

CITY OF DELTA

BYLAW NO. 8331

A bylaw to establish a revitalization tax exemption program to encourage new development in Ladner Village

WHEREAS Council may, by bylaw, establish a revitalization tax exemption program to encourage various types of revitalization to achieve a range of economic, social and environmental objectives, pursuant to Section 226 of the *Community Charter*;

AND WHEREAS Council recognizes the importance of accelerating new business, commercial and retail investment, new employment, and new investment in housing;

AND WHEREAS Council has identified Ladner Village as an area with opportunities for commercial, multi-unit residential and mixed-use development and wishes to encourage revitalization through incentives;

AND WHEREAS a revitalization tax exemption program bylaw may only be adopted after notice of the proposed bylaw has been given in accordance with Section 227 of the *Community Charter*;

AND WHEREAS Council has considered the proposed bylaw in conjunction with the objectives and policies set out in its financial plan under Section 165(3.1)(c) [use of permissive tax exemptions] of the *Community Charter*.

NOW THEREFORE the Council of the City of Delta, in open meeting assembled, ENACTS AS FOLLOWS:

Citation

1. This bylaw may be cited for all purposes as “**Ladner Village Revitalization Tax Exemption Program Bylaw No. 8331, 2023**”.

Application

2. This bylaw applies only to Eligible Projects within the Ladner Village Economic Investment Incentive Zone.

Definitions

3. For the purpose of this bylaw,
“Base Year” means the year in which the Tax Exemption Certificate is issued.

“Construction Value” means the total value of all construction work related to an Eligible Project, as certificated by a qualified professional acceptable to the General Manager of Finance.

“Eligible Project” means a construction project consisting of the construction of one or more multi-unit residential, commercial or mixed-use buildings having a total Construction Value of two million dollars or more.

“General Manager of Finance” means the City’s General Manager of Finance and includes his or her designate.

“Ladner Village Economic Investment Incentive Zone” means the area shown within bold black outline on Schedule A.

“Municipal Property Taxes” means property value taxes imposed under Section 197 of the *Community Charter*.

“Owner” has the same meaning as in the *Community Charter* and where there is more than one owner of the relevant land, a reference in this bylaw to the owner of the land is a reference to all owners of it.

“Purpose Built Rental Housing” means a building containing five or more dwelling units that is designed and used exclusively for residential purposes and that is built after the adoption of a zoning bylaw that limits the form of tenure of the dwelling units in the building to residential rental tenure or after the date on which notice of a housing agreement between the Owner and the City limiting the form of tenure of the dwelling units in the building to residential rental tenure is filed in the land title office.

“Revitalization Tax Exemption Agreement” means a tax exemption agreement between the Owner and the City in generally the form attached as Schedule B.

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

“Tax Exemption Certificate” means a tax exemption certificate issued under this bylaw generally in the form attached as Schedule C.

Reasons for the Program

4. The reasons for the adoption of this tax exemption program bylaw are those described in the recitals.

Objective of the Program

5. The objective of the tax exemption program established by this bylaw is to encourage the construction of multi-unit residential, commercial and mixed-use buildings in the Ladner Village Economic Investment Incentive Zone.

Means of Accomplishing the Program Objective

6. The City intends to accomplish the program's objectives by providing tax exemptions in respect of land on which Eligible Projects are to be constructed.

Description of Eligible Property

7. Land on which an Eligible Project is to be constructed is eligible for a Tax Exemption under the program.

Extent of Tax Exemptions Available

8. A Tax Exemption provided under the program must be equal to the amount by which the Municipal Property Taxes on the land and improvements on it during each year of the term of the Tax Exemption would otherwise exceed the Municipal Property Taxes that were imposed on the land and the improvements on it in the Base Year.

Term of Exemption

9. Subject to section 10, the maximum term of an exemption that may be provided under this bylaw is three years.
10. If the building or buildings comprising an Eligible Project are all Purpose Built Rental Housing, the maximum term of an exemption under this bylaw in relation to that project is five years.

Latest Date Tax Exemption Certificate may be Issued

11. A Tax Exemption may only be provided under this bylaw if the Tax Exemption Certificate that relates to that exemption is issued on or before October 31, 2028.

Application for Tax Exemption

12. An application for a Tax Exemption under this bylaw may be made by the Owner of the lands in respect of which the exemption is sought by submitting to the City a completed application in a form prescribed by the General Manager of Finance and by providing the following:
 - (a) a certificate showing that all taxes assessed, and rates, charges and fees imposed on the land, and that were owing before the date of the application, have been paid;
 - (b) a copy of the most recent property assessment notice for the lands;
 - (c) a complete description of the Eligible Project, including
 - (i) plans of the project prepared by a qualified professional in a form sufficient to enable the General Manager of Finance to reasonably

- determine if the building or buildings proposed to be constructed constitute an Eligible Project, and
- (ii) a certificate prepared by a qualified professional acceptable to the General Manager of Finance certifying the Construction Value of the Eligible Project; and
 - (d) such other information, if any, that the General Manager of Finance requests.
13. A Tax Exemption Certificate may be issued in a calendar year only if an application that meets the requirements of this bylaw is made on or before July 31 of that year.
 14. An application for a Tax Exemption under this bylaw must be made before a building permit has been issued for any building that is part of the Eligible Project.
 15. Subject to section 16, for the purpose of this bylaw and the applicable Revitalization Tax Exemption Agreement and Tax Exemption Certificate, the Eligible Project to which those instruments apply is the Eligible Project described in the application for a Tax Exemption.
 16. On application by the Owner, after a Tax Exemption Certificate is issued, the City may approve an amendment of the Revitalization Tax Exemption Agreement and the Tax Exemption Certificate to change the description of the Eligible Project to which those instruments apply, but if as a result of the revision the Eligible Project ceases to consist entirely of Purpose Built Rental Housing, the term of any remaining Tax Exemption shall be adjusted in the revised Revitalization Tax Exemption Agreement and Tax Exemption Certificate to conform with this bylaw.

Revitalization Tax Exemption Agreement

17. After an application is made for a Tax Exemption, the City may, but is not required to, conditionally approve the application by requesting that the Owner of the lands on which the Eligible Project is to be undertaken enter a Revitalization Tax Exemption Agreement with the City. For certainty, in considering whether to enter a Revitalization Tax Exemption Agreement, the City may consider any factor it considers appropriate, including whether the Owner is ready to submit a building permit application for the Eligible Project.

Tax Exemption Certificate

18. If, on or before October 1 of a calendar year, the Owner and the City have entered a Revitalization Tax Exemption Agreement and the Owner has fulfilled all requirements or conditions of the Agreement that are applicable to the issuance of a Tax Exemption Certificate, a Tax Exemption Certificate will be issued by the General Manager of Finance in accordance with the Revitalization Tax Exemption Agreement on or before October 31 of that year.

Cancellation of Tax Exemption Certificate

19. A Tax Exemption Certificate may be cancelled by the City at the request of the Owner or if any of the conditions in the Tax Exemption Certificate are not met.

Recapture Amount

20. If a Tax Exemption Certificate is cancelled, the Owner must pay to the City within one month of the cancellation becoming effective, the amounts referred to in the Revitalization Tax Exemption Agreement and the Tax Exemption Certificate.

Municipal Fee Reductions

21. An Owner of land on which an Eligible Project is to be constructed may make an application for a reduction of building permit fees and plumbing permit fees applicable to the Eligible Project under Consolidated Fees Bylaw No. 7273, 2013 by submitting a complete application on a form prescribed by the General Manager of Finance, provided the application is made at least one month before the date of the building permit or plumbing permit application to which it relates.
22. An application for a reduction of building permit or plumbing permit fees or both for an Eligible Project must include the following:
 - (a) a certificate showing that all taxes assessed, and rates, charges and fees imposed on the land, and that were owing before the date of the application, have been paid;
 - (b) a copy of the most recent property assessment notice for the lands;
 - (c) a complete description of the Eligible Project, including
 - (i) plans of the project prepared by a qualified professional in a form sufficient to enable the General Manager of Finance to reasonably determine if the building or buildings proposed to be constructed constitute an Eligible Project, and
 - (ii) a certificate prepared by a qualified professional acceptable to the General Manager of Finance certifying the Construction Value of the Eligible Project; and
 - (d) such other information, if any, that the General Manager of Finance requests.
23. If, after reviewing the application and the information provided with it, the General Manager of Finance is satisfied that the proposed project is an Eligible Project, the General Manager of Finance shall notify the Owner in writing of that determination and after such notification, the building permit and plumbing permit fees applicable to any building permit or plumbing permit application made in respect of the Eligible Project shall be reduced by:

- (a) in the case of a building that is part of an Eligible Project that consists only of buildings that are Purpose Built Rental Housing, 80%; and
- (b) in the case of a building that is part of an Eligible Project that includes one or more buildings that are not Purpose Built Rental Housing, 60%.

READ A FIRST time the **25th** day of **September, 2023.**

READ A SECOND time the **25th** day of **September, 2023.**

READ A THIRD time the **25th** day of **September, 2023.**

FINALLY CONSIDERED AND ADOPTED the **16th** day of **October, 2023.**

“Dylan Kruger”

Dylan Kruger
Acting Mayor

“Michelle Jansson”

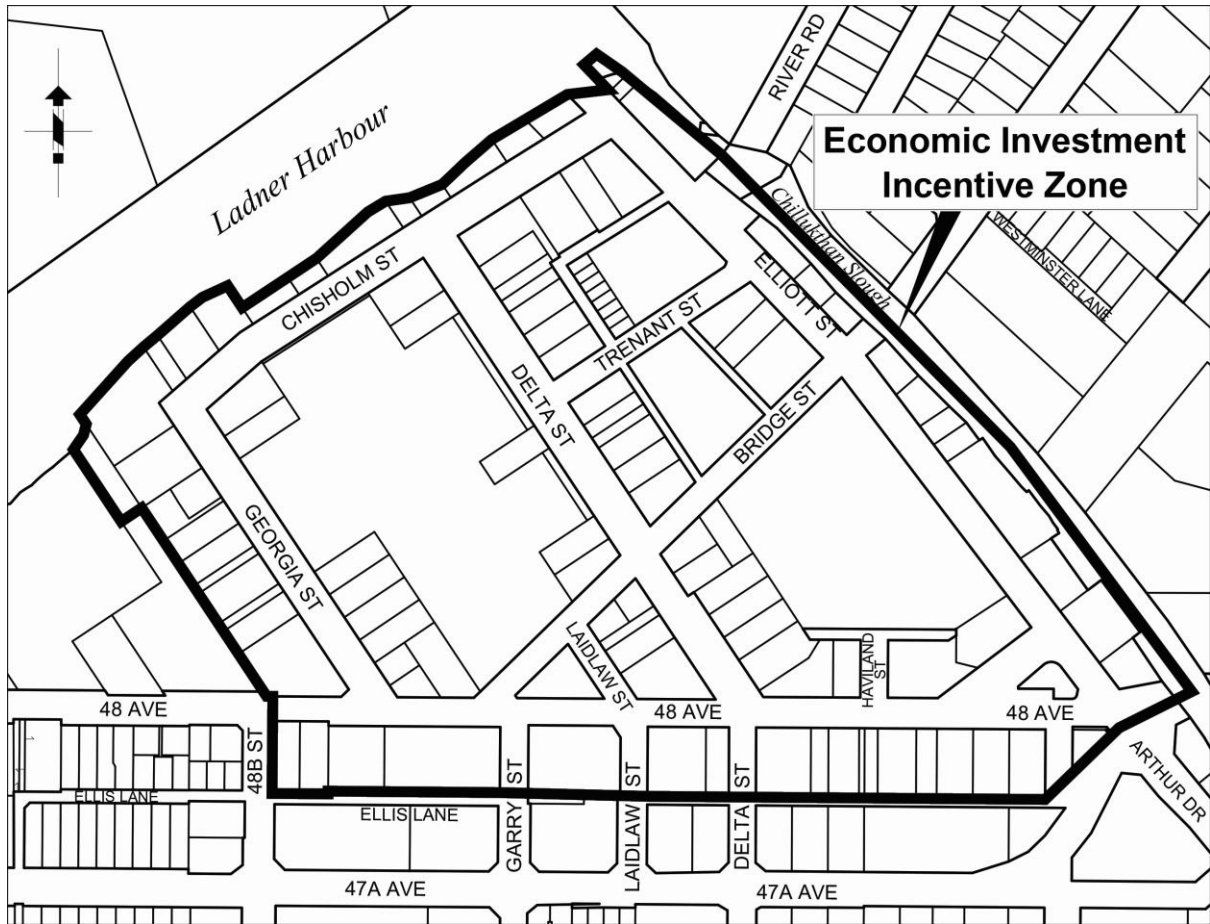
Michelle Jansson, CMC
City Clerk

Schedule ‘A’ – Ladner Village Economic Investment Incentive Zone

Schedule ‘B’ - Revitalization Tax Exemption Agreement

Schedule ‘C’ – Tax Exemption Certificate

Schedule 'A' – Ladner Village Economic Investment Incentive Zone



SCHEDULE 'B'

REVITALIZATION TAX EXEMPTION AGREEMENT

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

BETWEEN

[Insert name and address of Owner of Land in respect of which the revitalization exemption will apply]

(the "Owner")

AND

CITY OF DELTA
4500 Clarence Taylor Crescent
Delta, British Columbia
V4K 3E2

("Delta")

WHEREAS:

- A. The Owner is the registered Owner in fee simple of Land in Delta at [civic address] legally described as [legal description] (the "Land");
- B. Delta Council has established a revitalization tax exemption program for the purpose of encouraging commercial, multi-unit residential and mixed-use development and has included within the "Ladner Village Revitalization Tax Exemption Program Bylaw 8331, 2023" a designation of areas, which include the Land, as the Ladner Village Economic Investment Zone; and
- C. The Owner proposes to undertake an Eligible Project on the Land and has applied to Delta to take part in the revitalization tax exemption program in respect of the Eligible Project and Delta has agreed to accept the Eligible Project under the program.

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and agreements contained in this Agreement and the payment by the Owner to Delta of consideration in the amount of \$1 (One Dollar), the receipt and sufficiency of which are acknowledged by Delta, Delta and Owner covenant and agree with each other as follows:

DEFINITIONS

- 1. Unless otherwise defined herein, all words and phrases in this Agreement shall have the same meaning as in the *Ladner Village Revitalization Tax Exemption Program Bylaw No. 8331, 2023* (the "Bylaw").

2. In this Agreement:

- a. Eligible Project” means the Eligible Project described in the application for a Tax Exemption for the Land under the Bylaw, or, if applicable, as it has been revised with the City’s approval under the Bylaw.

REVITALIZATION TAX EXEMPTION

3. Subject to fulfilment of the conditions set out in this Agreement and in the Bylaw, Delta shall issue a Tax Exemption Certificate entitling the Owner to a Tax Exemption in respect of Municipal Property Taxes for the calendar year(s) set out in this Agreement. The Tax Exemption Certificate shall be in the form prescribed by the Bylaw.

TERM

4. Provided the requirements of this Agreement and of the Bylaw are met, the Tax Exemption shall be for the taxation years _____ to _____, inclusive.
5. Throughout the term of this Agreement, the Owner shall operate, repair and maintain the Land and Eligible Project and will keep the Land and Eligible Project in a state of good repair as a prudent owner would.

CONDITIONS

6. A Tax Exemption is subject to the following conditions:
 - (a) the Owner must obtain a building permit for all buildings of which the Eligible Project is comprised within [insert number] months of the date the Tax Exemption Certificate is obtained;
 - (b) the Owner must commence construction of the Eligible Project as soon as reasonably possible after the building permit for the Eligible Project is obtained and must diligently continue with that construction until the Eligible Project is completed;
 - (c) the Owner must obtain an occupancy permit for all buildings of which the Eligible Project is comprised within [insert number] months of issuance of the building permit for the project;
 - (d) the Owner must complete or cause to be completed construction of the Eligible Project in a good and workmanlike fashion and in strict compliance with the plans and specifications attached to and forming part of this Agreement as Appendix “A”;
 - (e) the Owner must provide Delta with a certificate from the Owner’s design professional in form and content acceptable to the Delta’s General Manager of Development, certifying the actual cost to complete the Eligible Project;
 - (f) the Owner must not sell, assign, or otherwise transfer all or a portion of its equitable or legal interest in the Land unless the transferee takes an

assignment of this Agreement and agrees to be bound by it, unless the sale, assignment or transfer is of a strata lot created by stratification pursuant to section 16; and

- (g) the property taxes in respect of the Land must not go into arrears or become delinquent.
- 7. The Owner shall construct the Eligible Project and, at all times during the term of the Tax Exemption, use and occupy the Land and the Eligible Project in compliance with all statutes, law, regulations and orders of any authority having jurisdiction, and without limiting the generality of the foregoing, all federal, provincial, or municipal laws, statutes, bylaws licences, permits or approvals, including all the rules, regulations, policies, guidelines, criteria or the like made under or pursuant to any such laws.
- 8. The Owner must pay to Delta in relation to the Eligible Project the cost of all tie-ins of works and services associated with the alteration to improvements, to existing storm and sanitary sewers, water mains, water meters, driveways and other municipal services.
- 9. For greater certainty, under no circumstances will the Owner be entitled under this Agreement or the Bylaw to any cash credits, any carry forward Tax Exemption credit or any return for any taxes paid or Municipal Property Taxes paid.

TAX EXEMPTION

- 10. The amount of the Tax Exemption from Municipal Property Taxes during each year of the term of the exemption shall be equal to the amount by which the Municipal Property Taxes on the Land and improvements on it for that year would otherwise exceed the Municipal Property Taxes that were imposed on the Land and improvements on it in 20__ (Base Year).
- 11. Subject to early cancellation of the Tax Exemption Certificate under section 12, the Tax Exemption will be available for the taxation years [____-- through -----].

CANCELLATION

- 12. Delta Council may in its sole discretion cancel the Tax Exemption Certificate at any time:
 - (a) on the written request of the Owner;
 - (b) effective immediately if the Eligible Project fails to meet any of the requirements for an Eligible Project as defined in this Bylaw; or
 - (c) effective immediately if at any time any of the conditions in the Tax Exemption Certificate or this Agreement are not met.

13. A Tax Exemption Certificate cancellation does not apply to taxation in a calendar year unless the Tax Exemption Certificate is cancelled on or before October 31 in the preceding year.
14. Subject to section 15, if for any reason whatsoever the Tax Exemption Certificate is cancelled, the Owner of the Land for which the Tax Exemption Certificate was issued must remit to Delta an amount equal to the value of the Tax Exemption received, whether it is received before or after the date of the cancellation of the Tax Exemption Certificate.
15. If the Tax Exemption Certificate is cancelled because the Owner has failed to meet condition 6(f) of this Agreement [sale, assignment or transfer without agreement], the Owner of the Land for which the Tax Exemption Certificate was issued must remit to Delta an amount equal to the value of any Tax Exemption received after, but not before, the date of the cancellation of the Tax Exemption Certificate.

EFFECT OF STRATIFICATION

16. If the Owner stratifies any building on the Land under the *Strata Property 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 currency of this Agreement if the strata plan is accepted for registration before May 1; or
 - (b) for each subsequent tax year during the currency of this Agreement if the strata plan is accepted for registration on or after May 1.

DELTA'S RIGHTS AND POWERS

17. Nothing contained or implied in this Agreement prejudices or affects Delta'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 Land, all of which may be fully and effectively exercised in relation to the Land as if this Agreement had not been executed and delivered by the Owner.

GENERAL PROVISIONS

18. It is mutually understood, agreed, and declared by and between the parties that Delta has made no representations, covenants, warranties, guarantees, promises, or agreements (oral or otherwise), express or implied, with the Owner other than those expressly contained in this Agreement.
19. This agreement shall enure to the benefit of and is binding on the parties and their respective heirs, executors, administrators, successors and assigns.
20. The Owner shall, on the request of Delta, execute and deliver or cause to be executed and delivered, all such further transfers, Agreements, documents, instruments, easements, statutory rights of way, deeds and assurances, and

do and perform or cause to be done and performed, all such acts and things as may be, in the opinion of Delta necessary to give full effect to the intent of this Agreement.

21. Time is of the essence of this Agreement.
22. This Agreement constitutes the entire Agreement between the Owner and Delta with regard to the subject matter hereof and supersedes all prior Agreements, understandings, negotiations, and discussions, whether oral or written of Delta with the Owner.
23. Any notice or other communication required or contemplated to be given or made by any provision of this 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 fifth 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 as follows:

to the Owner at:

*[insert name]

*[insert address]

and:

to Delta at:

CITY OF DELTA
4500 Clarence Taylor Crescent
Delta, British Columbia V4K 3E2
Attention: General Manager of Finance

or to such other address to which a party hereto from time to time notifies the other parties in writing.

24. No amendment or waiver of any portion of this Agreement shall be valid unless in writing and executed by the parties to this Agreement.
25. Waiver of any default by a party shall not be deemed to be a waiver of any subsequent default by that party.
26. This Agreement is not intended to create a partnership, joint venture, or agency between the Owner and Delta.
27. This Agreement shall be construed according to the laws of the Province of British Columbia.
28. This Agreement is effective from and after the date it has been executed by both the Owner and Delta.

29. Unless otherwise expressly provided in this Agreement, whenever Delta is permitted to make or give any decision, direction, determination, or consent, Delta may act in its sole discretion.
30. Unless otherwise expressly provided in this Agreement, the expense of performing the obligations and covenants of the Owner contained in this Agreement, and of all matters incidental to this Agreement, is solely that of the Owner.
31. The Owner represents and warrants to Delta that:
 - (a) all necessary corporate actions and proceedings have been taken by the Owner to authorize its entry into and performance of this Agreement;
 - (b) upon execution and delivery on behalf of the Owner, this Agreement constitutes a valid and binding contractual obligation of the Owner;
 - (c) neither the execution and delivery, nor the performance of this Agreement shall breach any other Agreement or obligation, or cause the Owner to be in default of any other Agreement or obligation, respecting the Land; and
 - (d) the Owner has the corporate capacity and authority to enter into and perform this Agreement.
32. 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 the Agreement.
33. If there is any conflict between the terms and conditions of this Agreement and the provisions of the Bylaw, the Bylaw shall take precedence to the extent of the conflict.
34. Wherever the singular or masculine is used in this Agreement, the same shall be construed as meaning the plural, the feminine or body corporate where the context or the parties thereto require.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as follows:

Executed this ____ day of _____ 202_ by CITY OF DELTA by its authorized signatories:

Mayor

City Clerk

Executed this ____ day of _____ 202_ by _____ by its authorized signatories:

Name:

Name:

Appendix A – Project Plans and Specifications

SCHEDULE 'C'

TAX EXEMPTION CERTIFICATE

Date of Issuance: _____

Date of Expiry: _____

P.I.D. _____ - _____ - _____ (the "Parcel")

Folio #: _____

Address: _____

Amount

The amount of the Tax Exemption from Municipal Property Taxes for the Parcel for each year of the term of this Tax Exemption Certificate will be equal to the difference between:

- i that year's Municipal Property Taxes for the Parcel for land and improvements, and
- ii the Municipal Property Taxes for the Parcel imposed in the Base Year for land and improvements.

Term

Unless it is cancelled, this Tax Exemption Certificate shall be in effect for _____ () years commencing in _____ [insert first year].

Conditions

This Tax Exemption Certificate is issued on the following conditions:

- (a) the Owner must not sell, assign, or otherwise transfer all or a portion of its equitable or legal interest in the Parcel unless the transferee takes an assignment of the Revitalization Tax Exemption Agreement that was a condition of the issuance of this Tax Exemption Certificate and agrees to be bound by it, unless the sale, assignment or transfer is of a strata lot created by stratification of the Parcel;
- (b) the property taxes in respect of the Parcel must not go into arrears or become delinquent;
- (c) the Parcel is not put to any use that is not permitted in the [insert zoning] zone; and

- (d) all requirements, terms and conditions of the Bylaw, the Revitalization Tax Exemption Agreement and this Tax Exemption Certificate have been met by the Owner.

Cancellation

If any term or condition of this Tax Exemption Certificate is not met, Delta Council may cancel the Tax Exemption Certificate. A cancellation of this Tax Exemption Certificate does not apply to taxation in a calendar year unless it is cancelled on or before October 31 in the preceding year.

Recapture

Subject to the paragraph below, if this Tax Exemption Certificate is cancelled, the Owner must remit to Delta an amount equal to the value of any Tax Exemption received, whether it is received before or after the date of cancellation of this Tax Exemption Certificate.

Despite the paragraph above, if the Tax Exemption Certificate is cancelled solely because the Owner has failed to meet condition (a) [sale, assignment or transfer without agreement], the Owner of the Land for which the Tax Exemption Certificate was issued must remit to Delta an amount equal to the value of any Tax Exemption received after, but not before, the date of the cancellation of the Tax Exemption Certificate.

Definitions

All words and phrases in this Tax Exemption Certificate shall have the same meaning as in the *Ladner Village Revitalization Tax Exemption Program Bylaw No. 8331, 2023*.

Issued By: _____
General Manager of Finance
City of Delta