**BY-LAW NO. 620/14** 

BEING A BY-LAW TO ESTABLISH A FINANCIAL ASSISTANCE PROGRAM TO PROVIDE AN INCENTIVE FOR NEW COMMERCIAL/INDUSTRIAL/AGRICULURAL DEVELOPMENT.

WHEREAS subsections 261.2 (2) of The Municipal Act provides as follows: "A council may by by-law establish financial assistance programs, which may include provisions establishing terms and conditions under which financial assistance may be provided or terminated, including establishing criteria for determining the year or years during which financial assistance may be paid out or applied";

AND WHEREAS it is deemed necessary and desirable to establish a financial assistance program to provide incentives for new commercial/industrial/agricultural development;

**NOW THEREFORE** the council of The Rural Municipality of Whitemouth enacts as follows:

> THAT a financial assistance program to provide taxation incentives for new commercial/industrial/agricultural development be established. That The Rural Municipality of Whitemouth will provide to the registered owner of a newly constructed commercial/industrial/agricultural building a grant the equivalent of two years general municipal taxes. This grant does not include School Division taxations or any other pertinent by-law taxations.

> THAT the financial assistance program be administered in accordance with the Policy Requirements as attached to this by-law as Schedule "A".

> **THAT** the applicant is responsible to apply for the incentive program on the Application Form as attached to this by-law as Schedule "B".

> THAT upon acceptance of the incentive program application; the applicant must enter into a Development Incentive Agreement with the Rural Municipality of Whitemouth as attached to this by-law as Schedule "C".

DONE, PASSED and ENACTED as a by-law of The Rural Municipality of Whitemouth in the Province of Manitoba this 9th day of July, 2014.

Reeve

Chief Administrative Officer

Read a first time this 25th day of June, AD 2014

Read a second time this 25th day of June, AD. 2014

Read a third time this 9<sup>th</sup> day of July, AD. 2014

#### **BY-LAW NO. 620/14**

## Schedule "A" POLICY GUIDELINES

#### **Program Purpose:**

The purpose of the program is to encourage construction of new commercial/industrial/agricultural businesses or additions to existing commercial/industrial/agricultural businesses in The Rural Municipality of Whitemouth effectively creating economic development and increasing the tax base.

#### **Definitions:**

"commercial/industrial/agricultural business" means a new commercial, industrial or agricultural business started in the Rural Municipality of Whitemouth, including an existing commercial, industrial or agricultural business purchased by a new owner, that results in a building that is existing, newly constructed or has an addition that will be used as the principal place of business and is classified as commercial/industrial/agricultural property on the Rural Municipality of Whitemouth municipal tax roll. The owner of the commercial/industrial/agricultural business must be the principal owner and the registered property owner. Home based businesses are not eligible for the commercial/industrial/agricultural tax incentive credit.

"general municipal taxes" means all municipal taxes and existing debenture debt as of the date of third reading of this By-law No. 620/14 imposed by The Rural Municipality of Whitemouth based on the portioned assessment of the land and buildings. This does not include School Division taxations or future by-law taxations.

"registered property owner" means the registered owner(s) of the land upon which a commercial/industrial/agricultural is or is to be situated.

#### Requirements:

- 1. Upon acceptance of a tax incentive credit applicant as passed by a Resolution of the Council of The Rural Municipality of Whitemouth, The Rural Municipality of Whitemouth shall grant and will apply a credit for general municipal taxes on The Rural Municipality of Whitemouth property tax roll to the registered property owner annually on October 31<sup>st</sup> of each eligible year as calculated in paragraph two below.
- 2. The Development Incentive program will provide general municipal tax credits for a maximum of twenty-four months. The general municipal tax credits distributed on a prorated basis as follows:

**Portion A:** The first portion of the tax credit will be calculated from January  $1^{st}$  to December  $31^{st}$  in the first full year that taxes are levied. This portion of the tax credit will be applied directly to the municipal tax account on October  $31^{st}$ .

**Portion B:** The second portion of the tax credits will be calculated from January 1<sup>st</sup> to December 31<sup>st</sup>. This portion of the tax credit will be applied directly to the municipal tax account on October 31<sup>st</sup>.

- 3. Registered property owners are responsible to apply for an incentive under this program and must make application in writing to The Rural Municipality of Whitemouth on the application form attached to this By-law No. 620/14 as Schedule "B" and provide such additional documentation as may be required by The Rural Municipality of Whitemouth to process such application prior to commencing construction, including but not limited to a certificate of title.
- 4. Building permits must be obtained and approved and construction of the commercial/industrial/agricultural business must be substantially complete within twelve (12) months of the application to be eligible for the incentive program. The date of the final inspection and approval by the Building Inspector shall be the date of substantial completion. The registered property owner may make an application to the Council of The Rural Municipality of Whitemouth for an extension for the date of substantial completion, approved by resolution of Council.
- 5. The newly commercial/industrial/agricultural business must have a minimum building assessment of Fifty Thousand Dollars (\$50,000.00).
- 6. In the case where new construction is an addition to an existing commercial/industrial/agricultural business, the addition must result in a minimum increase in the building assessment of Fifty Thousand Dollars (\$50,000.00).
- 7. The commercial/industrial/agricultural business must be in full compliance with building codes and by-laws of The Rural Municipality of Whitemouth and the Province of Manitoba, including all applicable policies and practices.
- 8. The registered property owner must not be in violation of any of the by-laws, development agreements, industrial uses or zoning regulations of the Rural Municipality of Whitemouth. In the event of such violation, the commercial/industrial/agricultural tax incentive credit shall cease and the Development Incentive Agreement shall be terminated.
- All infrastructure costs associated with the preparation of the land shall be borne by the registered property owner, subject to any applicable development agreement.
- 10. All costs associated with transfer of title of a commercial/industrial/agricultural business are the responsibly of the purchaser.
- 11. A Municipal sign (Successful Tax Incentive Recipient) must be visibly placed on the property for a minimum period of six (6) months following the date of substantial completion or the date of purchase.
- 12. Property taxes must be kept current. In the event that there are any tax arrears, the tax incentive credit shall cease and the Development Incentive Agreement shall be terminated. Any property taxes due during the residual construction year prior to the date of substantial completion or purchase, as the case may be, must be paid in full by October 31<sup>st</sup> of the current year.
- 13. The commercial/industrial/agricultural business must remain in business for the duration of the tax incentive period.
- 14. In the event that there is any dispute regarding eligibility for the program and/or credit amount available, the decision of Council of the Rural Municipality of Whitemouth will be final.

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# Schedule "B" Commercial/Industrial/Agricultural Tax Incentive Application

Please submit the completed application to: Rural Municipality of Whitemouth Tax Incentive Program Box 248 Whitemouth, MB R0E 2G0

Only one application per property will be accepted.

You are eligible to apply for the R.M. of Whitemouth Commercial/Industrial/Agricultural Tax Incentive Program if you are constructing or moving in a new dwelling onto currently owned or newly acquired property within the Municipality. Property must be appropriately zoned in accordance to the Rural Municipality of Whitemouth Zoning Bylaw.

law. Applicant Last Name First Name Mailing Address Number & Street Box Number City Province Postal Code Phone Number Fax Number E-mail Address Co-Applicant (if applicable) Last Name First Name Mailing Address Number & Street Box Number City Province Postal Code

Property Information

Phone Number Fax Number E-mail Address

Street Address and/or Legal Description	
Title Number	Roll Number
Property area/frontage	Assessed Value

## **BY-LAW NO. 620/14**

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## **BY-LAW NO. 620/14**

Schedule "C"

# COMMERCIAL/INDUSTRIAL/AGRICULTURAL DEVELOPMENT INCENTIVES AGREEMENT

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		ETWEEN: of Whitemouth (First Part AND	:y)
	(Registered Propert	y Owner(s))(Second Par	ty)
Civic Address	s: otion:		
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<b>THAT</b> both p municipal tax met;	earties agree that a gran kes be allocated after all	t, equivalent to two (2) y conditions of By-law No.	/ear's general . 620/14 have been
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Witness		Chief Administrative	 Officer