

# DISTRICT OF STEWART

## LONG LAKE HYDRO REVITALIZATION TAX EXEMPTION BYLAW NO.842, 2010

A BYLAW TO ESTABLISH A REVITALIZATION TAX EXEMPTION PROGRAM WITHIN  
THE DISTRICT OF STEWART FOR THE LONG LAKE HYDRO PROJECT

---

**WHEREAS** Section 226 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 economic revitalization within the District by encouraging the development and operation of an electrical generating facility, and the revitalization of the Arrow Dock Facilities;

**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 the "LONG LAKE HYDRO REVITALIZATION TAX EXEMPTION BYLAW NO. 842, 2010".

### DEFINITIONS

2. In this Bylaw:
  - a) "**adjusted amount**" means:
    - i. for Year 1, \$ 400,000.00;
    - ii. for the year after Year 1, and for each subsequent year in which a tax exemption is available under this Bylaw, the adjusted amount for the immediately preceding year plus 3% of the adjusted amount for that immediately preceding year.
  - b) "**Arrow Dock Facilities**" means the dock and related facilities within the District that are located within an un-surveyed portion of District Lot 7318, and which provide access to the Portland Canal.
  - c) "**commercial operation date**" means the date on which the eligible project commences operation including the sale of all or substantially all electrical power generated by the eligible project.
  - d) "**complete**" or "**completion**" means that the eligible project has achieved a degree of completion such that it is capable of generating electrical power for sale in accordance with the terms of the agreement that is referred to in section 9(c) of this Bylaw.

- e) **"eligible improvements"** means a hydroelectric generating facility capable of producing a minimum of 19 megawatts to a maximum of 32 megawatts of electricity together with all accessory structures, buildings, transmission lines and other related improvements.
- f) **"eligible lands"** means the parcel or parcels of land on which an eligible project is developed and operates, and includes all eligible improvements.
- g) **"municipal property taxes"** means the property value taxes imposed on the eligible lands by the District under section 197(1)(a) of the *Community Charter*.
- h) **"Owner"** means, with respect to the eligible lands, an owner within the meaning of the *Community Charter*.
- i) **"revitalization tax exemption agreement"** means an agreement between the owner of eligible lands and the District that is substantially in the form attached to this Bylaw as **Schedule "A"**.
- j) **"revitalization tax exemption program"** means the revitalization tax exemption program established under this Bylaw.
- k) **"tax exemption"** means the amount of the revitalization tax exemption for the eligible lands authorized under this Bylaw.
- l) **"Year 1"** means the first year in which the eligible lands receive a tax exemption under this Bylaw.

### **REVITALIZATION TAX EXEMPTION PROGRAM**

- 3. A revitalization tax exemption program is established under this Bylaw in order to promote economic revitalization, job creation and sustainable economic development within the District.
- 4. The revitalization tax exemption program is intended to accomplish the objectives referred to in section 3 by:
  - a) providing long term certainty of municipal property tax liabilities to the owner of eligible lands through the tax exemption authorized under this bylaw;
  - b) encouraging investment in a significant capital project that will provide economic benefits to individuals and businesses within the District;
  - c) encouraging the repair and improvement of the Arrow Dock Facilities, the use of which will be necessary precondition for the construction of the eligible improvements.

### **ELIGIBILITY**

- 5. The Owner of eligible lands is eligible for a tax exemption under this Bylaw where:

- a) the Owner has applied to Council for a tax exemption in a form supplied by the District;
- b) the Owner has entered into a revitalization tax exemption agreement with the District; and
- c) all of the requirements established under this bylaw and the revitalization tax exemption agreement have been met.

### **AMOUNT**

- 6. The amount of the tax exemption is the amount by which the municipal property taxes exceeds:
  - (a) for a year prior to and including the year in which the eligible project reaches the commercial operation date, the product of the following formula:
    - (i) adjusted amount x percentage of completion of the eligible project, as certified by a professional engineer as contemplated in the revitalization tax agreement;
  - (b) for a year following the year in which the eligible project reaches the commercial operation date, the adjusted amount.
- 7. For any year that the eligible lands receive an exemption from all or part of the school taxes levied under the *School Act*, the amount of the exemption from municipal property taxes under this Bylaw must be reduced by an amount that is equal to twenty-five percent of the exemption from school taxes received by the Owner of the eligible lands.

### **TERM**

- 8. The term of the tax exemption is 10 years.

### **APPLICATION**

- 9. The Owner may apply in writing for a tax exemption under this Bylaw by completing and submitting the application form provided by the District and providing the District with:
  - a) plans or other documents describing the eligible project to the District's satisfaction;
  - b) confirmation whether all necessary licenses, permits and approvals for the eligible project have been obtained, or if they have not been obtained, the status of such licenses, permits and approvals;
  - c) evidence to the District's satisfaction that the Owner has entered into a binding agreement with British Columbia Hydro and Power Authority, or other public utility with the statutory authority to enter such agreements, for the purchase of electrical power from the eligible project;
  - d) an application fee in the amount of Four-Hundred Dollars (\$400.00)

**CERTIFICATE**

- 10. Once the requirements established under this Bylaw and the revitalization tax exemption agreement have been fulfilled, a revitalization tax exemption certificate must be issued for the eligible lands in the form attached as **Schedule "B"** attached to and forming part of this bylaw.
- 11. A revitalization tax exemption certificate issued for the eligible lands is subject to the condition that all of the conditions set out in the revitalization tax exemption agreement continue to be met.
- 12. A revitalization tax exemption certificate may be cancelled by Council if any of the conditions set out in the revitalization tax exemption agreement are not met.
- 13. If the revitalization tax exemption certificate is cancelled during a year in which the owner of eligible lands has received an exemption from municipal taxes, a recapture amount is payable calculated as equal to a percentage of the amount of the exemption with the percentage being equivalent to the percentage of the taxation year remaining from the date of cancellation.

**REPEAL**

- 14. "Revitalization Tax Exemption Bylaw 811-2005" is repealed.

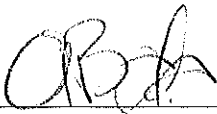
READ A FIRST TIME this 22nd day of February, 2010.


READ A SECOND TIME this 22nd day of February, 2010.

AMENDED this 12th day of April, 2010

READ A THIRD TIME AS AMENDED this 12th day of April, 2010.

FINALLY CONSIDERED AND ADOPTED this 03rd day of May, 2010.

  
\_\_\_\_\_  
Mayor

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