

City of Melfort Policy Manual

<i>POLICY TITLE:</i> Residential Growth Incentive Policy	<i>POLICY NUMBER:</i> 7.4.44	<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 December 13, 2010 April 11, 2011 May 16, 2011 December 9, 2013 December 14, 2015 December 11, 2017 October 15, 2018

1.0 PURPOSE

- 1.1 To promote economic development by stimulating housing development in specified areas of the City.

2.0 GENERAL POLICY

- 2.1 The policy will be evaluated annually.

This policy is established under the authority of Section 262(4) of The Cities Act and applies to municipal tax, school tax and land rebates as a result of **new** developments.

- 2.2 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.
- 2.3 Residential home builders will be granted a 10% discount on the residential lot price if they have purchased a residential lot from the City in the last five years. This provision applies to all residential zones for the following new dwellings: single family; multi-unit residential rental buildings of less than four units; condominiums; care homes and mobile homes (restricted to single-titled lots with only one dwelling per lot).
- 2.4 The rebate and tax incentives referred to in this policy apply to new dwellings and are focused on single family, multi-unit residential buildings of less than four units and condominiums, where zoning is applicable as set out below in R1A, R2, R3 and R4 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 policy is to be effective from January 1, 2011. All land sales are subject to an Agreement for Sale with the City of Melfort.
- 4.2 A \$6,000 rebate for the construction of a new house in the R1A zoned area. Rebate to be paid to the owner or the developer once the new housing development has final building permit inspection and approval.

5.0 POLICY R2, R3 & R4

- 5.1 The following R2, R3 & R4 zoned policies have been implemented to encourage new development in older neighbourhoods for the following new dwellings: single family; multi-unit residential rental buildings of less than four units; condominiums; care homes and mobile homes (restricted to single-titled lots with only one dwelling per lot). Also, this policy applies to new additional units to existing multi-unit residential rental buildings of less than four units, 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.
- 5.2 On City-owned and private-owned vacant lots and for the replacement of existing homes with a new housing development, a three-year exemption of Municipal Tax and School Tax on the taxable assessment of the property. In all cases, the property will be charged the applicable Base Tax during the exemption period.
- 5.3 For private-owned vacant lots, the exemption will take effect when the new improvements will be assessed and become taxable, occurring on January 1st of the year following the issuance of the building permit, excepting for permits issued after August 31st. For permits issued after August 31st of any given year, they shall be assessed and become taxable as though the permit was issued in the following year.
- 5.4 For City-owned lots, the tax exemption will take effect on January 1st of the year following the date of the execution of the Land Sale Agreement, with the exception of Land Sale Agreements signed after August 31st in any given year. For Land Sale Agreements executed after August 31st of any given year, the exemption will take effect as though the Land Sale Agreement was executed in the following year.
- 5.6 For a new development that combines mixed private land and city-owned lots, the incentive shall be subject to the terms and conditions for development on City-owned property.

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