

TOWN OF THREE RIVERS

Affordable Housing Tax Incentive Program

Policy Number: TRG-5

Approved By: Town Council

Date of Approval: April 8, 2019

Objective

To encourage and assist the private and non-profit sectors to come forward with housing projects that will create a larger inventory of affordable housing within the Town.

Eligible Properties

This program applies to:

1. Housing development projects that have been approved for financial assistance from the Province of PEI and/or the Government of Canada through a program designed to address affordable housing needs. Proponents will be developers, non-profit agencies, or rental co-operatives.
2. Housing development projects that comply with all Town of Three Rivers Bylaws, Zoning and Development requirements, and have received all the approvals, certificates and licenses that may be required at any time and for any reason by the Town of Three Rivers.
3. Only to the property, or part thereof, while the property or segment of the property is being occupied as an affordable housing project or unit.

The Town of Three Rivers reserves the right to amend and/or alter existing criteria or to impose additional or alternative criteria, as it may deem appropriate.

Incentive Available

The incentive is based on the amount of municipal tax collected on the increased taxable assessment resulting from a project. Up to a 100% Municipal Property Tax Exemption Incentive may be granted on all new affordable housing units for a period no longer than 10 years. The portion of the municipal tax that is fire dues will not be included in the incentive.

The Town encourages integrated housing that houses seniors, youth, family housing and subsidized rental units within the same building/complex. The portion of the building that is used for affordable housing will be eligible for the incentive. If for example 50% of

the units were subsidized rentals, then the tax forgiveness would be based on 50% of the increase in assessment.

Because the Province collects taxes in Prince Edward Island, the applicable portion determined by the Town will be refunded to the applicant by means of a rebate.

Timely application Required

A Developer shall make application for the Program simultaneously with the application for a Building Permit from the Town of Three Rivers; otherwise, the Program will not apply to that project. The onus to make a timely application is upon the Developer.

At the time of the application the applicant must provide to the satisfaction of the Town verification that there are no property taxes owing on the property.

Agreement

The Applicant and the Town of Three Rivers shall enter into an agreement upon completion of the project. The agreement shall include but not be limited to:

Verification that there are no property taxes owing on the property

An approved Municipal Building Permit has been acquired.

Documentation demonstrating that there has been an increase in the property tax assessment and showing the amount of the increase over the beginning year.

Verification to the satisfaction of the Town of Three Rivers that that the property operates as an affordable housing complex/unit(s).

To be eligible for any Town of Three Rivers tax incentive program for additional properties, the applicant must submit annually by January 31 information to the satisfaction of the Town of Three Rivers demonstrating that there are no property taxes owing on properties previously approved.

Interpretation, Application and Appeal

The proper interpretation or application of the Program shall be determined by the Chief Administration Officer of the Town of Three Rivers. Where the interpretation of the Program raises questions in dispute, the matter shall be referred to the appropriate council committee, which shall make a recommendation to Town Council. Council's determination shall be final and binding.

Administration

The Town of Three Rivers Affordable Housing Tax Incentive Program shall be administered by the CAO or his or her designate.

Amendment

This Program shall be evaluated on an ongoing basis to determine whether or not the goals and objectives of the Program are effectively and efficiently being met. Council may amend, alter, or terminate the Program.