

THE CORPORATION OF THE CITY OF GRAND FORKS

BYLAW NO. 20xx

A Bylaw to Establish a Revitalization Tax Exemption Program in the City of Grand Forks

The Council for the Corporation of the City of Grand Forks, in open meeting assembled, enacts as follows:

1. Citation

- 1.1 This Bylaw may be cited for all purposes as the “City of Grand Forks Revitalization Tax Exemption Program Bylaw No. 20xx, 2018”.

2. Definitions

- 2.1 In this bylaw:

Agreement means a Revitalization Tax Exemption Agreement between the owner of a parcel and the City of Grand Forks.

Certificate means a Revitalization Tax Exemption certificate issued by the City under this Bylaw in respect of an eligible property;

Facade Improvement means physical improvements or renovations of existing buildings, when a combination of two or more of the following are included: structural façade improvements, paint, awnings, signs, addition of architectural detail to façade, façade tile or stone accents, decorative entry walkway area, outside dining with decorative fencing, irrigated landscape/flower planters or pots, outside decorative lighting and new windows;

Owner means the registered owner of a parcel or parcels for which a tax exemption has been applied for under this Bylaw, and any subsequent owner of the Property;

Property means a parcel or group of parcels that is eligible for a tax exemption under this Bylaw;

Program means the Revitalization Tax Exemption program established by this Bylaw;

Project means a revitalization project involving the construction of a new improvement or renovation or alteration of an existing improvement;

3. Program Reasons and Objectives

3.1 Pursuant to Section 226 of the *Community Charter*, the Council of the City of Grand Forks hereby establishes a Revitalization Tax Exemption program as follows:

- a) The objectives of the program are to:
 - i. Retain the current downtown core as the centre of commercial activities by promoting the revitalization of existing buildings and supporting the addition of new business developments;
 - ii. Enhance the appearance of the downtown core by encouraging renovations to facades and other exterior components which improve the visual appeal of buildings;
 - iii. Promote and encourage commercial development of vacant properties in order to expand the commercial property tax base and create employment opportunities for residents;
 - iv. Enhance the livability and vibrancy of the downtown area by encouraging mixed-use commercial/residential development in the walkable downtown area; and
 - v. Increase the availability of affordable residential rental units throughout the City..
- b) The program will accomplish these objectives by providing tax relief to parcel owners who undertake qualifying developments in the Designated Revitalization Areas.

4. Exemption Term

4.1 The maximum term of an exemption under the Program is five (5) years.

5. Establishment of Revitalization Areas

5.1 The following Revitalization Areas are hereby established:

To be determined

6. Tax Exemption Eligibility

6.1 In order to qualify for a tax exemption, the following criteria must be met:

- a) A completed Application Form for tax exemption must be submitted by the Owner in writing to the City in prescribed form and must include sufficient information to verify that the proposed development will meet the criteria for eligibility;
- b) The Owner must enter into an Agreement with the City upon approval of the Application by the City;
- c) The Project must be located within a Designated Revitalization Area as described above;

- d) The Project must meet all Program criteria and comply with all applicable land use and other City of Grand Forks regulations;
 - e) The Project must be one or a mix of the following types:
 - i) new commercial construction with a construction value greater than or equal to \$50,000;
 - ii) commercial renovation with a construction value greater than or equal to \$25,000;
 - iii) façade improvement with a construction value greater than or equal to \$10,000;
- 6.2. A Property which is receiving a tax exemption pursuant to any other bylaw shall not be eligible for a tax exemption under this Bylaw.
- 6.3. Projects involving Parcels with any unpaid property taxes in arrears shall not be eligible for a revitalization tax exemption.
- 6.4. Any construction of a new improvement or alteration of an existing improvement undertaken prior to the application for a Tax Exemption will be ineligible for consideration.
- 6.5. The Property's assessed value of improvements must not be reduced below the amount assessed in the calendar year prior to construction or alteration as a result of the Revitalization Tax Exemption.

7. Amount of Tax Exemption

- 7.1. The tax exemption available under this Bylaw is limited to the property value taxes imposed for municipal purposes and shall not include an exemption from any local area service taxes or taxes imposed on behalf of other taxing authorities.
- 7.2. The tax exemption shall be calculated based on the increase in assessed value of eligible improvements as determined by the BC Assessment Authority, and may not necessarily reflect the construction value used for establishing program eligibility.
- 7.3. The maximum amount of tax exemption provided under this Bylaw is 100% of the municipal property tax payable on the increase in assessed value.

8. Tax Exemption Certificate

- 8.1. The terms and conditions upon which a Tax Exemption Certificate may be issued are set out in this Bylaw, in the Tax Exemption Agreement entered into between the City and the Owner, and in the Tax Exemption Certificate.
- 8.2. Once the terms and conditions established by the Exemption Agreement have been met, a Tax Exemption Certificate shall be issued for the Property that is the subject of the Agreement.
- 8.3. A copy of the Occupancy Permit issued upon completion of the construction of a new improvement or renovation of an existing improvement shall be submitted by the Owner prior to issuance of a Tax Exemption Certificate.
- 8.4. Where improvements or alterations do not require a building permit, the Owner must provide written confirmation of project completion from the City's Building Inspector or other Official.
- 8.5. A Tax Exemption Certificate issued on or before October 31 of a given year shall give effect to an exemption commencing in the following taxation year. If an Exemption Certificate is issued after October 31, the first year of exemption will be the second year following its issuance.

9. Cancellation of Tax Exemption Certificate

- 9.1 A Tax Exemption Certificate may be cancelled:
- a) on the request of the Owner; or
 - b) if the Owner breaches any covenant, condition or obligation as set out in the Tax Exemption Certificate or the Tax Exemption Agreement.
- 9.2 Upon cancellation of a Tax Exemption Certificate pursuant to subsection 9.1 b), the amount of taxes exempted for the year of cancellation is subject to recapture by the City. Failure of the Owner to remit the recapture amount within thirty (30) days will result in the amount being placed on the general property tax account for the Parcel or Parcels and such taxes may be recovered by any means pursuant to Part 7 of the *Community Charter*.

10. Severability

10. If any section, subsection, sentence, clause or phrase of this Bylaw is for any reason held invalid or unenforceable by a Court of competent jurisdiction, the invalid portion shall be severed without affecting the validity of the remaining portions of this Bylaw.

11. Authorization and Designation

- 11.1 The Chief Financial Officer is the designated municipal officer for the purpose of section 226 (13) of the *Community Charter*.
- 11.2 The Chief Administrative Officer and Corporate Officer are hereby authorized to execute the documentation necessary to give effect to the provision of this Bylaw, including the Tax Exemption Agreement.

Read a first, second, and third time this ____ day of _____, 2018.

Finally adopted on this ____ day of _____, 2018.

Mayor Frank Konrad

Corporate Officer – Daniel Drexler

C E R T I F I C A T E

I hereby certify the foregoing to be a true copy of Bylaw No. 2050
as adopted on the ____ day of _____, 2018

Corporate Officer of the Municipal Council
of the City of Grand Forks

