

POLICY TITLE: Comm-Ind Development Tax Incentive

Policy Objective	To encourage new Commercial Construction and Development within the Town of Outlook
Authority	<i>The Municipalities Act, The Education Property Tax Act Resolution # 144/22</i>
Supporting bylaw	
Related Policy(s)	TAX-002, TAX-004, TAX-005, TAX-006

OBJECTIVE

The purpose of this policy is to encourage construction and development within the Town of Outlook Commercial and/or Industrial zoned areas through the use of property tax exemptions and defined development incentives.

SCOPE

This policy applies to all commercial and/or industrial zones in the Town of Outlook and, where noted, it can apply to specific subdivisions in the Town of Outlook.

DEFINITION

“**Improvement**” according to the Municipalities Act means, subject to the regulations:
 (i) a building or structure erected or placed on, over or under land or over or under water but does not include machinery and equipment unless the machinery and equipment is used to service the building or structure;
 (ii) anything affixed to or incorporated in a building or structure affixed to land but does not include machinery and equipment unless the machinery and equipment is used to service the building or structure

ELIGIBILITY

In order to be eligible for this incentive the property (including land and improvement if any) shall be located in a commercial or industrial zone, or mixed use commercial/industrial zone and shall consist of at least one of the following:

1. Construction of a new principal building in a prescribed zone; or

2. Addition of square footage to a principal building with a minimum of 25% expansion of floor space; or
3. Significant renovations/rehabilitation of a principal building OR addition of an accessory building with a minimum investment of \$35,000.

POLICY GENERAL REGULATIONS

1. No loading of incentives – One property can not benefit from more than one development incentive at any given time.
2. Year 1 of the abatement period begins January 1 of the calendar year immediately following development permit applications filed AND approved prior to September 30 of the previous calendar year.
3. There must be at least three full calendar years between any one property being the recipient of any development incentive EXCEPT in the case of a subdivision specific tax incentive, in which case this incentive CAN be applied immediately following the expiry of that tax incentive.
4. All property owners in receipt of development incentives must be in good standing with regards to all accounts with the Town of Outlook (all properties with taxes levied, all utility accounts and all general accounts payable) at every May 1 of the calendar year of which the development incentive is applied.
5. This incentive CAN NOT be transferred from one owner to another, transfer of property to a new owner relinquishes eligibility of any further incentive associated with the original development permit application.
6. Abatements will be applied in these cases as follows:
 - a. Year 1 100% of Municipal Taxes levied on the additional assessed value of improvements only
 - b. Year 2 100% of Municipal Taxes levied on the additional assessed value of improvements only
 - c. Year 3 100% of Municipal Taxes levied on the additional assessed value of improvements only
 - d. Year 4 50% of Municipal Taxes levied on the additional assessed value of improvements only
 - e. Year 5 Full Taxation
7. Properties may be eligible for abatements to the Education Property Tax as well up to a maximum of 5 years as per Section 295 of *The Municipalities Act* and Sections 21 and 22 of *The Education Property Tax Act*.
8. Town Council reserves the right to make exceptions to this policy by Council resolution on a case-by-case basis.
9. This policy and other related policies replace Commercial Tax Incentive 2019, is effective immediately and only applies to new construction and development following May 1, 2022.

Policy #: TAX 001

Policy Title: Commercial-Industrial Development Tax Incentive

Date Approved: July 13, 2022

Page 2