

November 6, 2008

Campbell River Approves Plan to Explore Tax Exemptions for Revitalization Projects

As part of the continued effort to encourage downtown revitalization and development, at the November 4th, 2008 Council meeting, City Council approved a plan to investigate the feasibility of tax exemptions for new developments and revitalization efforts for existing buildings in the downtown core.

“Downtown development and revitalization have been key strategic priorities for Council,” says Councillor Andy Adams, Chair of the City’s Audit, Finance and Personnel Committee. “In a competitive market, we must explore every option and opportunity that will make Campbell River an attractive place to invest, and we’ll seek input from stakeholders, the development community and the public in general.”

Council initiated the first step toward developing a program to revitalize Campbell River’s downtown core, with the City’s Downtown Study and zoning amendments, to encourage higher density residential development.

“The second step was achieved by establishing a lower development cost charge for the downtown core, recognizing that much of the infrastructure required is already in place, thereby reducing the development costs to both the developer and the community,” says Councillor Adams.

“A third step is the development of the Spirit Square, which demonstrates the City’s commitment to providing significant improvements in the downtown area,” he adds.

Amendments to the British Columbia Building Code to permit six-storey (increased from four-storey) wood frame buildings, effective January 2009, will also support downtown revitalization.

“The Official Community Plan identifies the downtown area as an area with considerable redevelopment potential, and encourages revitalization efforts as a means to stimulate redevelopment,” says Mayor Roger McDonell. *“We want to develop a program to provide incentives for redevelopment and to remove any disincentives, and we are anxious to move forward with options that will revitalize the core of our community.”*

The proposed tax exemption program must be advertised in compliance with the Community Charter, prior to adoption of a bylaw, and a public information meeting will be held to obtain community input into the proposal to implement a revitalization tax exemption for mixed use commercial/multi-family residential developments in the downtown core and façade improvements to existing buildings. Investigating tax exemptions for downtown revitalization will also include tax modeling to assist Council in understanding the financial impacts of exemptions.

The City’s 2008 Financial Plan limits tax exemptions to charitable organizations. A plan for tax exemptions for downtown revitalization would recommend amendments to the Official Community Plan and the Financial Plan to add Revitalization Tax Exemption bylaws in time for 2009, providing exemptions from 2010 taxes. Tax exemptions become effective for the following year, provided that the owner has entered into a tax exemption agreement with the City prior to October 31st in the current year.

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