



CITY OF PORT ALBERNI

City of Port Alberni Revitalization Tax Exemption Program,

Bylaw No. 4824

(with amendments to March 29, 2016)

Consolidated for convenience only

This consolidation is not a legal document. Certified copies of the original bylaws should be consulted for all interpretations and applications of the bylaws of this subject.

This Bylaw has been consolidated for convenience only and includes amendments from:

Bylaw No. 4897 - adopted March 29, 2016

Consolidated to Include Bylaw No. 4897

CITY OF PORT ALBERNI

BYLAW NO. 4824

A Bylaw to Establish a Revitalization Tax Exemption Program.

WHEREAS under Section 226 of the *Community Charter*, Council may, by bylaw, establish a Revitalization Tax Exemption Program (RTEP);

AND WHEREAS Council wishes to establish a Revitalization Tax Exemption Program (RTEP) for a specific designated area;

NOW THEREFORE THE MUNICIPAL COUNCIL OF THE CITY OF PORT ALBERNI IN OPEN MEETING ASSEMBLED ENACTS AS FOLLOWS:

1. **Title**

This bylaw shall be cited as "**City of Port Alberni Revitalization Tax Exemption Program, Bylaw No. 4824**".

2. **Definitions**

In this bylaw:

"Agreement" means a Revitalization Tax Exemption Agreement between the Property Owner of a Parcel and the City in the format attached to and forming part of this Bylaw as Schedule "A";

"Building Official" includes a person or persons designated by the City as a Building Inspector;

"Council" means the Council of the City of Port Alberni;

"Corporate Officer" means the person appointed under section 148 of the *Community Charter* as the Corporate Officer for the City;

"City" means the City of Port Alberni;

"City Planner" means the person appointed by the Council to direct the operations and programs of the City's Planning and Building Department

"Investment Threshold(s)" means the amount of capital investment required to be eligible to apply for the Revitalization Tax Exemption Program;

"Parcel" means any lot, block or other area in which land is held or into which it is subdivided, but does not include a highway that is situated within the Revitalization Areas;

"Property Owner" means the registered owner in fee simple of lands within the City.

“Project” means a revitalization Project on a Parcel involving the construction of a new improvement or alteration of an existing improvement;

“Revitalization Areas” means areas that have been designated and defined in Schedule “B” which is attached to and forms a part of this bylaw;

“Revitalization Tax Exemption Program Application” means the application which is attached to and forms a part of this bylaw as Schedule “C”;

“Significant Development” means development that requires a capital investment that meets the minimum requirements as described in Schedule “A”, section 3.

3. Revitalization Tax Exemption Program Objectives

Pursuant to Section 226 of the *Community Charter*, the City of Port Alberni Council hereby establishes a Revitalization Tax Exemption Program (RTEP) as follows:

- a) The objectives of the RTEP are to stimulate growth and development in the commercial Uptown area of the City.
- b) The program is designed to encourage investment by commercial property owners to create new commercial space, new multi-family residential space, improve existing commercial buildings, improve existing multi-family residential buildings thus revitalizing and increasing the esthetic appeal of the Uptown.
- c) The RTEP is intended to accomplish these objectives by providing tax relief to Property Owners who undertake a significant development within the revitalization areas.

4. Revitalization Tax Exemption Program Eligibility

Property Owners are eligible to apply for the RTEP having satisfied the criteria as follows:

- a) Parcels that are eligible for the RTEP must fall within the *Revitalization Areas* (Schedule “B”).
- b) The terms and conditions upon which a tax exemption may be granted and a Tax Exemption Certificate, which is attached to and forms a part of this bylaw as Schedule “D”, may be issued, are defined in Schedule “A”.

5. Revitalization Tax Exemption Program Exemption and Term

- a) The amount and term of a tax exemption shall be calculated for each successful applicant on an individualized basis. The calculation methods are defined in Schedule “A”, section 3;
- b) The period of the tax exemption shall begin January 1st of the year in which the exemption first applies and terminate at the end of the 10th year or when the maximum exemption amount has been reached whichever first occurs.

6. Revitalization Tax Exemption Program Application

In order for a Parcel to be considered for a tax exemption, the Property Owner must:

- a) Submit a completed application package to the City by August 1st, prior to the year the exemption is being applied for and include the following:
 - i. Schedule "C" of the Revitalization Tax Exemption Program Application Form;
 - ii. A tax certificate verifying all taxes assessed, rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessment are payable by installments, that all installments owing at the date of application have been paid;
 - iii. Schedule "A" the signed Agreement; and
 - iv. A certified copy of all applicable permits, including a building permit.

7. Revitalization Tax Exemption Certificate Cancellation

A Tax Exemption Certificate may be cancelled by Council, if in the opinion of Council, the Parcel improvements have not been maintained or have been altered so that they no longer comply with the requirements as set out in the original application as approved by the City.

8. Designated Municipal Officer

- a) The Corporate Officer for the City is the designated municipal officer for the purpose of section 226 (13) in the *Community Charter*.
- b) The Corporate Officer will receive applications and will review and have the authority to approve them according to the set criteria.

READ A FIRST TIME THIS 23RD DAY OF SEPTEMBER, 2013.

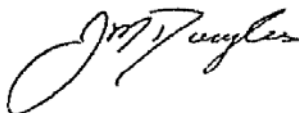
READ A SECOND TIME THIS 23RD DAY OF SEPTEMBER, 2013.

READ A THIRD TIME THIS 23RD DAY OF SEPTEMBER, 2013.

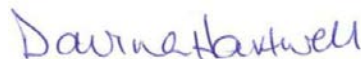
RESCINDED AND AMENDED THIS 28TH DAY OF OCTOBER, 2013.

READ A THIRD TIME THIS 28TH DAY OF OCTOBER, 2013.

FINALLY ADOPTED THIS 12TH DAY OF NOVEMBER, 2013.



Mayor



Clerk

SCHEDULE "A"

RTEP Bylaw

REVITALIZATION TAX EXEMPTION AGREEMENT (Pages 4 to 9)

THIS AGREEMENT dated for reference the ____ day of _____, 20____

BETWEEN:

(Name)
(Address)

(the "Property Owner")

AND

THE CITY OF PORT ALBERNI

4850 Argyle Street
Port Alberni, BC V9Y 1V8
(the "City")

GIVEN THAT:

- A. The Property Owner is the registered owner in fee simple of lands in the City of Port Alberni at <insert civic address> legally described as <insert legal description> (the **Parcel**);
- B. The City has under Bylaw 4824 established a revitalization tax exemption program in order to encourage development within a defined area of the City;
- C. The Property Owner proposes to make the alterations, upgrades and improvements described in the "**Project**" and the City has agreed to accept the Project under the program;
- D. The City and the Property Owner have agreed to enter into this Agreement to provide for the Property Owner's obligations regarding the Project and the City grants of a tax exemption, all in accordance with the terms and conditions set out herein.

Terms and Conditions

1. Property Owner Obligations

Throughout the term of the Tax Exemption, the Property Owner will:

- a) Use its best efforts to ensure that the Project is constructed, maintained, operated and used in a manner that will be consistent with and will foster the objectives of the RTEP.
- b) Ensure that the Parcel and the Project are used, operated and occupied in compliance with the permitted use and zoning for the Parcel under the "City of Port Alberni Zoning Bylaw 1998, No. 4395", as amended, consolidated or replaced from time to time;
- c) Operate, repair and maintain the Project and keep the Project in a state of good repair;
- d) Not allow any non-exempt property taxes due in relation to the Parcel to go into arrears or become delinquent;

- e) If the Parcel is sold during the term of the Tax Exemption, subject to Section 9 of this Agreement, ensure that the new fee simple owner(s) will be bound by the terms of this Agreement.
- f) Upon completion of a sale of the Parcel, provide the City's Corporate Officer with a copy of the assignment of this Agreement, evidencing that the new fee simple owner has legally assumed the obligations under this Agreement.
- g) Complete or cause to be completed construction of the Project within one (1) year from the date of issuance of the building permit; in accordance with the building permit and the plans and specifications attached to Schedule "C";
- h) Ensure the completed Project will not deviate significantly from plans supplied to City staff at the time of application with compliance determined solely by the City Planner.

2. Conditions

The following conditions must be fulfilled before the City will issue a Certificate to the Property Owner:

- a) The Property Owner will obtain a Building Permit from the Building Official for the Project and submit a completed Revitalization Tax Exemption Program Application with all relevant attachments on or before August 1st in the year the Property Owner applies for the Tax Exemption under the Bylaw;
- b) The Property Owner will complete or cause to be completed construction of the Project in a good and workmanlike fashion and in strict accordance with the building permit and the plans and specifications attached hereto as a part of a completed City of Port Alberni Revitalization Tax Exemption Program Application and the Project must be officially opened for use by no later than one (1) year from the date of issuance of the building permit;
- c) The completed Project will not deviate significantly from plans supplied to City staff at the time of application with compliance determined solely by the City's Approving Officer.
- d) The Property Owner will provide the City with the following:
 - i. A copy of the Projects Building Permit providing the value of construction as determined by the Building Official;
 - ii. A certificate verifying taxes assessed, rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessments are payable by installments, that all installments owing at the date of application have been paid; and
 - iii. All applicable fees as required under Bylaw 4824 and other applicable City of Port Alberni bylaws.

At any time, if the Property Owner breaches or does not fully satisfy any of the obligations and conditions in the Certificate or this Agreement, the City will provide notice of cancellation to the Property Owner.

3. Term and Calculation of Revitalization Tax Exemption

- a) The term of each tax exemption will be a maximum of ten (10) years and will not exceed 25% of the total project value and is ultimately dependent upon which component of the Revitalization Tax Exemption program the Property Owner is eligible for.
- b) Calculations are made for each component based on Investment Thresholds that the Property Owner must meet in order to be eligible for the tax exemption associated with each threshold. Project values are determined by the construction value that is determined by the Building Official in the calculation for the building permit fee.
- c) There are two main components to the City of Port Alberni Tax Exemption program.
 - (i) With a minimum \$1 million investment the Owner is eligible to apply for a 100% municipal tax exemption on the assessed value of improvements (buildings) for a maximum 10 year term. The accumulated exemption amount cannot exceed 25% of the total project budget.
 - (ii) With a minimum \$100,000 investment the Owner is eligible to apply for a 100% municipal tax exemption on assessed value improvements (buildings) for a maximum 5 year term. The accumulated exemption amount cannot exceed 25% of the total project budget.

4. Revitalization Tax Exemption Certificate

Tax Exemption Certificate may be issued once the following items have been submitted to the City and approved:

- a) The construction Project has been issued a final permit;
- b) The construction Project has a building permit issued from the City of Port Alberni, a copy of this permit with the Project values as determined by the Building Official with the calculations clearly visible;
- c) A tax certificate that all taxes assessed, rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessment are payable by installments, that all installments owing at the date of application have been paid;
- d) All applicable fees as required under Bylaw 4824 and other applicable City of Port Alberni bylaws;
- e) An exemption certificate or cancellation does not apply to taxation in a calendar year unless the exemption certificate is issued or cancelled, as applicable, on or before October 31 in the preceding year.

5. Stratification

For currently stratified properties an exemption shall apply only to common areas where the Strata Corporation is the applicant.

if a Property Owner applies for an exemption and then stratifies a Parcel under the *Strata Parcel Act* the Tax Exemption shall apply only to common areas.

6. Cancellation

The City may cancel the Certificate:

- a) On the written request of the Property Owner; or
- b) At any time, if the Property Owner breaches or does not fully satisfy any of the obligations and conditions in the Certificate or this Agreement, as determined by the City acting reasonably, effective immediately upon delivery of a notice of cancellation to the Property Owner.

7. Recapture of Exempted Taxes

If pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the Tax Exemption Certificate is cancelled, the Property Owner of the Parcel for which the Tax Exemption Certificate was issued will remit to the City:

- a) An amount, as determined by the City, of municipal property taxes payable for the balance of the year, calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption; and
- b) Any amounts owing to the City will be deemed to be municipal property taxes and any such amounts that are not paid by December 31 of the taxation year in which they fall due will become taxes in arrears in the following year and collectable as taxes in arrears.

8. Notices

Any notice or other communication required or contemplated to be given or made by any provision of the Agreement shall be given or made in writing and delivered personally (and if so shall be deemed received when delivered) or mailed by prepaid registered mail in any Canada Post Office (and if so shall be deemed delivered on the sixth business day following such mailing except that, in the event of interruption of mail service notice shall be deemed to be delivered only when actually received by the party to whom it is addressed), so long as notice is addressed as follows:

To the Property Owner at the address given in Schedule "B", the Agreement:

And to the City at:

The City of Port Alberni
4850 Argyle Street
Port Alberni, BC V9Y 1V8

9. No Assignment

The Property Owner may not assign its interest in the Agreement except to a subsequent Property Owner in fee simple of the Parcel, and then only with the prior written consent of the City on conditions which may be determined at the sole discretion of the City.

10. 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 is invalid shall not affect the validity of the remainder of this Agreement.

11. 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.

12. References

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.

13. No Right of Action

The Property Owner will have no cause of action for any losses incurred if this Agreement is found, for any reason, to be illegal, invalid or unenforceable by a court of competent jurisdiction and in the event of the finding of such illegality, invalidity or unenforceability, the Property Owner will be obligated to pay all municipal Parcel taxes which would otherwise have been payable by the Property Owner during the Term.

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

The City of Port Alberni

City Clerk

(insert name of Property Owner, if a corporation or corporate body) by its authorized signatories:

Name and title

Name and title

Name of Witness

Name of Property Owner if an individual

Address of Witness

SCHEDULE "B" - CITY OF PORT ALBERNI REVITALIZATION AREAS

New Schedule B adopted by Bylaw 4897



SCHEDULE "C"

RTEP Bylaw 4824

CITY OF PORT ALBERNI REVITALIZATION TAX EXEMPTION APPLICATION (Page 1 of 2)

*****Please Print*****

Application Process:

- Apply** for and **Receive** all applicable permits
- Apply for Revitalization Tax Exemption
- Administrative Review (Planner/Clerk)
- Decision: Approval Subject to Final Inspection
- Sign Agreement
- Project Final Inspection
- Signing of Agreement and Issuance of Tax Exemption Certificate

Business Name: _____

Business Owner: _____

Phone Number: _____

Fax Number: _____

E-Mail Address: _____

Mailing Address: _____

Business License Number:_____ Building Permit Number: _____

Legal Description:

PID# _____

Roll #: _____

Location of
Construction: _____

Description of Improvements (use back of page if necessary)

SCHEDULE "C"

RTEP Bylaw 4824

CITY OF PORT ALBERNI REVITALIZATION TAX EXEMPTION APPLICATION (Page 2 of 2)

Type of Construction:

- New Building
- Addition to Existing Building
- Renovation to Existing building

Intended Threshold

- Investment \$1 million +
- Investment \$100,000 +

Building Permit Number: _____

Building Permit Estimated Project

Value: _____

Start Date: _____

Completion Date: _____

Nature of Business:

Intended first year of tax exemption: 20____

If any of the above information needs to be treated as confidential, please indicate reasons:

Declaration of Applicant

I (We), _____ solemnly declare that all the above statements contained within the Application are true, and I make this solemn declaration conscientiously believing it to be true, knowing that it is the same force and effect as if made under oath, and by virtue of: "*The Canada Evidence Act.*"

Dated: _____

Signature: _____

SCHEDULE "D"

RTEP Bylaw

TAX EXEMPTION CERTIFICATE

CITY OF PORT ALBERNI
BYLAW _____
Revitalization Tax Exemption

Date of Issuance: _____ Certificate Number: _____

Date of Expiry: December 31, 20_____

P.I.D. _____ Roll # _____

Civic Address:

Legal Description:

Amount \$ _____

Term: _____

Issued by:

City Clerk
City of Port Alberni

This certificate is transferable with the sale of the Parcel.

This certificate may be revoked by City of Port Alberni at any time should Council determine that the Parcel improvements on which this certificate is based have not been maintained, or have been altered so that they no longer comply with the requirements of the Revitalization Bylaw provisions.