

# CITY OF KELOWNA

## BYLAW NO. 11912

### Amendment No. 7 to Revitalization Tax Exemption Program Bylaw No. 9561

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The Municipal Council of the City of Kelowna, in open meeting assembled, enacts that the City of Kelowna Revitalization Tax Exemption Bylaw No. 9561 be amended as follows:

1. THAT Section 4 be amended by deleting the phrase "entered into" following "relevant Agreement" and before "between the City".

2. AND THAT Section 5, sub-paragraph e be deleted that reads:

"For Purpose-Built Rental Housing Projects throughout the City, 100% of the Revitalization Amount on the parcel, for projects that are subject to a Housing Agreement (for up to 10 years) and where the proposed project is in compliance with the Official Community Plan Future Land Use designation at the time of the Revitalization Tax Exemption application. A tax incentive for rental housing will only be considered when the vacancy rate is at or below 3%,"

And replace it with;

"For Purpose-Built Rental Housing Projects within the Core Area, Glenmore Valley Village Centre and University South Village Centre as defined by the Official Community Plan (OCP), 100% of the Revitalization Amount on the parcel, for projects that are subject to a Housing Agreement (for a minimum of 10 years) and where the proposed project is in compliance with the OCP Future Land Use designation at the time of Revitalization Tax Exemption application."

3. AND THAT Section 6, be amended by adding a new sub-paragraph h in its appropriate location that reads:

"Projects pursuing exemptions for purpose-built rental housing will be required to secure their dwelling units through a 10-year housing agreement with the City of Kelowna. In cases where the project has a long-term operating agreement (15 years or greater) in place with the Provincial Rental Housing Corporation (BC Housing), an agreement with the City of Kelowna will not be required."

4. AND THAT **SCHEDULE "B" Revitalization Tax Exemption Agreement** be amended by deleting in No. 6, sub-paragraph e that reads:

"For Purpose-Built Rental Housing Projects throughout the City, 100% of the Revitalization Amount on the Parcel where the project is subject to a Housing Agreement (for up to 10 years) and is in compliance with the OCP Future Land Use designation as at May 30, 2011. A tax incentive for rental housing will only be considered when the vacancy rate is at or below 3%,"

And replace it with;

"For Purpose-Built Rental Housing Projects within the Core Area, Glenmore Valley Village Centre and University South Village Centre as defined by the OCP, 100% of the Revitalization Amount on the parcel, for projects that are subject to a Housing Agreement (for a minimum of 10 years) and where the proposed

project is in compliance with the OCP Future Land Use designation at the time of Revitalization Tax Exemption application."

5. AND THAT **SCHEDULE "C" Tax Exemption Certificate** be deleted in its entirety and replaced with a new Schedule "C" Tax Exemption Certificate.
6. This bylaw may be cited for all purposes as "Bylaw No. 11912, being Amendment No. 7 to Revitalization Tax Exemption Program Bylaw No. 9561."
7. This bylaw shall come into full force and effect and is binding on all persons as and from the date of adoption.

Read a first, second and third time by the Municipal Council this

Adopted by the Municipal Council of the City of Kelowna this

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Mayor

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City Clerk

## Schedule "C"

Revitalization Tax Exemption Agreement No. \_\_\_\_\_

Date of Issuance by Revenue Department \_\_\_\_\_

### Tax Exemption Certificate

In accordance with the City of Kelowna Revitalization Tax Exemption Program Bylaw No. 9561 (the "Bylaw"), and in accordance with a Revitalization Tax Exemption Agreement dated for reference the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the "Agreement") entered into between the City of Kelowna (the "City") and \_\_\_\_\_ (the "Owner"), the registered owner(s) of [insert legal description of property] \_\_\_\_\_ (the "Parcel):

A.) This certificate certifies that the Parcel is subject to a Revitalization Tax Exemption, for each of the taxation years 20\_\_ to 20\_\_ inclusive, equal to [\[choose one from below and insert applicable wording\]](#):

1. "Tax Incentive Area 1", 100% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued);
2. "Tax Incentive Area 2,"
  - a. 100% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued);
  - b. 75% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued) which can be attributed to a residential land use,  
  
and/or 50% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued) which can be attributed to a commercial land use;
3. [deleted]
4. "Tax Incentive Area 3," 100% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued);
5. Purpose-Built Rental Housing Project, 100% of the Revitalization Amount attributed to Building Permit No \_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued).

B.) Any construction of a new improvement or alteration of an existing improvement, on the Parcel described above, undertaken prior to the application for a Revitalization Tax Exemption will not be eligible for consideration;

C.) The maximum Revitalization Tax Exemption authorized must not exceed the increase in the assessed value of improvements on the property resulting from the construction or alterations attributed to Building Permit No \_\_\_\_\_

\_\_\_\_\_ between 20\_\_ (the calendar year before the commencement of construction of the project) and 20\_\_ (the calendar year in which the Revitalization Tax Exemption Certificate is issued);

**D.)** The Property's assessed value of improvements must not be reduced below the amount assessed in the calendar year prior to construction or alteration, as a result of the Revitalization Tax Exemption.

The Revitalization Tax Exemption is provided under the following conditions:

1. The Owner does not breach any term, condition or provision of, and performs all obligations set out in, the Agreement and the Bylaw;
2. The Owner has not sold all or any portion of his or her equitable or legal fee simple interest in the Parcel without the transferee taking an assignment of the Agreement, and agreeing to be bound by it;
3. The Owner, or a successor in title to the Owner, has not allowed the property taxes for the Parcel to go into arrears or to become delinquent;
4. The Exempt Use (as defined in the Agreement) of the Project is not discontinued.

**E.)** If the Owner is subject to an operating agreement with the Provincial Rental Housing Corporation, the owner must comply with the terms of the operating agreement with the Provincial Rental Housing Corporation.

**F.)** If any of these conditions are not met, the Council of the City of Kelowna may cancel this Revitalization Tax Exemption Certificate. If such cancellation occurs, the Owner of the Parcel, or a successor in title to the Owner as the case may be, shall remit to the City an amount equal to the value of the exemption received after the date of the cancellation of the certificate.