

City of Melfort Policy Manual

<i>POLICY TITLE:</i> Residential Growth Incentive Policy	<i>POLICY NUMBER:</i> 7.21	<i>EFFECTIVE DATE:</i> January 1, 2007
<i>ORIGIN:</i> CODAC Committee	<i>ADOPTED BY COUNCIL ON:</i> March 5, 2007	<i>DATE AMENDED:</i> July 14, 2008 June 15, 2009

1.0 PURPOSE

1.1 To stimulate housing development in specified areas of the City.

2.0 GENERAL POLICY

2.1 The policy will be evaluated annually.

2.2 *The policy applies to municipal tax and land rebates as a result of new developments. **School property taxes and private sale rebates are not applicable.***

2.3 If an individual sells a dwelling approved by this policy, the tax incentive is transferable to the new registered owner. This policy applies as long as construction is completed within one year.

2.4 Applications are to be made to the Community Development Manager.

2.5 The policy is focused on single family, multifamily owned, multifamily rental units where zoning is applicable as set out below in R1A, R-2 and R-3 zoned areas.

3.0 BENEFITS TO THE CITY OF MELFORT

3.1 To fill existing lots in the older area of the City with new dwellings and to enhance development of the R1-A zoned area.

3.2 Some of the lots are owned by the City and have been obtained through tax title property. Currently, City crews maintain the property. Incentives may assist in selling the property.

4.0 POLICY R1-A

4.1 The following R1A zoned policies are to be effective from January 1, 2007, to December 31, 2010. All land sales are subject to an Agreement for Sale with the City of Melfort.

Owner Occupied

- 4.2 A \$6,000 rebate for the development of a new house in the R1A zoned area. Rebate to be paid once the new housing development has final building permit inspection and approval.

Developers

- 4.3 A \$6,000 per lot rebate for building new houses for resale by a developer. Rebate to be paid to the developer once the new home has final building permit inspection and approval.
- 4.4 For developers during the marketing phase of their development, exemption of *municipal property taxes* until the property is sold or occupied, up to a maximum period of two taxation years from land sale agreement date.
- 4.5 For developers, subject to signed agreement with the city, deferral of land payment during the marketing phase up to a period of two years from the date of the signed agreement with the City, or until the house is sold or occupied within that 2-year period.

5.0 POLICY R-2 & R-3

- 5.1 The following R2 & R3 zoned policies are to be implemented for an indefinite period to encourage new development in older neighbourhoods that are zoned R2 & R3 for the following purposes: new single family; new apartments and other residential rental buildings; new condominiums; new care homes. Also, this policy applies to new additional units to existing rental or condominium buildings; new living units in existing care homes. All city owned land sales are subject to an Agreement for Sale with the City of Melfort. The value of rebate cannot be greater than list or sale price of lot.

Owner Occupied

- 5.2 On City owned vacant lots, a \$6,000 rebate or 5-Year Municipal Tax exemption for development of new housing. The rebate to be paid effective when the house has had final building permit inspection and approval. Should the tax exemption be chosen, the five year period will commence in the year the building permit is issued.
- 5.3 For private owned vacant lots, a 5-Year Municipal Tax exemption for the development of new housing becomes effective in the year the building permit is issued.
- 5.4 For replacement of existing homes with a new housing development, a 5. Year Municipal Tax exemption effective in the year the building permit is issued.

Developers

- 5.5 On City owned vacant lots, a \$6,000 rebate or 5-Year Municipal Tax exemption. The rebate to be paid effective when the development has had final building permit inspection and approval and paid to the developer.
- 5.6 For private owned vacant lots, a 5-Year Municipal Tax exemption effective in the year the building permit is issued.
- 5.7 During the marketing phase for any new condo or single family development, no municipal taxes for a period of up to two taxation years, or until the units are sold or occupied during this period.
- 5.8 New units added to existing condominium, apartment buildings or care homes will have a 5-Year Municipal Tax exemption.
- 5.9 Developers purchasing a city-owned lot, subject to a land sale agreement, can defer the land payment for a two-year period or until the house is sold or occupied in this two year time frame.
- 5.10 For a new development that combines mixed private land and city owned lots, the 5-year tax incentive on municipal taxes for the project will be offered.
- 5.11 In any option where a developer has chosen a 5-Year tax option, the developer will have no municipal taxes during the marketing period, or until the property is sold or occupied for up to two years . Once the property is sold, then the 5-Year incentive begins.

Council reserves the right to customize the incentive packages to any specific project.