

RM OF ARMSTRONG

BY-LAW NO 01/2017

Development Tax Incentive Program

Being a by-law to encourage Economic Development in the RM of Armstrong by providing grant incentives.

WHEREAS "The Municipal Act", S.M. 1996, c.58, provides in part as follows:

"Section 258(2) A Council may encourage Economic Development in any manner it considers appropriate" and

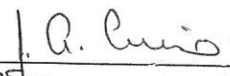
"Section 258(4) A Council may make a grant for the purpose of Economic Development in the municipality."

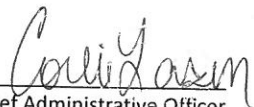
AND WHEREAS all construction included in this by-law must receive approval from the RM of Armstrong Office and the Building Inspector for the RM of Armstrong prior to starting construction and conform to all applicable provisions of the municipality's zoning and building by-laws.

NOW THEREFORE the Council of the RM of Armstrong enacts as follows:

THAT pursuant to subsection 258(2) and 258(4) of "The Municipal Act", Council hereby approves the "**Development Tax Incentive Program**" attached as Schedule "A" and also approve the "Commercial/Industrial Development Tax Incentive Program" attached as Schedule "B" to this by-law.

DONE AND PASSED in open Council assembled at the Council Chambers, at Inwood, in the Province of Manitoba this 9<sup>th</sup> day of May, 2017.

  
Reeve

  
Chief Administrative Officer

Given first reading the 11<sup>th</sup> day of April, A.D. 2017

Given second reading the 9<sup>th</sup> day of May, A.D. 2017

Given third reading the 9<sup>th</sup> day of May, A.D. 2017

**SCHEDULE "A"**  
**RM OF ARMSTRONG DEVELOPMENT TAX INCENTIVE PROGRAM**

The RM of Armstrong is implementing a Tax Development Incentive for renovated or new residences and businesses within the Municipality of Armstrong in order to encourage Economic Development. Property owners may be eligible, upon application, for cash incentives over a year period of 1 to 3 years. A property will not be eligible for the incentive program more than one time.

1. Development Tax Incentive Grants for renovated **or** new, fully constructed residences **or** businesses will be progressively paid as follows:

Commercial/Industrial

- Year One (or portion thereof) – Grant equivalent to **100%** of the general municipal taxes (from the date of entry to the roll)
- Year Two – Grant equivalent to **80%** of general municipal taxes
- Year Three – Grant equivalent to **60%** of general municipal taxes

Residential/Dwelling

- Year One (or portion thereof) – Grant equivalent to **100%** of the general municipal taxes (from the date of entry to the roll)
- Year Two – Grant equivalent to **80%** of general municipal taxes
- Year Three – Grant equivalent to **60%** of general municipal taxes

**NOTE:** Applications must be made within the three (3) year term of eligibility stated above. Failure to make applications within the years of eligibility stated, the property owner will forfeit the right to make application under this program.

2. **DEFINITIONS**

In this by-law,

- a) "Commercial/Industrial" means any business which would fall under the Manitoba Assessment Branch's property class of 'Other'.
- b) "Residential/Dwelling" means a place of residence.
- c) "Municipality" means the Municipality of Armstrong
- d) "Municipal Taxes" means the property taxes imposed for municipal purposes by the municipality. This excludes Educational Taxes
- e) "Owner(s)" means the person who is the registered owner under the Real Property Act of land on which a building is or will be located, or the granted thereof a valid conveyance registered under the Registry Act or an agent of either such owner.
- f) "New, fully constructed residence or business" means any residence or business that is new on the RM of Armstrong's Assessment Roll.

3. **CRITERIA**

- a) All eligible development must result in a net increase in the property's assessment as determined by the Manitoba Assessment Branch and municipal taxes
- b) The tax credit will be calculated on the increased assessment portion only. Assessment on the property prior to new construction or expansion shall not be used in the calculation of the tax credit.
- c) Owners are not eligible if they have received any other support, incentives, grants or refunds from the Municipality.
- d) If a building is deconstructed and a new structure built/placed on site, the incentive will apply only to the difference in assessment between the new structure and the deconstructed building.
- e) Development will only be eligible in areas with existing infrastructure, or in a newly developed area that has been marked for infrastructure expansion and has received Council approval.

- f) The development will only receive approval for a tax incentive if the property has no outstanding municipal and educational taxes.
  - g) Commercial operations that are new to the Municipality and choose to operate in formerly vacant premises must be in operation for one year to be eligible for Tax Incentive.
  - h) The owner must submit an application for this program within one year from the period of eligibility.
- 4. Only the person or persons liable to pay the taxes on the property for which a grant application is made is eligible for a grant.
  - 5. Entitlement to the grant shall be transferable to the new property owner in the event of a sale of the property by the person who is, or had been initially eligible to apply for the Development Tax Incentive Grant. The new owner **must** be a registered property owner on the assessment roll and **may** apply **only** for the remaining portion of the progressive tax credit.
  - 6. In the event, there is any dispute regarding eligibility for the program and/or grant amount available, the decision of the Council of the RM of Armstrong will be final.
  - 7. The registered owner or the person liable to pay the taxes on the property for which a grant application is made must not be in violation of any of the RM of Armstrong By-Laws or Development Agreements.
  - 8. If the grant application is for a renovation to a Commercial or a Residential building the renovation must increase the newly assessed value of the building by \$20 thousand dollars or more on the assessment roll.
  - 9. Property owners **will** receive a progressive tax credit for Commercial or a Residential building portion **only**. This progressive tax credit **does not** include renovations to or newly constructed **detached** accessory buildings, such as garages, sheds, outbuildings etc.

**SCHEDULE "B"**  
**EXISTING COMMERCIAL NEW OR EXPANSION DEVELOPMENT TAX INCENTIVE**

1. Building Incentive Grants for previously existing commercial or industrial property will be as follows:
  - a) The building must have been vacant for a period of at least six (6) months immediately prior to being eligible for this program.
  - b) The owner of the structure in question must be in operation of the business from that premises for a period of one year to be eligible under this program.
  - c) The Owner of the property is responsible to make application for this Incentive Program.
  - d) The application must be for a **new business** that has never been operated by the applicant at a previous time in the RM of Armstrong.
  - e) All applications made under this portion of the Building Incentive Program must be reviewed and approved by the Council of the RM of Armstrong.
  - f) Failure to make application within one year from the period of eligibility, the property owner forfeits the right to make application under this program.

**DEVELOPMENT TAX INCENTIVE PROGRAM APPLICATION**  
**RESIDENTIAL (reference: Schedule A)**  
**BY-LAW # 01/2017**

DATE OF APPLICATION \_\_\_\_\_  
(must be within six (6) months of the residence being added to the RM assessment Roll)

TYPE OF NEW DEVELOPMENT \_\_\_\_\_  
(Newly constructed or renovated family dwelling.)

NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

PHONE #: \_\_\_\_\_

LOCATION OF PROPERTY: \_\_\_\_\_

TAX ROLL # \_\_\_\_\_

Is this your principle residence? \_\_\_\_\_

Is this a newly constructed dwelling? \_\_\_\_\_

Is this a renovated dwelling? \_\_\_\_\_

In order to qualify for the grant, you MUST provide the following:  
Copy of Certificate of Title or proof of ownership  
Proof of payment of current year's taxes (municipal & School)

Municipal Property Taxes Amt	Tax Year	% Rebate	Rebate Amount
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I \_\_\_\_\_ certify that the information and documents are true and correct.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Applicant

**DEVELOPMENT TAX INCENTIVE PROGRAM APPLICATION**  
**COMMERCIAL/INDUSTRIAL (reference: Schedule B)**  
**BY-LAW # 01/2017**

DATE OF APPLICATION \_\_\_\_\_

TYPE OF DEVELOPMENT \_\_\_\_\_  
(Type of business operation)

Is this a newly constructed or renovated Business? \_\_\_\_\_

NAME: \_\_\_\_\_

MAILING ADDRESS: \_\_\_\_\_

PHONE #: \_\_\_\_\_

LOCATION OF PROPERTY: \_\_\_\_\_

TAX ROLL # \_\_\_\_\_

PROPERTY ASSESSMENT VALUE \_\_\_\_\_

In order to qualify for the grant, you MUST provide the following:  
Copy of Certificate of Title or proof of ownership  
Proof of payment of current year's taxes (municipal & School)

_____	_____	_____	_____
Municipal Property Taxes Amt	Tax Year	% Rebate	Rebate Amount

I \_\_\_\_\_ certify that the information and documents are true and correct.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Signature of Chief Administrative Officer