

CHOOSE
CRANBROOK

Revitalization Tax Exemption Program



MOUNTAINS OF OPPORTUNITY
CRANBROOK

FAQ Guide

The City of Cranbrook's Revitalization Tax Exemption Program is a financial incentive designed to encourage investment, redevelopment, and beautification in the downtown core. It supports commercial, mixed-use, and residential projects that meet specific criteria outlined in the bylaw.

This guide provides a complete overview of the Cranbrook Revitalization Tax Exemption Program. It is intended to help business owners, developers, and property stakeholders understand how the program works, what qualifies, and how to apply.

In this guide you will find:

- a. Clear explanation of eligibility criteria
- b. Key deadlines and timing requirements
- c. Supporting Documentation
- d. Practical Advice

Resources:

- **Cranbrook Revitalization**
<https://www.choosecranbrook.ca/revitalization-tax-exemption/>
- **Choose Cranbrook – Economic Development**
<https://www.choosecranbrook.ca/>
- **Data Portal**
<https://data.choosecranbrook.ca/>
- **GIS**
<https://cranbrook-open-data-cranbrook.hub.arcgis.com/>
- **YouTube**
<https://www.youtube.com/@choosecranbrook>





Before applying, ensure you've completed the following:

Quick Checklist for Business Owners

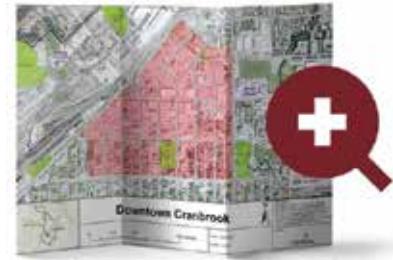
STEP	TASK	STATUS
1	Review the Revitalization Tax Exemption Bylaw	<input type="radio"/>
2	Confirm your project meets one of the qualifying criteria	<input type="radio"/>
3	Obtain necessary permits (Development Permit and/or Building Permit)	<input type="radio"/>
4	Complete project and apply prior to expiration of program (December 31, 2030)	<input type="radio"/>
5	Collect documentation (design certificates or paid invoices)	<input type="radio"/>
6	Submit application via City eForms before August 1 of the year prior to exemption	<input type="radio"/>
7	Ensure project completion and compliance with all permit conditions	<input type="radio"/>

Downtown Cranbrook

In the downtown, the new bylaw supports a range of qualifying projects, including:

- ✓ New commercial or mixed-use buildings valued at \$1 million or more
- ✓ Renovations to existing buildings worth at least \$50,000
- ✓ Exterior façade improvements valued at \$5,000 or more

Depending on the type of project, those who apply and qualify may receive between 80% and 100% exemption on the municipal portion of their property taxes for up to 5 years.



Downtown Corridor

Victoria Corridor



Victoria Corridor

For the Victoria Avenue corridor, the focus is on new medium and high-density residential or mixed-use residential/commercial buildings. To qualify, projects must:

- ✓ Include at least 5 living spaces
- ✓ Have a minimum construction value of \$1 million

These developments will also be eligible for a 5-year tax exemption, starting at 100% in the first year and gradually decreasing to 20% by the 5th year.



Frequently Asked Questions

1. What is the formula used to calculate the exemption amount?

The exemption applies only to the municipal portion of property taxes and is calculated as:

Exemption Amount = % (as per bylaw) × (Assessed Improvement Value After – Assessed Improvement Value Before)

- The percentage varies by project type and location.
- BC Assessment determines the change in assessed value.
- Internal renovations may not result in increased assessed value and thus may not qualify for significant exemptions.

2. What is the timing correlation between project completion and the tax year of exemption?

- Applications must be submitted by August 1 of the year prior to the desired exemption year.
- Projects must be completed after the bylaw adoption and before December 31, 2030.
- Tax Exemption Certificates are issued by October 31 of the year before the exemption takes effect.

3. Has the program started, and how long will it run?

Yes, the program is active and will run until December 31, 2030.

4. How long do I have to report my project to the City?

You must submit your application and confirm project completion no later than December 31, 2030.



Frequently Asked Questions

5. What documentation is required to confirm project completion?

- A certificate from a design professional or
- Valid paid invoices confirming the work is completed.

This documentation is essential for the City to verify eligibility and issue the Tax Exemption Certificate.

6. What if my project is already underway or completed?

Only projects completed after the bylaw adoption are eligible. If your project was completed before the bylaw was adopted, it does not qualify.

7. Does the exemption apply to all property taxes?

No. The exemption applies only to the municipal portion of property taxes. It does not affect school taxes, parcel taxes, or other provincial levies.

8. Can the exemption be transferred to a new property owner?

Yes, but only with prior written consent from the City. The exemption applies to the property, but transfer conditions are outlined in the agreement and subject to approval.



Frequently Asked Questions

9. What happens if I don't meet the conditions after receiving the exemption?

The City may cancel the Tax Exemption Certificate, and you may be required to repay the exempted taxes (recapture clause).

10. Is there an application fee?

Yes, \$350

11. How do I know if my property is in the eligible downtown area?

Eligible zones include:

- C-1 Community Commercial
- C-2 Highway Commercial
- C-5 Shopping Centre Zone

Project must be within the boundaries of the respective bylaw and meet the qualifying criteria.

12. Will my internal renovations qualify for the exemption?

Not necessarily. Internal renovations may not increase the assessed value, which is required for the exemption calculation. Projects that expand leasable area or improve the façade are more likely to qualify.

Additional Things to Know About the Program

1. Strategic Planning Matters

- Start early: Don't wait until the project is complete to think about the exemption. Engage with City staff during the planning phase to ensure your project aligns with the bylaw.
- Design with impact: Projects that visibly improve the downtown—like façade upgrades, mixed-use developments, or significant commercial investments—are more likely to qualify and receive support.

2. Permits Are Mandatory

- You must have a valid Development Permit and/or Building Permit.
- All conditions of those permits must be fulfilled before the exemption is granted.
- If your project doesn't require a permit (e.g., minor façade work), you'll need to provide proof of construction value, such as invoices or contractor estimates.

3. Timing Is Critical

- Application deadline: August 1 of the year prior to the desired exemption year.
- Final deadline: All applications and project completions must be submitted by December 31, 2030.

4. Exemption Duration and Value

- The exemption typically lasts up to 5 years.
- It applies only to the municipal portion of property taxes.
- The actual dollar value depends on:
 - The increase in assessed value (not the cost of construction).
 - The percentage exemption defined in the bylaw (e.g., 100%, 80%, 50%).

5. Not All Improvements Increase Assessed Value

- Interior renovations may not result in a higher BC Assessment value.
- Exterior improvements, additions, and new construction are more likely to qualify.
- the potential tax exemption amount may not equal the amount spent by an applicant on the project as the improvements have to cause the assessed value to go up;
- typical improvements that may result in increased assessed values would be new construction, additions, expansion of leasable area; however, internal renovations may not result in increased assessed values, for example.
- it is recommended you apply when you complete your project rather than waiting until 2030

Additional Things to Know About the Program

6. Exemption Is Not Guaranteed

- Meeting the criteria doesn't automatically mean you'll receive the exemption & council must approve the exemption.

7. The Program Is Area-Specific

- See maps & qualifying criteria to determine eligibility.

8. You Can't Retroactively Apply

- Projects completed before the bylaw was adopted are not eligible.
- You must apply before the exemption year and after the bylaw is in effect.

9. Exemptions Can Be Cancelled

- If you breach the agreement or fail to meet conditions, the City can cancel your exemption.
- You may be required to repay the exempted taxes (recapture clause).

10. Transferability

- The exemption may be transferred to a new property owner, but only with City approval.
- This is important for developers planning to sell or lease the property.

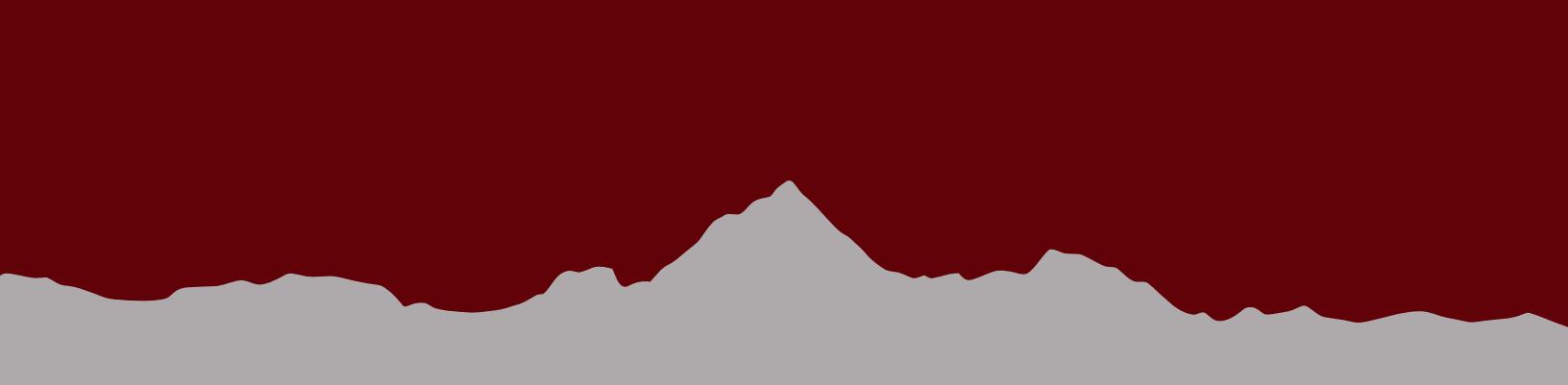
11. Application Fee

- The fee is \$350 (subject to change). It's non-refundable, even if your project doesn't qualify.



Tips for Success

- Plan early. Engage with City staff during the design phase to ensure your project aligns with the bylaw and meets eligibility criteria.
- Focus on visible improvements. Projects that enhance the streetscape, add residential units, or expand commercial space.
- Keep detailed records. Save all invoices, permits, and professional certifications to support your application.
- Understand the assessment process. The exemption is based on the increase in assessed value, not the cost of construction.
- Coordinate with other City initiatives. Your project may benefit from alignment with other programs such as the Tourism Master Plan, Official Community Plan, or infrastructure upgrades in the downtown area.
- Explore complementary funding. Look into provincial or federal grants that may support infrastructure, heritage restoration, or energy efficiency improvements alongside the tax exemption.
- Engage with the Downtown Business Association. Collaboration with local business groups can help amplify your project's impact and connect you with promotional opportunities.
- Monitor BC Assessment timelines. Since the exemption is based on assessed value changes, understanding when assessments are conducted and how to appeal or verify them can be important.
- Plan for contingencies. If your project timeline shifts, ensure you still meet the August 1 application deadline and October 31 certificate issuance deadline for the intended tax year.



Use the full range of City resources to support your planning and application:

Cranbrook Revitalization Program:

<https://www.choosecranbrook.ca/revitalization-tax-exemption/>

Choose Cranbrook – Economic Development:

<https://www.choosecranbrook.ca/>

Data Portal:

<https://data.choosecranbrook.ca>

GIS Mapping and Open Data:

<https://cranbrook-open-data-cranbrook.hub.arcgis.com/>

YouTube Channel:

<https://www.youtube.com/@choosecranbrook>

Official Community Plan Link:

<https://cranbrook.ca/our-city/city-departments/oic/official-community-plan-ocp>

These tools can help you understand zoning, visualize your project location, access demographic and economic data, and explore examples of successful revitalization efforts.



mountains of opportunity

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