

THE CITY OF TRAIL

BYLAW NO. 2935

A BYLAW TO ESTABLISH A REVITALIZATION TAX EXEMPTION PROGRAM IN THE CITY OF TRAIL

1.0 CITATION

This Bylaw may be cited as the City of Trail “Revitalization Tax Exemption Bylaw No. 2935, 2024”.

2.0 ADMINISTRATION

The Corporate Administrator and Chief Administrative Officer are authorized to administer this Bylaw.

3.0 APPLICATION

This Bylaw shall apply only to eligible privately-owned class 6 properties used for commercial purposes, as determined by the City, within the boundary of the City of Trail. Lands owned by the City of Trail, Regional District of Kootenay Boundary, Province of British Columbia or Government of Canada shall not be eligible for incentives under this Bylaw.

4.0 DEFINITIONS

“**Building Bylaw**” means the City of Trail Building Bylaw No. 2548, 2003, as amended or superseded from time to time, that is applied to building construction within the City of Trail;

“**Building Official**” includes Building Inspectors, Plan Checkers and Plumbing Inspectors designated by the City or the Regional District of Kootenay Boundary;

“**Building Permit**” means permission or authorization in writing from the Building Official to perform building work regulated by the Building Bylaw;

“**Building Permit Value**” means the Construction Value as stated on a printed building permit;

“**City**” means the Corporation of the City of Trail;

“**Commercial**” means a land use that includes retail sales, or wholesale, or small-scale manufacture or assembly, or service industry, or office. Examples range in size from small storefronts to shopping centres, hotels, and office buildings;

“**Council**” means the Council of the City;

“**Corporate Administrator**” includes the person appointed to that position, and that person’s Deputy, and a person authorized by the Chief Administrator Officer to perform duties under this Bylaw;

“**Eligible Property**” means a class 6 parcel as prescribed by the BC Assessment Authority that is used for commercial purposes, as determined by the City;

“**Eligible Tax Exemption**” means, for each of the years for the term of the exemption as provided in the Tax Exemption Certificate, the assessed value attributable to the eligible/qualifying project;

“**Façade 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;

“**Municipal Property Taxes**” means the property taxes Council has imposed pursuant to s. 197(1)(a) of the *Community Charter*;

“Owner” means owner of real property as defined in the *Community Charter*;

"Parcel" means parcel as defined in the *Community Charter* situate in the Tax Exemption Area and on which either new construction of new improvements is undertaken or renovation of existing improvements is undertaken;

“Program” means the program established by the Revitalization Tax Exemption Bylaw No. 2935, 2024;

“Project” means a project consistent with Part 6.0 and 7.0 of this Bylaw;

“Renovation” means the interior or exterior renewal, upgrading, restoration, repair and refurbishment of a building or a portion of a building, and “eligible improvements” in relation to “renovation” means only those alterations, renewals, restoration and changes forming part of the renovation of the existing improvement;

“Tax Exemption Agreement” means a Revitalization Tax Exemption Agreement, provided for in s. 226(7) of the *Community Charter*;

“Tax Exemption” means a revitalization tax exemption pursuant to this Bylaw;

“Tax Exemption Area” means the City of Trail;

“Tax Exemption Certificate” means a revitalization tax exemption certificate issued by the City under this Bylaw in respect of an eligible property;

“Zoning Bylaw” means the Zoning Bylaw No. 2503, 2002, as amended or superseded from time to time.

5.0 ESTABLISHMENT OF REVITALIZATION TAX EXEMPTION PROGRAM

5.1 Pursuant to the *Community Charter*, this Bylaw establishes a Revitalization Tax Exemption Program (the “Program”) for the Tax Exemption Area, providing exemption from Municipal Property Taxes as outlined in Part 9 of this Bylaw for land and improvements meeting Program requirements.

6.0 PROGRAM REASONS AND OBJECTIVES

6.1 The City of Trail wishes to create an economic stimulus that will encourage private sector capital investment in commercial building projects.

6.2 The Revitalization Tax Exemption Program is established under this Bylaw to:

- a) Stimulate and encourage the construction of new buildings and major renovations or improvements of existing buildings;
- b) Promote and encourage the expansion of the commercial property tax base;
- c) Promote and encourage the enhancement of the visual appeal of commercial properties within the City of Trail;
- d) Promote and encourage private commercial investment to further strengthen the economy;
- e) Promote and encourage commercial building expansion to create employment opportunities for residents.

7.0 ELIGIBLE / QUALIFYING PROJECTS

7.1 The Project must be situated on a parcel located within the Tax Exemption Area.

7.2 The Project must meet all Program criteria and comply with all applicable land use and other City of Trail regulations.

7.3 The Project must be one or a mix of the following types:

- a) new commercial construction with a building permit value greater than or equal to \$50,000;
- b) commercial renovation with a building permit value greater than or equal to \$50,000;
- c) façade improvement with a building permit value greater than or equal to \$50,000;
 - i. The Corporate Administrator will determine eligibility for those Commercial Façade Improvements where a building permit is not required.

8.0 TAX EXEMPTION

8.1 The terms and conditions upon which a Tax Exemption Certificate may be issued are set out in Part 10.0 of this Bylaw, in the Tax Exemption Agreement and in the Tax Exemption Certificate.

8.2 Where a Project is eligible for a Tax Exemption under this Bylaw:

- a) New commercial building construction shall be eligible for a property tax exemption on land and improvements, for a maximum term of 5 years as follows:
 - Year 1 – 3 100% of the Eligible Tax Exemption
 - Year 4 60% of the Eligible Tax Exemption
 - Year 5 40% of the Eligible Tax Exemption
- b) Commercial renovation shall be eligible for a property tax exemption on the value of eligible improvements only, for a maximum term of 5 years as follows:
 - Year 1 – 3 100% of the Eligible Tax Exemption
 - Year 4 60% of the Eligible Tax Exemption
 - Year 5 40% of the Eligible Tax Exemption
- c) Façade improvements shall be eligible for a property tax exemption on the value of eligible improvements only, for a maximum term of 5 years as follows:
 - Year 1 – 3 100% of the Eligible Tax Exemption
 - Year 4 60% of the Eligible Tax Exemption
 - Year 5 40% of the Eligible Tax Exemption

9.0 APPLICATION PROCESS

9.1 If an Owner wishes to qualify for Tax Exemption under this Bylaw, the Owner must complete the application process to the satisfaction of the Corporate Administrator, who is authorized to execute the documentation necessary to give effect to the provision of the Bylaw. The application process requires submission of the following:

- a) a complete written Tax Exemption Application, as per Appendix “A” attached hereto and forming part of this Bylaw, made at the time of issuance of a building permit referred to in Part 7;
- b) proof that all current taxes have been paid and where taxes, rates, or assessments are payable by installments, proof that all installments owing at the date of the Application have been paid;
- c) description of new improvements or the renovation of the existing improvements that would be eligible under the Bylaw for a Tax Exemption;
- d) an application fee in the amount of \$50.00; and
- e) An originally signed copy of the Tax Exemption Agreement duly executed by the Owner.

9.2 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 to the Corporate Administrator before a Tax Exemption Certificate may be issued.

10.0 TAX EXEMPTION CERTIFICATE

- 10.1 Once the terms and conditions of this Bylaw and Tax Exemption Agreement have been wholly satisfied, a Tax Exemption Certificate must be issued for the Parcel in accordance with the Tax Exemption Agreement.
- 10.2 For a Tax Exemption to commence in a given year, an Owner must have fully complied with Part 10 of this Bylaw on or before October 1 of the preceding year.
- 10.3 A Tax Exemption Certificate may be cancelled by Council if the Owner breaches any covenant, condition or obligation as set out in the Tax Exemption Certificate or the Tax Exemption Agreement.
- 10.4 For a Tax Exemption Certificate that is cancelled, the City of Trail may recapture the value of the tax exemption provided on the Parcel, for the current taxation year to which the Tax Exemption Certificate applies. Failure on the part 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 and such taxes may be recovered by any means pursuant to Part 7 of the *Community Charter* and without limitation also, pursuant to the Tax Exemption Agreement.

11.0 DELEGATION

Pursuant to s. 226(7) and s. 154 of the *Community Charter*, the Corporate Administrator may on behalf of the City exercise the Council’s power to enter into any agreement, including the Tax Exemption Agreement, with the Owner of the Parcel in respect of a revitalization tax exemption, provided that the terms of such agreement are not inconsistent with any condition or requirement of this Bylaw.

READ the **FIRST**, **SECOND** and **THIRD** time the 22nd day of January, 2024.

ADOPTED the 12th day of February, 2024.

MAYOR

CORPORATE ADMINISTRATOR

Certified a true copy of
Bylaw No. 2935, 2024.

CORPORATE ADMINISTRATOR



APPENDIX “A”

CITY OF TRAIL

APPLICATION FOR REVITALIZATION TAX EXEMPTION (CLASS 6 PROPERTIES)

Date of Application: _____

Applicant's Name: _____

Property Civic Address: _____

Legal Description of Property:

Lot _____ Block _____ DL _____ Plan _____ Roll No.: _____

Mailing Address (if different from Property Address): _____

Postal Code: _____

Phone Number: _____ E-mail: _____

Construction Value: _____

Current Assessed Value: Land _____ Buildings _____

Description of Proposed Revitalization: _____

I hereby certify:

- a) I am the owner of the property identified in this application;
- b) I intend to develop, construct, alter or renovate the property as described above, and have received all necessary authorizations for construction;
- c) I acknowledge that the granting of a Revitalization Tax Exemption Certificate is subject to all conditions and requirements of the Revitalization Tax Exemption Bylaw No. 2935, including but not limited to execution of a Revitalization Tax Exemption Agreement.

Signature of Applicant

Please submit application with applicable fee of \$50 to the City of Trail, 1394 Pine Avenue, Trail, BC



CITY OF TRAIL

TAX EXEMPTION CERTIFICATE

[Pursuant to City of Trail Revitalization
Tax Exemption Bylaw No. 2935, 2024]

This tax exemption certificate is issued to [INSERT OWNER NAME] (the “Owner”), for property located at [INSERT CIVIC PROPERTY ADDRESS] , legally described as [INSERT LEGAL ADDRESS], and having the following corresponding parcel identifier number and Building Permit number in accordance with the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024 and in accordance with a Revitalization Tax Exemption Agreement dated [INSERT DATE], (the “Agreement”) entered into between the Owner of the property described above (the “Property”) and the City of Trail:

Parcel Identifier (PID) No.: [INSERT PID]

Building Permit No.: [INSERT BP NUMBER]

Pursuant to S. 226(9) of the *Community Charter*, the following information is specified in respect to the tax exemption for the Property:

1. this tax exemption is [for land and improvements OR for improvements only] to the extent provided for in Section 9.2 [(a), (b) OR, (c)] of the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024;
2. the formula for determining the tax exemption is that set out in Section 9.2 [(a), (b) OR (c)] of the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024;
3. the term of the tax exemption is 5 years commencing _____;
4. the conditions on which this tax exemption is provided are those set out in either or both of the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024 and the Revitalization Tax Exemption Agreement dated ____ day of _____, a copy of which is annexed to this Certificate;
5. if this Tax Certificate is cancelled pursuant to Part 11 of the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024 at any time during the term of this Certificate, the Council shall be entitled to recapture an amount of the tax already exempted during the term of this Certificate. The amount of recapture shall be determined pursuant to Part 11 of the City of Trail Revitalization Tax Exemption Bylaw No. 2935, 2024.

Corporate Officer	Date
City of Trail	