

THE CORPORATION OF THE CITY OF PENTICTON
BYLAW 2010-10

BYLAW OF THE CORPORATION OF THE CITY OF PENTICTON
TO CREATE ECONOMIC INVESTMENT ZONES THAT PROVIDE
TAX RELIEF, A REDUCTION OF BUILDING PERMIT FEES
AND DEVELOPMENT COST CHARGES FOR ELIGIBLE PROJECTS

WHEREAS the Council wishes to stimulate construction and alteration of buildings within Penticton; and

WHEREAS the Council may provide tax exemptions under s. 226 of the *Community Charter*, may base on any factor specified by bylaw a building permit fee imposed under s. 194 of the *Community Charter*, and may under s. 933.1 of the *Local Government Act* reduce development cost charges on eligible developments, as defined by bylaw, by an amount or rate of reduction described in the bylaw; and

WHEREAS the Council has considered this bylaw in conjunction with the objectives and policies set out in the City's financial plan under s. 165(3.1) (c) of the *Community Charter* and has given notice of the adoption of the bylaw under s. 227.(3) of the *Community Charter*;

NOW THEREFORE the Council of The Corporation of the City of Penticton, in open meeting assembled, enacts as follows:

CITATION

1. This bylaw may be cited as "City of Penticton Economic Investment Zone Bylaw No. 2010-10".

ADMINISTRATION

2. The Director of Development and Engineering Services shall administer this bylaw.

DEFINITIONS

3. Unless the context otherwise requires, the definitions in the *Local Government Act*, *Land Title Act* and *Interpretation Act* shall apply in the interpretation of this bylaw, and the following definitions also apply:

"Building Bylaw" means City of Penticton Building Bylaw No. 94-45 (1994) as amended or superseded.

"Building Permit" means permission or authorization in writing from the Chief Building Official to perform building work regulated by the Building Bylaw.

"Building Permit Fees" means the sum of Building Permit and Plumbing Permit Fees imposed by the Fees and Charges Bylaw.

"Business License" means a license issued pursuant to the Business License Bylaw.

"Business License Bylaw" means City of Penticton Business Licence Bylaw 2005-74 as amended or superseded.

"Chief Building Official" means the person appointed to that position or a person authorized by the Chief Building Official to perform duties under this bylaw.

"City" means The Corporation of the City of Penticton.

"Council" means the Council of the City.

"Development Cost Charges Bylaw" means City of Penticton Development Cost Charges Bylaw No. 2007-79 as amended or superseded.

"Development Cost Charges Reduction Bylaw" means City of Penticton Development Cost Charges Reduction Bylaw No. 2010-11 as amended or superseded.

"Director of Development and Engineering Services" means the person appointed to that position or a person authorized by the Director to perform duties under this bylaw.

"Fees and Charges Bylaw" means City of Penticton 2000 Fees and Charges Bylaw No. 2000-25 (2000) as amended or superseded.

"Incremental Value of Improvements" means the difference in the value of improvements, as assessed by the B.C. Assessment Authority, before and after the construction or alteration of a building that is an eligible project under this bylaw.

"Occupancy Permit" means permission or authorization in writing from the Chief Building Official to occupy a building for its intended purpose.

"Plumbing Permit" means permission or authorization in writing from the Chief Building Official to perform plumbing work regulated by the Building Bylaw.

"Zoning Bylaw" means City of Penticton Zoning Bylaw No. 87-65 as amended or superseded.

REDUCTION OF TAXES, FEES AND CHARGES

Downtown Economic Investment Zone

4. For the purposes of Section 5, eligible projects in the Downtown Economic Investment Zone are those that:
 - a. Are located within the Downtown Economic Investment Zone shown as the red shaded area on Schedule A; and
 - b. Are the subject of a Building Permit application having a project value, as determined by the Chief Building Official, of \$100,000 or greater; and
 - c. Have been issued a Building Permit on or before December 31, 2011; and
 - d. Have been issued an Occupancy Permit on or before December 31, 2013.

5. Eligible projects described in Section 4 are eligible for:
 - a. An annual property tax exemption of 100% on the Incremental Value of Improvements, for a period of five (5) years commencing the year following the issuance of an Occupancy Permit; and
 - b. A 50% reduction in Building Permit Fees; and
 - c. A reduction to development cost charges of 50% for projects that score a rating of 40 or higher on Schedule "A" - Environmental Impact Rating Form of the Development Cost Charges Reduction Bylaw.

Hotel / Motel Economic Investment Zone

6. For the purposes of Section 7, eligible projects for the Hotel / Motel Economic Investment Zone are those that:
 - a. Are located within the Hotel/Motel Economic Investment Zone shown as the green shaded areas on Schedule A or are designated in the Zoning Bylaw as C3, C3A, CT1, CT6, CS, CD – 400 Martin Street, and have a valid Business License under the category of Hotel, Motel as specified in the Fees and Charges Bylaw ; and
 - b. Result in the construction of new commercial guest accommodation comprising at least 50 rooms, rated as "three stars" or better by the Canada Select accommodation rating program within one (1) year of issuance of an Occupancy Permit or alter an existing Hotel or Motel with a project value, as determined by the Chief Building Official, of \$100,000 or greater; and
 - c. Have been issued a Building Permit on or before December 31, 2011; and
 - d. Have been issued an Occupancy Permit on or before December 31, 2013.

7. Eligible projects described in Section 6 are eligible for:

- a. An annual property tax exemption of 100% on the Incremental Value of Improvements, for a period of five (5) years commencing the year following the issuance of an Occupancy Permit; and
- b. A 50% reduction in Building Permit Fees; and
- c. A reduction to development cost charges of 50% for projects that score a rating of 40 or higher on Schedule "A" - Environmental Impact Rating Form of the Development Cost Charges Reduction Bylaw.

Industrial Economic Investment Zone

8. For the purposes of Section 9, eligible projects for the Industrial Economic Investment Zone are those that:
 - a. Are located within the Industrial Economic Investment Zone shown as the blue shaded area on Schedule A; and
 - b. Are the subject of a building permit application having a project value, as determined by the Chief Building Official, of \$100,000 or greater; and
 - c. Have been issued a Building Permit on or before December 31, 2011; and
 - d. Have been issued an Occupancy Permit on or before December 31, 2013.
9. Eligible projects described in Section 8 are eligible for:
 - a. An annual property tax exemption of 100% on the Incremental Value of Improvements, for a period of five (5) years commencing the year following the issuance of an Occupancy Permit; and
 - b. A 50% reduction in Building Permit Fees; and
 - c. A reduction to development cost charges of 50% for projects that score a rating of 40 or higher on Schedule "A" - Environmental Impact Rating Form of the Development Cost Charges Reduction Bylaw.

Tax Reduction

10. A property tax reduction for an eligible project shall be effected by issuance of an exemption certificate and execution of an exemption agreement under s. 226 of the *Community Charter*.

Development Cost Charge Reduction

11. Development cost charges may be reduced under this bylaw or the Development Cost Charges Reduction Bylaw, but no person is eligible for a reduction under both bylaws in relation to the same project.
12. A development cost charge reduction for an eligible project shall be effected in accordance with Section 9 of the Development Cost Charges Reduction Bylaw.

Building Permit Fee Reduction

13. A Building Permit Fees reduction shall be effected as follows:
- a. Prior to the issuance of a Building Permit the applicant shall pay 50% of the Building Permit Fees and provide security in the form of an irrevocable letter of credit acceptable to the City for the value of the remaining 50% of the Building Permit Fees; and
 - b. Upon provision of evidence satisfactory to the Director of Development and Engineering Services that the eligibility criteria specified in paragraph 4, 6 or 8 have been met within one (1) year of issuance of an Occupancy Permit in respect of the project, the security shall be released to the applicant. Should proof of eligibility not be provided within the period, the City may draw on the letter of credit and apply the proceeds as Building Permit Fees.


TAX EXEMPTION PROGRAM OBJECTIVES

14. The objectives of the tax exemption program established by this bylaw are to stimulate the construction of new buildings and significant alterations to existing buildings in eligible areas of the City by providing a property tax exemption on the incremental value of new buildings and building alterations, a partial building permit fee exemption, and a reduction in development cost charges for buildings that are designed to result in a low environmental impact.

REPEAL

15. This bylaw is repealed on December 31, 2014.

READ A FIRST TIME this 15th day of February, 2010
READ A SECOND TIME this 15th day of February, 2010
READ A THIRD TIME this 15th day of February, 2010
RECONSIDERED and FINALLY PASSED and ADOPTED this 16th day of February, 2010.

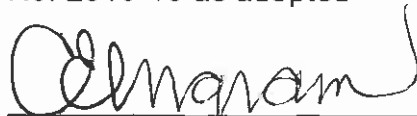


Dan Ashton, Mayor



Cathy Ingram, City Clerk

Certified a true copy of Bylaw
No. 2010-10 as adopted



Cathy Ingram, City Clerk

