



## **Downtown Perth Community Improvement Plan Municipal Tax Increment Rebate Program Program Guide**

The intent of the Downtown Perth Community Improvement Plan (CIP) – Tax Increment Rebate Program is to provide a rebate to eligible applicants whose municipal property tax has increased as a result of development or redevelopment of a property within the designated CIP Area.

The Program stimulates investment by effectively deferring the full increase in taxation (municipal portion only) associated with the reassessment through rebates that are equivalent to a portion of the resulting property tax increase.

### **Who can apply?**

Owners of commercial and/or mixed use properties located within the designated Community Improvement Plan Area may apply. (See attached map)

### **How does the program work?**

When an approved project is complete, a rebate will be paid annually following the payment of all property taxes by the owner. Rebates will be equal to a percentage of the municipal tax increment for a maximum period of five (5) years. In year one, the rebate to the approved applicant equals 100% of the increase due to assessment change in the \*Town of Perth's municipal tax increments only.

The rebate decreases by 20% of the total tax increment cumulatively each year thereafter, for a maximum of five (5) years. The tax rebate will not be paid and will not accumulate for any year when taxes remain unpaid as of December 31<sup>st</sup> of the year after the last property tax payment was due and failure to pay taxes in two consecutive years shall disqualify the owner for further rebate payments.

*\*This amount does not include County of Lanark Increases or School Board Increases, or phase in change.*

### **What kind of work is eligible?**

Except where rendered ineligible (as per the notes below) the following works will be supported under this program:

- Large scale development with renovation costs over \$100,000;
  1. Redevelopment;
  2. Construction and reconstruction of lands and building for rehabilitation purposes or for the provision of energy efficient uses, buildings, structure, works, improvement or facilities;
  3. Infrastructure work including the improvement or reconstruction of existing on-site private infrastructure (water services, sanitary and storm sewers).

### **What kind of work is ineligible?**

Small scale projects, defined as those that involve less than \$100,000 in renovation costs will not be considered eligible under this program, but may be eligible for other Financial Incentive Program(s) offered through the CIP. Projects will not be considered retroactively.

### **What conditions must be met to be eligible?**

- Projects must be within the dedicated Downtown Perth Community Improvement Plan Area (see attached map);
- Applications must be submitted on the official application form;
- The property shall be improved in such a manner that the improvement does not compromise the reasons for heritage designations or pre-existing heritage features and comply with the Town's Heritage Conservation District By-law;
- The applicant may be required to submit professional architectural/design drawings which shall be in conformity to the issued urban design guidelines, heritage design guidelines, and sign by-laws where applicable;
- The applicant may be required to submit other supporting documents as specified;
- Construction must be completed within one (1) calendar year of the date of the approval of the rebate. If the work is not completed within one (1) calendar year the rebate may not be paid.

### **When will the rebate be advanced?**

Rebates will be provided upon successful completion of the approved work, and payment of the full reassessed value of the municipal taxes.

Tax increment rebates are provided to property owners for a maximum of five (5) years. Rebates will be paid annually, no later than January 31<sup>st</sup> of the following year, to property owners after the owner pays the full municipal property tax.

The project is deemed complete when:

- An agreement has been signed and fully executed;
- Construction is complete;
- The building has been inspected by the Chief Building Official (CBO) and complies with all requirements of the Ontario Building Code or other relevant regulations; and
- Applicant provides proof that all contractors and subcontractors have been paid.

### **How do I apply?**

- Arrange a pre-application meeting with the municipal staff in order to determine program eligibility, proposed scope of work and, project timing etc.;
- If authorized to, complete an application form and ensure that the application includes all of the required documentation.

### **What happens next?**

- Applications and supporting documentations are reviewed by staff and the CIP Implementation Advisory Panel;
- Staff or the Panel may request clarification or additional supporting documentation
- Staff will conduct an initial site visit(s) and inspect the property if necessary;
- The CIP Implementation Advisory Panel will review, and approve/reject, under delegated authority and in accordance with the eligibility requirements of the CIP and the terms and conditions of the Tax Increment Rebate Program;
- If the application is approved by the Implementation Advisory Panel an Agreement is then executed and a copy of the agreement is returned to the applicant;
- Construction of the approved works may now commence, subject to the issuance of all applicable permits.
- Contact municipal staff toward work completion.
- Upon completion of works, Town staff will conduct a final site visit and inspection (as necessary) to ensure compliance with the Agreement and any permits pursuant to the *Ontario Heritage Act, Ontario Building Code, etc.*

- Submit to the Town, copies of paid invoices.
- Upon review and approval of all the submitted documentation, a rebate will be paid annually to the property owner equal to the percentage of the municipal tax increment for a maximum of five (5) years.
- In year one the rebate will equal 100% of the increase in the municipal tax increment, and decrease by 20% of the total increment cumulatively each year thereafter.

***For further information on this program, please contact:  
Economic Development Coordinator – Town of Perth  
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