

City of Chilliwack

Bylaw No. 3786

A Bylaw to provide for an Industrial Revitalization Tax Exemption

WHEREAS, under Section 226(4) of the *Community Charter*, S.B.C. 2003, c. 26, the Council of the City of Chilliwack (“Council”) may establish a Revitalization Tax Exemption program;

AND WHEREAS Council’s objective is to create an economic stimulus that will encourage industrial capital investment, expand the industrial tax base, create additional permanent employment opportunities within the City of Chilliwack (the “City”) and reduce the need for residents to commute to work outside of the City;

AND WHEREAS Council wishes to accomplish its objectives by establishing an Industrial Revitalization Tax Exemption program for those Parcels listed in Schedule “A”, attached hereto;

AND WHEREAS Council has considered this Bylaw in conjunction with the objectives and policies set out for the use of permissive Tax Exemptions under the City’s financial plan and has determined that this Bylaw is compatible with those objectives and policies;

AND WHEREAS Section 227 of the *Community Charter* requires that Council provide public notice of Revitalization Tax Exemption Bylaw and notice of this Bylaw has been given accordingly;

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

1. This Bylaw may be cited as “**Industrial Revitalization Tax Exemption Bylaw 2011, No. 3786**”.

INTERPRETATION

2. In this Bylaw:

“Collector” means the City’s designated Municipal Collector as defined in the *Community Charter* and *Local Government Act*;

“City” means the City of Chilliwack;

“Council” means the Council of the City of Chilliwack;

“Exemption Agreement” means an Industrial Revitalization Tax Exemption Agreement made under authority of this Bylaw between the City and the Owner that is substantially in the form and with the content shown in Schedule “B”, attached hereto;

“Increased Assessed Value” means the difference, as per values determined by the British Columbia Assessment Authority, in the assessed value of a Parcel between:

- (a) the year before the construction of the new improvement or alteration of an existing improvement began; and,
- (b) the year in which the Tax Exemption Certificate is issued.

“Owner” means the registered Owner in fee simple of a Parcel;

“Parcel” has the same meaning as in the Schedule (Definition and Rules of Interpretation) to the *Community Charter*;

“Tax Exemption” means an Industrial Revitalization Tax Exemption for which a Tax Exemption Certificate has been issued;

“Tax Exemption Certificate” means an Industrial Revitalization Tax Exemption Certificate issued by the City of Chilliwack under this Bylaw and the *Community Charter* and substantially in the form and with the content set out in Schedule “D”, attached hereto.

Any word that is defined in the *Community Charter* has the same meaning when used in this Bylaw unless it is specifically defined in this Bylaw.

ESTABLISHMENT OF INDUSTRIAL REVITALIZATION TAX EXEMPTION

3. There is established a Revitalization Tax Exemption program for the granting of Tax Exemptions and the issuance of Tax Exemption Certificates in accordance with the terms and conditions prescribed by this Bylaw.

KINDS OF PARCELS TO BE EXEMPTED

4. The kinds of Parcels that are eligible for a Tax Exemption under this Bylaw are limited to those located within the areas listed in Schedule “A”, attached hereto, where there is:
 - (1) construction of a new improvement and the building permit value of the new improvement is in excess of \$1,000,000.00; or,
 - (2) alteration of an existing improvement where that alteration has a building permit value in excess of \$1,000,000.00.
5. A Parcel is not eligible for a Tax Exemption under this Bylaw unless:
 - (1) the building permit for the construction of the new improvement or the building permit for the alteration of the existing improvement was issued on or after July 20, 2011 and prior to *September 30, 2023*; and, (AB#4301) (AB#5005)
 - (2) the Owner has entered into an Exemption Agreement with the City substantially in the form, and with the content, of the Agreement attached as Schedule “B”, attached hereto.

EXTENT OF TAX EXEMPTION

6. The maximum Tax Exemption under this Bylaw shall not exceed the Increased Assessed Value.

AMOUNT OF TAX EXEMPTION

7. The amount of Tax Exemption provided under this Bylaw shall be as follows:
 - (1) Year 1: 100% of the Increased Assessed Value;

- (2) Year 2: 80% of the Increased Assessed Value;
- (3) Year 3: 60% of the Increased Assessed Value;
- (4) Year 4: 40% of the Increased Assessed Value; and,
- (5) Year 5: 20% of the Increased Assessed Value.

TERM

8. The maximum term of a Tax Exemption under this Bylaw is five years.

APPLICATION FOR TAX EXEMPTION

9. An Owner who wishes to apply for a Tax Exemption shall apply to the City of Chilliwack Development and Regulatory Enforcement Services Department in writing prior to September 30 of the year preceding the year for which the Tax Exemption is sought and shall submit the following:
 - (1) a Tax Exemption 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 instalments, that all instalments owing at the date of the application have been paid;
 - (2) a completed written application substantially in the form and with the content shown in Schedule “C”, attached hereto;
 - (3) a description of the new improvements or the alteration of the existing improvement that would be eligible under the Bylaw for a Tax Exemption;
 - (4) an examination fee in the amount of \$100.00; and,
 - (5) a copy of the Exemption Agreement duly executed by or on behalf of the Owner.

TAX EXEMPTION CERTIFICATE

10. The collector shall issue a Tax Exemption Certificate to the Owner of the Parcel if the Owner and the Parcel are:
 - (1) in compliance with this Bylaw and the Exemption Agreement; and,
 - (2) the Owner has applied for and has obtained an occupancy permit from the City under the City’s “Building Regulation Bylaw 2003, No. 2970”, in force from time to time, in relation to the new improvement or the alterations to an existing improvement.
11. The Collector may issue an interim Tax Exemption Certificate to the Owner for the year of construction of new improvements or alteration of existing improvements, with a further Tax Exemption Certificate issued for up to four additional years as of the next assessment year.
12. The Tax Exemption Certificate shall include the following:
 - (1) the extent of the Tax Exemption;
 - (2) the amount of the Tax Exemption or the formula for determining the Exemption;

- (3) the term of the Tax Exemption;
- (4) if applicable, the conditions on which the Tax Exemption is provided;
- (5) if applicable, that a recapture amount is payable if the Tax Exemption Certificate is cancelled and how that amount is to be determined; and,
- (6) a statement that the City has relied on the written representations of the Owner with respect to the matters referred to in Paragraphs (1) to (3) of Section 9.

13. The Tax Exemption Certificate for a Parcel may be cancelled by the City:

- (1) on the request of the Owner; or,
- (2) if any of the conditions in the Tax Exemption Certificate are not met.

14. The Tax Exemption Certificate for a Parcel shall be cancelled if:

- (1) the Parcel is subdivided during the term of the Tax Exemption Certificate;
- (2) a building permit is issued, pursuant to the City’s “Building Regulation Bylaw 2003, No. 2970”, in force from time to time, for the demolition of a building on a Parcel during the term of the Tax Exemption Certificate;
- (3) a development permit is issued for the Parcel during the term of the Tax Exemption Certificate;
- (4) the Parcel is disposed of to a successor Owner and the successor Owner fails to enter into the same Exemption Agreement; or,
- (5) the municipal property value taxes for the Parcel are in arrears.

15. The City shall provide written notice of cancellation to the Owner and in the notice state the effective date of the cancellation, which shall be retroactive to the earliest date that a condition was not met or when any of the events described in Section 14 occurred.

RECAPTURE AMOUNT

16. If, pursuant to the terms and conditions specified in the Exemption Agreement or the Tax Exemption Certificate, an Owner’s Certificate is cancelled then the Owner shall remit to the City, no later than 30 days after receipt of the cancellation notice, an amount calculated as follows:

$$\frac{\text{Number of days remaining in taxation year after Cancellation date}}{365 \text{ days}} \times \text{Value of Tax Exemption}$$

17. The amount of the recapture is a debt due and owing to the City by the Owner for which the Tax Exemption Certificate was issued.

18. The amount of the recapture constitutes municipal property value taxes owing and may be collected in the same manner as property taxes.

GENERAL

- 19. The Director of the City of Chilliwack Development and Regulatory Enforcement Services Department, or the Director’s designate, is the designated municipal officer for the purpose of receiving applications and the Collector, or the Collector’s designate, is the designated municipal officer for issuing Tax Exemption Certificates.
- 20. The schedules to this Bylaw form a part of, and are enforceable in the same manner as this Bylaw.

SEVERABILITY

- 21. The provisions of this Bylaw are severable, and if, for any reason, any subdivision, part, section, subsection, clause, or sub-clause, or other words in this Bylaw are, for any reason, found to be invalid or unenforceable by the decision of a Court of competent jurisdiction, then that decision shall not affect the validity of the remaining portions of this Bylaw.

Received first reading on the 21st day of June, 2011.
Received second reading on the 21st day of June, 2011.
Received third reading on the 21st day of June, 2011.

Notice of this Bylaw has been given in accordance with Section 227 of the *Community Charter* on the 23rd day of June and the 28th day of June, 2011.

Finally passed and adopted on the 5th day of July, 2011.

Amendment Bylaw No. 4002 adopted on the 18th day of March, 2014.
Amendment Bylaw No. 4230 adopted on the 16th day of August, 2016.
Amendment Bylaw No. 4301 adopted on the 7th day of February, 2017.
Amendment Bylaw No. 5005 adopted on the 15th day of September, 2020.

“Sharon Gaetz”

Mayor

“Karla D. Graham”

Clerk

SCHEDULE “A”

A Parcel developed for an industrial use permitted in “Zoning Bylaw 2001, No. 2800”, Section 7.07 AFP (Agricultural Food Processing Zone), in force from time to time;

A Parcel developed for an industrial use described in “Zoning Bylaw 2001, No. 2800”, Section 6.04, except for Subsection 6.04 (4) Warehousing and Subsection 6.04 (8) Service Industrial, in force from time to time, for the following zones:

11.01	M1	(Light Industrial)
11.02	M2	(Service Industrial)
11.03	M3	(General Industrial)
11.04	M4	(Heavy Industrial)
11.05	M5	(Industrial Salvage)
11.06	M6	(Special Industrial)
13.09	AP-1	(Airport)
14.02	CD-2	(Comprehensive Development–2)
14.12	CD-12	(Comprehensive Development–12)
14.14	CD-14	(Comprehensive Development–14)

SCHEDULE “B”

INDUSTRIAL REVITALIZATION TAX EXEMPTION AGREEMENT

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

BETWEEN

[INSERT name and address of Owner of Parcel]

(the “Owner”)

AND

THE CITY OF CHILLIWACK, a municipality incorporated under the Local Government Act, RSBC 1996, Chapter 323, having its municipal offices and postal address at 8550 Young Road, Chilliwack BC V2P 8A4

(the “City”)

GIVEN THAT

- (1) The Owner is the registered Owner in fee simple of the Parcel located within the City of Chilliwack with a civic address of [enter civic address] and legally described as [enter legal description] (the “Parcel”);*
- (2) The City has under the Bylaw defined in this Agreement established a Revitalization Tax Exemption program for the purpose of encouraging Revitalization of an area of the municipality;*
- (3) The Parcel that is the subject of this Agreement is located in an Revitalization area designated by the City’s Council;*
- (4) This Agreement contains the terms and conditions respecting the provision of a municipal property Tax Exemption under the Bylaw defined in this Agreement;*
- (5) The Owner and the municipality wish to enter into this Agreement and register it against the title to the Parcel as a covenant under Section 219 of the Land Title Act.*

THIS AGREEMENT WITNESSES that in consideration of the mutual covenants and Agreements contained in this Agreement and the payment by the Owner to the City of consideration in the amount of \$10.00, the receipt and sufficiency of which are acknowledged by the City, the City and Owner covenant and agree with each other as follows:

DEFINITIONS

1. *In this Agreement the following words have the following meanings:*

“Agreement” means this Industrial Revitalization Tax Exemption Agreement, including the standard charge terms contained in this Agreement;

“assessed value” means the most recent assessed value of the Parcel as determined by the assessment authority in the area in which the Parcel is located; and if that value is not available then it means the highest price in terms of money that the Parcel will fetch under all conditions requisite to a fair sale with the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus as estimated by a real estate appraiser accredited in the jurisdiction in which the Parcel is located

“Bylaw” means the City of Chilliwack “Industrial Revitalization Tax Exemption Bylaw 2011, No. 3786”, as amended from time to time;

“Tax Exemption Certificate” means an Industrial Revitalization Tax Exemption Certificate issued by the City of Chilliwack under the Bylaw.

2. *The owner hereby covenants and agrees with the City, as a covenant in favour of the City pursuant to Section 219 of the Land Title Act, it being the intention and agreement of the Owner that the provisions hereof be annexed to, and run with and be a charge on title to the Parcel, and be binding on successors in title, that the Parcel shall be used and built on only in strict compliance with the terms and conditions of this Agreement and that the Parcel, and a building on the Parcel, may be used for the uses expressly permitted under Zoning Bylaw 2001, No. 2800, as amended from time to time, if and only if the Owner complies with Sections 6, 7, 9, 13, 21 and 30 of this Agreement, as applicable.*

TERM

3. *The Owner covenants and agrees with the City that the term of this Agreement is five years commencing on January 1 of the first calendar year after the calendar year referred to in the reference date of this Agreement.*

APPLICABLE LAND AND IMPROVEMENTS

4. *The Tax Exemption provided for under the Bylaw applies to that Parcel legally described as: [insert legal description here]*

TAX EXEMPTION

5. *The City of Chilliwack shall exempt the Parcel, to the extent, for the period, and subject to the conditions provided for in the Tax Exemption Certificate, from municipal property taxation during the term of the Tax Exemption Certificate or until the Tax Exemption Certificate is cancelled.*

OWNER'S OBLIGATIONS

6. *The Owner shall pay to the City the cost of any connection of the new improvements or alterations to existing storm and sanitary sewers, water mains, water metres, driveways and other municipal works and services.*
7. *The Owner shall comply with:*
 - (1) *all enactments, laws, statutes, regulations and orders of any authority having jurisdiction, including the Bylaws of the City; and*
 - (2) *all federal, provincial, municipal and environmental licences, permits and approvals required under any applicable enactments.*

CITY'S RIGHTS AND POWERS

8. *Nothing contained or implied in this Agreement shall prejudice or affect the City's rights and powers in the exercise of its functions, or its rights and powers under any public and private statutes, Bylaws, orders, or regulations, to the extent that they are applicable to the Parcel, all of which may be fully and effectively exercised in relation to the Parcel as if this Agreement had not been executed and delivered by the Owner.*

COVENANTS

9. *The Owner covenants and agrees to use their best efforts to do, or cause to be done, at the expense of the Owner, all acts reasonably necessary to grant priority to this Agreement as a covenant over all charges and encumbrances that may have been registered against the title to the Parcel in the office of the Land Title Survey and Authority of British Columbia, save and except those specifically approved in writing by the City or in favour of the City.*
10. *The covenants set forth in this Agreement shall charge the Parcel pursuant to Section 219 of the Land Title Act and shall be covenants, the burden of which shall run with the Parcel and bind the Parcel and every part or parts thereof, and every part to which the Parcel may be divided or subdivided, whether by subdivision plan, strata plan or otherwise.*
11. *The covenants set forth in the Agreement shall not terminate if and when a purchaser becomes an Owner in fee simple of the Parcel, or any portion thereof, but shall charge the whole of interest of such purchaser and shall continue to run with the Parcel and bind the Parcel and all future owners for the time being of the Parcel or any portion thereof, except the Owner will be entitled to a partial discharge of this Agreement with respect to any subdivided Parcel on acceptance of the works and on compliance by the Owner with all requirements under this Agreement with respect to the subdivided portion of the Parcel.*
12. *It is further expressly agreed that the benefit of all covenants made by the Owner herein shall accrue solely to the City and this Agreement may only be modified by Agreement between the City and the Owner, or discharged by the City pursuant to the provisions of Section 219 of the Land Title Act and this Agreement. All of the costs of the preparation, execution and registration of any amendments or discharges shall be borne by the Owner.*

REPRESENTATIONS AND WARRANTIES

13. *The Owner represents and warrants to the City that:*
- (1) *all necessary corporate actions and proceedings have been taken by the Owner to authorize its entry into and performance of this Agreement;*
 - (2) *upon execution and delivery on behalf of the Owner, this Agreement constitutes a valid and binding contractual obligation of the Owner;*
 - (3) *neither the execution and delivery, nor the performance of this Agreement, shall breach any other Agreement or obligation, or cause the Owner to be in default of any other Agreement or obligation, respecting the Parcel; and,*
 - (4) *the Owner has the corporate capacity and authority to enter into and perform this Agreement.*

NOTICE

14. *Any notice or other communication required or contemplated to be given or made by any provision of this Agreement shall be given or made in writing and either delivered personally or mailed by prepaid registered mail in any Canada Post Office (and if so, shall be deemed to be delivered on the sixth business day following such mailing, except that, in the event of interruption of mail service, notice shall be deemed to be delivered only when actually received by the party to whom it is addressed), so long as the notice is addressed to the following addresses, or to such other address that the parties may, from time to time, provide to each other in writing:*

To the Owner at:

*[insert name]
[insert address]*

Attention: [insert contact]

To the City at:

*City of Chilliwack
8550 Young Road
Chilliwack, BC V2P 8A4*

Attention: Collector, Finance Department

15. *Any notice or other communication that is given or made in writing and delivered personally shall be deemed to have been received when it was delivered.*
16. *Any notice or other communication that is mailed by prepaid registered mail shall be deemed to have been delivered on the sixth business day following the day it is mailed except in the event of interruption of mail service, the notice or other communication shall be deemed to have been delivered when it is actually received by the party to whom it is addressed.*

AMENDMENT AND WAIVER

17. *No amendment or waiver of any portion of this Agreement shall be valid unless it is made in writing and is executed by the parties to this Agreement.*
18. *A waiver of any default by a party shall not be deemed to be a waiver of any subsequent default by that party.*

GENERAL PROVISIONS

19. *It is mutually understood, agreed and declared by and between the parties that the City has made no representations, covenants, warranties, guarantees, promises or Agreements (oral or otherwise), express or implied, with the Owner other than those expressly contained in this Agreement.*
20. *This Agreement shall ensure to the benefit of and is binding on the parties and their respective heirs, executors, administrators, successors and assigns.*
21. *The Owner shall, on the request of the City, execute and deliver, or cause to be executed and delivered, all transfers, Agreements, documents, instruments, easements, statutory rights of way, deeds and assurances, and do and perform, or cause to be done and performed, all acts and things that, in the opinion of the City, are necessary to give full effect to this Agreement.*
22. *Time is of the essence of this Agreement.*
23. *This Agreement constitutes the entire Agreement between the Owner and the City with regard to the subject matter of the Agreement and supersedes all prior Agreements, understandings, negotiations and discussions, whether oral or written, between the City and the Owner.*
24. *This Agreement is not intended to create a partnership, joint venture or agency between the Owner and the City.*
25. *This Agreement shall be construed according to the laws of the Province of British Columbia.*
26. *A reference in this Agreement to the City or the Owner includes their permitted assigns, heirs, successors, officers, employees and agents.*
27. *This Agreement is effective starting on the reference date in this Agreement, but only if this Agreement has been executed and delivered by the Owner and executed by the City.*
28. *The parties intend, by their execution and delivery of this Agreement, to create a covenant granting to the City under Section 219 of the Land Title Act, a contract, and a deed executed and delivered to the City under seal.*

29. *Unless otherwise expressly provided in this Agreement, whenever the City is permitted to make or give any decision, direction, determination or consent, the City may act in its sole discretion, but will act reasonably.*
30. *Unless expressly provided for in this Agreement, the expense of performing the obligations and covenants of the Owner contained in this Agreement, and of all matters incidental to them, is the sole responsibility of the Owner.*
31. *The Owner agrees to cause the registrable interest in land expressly agreed to be granted pursuant to this Agreement to be registered as a first registered charge against the Parcel, save only for any reservations, liens, charges or encumbrances:*
 - (1) *contained in any grant from Her Majesty the Queen in Right of the Province of British Columbia respecting the Parcel;*
 - (2) *registered against title to the Parcel at the instance of the City, whether in favour of the City or otherwise; and*
 - (3) *which the City Solicitor has determined, in their sole discretion, may rank in priority to the registrable interests in land granted pursuant to this Agreement.*
32. *The parties agree that neither the Owner, nor any successor in title to the Parcel, or portions thereof, will be liable for breaches of or non-observance or non-performance of covenants contained in this Agreement occurring after the date that the Owner or its successor in title, as the case may be, ceases to be the registered or beneficial owner of the Parcel; provided however, the Owner or its successors in title, as the case may be, shall remain liable after ceasing to be the registered or beneficial owner of the Parcel for all breaches of and non-observance and non-performance of covenants in this Agreement if the breach, non-observance or non-performance occurred prior to the Owner or any successor in title, as the case may be, ceasing to be the registered or beneficial owner of the Parcel.*
33. *Nothing contained or implied in this Agreement shall fetter in any way the discretion of the City or the Council of the City. Further, nothing contained or implied in this Agreement shall derogate from the obligations of the Owner under any other agreement with the City or, if the City so elects, prejudice or affect the City’s rights, powers, duties or obligations in the exercise of its functions pursuant to the Community Charter or the Local Government Act, as amended from time to time and the rights, powers, duties and obligations of the City under all public and private statutes, bylaws, orders and regulations, which may be, if the City so elects, as fully and effectively exercised in relation to the Parcel as if this Agreement had not been executed and delivered by the Owner and the City.*
34. *In any action to enforce this Agreement in which any Court determines that the position of the City shall prevail, the City shall be entitled to court costs on a solicitor/client basis.*

35. *The following provisions shall apply to this Agreement:*

- (1) the laws of British Columbia are to govern its interpretation and enforcement;*
- (2) each of the City and the Owner accepts the jurisdiction of the courts of British Columbia;*
- (3) if a court finds any provision invalid, illegal, or unenforceable, and severs it from the remainder of this Agreement, the remaining provisions are to remain in force and effect;*
- (4) time shall be of the essence, and if the City or the Owner expressly or impliedly waives that requirement, the City or the Owner may reinstate it by delivering notice to the other;*
- (5) waiver of a default by the City or the Owner or failure or delay by the City or the Owner in exercising a right or remedy does not mean that the City or the Owner waives any other default or that the City or the Owner has waived its right to exercise such right or remedy;*
- (6) no amendment is to have any force or effect unless the City and the Owner have signed it;*
- (7) this Agreement represents the entire agreement between the City and the Owner regarding the matters set out in this Agreement, and supersedes all prior agreements, letters of intent, or understandings about those matters;*
- (8) any reference to a statute is to the statute and its regulations in force on the date the Owner signs the Form C, and to subsequent amendments to or replacements of the statute or regulations;*
- (9) the exercise of any particular remedy by the City or the Owner under this Agreement or at law or at equity shall not prejudice or preclude that party from invoking or exercising any other remedy, and no remedy shall be exclusive, and each of the City or the Owner may exercise all of its remedies independently or in combination and, in particular, the Owner acknowledges that specific performance, injunctive relief (mandatory or otherwise), or other equitable relief may be the only adequate remedy for a default by the Owner under this Agreement;*
- (10) the Owner shall execute and deliver to the City, on request by the City from time to time, such further assurances and instruments as the City may require to give full force and effect to the Owner’s grants and agreements under this Agreement; and*
- (11) if the Owner consists of more than one person, firm, or corporation, the Owner’s obligations under this Agreement shall be joint and several.*

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the General Instrument – Part 1, which is part hereof.

The Corporate Seal of the CITY OF CHILLIWACK was hereunto affixed in the presence of:

Mayor *c/s*

Clerk

SIGNED BY THE OWNER OF THE ABOVE NOTED PARCEL in the presence of:

Signature of Witness

Owner

Name of Witness

Address of Witness

(AB#4230)

SCHEDULE “C”

APPLICATION FOR REVITALIZATION TAX EXEMPTION

Date: _____ Receipt Number: _____ Application Number: _____

Parcel Owner/Applicant: _____

Mailing Address: _____

Telephone Number: _____ Cell Phone Number: _____

Subject Property:

Roll Number: _____ Civic Address: _____

Legal Description: _____

Zoning Designation: _____

Current Assessed Value: _____ Business Licence Number: _____

Years Applied For: _____

NOTE: Additional backup information may be required.

I certify that the above information is to my knowledge accurate and that I have received and read the City of Chilliwack “Industrial Revitalization Tax Exemption Bylaw 2011, No. 3786” and its Schedules, in force from time to time.

Parcel Owner/Applicant

Date

SCHEDULE “D”

TAX EXEMPTION CERTIFICATE

In accordance with the City of Chilliwack “Industrial Revitalization Tax Exemption Bylaw 2011, No. 3786”, in force from time to time, and in accordance with “Industrial Revitalization Tax Exemption Agreement” dated for reference the _____ day of _____, 20____ (the “Agreement”) entered into between the City of Chilliwack and _____, the registered Owner(s) of [*insert legal description of Parcel*]:

1. This Tax Exemption Certificate certifies that the Parcel shall be subject to a Revitalization Tax Exemption in the amount of:
 - Year 1: 100% of the Increased Assessed Value;
 - Year 2: 80% of the Increased Assessed Value;
 - Year 3: 60% of the Increased Assessed Value;
 - Year 4: 40% of the Increased Assessed Value;
 - Year 5: 20% of the Increased Assessed Value.
2. The maximum Revitalization Tax Exemption shall not exceed the Increased Assessed Value.
3. The Revitalization Tax Exemption shall be for a term of _____ years, unless it is terminated at an earlier time by the cancellation of this Tax Exemption Certificate.
4. In making its decision to issue this Tax Exemption certificate the City has relied on the written representations of the Owner with respect to the matters referred to in Paragraphs (1) to (3) of Section 9 of the Bylaw.
5. The Revitalization Tax Exemption is provided under the following conditions:
 - (12) that the Owner does not breach any term, condition or provision of, and performs all obligations set out in, the Agreement and the Bylaw;
 - (13) that the Owner has not sold all or any portion of their equitable or legal fee simple interest in the Parcel without the transferee taking an assignment of the Agreement, and agreeing to be bound by it;
 - (14) that the Owner, or successor in title to the Owner, has not allowed the property taxes for the Parcel to go into arrears or to become delinquent; and,
 - (15) that the Parcel continues to meet all of the eligibility criteria set out in the Bylaw and the Agreement throughout the term of the Tax Exemption Certificate.

6. If any of the conditions listed above are not met then the City of Chilliwack may cancel this Tax Exemption Certificate. If a cancellation occurs, the Owner of the Parcel, or a successor in title to the Owner as the case may be, shall remit to the City of Chilliwack an amount calculated as follows:

<u>Number of days remaining in taxation year after cancellation date</u>	X Value of Tax Exemption
365	

7. For the purposes of this Tax Exemption Certificate the term “Increased Assessed Value” means the difference, in accordance with values determined by the British Columbia Assessment Authority, in the assessed value of the Parcel between:
- (a) the year before the construction or alteration began; and
 - (b) the year in which this Tax Exemption Certificate is issued.

Authorized Signatory