

Palace Place
397 5th St. Courtenay



Endure Projects Inc.

Request for Full Downtown Courtenay Revitalization Tax Exemption

Palace Place: 397 5th Street, Courtenay BC
Submitted to: Mayor and Council, City of Courtenay
Date: October 28, 2025

1. Purpose of Submission

Endure Projects Inc. respectfully requests that Council grant a 100 % Downtown Courtenay Revitalization Tax Exemption under *Bylaw No. 2937 (2018)* for all qualifying improvements at *Palace Place*, as if the application had been made on the date of the building permit.

This request is based on:

- Supporting documentation is Endure’s full compliance with the intent and objectives of the Bylaw;
- Clear evidence of good-faith reliance on City staff guidance;
- The pandemic-related administrative conditions that caused communication delays; and
- The Council precedent of August 2, 2025, granting Simba Investments Inc. a 100% exemption in comparable circumstances *(see Schedule J)*.

2. Background – The Palace Place Project

- In 2019, Endure Projects Inc. purchased the long-vacant lot at 397 5th Street, formerly the site of the Palace Theatre.

At that time, the property had no taxable improvements as shown in 2020 City of Courtenay Tax; *(see Schedule A)*.

Endure subsequently invested over \$18 million to construct *Palace Place* — a mixed-use development comprising:

- 39 new purpose-built rental apartments, and
- 4 ground-floor commercial units.

This project directly fulfills the goals of *Downtown Courtenay Revitalization Tax Exemption Bylaw No. 2937 (2018)* to encourage downtown investment, increase residential population, and enhance the streetscape *(see Schedule B)*.

Development Context and Contributions

Beyond constructing a landmark mixed-use building, Endure made significant direct contributions to municipal infrastructure and community development:

- Development Cost Charges (DCCs) of \$481,125 were paid to the City of Courtenay as a condition of the building permit.
- During construction, Endure was required to upgrade a deteriorated section of the adjacent City drainage system, at its own cost, to meet current standards and improve public infrastructure serving neighbouring properties.

These obligations were met in full, representing a major financial contribution to the City well beyond the property's previous value and demonstrating Endure's commitment to Courtenay's long-term growth and livability.

3. Staff Engagement and Early Guidance

2019 – Pre-Development Meeting

In June 2019, Endure's representative and architect met with senior City planning staff to present the project concept.

The architect's meeting notes record that staff encouraged the project and confirmed its potential eligibility for the Downtown Revitalization Tax Exemption Program.

No mention was made that the exemption application must precede or accompany the building-permit application. *(see Schedule C)*

2020 – 2021 – Permitting During COVID-19

The project advanced through permitting during the COVID-19 pandemic, when the City publicly acknowledged significant staffing shortages and service delays.

Each official email from Development Services included the notice that the department was "experiencing a significant but temporary shortage of professional staff" *(see Schedule D)*.

Endure submitted its building-permit application in May 2021

At no time did staff advise that the revitalization-exemption application had to be filed concurrently. *(see Schedule E)*.

Relying on City encouragement and policy intent, Endure proceeded in good faith

4. The Exemption Application and Denial

June – September 2023 – Application Process

In June to October 2023, Endure repeated communication with City Planner Dana Beatson to apply for the exemption. At no time and in any communication did Ms. Beatson indicate or state that that Endure was ineligible, because application was not made at the time of the application for a building permit.

Ms. Beatson provided the form, confirmed the \$200 fee, and gave direction regarding related housing-agreement matters. She later acknowledged receipt of the fee and materials never suggesting ineligibility. *(see Schedule F)*,

In July 2023, Director Marianne Wade corresponded with Endure about rental-housing goals, again without mentioning any timing restriction. *(see Schedule G)*.

December 2023 – Notice of Ineligibility

Only in December 2023, six months after submission, did the City first advise that the application was ineligible because a building permit had already been issued. *(see Schedule H)*

January 2024 – Appeal

Endure immediately filed a **letter of appeal** outlining reliance on staff guidance and the project's compliance with the Bylaw's intent. *(see Schedule I)*

5. Council Review and Partial Relief

In September of 2024, Council reviewed Endure's appeal and, on staff recommendation, granted only a partial exemption.

Staff created a "work-in-place" formula requiring a quantity surveyor to assess construction value as of the application date, limiting relief to a suggested 21% of the total improvement value.

This methodology is unsupported by the Bylaw and contradicts its purpose to stimulate complete redevelopment.

6. Comparable Case – Simba Investments Inc.

At the Regular Council Meeting of August 27, 2025, Simba Investments Inc. sought relief under circumstances virtually identical to Endure's.

Although Simba applied after its building permit, Council unanimously approved a full 100% exemption, deeming the application as if received prior to construction. This establishes a clear precedent for equitable discretionary treatment. *(see Schedule J)*

7. Broader Economic and Community Benefits of Mixed-Use Development

The tax savings provided through the Revitalization Tax Exemption have broader community benefits beyond the direct stimulus of construction activity, local employment, and fee revenue.

In a mixed-use building, commercial tenants typically pay additional rent that includes their proportionate share of property taxes. When a revitalization exemption is granted, the resulting tax savings do not accrue solely to the residential operator — they flow through to the small merchants occupying the ground-floor commercial units.

This pass-through benefit supports those independent retailers and service providers at the very stage when they most need stability: their start-up and early operating years. By reducing their initial occupancy costs, the exemption helps them establish themselves in the downtown market, strengthens retail continuity, and enhances the vibrancy and economic resilience of the City's core.

The City's investment in such programs therefore yields a two-fold return — it incentivizes residential density and simultaneously fortifies the small-business fabric that defines Courtenay's downtown identity.

8. Basis for Council Reconsideration

a) Good-Faith Reliance on Staff Direction

Endure acted on consistent staff guidance implying eligibility and received no notice to the contrary until long after the building-permit stage.

b) Administrative Oversight During Extraordinary Conditions

The City's own acknowledgement of staffing shortages and pandemic disruptions explains how this procedural issue arose. It was not developer neglect. This and lack of implementation procedures for staff within the Bylaw create inevitable issues such as those experienced by Endure Projects and Simba investments.

c) Alignment with Bylaw Intent and Public Benefit

The *Palace Place* project fulfills every goal of the Revitalization Bylaw and, in addition, provided:

- Payment of \$481,125 in Development Cost Charges;
- Upgraded municipal drainage infrastructure at no cost to the City; and
- A permanent increase to Courtenay's downtown housing supply, employment, and property-tax base.
- Delivers added tax revenue for the Hospital, Library and Regional District.

d) Fairness and Consistency

Ensuring fairness and consistency in how the Revitalization Tax Exemption Bylaw is applied is essential to maintaining public confidence in the City's development policies.

Endure Projects Inc. respectfully submits that granting the same 100% exemption awarded to Simba Investments Inc. would represent equitable treatment under an identical policy framework. Both projects advanced fully within the intent of the bylaw, relied in good faith on staff guidance, and made substantial contributions to Courtenay's downtown revitalization goals.

Providing Endure with equivalent consideration would not establish a new precedent but would uphold one already set by Council. It would confirm that applicants who act in good faith are treated fairly and consistently, reinforcing the City's commitment to transparency and equal application of its policies — principles that build investor confidence and encourage continued private redevelopment within the downtown core.

Furthermore, the current calculation method used to determine the proportion of the tax exemption — which depends on the Quantity Surveyor's estimates — has proven flawed in practice. As shown in Schedule K, the Quantity Surveyor's initial estimate of completion was too low, which in turn overstated the value of "work in place." The final 2024 report confirmed that substantially more work remained than first calculated. This discrepancy means the property owner is effectively penalized for the entire exemption period, receiving far less benefit than the bylaw intended. (see **Schedule K**)

In addition, there is a potential unintended consequence of the current "work-in-place" approach. If market conditions change — for example, if capitalization rates rise and assessed property values decline — the assessed improvement value could fall below the base value

established by the Quantity Surveyor. Under the existing formula, this would paradoxically reduce the recognized improvement value and could even increase the owner's effective tax burden — the opposite of Council's stated intent.

If Council cannot recognize the fairness in granting the applicant a full 100% exemption, it is worth returning to the original purpose of the bylaw. The bylaw was created to identify improvements that should be exempt from taxation. It achieved this by using the Assessed Value of improvements at the time of application as the baseline. Applying that approach to 397 5th Street (The Palace) shows an assessed improvement value of \$1,800,000 at the date of their application.

Such outcomes — where methodology errors or market shifts negate the intended benefit — undermine the very revitalization objectives the bylaw was designed to achieve. Correcting this inconsistency by restoring equitable treatment and aligning the exemption process with the bylaw's purpose would not only resolve Endure's case fairly but also protect future applicants from similar inequities.

8.1. Governance and Administrative Oversight

While Council has clearly articulated its intent to stimulate downtown reinvestment, the current bylaw and the 2025 amendment focus primarily on eligibility rather than implementation. Under the *Community Charter*, Council's duty extends beyond policy adoption to providing staff with clear direction on how to carry out Council's intent.

In this instance, the absence of explicit administrative guidance left staff without a mandate to advise applicants that the exemption application must accompany or precede the building permit. As a result, several qualifying projects—including Palace Place—were disqualified due to timing rather than intent.

Other municipalities have addressed this by embedding staff direction within their bylaws:

- **Prince George Bylaw No. 8370 (2020)** delegates authority to the Director of Finance to establish and maintain procedures and guidance materials for applicants.
- **Mission Bylaw No. 5391 (2013)** fixes clear filing (August 31) and occupancy (December 31) dates, obliging staff to communicate these deadlines to all permit applicants.
- **Terrace Bylaw No. 2329 (2025)** directs the Finance Director to maintain procedural instructions and written notices for eligible property owners.

These examples demonstrate that effective bylaws not only define who qualifies but also guide how staff must inform and assist applicants. Including similar provisions in Courtenay's bylaw would ensure that Council's revitalization objectives are implemented consistently and equitably. (see *Schedule J*)

9. Request to Council

Endure Projects Inc. respectfully requests that Council:

1. **Acknowledge** that Endure's project meets all substantive criteria of Bylaw No. 2937;
2. Recognize that the timing issue resulted from administrative and communication challenges during the pandemic;
3. **Affirm** that Endure acted in good faith and delivered exceptional public benefit, including substantial DCC payments and infrastructure upgrades; and
4. **Direct staff** to develop written administrative procedures and applicant-notification protocols, consistent with best practices in other municipalities, to ensure the bylaw's intent is fully realized. (see **Schedule J**)
5. **Grant a 100 % Downtown Courtenay Revitalization Tax Exemption** for the improvements at 397 5th Street, as if the application had been made on the date of the building permit.
6. **Define start date:**
 1. Where an Occupancy Certificate is issued on or before June 30 of any calendar year, the commencement year for the tax rebate shall be deemed to begin one year after the date of issuance of the Occupancy Certificate.
 2. Where an Occupancy Certificate is issued after June 30, the commencement year for the tax rebate shall be deemed to begin one year after the next calendar year following the date of issuance of the Occupancy Certificate.

10. Conclusion

Had Endure not proceeded in 2019, encouraged by City staff and the Bylaw's promise of revitalization incentives, this project would likely not exist, based on the COVID 19 Pandemic, the subsequent inflationary economy, the increase in interest rates in order to forestall the inflation and, thereafter pressure on sustaining forecasted rent, Courtenay would likely still face a vacant downtown site today.

Instead, the City now benefits from:

- 39 new homes and 4 commercial spaces;
- \$18 million of private investment;
- \$481,125 in Development Cost Charges;
- Upgraded drainage infrastructure at no cost to taxpayers; and
- A significant future tax base once the exemption period ends.

Palace Place embodies the success of Courtenay's revitalization vision.

Granting Endure the full 100 % exemption will uphold fairness, reinforce confidence in the City's development policies, and properly recognize a project that achieved exactly what the Bylaw intended.

Prepared and Submitted by:

Bob Scragg,
on behalf of Endure Projects Inc.

Schedules (Referenced in Text)

- **Schedule A:** 2020 City of Courtenay Property Tax Notice – Improvement Value \$0
- **Schedule B:** Excerpt – Downtown Courtenay Revitalization Tax Exemption Bylaw No. 2937 (2018)
- **Schedule C:** Notes from Architect – Meeting with Staff (June 2019)
- **Schedule D:** City Email Disclaimer – Development Services Staffing Shortage
- **Schedule E:** Building Permit – Palace Place (May 2021)
- **Schedule F:** Correspondence – Dana Beatson (June–October 2023)
- **Schedule G:** Correspondence – Marianne Wade (July 2023)
- **Schedule H:** Letter of Denial – City of Courtenay (December 2023)
- **Schedule I:** Endure Projects Appeal Letter (January 2024)
- **Schedule J:** Bylaw and reference bylaws.
- **Schedule K:** Quantity Survey and change of methodology.



THE CORPORATION OF THE CITY OF COURTENAY
 830 CLIFFE AVE., COURTENAY, BC, V9N 2J7
 Email: finance@courtenay.ca
2020 PROPERTY TAX NOTICE

PHONE 250-334-4441
 FAX 250-334-4241

LOT BLOCK SECTION PLAN
 96 61 311

TAX PENALTY DATE
JULY 2, 2020 4:30 PM
DATE OF POSTMARK IS NOT
PAYMENT DATE

EXCEPT PLAN 67BL, & LOTS 96 & 97 .

SCHEDULE A

PENALTIES
 A 10% penalty will be added to all 2020 taxes including unclaimed N & R Home Owner Grants if not received at payment agency before 4:30 pm on July 2, 2020.

LOCATION 397 5TH ST

** R E P R I N T **

COLLECTOR'S STATEMENT OF
 OUTSTANDING TAXES AS AT: 6/4/2020
 FOLIO NO. / ACCOUNT NO. 000093.000
 MORTGAGE COMPANY

Endure Projects Inc

300 1681 Chestnut St

Vancouver BC V6J 4M6
 CANADA

PIN#

IF OWNERSHIP HAS CHANGED PLEASE FORWARD TO PURCHASER OR RETURN NOTICE TO CITY OF COURTENAY

DESCRIPTION OF TAXABLE VALUES	LAND	IMPROVEMENTS/BUILDINGS	TOTAL TAXABLE VALUE
TAXABLE ASSESSED VALUES GENERAL	\$ 482,000.00	\$ 0.00	\$ 482,000.00
TAXABLE ASSESSED VALUES SCHOOL	\$ 482,000.00	\$ 0.00	\$ 482,000.00
TAXABLE ASSESSED VALUES HOSPITAL	\$ 482,000.00	\$ 0.00	\$ 482,000.00

TAX LEVY DESCRIPTION	CLASS	TAXABLE RATE PER \$1000 VALUE	TAXABLE VALUE	A B C		
				UNDER 65	65 + OR OTHER	NO GRANT
School District 71	6	1.1070	\$ 482,000	\$ 533.57	\$ 533.57	\$ 533.57
Less: Home Owner Grant Basic:				\$ 0.00	\$ 0.00	\$ 0.00
Total School Taxes:				\$ 533.57	\$ 533.57	\$ 533.57
BC Assess. Auth.	6	0.1099	\$ 482,000	\$ 52.97	\$ 52.97	\$ 52.97
DCBIA	6	0.9257	\$ 482,000	\$ 446.19	\$ 446.19	\$ 446.19
General Municipal & Debt	6	9.8282	\$ 482,000	\$ 4,737.19	\$ 4,737.19	\$ 4,737.19
Comox-Strath. Hosp	6	1.3255	\$ 482,000	\$ 638.89	\$ 638.89	\$ 638.89
Van. Isl. Reg. Library	6	0.5494	\$ 482,000	\$ 264.81	\$ 264.81	\$ 264.81
Mun. Fin. Auth.	6	0.0005	\$ 482,000	\$ 0.24	\$ 0.24	\$ 0.24
CV Reg Dist (g)	6	1.4427	\$ 482,000	\$ 695.38	\$ 695.38	\$ 695.38
CV Reg Dist (h)	6	0.8478	\$ 482,000	\$ 408.64	\$ 408.64	\$ 408.64
Less: Home Owner Grant Residual				\$ 0.00	\$ 0.00	\$ 0.00
Sewer Frontage				\$ 7,777.88	\$ 7,777.88	\$ 7,777.88
Water Frontage				\$ 312.32	\$ 312.32	\$ 312.32
				\$ 178.12	\$ 178.12	\$ 178.12

N & R HOME OWNER GRANTS
 Application on reverse must be completed each and every year, and returned to City Hall or completed on our website courtenay.ca/tax, in order to receive N & R Home Owner Grant.

NOTE: FINANCIAL INSTITUTIONS NO LONGER ACCEPT HOME OWNER GRANTS ON COLLECTOR'S BEHALF.

HOW TO PAY (SEE #5, OVER) (PLUS INTEREST AND/OR PENALTY)

CURRENT TAX PAYABLE:	\$ 8,268.32	\$ 8,268.32	\$ 8,268.32
ARREARS:	\$ 0.00	\$ 0.00	\$ 0.00
DELINQUENT:	\$ 0.00	\$ 0.00	\$ 0.00
INTEREST ON ARREARS AND DELINQUENT TO JULY 2, 2020	\$ 0.00	\$ 0.00	\$ 0.00
PREPAYMENT:	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL PAYMENT DUE >:	\$ 8,083.54	\$ 8,083.54	\$ 8,083.54

GRANT CLAIMED	TOTAL PAID	TOTAL OUTSTANDING

CITY OF COURTENAY, 830 CLIFFE AVE.
 COURTENAY, BC, V9N 2J7
 PHONE 250-334-4441 FAX 250-334-4241

DUE DATE: Thursday July 2, 2020
CIVIC ADDRESS: 397 5TH ST
OWNERS: Endure Projects Inc

↑ TEAR HERE ↑

2020 PROPERTY TAX NOTICE
TAX PENALTY DATE JULY 2, 2020 4:30 P.M.

MAILING ADDRESS:

300 1681 Chestnut St
 Vancouver BC V6J 4M6

UNDER 65	OVER 65/OTHER	NO GRANT	000093.000	FOLIO NUMBER
\$ 0.00	\$ 0.00			GRANT CLAIMED
\$ 8,083.54	\$ 8,083.54	\$ 8,083.54		AMOUNT PAID

HOME OWNER GRANT APPLICATION ON REVERSE

Freedom of Information and Protection of Privacy Act (FOIPPA)

The personal information on this form is collected for the purpose of administering the Home Owner Grant Act under the authority of sections 8 (1), (3) and 10 (4) of the HOGA and under sections 26(a) and (c) of the FOIPPA. Questions about the collection, use or disclosure of this information can be directed to the Manager, Home Owner Grant Administration, PO Box 9991 Stn Prov Govt, Victoria, BC V8W 9R7. (Telephone: Victoria 250-387-0555 or toll-free 1-888-355-2700). Email: HOGADMIN@gov.bc.ca



THE CORPORATION OF THE CITY OF COURTENAY
 830 CLIFFE AVE., COURTENAY, BC, V9N 2J7
 Email: finance@courtenay.ca
2023 PROPERTY TAX NOTICE
 PHONE 250-334-4441
 FAX 250-334-4241

LOT BLOCK SECTION PLAN
 A EPP102945

TAX PENALTY DATE
JULY 4, 2023 4:30 PM
DATE OF POSTMARK IS NOT
PAYMENT DATE

Schedule A-1

PENALTIES
 A 10% penalty will be added to all 2023 taxes including unclaimed Home Owner Grants if not received by the Province of BC before 4:30 pm on July 4, 2023.

LOCATION 397 5th ST

Endure Projects Inc
 300 1681 Chestnut St
 Vancouver BC V6J 4M6
 CANADA

COLLECTOR'S STATEMENT OF OUTSTANDING TAXES AS AT: 5/11/2023

JURISDICTION 204
ROLL NO. / ACCOUNT NO. 000093.001
MORTGAGE COMPANY

IF OWNERSHIP HAS CHANGED PLEASE FORWARD TO PURCHASER OR RETURN NOTICE TO CITY OF COURTENAY

DESCRIPTION OF TAXABLE VALUES	LAND	IMPROVEMENTS/BUILDINGS	TOTAL TAXABLE VALUE
TAXABLE ASSESSED VALUES GENERAL	\$ 967,000.00	\$ 1,849,000.00	\$ 2,816,000.00
TAXABLE ASSESSED VALUES SCHOOL	\$ 967,000.00	\$ 1,849,000.00	\$ 2,816,000.00
TAXABLE ASSESSED VALUES HOSPITAL	\$ 967,000.00	\$ 1,849,000.00	\$ 2,816,000.00

TAX LEVY DESCRIPTION	CLASS	TAXABLE RATE PER \$1000 VALUE	TAXABLE VALUE	REG GRANT UNDER 65			ADD'L GRANT 65+			NO GRANT		
				A	B	C	A	B	C	A	B	C
School District 71	1	1.2177	\$ 2,167,000	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	\$ 2,638.76	
School District 71	6	3.3300	\$ 649,000	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	\$ 2,161.17	
Less: Home Owner Grant Basic:				(\$ 560.00)	(\$ 835.00)	(\$ 835.00)	(\$ 835.00)	(\$ 835.00)	(\$ 835.00)	(\$ 835.00)	(\$ 835.00)	
Total School Taxes:				\$ 4,239.93	\$ 3,964.93	\$ 3,964.93	\$ 3,964.93	\$ 3,964.93	\$ 3,964.93	\$ 3,964.93	\$ 3,964.93	
BC Assess. Auth.	1	0.0336	\$ 2,167,000	\$ 72.81	\$ 72.81	\$ 72.81	\$ 72.81	\$ 72.81	\$ 72.81	\$ 72.81	\$ 72.81	
BC Assess. Auth.	6	0.0964	\$ 649,000	\$ 62.56	\$ 62.56	\$ 62.56	\$ 62.56	\$ 62.56	\$ 62.56	\$ 62.56	\$ 62.56	
DCBIA	6	0.7691	\$ 649,000	\$ 499.15	\$ 499.15	\$ 499.15	\$ 499.15	\$ 499.15	\$ 499.15	\$ 499.15	\$ 499.15	
General Municipal & Debt	1	2.3329	\$ 2,167,000	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	\$ 5,055.39	
General Municipal & Debt	6	10.4481	\$ 649,000	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	\$ 6,780.82	
Comox-Strath. Hosp	1	0.2609	\$ 2,167,000	\$ 565.37	\$ 565.37	\$ 565.37	\$ 565.37	\$ 565.37	\$ 565.37	\$ 565.37	\$ 565.37	
Comox-Strath. Hosp	6	0.6393	\$ 649,000	\$ 414.91	\$ 414.91	\$ 414.91	\$ 414.91	\$ 414.91	\$ 414.91	\$ 414.91	\$ 414.91	
Van. Isl. Reg. Library	1	0.1195	\$ 2,167,000	\$ 258.96	\$ 258.96	\$ 258.96	\$ 258.96	\$ 258.96	\$ 258.96	\$ 258.96	\$ 258.96	
Van. Isl. Reg. Library	6	0.5355	\$ 649,000	\$ 347.54	\$ 347.54	\$ 347.54	\$ 347.54	\$ 347.54	\$ 347.54	\$ 347.54	\$ 347.54	
Mun. Fin. Auth.	1	0.0002	\$ 2,167,000	\$ 0.43	\$ 0.43	\$ 0.43	\$ 0.43	\$ 0.43	\$ 0.43	\$ 0.43	\$ 0.43	
Mun. Fin. Auth.	6	0.0005	\$ 649,000	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	\$ 0.32	
CV Reg Dist (g)	1	0.2752	\$ 2,167,000	\$ 596.36	\$ 596.36	\$ 596.36	\$ 596.36	\$ 596.36	\$ 596.36	\$ 596.36	\$ 596.36	
CV Reg Dist (g)	6	1.2331	\$ 649,000	\$ 800.28	\$ 800.28	\$ 800.28	\$ 800.28	\$ 800.28	\$ 800.28	\$ 800.28	\$ 800.28	
CV Reg Dist (h)	1	0.3003	\$ 2,167,000	\$ 650.75	\$ 650.75	\$ 650.75	\$ 650.75	\$ 650.75	\$ 650.75	\$ 650.75	\$ 650.75	
CV Reg Dist (h)	6	0.7357	\$ 649,000	\$ 477.47	\$ 477.47	\$ 477.47	\$ 477.47	\$ 477.47	\$ 477.47	\$ 477.47	\$ 477.47	
Less: Home Owner Grant Residual				\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
Sewer Frontage				\$ 20,823.05	\$ 20,548.05	\$ 20,548.05	\$ 20,548.05	\$ 20,548.05	\$ 20,548.05	\$ 20,548.05	\$ 20,548.05	
Water Frontage				\$ 312.32	\$ 312.32	\$ 312.32	\$ 312.32	\$ 312.32	\$ 312.32	\$ 312.32	\$ 312.32	
				\$ 178.12	\$ 178.12	\$ 178.12	\$ 178.12	\$ 178.12	\$ 178.12	\$ 178.12	\$ 178.12	

HOME OWNER GRANTS

Applications must be completed online with the Province of British Columbia at gov.bc.ca/homeownergrant or by phone at 1-888-355-2700.

NOTE: Municipalities and financial institutions no longer accept Home Owner Grants on behalf of the Province of British Columbia.

HOW TO PAY (SEE #5, OVER)

(PLUS INTEREST AND/OR PENALTY)

TOTAL PAID	TOTAL OUTSTANDING

CURRENT TAX PAYABLE:	\$ 21,313.49	\$ 21,038.49	\$ 21,873.49
ARREARS:	\$ 0.00	\$ 0.00	\$ 0.00
DELINQUENT:	\$ 0.00	\$ 0.00	\$ 0.00
INTEREST ON ARREARS AND DELINQUENT TO JULY 4, 2023	\$ 0.00	\$ 0.00	\$ 0.00
PREPAYMENT:	\$ 0.00	\$ 0.00	\$ 0.00
TOTAL PAYMENT DUE >:	\$ 21,313.49	\$ 21,038.49	\$ 21,873.49



CITY OF COURTENAY, 830 CLIFFE AVE.
 COURTENAY, BC, V9N 2J7
 PHONE 250-334-4441 FAX 250-334-4241

DUE DATE: Tuesday, July 4, 2023
CIVIC ADDRESS: 397 5th ST
OWNERS: Endure Projects Inc

↑ TEAR HERE

2023 PROPERTY TAX NOTICE
TAX PENALTY DATE JULY 4, 2023 4:30 P.M.

MAILING ADDRESS:

300 1681 Chestnut St
 Vancouver BC V6J 4M6

REG GRANT UNDER 65	ADD'L GRANT 65+	NO GRANT	000093.001	FOLIO NUMBER
\$ 21,313.49	\$ 21,038.49	\$ 21,873.49		AMOUNT PAID



THE CORPORATION OF THE CITY OF COURTENAY
 830 CLIFFE AVE., COURTENAY, BC, V9N 2J7 PHONE 250-334-4441
 Email: finance@courtenay.ca FAX 250-334-4241
2025 PROPERTY TAX NOTICE

TAX PENALTY DATE
JULY 2, 2025 4:30 PM
DATE OF POSTMARK IS NOT
PAYMENT DATE

LOT BLOCK SECTION PLAN
 A EPP102945

PENALTIES

A 10% penalty will be added to all 2025 taxes including unclaimed Home Owner Grants if not received by the Province of BC before **4:30 pm on July 2, 2025.**

LOCATION 397 5TH ST

COLLECTOR'S STATEMENT OF OUTSTANDING TAXES AS AT: 04/28/2025

Endure Projects Inc

JURISDICTION 204

Schedule A-2

ROLL NO. / ACCOUNT NO.

00093.001

MORTGAGE

268 Buller Rd

Qualicum Beach BC V9K 2B3 CANADA

IF OWNERSHIP HAS CHANGED PLEASE FORWARD TO PURCHASER OR RETURN NOTICE TO CITY OF COURTENAY

DESCRIPTION OF TAXABLE VALUES			LAND	IMPROVEMENTS	TOTAL TAXABLE VALUE	
TAXABLE ASSESSED VALUES GENERAL			\$990,000.00	\$12,463,000.00	\$13,453,000.00	
TAXABLE ASSESSED VALUES SCHOOL			\$990,000.00	\$13,509,000.00	\$14,499,000.00	
TAXABLE ASSESSED VALUES HOSPITAL			\$990,000.00	\$13,509,000.00	\$14,499,000.00	
TAX LEVY DESCRIPTION	CLASS	TAXABLE RATE PER \$1000 VALUE	TAXABLE VALUE	A REG GRANT UNDER 65	B ADD'L GRANT 65+	C NO GRANT
School District 71	1	1.2925	\$12,178,000	\$15,740.07	\$15,740.07	\$15,740.07
School District 71	6	3.5600	\$2,321,000	\$8,262.76	\$8,262.76	\$8,262.76
Less Home Owner Grant:				\$0.00	\$0.00	
Total School Taxes:				\$24,002.83	\$24,002.83	\$24,002.83
BC Assess. Auth.	1	0.0357	\$12,178,000	\$434.75	\$434.75	\$434.75
BC Assess. Auth.	6	0.1009	\$2,321,000	\$234.19	\$234.19	\$234.19
Comox-Strath. Hosp	1	0.2522	\$12,178,000	\$3,071.29	\$3,071.29	\$3,071.29
Comox-Strath. Hosp	6	0.6179	\$2,321,000	\$1,434.15	\$1,434.15	\$1,434.15
CV Reg Dist (g)	1	0.3379	\$12,178,000	\$4,114.95	\$4,114.95	\$4,114.95
CV Reg Dist (g)	6	1.4226	\$2,321,000	\$3,301.85	\$3,301.85	\$3,301.85
CV Reg Dist (h)	1	0.3833	\$12,178,000	\$4,667.83	\$4,667.83	\$4,667.83
CV Reg Dist (h)	6	0.9390	\$2,321,000	\$2,179.42	\$2,179.42	\$2,179.42
DCBIA	6	1.6097	\$2,321,000	\$3,736.11	\$3,736.11	\$3,736.11
General Municipal Tax	1	2.7031	\$11,373,000	\$30,742.36	\$30,742.36	\$30,742.36
General Municipal Tax	6	11.3782	\$2,080,000	\$23,666.66	\$23,666.66	\$23,666.66
Mun. Fin. Auth.	1	0.0002	\$12,178,000	\$2.44	\$2.44	\$2.44
Mun. Fin. Auth.	6	0.0005	\$2,321,000	\$1.16	\$1.16	\$1.16
Van. Isl. Reg. Library	1	0.1482	\$12,178,000	\$1,804.78	\$1,804.78	\$1,804.78
Van. Isl. Reg. Library	6	0.6239	\$2,321,000	\$1,448.07	\$1,448.07	\$1,448.07
Sewer Frontage				\$381.25	\$381.25	\$381.25
Water Frontage				\$218.69	\$218.69	\$218.69
Less Home Owner Grant Residual:				\$0.00	\$0.00	
Subtotal: (TOTAL PAYMENT DUE BELOW)				\$105,442.78	\$105,442.78	\$105,442.78

If you are deferring your property taxes, no user fees will be owed for this property.

If you owe an amount in column A or B, or are deferring your taxes, you must claim your Home Owner Grant by the due date to avoid penalty.
SUBMIT YOUR HOME OWNER GRANT DIRECTLY TO THE PROVINCE AT
 gov.bc.ca/homeownergrant or 1-888-355-2700

CURRENT TAX PAYABLE:	\$105,442.78	\$105,442.78	\$105,442.78
ARREARS:	\$0.00	\$0.00	\$0.00
DELINQUENT:	\$0.00	\$0.00	\$0.00
INTEREST TO JULY 2, 2025:	\$0.00	\$0.00	\$0.00
PREPAYMENT:	\$0.00	\$0.00	\$0.00
TOTAL PAYMENT DUE:	\$105,442.78	\$105,442.78	\$105,442.78
REMEMBER TO CLAIM YOUR GRANT	REG GRANT UNDER 65	ADD'L GRANT 65+	NO GRANT

JURISDICTION 204	HOME OWNER GRANT ROLL NUMBER 00093.001
---------------------	---

SCHEDULE B

THE CORPORATION OF THE CITY OF COURTENAY - BYLAW NO.2937
Downtown Courtenay Revitalization Tax Exemption Bylaw

2. Definitions

2.1.

“Revitalization Amount” means the municipal portion of property tax calculated in relation to the increase in the assessed value of improvements on the property resulting from the construction or alterations of a project; **“Revitalization Amount”** means the municipal portion of property tax calculated in relation to the increase in the assessed value of improvements on the property resulting from the construction or alterations of a project;

3. DOWNTOWN REVITALIZATION TAX EXEMPTION PROGRAM

Section 3.3

The downtown revitalization tax exemption program is established under this Bylaw in order to promote the revitalization of Downtown Courtenay through:

- a) The development and redevelopment of buildings used for residential purposes to increase the population density in downtown Courtenay to support commercial success;
- b) The development and redevelopment of commercial buildings to create a vibrant downtown that attracts new investment opportunities and supports increased residential viability;
- c) To reinforce and strengthen downtown Courtenay as the commercial heart of the Comox Valley.

Section 3.4

The revitalization tax exemption program is intended to accomplish the objectives referred to in Section 3.3 by providing Owners with an economic incentive in the form of a tax exemption to undertake the development of new improvements.

4. ELIGIBILITY CRITERIA

4.1 In order for a *project* to be considered by Council for a *Tax Exemption* it must meet the following criteria:

- a) For commercial *projects*, the *project* must involve construction that results in floor space being added to an existing building or in a new building being constructed on the *property*;
- b) The construction value for commercial projects, as determined based on the building permit(s) issued, must be \$200,000.00 or greater;
- c) Residential projects in Downtown Revitalization Area 2 must include four (4) residential units or more;
- d) the land use into which the project is intended to fit must be one of the uses permitted in the applicable zone for the property, as set out in City of Courtenay Zoning Bylaw 2500, 2007, as amended from time to time, and the project must meet all other applicable City policies and bylaws;

SCHEDULE B

THE CORPORATION OF THE CITY OF COURTENAY - BYLAW NO.2937 Downtown Courtenay Revitalization Tax Exemption Bylaw

- e) the owner of the *property* must enter into an Agreement with the City;
- f) the property must be located in one of the Revitalization Areas shown on Schedule "A" attached hereto and forming part of the Bylaw;
- g) Any construction of a project undertaken prior to the application for a Revitalization Tax Exemption will not be eligible for consideration;
- h) Properties currently receiving a municipal tax exemption shall not be considered by Council for a Tax Exemption.
- i) Projects involving properties with any unpaid property taxes in arrears shall not be considered by Council for a Tax Exemption.
- j) The maximum Revitalization Tax Exemption authorized under this Bylaw must not exceed the increase in the *assessed value* of the improvements on the property between;
 - I. The calendar year before the *project* began; and
 - II. The calendar year in which the *project* is completed.

Schedule B-1

Purpose of the Amendment

Bylaw No. 2937, 2018 is hereby amended to clarify eligibility requirements related to the commencement of construction, to ensure that the intent of Council at the time of adoption is accurately reflected, and to remove unintended barriers for developments that satisfy the objectives of the revitalization program.

Possible Bylaw Text Amendments

1. Section __ (Eligibility Requirements), subsection "Construction Start Requirement" is deleted and replaced with the following:

Construction of the revitalization project must not have substantially commenced prior to the date on which this Bylaw received final reading, being September 4, 2018.

For greater certainty, projects for which a Building Permit was issued prior to September 4, 2018 are not eligible for a tax exemption under this Bylaw.

Commencement of construction after the issuance of a Building Permit on or after September 4, 2018 shall not disqualify an otherwise eligible project from receiving a tax exemption.

2. Replace any cross-references or definitions inconsistent with the above revision.

A possible additional amendment might be considered to insure the goals of council are met.

New Section – Administrative Procedures for Applicant Notification

Administrative Procedures

1. The Director of Development Services and Director of Finance are hereby directed to establish and maintain administrative procedures to ensure that owners of properties undertaking development within the Downtown Revitalization Area are made aware of the availability, eligibility requirements, and application timelines for the Downtown Courtenay Revitalization Tax Exemption Program.
2. Such procedures must include, at minimum:

- a) provision of written information regarding the tax exemption program at the time of building permit application and/or development permit issuance;
 - b) implementation of an internal referral process between Development Services and Finance to identify potentially eligible projects as early as practicable;
 - c) maintenance of a publicly accessible information resource outlining eligibility requirements, deadlines, and application steps; and
 - d) reasonable efforts to notify applicants of upcoming deadlines or missing materials where eligibility may be affected.
3. The purpose of these procedures is to ensure timely applicant awareness, support fair and consistent administration of the program, and prevent inadvertent loss of eligibility due to lack of notice.
 4. Nothing in this section obligates the City to guarantee eligibility, nor does it limit Council's discretion with respect to any application for tax exemption.

SCHEDULE C

Bob Scragg

From: Martin Hagarty <martin@mharchitects.ca>
Sent: June 26, 2019 1:13 PM
To: Guy Champagne; Brian Moran
Cc: stonegrilljkchan; Maris MacDonald; Ian Buck; mfitzgerald@courtenay.ca
Subject: June 29 19 Palace meeting notes with City Planning

Hi guys,

Following are my notes from our Palace planning meeting with Courtenay planning department on June 20/19.

Sorry for the delay - [REDACTED] on Monday and Tuesday.

If I missed anything or got stuff wrong - please let me know.

Project: proposed mixed use Building at site of old Palace Theatre at Fitzgerald and 5th Streets, Courtenay, BC

Attendees

Martin Hagarty, MHA
Maris MacDonald, MHA
Brian Moran, Developer
Ian Buck, Director of Development Services, City of Courtenay
Matthew Fitzgerald, Planning Supervisor

Discussion

Building Size

Developer looking for higher density and height.

City wants the site redeveloped. City Planning and council would look favourably on a 5 storey building [one floor of commercial and 4 floors of residential]. Quality Design Rationale for the project is important.

City would not require rezoning for five stories.

Instead a Development Permit Variance [DPV] would be required for extra height. Public meeting would be required.

Building Use

City wants more residential in Downtown and is a priority in the OCP.

Hotel use and holiday rentals are permitted under current C-1 zoning.

OCP is being upgraded and expected completion is 2020. New OCP will favour downtown housing.

Building Design

First floor needs to fit in with the existing streetscape and City would like a well designed public corner at 5th and England

SCHEDULE C

Heritage would not be an issue for bigger building.
Building entry space and design could reference old Theatre.

Parking

Current highest density design is 58 residential units and there is only parking for 33 units.
commercial uses does not require parking.
Hotel use does not require parking.
City would consider a variance on parking with a convincing narrative/ design brief [e.g. for live/work units] or parking study. Parking can be off-site.
Off-site parking currently does not help the project. The building program will determine the necessary on-site parking.
City does have parking issues and and no additional public parking is planned in Downtown.

Services

Check with City engineering Dept for what's in place.
Service assessment is required to move forward.
Water Modelling is required; done by City consultant, Urban Systems.

Development Cost Charges [DCCs] and Tax relief

DCC charges are as per city bylaw.
Water and sewer rates in DCCs are determined by CVRD.
Tax exemption bylaw provides 100% tax relief for improvements for 5 years at this site.
There is additional credits if there is affordable housing in the project. Housing agreement is required.
Relief is 10% of DCCs per unit, minimum one unit.
Developer not planning to provide any affordable housing at this time.

Sustainability

City planning to go to Step Three of BC Energy Step code

Schedule

City will prioritize this kind of project in downtown.
Initial Review: 2 weeks for planning review to referral agencies; 4 weeks to get comments back from referral agencies.
DPV approval: 4-6 months

Martin Hagarty
Architect AIBC

MacDonald Hagarty Architects Ltd.
UNIT E -1822 Comox Ave.
Comox BC,
V9M 3M7
C 250.218.0452
Martin@MHArchitects.ca

Schedule C-1



MacDonald Hagarty Architects Ltd.
1822 Comox Ave. Unit E
Comox BC
V9M 3M7

PALACE PLACE - DOWNTOWN REVITALIZATION TAX EXEMPTION

Monday, December 1, 2025

Dear Mayor and Council,

On behalf of our team, I would like to extend our sincere thanks for your willingness to reconsider the application of the Downtown Revitalization Tax Exemption for Palace Place. We greatly appreciate the time and attention you have given this matter, and your understanding of the project's history and context.

At the time of the original Building Permit application, the tax exemption was not referenced in the submission materials. The program had only been discussed during early planning stages, including a meeting with Planning staff on June 29, 2019, where the newly adopted tax exemption was mentioned. Beyond that early conversation, there was no further guidance provided regarding when an application should be submitted or how time sensitive the program requirements were. When the owners eventually applied prior to occupancy, it was at that point discovered that the tax exemption application must be submitted before the original Building Permit application. Since that time, City staff, particularly within the Buildings division, have established a clear and consistent process for informing applicants and property owners about the tax exemption program and its application timelines. This improvement has been very helpful for the development community, and we wish to acknowledge the positive effort and clarity staff now provide, however, we wish that the owners had the same guidance by staff during their initial applications.

We also want to highlight how meaningful this exemption is in enabling projects like Palace Place to proceed in the downtown core. Revitalization initiatives carry significant upfront financial challenges, especially when redeveloping constrained urban infill sites or renewing aging properties. The tax exemption provides an important incentive that helps close the viability gap, making high-quality, mixed-use and residential densification projects achievable. Programs like this are instrumental in encouraging private investment, supporting local businesses, strengthening housing supply, and contributing to the long-term vibrancy and resilience of Courtenay's downtown.

We are grateful for Council's thoughtful reconsideration and for your ongoing commitment to fostering a strong, livable, and economically resilient city centre. Palace Place represents a substantial investment in the future of downtown Courtenay, and your openness to re-examining this request is deeply appreciated.

Thank you once again for your time, support, and continued collaboration.

Sincerely,

Maris MacDonald
Principal Architect, AIBC, MRAIC, CP
MacDonald Hagarty Architects Ltd.

SCHEDULE D

City of Courtenay Email Disclaimer

The City of Courtenay wishes to advise residents and businesses who work with our Development Services Branches that we are experiencing a significant but temporary shortage of professional staff. We want to reassure users of these services that we are working to fill these roles with skilled people and resume a high level of prompt service; in the meantime there may be some additional time taken to respond to and process various applications and we apologize for any inconvenience.



City of Courtenay
DEVELOPMENT SERVICES DEPARTMENT
 830 Cliffe Ave, Courtenay, BC V9N 2J7
 Phone: (250) 703-4862 • Fax: (250) 334-4241

SCHEDULE E

Folder Number: BP014943
 Application Date: May 13, 2021

Issue Date:

RESIDENTIAL - MFD-NEW

Address: 397 5TH ST Folio: 000093.001
 Legal: LT A SEC 61 CMX PL EPP102945 Zoning:
 Description: CONSTRUCT FOUR STOREY MIXED USE BUILDING WITH ONE STOREY OF UNDERGROUND
 PARKING, 4 CRU'S AND 39 RESIDENTIAL UNITS.

COMMERCIAL AREA: 7661 sq.ft.
 RESIDENTIAL AREA: 24 969 sq.ft

ZONING IS C-1

BYLAW 3001

Owner: ENDURE PROJECTS INC 300-1681 CHESTNUT ST VANCOUVER BC V6J 4M6

<u>Description</u>	<u>Quantity</u>	<u>Amount</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
Bp-discount	0.00	-500.00	Permit Fee	10,318,000.00	77,385.00
Plum-perm-fp	14.00	140.00	Plumb-fee	292.00	2,336.00
Plumb-sprink	519.00	259.50	Title	1.00	12.00
Wip-dev-eng	1.00	1,600.00	Dev-eng-sec	1.00	120,838.00
P. Bond	0.00	2,500.00	Dcc Fee	1.00	480,784.96
			Total:		\$685,355.46

Special Conditions

- * THE BUILDER/OWNER MUST ENSURE THAT THE FINAL ELEVATIONS OF THE PROPERTY ARE GRADED AS PER THE LOT GRADING PLAN. IF THE DEVELOPER WISHES TO CHANGE THE DESIGN GRADING ELEVATIONS, THEN THEY ARE REQUIRED TO CONTACT THE SUBDIVISION'S ENGINEER OF RECORD AND HAVE A SEALED PLAN PROVIDED TO THE CITY CONFIRMING THAT THE OVERLAND STORM DRAINAGE WILL NOT INTERFERE WITH THE INTENT OF THE LOT GRADING PLAN AND THE FLOOD ROUTING WILL NOT ADVERSELY AFFECT ADJACENT PROPERTIES AND THE PUBLIC ROW.
- * BUILDER OR OWNER TO REQUEST ADDRESS CHANGES FOR SECONDARY SUITES OR MULTI-FAMILY DEVELOPMENTS, IF REQUIRED, PRIOR TO OCCUPANCY. CITY WILL NOTIFY CANADA POST AND UTILITY COMPANIES OF ADDRESS CHANGE. PROVIDE MINIMUM 4 (FOUR) WEEKS NOTICE TO THE CITY IN ORDER TO ALLOW TIME FOR CANADA POST AND THE UTILITY COMPANIES TO UPDATE THEIR INFORMATION FOLLOWING NOTIFICATION.
- * THE CITY OF COURTENAY ACCEPTS NO RESPONSIBILITY FOR THE ACCURACY AND VALIDITY OF THE INFORMATION SHOWN OR THE SERVICE RECORD COPIES SUPPLIED THROUGH THIS OFFICE. ALL INFORMATION SHOULD BE SITE-VERIFIED.
- * THIRD PARTY UTILITY DRAWINGS AND A CIVIL UTILITY COORDINATION PLAN ARE TO BE PROVIDED TO THE CITY PRIOR TO OCCUPANCY.
- * ENGINEERING REPORTS MUST BE SUBMITTED PRIOR TO SERVICES INSPECTION.
- * ALL CONSTRUCTION TO BE IN COMPLIANCE WITH THE CURRENT EDITION OF THE BC BUILDING CODE AND THE CITY OF COURTENAY BUILDING BYLAW NO. 3001, 2020.
- * ALL CONTRACTORS EMPLOYED ON THIS PROJECT MUST HAVE A VALID CITY OF COURTENAY BUSINESS LICENCE.
- * Prior to Occupancy, Record Drawing Requirements per the City of Courtenay Engineering Drawing Specifications are to be provided to the City's Development Services Department.
- * Provide confirmation from Canada Post regarding confirmation of mail delivery requirements and provide confirmation to the City that this has been completed prior to Occupancy.



City of Courtenay
DEVELOPMENT SERVICES DEPARTMENT
830 Cliffe Ave, Courtenay, BC V9N 2J7
Phone: (250) 703-4862 • Fax: (250) 334-4241

SCHEDULE E

Folder Number: BP014943
Application Date: May 13, 2021

Issue Date:

RESIDENTIAL - MFD-NEW

- * PROVIDE THIS OFFICE WITH YOUR CIVIC ADDRESS AND BUILDING PERMIT NUMBER WHEN REQUESTING THE REQUIRED INSPECTIONS. INSPECTIONS CAN BE BOOKED BY EMAILING inspections@courtenay.ca
- * To be in compliance with Development Permit No. 2013
- * ANY CHANGES TO THE REVIEWED PLANS MUST BE APPROVED PRIOR TO PROCEEDING.
- * THE PERMIT FEE HAS BEEN REDUCED PURSUANT TO BUILDING BYLAW NO. 3001, 2020. S.10.8
- * MONITORING INSPECTIONS FROM THE PROJECT'S REGISTERED PROFESSIONALS ARE REQUIRED THROUGHOUT PROJECT

- * CONTRACTOR/HOMEOWNER WILL NOT CAUSE ANY DEBRIS TO COLLECT ON CITY STREETS OR SIDEWALKS (DIRT FROM EXCAVATION EQUIPMENT) SWEEP DEBRIS OFF ROADS IMMEDIATELY. INSTALL SILT FILTERS IN ALL DOWNSTREAM CATCH BASINS AND PLACE BIO BAGS AROUND OPENING. INSPECT WEEKLY AND AFTER STORM EVENTS. PROVIDE SILT FENCE ALONG DOWNSLOPE PROPERTY LINE AS REQUIRED TO CONTROL RUNOFF FROM SITE.

--	--	--

Name

Signature

Date

SCHEDULE F

From: Beatson, Dana <dbeatson@courtenay.ca>
Sent: October 4, 2023 9:10 AM
To: Guy champagne <guy@endureprojects.com>
Subject: RE: 397 5th Street RTE Application

Good morning Guy, I am just back in the office as of yesterday. I will review your submissions this afternoon, we did receive the cheque and application and opened the link quickly and see the documents in the link, will confirm the application is complete later today or first thing tomorrow.

Kind Regards,

Dana

From: Guy champagne <guy@endureprojects.com>
Sent: Wednesday, October 4, 2023 8:59 AM
To: Beatson, Dana <dbeatson@courtenay.ca>
Cc: Gothard, Nancy <ngotheid@courtenay.ca>
Subject: Re: 397 5th Street RTE Application

Hello Dana:

I can't recall if I let you know that we have mailed the application form and fee, and I have uploaded all required documents (I think) to the link provided.

Please let me know if you require anything else.

Guy

Guy Champagne
[REDACTED]

Sent from my iPhone

On Jun 30, 2023, at 1:41 PM, Beatson, Dana <dbeatson@courtenay.ca> wrote:

Good afternoon Guy, please find the information required for making the RTE application for the property located at 397 5th Street

Application: <https://www.courtenay.ca/assets/Departments/Development~Services/RevTaxExempt-AppFillableForm.pdf>

Fee: \$200.00

SCHEDULE F

Bylaw:

<https://www.courtenay.ca/assets/City~Hall/Bylaws/Land~Use/2937%20Downtown%20Courtenay%20Revitalization%20Tax%20Exemption%20July%202018%201.pdf>

Required Submissions:

<image002.jpg>

Link to upload submissions: <https://cityofcourtenay.ca/index.php/s/rPf2qrRRfz34XA>

With regards to the housing agreement under 483 of the LGA, if interested in perusing this please reach out to Nancy Gothard (Manager) and /or Marianne Wade (Director) in my absence if needed. I am happy to hear about a housing agreement with the City as a potential possibility.

mwade@courtenay.ca

ngothard@courtenay.ca

Have a great weekend.

Regards,

Dana Beatson, RPP, MCIP

Planner – Policy

City of Courtenay

Tel. 250-334-4441

dbeatson@courtenay.ca |

<http://www.courtenay.ca/EN/main/departments/development-services.html>

The City of Courtenay wishes to advise residents and businesses who work with our Development Services Branches that we are experiencing a significant but temporary shortage of professional staff. We want to reassure users of these services that we are working to fill these roles with skilled people and resume a high level of prompt service; in the meantime there may be some additional time taken to respond to and process various applications and we apologize for any inconvenience.

SCHEDULE G

Begin forwarded message:

From: "Wade, Marianne" <mwade@courtenay.ca>
Date: July 28, 2023 at 10:55:08 AM PDT
To: Guy champagne <guy@endureprojects.com>
Cc: "Beatson, Dana" <dbeatson@courtenay.ca>
Subject: Re: Potential to enter a housing agreement

Hi Guy
Probably best to setup a meeting to discuss your objectives.
Please advise on availability and Dana can coordinate
Thanks
Marianne

Sent from my iPhone
Marianne Wade MCIP RPP
Director of Development Services

On Jul 28, 2023, at 12:28 PM, Guy champagne <guy@endureprojects.com> wrote:

Hello:

I am one of the owners of The Palace Place development at the corner of 5th and England in downtown Courtenay. The development includes 39 residential rental units.

Some of the units in our building will likely be designated affordable, subject to a CMHC financing arrangement we are considering. I am interested in learning what a 'housing agreement' with the City of Courtenay would look like ... and wondered if you could please send me the parameters to review.

Thank you for your help, and best regards,

Guy

Guy Champagne
Endure Projects Inc.
[REDACTED]

SCHEDULE H



**City of
Courtenay**

830 Cliffe Avenue Courtenay, B.C. V9N 2J7
Phone: 250-334-4441 | Email: info@courtenay.ca
courtenay.ca

December 22, 2023

File No. 1960-20-2301

ENDURE PROJECTS
300-1681 CHESTNUT STREET
VANCOUVER BC
V6J 4M6

Dear Guy Champagne

Downtown Revitalization Tax Exemption Application - 397 5th Street

Thank you for your application for a Downtown Revitalization Tax Exemption application (RTE) made to the City dated October 3rd, 2023.

City staff has completed a detailed review the application and supporting documentation for the Palace Place Project including the eligibility criteria for the exemption. We regret to inform you the project is not eligible for the exemption because of how "project" is defined in Section 2.1 of the bylaw and the eligibility criteria listed in Section 4.1(g).

City records indicate the building permit was issued in October 2021. Because the permit was issued in 2021 and construction began, the project had commenced prior to your RTE application being made in October 2023, making the project ineligible.

We encourage you to review the specific eligibility criteria in Bylaw No. 2937 which has been attached to this letter for your reference.

The file has now been closed. A refund is not available.

We sincerely appreciate your interest in the Downtown Revitalization Tax Exemption program. If you have any questions or would like further clarification, please feel to contact the City Planning Division at planning@courtenay.ca or visit our office at 830 Cliffe Avenue between the hours of 8:30 am to 4:30 pm Monday through Friday, excluding statutory holidays.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dana Beatson'.

Dana Beatson, RPP, MCIP
Planner - Policy | Development Services
City of Courtenay

SCHEDULE I



January 16, 2024

File No. 1960-20-2301

City of Courtenay
830 Cliffe Avenue
Courtenay, BC
V9N 2J7

by E-mail

Attn: Dana Beatson, Planner, Policy, Development Services

Dear Dana Beatson:

I write this letter as an appeal to the City of Courtenay to help correct an error that was as much of an oversight by the City as by the developers of the Palace Place residential commercial building under construction at the corner of 5th Street and England Avenue in downtown Courtenay.

Courtenay has committed to revitalizing its downtown core. In support of that commitment, the City established the Downtown Revitalization Tax Exemption Program in 2018.

As many are aware Palace Place is the largest and most prominent development project to be undertaken in the downtown core in many years. It aligns extremely well with the Courtenay City Council revitalization objectives by providing modern well-appointed residential accommodation and commercial units that will draw many residents and new businesses to the City Centre. Its contribution to revitalizing the downtown core is undisputed.

As owners of the Palace Place development, Endure Projects and its representatives began discussions with City planning personnel about development and building permit application requirements shortly after acquiring the former Palace theatre property at 5th and England. During our first meeting with City personnel on June 20th 2019 we were enthusiastically told by City planning officials that our project met the Eligibility Requirements for the Revitalization Tax Credit. The City officials in attendance at that meeting were Ian Buck, Director of Planning and Matthew Fitzgerald, Planning Supervisor who at the time informed us that the Revitalization Tax Credit program was a relatively new initiative by the City. It was agreed that the City would guide and lead us through all aspects of the Development and Building Permit process, including whatever would need to be done to secure the revitalization tax credit.

I was informed of the Bylaw and the Application Form on June 30th 2023, when I inquired about

SCHEDULE I

the status of the tax credit on our project as we were anticipating its completion in Spring 2024. **At that time I reviewed the Eligibility Criteria detailed in Section 4 of the Bylaw and was reassured that we clearly met the policy objectives of the Program.** I did not understand the importance to eligibility of the Definitions or Application Process sections of the bylaw, as these are normally considered ancillary to policy objectives and assumed to support them.

As developers, Palace Place was our first project. We are a group of retired individuals who came together and genuinely desired to make a tangible contribution to keeping downtown Courtenay a thriving, relevant and vibrant Vancouver Island small city. We invested heavily and with good intentions and believed that our project would qualify and be granted the exemption as a matter of course because of its location and because it met the City revitalization objectives so well. As the construction and interest costs associated with our project escalated and we became saddled with the costs of repairing old and sub-par city infrastructure, we carried on regardless and took comfort in the prospect of our tax abatement offsetting some of these escalations to partially protect the financial viability of our project. **Under the circumstances, we feel that the decision made by the City to deny a tax exemption for our project is discouraging and unfair.**

I was sent a link to the Revitalization Tax Credit bylaw and application procedure on June 30th 2023 pursuant to my inquiry. This was after a brief conversation with the planning department during which I was candid about our project and the fact that construction was well underway. I also expressed interest in the possibility of entering into a Housing Agreement with the City when the potential for an exemption potentially lasting 10 years was mentioned. **During that conversation we were not advised that our project would be considered ineligible and that our request would be rejected because we had not completed a form at the same time as our Building Permit application was submitted.**

During my professional career I spent many years involved with the development of both public and corporate policies and the related procedures aimed at furthering the objectives of the stakeholders being served. We often had to be reminded that **administrative procedures and their related forms are always intended to help successfully implement policy initiatives and cannot operate to prevent or impair their successful implementation.** Further, in most procedural contexts the purpose of dates affixed to letters and application documents is to maintain chronology and ensure that the dated matters are addressed in the right sequence, usually on a first come, first serve basis.

We approached the City planning department very early for help in moving forward with our project, and relied on the City to inform us of the forms and requirements we would need to meet in order for it to be as successful as possible for all concerned. We met often, and while we were supplied with development and building permit guidance that included references to application instructions and forms, at no time was anything said about the importance of us completing the Revitalization Tax Exemption Application form in conjunction with the building permit process. Our belief was that we had received everything necessary. In actual fact, the information requested by this form is redundant to what the Building Permit forms request. It

SCHEDULE I

contains no information about our project that the City would not have gleaned as part of the normal building permit process. **Our belief was that the Palace Place project would be granted the exemption as a matter of course because of its eligibility right from the start, which was obvious to ourselves as well as the City officials we met with.**

Our request is for the City of Courtenay to reconsider its decision to unilaterally deny our application and reverse its reliance on a clerical error to prevent Palace Place from receiving the benefit of a tax exemption for which it qualifies. We maintain that the clerical error is the result of an oversight by both the City planning department and ourselves at the time of our Building Permit application. We further maintain that a decision to be flexible with the date of our application is at the discretion of the City, and we respectfully request that this discretion be exercised in favour of granting the Revitalization Tax Exemption for the Palace Place project.

Should the proposed resolution above not be considered acceptable, then our request is that the Revitalization Tax Exemption be granted on the value of any improvements made after we were advised to complete the application form (June 30, 2023).

We look forward to a positive response to this letter. We have chosen to copy Mayor and Council on this matter for the sake of expediency and in the hope of appealing to their good judgment and vigorous interest in seeing the Downtown Revitalization plan objectives of the City of Courtenay properly upheld.

Respectfully yours,



Guy Champagne
Director / Partner

Endure Projects Inc.

██████████
Qualicum Beach, BC, ██████████

cc Mayor, City of Courtenay (mayor@courtenay.ca)
Council, City of Courtenay (council@courtenay.ca)
Jeff Garbut, Chief Administrative Officer, City of Courtenay (info@courtenay.ca)
Marianne Wade, Director of Planning, City of Courtenay (planning@courtenay.ca)
Maris Macdonald, MHA Architects (maris@mharchitects.ca)
Tom Beechinor, Beechinor Baker Hall (beech@bbh.bc.ca)

SCHEDULE J

Revitalization Tax Exemption Bylaw

Examples of Bylaws Providing Administrative Guidance

Municipality	Bylaw No.	Key Administrative Direction	Implementation Benefit
Prince George	8370 (2020)	Delegates authority to Director of Finance to issue, refuse, and cancel certificates; empowers creation of procedural guidelines and application checklists.	Ensures proactive management and applicant communication before permit issuance.
Mission	5391 (2013)	Sets fixed filing (Aug 31) and occupancy (Dec 31) deadlines; requires staff to notify applicants of timing.	Prevents confusion and aligns administration with taxation cycles.
Terrace	2329 (2025)	Requires Finance Director to maintain procedures and issue written notices to eligible property owners.	Embeds staff responsibility for applicant communication.
Nanaimo	7384 (2024)	Requires signed agreement before building permit issuance; schedules specify start of exemption.	Synchronizes planning, building, and finance processes.
Prince Rupert	3466 (2020)	Defines "Complete" as requiring occupancy permit; staff must confirm and issue certificate accordingly.	Provides clear, enforceable start-date rule tied to occupancy.

SCHEDULE J

Revitalization Tax Exemption Bylaw

Conceptual Clause to Courtenay Bylaw 2937

Below is some potential language utilizing bylaws for other communities

Administrative Procedures and Applicant Notification

- 1) Council hereby directs the Chief Administrative Officer to establish and maintain written procedures for processing applications under this bylaw.
- 2) These procedures shall include:
 - a. A requirement that Development Services staff provide written notice to any applicant for a building permit within the designated area explaining the availability, timing, and submission deadline for the Revitalization Tax Exemption Program;
 - b. Cross-reference to the Building Permit Application Form indicating that a Revitalization Tax Exemption Application must be submitted concurrently to preserve eligibility; and
 - c. Annual review and Council reporting on the number of notices issued and applications received.

This section would institutionalize communication and align the bylaw with s. 226 of the *Community Charter* and avoid unwanted outcomes, based on Councils stated goals.



SCHEDULE K

August 20th, 2024

Marianne Wade
Director, Development Services
City of Courtenay
830 Cliff Avenue
Courtenay, B.C.
V9N 2J7

Dear Ms. Wade

**Re: Palace Place – 387 5th Street, Courtenay BC
Endure Projects Inc.**

This is to confirm that Butterfield Development Consultants have monitored the construction of the above project since September 2021.

In our role as Construction Loan Monitors for Bancorp we were privy to costs to complete the entire development.

We are in a position to confirm costs expended to September 30th, 2023 totalled \$12,747,338, comprised of:

HARD COSTS	7,781,260
SOFT COSTS	2,624,797
LAND	1,144,000
FINANCE	1,197,281
CONTINGENCY	0
TOTAL COSTS:	12,747,338

Upon completion, these costs were increased to:

HARD COSTS	10,389,146
SOFT COSTS	2,490,239
LAND	1,144,000
FINANCE	1,339,834
CONTINGENCY	520,000

TOTAL COSTS:	15,883,219
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Should you require further information or clarity, please contact the undersigned

Yours truly,

BUTTERFIELD DEVELOPMENT CONSULTANTS LTD.



Ian Butterfield

BSc ARICS PQS

ian@bdconsultants.com

direct – 604-622-1950

cc. *Guy champagne* <guy@endureprojects.com>

SCHEDULE K

BDC Progress Report

BDC REPORT FOR: Mr. Craig Posnikoff, Assoc. VP Commercial Lending DCL Commercial Capital Mr. Mike Saba, Vice President, Bancorp Financial Services Inc.

PROJECT: Palace Place - 397 5th Street, Courtenay, B.C.

BORROWER: Endure Projects Inc.

DESCRIPTION: The proposed project "Palace Place" is to construct a four (4) storey mixed-use apartment building over partially below-grade parking, located in Courtenay, BC. The Project contains 39 residential units plus four commercial retail units, which will provide approximately 36,110 square feet of gross floor area, excluding 11,310 sf of underground parking.



INSPECTION DATE: September 19, 2024

PROGRESS CLAIM: #29

GROSS DRAW: \$18,541,404

DRAW AVAILABLE: \$216,316

Summary (2024-09-23)

**Summary Page
Summary of Total Costs**

Project: *Palace Place - 397 5th Street, Courtenay, B.C.*
Borrower: *Endure Projects Inc.*

Progress Claim #: 29
2024-09-23

Description of Work (1)	Firm Price	Original Budget (2)	Change Orders This Period	Total Change Orders (3)	Revised Budget (4) (2+3)	Work In Place Previous (5)	%	Work In Place This Draw (6)	%	Total Work In Place (7) (5+6)	%	Cost To Complete (8) (4-7)
HARD COSTS	100%	10,389,146	0	1,950,687	12,339,833	12,210,201	99%	129,632	1%	12,339,833	100%	0
SOFT COSTS	-	2,490,239	0	340,367	2,830,606	2,830,606	100%	0	0%	2,830,606	100%	0
LAND	-	1,144,000	0	0	1,144,000	1,144,000	100%	0	0%	1,144,000	100%	0
FINANCE	-	1,339,834	120,000	872,798	2,212,632	2,020,281	91%	192,351	9%	2,212,632	100%	0
CONTINGENCY	-	520,000	0	-505,667	14,333	0	0%	14,333	100%	14,333	100%	0
TOTAL COSTS:	100%	15,883,219	120,000	2,658,185	18,541,404	18,205,088	98%	336,316	2%	18,541,404	100%	0
		5.6%				0.1%				Remaining contingency	4.0%	

SCHEDULE K

Quantity Surveyor's Report September 2024 showing actual cost to complete Palace Project

Description of Work (1)	Firm Price	Original Budget (2)	Change Orders This Period	Total Change Orders (3)	Revised Budget (4) (2+3)	Work In Place Previous (5)	%	Work In Place This Draw (6)	%	Total Work In Place (7) (5+6)	%	Cost To Complete (8) (4-7)
HARD COSTS	100%	10,389,146	0	1,950,687	12,339,833	12,210,201	99%	129,632	1%	12,339,833	100%	0
SOFT COSTS	-	2,490,239	0	340,367	2,830,606	2,830,606	100%	0	0%	2,830,606	100%	0
LAND	-	1,144,000	0	0	1,144,000	1,144,000	100%	0	0%	1,144,000	100%	0
FINANCE	-	1,339,834	120,000	872,798	2,212,632	2,020,281	91%	192,351	9%	2,212,632	100%	0
CONTINGENCY	-	520,000	0	-505,667	14,333	0	0%	14,333	100%	14,333	100%	0
TOTAL COSTS:	100%	15,883,219	120,000	2,658,185	18,541,404	18,205,088	98%	336,316	2%	18,541,404	100%	0
		5.0%			0.1%					Remaining contingency	#DIV/0!	

Quantity Surveyors Estimate of work in place based on letter to City of Courtenay September 2023

HARD COSTS	7,781,260
SOFT COSTS	2,624,797
LAND	1,144,000
FINANCE	1,197,281
CONTINGENCY	0
TOTAL COSTS:	12,747,338

Quantity Surveyor's Estimate of cost to complete the project

Upon completion, these costs were increased to:

HARD COSTS	10,389,146
SOFT COSTS	2,490,239
LAND	1,144,000
FINANCE	1,339,834
CONTINGENCY	520,000
TOTAL COSTS:	15,883,219

SCHEDULE K

Work in Place based on Quantity Surveyor's report Sept 2023

HARD COSTS	\$7,781,260		
SOFT COSTS	\$2,624,797		
LAND		\$1,144,000	
FINANCE	\$1,197,281		
CONTINGENCY	\$0		
Quantity Survey Base	\$11,603,338	\$1,144,000	\$12,747,338

Quantity Surveyor's estimate using final budget plus estimate of work in place

HARD COSTS	\$10,389,146		
SOFT COSTS	\$2,490,239		
LAND		\$1,144,000	
FINANCE	\$1,339,834		
CONTINGENCY	\$520,000		
	\$14,739,219	\$1,144,000	\$15,883,219

Improvements to complete	\$3,135,881		21.3%
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Assessors estimate of value of work in place October 2024

Assessed 2025	\$12,519,000	\$900,000	\$13,509,000
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Actual Cost to Complete Palace Project Based on Quantity Surveyor's Report Sept. 2024

HARD COSTS	\$12,339,833		
SOFT COSTS	\$2,830,606		
LAND		\$1,144,000	
FINANCE	\$2,212,632		
CONTINGENCY	\$14,333		
	\$17,397,404	\$1,144,000	\$18,541,404

Cost to complete based on Final Cost less Quantity Surveyor's estimate of work in place Sept 2023

\$5,794,066

Conclusion based on actual cost to complete is that Quantity Surveyor's Estimate of work in place Sept 2023 was too high.

Bylaw Based cost to complete	\$3,135,881	21.3%	Estimate of work completed after application
Reality of Cost to complete	\$5,794,066	39.3%	Actual Cost to complete subsequent to application

Schedule K-1

Palace Place – 397 5th St Courtenay

Mil Rate	Schedule showing tax exemption received based on new rules using Quantity Surveyor					
	Assessed value with exemption	Municipal Taxes with Exemption	Assessed value without exemption	Municipal Taxes without Exemption	Segmented Taxes	Actual reduction
\$2.7031	\$ 11,373,000.00	\$ 30,742.36	\$ 12,178,000	\$ 32,918.35	Residential	7.1%
\$11.3782	\$ 2,080,000.00	\$ 23,666.66	\$ 2,321,000	\$ 26,408.80	Commercial	11.1%
		\$ 54,409.02	\$ 14,499,000	\$ 59,327.1540	Total	8.9%
	2025 taxes if full exemption applied					
\$2.7031	\$ 831,520.79	\$ 2,247.68	\$ 12,178,000	\$ 32,918.35	Residential	
\$11.3782	\$ 158,479.21	\$ 1,803.21	\$ 2,321,000	\$ 26,408.80	Commercial	
	\$ 990,000.00	\$ 4,050.89	\$ 14,499,000	\$ 59,327.1540	Total	
					Shortfall on tax exemption	
					Residential	\$ 28,494.68
					Commercial	\$ 21,863.45
					Total	\$ 50,358.13
						\$ 5,466

The Process dictated by the change in methodology using gives the owners and the commercial tenants a reduction in taxes of 8.9% on average with the Commercial Tenants having an 11.1% reduction because of the change in methodology of calculating reduction

This is totally different than what was expressed to be the difference when calculated at the time of the amendment in the Downtown Revitalization Tax Exemption Bylaw

Reconsideration of the Downtown Revitalization Tax Exemption for Palace Place/Endure Projects
November 29th 2025

Dear Council,

Thank you all for reconsidering the Downtown Revitalization Tax Exemption for Palace Place/Endure Projects. We appreciate your time and hope you will consider extending this tax exemption to Endure, and by extension, to ourselves.

As I'm sure you know, starting a business is no easy task. In today's economy, we are seeing more businesses close their doors due to increased costs and financial burdens, combined with decreased consumer spending. In the first year of operation, 20% or more businesses will fail, and close to 50% within the first 5 years. Granting us an exemption would greatly increase our chances of staying afloat.

We strongly feel that the project executed by Endure has already helped to revitalize the downtown core, exactly as the DRP intended. Not only is it a beautiful building, but it has also allowed us to open a diverse set of shops and services. We are exactly what this Revitalization Plan set out to encourage - passionate, local entrepreneurs willing to take a chance on Courtenay's future. We chose to take that risk because we believe Courtenay is worth investing in.

We recognize that some steps in the application process may have been missed, steps that were completely out of our hands and unknown to us. We understand and respect that the city must follow established guidelines and procedures; however, we believe the intent of the revitalization program is to support community development, economic vibrancy, and small business sustainability. The decision to withhold the 100% tax relief for Palace Place doesn't only impact the property owner — it directly affects four small businesses in their first year of operation and all our ability to grow into sustainable, long-term contributors to the downtown economy.

In this spirit, we kindly ask the city to review whether there is any avenue—administrative, procedural, or discretionary—through which the original intent of the program could still be upheld for Palace Place. Help us be a success story that shows what's possible when a community supports its small businesses. And we, in turn, will reflect that energy and positivity towards our community.

We thank you all for your time and consideration. We would welcome the opportunity to meet or provide further information that may support your decision.

Sincerely,

Sweet Salvage

Coastal North

Freya Nordic Bakery

Pharmasave Courtenay