

Town of Stewiacke

By-Law 2018-24

Certified Copy

Commercial Development District Plan  
Improvement By-law

I, Randi-Lynne Buchi, Acting Chief Administrative Officer for the Town of Stewiacke, Province of Nova Scotia, do hereby certify this is a true copy of the Commercial Development District Plan Improvement By-law adopted by Council of the Town of Stewiacke at a duly assembled meeting held on the 23rd of March, 2023.



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Randi-Lynne Buchi

Acting Chief Administrative Officer



## TOWN OF STEWIACKE BY-LAW # 2018-24

### RESPECTING COMMERCIAL DEVELOPMENT DISTRICT IMPROVEMENTS IN THE TOWN OF STEWIACKE

**WHEREAS** it is desirable to permit the phasing-in, over a period of 10 years, of the commercial taxes resulting from an increase to the taxable assessed value of the commercial properties located in the Town of Stewiacke Commercial Development District by providing a partial rebate of taxes paid by the Owner during the phasing-in period;

**AND WHEREAS** the *Municipal Government Act* allows the Town with the approval of the Minister of Municipal Affairs to pass this By-law;

The Council of the Town of Stewiacke under the authority of the *Municipal Government Act*, pursuant to Section 71C and subject to approval of the Minister in Section 71D, enacts the following By-law:

#### TITLE

1. This By-law is entitled the "Commercial Development District Improvement Plan By-law".

#### DEFINITIONS

2. In this By-law:
  - (a) "Actual Taxable Assessed Value" means the taxable assessed value pursuant to the assessment roll for the taxation year in which the Rebate Eligible Assessment is to be determined, subject to any adjustments to this assessment arising from appeals or changes made by the Property Valuation Services Corporation (PVSC) through requests for reconsideration.
  - (b) "Annual Rebate" is the amount of the rebate in a year paid to an Owner of an Eligible Property that is subject to a Phased In agreement pursuant to section 8 of this By-law.
  - (c) "Base Year Taxable Assessed Value" means the taxable assessed value of an Eligible Property in the taxation year in which a Phased In Assessment Agreement is signed for the Eligible Property, subject to any adjustments to this assessment arising from appeals or changes made by the Property Valuation Services Corporation (PVSC) through requests for reconsideration.
  - (d) "Commercial Development District or CDD" means the area of the Town of Stewiacke established by section 4 of this By-law.
  - (e) "Development" means investment that results in an increase in the productive use of an Eligible Property or a building on an Eligible Property within the CDD, and includes, but is not limited to, construction of a new building or the expansion or renovation of an existing building.



- (f) “Development Support Program” means a program designed to stimulate building construction and the expansion of the economy of the Town of Stewiacke.
- (g) “Eligible Property” means an eligible property as defined in section 71C(1)(d) of the *Municipal Government Act*
- (h) “Owner” means the person named on the assessment roll as responsible for the taxes for a property.
- (i) “Phased In Agreement” is an agreement signed by the Town of Stewiacke and the owner on an Eligible Property and is written in substantially the same form as the Agreement set out in Appendix “B” of this By-law.
- (j) “Rebate Eligible Assessment” means the amount calculated using the following formula:  
$$\text{Rebate Eligible Assessment} = \text{Actual Taxable Assessed Value} - \text{Base Year Taxable Assessed Value}.$$
- (k) “Town” means the Town of Stewiacke.

## **APPLICATION**

- 3. This By-law applies to Eligible Properties in the CDD.
- 4. The CDD for the Town is depicted in the attached Appendix “A” and is hereby established in accordance with the Town *Municipal Planning Strategy*.
  - (a) The CDD may be altered by resolution of Council.
  - (b) Council shall consider altering the CDD to include an Eligible Property where the owner of that property has requested that the property be included in the CDD and has demonstrated an intent to undertake a Development on the property through providing plans for the Development prepared by an engineer or architect or through other means satisfactory to Council.

## **DEVELOPMENT SUPPORT PROGRAM**

- 5. A Development Support Program is established to aid Owners of Eligible Properties in the CDD by providing an annual partial rebate on taxes paid by the Owner if the Owner has undertaken Development of their Eligible Property.
- 6. Prior to receiving support through the Development Support Program, an Owner of an Eligible Property must enter into a Phased In Agreement with the Town.

## **ELIGIBILITY**

- 7. An Eligible Property in the CDD must undergo Development before the Owner of the property can participate in the Development Support Program.

## **PHASED IN AGREEMENT**

8. The eligibility criteria for the Development Support Program and the limits on the program are as established in this By-Law. In the event of a conflict between a Phased In Agreement and this By-Law, the provisions of this By-Law shall prevail.

## **REBATE CALCULATION**

9. An Annual Rebate amount shall be calculated each year for each Eligible Property that is subject of a Phased In Agreement as follows:

Year	Annual Rebate
1	90% of Rebate Eligible Taxes
2	80% of Rebate Eligible Taxes
3	70% of Rebate Eligible Taxes
4	60% of Rebate Eligible Taxes
5	50% of Rebate Eligible Taxes
6	50% of Rebate Eligible Taxes
7	40% of Rebate Eligible Taxes
8	30% of Rebate Eligible Taxes
9	20% of Rebate Eligible Taxes
10	10% of Rebate Eligible Taxes

Where Rebate Eligible Taxes = Commercial tax rate for the Town x the Rebate Eligible Assessment.

## **REBATE LIMITS**

10. The total of Annual Rebates provided to an Owner over the term of participation in the Development Support Program must not result in the calculation of the total increase in taxes payable during the phase-in period being less than fifty per cent of the total increase in taxes that would be payable during the same period in the absence of the application of the Development Support Program formula.

## **ADJUSTMENTS**

11. In the event there are any subsequent changes in the total taxes payable in any year due to reductions resulting from assessment appeals, and where such tax changes occur after Annual Rebates have been paid, future year entitlements may be reduced accordingly. Any overpayment of amounts arising from subsequent assessment or tax reductions will be deemed to be a debt owing to the Town.

## **DURATION**

12. Annual Rebates will only become payable to the Owner after the Eligible Property is first reassessed by the Property Valuation Services Corporation (PVSC) to fully reflect the Development for which the Owner is receiving the rebate.

13. All support under the Development Support Program will cease if during term of the Phased In Agreement, a building on the subject property is demolished, except to allow for eligible development. An Annual Rebate that would have been payable in the year in which the demolition occurs will be adjusted on a pro-rated basis to reflect the date of the demolition.

### **STAGED DEVELOPMENT**

14. In the case of a staged Development, where one portion of an Eligible Property is developed in advance of others, each portion of the Eligible Property will be treated as a separate Eligible Property. The first Annual Rebate payment of the component of the Development Support Program will be based on the Rebate Eligible Assessment arising from the increased assessment on the first portion of the Development. As other portions of the Eligible Property are developed which result in further assessment increases, the Owner of the Eligible Property may apply to further participate in the Development Support Program based on the additional Rebate Eligible Assessment, subject to the continued availability of the Development Support Program and the Owner's ability to meet the eligibility requirements and Annual Rebate entitlements in place at that time.

### **CONDOMINIUMS**

15. If a Development of an Eligible Property is condominiumized, each condominium unit will be treated as a stand-alone Eligible Property and must be able to meet all eligibility requirements of the Development Support Program, independent of other condominium units.

### **OTHER CONDITIONS**

16. All proposed Developments must conform to all Provincial laws, municipal By-laws, policies, and processes and all improvements must be made pursuant to an approved building permit and applicable zoning requirements and development approvals.

17. The applicant to the Development Support Program must be the Owner of the Eligible Property that is to be the subject of the Phased In Agreement.

18. The Owner of an Eligible Property in the CDD must not be in arrears of property taxes or other fees and charges on the date that the Phased In Agreement is signed.

### **PAYMENT**

19. The Town will pay Annual Rebates once annually, in the last quarter of the year, provided that:

- (a) there are no outstanding taxes, water rates, or other sums owed to the Town with respect to the subject property;
- (b) there are no outstanding work orders or orders or requests to comply from any municipal or provincial entity with respect to the subject property; and
- (c) all other eligibility criteria and conditions are met.



20. An owner will not be entitled to an Annual Rebate if the property subject to a Phased In Agreement does not meet the conditions of section 19 at the time the Annual Rebate is due to be paid.

21. Annual Rebates will not be applied as tax credits against property tax accounts.

22. In case of an assessment appeal, the Town reserves the right to withhold Annual Rebates pending final disposition of the appeal.

**REQUIREMENT TO REVIEW BY-LAW**

23. This By-law shall be reviewed by the Town within four years of its coming into force and every four years thereafter in accordance with section 71(E) of the *Municipal Government Act*.

**THIS IS TO CERTIFY THAT** this By-law was passed by the Council of the Town of Stewiacke at a duly constituted meeting of said Council held on the 24th day of May, 2018.

**SIGNED** by the Mayor and Clerk this \_\_\_\_\_ day of \_\_\_\_\_, 2023.

\_\_\_\_\_  
MAYOR

\_\_\_\_\_  
CLERK

Appendix A

Town of Stewiacke – Commercial Development District





**APPENDIX "B"**

**Town of Stewiacke  
Phased In Agreement**

**THIS AGREEMENT** made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_

**BETWEEN:**

\_\_\_\_\_

(the "Owner")

– and –

**The Town of Stewiacke**

(the "Town")

**WHEREAS** the Town adopted the "Commercial Development District Improvement Plan By-Law" (CDD By-law), a by-law which provides for a partial rebate of commercial taxes for business properties located in the Commercial Development District;

**AND WHEREAS** the Owner is the registered owner of an eligible property which is located within the Commercial Development District and has applied to the Town for a partial tax rebate;

**AND WHEREAS** the eligible property is described in section 11 of this Agreement (the "Property");

**AND WHEREAS** the Town requires that a Phased In Agreement be entered into between the Owner and the Town;

**The parties agree as follows:**

1. Unless stated otherwise in this Agreement or the context requires otherwise, words and phrases that are capitalized have the meanings assigned to them in the CDD By-law.
2. Upon the granting of a building and development permit for a Development of the Property, the Owner of the Property may apply in writing to the Town to participate in the





Development Support Program. The assessed value of the Property at the time of the application will be the Base Year Taxable Assessed Value.

3. When the Development is complete and the Building Inspector and Development Officer are satisfied that all requirements of the permitting process have been met, the Town shall establish the next assessment of the Property as the Actual Taxable Assessed Value. The year of the Actual Taxable Assessed Value shall be Year 1 of the Tax Rebate Program. The difference between the Base Year Taxable Assessed Value and the Actual Taxable Assessed Value shall be the Rebate Eligible Assessment.
4. All commercial taxes for the Property shall be paid when due. In December of Year 1 the Town shall provide a rebate to the Owner. The rebate will be 90% of the amount calculated by multiplying the Rebate Eligible Assessment by the commercial tax rate of the Town. The rebate shall decrease at a rate of 10% per year from 90% in Year 1 to 10% in Year 10 except that year 5 and year 6 will both be at 50%. The table at Schedule "A" to this Agreement will be used in the calculations.
5. If there is a change in ownership of the Property, the new Owner may continue in the Development Support Program and receive the Annual Rebates for the duration of the program.
6. A default under this Agreement ("Default") shall be deemed to occur upon any of the following:
  - (a) failure by the Owner to satisfy the requirements or perform any of the obligations set out in this Agreement and the CDD By-law;
  - (b) failure by the Owner to pay and keep in good standing all real property taxes with respect to the Property and all other charges against the Property in favour of the Town, including development charges, special assessments, local improvement charges, sewer and water and utility rates;
  - (c) the making of an assignment by the Owner for the benefit of creditors, or if the Owner is adjudged bankrupt or insolvent, or if a liquidator or receiver is appointed by reason of any actual or alleged insolvency, or any default of the Owner under any mortgage or other obligation, or if the Property is taken or sold by any creditors or under any writ of execution or other like process;
  - (d) failure by the Owner to remain in contact with the Town such that the Town is unable to contact the Owner for a period of time exceeding one (1) year;
  - (e) any representation or warranty made by the Owner in this Agreement or the Development Support Program is incorrect in any material respect.
7. If a Default occurs, the Town shall give written notice to the Owner specifying the nature of the Default. The Owner shall then have sixty (60) days from the receipt of the notice to rectify the Default, during which time all Annual Rebate payments may, in the Town's sole discretion, be suspended. If the Owner fails to rectify the Default within the sixty



(60) day time period, the Town shall have the option, in its sole discretion, to all available remedies to terminate or enforce this Agreement, including, but not limited to:

- (a) immediate termination and cessation or delay of the release of an Annual Rebate otherwise payable to the Owner; and
  - (b) requiring the Owner to immediately repay to the Town all or a portion of any Annual Rebates paid to the Owner together with interest at the established Town rate.
8. Wherever in this Agreement the Town requires repayment of all or part of any Annual Rebate and the Owner fails to repay as required, the unpaid amounts shall be deemed to be a debt owing to the Town and a first lien on the Property, and may be added to the taxes owing for the Property together with interest at the Town rate.
9. This Agreement shall remain in effect from the date of its execution by the Town to the earlier of:
- (a) the Owner informing the Town in writing prior to the first Annual Rebate payment that it has decided not to accept any Annual Rebates;
  - (b) the Town terminating this Agreement pursuant to section 7(a);
  - (c) the expiry of the Development Support Program period after 10 years; and
  - (d) the Owner informing the Town in writing at any point after receiving the first Annual Rebate payment that it no longer wishes to receive Annual Rebates.
10. Time shall be of the essence with respect to all covenants, agreements and matters contained in this Agreement.

**11. PROPERTY INFORMATION:**

**Applicant and Owner:**

Name of registered Property Owner:

Mailing Address of Owner:

Address of Property:

Property Identification Number(s):

Assessment Account #



IN WITNESS WHEREOF the parties have executed this Agreement by their duly authorized representatives effective this \_\_\_\_\_ day of, 20\_\_\_\_\_

**The Town of Stewiacke**

\_\_\_\_\_  
Name:  
Title: CAO, Town of Stewiacke

Authorized by Chapter 13 of the Acts of 2016 to amend the Municipal Government Act to create Section 71C and 71DF, which allows the Town of Stewiacke to pass by-law [2018-24], to be enacted by the Council of the Town of Stewiacke, under the authority of the Municipal Government Act, S.N.S.

\_\_\_\_\_  
Name:  
Title:

[Name of owner]

\_\_\_\_\_  
Owner  
I have authority to bind the corporation

Schedule A

Example: Company A applied for building and development permits in the spring of 2019 to build on a vacant lot. The vacant lot was assessed at 100,000 as was established as the Base year Assessed value. The rebate year will begin when construction is done, say fall of 2019.

(2)

(3)

Yrs	Rebate Year	Base Year Taxable Assessed value	Actual Taxable Assessed Value	Rebate Eligible Assessment	
1.	2020	\$100,000	\$600,000	\$500,000	
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

Yrs	Rebate %	Rebate Eligible Assessment	Commercial Tax Rate	Rebate Eligible Taxes	Rebate Amount \$	
1.	90%	\$500,000	\$3.50	\$17,500	\$15,750	
2.	80%					
3.	70%					
4.	60%					
5.	50%					
6.	50%					
7.	40%					
8.	30%					
9.	20%					
10.	10%					
Totals (9) & (10):						
Re-calculate:						
Total Allowable Rebate:						

Total Allowable Development Rebates over the program period cannot exceed 50%.

Annotations for Official By-law Book

Date of First Reading:	<u>January 26, 2023</u>
Date of advertisement of Notice of Intent to Consider:	<u>March 8, 2023</u>
Date of second reading:	<u>March 23, 2023</u>
Date of advertising of Passage of By-law:	<u>August 2, 2023</u>
Date of mailing to Minister a certified copy of By-law:	<u>August 2, 2023</u>

I certify that this Commercial Development District Improvement Plan By-law By-law was adopted by Council and published as indicated.

  
\_\_\_\_\_  
CAO / Clerk

Aug 2/2023  
Date

