



RURAL MUNICIPALITY OF LORNE
BY-LAW #1777/14

BEING A BY-LAW of the RM of Lorne to create an Economic Development incentive program and implement a grant program for eligible construction and renovations in the RM of Lorne.

WHEREAS Section 261.2 (1) of The Municipal Act, R.S.M. 1996, c. M225 authorizes the Council of a municipality to establish by by-law financial assistance programs;

AND WHEREAS the Council of the RM of Lorne has recognized the importance of providing economic development incentives for construction and renovations within the RM of Lorne limits;

AND WHEREAS the Council of the RM of Lorne has deemed it necessary and expedient to pass a by-law for the purpose of establishing the terms and conditions for a financial assistance program for economic development;

AND WHEREAS all construction included in the by-law must receive approval from the South Central Planning District prior to starting construction.

NOW THEREFORE BE IT RESOLVED that the Council of the RM of Lorne, in open session assembled enacts as follows:

1. In this by-law,
 - (a) MUNICIPALITY means the RM of Lorne.
 - (b) FINANCIAL ASSISTANCE means a grant equal to municipal taxes.
 - (c) MUNICIPAL TAXES means the property taxes imposed for municipal purposes by the municipality.
 - (d) OWNER means a person who is the registered owner under The Real Property Act of land on which a building is located, or the granted thereof of a valid conveyance registered under The Registry Act, or an agent of either such owner.
 - (e) BASE YEAR means the year prior to the year in which the property is reassessed as a result of construction or renovation under the Economic Development Incentive Program.
2.
 - (a) THAT a financial assistance program be established for properties within the Economic Development Incentive Program whereby any new municipal taxes which may result from an increase in the assessed value of a property due to the redevelopment of that property would be eligible for a grant for a period of four (4) years commencing in the year following the base year.
 - (b) THAT properties must be developed as commercial, commercial/residential, or residential uses in the Economic Development Incentive Program.
3.
 - (a) THAT the grant for Years 1 and 2 of the Economic Development Incentive Program Financial Assistance Program, whereby Year 1 shall be considered to be the year in which the redevelopment is completed, shall be calculated to equal the ordinary municipal taxes for property in a given year, less the taxes for the base year;
 - (b) THAT the grant for Years 3 to 4 of the Economic Development Incentive Program Financial Assistance Program shall be calculated to equal the ordinary municipal taxes for a property in a given year, less the taxes for the base year, multiplied by 50%.
4. THAT any new residential construction includes: new RTM, new mobile home, and new residential construction on site for primary residence. The property owner may be eligible for an incentive equaling the cost of the development permits as invoiced by the South Central Planning District.

5. THAT all applications must comply with the following:
- (a) THAT the proposed redevelopment project must conform with all applicable provisions of the municipality's zoning and building by-laws, and with any applicable design approval process;
 - (b) THAT construction of the proposed project must not be started prior to approval of the grant in order to receive the entirety of the financial assistance set out by this by-law and that applications received after the commencement of construction would be eligible for either only a portion or none of the financial assistance set out by this by-law which would be determined by the date of submission of the application;
 - (c) THAT the proposed project will receive conditional approval until all municipal and educational taxes are paid in full on or before October 31st of the year the application is received.
6. THAT applications shall be made with the form attached as "Schedule A" of this by-law.
7. THAT no grants shall be paid until all municipal and educational taxes are paid in full on or before October 31st.

AND FURTHER BE IT RESOLVED THAT Council reserves the right to review, alter, extend or revoke this program at any time without notice.

DONE AND PASSED by the Council of The RM of Lorne in regular Council assembled at the Village of Somerset, Manitoba on the 11 day of June 2014.

A. Pantel
REEVE

J. Gauvreau
CHIEF ADMINISTRATIVE OFFICER

Given first reading this 13 day of May 2014.

Given second reading this 11 day of June 2014.

Given third reading this 11 day of June 2014.

	For	Against
A. Pantel	<u>✓</u>	___
R. Lesage	<u>✓</u>	___
R. Bourdeaud'hui	<u>✓</u>	___
S. Saxton	<u>✓</u>	___
D. Ronceray	<u>✓</u>	___
G. Vigier	<u>✓</u>	___
G. Friesen	<u>✓</u>	___

**RM of Lorne
Economic Development Incentive Program**

Eligibility

Eligibility is determined on a project by project basis. Council has the final decision on all applications. The following developments in the RM of Lorne are eligible for the incentive program.

1. New commercial and industrial development making a minimum assessed building value of \$50,000;
2. Expansion and major renovation of existing business with a minimum assessed building value of \$50,000 added to the base year;
3. New multiple-unit residential development including apartment blocks and any development with 2 or more rental units, with a minimum assessed building value of \$100,000;
4. Expansion or major renovation of exiting multiple-unit residential development with a minimum assessed building value of \$50,000 added to the base year.
5. The installation of green initiative such as geo-thermal heat pump installed on commercial property which increases the assessed value from the base year.
6. New Residential Construction.

Ineligible applicants include provincial and federal government run or funded agencies and insurance claims.

Program criteria

1. All eligible development must result in a net increase in the property's assessment as determined by Manitoba Assessment Branch and meet the targeted needs of the community.
2. The developer or owner must obtain a building and development permit prior to the commencement of any construction and the development must conform to the municipality's development plan and zoning by-law.
3. Application must be made at any time before 60 days of the construction start date.
4. All municipal and educational taxes must be paid in full on or before October 31 of each tax year.

The RM of Lorne has implemented an incentive program to encourage new development opportunities.

New Commercial / Industrial development:

Assessed building value	Incentive
\$ 50,000 and over	A grant equal to 100% of municipal taxes year 1 and 2 A grant equal to 50% of municipal taxes year 3 and 4

Major expansion and renovation to existing business

Assessed building value from base year	Incentive
	Annual cash incentive on the portion of municipal tax that results from the renovation or expansion calculated on the basis:
\$ 50,000 and over	A grant equal to 100% of municipal taxes year 1 and 2 A grant equal to 50% of municipal taxes year 3 and 4

New multiple-unit residential development

Assessed building value	Incentive
\$ 50,000 and over	A grant equal to 100% of municipal taxes year 1 and 2 A grant equal to 50% of municipal taxes year 3 and 4

Major expansion or renovation to multiple-unit residential

Assessed building value from base year	Incentive
	Annual cash incentive on the portion of municipal tax that results from the renovation or expansion calculated on the basis:
\$ 50,000 and over	A grant equal to 100% of municipal taxes year 1 and 2 A grant equal to 50% of municipal taxes year 3 and 4

Green Initiative – Geo-thermal heat pump

Assessed building value	Incentive
	Annual cash incentive on the portion of municipal tax that results from the geo-thermal heat pump installation:
	A grant equal to the added assessed value of the green initiative (geo-thermal heat pump).

New Residential Construction

Assessed building value	Incentive
	Cash incentive equaling the cost of the development and building permits as invoiced by the South Central Planning District.

**ECONOMIC DEVELOPMENT INCENTIVE PROGRAM
GRANT APPLICATION FORM**

Please read the Programs Guidelines and all instructions before completing this application form. Attach additional support material. Applications must be complete. Please type or print clearly.

Section 1: Applicant Information

1. What is the name and address of the registered property owner?

Owner's Name: _____ Representing: _____
 Telephone: _____ Fax: _____ E-mail: _____
 Address: _____ Postal Code: _____
 Contact Person: _____ Representing: _____
 Address: _____ Postal Code: _____
 Telephone: _____ Fax No. _____ Email address: _____

Section 2: Site Information

1. What is the name of the property? _____
 2. What is the address of the property? _____
 3. Roll Number(s) of property? _____
 4. Current Assessment Value of property? Land _____ Buildings _____

Section 3: Project Proposal

Project Title _____
 What are the planned project start and completion dates?
 Start date: _____ Completion Date: _____
 What is the present use of the building? _____
 What will the building be used for after the project? _____
 Briefly describe the scope of work of this project that you consider eligible for a grant from this program

*Please include with application a copy of the building and development permits.

Applicant Signature

Date

OFFICE USE ONLY	Resolution of Council # _____	Date Reviewed: _____
By-law # _____	Approved / Rejected	_____ Chief Administrative Officer