

BYLAW NO. 727, 2012

A Bylaw to establish a revitalization tax exemption program.

WHEREAS under Section 226 of the *Community Charter*, Council may, by bylaw, establish a Revitalization Tax Exemption Program (RTEP);

AND WHEREAS Council wishes to establish a Revitalization Tax Exemption Program for specific designated areas;

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

1. TITLE

This bylaw shall be cited as “District of Logan Lake Revitalization Tax Exemption Program Bylaw No. 727, 2012.”

2. DEFINITIONS

In this bylaw:

“**Agreement**” means a Revitalization Tax Exemption Agreement between the Property Owner of a Parcel and the District in the format attached to and forming part of this Bylaw as Schedule “A”;

“**Approving Officer**” means the person who has been appointed under the Land Title Act Section 77;

“**Building Official**” includes a person or persons designated by the District as a Building Inspector;

“**Council**” means the Council of the District of Logan Lake,

“**Director of Finance**” means the person appointed under section 149 of the *Community Charter* as the Director of Finance for the District;

“**District**” means the District of Logan Lake;

“**Economic Development Officer**” means the person designated as the Economic Development Officer for the District;

“**Investment Threshold(s)**” means the amount of capital investment required to be eligible to apply for the Revitalization Tax Exemption Program;

“**Parcel**” means any lot, block or other area in which land is held or into which it is subdivided, but does not include a highway that is situated within the Revitalization Areas;

“**Property Owner**” includes the registered owner of lands, license of occupation on crown land and long-term tenure of crown land within the District; **“Bylaw 911”**

“**Project**” means a revitalization Project on a Parcel involving the construction of a new improvement or alteration of an existing improvement;

“**Revitalization Areas**” means areas that have been designated and defined in Schedule “B” and Schedule “E” which is attached to and forms a part of this bylaw; **“Bylaw 890”**

“**Revitalization Tax Exemption Program Application**” means the application which is attached to and forms a part of this bylaw as Schedule “C”;

“**Significant Development**” means development that requires a capital investment that meets the minimum requirements as described in Schedule “A”, section 3.

3. REVITALIZATION TAX EXEMPTION PROGRAM OBJECTIVES

Pursuant to Section 226 of the *Community Charter*, the District of Logan Lake Council hereby establishes a Revitalization Tax Exemption Program as follows:

- a) The objectives of the RTEP are to encourage new investment in Logan Lake's Industrial Park (area "A" in Schedule "B"), new investment in renewable energy projects in the M3 zone (Area "D" in Schedule "E"), in the developed area of Logan Lake's commercial core (area "B" in Schedule "B"), and in undeveloped land within Logan Lake's commercial core (area "C" in Schedule "B").
"Bylaw 890"
- b) Encouraging new investment in these areas is intended to create economic activity in Logan Lake that will provide jobs for local residents and will provide incentives for new residents to move to Logan Lake.
- c) The RTEP is intended to accomplish these objectives by providing tax relief to Property Owners who undertake a significant development within the revitalization areas.

4. REVITALIZATION TAX EXEMPTION PROGRAM ELIGIBILITY

Property Owners are eligible to apply for the RTEP having satisfied the criteria as follows:

- a) Parcels that are eligible for the RTEP must fall within the Revitalization Areas;
- b) The terms and conditions upon which a tax exemption may be granted and a Tax Exemption Certificate, which is attached to and forms a part of this bylaw as Schedule "D", may be issued are defined in Schedule "A".

5. REVITALIZATION TAX EXEMPTION PROGRAM EXEMPTION AND TERM CALCULATION

- a) The amount and term of a tax exemption shall be calculated for each successful applicant on an individualized basis. The calculation methods are defined in Schedule "A", section 3;
- b) The maximum period of the tax exemption shall be from the January 1st of the year in which the exemption first applies and expires after the 10th year;
- c) District of Logan Lake Council reserves the right to adjust the tax exemption program to fit specific circumstances of individual applications.

6. REVITALIZATION TAX EXEMPTION PROGRAM APPLICATION

In order for a Parcel to be considered for a tax exemption, the Property Owner must:

- a) Submit a completed application package to the District by August 1st, prior to the year the exemption is being applied for and include the following:
 - i. Schedule "C" of the Revitalization Tax Exemption Program Application Form;
 - ii. A tax certificate verifying 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;
 - iii. Schedule "A" the signed Agreement; and
 - iv. A certified copy of all applicable permits, including a building permit.

7. REVITALIZATION TAX EXEMPTION CERTIFICATE CANCELLATION

A Tax Exemption Certificate may be cancelled by Council, if in the opinion of Council, the Parcel improvements have not been maintained or have been altered so that they no longer comply with the requirements as set out in the original application as approved by the District.

8. DESIGNATED MUNICIPAL OFFICER

- a) The Director of Finance for the District is the designated municipal officer for the purpose of section 226 (13) in the *Community Charter*.
- b) The Economic Development Officer and/or the Chief Administrative Officer will receive applications and review them according to the set criteria and present to District Council for approval.

READ A FIRST AND SECOND this 4th day of September, 2012

READ A THIRD TIME this 18th day of September, 2012

RECONSIDERED AND ADOPTED this 2nd day of October, 2012

Mayor (M. Dosch)

Chief Administrative Officer (W. Vollrath)

INDEX OF AMENDING BYLAWS

Bylaw 890, 2022 Adopted June 21, 2022
Bylaw 911, 2023 Adopted August 15, 2023

Note to Users

“WHEREAS each bylaw consolidation shall be proof, in the absence of evidence to the contrary, of the original bylaw, of all bylaws amending it and of the fact of adoption of the original and all amending bylaws”, pursuant to ‘Authority to Consolidate Municipal Bylaws No. 655, 2009’, which was adopted on the 3rd day of November, 2009.

Certified a true and correct copy this ____ day of _____, 2023.

Corporate Officer
District of Logan Lake

SCHEDULE "A"

RTEP Bylaw 727, 2012

REVITALIZATION TAX EXEMPTION AGREEMENT (Pages 4 to 9)

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

BETWEEN:

(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 legally described as (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.

$$Y / W = A$$

- (.i) 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 191-2023 of the Council of the District of Logan

Lake was given on the 15th day of August, 2023.

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

by its authorized signatories

Name and title

Name and title

Name of Property Owner
(if an individual)

Name of Witness

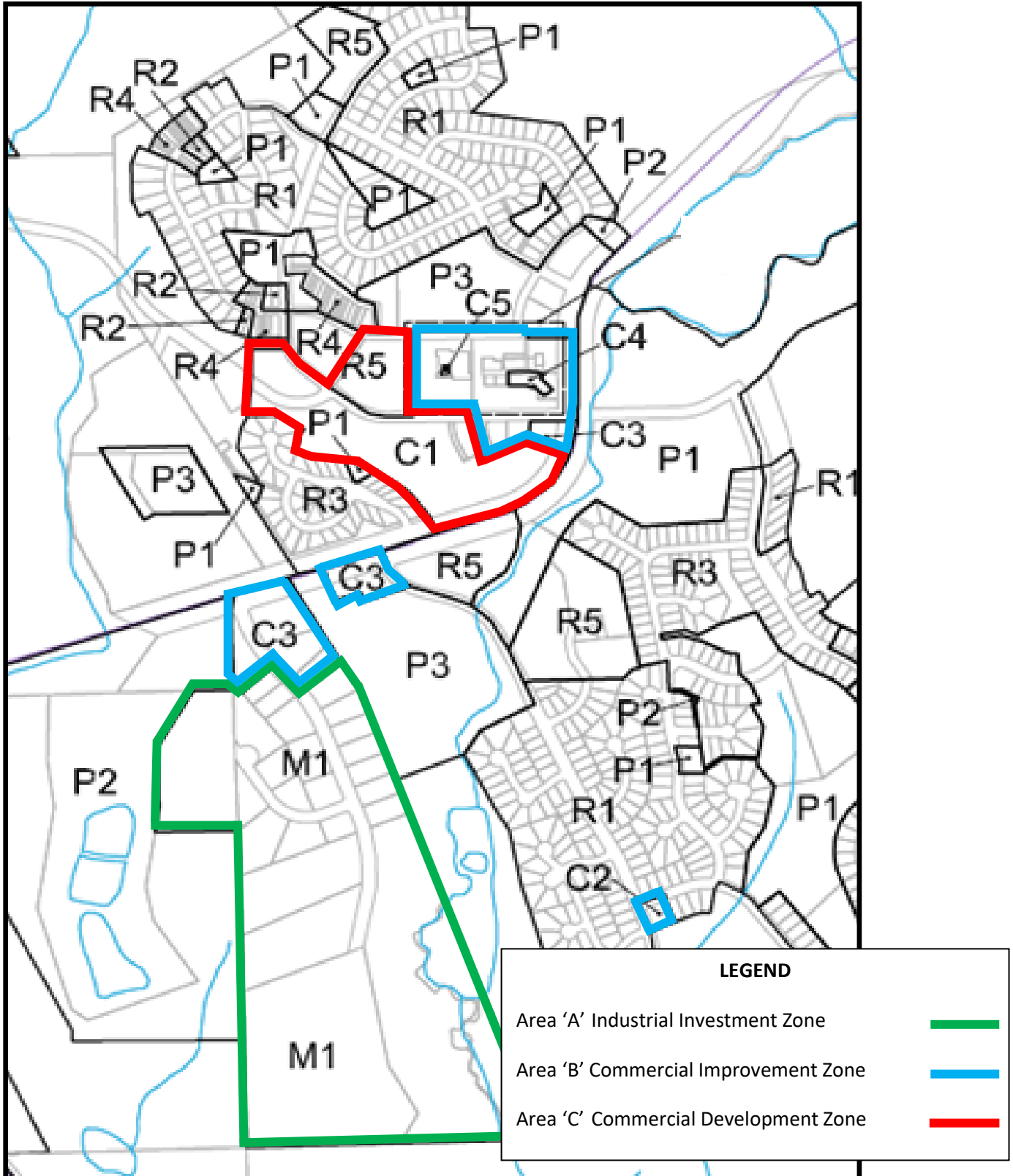
Address of Witness

“Bylaw 911” (all of Schedule’A’)

SCHEDULE "B"

RTEP Bylaw 727, 2012

LOGAN LAKE REVITALIZATION AREAS



SCHEDULE "C"

RTEP Bylaw 727, 2012

LOGAN LAKE REVITALIZATION TAX EXEMPTION APPLICATION (Page 1 of 2)

*****Please Print*****

Application Process:

- Apply** for and **Receive** all applicable permits
- Apply for Revitalization Tax Exemption
- Administrative Review (Economic Development Officer)
- Report to Council for Review
- Council Decision: Approval Subject to Final Inspection
- Project Final Inspection
- Signing of Agreement and Issuance of Tax Exemption Certificate

Business Name: _____

Business Owner: _____

Phone Number: _____ Fax Number: _____

E-Mail Address: _____

Mailing Address: _____

Business License Number: _____ Building Permit Number: _____

Legal Description: _____

PID# _____ Roll #: _____

Location of Construction: _____

Description of Improvements (use back of page if necessary)

SCHEDULE "C"

RTEP Bylaw 727, 2012

LOGAN LAKE REVITALIZATION TAX EXEMPTION APPLICATION (Page 21 of 22)

Type of Construction:

- New Building
- Addition to Existing Building
- Interior Renovation to Existing building
- Renewable energy development

"Bylaw 890"

Intended Threshold

- Industrial Investment \$50,000
- Industrial Investment \$100,000
- Commercial Development \$150,000
- Commercial Upgrade \$80,000
- Commercial Façade Upgrade \$15,000
- Renewable Energy Investment Above \$100,000

"Bylaw 890"

Building Permit Number: _____

Estimated Project Value (by building permit or equivalent): _____
"Bylaw 911"

Start Date: _____ Completion Date: _____

Nature of Business: _____

Estimated New Jobs to be Created: _____

Intended first year of tax exemption: 20____

I am applying for a: ____ Early Benefit ____ Tax Exemption

If any of the above information needs to be treated as confidential, please indicate reasons:

Declaration of Applicant

I (We), _____ solemnly declare that all the above statements contained within the Application are true, and I make this solemn declaration conscientiously believing it to be true, knowing that it is the same force and effect as if made under oath, and by virtue of : The Canada Evidence Act."

Dated: _____

Signature: _____

SCHEDULE "D"

RTEP Bylaw 727, 2012

TAX EXEMPTION CERTIFICATE

DISTRICT OF LOGAN LAKE
BYLAW 727, 2012
Revitalization Tax Exemption

Date of Issuance: _____

Certificate Number: _____

Date of Expiry: December 31, 20_____

P.I.D _____ Roll # _____

Civic Address:

Legal Description:

Amount \$ _____

Term: _____

Issued by:

Director of Finance
District of Logan Lake

This certificate is transferable with the sale of the Parcel.

This certificate may be revoked by District of Logan Lake at any time should Council determine that the Parcel improvements on which this certificate is based have not been maintained, or have been altered so that they no longer comply with the requirements of the Revitalization Bylaw provisions.

