

CONSOLIDATED FOR CONVENIENCE

CITY OF PORT MOODY

HERITAGE REVITALIZATION TAX EXEMPTION BYLAW, 2011, NO. 2913

A Bylaw to provide for heritage revitalization tax exemption.

WHEREAS Council may, by bylaw, provide for a revitalization tax exemption program under section 226 of the *Community Charter*;

AND WHEREAS the City has identified Moody Centre as an area for revitalization in its Official Community Plan;

AND WHEREAS the City supports financial incentives for the continued improvement of the physical appearance as well as the strengthening of the economic viability of the Heritage Conservation Area and Heritage Character Area in Moody Centre;

AND WHEREAS section 227 of the *Community Charter* provides that a revitalization tax exemption program bylaw may only be adopted after notice of the proposed bylaw has been given in accordance with section 94 and Council has given this notice;

AND WHEREAS section 227 of the *Community Charter* provides that a revitalization tax exemption program bylaw may only be adopted after Council has considered the bylaw in conjunction with the objectives and policies set out under section 165 (3.1) (c) [*use of permissive tax exemptions*] in its financial plan;

NOW THEREFORE the Council of the City of Port Moody in open meeting assembled enacts as follows:

Title

1. This Bylaw may be cited for all purposes as "Heritage Revitalization Tax Exemption Bylaw, 2011, No. 2913."

Definitions

2. (A) "**Agreement**" means a Heritage Revitalization Tax Exemption Agreement between the owner of a Lot and the City, substantially in the format of and with the content of Schedule B which is attached to and forms part of this bylaw;
(B) "**City**" means the City of Port Moody;
(C) "**Council**" means the Council of the City of Port Moody;
(D) "**Lot**" means a legal parcel of land which meets the eligibility criteria of this bylaw;

Amended by 2958

- (E) **“Project”** means the heritage revitalization works eligible under this bylaw and where construction is begun after an application for a Tax Exemption has been submitted to Council; *
- *Notwithstanding the above, a **project** that commenced construction after the adoption of this bylaw but did not submit an application for Tax Exemption prior to construction, may still apply for a Tax Exemption for Council consideration so long as the property is considered eligible and able to adhere to all regulations and agreements as per this bylaw. The deadline for applications submitted under this provision is July 31, 2013”.
- (F) **“Heritage Revitalization Area”** means the designated area shown on Schedule A, which is attached to and forms part of this bylaw
- (G) **“Tax Exemption”** means a heritage revitalization tax exemption pursuant to this bylaw;
- (H) **“Tax Exemption Certificate”** means an official document issued by the City pursuant to this bylaw and the relevant Agreement, substantially in the form of Schedule C, which is attached to and forms part of this bylaw.

Program

3. There is hereby established a heritage revitalization tax exemption program pursuant to the following:
- (A) The purposes of the program are to:
- i. support conservation of heritage properties;
 - ii. foster revitalization through heritage and cultural awareness;
 - iii. increase the economic viability of the Heritage Conservation Area and Heritage Character Areas of Moody Centre; and,
 - iv. enhance quality of life in the city.
- (B) The program is intended to accomplish these objectives by:
- i. lowering costs for heritage property owners to invest in the restoration, rehabilitation and repair of heritage properties;
 - ii. establishing a financial incentive for redevelopment that meets heritage and sustainability guidelines;
 - iii. cultivating a heritage precinct for business attraction and cultural tourism; and,
 - iv. promoting a heritage aesthetic that improves the sense of place and promotes vitality in the identified historic area of the city.
- (C) Eligible Lots for the program must not be currently receiving a municipal tax exemption or have property taxes in arrears and include:
- i. Lots listed on the City of Port Moody Heritage Register, which includes municipally designated heritage properties and those that are the subject of a conservation covenant or heritage revitalization agreement; or
 - ii. Lots within the Moody Centre Heritage Conservation Area and Heritage Character Area as defined in the Official Community Plan (see Schedule A).
- (D) The Tax Exemption provided for under this bylaw applies in respect of a Project:

- i. wherein the land use is consistent with the Official Community Plan land use designation, as amended from time to time; and,
- ii. that involves preservation of the heritage significance of a building on the City's Heritage Register and results in qualifying project costs of \$15,000 or greater (Type I);
or,
- iii. improvements on a Lot which result in a construction value of \$100,000 or greater as determined by the building permit(s) issued where (Type II):
 - (a) the existing principal building is retained; and,
 - (b) the Project is exemplary of the Moody Centre Heritage Conservation Area Guidelines as determined by the Director of Development Services; and,
 - (c) green building elements are included such as reused materials, and/or conservation of water and energy as demonstrated through the completion of the City's Checklist for Community Sustainability; or
 - (d) a heritage Statement of Significance is prepared to direct the Project and, upon completion of the heritage conservation works as per the *Standards and Guidelines for the Conservation of Historic Places in Canada*, the Lot is added to the Heritage Register.
- iv. In the case of a Type I project as described in this bylaw, qualifying project costs shall include any of the following:
 - (e) conservation and repair of significant original architectural elements, including doors, windows, roofing, or other significant features as identified in the Statement of Significance documented in the Heritage Register;
 - (f) reconstruction of significant historical features, using materials that replicate the original;
 - (g) work to restore a building to structural soundness as per the *Standards and Guidelines for the Conservation of Historic Places in Canada*, with reference to the BC Building Code;
 - (h) the conservation of interior elements will be eligible if it is necessary for a building's structural integrity;
 - (i) interior services including plumbing, electrical and heating are eligible if necessary to ensure the continued use of the building and the replacement technology is consistent with a recognized Canadian green building standard;
 - (j) professional design and engineering reports, drawings, cost estimates, and specifications as required by the City for the project.

Obligations of the Owner

4. The owner of the Lot must enter into an Agreement with the City substantially in the form of and with the content of the agreement attached as Schedule B.
5. The owner must pay to the City the cost of all tie-ins of works and services to existing municipal services associated with the Project.

6. The owner must comply with all enactments, laws, statutes, regulations, and Orders of any authority having jurisdiction, including bylaws of the City, and all federal, provincial, municipal and environmental licenses, permits and approvals that may be required under applicable enactments.
7. If an owner of an eligible Lot wishes Council to consider entering into an Agreement under this bylaw, the owner must apply to the Director of Development Services or his/her designate in writing and submit the following :
 - (A) a certificate that all taxes assessed and rates, charges and fees imposed on the Lot have been paid and, where taxes, rates or assessments are payable by installments, that all installments owing at the date of the application have been paid;
 - (B) a copy of the current Property Assessment Notice for the Lot as issued by the British Columbia Assessment Authority;
 - (C) a completed written application in a form prescribed by the City;
 - (D) a description of the improvements that would be eligible under the bylaw for a Tax Exemption;
 - (E) a site plan of the Lot drawn to scale and showing the proposed Project;
 - (F) plans and specifications for the Project;
 - (G) an estimate of the value of the Project, which will be confirmed via the building permit process;
 - (H) the application fee.

Obligations of the City

8. The City must issue a Tax Exemption Certificate to the owner in respect of the Lot once the owner has applied for and obtained the applicable permits in relation to the Project and fulfilled the conditions set out in the applicable Heritage Revitalization Tax Exemption Agreement and in "City of Port Moody Heritage Revitalization Tax Exemption Bylaw No. 2913".
9. The Chief Financial Officer for the City, or his/her designate, is the designated municipal officer for the purpose of the *Community Charter* (section 226).

Exemption

10. The terms and conditions upon which a Tax Exemption Certificate may be issued are as set out in this bylaw, in the relevant Agreement entered into between the City and the owner pursuant to this bylaw, and in the Tax Exemption Certificate in relation to a particular Lot.

Amended by 2965

11. The amount of a tax exemption under this bylaw shall be equal to the lesser of:
 - (A) the increase in the assessed value of improvements of the Lot between the year before the commencement of construction of the project, and the year in which the tax exemption certificate under this bylaw is issued; or;

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- (B) 100% of the municipal share of the property tax due annually in relation to the improvements on the Lot for a maximum term of:
- i. five (5) years where the Lot is not listed on the Heritage Register; and
 - ii. ten (10) years for Heritage Register properties.

Amended by 2965

- (C) By adding the clause “Notwithstanding the above, where a reduced assessed value of improvements of the Lot occurs following project completion as a result of declining market conditions, or if the assessed value of improvements of the Lot sees no increase, section 11(B) would be applied to determine the amount of eligible tax exemption.”

12. If, pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the certificate is cancelled, the owner of the Lot for which the Tax Exemption Certificate was issued will remit to the City an amount equal to the total value of any exemption received.

BYLAW No. 2013 ADOPTED	October 25, 2011
AMENDMENT No. 1, 2013, No. 2958	April 23, 2013

BYLAW No. 2013 ADOPTED	October 25, 2011
AMENDMENT No. 2, 2013, No. 2965	January 14, 2014

SCHEDULE B

Heritage Revitalization Tax Exemption Agreement

THIS AGREEMENT dated for reference the ___ day of _____, 20__ is

BETWEEN:

(the "Owner")

AND:

CITY OF PORT MOODY
100 Newport Drive
P.O. Box 36
Port Moody, BC V3H 3E1
(the "City")

GIVEN THAT:

- A. The Owner is the registered owner in fee simple of lands in the City of Port Moody at *[civic address]* legally described as *[legal description]* (the "Lot");
- B. Council has established a heritage revitalization tax exemption program in historic sub-areas of Moody Centre and for all Heritage Register properties in the city; and
- C. The Owner proposes to *[construct new improvements or alter existing improvements]* on the Lot as shown on Appendix A and further detailed in Appendix B attached to and forming part of this Agreement (the "Project"), and has applied to the City to take part in the heritage revitalization tax exemption program in respect of the Project and the City has agreed to accept the Project under the program;

THIS AGREEMENT is evidence that in consideration of the promises exchanged below, the Owner and the City covenant and agree each with the other as follows:

1. **The Project** – the Owner will use his/her best efforts to ensure that the Project is constructed, maintained, operated and used in a fashion that will be consistent with this Agreement and will foster the objectives of the heritage revitalization tax exemption program, as outlined in the "City of Port Moody Heritage Revitalization Tax Exemption Bylaw No. 2913."
2. **Operation and Maintenance of the Project** – throughout the term of this agreement, the Owner shall operate, repair and maintain the Project and will keep the Project in a state of good repair as a prudent Owner would do.

- 3. Heritage Revitalization Tax Exemption** – subject to fulfilment of the conditions set out in this agreement and in “City of Port Moody Heritage Revitalization Tax Exemption Bylaw, 2011, No. 2913”, the City shall issue a Tax Exemption Certificate to the British Columbia Assessment Authority entitling the Owner to a property tax exemption in respect of the municipal property taxes due (not including local service taxes) in relation to the improvements on the Lot (the “Tax Exemption”) for the calendar year(s) set out in this agreement.
- 4. Conditions** – the following conditions shall be fulfilled before the City will issue a Tax Exemption Certificate to the Owner in respect of the Project:
- The Owner must obtain a building permit from the City for the Project on or before _____, 20__;
 - The Owner must complete or cause to be completed construction of the Project in a good and workmanlike fashion and in strict compliance with the building permit and the plans and specifications attached hereto as Appendix B and the Project must be officially opened for use as *[describe permitted use]* _____ (the “Exempt Use”) and for no other use, by no later than July 15, 20__;
 - The completed Project must substantially satisfy the performance criteria set out in Appendix C hereto, as determined by the City’s Director of Development Services or designate in his/her sole discretion, acting reasonably;
- 5. Calculation of Heritage Revitalization Tax Exemption** – the amount of the Tax Exemption shall be equal to the lesser of:
- Amended by 2965**
- the incremental increase in the assessed value of improvements on the Lot between the year before the commencement of construction of the Project, and the year in which the Tax Exemption Certificate is issued; or;
 - 100% of the municipal property taxes payable in respect of the eligible improvements on a Lot for a maximum term of five (5) years, or ten (10) years for heritage Register properties.
- Amended by 2965**
- By adding the clause “Notwithstanding the above, where a reduced assessed value of improvements of the Lot occurs following project completion as a result of declining market conditions, or if the assessed value of improvements of the Lot sees no increase, Section 5 (b) would be applied to determine the amount of eligible tax exemption.”
- 6. Term of Tax Exemption** – provided the requirements of this Agreement and of the Heritage Revitalization Tax Exemption Bylaw, 2011, No. 2913 are met, the Tax Exemption shall be for the taxation years _____ to _____, inclusive.
- 7. Compliance with Laws** – the Owner shall construct the Project and, at all times during the term of the Tax Exemption or any renewal term, use and occupy the Lot and the Project in compliance with all statutes, laws, regulations and orders of any

authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws or statutes or bylaws, including all the rules, regulations, policies, guidelines, criteria or the like made under or pursuant to any such laws.

8. **Effect of Stratification** – if the Owner stratifies the Lot or the Project under the *Strata Property Act*, then 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 at the Land Title Office before May 1; or
- b. for the next calendar year and each subsequent tax year during the currency of this agreement if the strata plan is accepted for registration at the Land Title Office after May 1;

10. Cancellation – the City may in its sole discretion cancel the Tax Exemption Certificate at any time:

- a. on the written request of the Owner; or
- b. effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

If such cancellation occurs, the Owner of the Lot for which the Tax Exemption Certificate was issued will remit to the City an amount equal to the total value of any Tax Exemption received.

11. No Refund – for greater certainty, under no circumstances will the Owner be entitled under the City’s heritage revitalization tax exemption program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

12. Notices – any notice or other writing required or permitted to be given hereunder or for the purposes hereof to any party shall be sufficiently given if delivered by hand or posted on the Lot, or if sent by prepaid registered mail (Express Post) or if transmitted by facsimile to such party:

- a. in the case of a notice to the City, at:

THE CITY OF Port Moody
100 Newport Drive, P.O. Box 36
Port Moody, B.C. V3H 3E1
Attention: Director of Finance
Fax: 604-469-4533

- b. in the case of a notice to the Owner, at:
[insert name and contact information for Owner]

Or at such other address as the party to whom such notice or other writing is to be given shall have last notified the party giving the same.

13. No Assignment – the Owner shall not assign its interest in this agreement except to a subsequent owner in fee simple of the Lot.

14. **Severance** – 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 it is invalid shall not affect the validity of the remainder of this agreement.
15. **Further Assurances** – the parties hereto shall execute and do all such further deeds, acts, things and assurances that may be reasonably required to carry out the intent of this agreement.
16. **Waiver** – waiver by the City of a default by the Owner shall be in writing and shall not be deemed to be a waiver of any subsequent or other default.
17. **Powers Preserved** – this agreement does not:
 - a. Affect or limit the discretion, rights or powers of the City under any enactment or at common law, including in relation to the use or subdivision of the Lot;
 - b. Affect or limit any enactment relating to the use or subdivision of the Lot; or
 - c. Relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Lot, and without limitation shall not confer directly or indirectly any exemption or right of set-off from development cost charges, connection charges, application fees, user fees or other rates, levies or charges payable under any bylaw of the City.
18. **Reference** – every reference to each party is deemed to include the heirs, executors, administrators, personal representatives, successors, assigns, servants, employees, agents, contractors, officers, licensees and invitees of such party, wherever the context so requires or allows.
19. **Enurement** – this agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first above written.

Executed by the CITY OF PORT MOODY by
its authorized signatories:

Mayor

City Clerk

Executed by _____
by its Authorized signatories:

Name:

Name:

Appendices to Heritage Revitalization Tax Exemption Agreement:

- A.** Map of Affected Lot
- B.** Plans and Specifications for the Project
- C.** Performance Criteria for the Project

SCHEDULE C

**Heritage Revitalization
Tax Exemption Certificate**

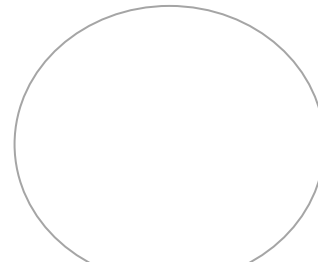
In accordance with the City of Port Moody Heritage Revitalization Tax Exemption Bylaw No. 2913 (the "Bylaw"), and in accordance with a Heritage Revitalization Tax Exemption Agreement dated for reference the ____ day of _____, 20__ (the "Agreement") entered into between the City of Port Moody (the "City") and *[insert Owner's legal name]* (the "Owner"), the registered owner(s) of *[insert legal description of property]* (the "Lot):

This certificate confirms that the Lot is subject to a heritage revitalization tax exemption equal to _____, or the total amount of the municipal share of property tax due in relation to the improvements on the Lot, whichever is less (the "Tax Exemption"), for each of the taxation years 20__ to 20__ inclusive.

The 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 Lot 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 Lot to go into arrears or to become delinquent;
4. The Exempt Use (as defined in the Agreement) of the Project is not discontinued. If any of these conditions are not met then the Council of the City of Port Moody may cancel this Heritage Revitalization Tax Exemption Certificate. If such cancellation occurs, the Owner of the Lot, 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.

DIRECTOR, CORPORATE SERVICES



Official Seal of the City of Port Moody