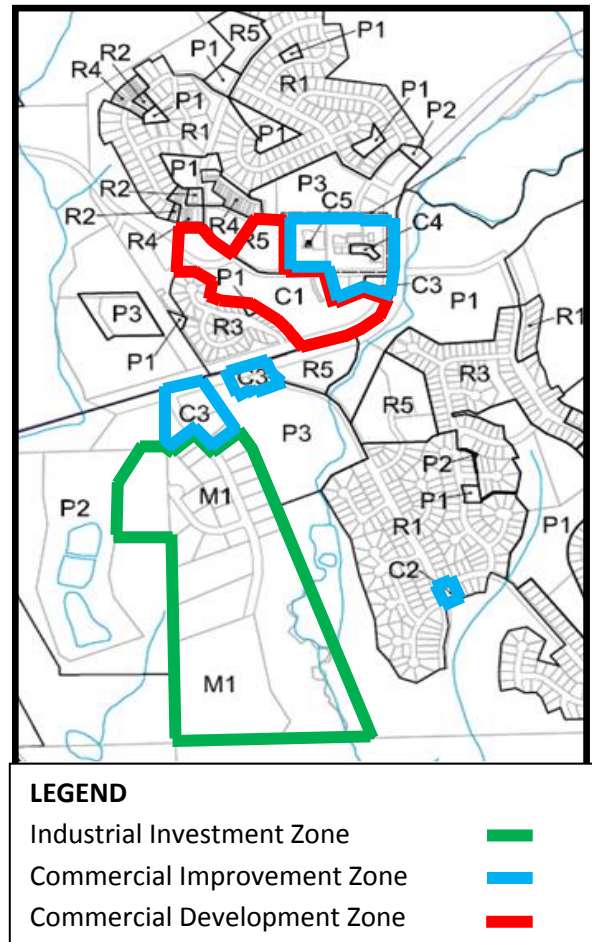


Program Description: The Logan Lake Revitalization Tax Exemption Program (RTEP) provides access to tax exemptions and early benefit payments in lieu of tax exemptions to businesses in Logan Lake. This program is intended to stimulate growth and development in commercial and industrial areas of town. Development in these areas has been relatively stagnant and needs new investment to allow the Logan Lake economy to grow in size and health. This program will encourage investment primarily by existing land and business owners that will create new commercial and industrial space, improve existing commercial and industrial buildings, and increase the esthetic appeal of Logan Lake’s commercial core.

Goal of Project: The goal is to provide a push to business owners and landowners in Logan Lake to invest in their buildings. It is used to begin a conversation with absentee landlords in a positive light, by offering them incentive to invest in their buildings. The end goal of this project differs from zone to zone within the program. In the Industrial Investment zone which encompasses Logan Lake’s industrial park the goal is to encourage large (\$50,000+) investment in existing buildings and to promote the construction of new structures. In the Commercial Development Zone which encompasses a new commercial subdivision it is used as a marketing tool to attract new



construction, the goal is to incent new construction here. The

Commercial Improvement Zone encompasses all of the existing commercial land in Logan Lake focused around the shopping plaza (our downtown). The goal here is to incent renovations and façade improvement.

Success in all of these will be measured in terms of uptake, not in terms of financial investment. If there is uptake in each one of the zones then the program will be a success.

Participants in Project: The main participants up to this point are the District of Logan Lake who has written and adopted the bylaws necessary, and the Northern Development Initiative Trust who has partnered with us to allow us to provide the early benefit portion of the program. The businesses who participate will be the most affected with tax relief or an upfront cash incentive. The whole community of Logan Lake will be affected with a more attractive and functional commercial core and industrial park.

Project Impact: Up until this point the impact has been primarily in perception. The view of the business community in Logan Lake has shifted dramatically from believing that Council and the District were anti-business to the belief that Council and the District are doing everything that can be done to provide a business friendly environment. This program has provided the Economic Development Officer with an important tool that allows him to offer something tangible to businesses. There is one project that will be approved in the next couple of months that will see a major investment in the grocery store in Logan Lake which has a major presence in our shopping plaza. This will be an \$80,000 project that will allow us to provide 5 years in 100% tax exemption or an early benefit payout of up to \$20,000. This project will be the first to go through the program and it is believed that it will serve as a catalyst to other owners following suit.

Transferability: This program is transferable in concept to any community that is willing to put the work into properly tailoring it to their own needs. A lesson that was learned early on is that the investment thresholds that need to be met in order to qualify a business for a tax exemption need to be quite low in order to encourage small business renovations. The Early Benefit aspect is only transferable within the Northern Development Initiative Trust region, at least in its present form.

An Innovative Approach: This program is different from most tax exemption programs in a number of ways. First, the entire municipal portion of the tax is exempted rather than just the value of the improvements. Second, the tax exemption program has three unique areas that have been identified and they each have different criteria that are tailor made to address specific challenges in those areas. Third the value of the renovation/construction is based off of the building permit value rather than the BC assessment value, this allows the business owner the peace of mind that they have in fact met the threshold they applied for, and it also expedites the process because the building permit is given often long before BC assessment assesses the construction. Fourth, there is an early benefit option for businesses where they are able to receive the value of whatever term exemption up front as a grant, which is then paid back to NDIT using that businesses tax dollars which would have otherwise been exempted.

Other Information: Here is the simple version of how the program actually functions.

Industrial Investment: Minimum \$100,000 allows a 100% exemption for 10 years not to exceed 35% of project budget. A \$50,000 investment allows a 100% exemption for 5 years not to exceed 25% of project budget.



District of Logan Lake Revitalization

Tax Exemption Program

Commercial Development: Minimum \$150,000 allows 100% exemption

on assessed value of improvements for 5 years.

Commercial Improvement: Minimum \$80,000 allows 100% exemption for 5 years not to exceed

35% of the project budget. A \$15,000 investment in façade improvements allows a 50%

municipal tax exemption for 3 years, not to exceed 25% of the project budget.