

CITY OF LANGFORD

BYLAW NO. 929

A BYLAW TO ADOPT A FINANCIAL PLAN FOR 2005 – 2009

WHEREAS under the *Community Charter* the municipality must have a financial plan adopted by bylaw before the annual property tax bylaw is adopted; and

WHEREAS under the *Community Charter* the Council may provide a revitalization tax exemption for a property in an area designated for that purpose in the annual financial plan or the official community plan, and may establish a revitalization tax exemption program;

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

1. Schedule "A" attached hereto and forming part of this bylaw comprises the City of Langford Five Year Financial Plan for 2005 - 2009 (PART 1)".
2. Schedules "B" and "C" attached hereto and forming part of this bylaw comprise the City of Langford Tax Exemption Program.
3. This bylaw may be cited for all purposes as "City of Langford 2005-2009 Financial Plan Bylaw No. 929, 2005.

READ A FIRST TIME this 4th day of April, 2005.

READ A SECOND TIME this 4th day of April, 2005.

READ A THIRD TIME this 4th day of April, 2005.

ADOPTED this 18th day of April, 2005.

MAYOR

CLERK-ADMINISTRATOR

Bylaw No. 929

CITY OF LANGFORD FIVE YEAR FINANCIAL PLAN

	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES:					
Municipal Property Taxes	10,658,519	11,871,483	12,984,202	13,365,091	14,145,590
Specified Area Parcel Taxes	1,590,400	1,663,300	1,663,300	1,663,300	1,663,300
Fees and Charges	2,156,550	2,250,645	1,961,440	1,993,935	2,026,840
Other Sources	4,571,008	5,207,569	4,074,315	5,794,061	5,799,807
Transfer From Surplus	1,313,340	1,200,000	100,000	100,000	100,000
Transfers From Reserves	3,773,920	1,728,436	2,099,150	2,653,800	895,000
Transfer From Development Cost Charges	6,281,250	3,547,600	1,436,350	2,289,500	2,167,000
Proceeds From Borrowing	2,693,450	250,000	750,000	540,000	0
	<u>33,038,437</u>	<u>27,719,033</u>	<u>25,068,757</u>	<u>28,399,687</u>	<u>26,797,537</u>
EXPENSES:					
Operating and Other	14,306,184	17,898,749	14,638,199	15,161,498	15,685,918
Principal and Interest on Debt	2,622,300	2,882,300	2,879,300	2,876,300	2,873,300
Capital	15,200,930	5,872,536	5,389,000	8,802,800	6,381,500
Transfers to Reserve Accounts	65,000	65,000	65,000	55,000	55,000
Transfers to Reserve Funds	844,023	1,000,448	2,097,258	1,504,089	1,801,819
	<u>33,038,437</u>	<u>27,719,033</u>	<u>25,068,757</u>	<u>28,399,687</u>	<u>26,797,537</u>

CITY OF LANGFORD FIVE YEAR FINANCIAL PLAN (PART 2)

REVITALIZATION AREAS

Areas zoned to permit hotel or motel development in the Langford Zoning Bylaw, 1999 as amended from time to time are designated pursuant to s.226(2) of the *Community Charter* for the purpose of encouraging the revitalization of the City and in particular the development of commercial hotel or motel facilities.

REASONS FOR DESIGNATION

The development of nearby hotel or motel rooms for visitors to the Langford area is seen as a critical component of the revitalization of the City's district commercial and town centre commercial areas. Hotel and motel uses are currently permitted in several zones, including the C3 District Commercial and C8 Town Centre Pedestrian Commercial zones, and the Council has amended the zoning bylaw to permit hotel uses in the Olympic View and Bear Mountain comprehensive development zones as well.

The Official Community Plan encourages the development of the town centre with housing, employment, and shopping opportunities in close proximity to each other. Expanding the potential customer base for town centre businesses beyond the local residential population, to include hotel or motel 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. Because there are potential locations for hotels and motels in several areas of the municipality, and hotel and motel guests in all these areas will use town centre commercial facilities, all zones in which hotels and motels are a permitted use are designated for potential revitalization tax exemptions.

OBJECTIVES OF DESIGNATION

The objectives of designating areas for revitalization tax exemptions are:

- To stimulate and reinforce development initiatives in the town centre commercial area by stimulating investment in hotel and motel room development wherever in Langford such uses are permitted
- To encourage tourist accommodation development close to destination recreation facilities
- To reinforce the municipality's "open for business" approach and attract high quality development to the area

CITY OF LANGFORD FIVE YEAR FINANCIAL PLAN (PART 3)

REVITALIZATION TAX EXEMPTION PROGRAM

1. Hotel and motel development on land in revitalization areas designated in the City's financial plan and classified as Class 6 under the *Assessment Act*, in respect of which a building permit is issued in 2004 pursuant to a building permit for one or more hotel or motel buildings as defined in the City's zoning bylaw, is eligible for a revitalization property tax exemption and is referred to in this document as "eligible hotel development".
2. Eligible hotel development must be valued at a minimum of \$1.5 million on the building permit application, and have a minimum of 60 rooms.
3. Eligible hotel development does not include any portion of a hotel or motel 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 or motel accommodation.
4. 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 or motel began and the year in which a tax exemption certificate is issued.
5. Subject to section 4, 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 building or buildings comprising the eligible hotel development.
6. 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 City, including taxation under the *School Act*.
7. The maximum term of an exemption under this program is five years.
8. Persons wishing to apply for a tax exemption under this program must make application to the City Treasurer for a revitalization tax exemption certificate under s.226 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 Treasurer to determine that the development in question is eligible hotel development.
9. The Council may require an applicant to enter into a revitalization tax exemption agreement with the City under s.226(6) of the *Community Charter*, which may include provisions requiring the applicant or the applicant's successor in title to pay to the City 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 City requiring the owner to use the land in accordance with the certificate and the agreement.
10. Hotel properties for which a tax exemption is provided may be strata titled or otherwise subdivided, provided that each strata lot or unit is subject to a covenant under s.219 of the *Land Title Act* requiring the strata lot or unit to 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.
11. 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.