



DISTRICT OF SOOKE

BYLAW No. 348

A bylaw to designate revitalization areas under the *Sooke Zoning Bylaw, 2006* and to provide revitalization tax exemption for those areas.

WHEREAS under the *Community Charter*, section 226 and 227 Council may provide a revitalization tax exemption for land and improvements, or both in an designated area for the purpose of revitalization of the District of Sooke.

The Council of the District of Sooke, in open meeting assembled, enacts as follows:

1. This Bylaw is cited as *Revitalization Tax Exemption Bylaw, 2008*.

DESIGNATED REVITALIZATION AREA

2. The Designated Revitalization Area is for all property zoned within the District of Sooke that permit hotel, motel or lodge development in Bylaw No. 270, *Sooke Zoning Bylaw, 2006* as amended from time to time. The Designated Revitalization Area pursuant to s.226 of the *Community Charter* is for the purpose of encouraging the revitalization of the District of Sooke and in particular the development of commercial hotel, motel or lodge facilities.

REASONS FOR DESIGNATION

3. The development of hotel, motel and lodge rooms for visitors to the District of Sooke is seen as a critical component of the revitalization of the District of Sooke commercial areas. Hotel, motel and lodge uses are currently permitted in several zones, including the Town Centre Commercial Zone CTC – 1, Village Commercial Zone C-2, Neighbourhood Pub Zone C4, Marine Commercial Zone CM1 and Silver Spray - CD3.
4. The *Official Community Plan* encourages the long-term development of tourist-related commercial businesses while ensuring provision of public access to the waterfront; protection and enhancement of view corridors; and a facilitative approach for achieving tourist-oriented business development. Expanding the potential customer base for businesses beyond the local residential population, to include hotel, motel and lodge guests visiting the area for leisure, sporting and recreation events, will stabilize established businesses and create opportunities for additional

businesses to be established; each of these effects will in turn have beneficial effects on other existing businesses.

OBJECTIVES OF DESIGNATION

5. The objectives of the Designated Revitalization Area for revitalization tax exemptions is:
 - a. To stimulate and reinforce development initiatives in the commercial areas by stimulating investment in hotel, motel and lodge room development wherever such uses are permitted in the Designated Revitalization Area;
 - b. To encourage tourist accommodation development close to destination recreation facilities;
 - c. To reinforce the municipality's "open for business" approach and attract high quality development to the area.

REVITALIZATION TAX EXEMPTION PROGRAM

6. Hotel, motel and lodge development on property in the Designated Revitalization Area and classified as Class 6 under the Assessment Act, in respect of which a building permit is issued in 2008 pursuant to a building permit for one or more hotel, motel or lodge buildings as defined in the District of Sooke zoning bylaw, is eligible for a revitalization property tax exemption and is referred to in this document as "eligible hotel development".
7. Eligible hotel development must have a minimum of 30 rooms.
8. Eligible hotel development does not include any portion of a hotel, motel or lodge building used for retail sales or bar, lounge or restaurant uses, meeting rooms, fitness and recreation facilities, or the alteration of an existing building to provide hotel, motel or lodge accommodation.
9. The maximum exemption provided to an eligible property in any year may not exceed the increase in the assessed value of land and eligible improvements between the year before the construction of the hotel, motel or lodge began and the year in which a tax exemption certificate is issued.
10. Subject to section 9, the maximum amount of exemption that may be provided is the full amount of property value taxes imposed under s.197(1)(a) of the *Community Charter* for general municipal requirements, in respect of the assessed value of the land and building (or buildings) comprising the eligible hotel development.

11. An exemption under this program does not affect the owner's liability for municipal utility user fees or parcel taxes or taxation imposed by other government or public bodies and collected by the District of Sooke, including taxation under the *School Act*.
12. The maximum term of any exemption under this program is 10 years.
13. The District will accept applications for a Revitalization Tax Exemption for the period January 1, 2008 to December 31, 2010.
14. Persons wishing to apply for a tax exemption under this program must make application to the Director of Finance for a revitalization tax exemption certificate under s.226 (9) of the *Community Charter* on or before August 31 in the year prior to the first year in respect of which a tax exemption is sought. The application must include sufficient information to enable the Director of Finance to determine that the development in question is eligible hotel development.
15. The Council may require an applicant to enter into a revitalization tax exemption agreement with the District of Sooke under s.226 (7) of the *Community Charter*, which may include provisions requiring the applicant or the applicant's successor in title to pay to the District of Sooke property taxes that would have been payable but for the exemption, if the owner breaches any condition on the basis of which a tax exemption certificate was issued, and a covenant under s.219 of the *Land Title Act* in favour of the District of Sooke requiring the owner to use the land in accordance with the certificate and the agreement.
16. Hotel and Lodge properties for which a tax exemption is provided may be strata titled or otherwise subdivided, provided that each strata lot or unit be included in a bona fide rental pool or hotel management agreement and, when not occupied by its owner the unit will be available to members of the general public for short-term occupancy for at least 182 days per calendar year, for at least the term of the tax exemption.
17. Motel properties for which a tax exemption is provided may not be strata titled or otherwise subdivided, and each motel unit must be available to members of the general public for short-term occupancy under a hotel management agreement for at least 182 days a year at all times for at least the term of the tax exemption.

Introduced and read a first time the 13th day of November, 2007

Read a second time the 13th day of November, 2007

Public Notice pursuant to Section 226 of the Community Charter published the 5th day of December, 2007 and the 12th day of December, 2007

Read a third time the 14th day of January, 2008.

Adopted on the 28th day of January, 2008.

Janet Evans
Mayor

Evan Parliament
Chief Administrative Officer