



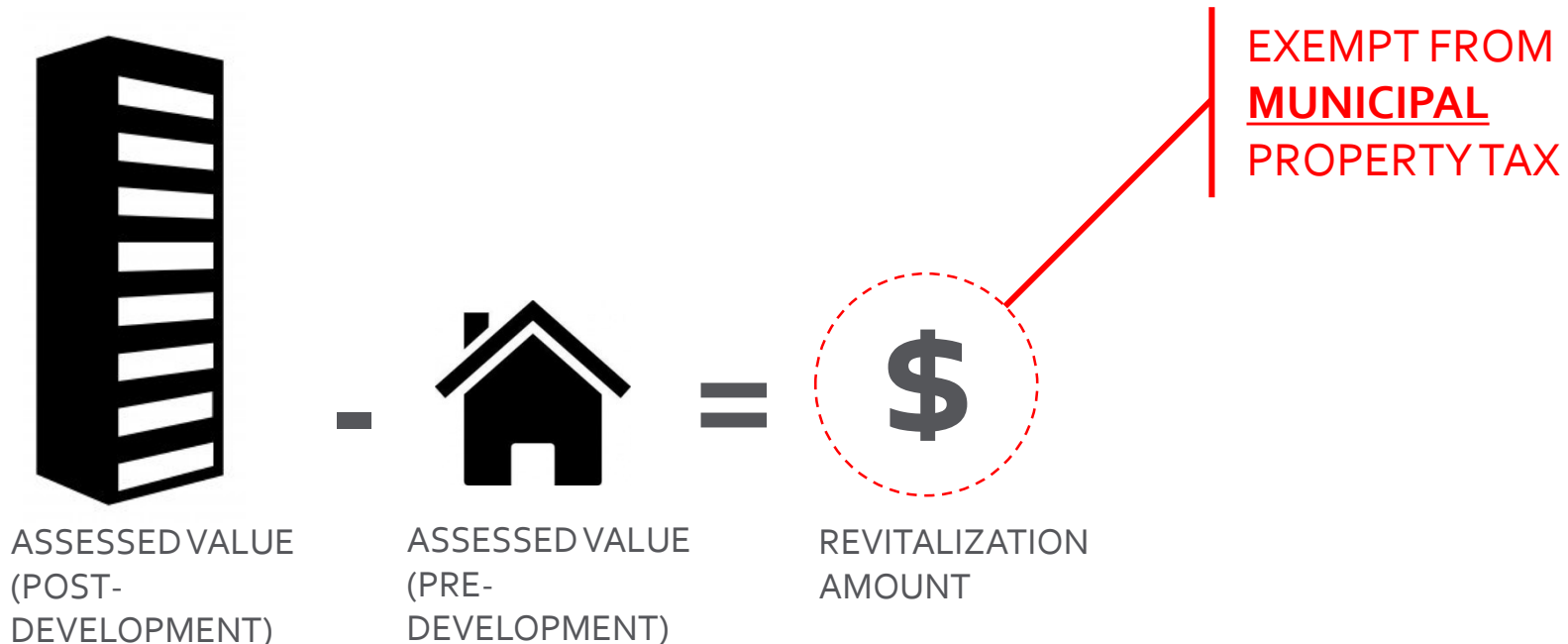
Revitalization Tax Exemption Program Update

November 23, 2020



Purpose of Report

- ▶ Current Revitalization Tax Exemption (RTE) program structure
- ▶ Recent activity & considerations
- ▶ Recommendations for RTE program



Current RTE Program Structure

► *Tax Incentive Areas*

- **Downtown Area 1:** flexible structure (100%)
- **Downtown Area 2:** large projects (100%), smaller projects (50-75%),
- **Rutland Area 3:** flexible structure (100%)
- **Purpose-built rental:** designated areas (100 %)



RTE Activity & Considerations

- ▶ Major investment in much of Downtown
- ▶ Activity in Rutland mostly related to rental
- ▶ Record level of investment in rental housing



Program Recommendations

- ▶ Maintain incentive for areas with less activity
- ▶ Acknowledge role of rental housing incentive
- ▶ Adapt criteria in Downtown Area 2



Impacts to Tax Incentive Areas

Active Tax Incentive Areas	Proposed Changes
Downtown Tax Area 1	No change
Downtown Tax Area 2	New criteria to support Energy Step Code implementation in 2021-22
Rutland Tax Area 3	No change
Rental Housing Area	No change



Conclusion

- ▶ Program delivering value
- ▶ Strong market for downtown development
- ▶ Opportunity to adapt bylaw to changing council priorities
- ▶ Rental Housing most impactful incentive area
- ▶ Staff will monitor impact of program

