

# City of Melfort Policy Manual

<i>POLICY TITLE:</i> <b>Residential Growth Incentive Policy</b>	<i>POLICY NUMBER:</i> <b>7.21</b>	<i>EFFECTIVE DATE:</i> <b>January 1, 2007</b>
<i>ORIGIN:</i> <b>CODAC Committee</b>	<i>ADOPTED BY COUNCIL ON:</i> <b>March 5, 2007</b>	<i>DATE AMENDED:</i> <b>July 14, 2008</b> <b>June 15, 2009</b> <b>December 13, 2010</b> <b>April 11, 2011</b> <b>May 16, 2011</b> <i>NEW EFFECTIVE DATE:</i> <b>May 17, 2011</b>

## 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 Applications are to be made to the Community Development Manager.
- 2.4 The policy is 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 policies are to be effective from January 1, 2011. 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 Developers shall be granted a one-year marketing phase, exempt from school tax and municipal tax if the property has not been sold or otherwise occupied prior to the date the property becomes taxable.

#### **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 that are zoned R2, R3 & R4 for the following purposes: new single family; multi-unit residential rental buildings of less than four units; new condominiums; new care homes and new mobile homes that have never been occupied (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.

##### **Owner Occupied**

- 5.2 On City-owned vacant lots, up to a \$6,000 rebate or Three-Year Municipal Tax and School Tax exemption for development of new housing. The value of rebate cannot be greater than list or sale price of the lot. The rebate is to be paid effective when the house has had final building permit inspection and approval.
- 5.3 For private-owned vacant lots, a Three-Year Municipal Tax and School Tax exemption for the development of new housing.
- 5.4 For replacement of existing homes with a new housing development, a Three-Year Municipal Tax and School Tax exemption.
- 5.5 The new improvements will be assessed and become taxable on January 1<sup>st</sup> of the year following the issuance of the building permit, excepting for permits issued after August 31<sup>st</sup>. For permits issued after August 31<sup>st</sup> of any given year, they shall be assessed and become taxable as though the permit was issued in the following year.

## **Developers**

- 5.6 On City-owned vacant lots, a \$6,000 rebate or Three-Year Municipal Tax and School Tax exemption. The value of rebate cannot be greater than list or sale price of lot. The rebate is to be paid effective when the development has had final building permit inspection and approval and paid to the developer.
- 5.7 For private-owned vacant lots, a Three-Year Municipal Tax and School Tax exemption.
- 5.8 Developers shall be granted a one-year marketing phase, exempt from Municipal Tax and School Tax, if the property has not been sold or otherwise occupied prior to the date the property becomes taxable.
- 5.9 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 private-owned property.

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