

## 5.7 Tax Increment Grant Program

Purpose	To stimulate private investment and to promote the undertaking of building improvements and development on vacant land.
Grant Amount & Disbursement	<p>The total amount of the grant provided will not exceed the value of the work that resulted in the reassessment.</p> <p>This grant excludes the education portion of the tax bill. The Town is only able to rebate the municipal portion of the tax bill.</p> <p>The grant is based on the assessed value at the date of the application.</p> <p><b><u>For non-residential properties:</u></b></p> <p>The grant is provided over 3 years, where the tax increase is paid back to the applicant as follows:</p> <ul style="list-style-type: none"> <li>- 75% rebate in year 1</li> <li>- 50% rebate in year 2</li> <li>- 25% rebate in year 3</li> </ul> <p>The owner is paying based on the full assessed amount in year 4.</p> <p>In order to qualify for the program, non-residential properties must be owned or otherwise controlled (directly or indirectly) by an individual who is a resident of Canada, a partnership (general or limited liability) that is controlled by individuals who are residents of Canada or a Canadian Controlled Private Corporation as defined under the <i>Income Tax Act</i> of Canada. Notwithstanding these considerations, the Town reserves the right to determine eligibility for non-residential properties, including the exclusion of any proponent that otherwise meets the eligibility requirement under the program.</p> <p><b><u>For multi-residential, seniors housing, or affordable housing projects, and residential projects in the urban area:</u></b></p> <p>The grant provided over 3 years, where the tax increase is paid back to the applicant as follows:</p> <ul style="list-style-type: none"> <li>- 100% rebate in year 1</li> <li>- 50% rebate in year 2</li> <li>- 25% rebate in year 3</li> </ul> <p>The owner is paying based on the full assessed amount in year 4.</p> <p><b><u>For waterfront development properties:</u></b></p> <p>The grant provided over 2 years, where the tax increase is paid back to the applicant as follows:</p> <ul style="list-style-type: none"> <li>- 100% rebate in year 1</li> <li>- 50% rebate in year 2</li> </ul> <p>The owner is paying based on the full assessed amount in year 3.</p> <p>In order to qualify for the program, waterfront properties must be developed within the scope of the Town's waterfront development program. Waterfront properties developed elsewhere within the Town's boundaries may be considered for inclusion in the program on a case-by-case basis.</p>

	<p><b><u>For all properties:</u></b></p> <p>The Grant will be disbursed as follows:</p> <ul style="list-style-type: none"> <li>- 100% after payment of taxes, once the property has been reassessed by MPAC, following completion of the CIP project.</li> </ul> <p>The Town will collect the full amount of property taxes owed for each of the years of the program's applicability and will issue the grant to the approved applicant after final tax bills for each year have been collected. If the tax bill is not paid in full, the Town will cancel all future grants and collect past grants made as part of this program.</p> <p>The grant will not be provided based on a graduated reassessment by MPAC if done prior to completion of the project.</p>
Eligible Costs	Any improvements to properties/buildings in the CIP project areas which meet the CIP goals and objectives.
Applicable Project Areas	All non-residential, multi-residential, seniors housing, affordable housing, or waterfront development projects located within the Project Area.
Additional Requirements	<p>Minimum increase in assessment: \$25,000, directly related to a building permit for CIP improvements.</p> <p>The Tax Increment Grant may be received by a property owner and/or assignee in combination with any other incentive program offered by the CIP.</p> <p>Property owners and/or assignees will be required to submit a complete application to the Town describing, in detail, the improvements that are planned. The application must be submitted to the Town and approved prior to the improvements being made in order to be eligible for this program. The Town will review the application to ensure that the improvements are eligible. For the purpose of this program, eligible improvements are deemed to be improvements that will lead to an increase in the property's assessed value by improving the physical condition of the building and/or property in a manner that is consistent with the CIP's intent and design guidelines. For greater clarity, the construction of new buildings is an eligible activity.</p> <p>Projects are required to be in compliance with the Town's other By-laws and policies, including zoning and building regulations.</p> <p>The subject property shall not be in a position of tax arrears or any other financial obligation towards the Town.</p> <p>This program does not exempt property owners from an increase in municipal taxes due to a general tax rate increase or a change in assessment for any other reason after property has been improved, except by reason of an assessment appeal.</p> <p>The grant will be forfeited and repaid to the Town if the owner makes the decision to demolish or alter the property in a manner that does not comply with the CIP objectives before the grant period elapses.</p> <p>If the property is sold prior to completion of the project and receipt of the grant, subsequent owners may re-apply to the Town to be eligible to receive the grant.</p>

	<p>If the property is sold after completion of the project, and while the tax increment grant is being received, the grant expires upon transfer of ownership. Subsequent owners are not eligible to continue receiving the grant for the tax increase associated with the project which has already been completed.</p> <p>The grant amount will be established after the final inspection of the improvements in accordance with the OBC, and MPAC has established a new assessment value based on the building permit for the CIP project.</p> <p>In the case of an assessment appeal, the Town and the owner shall come to an agreement regarding appropriate alteration of the grant as a result of the appeal.</p>
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