



CITY OF MEADOW LAKE POLICY

SECTION:	Planning, Development & Land Use	NUMBER: 600-18-003	RESOLUTION: 243/18
TITLE:	Commercial Tax Incentive Policy	EFFECTIVE DATE: January 1, 2019	
ORIGIN/AUTHORITY:	Council	REVISED:	
DEPARTMENT:	Council, Finance, Planning & Development	PAGES: 8	

1. INTRODUCTION

1.1 Purpose

This initiative is intended to promote new development and expansions and improvements to existing businesses within the City of Meadow Lake, with an additional focus on the downtown core.

1.2 Definitions

- a) **Downtown Revitalization Area** means the area outlined in Appendix A.
- b) **Eligible Construction Project** means any addition, renovation or new construction for a commercial or industrial use that requires a City of Meadow Lake building permit valued at \$50,000 or more and has been obtained after December 31, 2018.
- c) **Increased Assessed Value** means the increase in assessment, if any, as determined by the Assessor following an eligible construction project.

2. POLICY

- a) Authority for this policy is granted under Section 262 and 263 of *The Cities Act*.
- b) This policy applies to eligible construction projects within the C1, C2, M1, M2, MU1 and MU2 zones.
- c) To be eligible for this rebate, a building permit must have been obtained for new commercial construction from the City of Meadow Lake after December 31, 2018. Applications under this policy must be made within 30 days of the date of permit issue in order to be eligible.

- d) Work undertaken in the downtown revitalization area on permits issued on or prior to December 31, 2018 will continue to fall under the tax incentive provisions of Bylaw 11/2015.
- e) The issuance of the building permit and demolition permit, if required, must follow the requirements as set by the bylaws and policies of the City of Meadow Lake.
- f) The tax rebate will cease if the tax account on the property goes into arrears.
- g) The property will cease to be eligible for tax rebate if construction is not completed within two years of the date of issue of the building permit.
- h) If an individual sells a dwelling approved by this policy, the tax incentive is transferable to the new registered owner.
- i) This rebate may not be combined with another City property tax incentive policy.
- j) Council reserves the right to alter the rebate to suit specific developments at their sole discretion.

3. REBATE AMOUNT

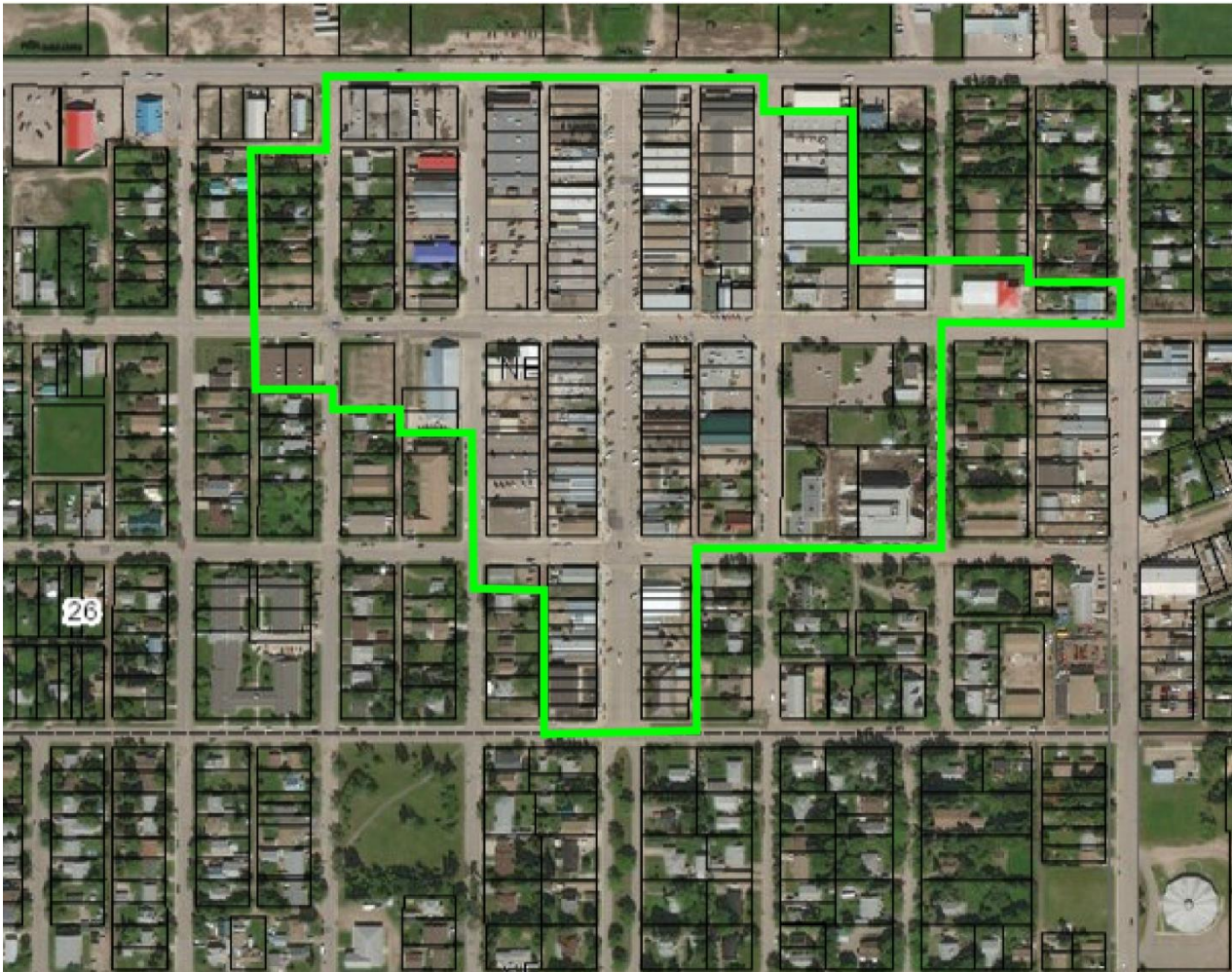
- a) For projects in the downtown revitalization area, the rebate amount for eligible construction projects will be for the municipal tax and school tax based on the increased assessed value in the following amounts:
 - 100% of the increase due to assessment change in the first year;
 - 75% of first year's rebate amount in the second year;
 - 50% of first year's rebate amount in the third year;
 - 25% of first year's rebate amount in the fourth year; and
 - 25% of first year's rebate amount in the fifth year.The land portion of the assessment and base tax shall remain payable.
- b) For projects outside the downtown revitalization area, the rebate amount for eligible construction projects will be for the municipal tax and school tax based on the increased assessed value in the following amounts:
 - 100% of the increase due to assessment change in the first year;
 - 75% of first year's rebate amount in the second year; and
 - 50% of first year's rebate amount in the third year.The land portion of the assessment and base tax shall remain payable.
- c) For new construction on vacant lots or new construction following the demolition of the existing primary building, the improvement portion of the base tax shall be included in the rebate calculation.

- d) In a revaluation year, the City Treasurer will consult with the Saskatchewan Assessment Management Agency (SAMA) to determine what the amount of the assessment increase for the eligible construction project would have been in a non-revaluation year as a separate figure from any assessment change due to revaluation. This amount will be used as the basis for calculating the rebate amount and the City's judgment in this matter will be conclusive.
- e) Rebate amounts will be directly applied to the applicant's tax account. Any credit amounts will remain on the account to be applied to the next year's tax levy and will not be paid out as a cash refund.

4. PROCEDURE

- a) Applicants must complete a City of Meadow Lake Application for Commercial Tax Incentive Rebate in the prescribed form.
- b) Upon receipt of the application and approval by the City of Meadow Lake, the applicant shall sign a Tax Rebate Agreement.
- c) The tax rebate will not start until January 1 after construction is substantially complete. The applicant will be responsible for any taxes levied for partially complete construction.
- d) Full compliance with all City development, building and demolition permit policies shall be required. Failure to submit required documents by the property owner or to follow the direction of the City's Building Official shall result in forfeit of all rights to the tax rebates provided in this policy.

Appendix A - Map of Downtown Revitalization Area



Appendix B - Application for Tax Rebate Incentive - Commercial Development

This initiative is intended to promote new development and expansions or other improvements to existing businesses within the of the City of Meadow Lake.

Conditions of Eligibility for the Rebate

1. Development whose building permit was issued after December 31, 2018 and with a permit value over \$50,000 is eligible for the rebate under this policy. Rebates for permits issued in the Downtown Revitalization Area prior to December 31, 2018 will continue to be eligible under Bylaw 11/2015. Rebates for other permits issued prior to December 31, 2018 will not be eligible.
2. The rebate will be for the amount by which taxes would have increased, based on the increased assessment value from the project. Base taxes and taxes based on the land value will continue to be levied, except for the base tax on improvements for new construction on vacant lots.
3. Should the property be transferred to a new owner, the rebate shall continue until the end of the time frame established by the agreement.
4. There are no outstanding property taxes owing on the lot(s).
5. Construction must be completed within two years of the building permit date of issue.

Applicant Details

Full Name of Applicant(s):			
Mailing Address:	City:	Province:	Postal Code:
Phone Number(s):		Email Address:	
Legal Description of Property:			
Civic Address of Property:			
Application Type / Project Description:			
Date of Issue of Building Permit:		Planned Construction Start and End Dates:	
Proposed Improvement(s):		Estimated Cost:	
Date of Demolition (if applicable):			

I/We, the undersigned, understand the conditions of eligibility outlined above and would like to apply for a conditional tax rebate under the commercial tax incentive policy.

Applicant

Date

For Office Use Only	
Application Approved / Denied:	Date of Receipt:
Application Approved By:	Approval Date:
Date of Substantial Completion:	Date of Final Inspection:
Signature of Approving Official:	Within Downtown Revitalization Area:

**Appendix C - Tax Incentive Rebate Agreement
Commercial Development**

Agreement made this _____ day of _____

Between:

The City of Meadow Lake
Hereinafter called "the City"

and

Applicant:
Hereinafter called "the Owner"

WHEREAS the City has developed a Tax Incentive Policy that provides for property tax rebate on certain properties in the City under certain conditions; and

WHEREAS the Owner has met the requirements to obtain a property tax rebate under this policy;

NOW THEREFORE the City and the Owner covenant and agree:

1. The property eligible for the property tax rebate are:
Lot , Block, Plan, also known as [Civic Address]
hereinafter called "the Lands"
2. Pursuant to the City's Tax Incentive Policy 600-18-003 and pursuant to Section 262(4) and 263(5) of *The Cities Act* and subject to the terms of this agreement, the City grants a rebate of 100% of the municipal and school assessments and base taxes on improvements for a one year period commencing on _____. This shall be followed by a rebate of 75% of the original rebate amount in the second year, and a rebate of 50% of the original rebate amount in the third year. After the rebate concludes on _____, the Lands shall be fully taxable.

OR (For Downtown Revitalization Area Only)

2. *Pursuant to the City's Tax Incentive Policy 600-18-003 and pursuant to Section 262(4) and 263(5) of The Cities Act and subject to the terms of this agreement, the City grants a rebate of 100% of the increase to the municipal and school assessments on improvements as a result of the work undertaken for a one year period commencing on _____. This shall be followed by a rebate of 75% of the original rebate amount in the second year, a rebate of 50% of the original rebate amount in the third year, and a rebate of 25% of the original rebate amount in the fourth and fifth years. After the rebate concludes on _____, the Lands shall be fully taxable.*

3. The rebate granted pursuant to this agreement does not include land assessment, local improvement levies, utility charges, development fees or any other such charges or fees properly imposed by the City or any other taxing authority.
4. The scope of the tax rebate, including the calculation of any percentage or proportion, shall be conclusively determined by the City Assessor.
5. The Owner shall promptly provide the City with any information or documents requested by the City Assessor to complete and check the assessment of the lands and improvements thereon.
6. This agreement may be assigned to a new owner of the Lands who satisfies the criteria established for the tax rebate.
7. This tax rebate shall continue only so long as:
 - a) The improvements on the Lands conform to all civic and provincial laws governing the construction and use of the improvements, including and zoning and building bylaws;
 - b) Construction is completed within two years of the date of issue of the building permit; and
 - c) There are no tax arrears on the Lands.

IN WITNESS whereof, the parties hereto have executed this agreement.

CITY OF MEADOW LAKE

Mayor

City Clerk

Witness

Owner

Witness

Owner