

## **DISTRICT OF STEWART**

### **BYLAW NO. 811- 2005**

#### **A bylaw to establish a revitalization tax exemption program**

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**WHEREAS** Section 226 (4) of the *Community Charter*, SBC 2003, provides that a council may, by bylaw, establish a revitalization tax exemption program;

**AND WHEREAS** Council wishes to encourage industrial development in the rural resource zone along the waterfront leading to Hyder;

**NOW THEREFORE** the Council of the District of Stewart in open meeting assembled enacts as follows:

#### **CITATION**

1. This Bylaw may be cited for all purposes as “**Revitalization Tax Exemption Bylaw 811-2005**”.

#### **ESTABLISHMENT**

2. There is established a revitalization tax exemption program in respect of parcels located within the revitalization area designated in the annual financial plan for 2005 and shown outlined on Schedule “A” attached to and forming part of this Bylaw.

#### **PROGRAM**

3. The tax exemption program applies to the construction of new improvements on properties designated as Class 4 - Heavy Industry under the B.C. Assessment Act.
4. The tax exemption program applies to the alteration of existing improvements on properties designated as Class 4 – Heavy Industry under the B.C. Assessment Act where the alteration has a value in excess of Five Thousand Dollars (\$ 5,000.00).

#### **AMOUNT**

4. The amount of the tax exemption will be as follows:
  - (a) Years 1 – 5 : equal to 100% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;
  - (b) Year 6: equal to 85% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;

- (c) Year 7: equal to 70% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;
- (d) Year 8: equal to 55% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;
- (e) Year 9: equal to 40% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;
- (f) Year 10: equal to 25% of the municipal share of the property tax due to the increase in the assessed value of land and improvements on the parcel between the year before the construction or alteration began, and the year in which the tax exemption certificate under this bylaw is issued;

#### **MAXIMUM EXEMPTION**

6. The maximum exemption under this bylaw must not exceed the increase in the assessed value of land and improvements on the parcel between

- (a) the year before the construction or alteration began, and
- (b) the year in which the tax exemption certificate under this bylaw is issued.

#### **TERM**

7. The term of a revitalization tax exemption is

- (a) 5 years, plus
- (b) a single renewal, subject to this bylaw and the Tax Exemption Agreement set out in Schedule "C" attached to and forming part of this Bylaw, for a term not longer than 5 years.

#### **APPLICATION**

8. If a property owner wishes to receive a tax exemption under this Bylaw, the property owner must apply to the District in writing and submit the following:

- (a) a completed application form as per Schedule "B" attached to and forming part of this Bylaw,
- (b) an application fee in the amount of Twenty Five Dollars (\$25.00).

**AGREEMENT**

- 9. This bylaw does not apply to a parcel unless:
  - (a) the parcel is located in one of the areas shown on Schedule "A", and
  - (b) the owner of the parcel has entered into an agreement with the District substantially in the form of and with the content of the Agreement attached as Schedule "C".

**CERTIFICATE**

- 10. Once the conditions established under this Bylaw and the Tax Exemption Agreement have been satisfied, a revitalization tax exemption certificate will be issued for the parcel, upon completion of the improvements, as per Schedule "D" attached to and forming part of this bylaw.
- 11. A revitalization tax exemption certificate is issued for a specified property as identified on the certificate and remains with the property until the certificate expires or is cancelled.
- 12. A revitalization tax exemption certificate may be cancelled by Council if, in the opinion of Council, the parcel improvements have not been kept and maintained in a safe, clean and structurally sound condition.
- 13. If the Certificate is cancelled during a year in which the owner of a parcel has received an exemption from taxes, a recapture amount is payable calculated as equal to a percentage of the amount of the exemption with the percentage derived from the period of the taxation year remaining from the date of cancellation.

**READ A FIRST TIME** this 8th day of August, 2005.

**READ A SECOND TIME** this 8th day of August, 2005.

**READ A THIRD TIME** this 8th day of August, 2005.

**ADOPTED** this 14th day of November, 2005

\_\_\_\_\_  
Angela Brand Danuser  
Mayor

\_\_\_\_\_  
John Holland  
Clerk

**SCHEDULE "A"**

**REVITALIZATION AREA**

**DISTRICT OF STEWART**

**BYLAW 811-2005: REVITALIZATION TAX EXEMPTION**

**SCHEDULE "B"**

**APPLICATION FOR TAX EXEMPTION**

Date: \_\_\_\_\_

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

Address: \_\_\_\_\_

Address of Property: \_\_\_\_\_

Roll Number: \_\_\_\_\_

Description of Proposed Improvements:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Building Permit Number: \_\_\_\_\_

Proposed Date of Completion: \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

**DISTRICT OF STEWART**

**BYLAW NO. 811-2005: REVITALIZATION TAX EXEMPTION**

**SCHEDULE "C"**

**REVITALIZATION TAX EXEMPTION AGREEMENT**

**THIS AGREEMENT** dated for reference the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

**BETWEEN:**

**DISTRICT OF STEWART**

P.O. Box 460  
Stewart, B.C.  
V0T 1W0

(the "**District**")

**AND:**

Name and Address of Owner of Property

(the "**Owner**")

**WHEREAS**

- A. The District has through Bylaw 811-2005 established a revitalization tax exemption program for the purpose of encouraging revitalization of an area of the municipality;
- B. The Owner wishes to make improvements to property in the District of Stewart which Property is described in Schedule "A" to this Agreement (the "Property");
- C. The Property that is the subject of this Agreement is located in an area designated by the District's Council as a revitalization area;
- D. The Owner is the registered Owner of the Property covered by this Agreement and has requested a tax exemption;

**NOW THEREFORE THIS AGREEMENT WITNESSES** that in consideration of the mutual covenants and agreements contained herein and the payment by the Owner to the District of consideration in the amount of Ten Dollars (\$ 10.00), the receipt and sufficiency of which are acknowledged by the District, the District and Owner covenant and agree with each other as follows:

## 1. TERM

This Agreement commences on the day of its execution and, subject to cancellation of the revitalization tax exemption certificate under section 3 (b), shall terminate on the later of:

- (a) The day that is five (5) years after its execution; or
- (b) The day on which the latest Revitalization Tax Exemption Certificate issued or any renewal certificate expires.

## 2. APPLICABLE IMPROVEMENTS

The tax exemption provided applies in respect of the Improvements described in Schedule "B" to this Agreement (the "Improvements").

## 3. REVITALIZATION TAX EXEMPTION CERTIFICATE

- (a) Once the Owner has completed the construction of the new improvements or alteration of existing improvements, the Owner will obtain a Certificate of Completion as contemplated by section 7 of the *Builders Lien Act*. Upon the Owner submitting a copy of their Certificate of Compliance a revitalization tax exemption certificate will be issued to the Owner for the Property if the Owner and Property are otherwise in compliance with this Agreement and the Bylaw;
- (b) The revitalization tax exemption certificate may be cancelled by the District
  - (i) on the request of the Owner, or
  - (ii) if any of the conditions in the certificate are not met.
- (c) The revitalization tax exemption certificate may be renewed for a single renewal term of five (5) years subject to the terms of Bylaw 811-2005, this Agreement and the conditions of the certificate being observed.

## 4. TAX EXEMPTION

So long as the revitalization tax exemption certificate in respect of the Property has not been cancelled, the Property is exempt to the extent, for the term and subject to the conditions provided in the certificate from municipal property taxation.

## 5. OWNER'S COVENANTS

The Owner covenants with the District:

### Cost of Tie-ins

- (a) to pay the cost of all tie-ins of works and services associated with the new improvements or alteration to improvements to existing municipal services;

### Regulations

- (b) that it will
  - (i) comply with all laws and regulations in respect to construction of the improvements or alterations to improvements on the Property;
  - (ii) comply promptly, at its own expense, with the legal requirements of all authorities in respect to construction of the improvements or alterations to improvements on the Property;

## **6. DISTRICT'S RIGHTS**

Nothing contained or implied in this Agreement prejudices or affects the District's rights and powers in the exercise of its functions or its rights and powers under any public and private statutes, bylaws, orders or regulations to the extent the same are applicable to the Property, all of which may be fully and effectively exercised in relation to the Property as if this Agreement had not been executed and delivered by the Owner.

## **7. MISCELLANEOUS COVENANTS**

And it is hereby mutually agreed:

### **Partial Improvements**

- (a) that if the Owner has indicated on its application for an exemption that construction of Improvements may proceed in phases and if the District has approved the Owner's application based on a phased construction process, the Owner may choose to proceed with only one or more phases of the proposed improvements and request the issuance of a tax exemption certificate at the time that such phase or phases is completed; in which case the amount of the tax exemption will be reflective of the value of the work completed as part of such phase or phases, and a new tax exemption certificate may be issued as each remaining phase is completed;
- (b) that if the Owner does proceed with a phased construction process, all phases must be completed within Ten (10) years of the date of execution of this agreement; no new tax exemption certificate will be issued after this period and the Owner will be required to submit a new application if it chooses to proceed with improvements at a later date;

### **Representations**

- (c) that the District has made no representations, covenants, warranties, guarantees, promises or agreements (oral or otherwise), express or implied with the Owner other than those expressly contained in this Agreement;

### **Time**

- (d) that time is of the essence of this Agreement;

### **Agreement**



- (e) this Agreement constitutes the entire agreement between the District and the Owner with regards to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the District with the Owner;

### **Notices**

- (f) that any notice required to be given under this Agreement shall be deemed to be sufficiently given:
  - a. if delivered, at the time of delivery, and
  - b. if mailed from any government post office in the Province of British Columbia by prepaid, registered mail addressed as follows:

if to the District:

P.O. Box 460  
Stewart, B.C. V0T 1W0

if to the Owner:

or at the address a party may from time to time designate, then the notice shall be deemed to have been received seventy - two (72) hours after the time and date of mailing. If, at the time of the mailing of the notice, the delivery of mail in the Province of British Columbia has been interrupted in whole or in part by reason of a strike, slow-down, lock-out or other labour dispute, then the notice may only be given by actual delivery of it;

### **Binding Effect**

- (g) that this Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, successors, including future mayors and council members, administrators and permitted assignees:

### **Amendment**

- (h) that the parties hereto may by agreement amend the terms of this Agreement, such amendment to be evidenced in writing and executed by both parties;

### **Law Applicable**

- (i) that this Agreement shall be construed in accordance with and governed by the laws applicable in the Province of British Columbia;

### **Owner Warrants**

- (j) that:

- (i) all necessary corporate actions and proceedings have been taken by the Owner to authorize its entry into and performance of this Agreement;
- (ii) upon execution and delivery on behalf of the Owner, this Agreement constitutes a valid and binding contractual obligation of the Owner;
- (iii) neither the execution and delivery, nor the performance of this Agreement shall breach any other Agreement or obligation, or cause the Owner to be in default of any other Agreement or obligation respecting the Property and
- (iv) the Owner has the corporate capacity and authority to enter into and perform this Agreement;

**Interpretation**

- (k) that when the singular or neuter are used in this Agreement, they include the plural or the feminine or the masculine or the body politic or corporate where the context or the parties require;
- (l) all provisions of this Agreement are to be construed as covenants and agreements as though the words importing covenants and agreements were used in each separate paragraph;
- (m) that the headings to the clauses in this Agreement have been inserted as a matter of convenience and for reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or provision of it.

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

**DISTRICT OF STEWART** by its authorized signatories:

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Clerk

**OWNER** by its authorized signatory:

\_\_\_\_\_

**SCHEDULE "A"**

**DESCRIPTION OF PROPERTY**

**SCHEDULE "B"**

**DESCRIPTION OF IMPROVEMENTS**

**DISTRICT OF STEWART**

**BYLAW NO. 811-2005: REVITALIZATION TAX EXEMPTION**

**SCHEDULE "D"**

**TAX EXEMPTION CERTIFICATE**

Date of Issuance: \_\_\_\_\_

Certificate Number: \_\_\_\_\_

Term: \_\_\_\_\_

Date of Expiry: \_\_\_\_\_

Property: \_\_\_\_\_

Property Address: \_\_\_\_\_

Property Roll Number: \_\_\_\_\_

Formula for Exemption: \_\_\_\_\_

This Certificate is transferable with the sale of the property.

This Certificate is renewable for a five year term upon request from the property owner and subject to the bylaw and the conditions of the Tax Exemption Agreement having been satisfied.

Conditions:

- (i) This Certificate may be cancelled by the District if the property Improvements are not kept and maintained in a safe, clean and structurally sound condition.
- (iii) If the Certificate is cancelled during a year in which the owner of a parcel has received an exemption from taxes, a recapture amount is payable calculated as equal to a percentage of the amount of the exemption with the percentage derived from the period of the taxation year remaining from the date of cancellation.

Issued by: \_\_\_\_\_

Chief Administrative Officer