

POLICY TITLE: Residential Devmnt Tax Incentive

Policy Objective	To encourage construction of new residences within the Town of Outlook
Authority	<i>The Municipalities Act, Resolution # 157/22</i>
Supporting bylaw	
Related Policy(s)	TAX-001, TAX-002, TAX-004, TAX-005

OBJECTIVE

The purpose of this policy is to encourage construction of new residences within established properties within the Town of Outlook Residential zoned areas through the use of property tax exemptions and defined development incentives.

SCOPE

This policy applies to all residential 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 residential zone and shall consist of the following:

1. Demolition of an existing principal building on a residential zoned property and new construction of a principal building on the same residential zoned property;
 or,

2. Demolition of several existing principal buildings on residential zoned properties and subdivision and new construction of one or more principal buildings; or,
3. Construction of a principal building on an infill parcel of land; or,
4. Construction of a principal building on a newly developed parcel of land; or,
5. Construction of a principal building on a newly subdivided parcel of land.

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 approval of the building permit prior to September 30 of the previous calendar year.
3. There must be at least ten full calendar years between any one property being the recipient of any new development incentive.
4. Construction, for the purposes of this policy includes stick build, never before used RTM, never before used Modular Home, never before used Mobile Home, never before used multi-family dwellings, and never before used semi-detached dwellings.
5. 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.
6. In order to encourage developer involvement, this incentive STAYS WITH the property and is transferrable to a new owner, the abatement period does not restart but continues from the original development application and only expires at the end of the abatement period as specified in 7 of these policy regulations.
7. Abatements will be applied in these cases as follows:
 - a. With Demolition:
 - i. Year 1 100% of Municipal Taxes levied on both land and improvements
 - ii. Year 2 75% of Municipal Taxes levied on both land and improvements
 - iii. Year 3 50% of Municipal Taxes levied on both land and improvements
 - iv. Year 4 25% of Municipal Taxes levied on both land and improvements
 - v. Year 5 Full Taxation
 - b. Without Demolition:
 - i. Year 1 100% of Municipal Taxes levied on both land and improvements

- ii. Year 2 50% of Municipal Taxes levied on both land and improvements
 - iii. Year 3 25% of Municipal Taxes levied on both land and improvements
 - iv. Year 4 Full Taxation
- 8. 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*.
- 9. Town Council reserves the right to make exceptions to this policy by Council resolution on a case-by-case basis.
- 10. This policy is effective immediately and will only be applied to new building permit applications approved following January 1, 2022.

