

TOWN OF THE PAS

BY-LAW NO. 4507

BEING A BY-LAW OF THE TOWN OF THE PAS TO ESTABLISH A DEVELOPMENT INCENTIVE PROGRAM AND TO REPEAL BY-LAW NO. 4480.

WHEREAS Section 261 of the Municipal Act provides authority for municipalities to establish financial assistance programs for any purpose that Council determines appropriate;

AND WHEREAS Council is of the opinion that all efforts must be made to promote development in the municipality to support economic growth;

NOW THEREFORE THE COUNCIL OF THE TOWN OF THE PAS IN COUNCIL DULY ASSEMBLED ENACTS AS FOLLOWS:

1. **THAT** Council establish a development incentive program for new construction or expansion which would promote economic growth and increase the municipal assessment base.
2. **THAT** the development incentive will be provided through a tax credit determined by Council using the program guidelines below:

1. DEFINITIONS

- a) "Developer" is defined as a person, agency or company that is responsible for constructing or renovating a building on a property within the Town of The Pas.
- b) "Municipal Taxes" is defined as taxes charged by the municipality, excluding debentures and school division taxes.

2. CRITERIA

- a) All eligible development must result in a net increase in the property's assessment as determined by Manitoba Assessment Branch and municipal taxes.
- b) All construction be completed by the end of the term of agreement or the tax credit will be forfeited and required to be returned in full to the Town of The Pas.
- c) The tax credit will be calculated on the increased assessment portion only. Assessment on the Rolls prior to new construction or expansion shall not be used in the calculation of the tax credit.
- d) Developers are not eligible if they have received any other support, incentives, grants or refunds from the Town of The Pas.

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- e) If a building is deconstructed and a new structure built / placed on site by the owner the incentive will apply only to the difference between the assessment of the new structure and the deconstructed building.

3. TYPES OF TAX INCENTIVE

- a) Single Family Residential Tax Incentive: Developers will receive a tax credit equivalent to 50% of municipal taxes per year for three (3) years for constructing a single residential zoned property that increases the assessment value of the property by a minimum \$100,000.00.
- b) Commercial and Industrial Tax Incentive: Developers will receive a tax credit equivalent to 25% of municipal taxes per year for three (3) years for constructing or expanding a commercial or industrial zoned property that increases the assessment value of the property by a minimum \$100,000.00.
- c) Multi Residential Tax Incentive (between 2 and 5 unit dwelling): Developers will receive a tax credit equivalent to 25% of municipal taxes per year for three (3) years for constructing or expanding a residential zoned property that increases the assessment value of the property by a minimum \$200,000.00.
- d) Multi Residential Progressive Tax Incentive (between 6 or more unit dwelling): Developers will receive a progressive tax credit on municipal taxes over a period of five (5) years for constructing a Multi Residential zoned property that increases the current assessed value of the property by 15 times.

Example: current assessment of property being 104,400
 (house = 84,800 land = 19,600)

$$104,400 \times 15 = 1,566,000$$

So the assessed value to qualify for d would be \$1,566,000.00

The break down for the incentive would be as follows:

Year 1 = total *municipal* taxes 100% reduction
Year 2 = total *municipal* taxes 80% reduction
Year 3 = total *municipal* taxes 60% reduction
Year 4 = total *municipal* taxes 40% reduction
Year 5 = total *municipal* taxes 20% reduction
Year 6 = owner responsible for 100% of their taxes

4. APPROVAL PROCESS

- a) The developer must submit the attached application (Schedule "A") form to the Designated Officer of the Town of The Pas prior to completion of construction in order to qualify for the program. If the application is proven to be accurate, the developer will be granted the Tax Incentive request.
- b) If the developer is not able to increase the property's assessed value to the required amount, the tax rebate issued will be charged to the property's tax.

- c) The applicable tax incentive will be applied once the property is added to the current assessment roll of the municipality by Provincial Assessment Branch.
- d) Development must be completed within 2 years of the date of application.
- 5. If the property the construction occurs on is transferred, the tax incentives will be given to the new owner of said property.
- 6. Any previous agreements made under By-Law 4407, 4457 and 4480 will remain in effect until the agreements are expired.
- 7. That this by-law shall take force and be in effect as of the date it is passed.

DONE AND PASSED IN COUNCIL ASSEMBLED THIS 15th DAY OF October A.D. 2014

Mayor

Assistant C.A.O.

CERTIFIED THAT BY-LAW NO. 4507 WAS:

READ A FIRST TIME THIS 17th DAY OF September A.D. 2014.

READ A SECOND TIME THIS 15th DAY OF October A.D. 2014.

READ A THIRD TIME THIS 15th DAY OF October A.D. 2014.

Assistant C.A.O.

TOWN OF THE PAS
BY-LAW NO. 4507
Schedule "A"

Development Tax Incentive Program Application Form	
Applicant:	Phone Number:
Civic Address:	Mailing Address:
Roll Number:	Current Assessed Value of Property:
Incentive Requested: <div><input type="checkbox"/> Single Family Residential Tax Incentive <input type="checkbox"/> Multi Residential Tax Incentive</div> <div><input type="checkbox"/> Commercial and Industrial Tax Incentive <input type="checkbox"/> Multi Residential Progressive Tax Incentive</div>	
Applicant Signature:	Date:
For Office Use	
Date Application received:	Signature of Designated Officer:
Application approved: <input type="checkbox"/> Yes <input type="checkbox"/> No	Resolution Number:
After construction has been completed, has assessed value increased to the required level: <input type="checkbox"/> Yes – by how much _____ <input type="checkbox"/> No	