
THE CORPORATION OF THE DISTRICT OF KENT

BYLAW NO. 1724

"A bylaw to establish a revitalization tax exemption program for commercial properties".

The Council of the District of Kent, in open meeting assembled, ENACTS AS FOLLOWS:

1. CITATION

This bylaw may be cited as "Commercial Revitalization Tax Exemption Bylaw No. 1724, 2023".

2. INTERPRETATION

- (1) Schedule "A" contains definitions of words and phrases used in this bylaw.
- (2) In this bylaw, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender.
- (3) The headings contained in this bylaw are for convenience only and are not to be construed as defining, or in any way limiting, the scope or intent of the provisions of this bylaw.
- (4) If any portion of this bylaw is for any reason held invalid by any court of competent jurisdiction, the invalid portion shall be severed and the severance shall not affect the validity of the remainder.

3. REVITALIZATION TAX EXEMPTION PROGRAM

(1) Establishment of Revitalization Tax Exemption Program

A Tax Exemption program is established for eligible properties located within the boundaries of the District of Kent (the District).

(2) Objectives of the Revitalization Tax Exemption Program

- (a) The objectives of this bylaw are:
- (i) to create an economic stimulus to encourage commercial capital investment on lands designated Commercial in the Official Community Plan (OCP) within the boundaries of the District;
 - (ii) to create additional permanent employment opportunities within the community that will reduce the need for residents to commute to work outside the community; and
 - (iii) to expand the commercial property tax base.

- (b) This bylaw will achieve the objectives by providing relief from general municipal property taxes to owners of eligible capital development projects constructed on lands zoning commercial within the boundaries of the District.

(3) Eligibility

A Tax Exemption will be granted only in respect of:

- (a) the construction of New Improvements consistent with the requirements of land uses permitted on lands zoned commercial and where the new commercial improvements have an aggregate estimated construction cost of at least \$100,000 as accepted by the District for building permit purposes, for commercial developments as determined by the District; and
- (b) an alteration of an existing improvement where the estimated value of the alteration has a value in excess of \$50,000; and
- (c) the building permit is issued on or after September 11, 2017.

(4) Term of Exemption

A Tax Exemption shall be for a term of five (5) years unless earlier terminated by cancellation of the Tax Exemption Certificate that is issued by the District.

(5) Deadline for Exemption

In order for real property to be eligible for a Tax Exemption in any particular year, the owner must notify the District by September 30 of the year before the year when the real property will be eligible for a Tax Exemption, that the construction of the improvement(s) on the real property has received Final Inspection and a Certificate of Substantial Completion has been issued for the site servicing works and the requirements of the Exemption Agreement referred to in Section 3 (9) are met.

(6) Maximum Exemption

A Tax Exemption must not exceed the Increased Assessed Value of the real property between the year before the construction began, and the year in which the Tax Exemption Certificate is issued.

(7) Value of Exemption

The amount of a Tax Exemption from municipal property value taxes shall be as follows:

New Improvements

Year 1: 100% of the Increased Assessed Value;
Year 2: 80% of the Increased Assessed Value;
Year 3: 60% of the Increased Assessed Value;
Year 4: 40% of the Increased Assessed Value;
Year 5: 20% of the Increased Assessed Value.

Or

Alterations of Existing Improvements

Year 1: 100% of the Increased Assessed Value;
Year 2: 100% of the Increased Assessed Value;
Year 3: 80% of the Increased Assessed Value;
Year 4: 40% of the Increased Assessed Value;
Year 5: 20% of the Increased Assessed Value.

(8) Application Procedure

Every owner that wishes to obtain a Tax Exemption must:

- (a) pay a non-refundable application fee of \$10.00;
- (b) submit a written application to the Director of Development Services, in the form prescribed and available in the office at the District Hall, along with the following documents in support of the application:
 - (i) a description and evidence as to the extent of the use consistent with the requirements of the District's commercial zones; and
 - (ii) a description of the new improvement(s) and evidence as to the aggregate construction cost; and
- (c) enter into an Exemption Agreement in accordance with Subsection (9).

(9) Exemption Agreement

Upon receipt of the written application referred to in Section 3 (8), complete with supporting documents, the District will provide the owner with a form of Exemption Agreement, establishing any terms, conditions and requirements upon which the District will grant a Tax Exemption.

(10) Revitalization Tax Exemption Certificate

Once the District agrees that the requirements and conditions of this bylaw and the Exemption Agreement referred to in Section 3 (9) are met, the District shall issue a Tax Exemption Certificate to the owner of the real property specifying:

- (a) the amount of the Tax Exemption or the formula for determining the exemption;
- (b) the term of the Tax Exemption;
- (c) any conditions on which the Tax Exemption is provided; and
- (d) the amount repayable to the District if the certificate is cancelled and how that amount was determined.

(11) Cancellation of Tax Exemption Certificate

A Tax Exemption Certificate may be cancelled by Council in one or more of the following circumstances:

- (a) upon written request of the property owner; or
- (b) if any of the requirements of this bylaw or the conditions contained in the Exemption Agreement referred to in Section 3 (9) are not met.

(12) Bylaw Comes into Force

This bylaw shall come into force upon adoption.

(13) Term of Exemption Bylaw

The term of this bylaw shall be for three (3) years from the date of adoption.

READ A FIRST TIME this 11th day of October 2023.

READ A SECOND TIME this 11th day of October 2023.

READ A THIRD TIME this 11th day of October 2023.

FINALLY PASSED AND ADOPTED this 23rd day of October 2023.



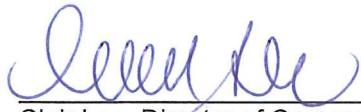
Sylvia Pranger, Mayor

CERTIFIED CORRECT:



Wallace Mah, Chief Administrative Officer

CERTIFIED A TRUE & CORRECT COPY
of "Commercial Revitalization Tax Exemption
Bylaw No. 1724, 2023" adopted on this 23rd
day of October, 2023.



Clair Lee, Director of Corporate Services

BYLAW No. 1724 – SCHEDULE “A”**DEFINITIONS**

In this bylaw, unless the context otherwise requires:

“Alterations of Existing Improvements” means commercial building alteration consistent with the requirements of commercial land uses on lands zoned commercial.

“Certificate of Substantial Completion” means the Certificate of Substantial Completion, as set out in the District of Kent’s Subdivision and Development Bylaw, 2003, Bylaw No. 1248-2003 as amended or replaced from time-to-time.

“District” means the District of Kent.

“Council” means the Council of the District of Kent.

“Developable Site Area” means the land subject to the application and does not include area for road or public access.

“Exemption Agreement” means an agreement under this bylaw for a Commercial Revitalization Tax Exemption under this bylaw between the District and a property owner for a Commercial Revitalization Tax Exemption that is substantially in the form set out in Schedule “B”.

“Final Inspection” means occupancy of a building without any outstanding deficiencies that is granted by a building official.

“Director of Development Services” means the District’s Director of Development Services, or designate.

“Increased Assessed Value” means the difference as per BC Assessment values, in assessed value of land and improvements on a parcel of real property between:

- (a) the year before the construction began; and
- (b) the year in which the Tax Exemption Certificate is issued.

“New Improvements” means new commercial building construction consistent with the requirements of commercial land uses on lands zoned commercial.

“Tax Exemption” means a revitalization tax exemption pursuant to a Tax Exemption Certificate.

“Tax Exemption Certificate” means a revitalization tax exemption certificate issued by the General Manager, Finance pursuant to this bylaw and pursuant to the provisions of Section 226(8) of the Community Charter, in the form attached to and forming part of the bylaw as Schedule “C”.

BYLAW No. 1724 – SCHEDULE “B”

COMMERCIAL REVITALIZATION TAX EXEMPTION AGREEMENT

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

BETWEEN:

(the “Owner”)

AND:

DISTRICT OF KENT, a municipality incorporated under the laws
of the Province of British Columbia and having its offices at 7170
Cheam Avenue, Agassiz, BC, V0M 1A0

(the “District”)

- A. Under District of Kent *Commercial Revitalization Tax Exemption Bylaw, 2020* (the “Bylaw”), the District established a revitalization tax exemption program for the purpose of encouraging construction on lands designated in the Official Community Plan zoned commercial within the boundaries of the District of Kent.
- B. The Lands subject to this Exemption Agreement are those lands designated in the Official Community Plan zoned commercial within the boundaries of the District of Kent.
- C. The Owner proposes to construct an improvement(s) on the Lands.
- D. This Exemption Agreement contains terms and conditions governing the provision of a general municipal property tax exemption under the Bylaw.

NOW THEREFORE, in consideration of the mutual promises contained in this Exemption Agreement and the payment by the Owner to the District of \$10.00, the receipt and sufficiency of which are acknowledged by the District, the parties agree as follows:

1. *Definitions*

- 1.1 In this Exemption Agreement the following words have the following meanings:

“Lands” means those lands and premises located at _____
and legally described as:

PID: _____

Folio No. _____

"LTO" means the New Westminster/Lower Mainland Land Title Office;

"Owner" means the registered owner of the Lands.

2. Owner's Obligations

- 2.1 In consideration of the District granting the Owner a revitalization tax exemption in accordance with the Bylaw, the Owner agrees to construct the following new improvement(s) or carry out the following alteration(s) to an existing improvement(s) on the Lands:

- 2.2 The Owner must substantially complete the construction of, or alterations to, the improvement(s) referred to in Section 2.1 of this Exemption Agreement by _____20__.
- 2.3 The Owner agrees that a revitalization tax exemption granted by the District under the Bylaw is subject to the Owner's compliance with, and fulfilment of, the required plans, equivalency environmental, building, soil and any other professional reports or assessments, Schedules of Assurance and all other terms and conditions of the building permit/s issued.

3. District's Rights and Powers

- 3.1 Nothing contained or implied in this Exemption Agreement prejudices or affects the District's rights and powers in the exercise of its functions or its rights and powers under any public and private statutes, bylaws, orders or regulations to the extent the same are applicable to the Lands, all of which may be fully and effectively exercised in relation to the Lands as if this Exemption Agreement had not been executed and delivered by the Owner.
- 3.2 Where the terms and conditions and requirements of this Exemption Agreement and the Bylaw have been met, the District will issue a tax exemption Certificate to the Owner in accordance with the provisions of the Bylaw.
- 3.3 The Owner acknowledges and agrees that, if the Owner breaches or fails to comply with any of the terms, conditions or requirements of this Exemption Agreement, the Tax Exemption Certificate or the Bylaw, and the Owner fails to remedy such breach or non-compliance within the time specified by the District in its notice to the Owner, the District may thereafter immediately terminate this Exemption Agreement and cancel the tax exemption Certificate.

4. General Provisions

- 4.1 The Owner and the District represent that the District has made no representations, covenants, warranties, guarantees, promises, or any agreements, express or implied, with the Owner other than those expressly contained in this Exemption Agreement.
- 4.2 All covenants made by the Owner herein shall be for the benefit of the District.
- 4.3 This Exemption Agreement may only be modified by written agreement of the District and the Owner.
- 4.4 This Exemption Agreement shall enure to the benefit of and is binding on the parties and their respective heirs, executors, administrators, successors and assigns.
- 4.5 Time is of the essence in this Exemption Agreement.
- 4.6 This Exemption Agreement constitutes the entire agreement between the Owner and the District with regard to the subject matter hereof, and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written, of the District with the Owner.
- 4.7 Any notice or other communication required or contemplated to be given or made by any provision of this Exemption Agreement shall be given or made in writing and either delivered personally (and if so, shall be deemed to be received when delivered), or mailed by prepaid registered mail in any Canada Post Office (and if so, shall be deemed to be 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 the notice is addressed to the party at the address shown on Page 1 of this Exemption Agreement, or to such other address as a party may, from time to time, notify the other party in writing.
- 4.8 No amendment or waiver of any portion of this Exemption Agreement shall be valid unless in writing and executed by the parties to this Exemption Agreement.
- 4.9 Waiver of any default by a party shall not be deemed to be a waiver of any subsequent default by that party.
- 4.10 This Exemption Agreement shall be construed according to the laws of the Province of British Columbia.
- 4.11 A reference in this Exemption Agreement to the District or the Owner includes their permitted assigns, heirs, successors, officers, employees and agents.
- 4.12 Unless otherwise expressly provided in this Exemption Agreement, whenever the District is permitted to make or give any decision, direction, determination, or consent, the District may act in its sole discretion, but must act reasonably.
- 4.13 Unless otherwise expressly provided in this Exemption Agreement, the Owner must bear all the expenses of performing the obligations and covenants of the Owner contained in this Exemption Agreement, and of all matters incidental to them.

4.14 The Owner represents and warrants to the District that:

- .1 all necessary corporate actions and proceedings have been taken by the Owner
to authorize its entry into, and performance of, this Exemption Agreement;
.2 upon execution and delivery on behalf of the Owner, this Exemption Agreement
constitutes a valid and binding contractual obligation of the Owner;
.3 neither the execution and delivery, nor the performance of this Exemption
Agreement shall breach any other agreement or obligation or cause the Owner to
be in default of any other agreement or obligation respecting the Lands; and
.4 the Owner has the corporate capacity and authority to enter into and perform this
Exemption Agreement.

The parties have executed this Exemption Agreement in Agassiz, British Columbia on the _____ day of _____ 20____.

DISTRICT OF KENT by its authorized
signatories:

MAYOR

CORPORATE OFFICER

OWNER by its authorized signatories:

Print Name:

Print Name:

BYLAW No. 1724 – SCHEDULE “C”

COMMERCIAL REVITALIZATION TAX EXEMPTION CERTIFICATE

This Tax Exemption Certificate issued to:

For property located at _____ and legally described as:

Folio Number: _____

PID: _____

The revitalization tax exemption shall be for a term of five years, unless earlier terminated by cancellation of the revitalization tax certificate issued by the District of Kent.

A revitalization tax exemption must not exceed the increased assessed value of the real property between the year before the construction began, and the year in which the tax exemption certificate is issued.

The amount of the revitalization exemption from municipal property value taxes shall be as follows:

☐ **New Improvements** Or
Year 1: 100% of the increased assessed value;
Year 2: 80% of the increased assessed value;
Year 3: 60% of the increased assessed value;
Year 4: 40% of the increased assessed value;
Year 5: 20% of the increased assessed value.

☐ **Alterations of Existing Improvements**
Year 1: 100% of the Increased Assessed Value;
Year 2: 100% of the Increased Assessed Value;
Year 3: 80% of the Increased Assessed Value;
Year 4: 40% of the Increased Assessed Value;
Year 5: 20% of the Increased Assessed Value.

The revitalization tax exemption granted by the District of Kent pursuant to Bylaw No. 1724, 2023, “Commercial Revitalization Tax Exemption Bylaw, 2023”, is subject to the Owner’s compliance with the Exemption Agreement under the Bylaw and without limitation, and fulfillment of, the required plans, equivalency environmental, building, soil and any other professional reports or assessments, Schedules of Assurance, and all other terms and conditions pertaining to Building Permit/s No./s _____

DATED THIS ____ DAY OF _____, 20____

Corporate Officer:

Clair Lee
Director, Corporate Services