

DISTRICT OF LOGAN LAKE

BYLAW 911, 2023

A bylaw to amend the District of Logan Lake Revitalization Tax Exemption Program Bylaw No. 727, 2012

WHEREAS Council has adopted "District of Logan Lake Revitalization Tax Exemption Program Bylaw No. 727, 2012";

AND WHEREAS Council deems it necessary to amend the District of Logan Lake Revitalization Tax Exemption Program Bylaw No. 727, 2012;

NOW THEREFORE the Council of the District of Logan Lake, in open meeting assembled enacts as follows:

1. This bylaw may be cited as "District of Logan Lake Revitalization Tax Exemption Program Amendment Bylaw No. 911, 2023"
2. The following sections of the District of Logan Lake Revitalization Tax Exemption Program Bylaw No. 727, 2012 be amended by including the following:
3. Section 2. DEFINITIONS:

"Property Owner" includes the registered owner of lands, license of occupation on crown land and long term tenure of crown land within the District

4. By removing Schedule "A" by replacing with the attached Schedule "A":
5. Schedule "C" by changing "*Building Permit Estimated Project Value*" to "*Estimated Project Value (by building permit or equivalent)*"
6. This bylaw shall come into full force and effect upon adoption.

READ A FIRST & SECOND TIME this day of , 2023

READ A THIRD TIME this day of , 2023

RECONSIDERED AND ADOPTED this day of , 2023.

Mayor (R. Smith)

Corporate Officer (L. Grimm)

SCHEDULE "A"

RTEP Bylaw 727, 2012

REVITALIZATION TAX EXEMPTION AGREEMENT (Pages 4 to 9)

THIS AGREEMENT dated for reference the ____ day of _____, 20__

BETWEEN:

(Name)
(Address)

(the "**Property Owner**")

AND

THE DISTRICT OF LOGAN LAKE

1 Opal Drive
Logan Lake, BC V0K 1W0
(the "**District**")

GIVEN THAT:

- A. The Property Owner of lands in the District of Logan Lake at <insert civic address> legally described as <insert legal description> (the **Parcel**);
- B. The District has under Bylaw 727, 2012 established a revitalization tax exemption program in order to encourage development within a defined area of the District;
- C. The Property Owner proposes to make the alterations, upgrades and improvements described in the "**Project**" and the District has agreed to accept the Project under the program;
- D. The District and the Property Owner have agreed to enter into this Agreement to provide for the Property Owner's obligations regarding the Project and the District grants of a tax exemption, all in accordance with the terms and conditions set out herein.

Terms and Conditions

1. Property Owner Obligations

Throughout the term of the Tax Exemption, the Property Owner will:

- a) Use its best efforts to ensure that the Project is constructed, maintained, operated and used in a manner that will be consistent with and will foster the objectives of the RTEP.
- b) Ensure that the Parcel and the Project are used, operated and occupied in compliance with the permitted use and zoning for the Parcel under the "District of Logan Lake Zoning Bylaw No. 675, 2010," as amended, consolidated or replaced from time to time.
- c) Operate, repair, and maintain the Project and keep the Project in a state of good repair.
- d) Not allow any non-exempt property taxes due in relation to the Parcel to go into arrears or become delinquent.
- e) If the Parcel is sold during the term of the Tax Exemption, subject to Section 9 of this Agreement, ensure that the new owner(s) will be bound by the terms of this Agreement.
- f) Upon completion of a sale of the Parcel, provide the District's Director of Finance with a copy of the assignment of this Agreement, evidencing that the new owner has legally assumed the obligations under this Agreement.

- g) Complete or cause to be completed construction of the Project within one (1) year from the date of issuance of the building permit; in accordance with the building permit and the plans and specifications attached to Schedule "C";
- h) Ensure the completed Project will not deviate significantly from plans supplied to District staff at the time of application with compliance determined solely by the District's Approving Officer.

2. Conditions

The following conditions must be fulfilled before the District will issue a Certificate to the Property Owner:

- a) The Property Owner will obtain a building permit or equivalent assessment from the authorized government official and submit a completed Revitalization Tax Exemption Program Application with all relevant attachments on or before August 1st in the year the Property Owner applies for the Tax Exemption under the Bylaw;
- b) The Property Owner will complete or cause to be completed construction of the Project in a good and workmanlike fashion and in strict accordance with the building permit and the plans and specifications attached hereto as a part of a completed Logan Lake Revitalization Tax Exemption Program Application and the Project must be officially opened for use by no later than one (1) year from the date of issuance of the building permit;
- c) The completed Project will not deviate significantly from plans supplied to District staff at the time of application with compliance determined solely by the District's Approving Officer.
- d) The Property Owner will provide the District with the following:
 - i. A copy of the Projects Permit to build certifying the total contract price for the work including all subcontracts or the value of construction as determined by the Building Official or equivalent assessment.
 - ii. If applicable, a certificate verifying taxes assessed, rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessments are payable by installments, that all installments owing at the date of application have been paid; and
 - iii. All applicable fees as required under Bylaw 727, 2012 and other applicable District of Logan Lake bylaws.

At any time, if the Property Owner breaches or does not fully satisfy any of the obligations and conditions in the Certificate or this Agreement, the District will provide notice of cancellation to the Property Owner.

3. Term and Calculation of Revitalization Tax Exemption.

- a) The term of each tax exemption is to be no more than ten (10) years but is ultimately dependent upon which component of the Revitalization Tax Exemption program the Property Owner is eligible for.
- b) Calculations are made for each component based on Investment Thresholds that the Property Owner has to meet in order to be eligible for the tax exemption associated with each threshold. Project values are determined by the construction value that is determined by the Building Official in the calculation for the building permit fee.
- c) There are four main components to the Logan Lake Tax Exemption program. **"Bylaw 890"**
 - i) Industrial Investment
 - (.i) With a minimum \$100,000 investment the Owner is eligible to apply for a 100% municipal tax exemption on assessed value of land and improvements (buildings) for a maximum 10 year term. The anticipated exemption amount cannot exceed 35% of the total project budget. This is calculated as follows:

W = Dollar value of municipal taxes in the year of application
X = Value of the improvements as declared on the building permit application
Y = 35% of value of improvements (X) as declared on the building permit application
Z = 100%, 10 year exemption
A = adjusted term (rounded down to the nearest whole number)

$$X * .35 = Y$$

$$W * 10 = Z$$

Whichever is the lessor is the exemption the Owner is eligible for.

If 'Y' is the lower figure, the term is adjusted to provide the calculated exemption value. Y is adjusted to provide a 100% tax exemption over the term.

$$Y / W = A$$

- (.ii) With a minimum \$50,000 the Owner is eligible to apply for a 100% municipal tax exemption on assessed value of land and improvements (buildings) for a maximum 5 year term. The anticipated exemption amount cannot exceed 25% of the total project budget.

W = Dollar value of municipal taxes in the year of application
X = Value of the improvements as declared on the building permit application
Y = 25% of the value of improvements (X) as declared on the building permit application
Z = 100%, 5 year exemption
A = adjusted term (rounded down to the nearest whole number)

$$X * .25 = Y$$

$$W * 5 = Z$$

Whichever is the lessor is the exemption the Owner is eligible for.

If 'Y' is the lower figure, the term is adjusted to provide the calculated exemption value. Y is adjusted to provide a 100% tax exemption over the term.

$$Y / W = A$$

ii) Commercial Development

With a minimum \$150,000 investment the Owner is eligible to apply for a 100% municipal tax exemption on assessed value of improvements (buildings) for a five (5) year term. BC assessment is to provide an exemption of the value of the building permit or the change in assessment from the previous year, whichever is less.

iii) Commercial Upgrades

With a minimum \$80,000 the Owner is eligible to apply for a 100% municipal tax exemption on assessed value of land and improvements (buildings) for a maximum 5 year term. The anticipated exemption amount cannot exceed 25% of the total project budget.

W = Dollar value of municipal taxes in the year of application
X = Value of the improvements as declared on the building permit application
Y = 25% of the value of improvements (X) as declared on the building permit application
Z = 100%, 5 year exemption

A = adjusted term (rounded down to the nearest whole number)

$$X * .25 = Y$$

$$W * 5 = Z$$

Whichever is the lessor is the exemption the Owner is eligible for.

If 'Y' is the lower figure, the term is adjusted to provide the calculated exemption value. Y is adjusted to provide a 100% tax exemption over the term.

$$Y / W = A$$

- (.ii) With a minimum \$15,000 investment in façade improvements the Owner is eligible to apply for a 50% municipal tax exemption on assessed value of land and improvements (buildings) for a maximum 3 year term. The anticipated exemption amount cannot exceed 25% of the total project budget

W = Dollar value of municipal taxes in the year of application

X = Value of the improvements as declared on the building permit application

Y = 25% of the value of improvements (X) as declared on the building permit application

Z = 100%, 3 year exemption

A = adjusted term (rounded down to the nearest whole number)

$$X * .25 = Y$$

$$W * 3 = Z$$

Whichever is the lessor is the exemption the Owner is eligible for.

If 'Y' is the lower figure, the term is adjusted to provide the calculated exemption value. Y is adjusted to provide a 100% tax exemption over the term.

$$Y / W = A$$

- iv) Investment in Renewable Energy on reclaimed Mining Operations areas

- (.i) With a minimum \$100,000 investment the Owner is eligible to apply for a 100% municipal tax exemption on assessed value of land and improvements (buildings) for a maximum 10 year term. The anticipated exemption amount cannot exceed 40% of the total project budget. This is calculated as follows:

W = Dollar value of municipal taxes in the year of application

X = Value of the improvements as declared on the building permit application

Y = 40% of value of improvements (X) as declared on the building permit application

Z = 100%, 10 year exemption

A = adjusted term (rounded down to the nearest whole number)

$$X * .40 = Y$$

$$W * 10 = Z$$

Whichever is the lessor is the exemption the Owner is eligible for.

If 'Y' is the lower figure, the term is adjusted to provide the calculated exemption value. Y is adjusted to provide a 100% tax exemption over the term.

$$Y / W = A$$

4. Revitalization Tax Exemption Certificate

A Tax Exemption Certificate may be issued once the following items have been submitted to the District and approved:

- a) The construction Project has been issued a final permit and/or all improvements have been completed;
- b) If applicable, a tax certificate that all taxes assessed, rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessment are payable by installments, that all installments owing at the date of application have been paid;
- c) All applicable fees as required under Bylaw 727, 2012 and other applicable District of Logan Lake bylaws;
- d) An exemption certificate or cancellation does not apply to taxation in a calendar year unless the exemption certificate is issued or cancelled, as applicable, on or before October 31 in the preceding year.

5. Stratification

If the Property Owner stratifies the Parcel under the *Strata Parcel Act* the Tax Exemption shall be prorated among the strata lots in accordance with the unit entitlement of each strata lot for:

- a) The current and each subsequent tax year during the term of this Agreement if the strata plan is accepted for registration at the Land title Office before May 1 in the year of stratification; or
- b) For the next calendar year and each subsequent tax year during the term of this Agreement if the strata plan is accepted for registration at the Land Title Office after May 1 in the year of stratification.

provided that the Property Owner has assigned this Agreement to the strata corporation as required under Section 1(e) of this Agreement.

6. Cancellation

The District may cancel the Certificate:

- a) On the written request of the Property Owner; or
- b) At any time, if the Property Owner breaches or does not fully satisfy any of the obligations and conditions in the Certificate or this Agreement, as determined by the District acting reasonably, effective immediately upon delivery of a notice of cancellation to the Property Owner.

7. Recapture of Exempted Taxes

If pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the Tax Exemption Certificate is cancelled, the Property Owner of the Parcel for which the Tax Exemption Certificate was issued will remit to the District:

- a) An amount, as determined by the District, of municipal property taxes payable for the balance of the year, calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption; and
- b) Any amounts owing to the District will be deemed to be municipal property taxes and any such amounts that are not paid by December 31 of the taxation year in which they fall due will become taxes in arrears in the following year and collectable as taxes in arrears.

8. Notices

Any notice or other communication required or contemplated to be given or made by any provision of the Agreement shall be given or made in writing and delivered personally (and if so shall be deemed received when delivered) or mailed by prepaid registered mail in any Canada Post Office (and if so shall be deemed delivered on the sixth business day following such mailing except that, in the event of interruption of mail service notice shall be deemed to be delivered only when actually received by the party to whom it is addressed), so long as notice is addressed as follows:

To the Property Owner at the address given in Schedule "B", the Agreement:

And to the District at:

The District of Logan Lake
PO Box 190
#1 Opal Drive
Logan Lake, BC V0K 1W0

9. No Assignment

The Property Owner may not assign its interest in the Agreement except to a subsequent Property Owner of the Parcel, and then only with the prior written consent of the District on conditions which may be determined at the sole discretion of the District.

10. Severance

If any portion of this Agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that is invalid shall not affect the validity of the remainder of this Agreement.

11. Further Assurances

The parties hereto shall execute and do all such further deeds, acts, things and assurances that may be reasonably required to carry out the intent of this Agreement.

12. References

Every reference to each party is deemed to include the heirs, executors, administrators, personal representatives, successors, assigns, servants, employees, agents, contractors, officers, licensees and invitees of such party, wherever the context so requires or allows.

13. No Right of Action

The Property Owner will have no cause of action for any losses incurred if this Agreement is found, for any reason, to be illegal, invalid or unenforceable by a court of competent jurisdiction and in the event of the finding of such illegality, invalidity or unenforceability, the Property Owner will be obligated to pay all municipal Parcel taxes which would otherwise have been payable by the Property Owner during the Term.

Approval of this Agreement by Resolution No. _____ of the Council of the District of Logan

Lake was given on the _____ day of _____, 20____.

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

The District of Logan Lake

By its authorized signatories

Mayor

Corporate Officer

(insert name of Property Owner, if a corporation or corporate body) by its authorized signatories:

Name and title

Name and title

Name of Witness

Name of Property Owner if an individual

Address of Witness