

Policy Title <b>Humboldt Downtown Revitalization Tax Exemption Policy</b>		Adopted By <b>Council</b>	Policy Number <b>4215</b>	
Origin/Authority <b>City Manager</b>	Jurisdiction <b>City of Humboldt</b>		Effective Date January 1, 2012	Page 1 of 3
Reviewed By <b>Administration Committee</b>				

## 1.0 Purpose:

The purpose of this policy is to establish a revitalization tax exemption program for commercial property in a specified area of the City of Humboldt's city centre for the purposes and objectives of, including but not limited to, strengthening the viability of existing businesses, stimulating and encouraging new private investment, encouraging higher density rental residential development, improving the image and attractiveness of the revitalization area, and better utilizing City infrastructure.

## 2.0 Definitions:

In this Policy:

- 2.1 "**Agreement**" means a revitalization tax exemption agreement between the owner of a Parcel and the City, substantially in the form and with the content of the Agreement attached as Schedule "B".
- 2.2 "**City**" means the City of Humboldt.
- 2.3 "**Council**" means the Council of the City of Humboldt.
- 2.4 "**New Construction**" means any construction, for which a building permit has been issued by the City of Humboldt after January 1, 2012, that results in an increase in taxable assessment for the improvement of the property.
- 2.5 "**Parcel**" means a legal parcel within the revitalization area upon which the owner of the Parcel proposes a Project.
- 2.6 "**Project**" means a revitalization project on a Parcel involving the construction of a new improvement or alteration of an existing improvement, which meets the requirements of this policy.
- 2.7 "**Revitalization Area**" means the area outlined on Schedule "A".
- 2.8 "**Tax Exemption**" means a revitalization tax exemption provided under this policy.

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### 3.0 Policy:

- 3.1 Authority for this policy is under Sections 262 and 263 of *The Cities Act*.
- 3.2 To be eligible for this exemption, the building permit must be issued by the City of Humboldt after January 1, 2012.
- 3.3 The issuance of the building permit must follow the criteria as set by the City of Humboldt and satisfy all requirements as they may be from time to time.
- 3.4 The tax exemption will only be granted on new construction or renovations and only on existing improvements, the land itself is still subject to taxation.
- 3.5 The terms and conditions upon which a Tax Exemption may be issued are set out in this policy.
- 3.6 In order for a Project to be considered for a Tax Exemption, the following requirements must be met:
  - a) For a Project involving the construction of a new improvement or the alteration of an existing improvement, the land use classification for the completed Project must be one of the uses permitted in the *C1 – Commercial Core* district, as set out in the City of Humboldt Zoning Bylaw No. 02-2008, as amended, and must be consistent with the future land use designation for the Parcel, as set out in the City of Humboldt’s Official Community Plan Bylaw No. 01-2008, as amended.
- 3.7 The maximum term of the Tax Exemption for a project involving a new improvement shall be five (5) years. The amount of the Tax Exemption shall be 100% for all five years of the Increased Assessed Value and not the land assessment.
- 3.8 The term of Tax Exemptions for the alteration of an existing improvement shall be determined using the Increased Assessed Value and not the land assessment and be subject to the following sliding scale:

**Renovation Value:**

0 - \$24,999  
\$25,000 – \$49,999  
\$50,000 – \$74,999  
\$75,000 – \$99,999  
\$100,000 or more

**Term for 100% Abatement:**

One (1) years  
Two (2) years  
Three (3) years  
Four (4) years  
Five (5) years

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3.9 If the owner of a Parcel wishes to enter into an Agreement for a Tax Exemption under this policy, the owner must apply to the City in writing, and must provide the value of the Project, which must be confirmed by one or more of the following:

- (i) the building permit application process; or
- (ii) the development permit application process; or
- (iii) a certificate from the owner's design professional in a form satisfactory to the Director of Planning and Engineering Services.

3.10 A Tax Exemption issued under this policy does not relieve an owner from paying any applicable education taxes or applicable levies.

3.11 The Tax Exemption may be cancelled by the City, in its discretion, in one or more of the following circumstances:

- a) on the request of the owner;
- b) if any of the conditions in the Agreement are not met; or
- c) if the owner has allowed the property taxes to go into arrears or to become delinquent.

3.12 If the Tax Exemption is cancelled by the City, the owner of the Parcel for which the Tax Exemption was issued must remit to the City an amount equal to the value of any Tax Exemption received after the date of cancellation.

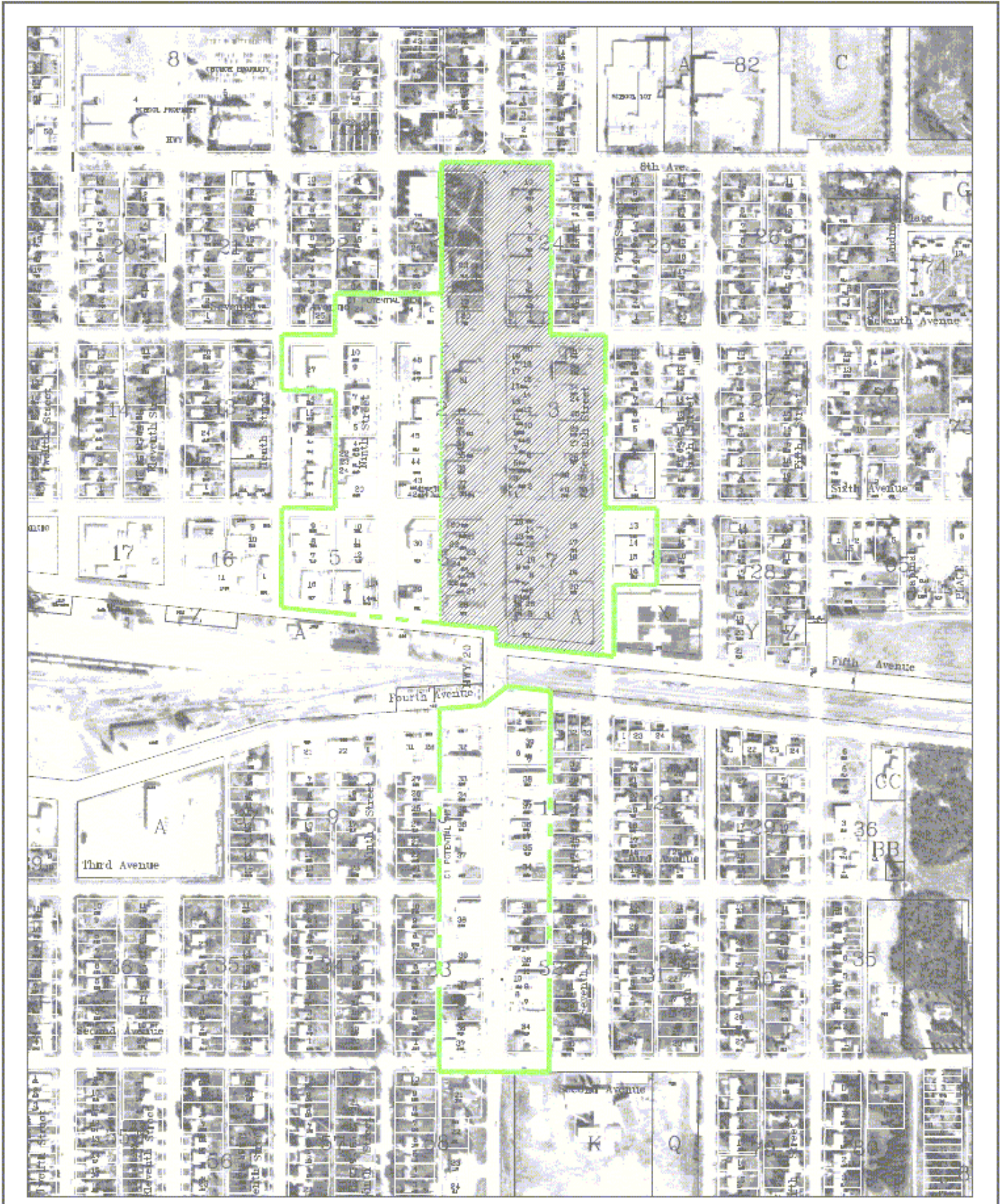
#### 4.0 Procedure:

4.1 Applicants must complete a City of Humboldt ***“Application for Tax Exemption Incentive”*** in the prescribed form.

4.2 Upon receipt of application and approval by the City the applicant shall sign a ***“Tax Assessment Exemption Agreement - Humboldt Downtown Revitalization Program”***.

4.3 The tax assessment exemption starts from January 1<sup>st</sup> of the year the assessment change is applied to the property.

Schedule A: Exemption Area



DATE: MARCH 2011  
 PROJECT NO.:  
 SCALE: 1:5000  
 SHEET NO.:



CITY OF HUMBOLDT  
 BUSINESS IMPROVEMENT DISTRICTS

DESIGNED BY: JAD  
 DRAWN BY: JAD

# **Application for Humboldt Downtown Revitalization Tax Exemption**

All City of Humboldt tax incentive programs are designed to encourage the development of properties in the City by giving property tax assessment exemptions on the improvement portion of the applicable property assessment on new and renovation development.

## **Conditions of Eligibility for the Tax Assessment Exemption**

1. Development whose building permit was issued after January 1, 2012 are eligible for the property tax assessment exemption on the new improvement portion of the property assessment.
2. Land assessment remains taxable.
3. A new owner of a property that has a tax assessment exemption agreement in place shall be eligible to continue the tax assessment exemption as long as the agreement is still current. ( i.e. the tax assessment exemption is within the eligible time period.)
4. There are no outstanding taxes owing on the property or utility charges owing by the occupant.

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Full Name of Applicant

---

Civic Address

---

Postal Code

---

Phone: (Res.)

---

(Bus.)

Lot(s): \_\_\_\_\_  
Legal Description of Property

Block: \_\_\_\_\_

Plan: \_\_\_\_\_

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Date of Issue of Building

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Permit Date of Occupancy

Was a building demolished before the new development was constructed? Yes \_\_\_\_\_ No \_\_\_\_\_

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Date of Demolition

I / We, the undersigned, understand the conditions of eligibility outlined above and would like to apply for a conditional tax assessment exemption under the applicable tax incentive program.

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Applicant

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Date

For Office Use Only:

Approved: ( )

Denied: ( )

Date: \_\_\_\_\_ City Representative:

TAX ASSESSMENT EXEMPTION AGREEMENT  
HUMBOLDT DOWNTOWN REVITALIZATION PROGRAM

Between:

The CITY OF HUMBOLDT  
Hereinafter called " the City "

And

Owners  
(Hereinafter called "the Owners")

WHEREAS the City has developed a Humboldt Downtown Revitalization Tax Exemption Program that provides for property tax assessment exemptions on certain properties in the City under certain condition.

AND WHEREAS the Owners have met the requirements to obtain a property tax assessment exemption on all or a portion of the improvements on their property.

NOW THEREFORE the City and owner covenant and agree:

1.0 The property eligible for the property assessment tax exemption is

Lot:  
Block:  
Plan:  
(Hereinafter called "the Lands")

2.0 Pursuant to the City's "Humboldt Downtown Revitalization Program" and pursuant to Section 262 (4) 263 (5) of the *Cities Act* and subject to the terms of this agreement the City grants an exemption from assessment in the amount of \_\_\_\_\_, for a period of \_\_\_\_\_ (\_\_) years commencing on \_\_\_\_\_ and concluding on \_\_\_\_\_.

3.0 The exemption from assessment granted pursuant to this agreement does not include land assessment, local improvement levies, utility charges, development fees or other such charges or fees properly imposed by the City or any other taxing authority.

4.0 The scope of the tax assessment exemption, including the calculation of any percentage or proportion and the determination of any cost, shall be conclusively determined by the City Assessor.

5.0 The Owner shall promptly provide the City with any information or documents requested by the City Assessor to complete and check the assessment of the Lands and improvements thereon.

6.0 This agreement may be assigned to a new owner-occupant of the Lands who satisfies the criteria established for the tax assessment exemption, provided that the Owners provide written notice to the City within thirty (30) days of the transfer of the title of the Lands.

7.0 The tax assessment exemption shall continue only so long as:

- a) The improvements on the Lands conform to all civic and provincial laws governing the construction and use of the improvements, including any zoning bylaws and *The Uniform Building and Accessibility Standards Act*.
- b) There are no tax arrears on the Lands.
- c) There are no outstanding utility charges owing on the property.

IN WITNESS whereof, the parties hereto have executed this agreement on the date first written above.

CITY OF HUMBOLDT

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Co-owner

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Co-owner