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## **Municipality of the County of Victoria Commercial Development District Improvements By-Law**

**WHEREAS** it is desirable to permit the phasing-in, over a period of up to 10 years, of an increase to the taxable assessed value of certain commercial properties located in the Municipality of the County of Victoria Commercial Development District and to provide a partial rebate of taxes paid by the Owner during the phasing-in period;

**AND WHEREAS** the *Municipal Government Act* allows the municipality with the approval of the Minister of Municipal Affairs to pass this By-law;

The Council of the Municipality of the County of Victoria under the authority of the *Municipal Government Act*, pursuant to Section 71C and subject to approval of the Minister in Section 71D, enacts the following By-law:

### **Short Title**

1. This By-law is entitled the “Commercial Development District Improvement Plan By-law” (also known as the CDD By-Law).

### **Application**

2. This by-law shall apply to a property which meets the definition of an eligible property as defined in subsection 71C(1) of the *Municipal Government Act*, if that property is located within a Commercial Development District (CDD) as defined in the Municipality of the County of Victoria’s Municipal Planning Strategy and as depicted in Appendix “A”.

### **Introduction**

3. The Development Support Program is established to provide assistance to owners of eligible property by providing the possibility of an annual partial rebate of taxes levied by the owner if the owner has undertaken development of their eligible property within a CDD. The rebates are designed to stimulate building construction and the

expansion of the economy of the Municipality of the County of Victoria. Rebates will be processed by December 31<sup>st</sup> of the calendar year.

4. The Development Support Program may provide a participating owner with a partial rebate on taxes levied on an eligible property in the CDD by utilizing all or a portion of the “Rebate Eligible Assessment”.
5. Prior to receiving the Development Support, an owner of an eligible property must enter into a Phased-In Assessment Agreement with the Municipality of the County of Victoria.

### **Development**

6. An eligible property in the CDD must undergo development before the owner of the property can participate in the Development Support Program.

### **Definitions**

7. In this By-law:
  - a) “Actual Taxable Assessed Value” means the taxable assessed value pursuant to the published assessment roll for the taxation year in which the Rebate Eligible Assessment is to be determined, subject to any adjustments to taxes arising from assessment appeals or changes to the taxable assessed value made by the Property Valuation Services Corporation (PVSC) through requests for reconsideration.
  - b) “Annual Rebate” is the amount of the rebate in a year paid to an Owner of an Eligible Property that is subject to a Phased in Assessment Agreement pursuant to section 13 of this By-law.
  - c) “Base Year Taxable Assessed Value” means the taxable assessed value of an Eligible Property in the taxation year in which a Phased In Assessment Agreement is signed for the Eligible Property, subject to any adjustments to taxes arising from assessment appeals or changes to the taxable assessed value made by the Property Valuation Services Corporation (PVSC) through requests for reconsideration.
  - d) “Commercial Development District” or “CDD” means the area of the Municipality of the County of Victoria established by section 9 of this By-law.
  - e) “Development” means investment that, in the opinion of the Municipality of the County of Victoria, results in an increase in the productive use of an Eligible Property or a building on an Eligible Property, and includes, but is not limited to, construction of a new building, remediation of the property or the expansion or renovation of an existing building to realize more effective use of the Eligible Property’s potential.
  - f) “Development Support Program” is a program designed to stimulate building construction

and the expansion of the economy of the Municipality of the County of Victoria.

- g) “Eligible Property” means an eligible property as defined in section 71C(1)(d) of the *Municipal Government Act*
- h) “Owner” means the person named on the assessment roll as responsible for the taxes for the eligible property in the CDD.
- i) “Phased in Assessment Agreement” is an agreement signed by the Municipality of the County of Victoria and the Owner of an Eligible Property which provides specifics of the eligible property in the CDD and is written in substantially the same form as the Agreement set out in the CDD in Appendix “B” of this By-law.
- j) “Rebate Eligible Assessment” in a taxation year means the amount calculated using the following formula:

Rebate Eligible Assessment = Actual Taxable Assessed Value minus Base Year Taxable Assessed Value.

### **Application**

- 8. This By-Law applies to Eligible Properties located in the CDD.
- 9. The CDD for Municipality of the County of Victoria is depicted in the attached Appendix “A” and is hereby established in accordance with the Municipality of the County of Victoria *Municipal Planning Strategy*.

### **Development Support Program**

- 10. A Development Support Program is established to aid Owners of Eligible Properties in the CDD by providing the possibility of an annual partial rebate on taxes paid by the Owner if the Owner has undertaken Development of their Eligible Property within a CDD.
- 11. Prior to receiving support through the Development Support Program, an Owner of an Eligible Property must enter into a Phased In Assessment Agreement with the Municipality of the County of Victoria.

### **Eligibility**

- 12. An Eligible Property must undergo Development before the Owner of the property can participate in the Development Support Program.

### **Phased In Assessment Agreement**

- 13. A Phased In Assessment Agreement is intended to compliment and provides specifics for

the subject property. The eligibility criteria for the Development Support Program and the limits on the program are as established in this By-Law. In the event of a conflict between a Phased In Assessment Agreement and this By-Law, the provisions of this By-Law shall prevail.

**Rebate Calculation**

14. For eligible properties where the increase in assessment is \$100,000 or greater, the development rebate shall extend over a ten year period (refer to Table One, below). For eligible properties where the increase is less than \$100,000 the development rebate shall extend over a period of five years (refer to Table Two, below). An annual development rebate amount shall be calculated each year as the following percentage of the equivalent of the Rebate Eligible Assessment:

<b>Table One</b>	
Year	Grant (as % of tax increment)
1	90
2	80
3	70
4	60
5	50
6	50
7	40
8	30
9	20
10	10
<b>Table Two</b>	
Year	Grant (as % of tax increment)
1	90
2	70
3	50
4	20
5	10

**Rebate Limits**

15. The total of Annual Rebates provided to an Owner over the term of participation in the Development Support Program must not result in the calculation of the total increase in taxes payable during the phase-in period being less than fifty per cent of the total increase in taxes that would be payable during the same period in the absence of the application of the Development Support Program formula.

### **Adjustments**

16. In the event there are any subsequent changes in the total taxes payable in any year due to reductions resulting from assessment appeals, and where such tax changes occur after Annual Rebates have been paid, future year rebate entitlements may be reduced accordingly. Any overpayment of rebate amounts arising from subsequent assessment or tax reductions will be deemed to be a debt owing to the Municipality of the County of Victoria.

### **Duration**

17. Annual Rebates will only become payable to the Owner after the Eligible Property is first reassessed by the Property Valuation Services Corporation (PVSC) to fully reflect the Development for which the Owner is receiving the rebate.
18. All rebates under the Development Support Program will cease if, during the term of the Phased in Assessment Agreement, a building on the subject property is demolished except to allow for eligible Development. Annual Rebates that would have been payable in the year in which the demolition occurs will be adjusted on a pro-rated basis to reflect the date of the demolition and will cease thereafter.

### **Staged Development**

19. In the case of a staged Development, where one portion of an Eligible Property is developed in advance of others, each portion of the Property will be treated as a separate Eligible Property. The first Annual Rebate payment of the component of the Development Support Program will be based on the Rebate Eligible Assessment arising from the increased assessment on the first portion of the Development. As other portions of the Eligible Property are developed, which result in further assessment increases, the Owner of the Eligible Property may apply to further participate in the Development Support Program based on the additional Rebate Eligible Assessment, subject to the continued availability of the Development Support Program and the Owner's ability to meet the eligibility requirements and Annual Rebate entitlements in place at that time.

### **Condominiums**

20. If a Development of an Eligible Property is condominiumized, each commercially assessed condominium unit will be treated as a stand-alone Eligible Property and must be able to meet all eligibility requirements of the Development Support Program, independent of other condominium units.

### **Other Conditions**

21. All proposed Developments must conform to all Provincial laws, municipal By-laws, policies, and processes and all improvements must be made pursuant to an approved building permit and applicable zoning requirements and development approvals.

22. The applicant to the Development Support Program must be the Owner of the Eligible Property that is to be the subject of the Phased In Assessment Agreement.
23. The Owner of an Eligible Property in the CDD must not be in arrears of property taxes or other fees and charges on any property in the Municipality of the County of Victoria legally registered in the name of the applicant on the date that the Phased In Assessment Agreement is signed.

### **Payment**

24. The Municipality of the County of Victoria will pay Annual Rebates once annually, in the last quarter of the year, provided that:
  - a) there are no outstanding taxes, water rates, or other sums owed to the Municipality of the County of Victoria with respect to any property within the Municipality that is legally registered in the name of the applicant;
  - b) there are no outstanding work orders or orders or requests to comply from any municipal or provincial entity with respect to the subject property; and
  - c) all other eligibility criteria and conditions are met.
25. An Owner will not be entitled to an Annual Rebate if the property subject to a Phased In Assessment Agreement does not meet the conditions of section 24 at the time the Annual Rebate is due to be paid.
26. Annual Rebates will not be applied as tax credits against property tax accounts.
27. In case of an assessment appeal, the Municipality of the County of Victoria reserves the right to withhold Annual Rebates pending final disposition of the appeal.
28. For applicants on preauthorized payment arrangements, once a rebate has been processed, the total taxes levied, net of the rebate for the taxation year must be paid no later than March 31. Failing this condition, the rebate shall be reversed and interest will be assessed on the balance owing.

### **Requirement to Review By-Law**

28. This By-law shall be reviewed by the Municipality of the County of Victoria within four years of its coming into force and every four years thereafter in accordance with section 71(E) of the *Municipal Government Act*.

**THIS IS TO CERTIFY THAT** this By-law was passed by the Council of the Municipality of the County of Victoria at a duly constituted meeting of said Council held the            day of            , 2020.

**SIGNED** by the Warden and the Chief Administrative Officer this            day of            , 2020.

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Bruce Morrison  
Warden

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Leanne MacEachen  
Chief Administrative Officer

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