

Policy #: 06-40

Issue: Commercial/Industrial Development Incentive Policy

Adopted: Feb 19, 2001

Revises & Adopted: May 7, 2001, February 25, 2004, July 24, 2006

*Town of Watrous  
Commercial/Industrial Development Incentive Policy*

1. *Policy Statement*  
*The Council of the Town of Watrous wishes to create development incentives to enhance business development and growth opportunities in the commercial and industrial districts within the municipal boundaries of the Town of Watrous through the use of property tax concessions and defined development incentives.*
  
2. *Policy Definitions*  
*Council:*  
*Council is defined as the municipal Council of the Town of Watrous.*  
*Frontage Tax:*  
*Shall mean either frontage taxes or local improvement levies.*  
*New Construction and New Additions:*  
*Shall be defined as structural alterations having a construction value, based on the Building Permit approved by the Town of Watrous, of not less than \$50,000.00.*  
*Property Assessment:*  
*Shall mean the assessment resulting from the new construction as well as the land assessment if it was exempt in the previous year and purchased from the Town of Watrous. The Saskatchewan Assessment Management Agency, or any other professional assessor appointed by Council, shall determine the property assessment.*  
*Property Tax:*  
*Shall be defined as current Municipal property taxes. Where permitted either by provincial legislation or by agreement with the School Division, property tax shall mean current municipal and school property taxes.*  
*Tax Concessions:*  
*Shall mean the amount of property taxes cancelled in any given year. In the event ownership of a property changes the tax concessions remain with the property as long the property assessment remains taxable.*  
*Tax Roll:*  
*Shall mean the tax roll of the Town of Watrous.*
  
3. *Policy*
  - 3.1 *No property taxes shall be levied on the portion of the property assessment resulting from the new construction in calendar year in which construction commences.*
  - 3.2 *No property taxes shall be levied on land purchased from the Town of Watrous in the calendar year in which the land is purchased.*
  - 3.3 *The Town of Watrous is willing to negotiate with any prospective business enterprise the price of Town owned land and any required municipal services such as water and sewer mains, service lines and street improvements.*
  - 3.4 *You must have a taxable assessment to qualify for any development incentives identified in this policy. Exempt properties paying full Grants-In-Lieu shall also be eligible.*
  - 3.5 *Tax concessions will be calculated only on the property taxes resulting from the property assessment associated with the new construction as defined in this policy statement.*
  - 3.6 *That the Council of the Town of Watrous encourage the School Division to participate in the Policy as it relates to tax concessions where such concession are permitted by legislation.*
  - 3.7 *The tax concessions for commercial/industrial development that meet the eligibility*

*criteria established in this policy statement are as follows:*

*The earlier of (a) the year construction commences or (b) the year property is purchased from the Town of Watrous for the eligible development...is*

|               |                            |
|---------------|----------------------------|
| <i>Year 1</i> | <i>100% tax concession</i> |
| <i>Year 2</i> | <i>100% tax concession</i> |
| <i>Year 3</i> | <i>67% tax concession</i>  |
| <i>Year 4</i> | <i>33% tax concession</i>  |
| <i>Year 5</i> | <i>0% tax concession</i>   |

- 3.8 Tax concessions apply to the current annual levy(s) only and do not apply to any current penalties added to the tax roll. All property taxes not eligible for a tax concession, as well as all frontage taxes and local improvements, must be paid in full before the tax concession will be entered on the tax roll.*
- 3.9 In the event any municipal, school or frontage taxes or levies are unpaid at December 31<sup>st</sup> in the year of levy, the property shall immediately become ineligible to receive any further tax concessions not already entered on the tax roll.*
- 3.10 In the event an eligible property is sold, the tax concession will transfer to the new owner subject to all other requirements of this policy.*
- 3.11 All owners or developers must make a written request to Council to be eligible to participate in this policy. The Town of Watrous must receive the written request before the Town has approved the building permit. To be eligible to receive tax concessions the Town of Watrous must issue applicants written confirmation of approval of eligibility for tax concessions.*
- 3.12 Tax concessions shall not apply to any frontage taxes or local improvement levies.*
- 3.13 The Town Administrator shall administer this policy.*
- 3.14 This policy shall take effect on the date of adoption by resolution of Council.*