

# CITY OF PRINCE RUPERT

## PROPERTY REVITALIZATION TAX EXEMPTION BYLAW NO. 3300, 2010.

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**WHEREAS** an authority is granted under Section 226 of the *Community Charter*, to establish a revitalization tax exemption;

**AND WHEREAS** Council wishes to establish a revitalization tax exemption program in respect of lands within the zoned areas set out in Schedule “A”;

**AND WHEREAS** Council wants to ensure that the City of Prince Rupert supports revitalization of the downtown such as: neighborhood rejuvenation, façade improvements and beautification; and thus make Prince Rupert an attractive place to live and work;

**AND WHEREAS** Council is of the opinion that the revitalization tax exemption will encourage property owners to participate in revitalization of the downtown such as: neighborhood rejuvenation, façade improvements and beautification; and thus achieve Council’s objectives;

**AND WHEREAS** Section 227 of the *Community Charter* requires that notice be given of a revitalization tax exemption and notice of this bylaw has been given accordingly;

**AND WHEREAS** Section 165 of the *Community Charter* requires a municipality to set out in its Financial Plan the objectives and policies in relation to the use of permissive tax exemptions and such provisions have been set out in Financial Plan Bylaw No. 3295, 2010 and are consistent with this bylaw;

**NOW THEREFORE BE IT RESOLVED**, the Council of the City of Prince Rupert, in open meeting assembled hereby enacts as follows:

1. This Bylaw may be cited as **“Property Revitalization Tax Exemption Bylaw No. 3300, 2010”**

2. In this Bylaw:

“**Agreement**” means a revitalization tax exemption agreement between the Owner and the City of Prince Rupert, a sample of which is attached hereto as Schedule “B”;

“**Application for Tax Exemption**” has the meaning given under Section 9 of this Bylaw;

“**Buildings**” means any building or structure or similar thing constructed or placed on or in Lands but does not include anything intended to be moved as a complete unit in its day to day use;

“**City**” means the City of Prince Rupert;

“**Council**” means the Council of the City of Prince Rupert;

“**Lands**” has the same meaning as in the Schedule to the *Community Charter* and, for the purposes of this Bylaw, means land within the City of Prince Rupert owned by the Owner and for which a revitalization tax exemption is sought under this Bylaw;

“**Manager**” means the person appointed by Council as the Manager or their designate;

“**Owner**” means the owner of the Lands;

“**Tax Exemption**” means a revitalization tax exemption pursuant to this Bylaw; and

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“**Tax Exemption Certificate**” or “**Certificate**” means a revitalization tax exemption certificate issued by the City of Prince Rupert pursuant to this Bylaw and pursuant to the provisions of Section 226 of the *Community Charter*.

1. 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 the Lands in accordance with the terms and conditions prescribed in this Bylaw.
2. The maximum amount of the Tax Exemption during the Term will be equal to one hundred percent (100%) of the municipal property taxes payable in respect of any increase in the assessed value of land or improvements on the Lands that is attributed by the British Columbia Assessment Authority to the improvements made to the exterior of the Buildings.
3. The maximum term of the Tax Exemption shall be one (1) year.
4. The terms and conditions upon which a Tax Exemption Certificate may be issued are set out in this Bylaw, in the relevant Agreement to be entered into between the City and the Owner, and in the Tax Exemption Certificate for the Lands.
5. This Bylaw only applies to land located within one or more of the zoned areas set out in Schedule A.
6. Once the conditions established under this Bylaw and the Agreement have been met, a revitalization Tax Exemption Certificate must be issued for the Lands in accordance with the Agreement which specifies the following:
  - (a) the extent of the tax exemption;
  - (b) the amount of the tax exemption or the formula for determining the exemption;
  - (c) the term of the tax exemption;
  - (d) the conditions on which the tax exemption is provided;
  - (e) that a recapture amount is payable if the certificate is cancelled and how that amount is to be determined.
7. In order for the Lands to be considered for a Tax Exemption, the Owner of the Lands must make an application to the Manager in writing, prior to October 31 of the preceding year by submitting the following materials:
  - (a) a certificate that all taxes assessed and rates, charges and fees imposed on the Lands have been paid, and where taxes, rates, or assessments are payable by installments, that all installments owing at the date of the certificate have been paid;
  - (b) a completed written application in a form acceptable to the City, including but not limited to:
    - i. a description of the alterations or improvements that the Owner has completed on the Lands and that may be eligible under the Bylaw for a municipal tax exemption;
    - ii. photographs showing the condition of the Buildings before and after the completion of the eligible improvements;

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- iii. receipts or contractor invoices or other documentary evidence showing proof of payment for the completion of the eligible improvements; and
  - iv. letter from the Owner stating that the eligible improvements have been completed in compliance with all provincial laws and regulations and all municipal bylaws relating to the Lands;
- (c) an examination fee in the amount of \$100.00; and
  - (d) a copy of the Agreement duly executed by and on behalf of the Owner,
- (collectively, the “**Application for Tax Exemption**”).

8. An Application for Tax Exemption shall only be considered for alterations or improvements that have been completed to the exterior of the Buildings within twenty-four (24) months preceding the date of the Application for Tax Exemption.
9. If, pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the Certificate is cancelled, the Owner will remit to the City, no later than 30 days after receiving notice from the City of the cancellation:
  - (a) an amount, as determined by the City, of municipal property taxes payable for the balance of the year from the date of cancellation of the Tax Exemption Certificate calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption; and
  - (b) an amount, as determined by the City, of municipal property taxes payable to the City, of municipal property taxes payable to the City, calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption, for any period during which the obligations in Section 6 of the Agreement were not satisfied.

The Chief Financial Officer for the City, or the Chief Financial Officer’s designate, is the designated municipal officer for the purpose of Section 226 of the *Community Charter*.

READ A FIRST TIME this 6<sup>th</sup> day of July, 2010.

READ A SECOND TIME this 6<sup>th</sup> day of July, 2010.

READ A THIRD TIME this 6<sup>th</sup> day of December, 2010.

FINALLY CONSIDERED AND ADOPTED this 13<sup>th</sup> day of December, 2010.

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MAYOR

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CORPORATE ADMINISTRATOR

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**SCHEDULE "A"**  
**ELIGIBLE ZONES**

1. C1 Core Commercial Zone
2. C2 General Commercial Zone
3. C3 Service Commercial Zone
4. C4 Neighborhood Commercial Zone
5. C5 Marine Commercial

**SCHEDULE "B"**

**REVITALIZATION TAX EXEMPTION AGREEMENT**

THIS AGREEMENT dated for reference the \_\_\_ day of \_\_\_\_\_, 20\_\_

BETWEEN:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

[INSERT name(s) and address(es) of owner(s) of the land in respect of which the revitalization tax exemption will apply]

(the "**Owner**")

AND:

**CITY OF PRINCE RUPERT**, a municipality incorporated pursuant to the *Local Government Act* and *Community Charter* with its corporate offices located at 424 West Third Avenue, Prince Rupert, BC V8J 1L7

(the "**City**")

WHEREAS:

- A. The City has under the Property Revitalization Tax Exemption Bylaw No. 3300, 2010 ("**Bylaw**"), established a revitalization tax exemption for the purposes of encouraging revitalization of the exterior of Buildings situated on properties within designated zones;
- B. All defined terms in this Agreement, not otherwise defined herein, have the meanings ascribed to them in the Bylaw;
- C. The Owner is the registered owner of those lands situated in the City of Prince Rupert and legally described as:

PID: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(the "**Lands**");

- D. The Lands are located within a zone eligible for a revitalization tax exemption pursuant to the Bylaw;
- E. The Owner has completed the alterations and improvements described in Schedule 1 to this Agreement, (the "**Improvements**"), to Buildings situated on the Lands, and the City has agreed to grant the Owner a property tax exemption in respect of the Lands; and
- F. The City and the Owner have agreed to enter into this agreement ("**Agreement**") to provide for the Owner's obligations regarding the Improvements and the City's grant of a tax exemption, all in accordance with the terms and conditions set out herein.

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THEREFORE in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Owner agree as follows:

**1. Revitalization Tax Exemption**

Subject to fulfillment of the conditions set out in this Agreement and in the Bylaw, the City will issue a revitalization tax exemption certificate (the “**Tax Exemption Certificate**”) to the British Columbia Assessment Authority entitling the Owner to a property tax exemption in respect of the municipal property taxes due in relation to the Lands (the “**Tax Exemption**”) for the calendar year set out in Section 5 of this Agreement.

**2. Eligible Improvements**

The tax exemption provided for under the Bylaw applies in respect of the Improvements, where the value of the Improvements is in excess of \$\_\_\_\_\_.

**3. Tax Exemption Certificate**

Provided that the Owner has complied with Section 6 of this Agreement, and has satisfied the requirements of the Bylaw, the City will issue a Tax Exemption Certificate to the Owner for the Lands specifying the following:

- (a) the extent of the tax exemption;
- (b) the amount of the tax exemption or the formula for determining the exemption;
- (c) the term of the tax exemption;
- (d) the conditions on which the tax exemption is provided;
- (e) that a recapture amount is payable if the certificate is cancelled and how that amount is to be determined.

**4. Tax Exemption**

Provided that the requirements of this Agreement and the Bylaw are satisfied and a Tax Exemption Certificate in respect of the Lands has not been cancelled, the Lands are exempt from municipal property taxation, to the extent, for the period and subject to the conditions provided in the Tax Exemption Certificate.

**5. Term**

Provided that the requirements of this Agreement and the Bylaw are satisfied, the Tax Exemption will be for one (1) year commencing on January 1, \_\_\_\_\_, (the “**Term**”).

**6. Owner’s Obligations**

The Owner will complete the Improvements prior to the Owner’s Application for Tax Exemption, in accordance with Section 9 of the Bylaw, and in compliance with all provincial laws and regulations and all municipal bylaws relating to the Lands.

**7. Cancellation**

The City may cancel the Tax Exemption Certificate:

- (a) on the request of the Owner; or

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- (b) if at any time any of the conditions in the Tax Exemption Certificate or this Agreement are not satisfied.

## **8. Recapture**

- 8.1 In the event of cancellation as provided in Section 7, the Owner will remit to the City, no later than 30 days after receiving notice from the City of the cancellation and the amount owing, all municipal property taxes payable for the balance of the year from the date of the cancellation of the Tax Exemption Certificate, calculated pro rata based on the annual amount of the municipal taxes that would have been payable but for the Tax Exemption.
- 8.2 In the event that the Owner does not meet the conditions in Sections 6, the Owner will pay to the City municipal property taxes for any period during which the conditions in Section 6 were not in fact met calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption.
- 8.3 The parties agree that any amounts owing pursuant to Section 8.1 or Section 8.2 are municipal property taxes and any such amounts that are not paid by December 31 of the taxation year will become taxes in arrears in the following year and collectable as taxes in arrears.

## **9. Scope of Tax Exemption**

The Owner acknowledges and agrees that the Tax Exemption applies solely in respect of municipal property taxes and will not apply in respect of any taxes levied by other agencies whether or not collected by the City, nor in respect of local improvement charges or any other taxes, fees, charges or levies of the City or any other agency or entity.

## **10. No Refund**

The Owner will not under any circumstances be entitled under the Bylaw or this Agreement to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid, other than refunds that may result from or be associated with error corrections or assessment appeals.

## **11. Notice**

All notices required to be given hereunder to any party will be sufficiently given if delivered by hand, sent by prepaid registered mail or transmitted by facsimile to the party at the following addresses, respectively:

- (a) If to the City, at:

City of Prince Rupert  
424 West Third Avenue  
Prince Rupert, British Columbia  
V8J 1L7

Attention: \_\_\_\_\_ [*contact name*]

Fax: 250 \_\_\_\_ - \_\_\_\_

(b) If to the Owner, at:

\_\_\_\_\_ [street address]

Prince Rupert, British Columbia

\_\_\_\_\_ [postal code]

Attention: \_\_\_\_\_ [contact name]

Fax: 250 \_\_\_\_ - \_\_\_\_

Either party may at any time change its address for notification by notice in writing sent to the other party.

**12. Assignment**

The Owner will not assign any of its rights or obligations under this Agreement except to a subsequent owner in fee simple of the Lands, and then only with the prior written consent of the City on conditions which may be determined at the sole discretion of the City.

**13. Severability**

If any provision of this Agreement is determined to be invalid or unenforceable by a court of competent jurisdiction, it will be severed from the Agreement and will not affect the enforceability or validity of the remaining provisions of the Agreement.

**14. No Right of Action**

The 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 Owner will be obligated to pay all municipal property taxes which would otherwise have been payable by the Owner during the Term.

**15. Expense**

The expense of performing the obligations and covenants of the Owner contained in this Agreement, and of all matters incidental to them, is to be assumed solely by the Owner.

**16. Interpretation**

The headings and sub-headings in this Agreement are for convenience of reference only, do not constitute a part of this Agreement and will not be taken into consideration in the interpretation or construction of, or affect the meaning of, this Agreement. Words importing the singular include the plural and vice versa.

**17. Further Assurances**

The parties will execute and deliver all such further documents and do such other things as the other party hereto may request in order for this Agreement to be given full effect.

**18. Waiver**



Any waiver by the City of a default by the Owner may only be made in writing and such waiver will not be deemed to be a waiver of any subsequent or other default by the Owner.

**19. No Derogation**

Nothing contained or implied herein will prejudice or affect the rights and powers of the City in the exercise of its function under any public and private statutes, bylaws, orders and regulations, all of which may be fully and effectively exercised in relation to the Lands as if this Agreement had not been executed and delivered by the Owner and the City.

**20. Enurement**

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

**21. Execution by Counterpart**

This Agreement may be executed in counterpart, and its delivery may be made by facsimile or other electronic transmission, and each such counterpart so executed will be as valid and binding as if it were an originally signed copy of a single agreement executed by both parties.

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

**CITY OF PRINCE RUPERT**  
by its authorized signatories:

\_\_\_\_\_ *[Owner(s)]*  
by its authorized signatories:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Chief Corporate Officer

\_\_\_\_\_  
Witnessed by:

\_\_\_\_\_  
Name:

\_\_\_\_\_  
Witnessed by:

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**SCHEDULE "1"**  
**IMPROVEMENTS**

List of Improvements completed on the Lands: