



## Council Report

For the Meeting of December 7, 2023

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**To:** Council **Date:** November 10, 2023  
**From:** Karen Hoese, Director, Sustainable Planning and Community Development  
**Subject:** **Market Rental Building Revitalization Tax Exemption Bylaw**

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### RECOMMENDATION

That Council give first, second and third readings to the Market Rental Building Revitalization Tax Exemption Bylaw No. 23-102.

### EXECUTIVE SUMMARY

The purpose of this report is to provide a Market Rental Building Revitalization Tax Exemption Bylaw No. 23-102 (Attachment A) for Council's consideration. Adoption of this bylaw will initiate the tax exemption program to incentivize mechanical equipment electrification and seismic upgrading of multi-unit residential rental buildings. The upgrades which are completed through this program will reduce greenhouse gas emissions and make buildings safer in a seismic event.

As directed by Council, the bylaw expands eligible buildings from the initial proposal of three to four storey market rental buildings with an elevator, built in the 1960s and 1970s to any market rental building that is between three and six storeys, has a minimum of ten residential units and uses natural gas for domestic hot water or space heating or both, and was built prior to 2000.

### BACKGROUND

At the Council meeting of June 22, 2023 the following motion was approved:

*That Council:*

- 1. Endorse the proposed program for developing a revitalization tax exemption program that will incentivize mechanical equipment electrification, energy efficiency improvements, and seismic upgrades for rental apartment buildings built in the 1960s and 1970s.*
- 2. Direct staff to finalize the program design and draft a Bylaw for consideration to initiate the program.*
- 3. Staff to consider expanding applicable building typologies and characteristics as part of the pilot project.*
- 4. Staff to explore up front financing as part of the incentive pilot.*

At this time, the proposal does not include the provision of up-front financing, as that aspect will take additional staff time and resources to examine and would significantly delay the launch of the

pilot program. Staff will continue to explore City-provided financing options while the pilot is underway, as per Council's direction.

Respectfully submitted,

Derek de Candole  
Community Energy Specialist  
Community Planning

Karen Hoesel  
Director  
Sustainable Planning and Community Development

**Report accepted and recommended by the City Manager**

**List of Attachments**

- Market Rental Building Revitalization Tax Exemption Bylaw No. 23-102