



# BUSINESS INVESTMENT INCENTIVE PROGRAM



CRESTON  VALLEY  
TOWN of CRESTON



## What is the Business Investment Incentive Program?

The program provides an incentive, in the form of partial relief from the municipal portion of your property tax, to encourage investment in the development or redevelopment of commercial projects. The objectives of the program are:

- To enhance visual appeal and vitality; support business growth and to expand employment opportunities;
- Encourage new commercial businesses in new and renovated buildings in commercial areas, establish commercial services, and investment and employment opportunities that will attract additional investment and economic growth to the Town of Creston; and,
- Reinforce the municipality's "open for business" approach and attract redevelopment and new development of commercial businesses within the municipality.

The program is intended to achieve the objectives by providing relief, for a specified term, from 100% of the incremental increase in the municipal portion of property taxes resulting from the increase in assessed property value after a commercial project is completed.

## Is Your Project Eligible?

The following types of projects may be eligible under the program:

- New construction with a minimum construction value of \$150,000
- Renovations to an existing building with a minimum construction value of \$50,000

All eligible improvements must be zoned appropriately. Check out the Revitalization Tax Exemption Bylaw No. 1918, 2020 on our Town of Creston website to determine if you are eligible. In addition, feel free to get in touch with the Community Planning and Development Staff to see if you qualify before applying.

## How to Apply to the Program

1. Submit applications for Development Permits and Building Permits as normally required for your commercial project.
2. Prior to August 31 (following project completion), submit a Business Investment Incentive Application. The application may be collected and dropped off at Town Hall. In addition to the application, please include the following information:

- Project description, plans and photographs;
- Total value of investment in project (materials, labour, etc.);
- Confirm assessed value of property (current year);



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- Confirmation that current taxes on the parcel have been paid; and,
- Copies of development permit, building permit, or occupancy.

3. Your completed application will be reviewed to confirm the project's eligibility under the program. The project, and owner, will be confirmed eligible for the incentive when the owner and the Town have executed the required revitalization tax exemption agreement in accordance with the Bylaw 1918, 2020.

4. Once the revitalization tax exemption agreement has been executed and the project has been fully completed, the Town will issue a Revitalization Tax Exemption Certificate and the incentive (tax relief) will begin in the tax year following completion of the project.

### Program example:

- A commercial project is completed, and occupancy is approved by August 31, 2021.
- The Town processes all required agreements and certificates prior to October 31, 2021.
- The exemption will be applied to the 2022 property assessment. BC Assessment issues their annual property assessment notice in January of each year, the notice will show any change in value of the property. The Town issues tax notices in June of each year, the 2022 tax notice will show that a portion of the assessed value is exempt from municipal tax.

### Tax Breakdown:

Assesd value prior to construction	Assessed value after construction	Portion exempt from municipal taxes
\$93,000	\$164,000	\$71,000

The municipal portion of the 2022 tax notice should be similar to the amount paid prior to beginning construction though the actual amount depends on the tax rate as adjusted annually through the Town budget process. Please note, however, the exemption only applies to the municipal portion of taxes so the School, RDCK, RCMP and Hospital portion of taxes will still apply to the full assessed value.

### Important Dates:

Those wishing to apply for the Program must do so no later than August 31, following project completion. The project must be fully completed by this time. The tax exemption will be applicable in the following year. The Town of Creston will accept applications for an RTE in 2022 and 2023, and no applications will be accepted after August 31, 2023. The maximum Term of an exemption under this Program is five (5) years commencing on January 1 of the first Calendar Year after the year in which the Revitalization Tax Exemption Certificate is issued as long as it is issued prior to October 31.



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### **Cancellation**

Revitalization Tax Exemption Certificates are subject to all requirements set out in the Revitalization Tax Exemption Agreement and must continue to be met throughout the duration of the agreed upon term. If the agreement is not adhered to, the owner will be responsible for repaying the municipal tax exemption received. Check out “Cancellation of Certificate” in the bylaw for more information.

### **For More Information**

Interested property owners are encouraged to contact Community Planning and Development at 250-428-2214 or [communityservices@creston.ca](mailto:communityservices@creston.ca) to discuss the program and application requirements.