

REVITALIZATION TAX EXEMPTION BYLAW

A BYLAW OF THE DISTRICT OF NEW HAZELTON

The Municipal Council of the District of New Hazelton enacts as follows:

WHEREAS, under the provisions of Section 226 of the Community Charter, the Municipal Council of the District of New Hazelton may, by bylaw, provide for a Revitalization Tax Exemption Program;

AND WHEREAS Council wishes to establish a Revitalization Tax Exemption Program for the promotion of new industry within the commercial and industrial areas as designated within the District of New Hazelton;

AND WHEREAS Council's objectives for the Revitalization Tax Exemption Program in the commercial and industrial areas is to support the ongoing redevelopment and revitalization of these areas to secure the future economic and social health of the District;

AND WHEREAS Council is of the opinion that the Revitalization Tax Exemption Program will stimulate the rejuvenation of the downtown commercial and industrial districts and thus achieve Council's objectives;

AND WHEREAS Council has provided notice of the proposed bylaw in accordance with the Community Charter;

NOW THEREFORE, in open meeting assembled, the Council for the District of New Hazelton enacts as follows:

- 1.0** This bylaw may be cited for all purposes as *"The District of New Hazelton Revitalization Tax Exemption Bylaw No. 312, 2013."*
- 2.0** In this bylaw:
 - a.** *"Agreement"* means a revitalization tax exemption agreement between the owner of a Parcel and the District, substantially in the form attached to, and forming part of, this bylaw as Schedule A;
 - b.** *"District"* means District of New Hazelton;
 - c.** *"Parcel"* means a legal parcel, of which at least 50% of the Parcel's land area is within one of the Revitalization Areas, upon which an owner proposes a project;

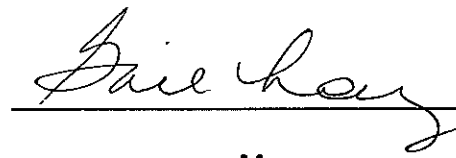
- d. *"Project"* means a revitalization project on a Parcel involving the construction of a new improvement or alteration of an existing improvement, which meets the requirements of this bylaw, and the construction of which is begun after an application for a Tax Exemption has been submitted to, and approved by the Approving Officer;
 - e. *"Revitalization Area"* means the commercial or industrial zones as established by the current Zoning Bylaw;
 - f. *"Tax Exemption"* means a revitalization tax exemption pursuant to this bylaw and applicable to municipal property taxes only; and
 - g. *"Tax Exemption Certificate"* means a Revitalization Tax Exemption Certificate issued by the District of New Hazelton pursuant to this bylaw, the relevant Agreement, and the provisions of the *Community Charter*, in the form of Schedule C, which is attached to, and forms part of this bylaw.
- 3.0 There is hereby established, a Revitalization Tax Exemption Program under Section 226 of the Community Charter for the granting of tax exemptions and the issuance of Tax Exemption Certificates for Parcels in accordance with the terms and conditions prescribed in this bylaw.
- 4.0 In order for a project to be considered by Council for an Agreement, the following terms and conditions must be met:
- a. all conditions of a valid Building Permit for the project must have been completed;
 - b. the Project must have a construction value of at least \$50,000.00;
 - c. where applicable, the owner of the Parcel may be required to upgrade municipal roads and/or water and sewer systems;
 - d. the land use for which the Project is intended must be one of the uses permitted in the C-1 – Downtown Commercial , C-2 – Highway Commercial , I-1 – Light Industrial , or I-2 – Heavy Industrial zones as defined in the District of New Hazelton Zoning Bylaw No. 108, 1988, and amendments thereto and applicable to the Parcel on which the Project will be developed; and
 - e. the Project shall comply with all eligibility criteria specified within the Revitalization Tax Exemption Agreement Schedule B attached to, and forming part of, this bylaw.
- 5.0 The maximum term of a Tax Exemption is dependent upon when the Tax Exemption Certificate is issued by the Chief Financial Officer pursuant to the Bylaw and applicable Agreement must not exceed a period of five (5) years.
- 6.0 The amount of the annual Tax Exemption must not exceed the increase in the assessed value of the improvements on the property between:

- a. the year before the commencement of construction of the project;
 - b. the year following in which the tax exemption certificate is issued; and
 - c. the amount of an annual Tax Exemption shall follow the table set out in Schedule C attached to, and forming part of, this Bylaw.
- 7.0** Application for a Tax Exemption and confirmation of project completion must be submitted in a form acceptable to the Approving Officer no later than July 31 of the completion year in order for the Certificate to be entered on the assessment roll.
- 8.0** If an owner of a Parcel wishes Council to consider entering into an Agreement with the owner, the owner must apply to the District in writing and must submit the following:
- a. a completed application form as provided by the District and available at the front counter;
 - b. a certificate that all taxes assessed and rates, charges, and fees imposed on the Parcel have been paid;
 - c. a description of the Project and confirmation that all conditions of a Building Permit have been completed;
 - d. a certificate from the owner's design professional in a form satisfactory to the District's Approving Officer certifying that the construction value of the Project exceeds \$50,000.00; and
 - e. a fee in the amount of \$100.00.
- 9.0** If, pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the Certificate is cancelled, the owner of the property for which the Certificate was issued will remit to the District, no later than thirty (30) days after the date of the cancellation of the Certificate, an amount equal to the amount of the Tax Exemption received after the date of the cancellation of the Certificate.
- 10.0** The Chief Financial Officer for the District of New Hazelton, or the Officer's designate, is the designated municipal officer for the purpose of Section 226 of the Community Charter.
- 11.0** The Schedules to this bylaw form a part of and are enforceable in the same manner as this bylaw.

READ A FIRST TIME THIS 4th day of March ,2013
READ A SECOND TIME THIS 4th day of March ,2013
READ A THIRD TIME THIS 4th day of March ,2013
ADOPTED THIS 18th day of March ,2013



Corporate Officer



Mayor

SCHEDULE A
DISTRICT OF NEW HAZELTON
REVITALIZATION TAX EXEMPTION AGREEMENT

This Agreement dated for reference the _____ day of _____, 20__ is

BETWEEN:

(the "Owner")

AND:

THE DISTRICT OF NEW HAZELTON

3026 Bowser Street

PO Box 340

New Hazelton, BC V0J 2J0

(the "District")

GIVEN THAT:

- A. The owner is the registered owner in fee simple of the lands in the District of New Hazelton located at **(civic address)**, legally described as **(legal description)** (the "Parcel");
- B. Council has established a Revitalization Tax Exemption Program in the commercial and industrial zones consisting of the parcels shown within the District of New Hazelton;
- C. Council's objectives in designating the parcels within the revitalization area are to foster the rejuvenation of the commercial and industrial areas of the District of New Hazelton for business, cultural, and government activity; and
- D. The owner proposes to construct new improvements, or alter existing improvements, on the Parcel and has applied to the District to partake in the Revitalization Tax Exemption Program in respect of this Project and the District has agreed to accept the Project under the program.

THIS AGREEMENT is evidence that in consideration of the following commitments, the Owner and the District covenant and hereby agree that:

1. Eligibility – A revitalization tax exemption will only be granted for a Parcel if:
 - a. the Owner has been issued a Building Permit for the Project on or after March 01, 2013.
2. The 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 set out in the Bylaw.
3. Operation and Maintenance of Project – Throughout the term of the Tax Exemption, the Owner must operate, repair, and maintain the Project and keep the Project in a state of good repair as a prudent owner would do.
4. Revitalization Tax Exemption – Subject to fulfillment of the conditions set out in this Agreement and in the Bylaw, the District will issue a Revitalization Tax Exemption Certificate (the “Certificate”) to the Owner and provide the relevant assessor of BC Assessment with a copy of the Certificate entitling the Owner to a property tax exemption in respect of the Parcel. The Certificate will be in the form attached to the Bylaw as Schedule C.
5. Conditions – The following conditions must be met before the District will issue a Certificate to the Owner:
 - a. the Owner must obtain a Building Permit from the District on or after March 01, 2013 for the Project prior to commencing the Project;
 - b. only those improvements strictly related to providing accessibility to an existing improvement on the Parcel (as long as a Building Permit is obtained for those improvements, if required) are eligible for a Tax Exemption;
 - c. the Owner must complete, or cause to be completed, construction of the Project in conformance with the conditions of all Building Permits issued for the Parcel and in compliance with all laws, statutes, regulations, and Orders of any authority having jurisdiction, including bylaws of the District; and
 - d. the Owner must provide the District with documentation from the Owner’s design professional, or copies of valid paid invoices for work completed on the Project, in a form and content satisfactory to the District’s Approving Officer, which certifies that the actual costs to construct the Project exceeds \$50,000.00.

6. Calculation of Revitalization Tax Exemption – The amount of the annual Tax Exemption shall be equal to the tax on the increase in the assessed value of improvements on the Parcel between:
 - a. the year before the commencement of construction of the project;
 - b. the year in which the Tax Exemption Certificate is issued; and
 - c. the amount of an annual Tax Exemption shall follow the table set out in Schedule C attached to, and forming part of, this Bylaw.

7. Term of Revitalization Tax Exemption – The maximum term of the Tax Exemption under this Agreement is five (5) years.

8. Cancellation
 - a. the District may cancel the Certificate if the Owner requests cancellation in writing or fails to meet any of the conditions specified in the Certificate as conditions on which the Tax Exemption was provided; and
 - b. if a certificate is cancelled on or before October 31 in any year, it will apply to taxation in the following calendar year; otherwise it will apply to taxation in the year after the following year.

9. Recapture – If, pursuant to the terms and conditions specified in this Agreement or the Tax Exemption Certificate, the Certificate is cancelled, the Owner will remit to the District, no later than thirty (30) days after receiving notice from the District of the cancellation and the amount owing, an amount equal to the value of the Tax Exemption received after the date of the cancellation of the Certificate.

10. No Refund – For greater certainty, under no circumstances will the Owner be entitled, under this Agreement, the Bylaw, the Certificate, or the District’s Revitalization Tax Exemption Program, to any cash credit, any carry forward tax exemption credit, or any refund for property taxes paid.

11. Enurement – This agreement shall enure to the benefit of and is binding on the parties and their respective heirs, executors, administrators, successors, and assigns.

12. Notices – Any notice or other communication required or contemplated to be given or made by any provision of this 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 the notice is addressed as follows:

To the Owner at:

(mailing address)

and to the District at:

**District of New Hazelton
PO Box 340
New Hazelton, BC
V0J 2J0
Attention: Approving Officer**

Or to such other address to which a party hereto from time to time notifies the other parties in writing.

13. No Assignment – The Owner may not assign its interest in this Agreement except to a subsequent owner in fee simple of the Parcel.
14. Severance – If any portion of this Agreement is held to be 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.
15. 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.
16. 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.
17. References – A reference in this Agreement to the District or the Owner includes their permitted assigns, heirs, successors, officers, employees, and agents.
18. Date of Effect – This Agreement shall be effective from and after the reference date in this Agreement, but only if this Agreement has been duly executed and delivered by the Owner to the District and duly executed by the District.
19. Expense – Unless otherwise expressly provided in this Agreement, the expense of performing the obligations and commitments of the Owner contained in this Agreement, and of all matters incidental to those obligations and commitments, is solely at the expense of the Owner.
20. Owner's Representation – The Owner represents and warrants to the District that:

- a. all necessary corporate actions and proceedings have been taken by the Owner to authorize its entry into and performance of this Agreement;
- b. upon execution and delivery on behalf of the Owner, this Agreement constitutes a valid and legally binding contractual obligation of the Owner;
- c. neither the execution and delivery, nor the performance, of this Agreement shall breach any other agreement or obligation respecting the lands; and
- d. the Owner has the corporate capacity and authority to enter into and perform this Agreement.

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

Approving Officer

Corporate Officer

Owner

Witness

**DISTRICT OF NEW HAZELTON
REVITALIZATION TAX EXEMPTION BYLAW NO. 312-2013**

SCHEDULE B

AMOUNT OF ANNUAL TAX EXEMPTION

The amount of annual Tax Exemption shall be equal to:

Year	Percent of tax exemption pursuant to this Bylaw and applicable to municipal property taxes only in relation to the increased assessed value of the parcel attributable to the improvements between the year before the commencement of construction and the following year:
1	100
2	80
3	60
4	40
5	20

**DISTRICT OF NEW HAZELTON
REVITALIZATION TAX EXEMPTION CERTIFICATE
SCHEDULE C**

Section 226 of the Community Charter

In accordance with the District of New Hazelton Revitalization Tax Exemption Bylaw No. 312, 2013, and in accordance with the Revitalization Tax Exemption Agreement dated for reference the _____ day of _____, 20 ____ (the "Agreement") entered into between the District of New Hazelton (the "District") and _____ (the "Owner"), the registered owner(s) of the Parcel described below:

This **Certificate** certifies that the Parcel is subject to a revitalization tax exemption in an amount equal to the tax on the increase in the assessed value of improvements on the Parcel between the year before the commencement of construction of the Project, and the year in which the Tax Exemption Certificate is issued.

The Parcel to which the tax exemption applies is located in the District of New Hazelton and is described as follows:

Civic Address:

PID:

Legal Description:

The Tax Exemption is for the calendar years commencing with the year _____ and ending with the year _____.

The Tax Exemption is provided on the following conditions:

1. the Owner does not breach any covenant or condition in the Agreement and performs all obligations to be performed by the Owner as set out in the Agreement;
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 Owner, or a successor in title to the Owner, does not apply to amend the District of New Hazelton Zoning Bylaw 108, 1988, as amended, consolidated, or replaced from time to time, to rezone the Parcel from the zoning in effect at the time the Certificate was issued;
5. the Parcel is not put to a use other than those uses permitted in any of the C1 – Downtown Commercial, C2 – Highway Commercial, I1 – Light Industrial or I2 – Heavy Industrial zones as defined in the District of New Hazelton Zoning Bylaw 108, 1988, and amendments thereto; and
6. the exempt use (as defined in the Agreement) of the Project is not discontinued.

If any of these conditions are not met, then the Approving Officer of the District of New Hazelton may cancel this Revitalization Tax Exemption Certificate. If such cancellation occurs, the owner of the property for which the Certificate was issued will remit to the District an amount equal to the value of the exemption received after the date of the cancellation of the Certificate.

Chief Financial Officer

Date