

CITY OF PRINCE GEORGE
BYLAW NO. 8679

A Bylaw to provide for revitalization tax exemptions that include reductions in development cost charges to encourage a greater variety of multi-family housing in key growth areas.

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

AND WHEREAS Council may, pursuant to s. 563(1) of the *Local Government Act*, reduce a development cost charge for an eligible development, as defined by bylaw, by an amount or rate of reduction described in the bylaw;

AND WHEREAS Council wishes to establish a revitalization tax exemption and development cost charges reduction program for multi-family residential development in Primary and Secondary Growth Areas, as shown on the maps attached hereto as Schedule “A”;

AND WHEREAS Council wishes that the following objectives of the bylaw be known:

- to encourage multi-family residential development adjacent to downtown that are low-environmental impact and within established growth priority areas with full municipal services, nearby amenities and access to public transit;
- to create a broader range of housing options, with a particular emphasis in providing an increase in adaptable housing units to allow residents to "age in place"; and,
- to attract new community investments in the form of multi-family housing; and,
- to demonstrate leadership to meet the growing need for housing and care facilities for seniors in our community; and
- to encourage partnerships between non-profit housing organizations and developers.

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AND WHEREAS Council has considered this bylaw in conjunction with the objectives and policies set out in the City of Prince George Financial Plan Bylaw No. 8659, 2015;

AND WHEREAS; Council may, pursuant to s. 154 of the *Community Charter*, delegate its powers, duties and functions to an officer or employee of the City;

AND WHEREAS the *Community Charter* requires that notice be provided of the creation of such a revitalization tax exemption and such notice has been provided;

NOW THEREFORE, in open meeting assembled, Council of the City of Prince George

ENACTS AS FOLLOWS:

1. BYLAW ADMINISTRATION

1.1 This bylaw may be cited for all purposes as the “City of Prince George Multi-Family Housing Incentive Bylaw No. 8679, 2015”.

1.2 There is hereby established a revitalization tax exemption program under section 226 of the *Community Charter* for the granting of Tax Exemptions and the issuance of

Tax Exemption Certificates for the Parcels.

- 1.3** The terms and conditions upon which a Tax Exemption may be granted and a Tax Exemption Certificate may be issued are as set out in this Bylaw, in the Agreement and in the Tax Exemption Certificate.
- 1.4** The General Manager of Planning and Development is the designated municipal officer for the purpose of section 226 (13) in the *Community Charter*.
- 1.5** Council delegates to the General Manager of Planning and Development the authority to receive and review applications for Tax Exemptions, approve qualifying Projects, enter into Agreements under this bylaw on behalf of the City, issue and cancel Tax Exemption Certificates, exercise discretion under section 12 of this bylaw, and do all other things required to be done by Council under this bylaw.

2. DEFINITIONS

In this bylaw:

“2015 Multi-Family Incentive Bylaw” means the City of Prince George Multi-Family Incentive Bylaw No. 8679, 2015, as amended or consolidated;

“Adaptable Dwelling Unit” means dwellings that meet, at a minimum, the Adaptable Housing Standards attached as Schedule “C”. Alternative standards that the General Manager deems to be equivalent to or exceed the B.C. Building Code Adaptable Housing Standards will also qualify;

“Agreement” means a revitalization tax exemption agreement between the owner of a Parcel and the City, generally in the format attached to, and forming part of, this Bylaw as Schedule “B”;

8763, 2016 “Assessed Value of Residential Improvements” means the BC Assessment Authority’s assessed value of residential improvements on the parcel;

8763, 2016 “Base Value” means the assessed value of residential improvements between the year before the construction or alteration began and the year in which the Tax Exemption Certificate is issued;

“Building Official” means the City of Prince George Building Inspector;

8972, 2018 “Care Facility” as defined within the “City of Prince George Zoning Bylaw No. 7850, 2007”, as amended from time to time;

“City” means the City of Prince George;

“Common Amenity Space” means a common space in a multi-family development used by all of its residents for cultural, social or recreational activities. Examples of Common Amenity Space include gardens, playgrounds, shared cooking facilities, fountains, pathways, fitness centres, pools, meeting rooms or lounges which are for the exclusive use of the residents of the development;

“Construction Value” means the value of the improvement on the eligible development as determined by a certificate from the Property Owner’s design professional, in form and content satisfactory to the City’s General Manager of Planning and Development;

“Council” means the council of the City of Prince George;

“Dwelling” as defined within the City of Prince George Zoning Bylaw;

“Exempt Use” has the meaning given in any revitalization tax exemption agreement issued pursuant to the 2015 Multi-Family Incentive Bylaw

“General Manager” means the official appointed by Council as the head of the Planning and Development Department, and for the purpose of this Bylaw includes the Manager of Economic Development.

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“Low Environmental Impact” means the Project is:

- i. Located in the Primary Growth Area designated on Schedule A to this bylaw;
- ii. Meets a minimum residential density of 50 dwellings per hectare; and
- iii. Includes 2 items from the List of Low Environmental Impact Standards outlined in Schedule “D”.

“Multi-family Housing” means 3 or more attached residential dwelling units.

“Non-profit Housing” means non- market housing required for non-profit organizations’ registered under the *Society Act*. Non-market Housing means affordable housing developed with government assistance, which may or may not include ongoing subsidy, and which rents or sells for below market value, at amounts affordable to low-income households.

“Parcel” or “Parcels” has the same meaning as in the Schedule to the *Community Charter* and, for the purposes of this Bylaw, means a parcel(s) situated within the Revitalization Area upon which an owner proposes a Project;

“Primary Growth Area” means the properties designated as such in Schedule “A” to Bylaw No. 8679, 2015;

“Project” means a revitalization project on a Parcel involving the construction of a new improvement or alteration of an existing improvement;

“Registered Professional” means a professional engineer, architect or other

professional with experience relevant to the applicable matter, as determined by the Director;

“Secondary Growth Area” means the properties designated as such in Schedule “A” to Bylaw No. 8679, 2015;

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“Seniors” persons defined as fifty five (55) years of age and older;

“Tax Exemption” means a revitalization tax exemption pursuant to this bylaw;

“Tax Exemption Certificate” means a revitalization tax exemption certificate issued by the City pursuant to this Bylaw and pursuant to the provisions of section 226 of the *Community Charter*;

3. INELIGIBLE DEVELOPMENTS

3.1 Notwithstanding anything in this bylaw, the following types of development are ineligible for incentives under this Bylaw:

- (a) Single Family Dwellings;
- (b) Duplex Dwellings;
- (c) Secondary Suites;
- (d) Properties receiving an exemption under the City of Prince George Permissive Tax Exemption Policy; and
- (e) Projects for which an exemption has been applied for or received under the City of Prince George Downtown Revitalization Tax Exemption Bylaw.

4. GENERAL ELIGIBILITY CONDITIONS

4.1 The following general conditions must be met in order to be eligible for incentives under this Bylaw:

(a) The project must be located on land designated as a Primary or Secondary Growth Area on Schedule “A” of Bylaw No. 8679, 2015. Any parcel that is partially designated within the Primary or Secondary Growth Area on Schedule “A” of Bylaw No. 8679, 2015 will be considered eligible for the tax exemption under this Bylaw;

(b) The project must be a Multi-family Housing Project;

(c) Notwithstanding sections 4.1 (a) and (b); City-owned parcels may be considered eligible for the tax exemption under this bylaw that are:

- i) Under sale agreement for the development of seniors multi-family housing and/or care facilities,
- ii) In proximity to Primary or Secondary Growth Areas on Schedule “A” to Bylaw No. 8679, 2015; and
- iii) Shall be provided the five (5) year tax exemption;

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- (d) The project must meet the requirements set out in the City of Prince George Zoning Bylaw and must be consistent with the future land use designation for the Parcel, as set out in the Official Community Plan Bylaw;
 - (e) The project must be a renovation or new construction with a minimum Construction Value of \$300,000;
 - (f) 50% of dwelling units must be Adaptable Dwelling Units as defined by this bylaw. In cases where this percentage includes a decimal, the calculation will be rounded up if the decimal is above 0.5 and rounded down if it is below 0.4.
 - (g) At least one of the following two livability standards must be met:
 - i. Each dwelling unit must include useable balconies, porches or private green space suitable for seating; or
 - ii. The development must provide Common Amenity Space.
 - (h) At least three of the four following design standards must be met:
 - iii. Exposed wood is included as a major or minor design feature (heavy timber, manufactured products such as glulams, or others);
 - iv. Use of a variety of exterior materials; preference is given to wood, stone, brick, concrete (e.g. hardie plank), metal and glass;
 - v. Development that creates pedestrian-friendly street frontages by incorporating design features that connect the building frontages to the street (i.e. windows, doorways, decks, paths to the street, landscaping along the street, etc.)
 - vi. Design includes varied and interesting facades, including a variety of rooflines, roof cover over entry points, balconies and porches.
- 4.2** The City may require the owner enter into a housing agreement with the City pursuant to section 483 of the *Local Government Act*.
- 4.3** The City may require the owner enter into a covenant with the City pursuant to section 219 of the *Land Titles Act*.
- 4.4** An owner may be required, upon demand, to provide additional information regarding the status of any eligible development for which an exemption has been approved.

5. EXTENT OF INCENTIVES

- 5.1** The extent of incentives offered under this bylaw are outlined below in 5.2 and 5.3 and re-iterated in Table 1 and Table 2:

5.2 Primary Growth Areas

Properties located in Primary Growth Areas as shown on Schedule “A” to this bylaw and that meet the General Conditions set out in Section 4.1 of this bylaw are eligible for the following:

- (a) 100% tax exemption on the assessed value of residential improvements of the municipal portion of property taxes for 10 years.
- (b) Reduction in Development Cost Charges to the rate indicated for “Area D” in the City of Prince George Development Cost Charge Bylaw No. 7825, 2007 Schedule B for projects that are considered Low Environmental Impact.
- (c) Waiver of Development Cost Charges for individual units that are considered Non-Profit Housing, provided that the developer registers a covenant on title that restricts the Non-Profit Housing portion of the development to that use for a period of at least 10 years.

Table 1

Tax Exemption Term	DCC Reduction
10 years	<i>Low Environmental Impact - Reduce to charge equivalent to Area D in DCC Bylaw 7825</i>
	<i>Non-profit housing units- 100% reduction</i>

5.3 Secondary Growth Areas

Properties located in Secondary Growth Areas as shown on Schedule “A” to this bylaw and that meet the General Conditions set out in Section 4.1 of this bylaw are eligible for the following:

- (a) 100% tax exemption on the assessed value of residential improvements of the municipal portion of property taxes for 5 years.
- (b) Waiver of Development Cost Charges for individual units that are considered Non-Profit Housing, provided that the developer registers a covenant on title that restricts the Non-Profit Housing portion of the development to that use for a period of at least 10 years.

Table 2

Tax Exemption Term	DCC Reduction
5 years	<i>Non-profit housing units- 100% reduction</i>

6. LIMIT OF INCENTIVES

- 6.1 The Tax Exemption applies only to the municipal portion of property taxes.
- 6.2 The Tax Exemption applies to the Assessed Value of Residential Improvements and does not apply to Assessed Value of Land.
- 6.3 The Tax Exemption and Development Cost Charge reductions only apply to the multi-family residential development portion of the development.
- 6.4 The City reserves the right to reduce the amount of tax exemptions and/or development cost charges offered or deny applications for tax exemptions and development cost charge reductions in cases where the City has sold the land to the

applicant for below market value;

- 6.5** Applications for consideration will only be accepted until the date which is 5 years following the adoption date of this bylaw, or when \$75,000,000.00 of Assessed Value of Residential Improvements in the aggregate under the Revitalization Program set out herein has been achieved, whichever occurs first. The City will monitor the total values closely and, when the limit is being approached, that Council amend the bylaw to provide a fixed date by which all applications must be submitted.

7. CALCULATION OF TAX EXEMPTION

8763, 2016 **7.1** For renovations, the amount of the tax exemption will be calculated as the Base Value multiplied by the municipal tax rate, for each of the taxation years over the term of the tax exemption. The “Base Value” remains constant throughout the term of the tax exemption.

8763, 2016 **7.2** For new construction, the amount of the tax exemption will be calculated as the assessed value of residential improvements for the Project multiplied by the municipal tax rate, for each of the taxation years over the term of the tax exemption.

8. APPLICATION REQUIREMENTS FOR INCENTIVES

8.1 In order for a Parcel to be considered for tax exemptions and/or reductions in Development Cost Charges under this Bylaw, the owner must complete the following application process:

(a) At time of application for Building Permit, the applicant must provide:

- i) A letter from the Project’s Registered Professional identifying their qualification for Development Cost Charges reductions.

8972, 2018 (b) Prior to issuance of the Building Permit, the applicant must provide:

- i. an application in a form prescribed by the City;
- ii. a completed and signed Agreement;
- iii. a certificate that all taxes assessed and rates, charges and fees imposed on the Parcel have been paid, and, where taxes, rates or assessments are payable by installments, that all installments owing at the date of application have been paid;
- iv. a letter from the Project’s Registered Professional describing the Project and explaining how the eligibility requirements are met.
- v. verification from the owner’s design professional, in a form satisfactory to the City’s General Manager of Planning and Development, certifying the construction value of the Project;
- vi. an administration fee in the amount prescribed by the “City of Prince George Comprehensive Fees and Charges Bylaw No. 7557, 2004”, as amended from time to time; and

- i. payment of the reduced Development Cost Charges, in accordance with the “City of Prince George Development Cost Charge Bylaw No. 7825, 2007” as amended from time to time.
- (c) Prior to Final Occupancy, the applicant shall provide:
 - i. a letter from the Project’s Registered Professional confirming that the Project meets the eligibility requirements.

8.2 In cases where a Project is constructed in phases, an application for a tax exemption on each phase of the development will be permitted. In no case can an individual tax exemption application remain active for more than 3 years from the date the application is made.

8763, 2016 **8.3** The applicant must notify the City of Prince George to confirm Final Occupancy by date agreed to within Agreement.

8763, 2016 **8.4** Pursuant to the *Community Charter*, an exemption certificate does not apply to taxation in a calendar year unless the exemption certificate is issued on or before October 31 in the preceding year.

8.5 The application will be cancelled if the applicant has not notified the City of final occupancy within 3 years of submitting an application for a tax exemption.

8.6 If an applicant fails to submit outstanding required application materials within one (1) year of being notified of such requirements, then the application shall be considered inactive and closed. If the applicant wishes to proceed with the activity or development that was the subject of the application, the applicant must submit a new application.

8.7 Within 30 days of the General Manager’s decision to reject or refuse the application, the applicant may request that Council reconsider the decision in accordance with the following:

- (a) the request shall be in writing, and include reasons in support of the reconsideration;
- (b) upon receipt of a complete written request for Council’s reconsideration, the General Manager shall prepare and forward a report to Council attaching the application and setting out the reasons for the decision;
- (c) at a date and time set by Council the applicant shall have the opportunity to appear before Council and be heard regarding the decision of the General Manager; and,
- (d) following this, Council shall reconsider the decision of the General Manager and either uphold the decision or substitute the Council’s decision for the General Manager’s.

9. CANCELLING A TAX EXEMPTION CERTIFICATE

- 8763, 2016 **9.1** Pursuant to the *Community Charter*, cancellation of a tax exemption certificate does not apply to taxation in a calendar year unless the exemption certificate is cancelled on or before October 31 in the preceding year.
- 9.2** If, pursuant to the terms and conditions specified in the Agreement or the Tax Exemption Certificate, the Tax Exemption Certificate is cancelled, the owner of the Parcel for which the Tax Exemption Certificate was issued will remit to the City:
- (a) an amount, as determined by the City, of municipal property taxes payable for the balance of the year, calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption; and,
 - (b) an amount, as determined by the City, of municipal property taxes payable to the City, calculated pro rata based on the annual amount of municipal taxes that would have been payable but for the Tax Exemption, for any period during which the conditions and obligations specified in this Bylaw, the Agreement or the Tax Exemption Certificate were not satisfied.
- 9.3** Any amounts owing to the City pursuant to Section 9.1 will be deemed to be municipal property taxes and any such amounts that are not paid by December 31 of the taxation year in which they fall due will become taxes in arrears in the following year and collectable as taxes in arrears.

READ A FIRST TIME THIS **30th** DAY OF **NOVEMBER** , 2015.

READ A SECOND TIME THIS **30th** DAY OF **NOVEMBER** , 2015.

READ A THIRD TIME THIS **30th** DAY OF **NOVEMBER** , 2015.

All three readings passed by a **unanimous** decision of members of Council present and eligible to vote.

ADOPTED THIS **14th** DAY OF **DECEMBER, 2015**
 BY A **UNANIMOUS** DECISION OF ALL MEMBERS OF CITY COUNCIL PRESENT AND
 ELIGIBLE TO VOTE.

 MAYOR

 CORPORATE OFFICER