicable District policies and bylaws.
 - (c) The owner of the Parcel must enter into an Agreement with the District; and
 - (d) The form and character of the Project must be largely consistent with the applicable Development Permit Area Design Guidelines contained within the Official Community Plan Bylaw.
8. Where the requirements under this bylaw have been fulfilled the following tax exemptions will be considered:
 - (a) 50% exemption on the increased value of assessment in the first year;
 - (b) 25% exemption on the increased value of assessment in the second year; and
 - (c) 10% exemption on the increased value of assessment in the third year.
9. The following are not eligible for a tax exemption:
 - (a) A Parcel currently subject to another tax exemption from the District; and
 - (b) A Parcel in respect of which there are property taxes in arrears.
10. The maximum term of a tax exemption shall be three years.
11. The tax exemption is attached to the Parcel and is transferable to subsequent property owners within the term of the Agreement.
12. If an owner of a Parcel wishes Council to consider granting a tax exemption, the owner must apply to the Director of Financial Administration, in writing, and must submit the following with the application:
 - (a) A copy of the current Property Assessment notice for the Parcel as issued by the British Columbia Assessment Authority;
 - (b) A completed written application in a form prescribed by the District, substantially in the form of Schedule "A" attached to and forming part of this bylaw;
 - (c) A description of the Project, including details regarding the extent and value of the Project, which will be confirmed via the building permit process; and

- (d) An application fee in the amount of \$500.00.
13. Once the requirements established under this bylaw and the Tax Exemption Agreement/Schedule "B" have been fulfilled, a Tax Exemption Certificate must be issued for the Parcel in the form of Appendix "B", attached to and forming part of this bylaw.
 14. A Tax Exemption Certificate issued for the Parcel is subject to the condition that all of the conditions set out in the Agreement continue to be met.
 15. A Tax Exemption Certificate may be cancelled by Council if any of the conditions set out in the Agreement are not met.
 16. If the Tax Exemption Certificate is cancelled during a year in which the owner of a Parcel has received a tax exemption, the owner of the Parcel shall pay to the District within 30 days of cancellation a recapture amount calculated as equal to a percentage of the amount of the tax exemption with the percentage being equivalent to the percentage of the taxation year remaining from the date of cancellation.
 17. If the amount is not paid under Section 16, any amount unpaid will bear interest at the rate prescribed by the Province of British Columbia for Taxes in Arrears or Delinquent as set from time to time by the Province of British Columbia.
 18. The Director of Financial Administration or his or her designated Deputy for the District of Chetwynd is designated the municipal officer for the purpose of Section 226 (13) of the *Community Charter*.
 19. A pre-application Memorandum of Agreement in the form of Schedule "C" to this bylaw may be utilized in order to request Council's pre-approval prior to commencement of the project.

**DISTRICT OF CHETWYND
REVITALIZATION TAX EXEMPTION BYLAW NO. 977, 2012**

SCHEDULE "A"

APPLICATION FOR REVITALIZATION TAX EXEMPTION

Name of Project: _____

Name of Owner: _____

Owner's Address: _____

I, _____ am authorized by _____
(Owner or Agent) (Owner's Name)

to make application for a Revitalization Tax Exemption with the District of Chetwynd for the following Project:

(the "Project")

The Project will be constructed at:

(Legal Description of Construction Site)

Estimated construction cost, not including equipment or furnishings is \$ _____.

Estimated construction completion date is _____, 20____.

Compliance with District of Chetwynd Revitalization Tax Exemption principles (check applicable boxes):

- | | <u>YES</u> | <u>NO</u> |
|--|--------------------------|--------------------------|
| • Encouraging new development in the community. | <input type="checkbox"/> | <input type="checkbox"/> |
| ➤ How does this project contribute to the community? | | |

- Reducing tax burden on developers of new multi-family and commercial properties.

YES

NO

➤ How does the Revitalization Tax Exemption benefit your project?

The following items are attached:

- A copy of the current Property Assessment Notice for the parcel as issued by the British Columbia Assessment Authority.
- An application fee in the amount of \$500.00.

Signed by:

Authorized Signatory

Witness Name

Print Name

Witness Signature

Witness Address

**DISTRICT OF CHETWYND
REVITALIZATION TAX EXEMPTION BYLAW NO. 977, 2012**

SCHEDULE “B”

REVITALIZATION TAX EXEMPTION AGREEMENT

THIS AGREEMENT dated for reference the _____ day of _____, 20__ is

BETWEEN:

XXX

(the “Owner”)

AND:

DISTRICT OF CHETWYND
P.O. Box 357, 5400 North Access Road
Chetwynd, BC
V0C 1J0

(the “District”)

GIVEN THAT:

A. The Owner is the registered owner in fee simple of lands in the District of Chetwynd at:

(civic address)

(legal description)

(the “Parcel”).

- B. Council has established a Revitalization Tax Exemption Program and has included within the “District of Chetwynd Revitalization Tax Exemption Bylaw No. 977, 2012” the designation of a land use zone which included the Parcel as a revitalization area as outlined attached hereto as Appendix “A”;
- C. The Owner proposes to construct new improvements or alter or renovate existing improvements on the Parcel as described in Appendix “A”, attached to and forming part of this agreement, (the “Project”) and has applied to the District to take part in the Revitalization Tax Exemption Program in respect of the Project and the District has agreed to accept the Project under the program.

THIS AGREEMENT is evidence that in consideration of the promises exchanged below, the Owner and the District covenant and agrees each with the other as follows:

1. DEFINITIONS

In this Agreement, the following words have the following meanings:

“**Assessed Value**” means the BC Assessment Authority land and improvements assessed value of the parcel subject to an Agreement for the purposes of calculating property taxes;

“**Baseline Assessment**” means the BC Assessment Authority’s last published land and improvements assessed value immediately before the commencement of the Project;

“**Bylaw**” means the District of Chetwynd Tax Exemption Bylaw No. 977, 2012, as amended from time to time or including any subject amendments thereto;

“**Project**” means a revitalization project on a Parcel involving the construction of a new improvement, alteration or renovation of an existing improvement, which meets the requirements of this bylaw, and the construction of which is begun after an application for a Tax Exemption has been submitted to, and approved by Council;

“**Renovation**” means capital improvements, including reconstruction value of the Project, as determined based on the building permit(s) issued, in the amount of one million dollars (\$1,000,000.00) or greater;

“**Tax Exemption**” means a revitalization tax exemption determined in accordance with the bylaw;

“**Tax Exemption Certificate**” means a Revitalization Tax Exemption Certificate issued by the District of Chetwynd pursuant to the bylaw and the *Community Charter*.

2. PROJECT

The owner will use its best efforts to ensure that the Project is constructed, maintained, operated and used in a fashion that will be consistent with and will foster the objectives of the Revitalization Tax Exemption Program, as outlined in the bylaw. Without limiting the generality of the foregoing, the Owner covenants to use its best efforts to ensure that the project will:

(a) _____

(b) _____

3. OPERATION AND MAINTENANCE OF THE PROJECT

Throughout the term of the Agreement, the Owner shall operate, repair and maintain the Project and will keep the Project in a state of good repair as a prudent owner would do.

4. REVITALIZATON TAX EXEMPTION

Subject to fulfillment of the conditions set out in this Agreement and in the bylaw, the District shall issue a Revitalization Tax Exemption Certificate to the British Columbia Assessment Authority entitling the Owner to a property tax exemption in respect of the property taxes due (not including local service taxes) in relation to the improvements on the Parcel (the “Tax Exemption”) for the calendar year(s) set out in this Agreement. The Tax Exemption Certificate shall be substantially in the form of Appendix “B”, attached to and forming part of this Agreement.

5. CONDITIONS

The Owner must fulfill the following conditions before the District will issue a Tax Exemption Certificate to the Owner in respect of the Project:

- (a) The Owner must obtain a building permit from the District for the Project on or before _____, 20____.
- (b) The Owner must complete or cause to be completed construction of the Project in a good and workmanlike fashion and in strict compliance with the building permit and the plans and specifications attached hereto as Appendix “C”.
- (c) The Project must be officially opened and available for use as:

(describe permitted use)

(the “Exempt Use”).

- (d) The completed Project must substantially satisfy the performance criteria set out in Appendix “D” hereto, as determined by the District’s Land Use Manager or designate, in his or her sole discretion, acting responsibly.

6. CALCULATION OF REVITALIZATION TAX EXEMPTION

The amount of the tax exemption in each year shall be equal to that part of the municipal portion of property taxes calculated by deducting the Baseline Assessment from the current Assessed Value and applying the difference to the current municipal tax rate.

The tax exemptions shall be as follows:

- (a) 50% exemption on the increased value of assessment in the first year;
- (b) 25% exemption on the increased value of assessment in the second year; and
- (c) 10% exemption on the increased value of assessment in the third year.

7. TERM OF TAX EXEMPTION

Provided the requirements of this Agreement, and the “District of Chetwynd Tax Revitalization Exemption Bylaw No. 977, 2012” are met, the tax exemption shall be for the taxation years _____ to _____, inclusive (3 year maximum).

8. COMPLIANCE WITH LAWS

The Owner shall construct the Project and, at all times during the term of the tax exemption, use and occupy the Parcel forming part of the Project in compliance with all statutes, laws, regulations, bylaws and order of any authority having jurisdiction and, without limited the generality of the foregoing, all federal, provincial or municipal laws or statutes or bylaws, including all of the rules, regulations, policies, guidelines, criteria or the like made under or pursuant to any such laws.

9. SUBDIVISION UNDER STRATA PROPERTY ACT

If the Owner deposits a strata plan in the Land Title Office under the Strata Property Act that includes an improvement on the Parcel included in the Project, then the tax exemption shall be prorated among the strata lots in accordance with the unit entitlement of each strata lot for:

- (a) The current and each subsequent tax year during the currency of this Agreement if the strata plan is accepted for registration at the Land Title Office before May 1; or
- (b) For the next calendar year and each subsequent tax year during the currency of this agreement if the strata plan is accepted for registration at the Land Title Office after May 1.

10. REPRESENTATION AND WARRANTIES

The Owner represents and warrants to the District that the Owner is the Owner of the Parcel for the purpose of property assessment and taxation.

11. CANCELLATION

The District may in its sole discretion cancel the Tax Exemption Certificate at any time:

- (a) On the written request of the Owner; or
- (b) Effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

If such cancellation occurs, the Owner of the Parcel for which the Tax Exemption Certificate was issued will pay to the District within 30 days of cancellation an amount equal to the percentage of the amount of any tax exemption equivalent to the percentage of the year remaining from the date of cancellation.

If the amount is not paid, any amount unpaid will bear interest at the rate prescribed by the Province of British Columbia for Taxes in Arrears or Delinquent as set from time to time by the Province of British Columbia.

12. NO REFUND

For greater certainty, under no circumstances will the Owner be entitled under the District’s revitalization tax exemption program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

13. NOTICES

Any notice or other writing required or permitted to be given hereunder or for the purposes hereof to any party shall be sufficiently given if delivered by hand or posted on the Parcel, or if sent by prepaid registered mail (Express Post) or if transmitted by facsimile to such party:

(a) In the case of a notice to the District, at:

DISTRICT OF CHETWYND
P.O. Box 357, 5400 North Access Road
Chetwynd, BC
V0C 1J0

Attention: Director of Financial Administration
Fax: 250-401-4101

(b) In the case of a notice to the Owner, at:

[insert name and address of owner]

Attention:
Fax:

Or at such other address as the party to whom such notice or other writing is to be given shall have last notified the party giving the same.

14. NO ASSIGNMENT

The Owner shall not assign its interest in this Agreement except to a subsequent owner in fee simple of the Parcel.

15. SEVERANCE

If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this Agreement.

16. INTERPRETATION

Wherever the singular or masculine is used in this Agreement, the same shall be construed as meaning the plural, the feminine or body corporate where the context or the parties thereto so require.

17. FURTHER ASSURANCES

The parties hereto shall execute and do all such further deeds, acts, things and assurances that may be reasonably required to carry out the intent of this Agreement.

18. WAIVER

Waiver by the District of a default by the Owner shall be in writing and shall not be deemed to be a waiver of any subsequent or other default.

19. POWERS PRESERVED

This agreement does not:

- (a) Affect or limit the discretion, rights or powers of the District under any enactment or at common law, including in relation to the use or subdivision of the Parcel.
- (b) Affect or limit any enactment relating to the use or subdivision of the Parcel; or
- (c) Relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Parcel, and without limitation shall not confer directly or indirectly any exemption or right of set-off from development cost charges, connection charges, application fees, user fees or other rates, levies or charges payable under any bylaw of the District.

20. REFERENCE

Every reference to each party is deemed to include the heirs, executors, administrators, personal representatives, successors, assigns, servants, employees, agents, contractors, officers, licensees and invitees of such party, wherever the context so requires or allows.

21. ENUREMENT

This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first above written.

Executed by the DISTRICT OF CHETWYND
by its authorized signatories.

Mayor

Corporate Officer

Executed by _____
by its authorized signatories.

Name:

Name

DISTRICT OF CHETWYND

**Bylaw No.
1037, 2016**

REVITALIZATION TAX EXEMPTION BYLAW NO. 977, 2012

SCHEDULE “C”

**MEMORANDUM OF UNDERSTANDING
PRE-APPLICATION FOR REVITALIZATION TAX EXEMPTION**

Name of Project: _____
Name of Owner or authorized Agent: _____
Owner’s Address: _____

I, (Owner or authorized Agent) _____ hereby make pre-application for a Revitalization Tax Exemption and engage in a Memorandum of Understanding with the District of Chetwynd for the following Project:

_____ (the “Project”)

The Project will be constructed at:

_____ (Legal Description of Construction Site)

Estimated construction cost, not including equipment or furnishings is \$_____.

Estimated construction completion date is _____, 20____.

Compliance with District of Chetwynd Revitalization Tax Exemption principles:

- Encouraging new development in the community. YES
 NO
 - How does this project contribute to the community?

- Reducing tax burden on developers of new multi-family and commercial properties. YES
 NO
 - How does the Revitalization Tax Exemption benefit your project?

Please note that should Council approve this Memorandum of Understanding pre-application, a copy of the current Property Assessment Notice for the parcel as issued by the British Columbia Assessment Authority and an application fee in the amount of \$500.00 will be required for the final application, along with all other criteria listed in Bylaw No. 977, 2012.

Signed by:

Authorized Signatory

Witness Name

**APPENDIX “A”
to
Revitalization Tax Exemption Agreement**

MAP OF AFFECTED PARCEL

APPENDIX “B”
to
Revitalization Tax Exemption Agreement

REVITALIZATION TAX EXEMPTION CERTIFICATE

In accordance with the “District of Chetwynd Revitalization Tax Exemption Bylaw No. 977, 2012” (the “Bylaw”) and in accordance with a Revitalization Tax Exemption Agreement dated for reference the _____ day of _____, 20____ (the “Agreement”) entered into between the District of Chetwynd (the “District”) and _____ (the “Owner”), the registered owners of [insert legal description of property] _____ (the “Parcel”).

This certificate certifies that the Parcel is subject to a revitalization tax exemption equal to the following improvement portion(s) of the assessment value of the Parcel: Class 01 Multi-Family Residential (over five units): _____; or Class 06 Business: _____ multiplied by the municipal rate of tax in effect for Class 01 – Residential, or Class 06 – Business for each of the taxation years 20____ to 20____ inclusive.

The tax exemption is provided under the following conditions:

1. The Owner does not breach any term, condition or provision of, and performs all obligations set out in, the Agreement and the Bylaw.
2. The Owner has not sold all or any portion of his or her equitable or legal fee simple interest in the parcel without the transferee taking an assignment of the Agreement, and agreeing to be bound by it.
3. The Owner, or a successor in title to the Owner, has not allowed the property taxes for the Parcel to go into arrears or to become delinquent.
4. The Exempt Use (as defined in the Agreement) of the Project is not discontinued.
5. The Agreement is not otherwise terminated.

If any of these conditions are not met then the Council of the District of Chetwynd may cancel this Revitalization Tax Exemption Certificate. If such cancellation occurs, the Owner of the Parcel or a successor in title to the Owner as the case may be, shall remit to the District an amount equal to the value of the exemption received after the date of the cancellation of the certificate.

**APPENDIX “C”
to
Revitalization Tax Exemption Agreement**

PLANS AND SPECIFICATIONS FOR THE PROJECT

**APPENDIX “D”
to
Revitalization Tax Exemption Agreement**

PERFORMANCE CRITERIA FOR THE PROJECT