

DISTRICT OF MACKENZIE

BYLAW NO. 1353

A bylaw to provide a Revitalization Tax Exemption Program
for eligible construction within the District

WHEREAS the Council of the District of Mackenzie strives to attract new businesses, help existing business expand and encourage development;

AND WHEREAS the District's efforts include revamping the District's regime of taxes, fees, and charges, removing impediments to private sector investment and development;

AND WHEREAS section 226 of the *Community Charter* allows the District to enact a Revitalization Tax Exemption bylaw after notice of the proposed bylaw has been given in accordance with section 227 of the *Community Charter*;

AND WHEREAS the District's municipal council has considered this Bylaw in conjunction with the objectives and policies set out under section 165 (3.1) (c) [use of permissive tax exemptions] in the District's financial plan.

NOW THEREFORE the Council for the District of Mackenzie in an open meeting assembled **HEREBY ENACTS** as follows:

CITATION

1. This Bylaw shall be cited as the "DISTRICT OF MACKENZIE REVITALIZATION TAX EXEMPTION BYLAW NO. 1353, 2016".

DEFINITIONS:

2. In this Bylaw:
 - (a) "**Agreement**" means an agreement between the Owner of a Lot and the District that contains the terms and conditions governing the provision of the Revitalization Tax Exemption under this Bylaw in the form approved by the District Official and as provided in section 226(7) of the *Community Charter*;
 - (b) "**Application**" means an application for a Revitalization Tax Exemption under this Bylaw in the form attached as Schedule A to this Bylaw;
 - (c) "**Base Year**" means the year of the issuance of a Certificate;
 - (d) "**Building**" means a building, structure or improvement in an Eligible Class in the District that is intended for habitation, occupation or use by persons for which a Building Permit was issued and that is authorized by the District's bylaws;
 - (e) "**Building Permit**" means a building permit or development permit issued by the District as required and in accordance with all applicable District bylaws for any Construction;
 - (f) "**Business and Other**" means the Class 6 – Business and Other property class prescribed in the *Assessment Act*, RSBC 1996, c. 20 and the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81, as amended or re-enacted from time to time;
 - (g) "**Bylaw**" means this Bylaw and any amendments to it;
 - (h) "**Certificate**" means a Revitalization Tax Exemption Certificate as set out in Schedule B attached hereto and forming part of this Bylaw;
 - (i) "**Community Charter**" means the *Community Charter*, SBC 2003, c. 26 as amended or reenacted from time to time;
 - (j) "**Construction**" means construction of a new Building or renovation or improvement of an existing Building in accordance with a Building Permit;

- (k) “**District**” means the District of Mackenzie or the area within the boundaries of the District of Mackenzie as the context requires;
- (l) “**District Official**” means the District’s Chief Financial Officer or their designate or another person designated by the District’s municipal council;
- (m) “**Eligible Class**” means any of Utility, Major Industry, Light Industry or Business and Other;
- (n) “**Exemption**” means the Revitalization Tax Exemption provided under this Bylaw;
- (o) “**Light Industry**” means the Class 5 - Light Industry property class prescribed in the *Assessment Act*, RSBC 1996, c. 20 and the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81, as amended or re-enacted from time to time;
- (p) “**Lot**” means the land and improvements in a block, lot or other area in the District in which land is held or into which land is subdivided but does not include a highway;
- (q) “**Major Industry**” means the Class 4 - Major Industry property class prescribed in the *Assessment Act*, RSBC 1996, c. 20 and the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81, as amended or re-enacted from time to time;
- (r) “**Municipal Property Tax**” means property value taxes imposed on land and improvements by the District under section 197(1)(a) of the *Community Charter*;
- (s) “**Non-Market Change**” means the change to the assessed value of a Lot that is not due to real estate market fluctuations or conditions, from the time immediately before issuance of a Building Permit until the time of issuance of an Occupancy Permit for Construction that is eligible for an Exemption under this Bylaw, as determined by BC Assessment under the *Assessment Act*;
- (t) “**Occupancy Permit**” means an occupancy permit or other permit issued by the District to permit occupancy and use of a Building following Construction as required and in accordance with all applicable District bylaws;
- (u) “**Owner**” means, in respect of real property;
 - (i) the registered Owner of an estate in fee simple of a Lot;
 - (ii) the tenant for life under a registered life estate of a Lot;
 - (iii) the registered holder of the last registered agreement for sale in respect of a Lot; or
 - (iv) the holder or occupier of a Lot held in the manner referred to in section 228 [taxation of Crown land used by others] or section 229 [taxation of municipal land used by others], of the *Community Charter*;
- (v) “**Revitalization Tax Exemption Program**” means the program established by this Bylaw to encourage various types of revitalization within the District to achieve a range of economic, social and environmental objectives;
- (w) “**Revitalization Tax Exemption Recapture**” means all Municipal Property Tax exempted in respect of a Lot from the period of execution of the Revitalization Tax Exemption Agreement, including a pro rata portion for the year of cancellation, plus interest;
- (x) “**Utility**” means the Class 2 - Utility property class prescribed in the *Assessment Act*, RSBC 1996, c. 20 and the *Prescribed Classes of Property Regulation*, B.C. Reg. 438/81, as amended or re-enacted from time to time.

RATIONALE AND OBJECTIVES

3. A Revitalization Tax Exemption Program, which includes specific tax exemption incentives for Construction of new or existing Buildings is established for all Lots in the District in the following Eligible Classes: Utility, Major Industry, Light Industry and Business and Other.
4. The reasons for and the objectives of the Revitalization Tax Exemption Program are to:
 - (a) provide Owners with an economic incentive in the form of an Exemption for eligible Construction;

- (b) encourage the development of a wide variety of Buildings and uses in the District;
- (c) increase development, the foot traffic, activity, and animation of the District; and
- (d) increase local employment opportunities; and

the Exemption provided under this Bylaw is intended to accomplish these objectives by encouraging Construction.

ELIGIBILITY:

5. An Owner is eligible for an Exemption under this Bylaw if:
 - (a) a Building Permit is issued to the Owner after the enactment of this Bylaw for Construction;
 - (b) the Construction consists of Construction of a new Building or Construction to an existing Building that results in a Non-Market Change to the Lot of at least \$500,000; and
 - (c) the Owner complies with the Building Permit and all applicable land use and other District enactments and the requirements of this Bylaw.

VALUE OF EXEMPTION

6. The Exemption provided under this Bylaw is as follows:
 - (a) in the first year after the Base Year, a 100% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot between the Base Year and first year after the Base Year;
 - (b) in the second year after the Base Year, a 50% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot between the Base Year and second year after the Base Year;
 - (c) in the third year after the Base Year, a 25% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot between the Base Year and third year after the Base Year; and
 - (d) in the fourth and succeeding years after the Base Year, no exemption on Municipal Property Tax.
7. Where it has been determined that a multi-phased development qualifies for an Exemption, the Exemption shall apply uniformly to and separately to all Lots in the multi-phase development as each Lot is created. The Exemption applicable to a multi-phase development shall be available to all phases of the development despite their respective dates of completion provided such completion occurs within ten (10) years of the issuance of a Certificate under this Bylaw.
8. Notwithstanding section 6 of this Bylaw, the amount of an Exemption under this Bylaw shall not exceed the Exemption in the first year after the Base Year under this Bylaw.

REVITALIZATION TAX EXEMPTION APPLICATION PROCEDURE

9. To obtain an Exemption, an Owner must:
 - (a) pay a non-refundable application fee in the amount of \$100.00;
 - (b) submit a completed written Application to the District Official, in the form prescribed in Schedule A to this Bylaw and satisfactory to the District Official within 30 days of issuance of the Building Permit;
 - (c) submit the following documents in support of the Application:
 - (i) proof that all taxes, utilities, rates, and charges imposed on the Lot have been paid, including, without limitation, proof that a pro-rated amount of Municipal Property Tax, payable on land and improvements, has been paid in respect of the Lot until the date the Application is submitted;

- (ii) a copy of the property assessment notice for the Lot for the year during which the Application is made, as issued by the British Columbia Assessment Authority;
 - (iii) a copy of land title registration as proof of ownership for the Lot;
 - (iv) a written description of the Construction in accordance with the eligibility criteria referred to in section 5 of this Bylaw; and
 - (v) a copy of the Building Permit for evidence as to the estimated cost of the Construction.
10. For an Exemption to apply in a given year, an Owner must satisfy the requirements of section 9 of this Bylaw by August 31 of the preceding year.
11. Upon receipt and review of the written Application and other materials required by section 9 of this Bylaw, the Owner's Application will either be approved or denied by the District Official and if denied, the District Official will advise the Owner of the reasons for denial.

REVITALIZATION TAX EXEMPTION AGREEMENT

12. Upon meeting the eligibility criteria and providing supporting documents to the satisfaction of the District, the Owner must enter into a Revitalization Tax Exemption Agreement that establishes the terms and conditions upon which a Revitalization Tax Exemption Certificate shall be issued.

REVITALIZATION TAX EXEMPTION CERTIFICATE

13. A Revitalization Tax Exemption Certificate will be issued to an Owner when the Owner has complied with all terms and conditions of this Bylaw, including those detailed in section 14 below and an Occupancy Permit has been issued for the Construction that satisfies the criteria outlined in section 5 of this Bylaw.
14. The following conditions are required for a Revitalization Tax Exemption Certificate to be issued for a Lot:
- (a) the Owner of the Lot has met all applicable provisions of this Bylaw;
 - (b) the Owner of the Lot has entered into a Revitalization Tax Exemption Agreement with the District; and
 - (c) the Owner of the Lot has met all terms and conditions as set out in the Revitalization Tax Exemption Agreement.
15. The Revitalization Tax Exemption Certificate shall be in the form as attached as Schedule B to this Bylaw.
16. A Tax Exemption Certificate is issued to a specified property as identified on the Certificate and remains with the property until the Certificate is expired or cancelled.

TERM OF EXEMPTION AND CANCELLATION

17. Subject to section 7 of this Bylaw, the maximum term for an Exemption under this Bylaw is three (3) years and shall commence on January 31 in the first year after the Base Year and expire on December 31 in the third year after the Base Year unless terminated earlier by cancellation of the Revitalization Tax Exemption Certificate that is issued by the District under this Bylaw.
18. A Revitalization Tax Exemption Certificate may be cancelled by the District's Council in one or more of the following circumstances:
- (a) upon written request of the Owner;
 - (b) if any of the requirements of this Bylaw or the conditions contained in the Agreement are not met;

- (c) if the Lot is put to any use that is not permitted or fails to meet the eligibility requirements;
 - (d) if the Owner breaches:
 - (i) any enactments, laws, statutes, regulations and orders by an authority having jurisdiction, including District Bylaws;
 - (ii) any federal, provincial, municipal, and environmental licenses, permits, and approvals; or
 - (iii) if the Construction is not completed and an Occupancy Permit is not issued within the specified date of the Revitalization Tax Exemption Agreement.
19. If a Lot that has benefited from an Exemption under the Revitalization Tax Exemption Program established by this Bylaw ceases to meet all the conditions of the Certificate, then:
- (a) the Certificate shall be cancelled and a Revitalization Tax Exemption Recapture on that Lot will be imposed;
 - (b) all Municipal Property Taxes exempted in respect of that Lot from the period of execution of the Revitalization Tax Exemption Agreement shall be repaid, including a pro-rata share for the year of cancellation, plus interest; and
 - (c) should the Revitalization Tax Exemption Recapture amount not be repaid, the District shall add those taxes to the property tax roll for that Lot.

EFFECTIVE DATE

20. This Bylaw will take effect as of the date of adoption.

NOTICE of this Bylaw given in accordance with s. 227 of the *Community Charter* on the 1st & 8th day of June, 2016.

READ a first time this 24th, day of May, 2016.

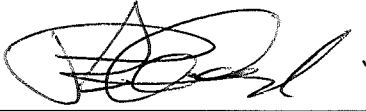
READ a second time this 13th, day of June, 2016.

READ a third time this 13th, day of June, 2016.


ADOPTED this 22nd, day of June, 2016.

I hereby certify the foregoing
to be a true and correct copy
of District of Mackenzie
Bylaw No. 1353 cited as
"Revitalization Tax Exemption
Bylaw No. 1353, 2016".

Corporate Officer



Mayor



Corporate Officer

SCHEDULE A

APPLICATION

Any Owner that wishes to obtain a Revitalization Tax Exemption under the District's *Revitalization Tax Exemption Bylaw No. 1353, 2016* (the "**Bylaw**") will be required to complete the following Application and satisfy all requirements of the Bylaw. Defined terms in the Bylaw also apply to this Application and Owners should read the Bylaw before completing this Application.

The Application must be submitted to the District Official within 30 days of issuance of a Building Permit in order to be eligible for an Exemption under the Bylaw.

Certificates will be issued after an Occupancy Permit has been issued for eligible Construction and the Owner has complied with all requirements of the Bylaw.

Application Process:

Step #1: Apply for All Applicable Permits

Step #2: Apply for Revitalization Tax Exemption

Step #3: Administrative Review (Community Development Manager)

Step #4: Report to Council for Review

Step #5: Council Decision: Approval Subject to Final Inspection

Step #6: Project Final Inspection and issuance of Occupancy Permit

Step #7: Issuance of Tax Exemption Certificate

PLEASE PRINT

OWNER(S)' DETAILS:

Owner(s)' name(s): _____

Address: _____

Phone number(s): _____

Fax: _____

Email: _____

Business Licence number (if applicable): _____

BUILDING PERMIT NUMBER: _____

LOT DETAILS:

Address: _____

Legal Description: _____

CONSTRUCTION DETAILS:

Location of Construction: _____

Description of Construction: _____

Check applicable:

- Construction of new Building
- Construction (alteration, renovation or improvement) of existing Building

Estimated cost of Construction: _____

Start Date: _____

Estimated completion date: _____

Estimated number of jobs to be created by Construction: _____

OTHER MATERIAL INFORMATION: _____

CONFIDENTIALITY:*

If any of the information in this Application needs to be treated as confidential, please indicate with reasons: _____

* Please note that notwithstanding an Owner's request for confidentiality, the District is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* and does not warrant or represent that the information can or will be kept confidential.

DECLARATION OF OWNER(S):

I am/we are the Owner(s) or an authorized signatory of the Owner(s), _____

and confirm that all the above statements contained within this Application are true and complete and there is no material information that is not disclosed in this Application. Dated and signed this _____ day of _____, 20____:

Witness name:

Owner name:

Witness name:

Owner name:

SCHEDULE B

BYLAW TAX EXEMPTION CERTIFICATE

Date of issuance:

Certificate Number:

Name of Owner(s):

Address and contact information for Owners:

Address of Lot subject to Exemption:

Legal description of Lot subject to Exemption: PID:

Roll # for Lot subject to Exemption:

Term of Exemption: _____

Date of commencement of Exemption: January 1, 20_____

Date of expiry of Exemption: December 31, 20_____

Extent of, and formula for, Exemption:

Year 1: 100% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot for eligible Construction between the Base Year and first year after the Base Year

Year 2: 50% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot for eligible Construction between the Base Year and second year after the Base Year

Year 3: 25% exemption on Municipal Property Tax for the Non-Market Change in assessment of land and improvements on the Lot for eligible Construction between the Base Year and third year after the Base Year

Conditions on which Exemption is provided:

1. Compliance with District's *Revitalization Tax Exemption Bylaw* and all other District enactments.
2. Compliance with *Revitalization Tax Exemption Agreement*.
3. _____
4. _____
5. _____

Recapture amount is payable if the Exemption Certificate is cancelled, as determined in accordance with section 19 of the District's *Revitalization Tax Exemption Bylaw*.

Issued by:

Chief Financial Officer, District of Mackenzie

DISTRICT OF MACKENZIE

Bylaw No. 1486

**A Bylaw to Amend District of Mackenzie
Revitalization Tax Exemption Bylaw No. 1353, 2016**

WHEREAS the District of Mackenzie deems it prudent and desirable to amend its Revitalization Tax Exemption Bylaw;

NOW THEREFORE BE IT RESOLVED that the Council of the District of Mackenzie in open meeting assembled **HEREBY ENACTS** as follows:

1. Bylaw No. 1353 cited as "District of Mackenzie Revitalization Tax Exemption Bylaw No 1353, 2016" is hereby amended as follows:
 - a) By deleting the provisions of Section 5 (a) and replacing them with the following:

"5. An Owner is eligible for an Exemption under this Bylaw if:

 - (a) a Building Permit is issued to the Owner after the enactment of this Bylaw for Construction;
 - (b) the Construction consists of Construction of a new Building or Construction to an existing Building that results in a Non-Market Change to the Lot of at least \$150,000; and
 - (c) the Owner complies with the Building Permit and all applicable land use and other District enactments and the requirements of this Bylaw."
2. This bylaw may be cited for all purposes as "Revitalization Tax Exemption Program Amendment Bylaw No. 1486, 2022.

READ a first time this 22nd day of August, 2022.

READ a second time this 22nd day of August, 2022.

READ a third time this 22nd day of August, 2022.

ADOPTED this 26th day of September, 2022.

I hereby certify the foregoing
to be a true and correct copy
of District of Mackenzie Bylaw
No. 1486 cited as "Revitalization Tax
Exemption Amendment
Bylaw No. 1486, 2022".



Mayor

Corporate Officer



Corporate Officer