

Policy Title:	Applies to:	Reference #
Revitalization Incentive Policy	<i>City of Regina City Planning & Community Development</i>	CR22-107
Approved by:	Dates:	Total # of Pages
City Manager	Effective:	17
	Last Review:	
	Next Review:	
Authority:		
City Council (CR22-107)		

1.0 Purpose

To financially support property and business owners with certain exterior or interior building code compliance improvements contributing to revitalization, beautification and reinvestment of properties within established areas of the city. Objectives of the Policy include:

- Stimulate building activity, supporting local employment and suppliers;
- Help improve aging building stock to attract new businesses to vacant spaces;
- Introduce new features and amenities that create interest and vibrancy, helping bring more people to the established areas of the city to live, work, invest and visit; and
- Catalyze future private investment in established areas of the city.

2.0 Scope

This Policy supports the revitalization of properties and buildings in alignment with goals and policy from *Design Regina: The Official Community Plan Bylaw No. 2013-48* and applies to building owners within the Incentive Target Area who invest in the revitalization of existing buildings and properties.

3.0 Definitions

Actual Eligible Costs – the total value of actual eligible project costs incurred by an Applicant based on proper invoices and other documentation submitted by an Applicant after the completion of a revitalization project.

Applicant – the Registered Owner of the lands subject to a Revitalization Incentive Application, or designate of the Registered Owner.

Building Permit – a permit issued under *The Building Bylaw* of the City of Regina authorizing the construction of a building.

City – the City of Regina.

City Assessor – the City of Regina Assessor, or the City Assessor’s designate.

Demolition – the removal of or partial removal of a building structure, requiring a demolition permit under *The Building Bylaw*.

Development – means the same as defined in *The Planning and Development Act, 2007*.

Development Permit – a document authorizing a Development issued pursuant to *The Regina Zoning Bylaw, 2019*.

Dwelling Unit – a self-contained living unit of one or more rooms containing cooking facilities, sanitary facilities, living quarters and/or sleeping quarters.

Estimated Eligible Costs – the value of the total estimated eligible costs submitted by an Applicant in a Revitalization Incentive Application.

Executive Director – the Executive Director of the City Planning & Community Development Division, or the Executive Director’s designate.

Floor Area – the area of a floor in a building or structure, measured between the exterior faces of the exterior walls of a building or structure.

Funding Agreement – an agreement between the City and Applicant containing the terms and conditions for a Revitalization Grant or eligibility for a Revitalization Tax Exemption.

Funding Commitment – a written commitment by the City to the Applicant to provide an Revitalization Grant or eligibility for an Revitalization Tax Exemption upon completion of a project and fulfillment of the terms of a Funding Agreement.

Gross Floor Area – the total Floor Area in a building or structure that is primarily indoors, measured between the exterior faces of the exterior walls of the building or structure at the level of each storey, excluding any area used for off-street unloading, parking, mechanical equipment, stairways or shafts.

Incentive Target Area – the Incentive Target Area depicted in Appendix A.

Policy – the Revitalization Incentive Policy.

Registered Owner – The owner of a property as indicated on the land title for the parcel in the Land Titles Registry.

Residential Business – an accessory land use conducted in a Dwelling Unit by the resident of the Dwelling Unit for monetary gain.

Revitalization Grant – a lump sum grant offered under this Policy for a revitalization project, calculated based on certain eligible project costs incurred, as defined in this Policy.

Revitalization Incentive – A Revitalization Grant or Revitalization Tax Exemption provided under this Policy.

Revitalization Incentive Application Form – an application for a Revitalization Incentive in a form provided by the City.

Revitalization Tax Exemption – a tax exemption offered under this Policy for a revitalization project within the Incentive Target Area, calculated based on certain eligible project costs incurred, as defined in this Policy.

Tax Exemption Agreement - an agreement between the City and Applicant and approved by City Council containing the terms and conditions for a Revitalization Tax Exemption.

4.0 Revitalization Incentive Policy

4.1 General Eligibility Requirements

Existing commercial, mixed-use or multi-unit residential buildings may be eligible for a Revitalization Incentive, based on the eligible project costs defined in **subsection 4.8**, subject to the following general eligibility requirements:

- 4.1.1 Properties or buildings must be located within the boundaries of the Incentive Target Area (Appendix A).
- 4.1.2 Revitalization projects must incur a minimum of \$5,000 in total eligible project costs defined in **subsection 4.8.1**.
- 4.1.3 The portion of the property undergoing revitalization must not have received a Revitalization Grant or Revitalization Tax Incentive within the preceding 10 years.
- 4.1.4 The following building types and land uses are ineligible:
 - 4.1.4.1 Residential Businesses; and
 - 4.1.4.2 Government-owned buildings (municipal, provincial or federal).
- 4.1.5 Applicants in any one of the following circumstances are not eligible for a Revitalization Incentive:
 - 4.1.5.1 Applicants and Registered Owners that have taxes, utilities, fees, fines or other charges owing to the City that are past due;

- 4.1.5.2 Applicants and Registered Owners that are in default of any obligation under any municipal grant or exemption program; or
- 4.1.5.3 Applicants and Registered Owners that are in active litigation against the City.
- 4.1.6 Properties that have outstanding building code, fire code, property standards, or other City orders are not eligible for a Revitalization Incentive, unless the proposed revitalization project involves work to bring the property into compliance with building and fire codes.

4.2 Conditions

- 4.2.1 The City reserves the right to determine Applicant participation in a Revitalization Incentive on a case-by-case basis.
- 4.2.2 Revitalization Incentive Applications will be accepted during a defined intake period and will continue to be accepted on a first come, first served basis until the intake period is closed or suspended by the City.
 - 4.2.2.1 Revitalization Grants offered under this Policy are subject to budget availability and intake may be closed or suspended by the City at any time without notice.
- 4.2.3 Applicants are required to comply with all applicable City Development and Building Permit requirements, provincial building codes, *National Building Code* and *National Fire Code* and are responsible for obtaining Development and Building Permits.
- 4.2.4 Where an Applicant does not meet the requirements from **clause 4.2.3**, the Executive Director has the discretion to withdraw the City's funding or tax exemption commitments.
- 4.2.5 The execution of a Funding Agreement or Tax Exemption Agreement under this Policy in no way constitutes a Development Permit or Building Permit approval.
- 4.2.6 Costs incurred up to one year prior to a Funding Commitment being made may be included as Actual Eligible Costs.
- 4.2.7 Incentives under this Policy may be stacked with incentives offered by municipal, provincial or federal governments.

- 4.2.7.1 Some projects may qualify for the Housing Incentive Policy and Heritage Incentive Policy in addition to the Revitalization Incentive Policy.
- 4.2.7.2 Applications must be submitted to each program separately.
- 4.2.7.3 When a project qualifies for more than one Incentive Policy, specific eligible costs may only be claimed once.
- 4.2.7.4 When a project qualifies for tax exemptions under more than one Incentive Policy, the maximum value of the exemption remains what is prescribed through individual policies (ie. five years and 100 per cent exemption for residential portion under the Housing Incentive Policy, 10 years and 100 percent exemption based on eligible costs under the Heritage Incentive Policy.)

4.3 Types of Incentives

- 4.3.1 Eligible revitalization projects may access one of the following Revitalization Incentives provided under this Policy:
 - 4.3.1.1 Revitalization Tax Exemption; or
 - 4.3.1.2 Revitalization Grant.

4.4 Calculation of Revitalization Tax Exemption

- 4.4.1 Subject to **subsection 4.4.2**, eligible revitalization projects may be provided with annual property tax exemptions where the total value of the exemption does not exceed the lesser of five years of current taxes on a property or the total Actual Eligible Costs incurred as a result of a revitalization project.
 - 4.4.1.1 The amount of the property tax exemption, including calculation of any percentage or portion and the determination of any use or cost, shall be conclusively determined by the City Assessor.
 - 4.4.1.2 The property tax exemption does not apply to local improvement fees, business improvement fees, and the non-exempt portion of taxes (i.e. laneway improvements) and other charges to tax accounts; these must be paid during the term of a Tax Exemption Agreement entered into under this Policy in the year in which they are due. No exemption of outstanding or current taxes will be negotiated.

4.4.1.3 In place of a tax exemption, land and improvements that have been granted reserve status may receive an equivalent reduction in fees paid in lieu of municipal and library levies to the City.

4.4.2 Notwithstanding **subsection 4.4.1**, *The Education Property Tax Act*, contains provisions which require Provincial approval to exempt the education portion of property taxes where the value of the educational tax is equal or greater than \$25,000 in a single year. If this approval is not granted, the exemption will cover the municipal and library portions of the taxes only.

4.5 **Calculation of Revitalization Grant**

4.5.1 Eligible revitalization projects may be provided with a one-time lump sum grant equivalent to the lesser of \$50,000 or Estimated Eligible Costs.

4.6 **Application Requirements**

4.6.1 The City shall only accept complete Revitalization Incentive Applications, which are processed on a first come, first served basis.

4.6.2 Complete Revitalization Incentive Applications shall contain the following, exceptions may be approved at the discretion of the Executive Director:

4.6.2.1 Completed Revitalization Incentive Application Form;

4.6.2.2 For interior work, professionally prepared building plans that show the existing and proposed uses, existing and proposed elevations, layouts, dimensions, rooms, entrances and upgrades to building systems;

4.6.2.2.1 Where the work is eligible under **clause 4.8.1.3**, a statement from a Building Inspector, Fire Inspector or other qualified professional stating the work is being done to correct a health or safety issue and the relevant sections of *The National Building Code* or *National Fire Code*.

4.6.2.3 For exterior work, professionally prepared drawings of the façade or exterior improvement design showing colours, materials and product specification;

4.6.2.4 Digital images which provide an overall view or the exterior of the property and interior spaces where work is to be performed;

- 4.6.2.5 Two detailed estimates for each eligible project cost provided by separate Saskatchewan licensed contractors, architects, consultants or engineers;
 - 4.6.2.5.1 In the case of work done up to one year prior to application, proper invoices for Actual Costs already incurred, with the information indicated in **subsection 4.10.1.2** and accompanying receipts, may be accepted in place of detailed estimates
 - 4.6.2.6 Licensing information for each entity providing an estimate;
 - 4.6.2.7 A Development Permit, Building Permit or confirmation of Zoning compliance from the City of Regina Planning & Development Services Department, if applicable;
 - 4.6.2.8 Province of Saskatchewan Land Titles Registry Title or other proof of ownership; and
 - 4.6.2.9 Information Services Corporation Incorporation Information.
- 4.6.3 The City may request any other additional information, including additional quotes, required to evaluate a Revitalization Incentive Application. Additional information requested will not be considered when evaluating the completeness of an application.

4.7 **Construction & Timelines**

- 4.7.1 Construction shall not begin until all applicable municipal permits and permissions are obtained.
- 4.7.2 Applicants may use the contractor of their choice. However, where contractor estimates are required as a part of a Revitalization Incentive Application, the lower of the estimates submitted will be used to determine the total Estimated Eligible Costs to be included in a Funding Agreement for a Revitalization Grant.
- 4.7.3 The City will encourage Applicants to participate in a pre-application meeting to clarify requirements before applying.
- 4.7.4 Applicants shall notify the City if the project scope or design changes during the permitting or construction process. The City may require the Applicant to enter into an amended Funding Agreement.
- 4.7.5 Revitalization projects shall begin within six months and finish within two years from the date the Applicant received a Funding Commitment from the City.

4.7.5.1 Applicants may request an extension to the construction start and end periods in writing, subject to Executive Director discretion.

4.7.6 Where an Applicant does not meet the requirements of **subsections 4.7.1 and 4.7.5**, the Executive Director has the discretion to withdraw the City's Funding Commitment.

4.8 Eligible Project Costs

4.8.1 Eligible project costs for a Revitalization Incentive include:

4.8.1.1 Building façade or exterior improvements, including:

- A. New or improved awnings, decorative stone or other finishing material improvements to the exterior of a building;
- B. Development of back-alley business access;
- C. New or improved eavestroughs, rain gutters, soffits, fascia, bargeboard and other materials that direct rainwater;
- D. Non-portable business name signage affixed to the exterior of the building;
- E. Entryway improvements, such as: decorative elements, accessible entrance improvements, steps and exterior seating;
- F. Long-lasting landscaping on private property including tree plantings, shrubs, soil, mulch, grass, statuary, rain gardens and perennial vegetation to a maximum of \$3,000 per application;
- G. Decorative lighting affixed to the exterior street front of the building that is ornamental and installed for aesthetic effect; and
- H. Replacement of cornices, parapets or other architectural features.

4.8.1.2 Costs to demolish an existing building and replace it with a new building of the same land use (i.e, "like for like"). Demolition costs include:

- A. Utility disconnection fees;

- B. Cost of demolishing, removing material and filling & leveling of the excavation to an elevation compatible with abutting properties;
- C. Site fencing costs during demolition;
- D. Landfill tipping fees;
- E. Demolition permit fees;
- F. Completion of a Hazardous Materials Survey; and
- G. Other related demolition costs to be considered at the discretion of the Executive Director.

4.8.1.3 Interior improvements required to bring a building into compliance with the *National Building Code* or *National Fire Code* to correct a health or safety issue, as described in **clause 4.8.4**, identified by a Building Inspector, Fire Inspector or other qualified professional including:

- A. Construction costs;
- B. Building code assessments or related reports;
- C. Site serviceability studies or reports;
- D. Constructing/upgrading of any on-site improvement that is required to fulfill any condition of a development/planning approval for code compliance work; and
- E. Constructing/upgrading of any off-site improvement that is required to fulfill any condition of a development/planning approval for code compliance work.

4.8.1.4 Interior improvements required to bring a building into compliance with the *National Building Code* or *National Fire Code* to support a building permit for a “change of land use” or new development in an existing building or space including the costs identified in **clause 4.8.1.3**.

4.8.2 Costs associated with the purchase of land are ineligible for a Revitalization Incentive.

4.8.3 A residential building with under three Dwelling Units is ineligible to receive a Revitalization Incentive if the project solely involves building façade or exterior

improvements, as described in **clause 4.8.1.1**. Residential buildings with under three Dwelling Units may be eligible to receive a Revitalization Incentive if the project involves both the eligible costs described in **clause 4.8.1.1** and **clause 4.8.1.3**.

- 4.8.4 The following work may be eligible under clause 4.8.1.3 if it is intended to correct a health or safety issue:
- A. Installation or alteration of fire protection systems such as sprinklers, stand pipes, fire alarms, emergency power, lighting, and exit signs;
 - B. Installation or alteration of fire separations, fire doors, fire shutters and other fire protection devices;
 - C. Relocation of fire escapes and the installation of new exit facilities;
 - D. Extension of plumbing and electrical services for the creation of habitable space;
 - E. Replacement of plumbing, electrical, and mechanical systems that no longer meet Building Code requirements;
 - F. Construction or alteration of stairs, guards, handrails, etc.;
 - G. Reinforcement or reconstruction of floors, walls, ceilings or roofs;
 - H. Installation or alteration of required window openings to residential spaces;
 - I. Improvements to ventilation systems;
 - J. Improvements for barrier-free accessibility including elevators, ramps, and washrooms;
 - K. Improvement to basements, or other such spaces that can be occupied and are located below the first storey;
 - L. Asbestos abatement, including the removal, enclosure and/or encapsulating to prevent building occupants from being exposed to the fibers;
 - M. Renovations required to remove moulds (or other materials caused by water-damage from interior building materials), replace affected materials and install vapour barriers;
 - N. Other improvements related to health and safety issues as indicated by a Building Inspector, Fire Inspector or other qualified professional.

4.9 Application Process

- 4.9.1 The City will review completed Revitalization Incentive Applications in the order they are received and deemed complete meeting the requirements outlined in **section 4.6**.
- 4.9.2 Upon completion of the review of a complete Revitalization Incentive Application, the City will either:
 - 4.9.2.1 Provide the Applicant with written notice that their Revitalization Incentive Application and project are not eligible for a Revitalization Incentive under this Policy; or
 - 4.9.2.2 Provide the Applicant with written notice of eligibility for a Revitalization Incentive.
- 4.9.3 If an Applicant is eligible, a Funding Commitment will be made, subject to approval by the Executive Director.
 - 4.9.3.1.1 For Revitalization Grants, Funding Commitments are also subject to funding availability.
 - 4.9.3.1.2 If an Applicant is eligible for a Revitalization Grant but is unable to receive one due to insufficient funding, they may be offered an Revitalization Tax Exemption instead.
- 4.9.4 If a Funding Commitment is approved, the Applicant will be invited to enter into a Funding Agreement containing the terms and conditions of the Revitalization Incentive.
 - 4.9.4.1 If the Applicant and Registered Owner of the property undergoing revitalization are different, both are required to enter into the Funding Agreement with the City.
 - 4.9.4.2 Proof of ownership is required before the City can enter into a Funding Agreement.
 - 4.9.4.3 The Funding Agreement for a Revitalization Grant will state the maximum amount of funding per **subsection 4.5.1**. The funding agreement for a Revitalization Tax Exemption will outline the calculation of the value of the tax exemption per **subsection 4.4.1**.
 - 4.9.4.4 In the case of a Revitalization Grant, the City will record the total Estimated Eligible Costs that an Applicant may receive funding for

through the Revitalization Grant as a “committed amount” in the Revitalization Grant Budget.

- 4.9.4.5 If the Applicant and Registered Owner of the property undergoing Intensified Development are different, the Intensification Grant or Intensification Tax Exemption will be paid to the Registered Owner. Intensification Grants may be paid to the Applicant or a third party if formally requested by the Registered Owner.
- 4.9.4.6 A Funding Agreement may be assigned to a new party at the sole discretion of the Executive Director. An assignment agreement will be required.

4.10 Payout Process

4.10.1 Applicants may request payout of a Revitalization Grant or request to proceed with a Revitalization Tax Exemption after the revitalization project is complete. The following documentation is required to process the request for payout:

- 4.10.1.1 One of the following:
 - A. An Occupancy Permit issued by the City;
 - B. A Letter of Completion issued by the City;
 - C. If neither of these are applicable, an inspection by City Staff is required.
- 4.10.1.2 Proper invoices for all eligible project costs indicated in the Funding Agreement. A proper invoice must include the following information:
 - A. The name and address of the contractor or service provider who performed the work;
 - B. The date of the invoice and the period during which the work was performed or materials provided;
 - C. Information identifying contracts or other authority under which services or materials were supplied, if applicable (the contracts themselves are not required);
 - D. A description, including quantity if appropriate, of the services or materials supplied; and

- E. The relevant section number of the Estimated Eligible Cost included in the Funding Agreement.
- 4.10.1.3 Receipts showing the amount paid for the services and materials in each invoice;
- 4.10.1.4 Digital images of the completed project including exterior images and images of interior areas where work was performed;
- 4.10.1.5 Total construction value of the project;
- 4.10.1.6 Total gross floor area brought into compliance with building or fire codes;
- 4.10.1.7 A completed applicant feedback survey; and
- 4.10.1.8 A completed electronic direct deposit form.
- 4.10.2 In the case of a Revitalization Tax Exemption, projects must be complete and the documentation identified in **subsection 4.10.1** must be submitted by September 30 for the project to be eligible for a tax exemption in the following year.
- 4.10.3 Where an Applicant does not meet the requirements of **subsection 4.10.1** within six months of project completion the Executive Director has the discretion to withdraw the City's Funding Commitment.
- 4.10.4 Upon receipt of the documentation outlined in **subsection 4.10.1**, the City shall verify:
 - 4.10.4.1 That the revitalization project complied with the Funding Agreement.
 - 4.10.4.2 The Actual Eligible Costs;
 - 4.10.4.3 That property taxes, utility bills and any other charges owing to the City have been paid and are current on the property that is subject to a Revitalization Incentive;
 - 4.10.4.4 That the Applicant and Registered Owner are not in default of any obligation under any municipal grant or exemption program or in active litigation against the City; and
 - 4.10.4.5 That there is not outstanding building code, fire code or property standards orders on the property that is subject to Revitalization Incentive.

- 4.10.5 Should there be outstanding property taxes, utility bills, or other charges owing, any default of any obligations under any municipal grant or exemption programs or outstanding municipal order on the property that is subject to a Revitalization Incentive, the City will withhold the release of funds or execution of a Tax Exemption Bylaw until all accounts are brought current, all obligations are met and/or all municipal orders are lifted.
- 4.10.6 In the case of Revitalization Grants, if the project complied with the Funding Agreement, the City will issue a lump-sum grant according to the provisions in **section 4.5**.
- 4.10.7 Subject to **subsection 4.10.2**, in the case of Revitalization Tax Exemptions, the City will calculate the tax exemption amount according to the provisions in **section 4.4** and prepare a tax exemption Bylaw for consideration by City Council. If the Bylaw is approved, the City will invite the Registered Owner to enter into a Tax Exemption Agreement commencing January 1 of the following year.
 - 4.10.7.1 The date for commencing the exemption may be deferred for one-year at the sole discretion of the Executive Director.
 - 4.10.7.2 A Tax Exemption Agreement may be assigned to a new Registered Owner at the sole discretion of the Executive Director. An assignment agreement will be required.
- 4.10.8 Revitalization projects receiving funding may be announced to the media or highlighted on the City of Regina website or social media account.

5.0 Roles & Responsibilities

5.1 City Manager:

- 5.1.1 Initial approval of this Policy.

5.2 Executive Director:

- 5.2.1 Revitalization Incentive Application approval;
- 5.2.2 Finalize and approve the terms of any agreements entered into pursuant to this Policy;
- 5.2.3 Authorize payment of a Revitalization Grant;
- 5.2.4 Determine start and end dates for Revitalization Incentive intake periods based on funding availability and other considerations;

5.2.5 Recommend, review and support any amendments to this Policy; and

5.2.6 Support the overall implementation of this Policy.

5.3 City Council:

5.3.1 Approve any amendments to this Policy;

5.3.2 Approve Tax Exemption Agreements through the passage of a bylaw; and

5.3.3 Approve the Revitalization Grant Budget and any additional funding allocations as appropriate.

6.0 Monitoring and Reporting

6.1 The City shall maintain records to enable timely reporting to City Council on the interest in, uptake of and success of the Policy. The City will monitor and report on:

6.1.1 Number of inquiries received;

6.1.2 Number and type of Revitalization Incentive Applications received, reviewed, approved, completed and funded;

6.1.3 Total yearly funding provided under this Policy;

6.1.4 Recipient feedback;

6.1.5 Total construction value of completed projects;

6.1.6 Total Gross Floor Area of any buildings brought into compliance with building or fire codes;

6.1.7 Estimated annual increases in population and intensification within the City Centre; and

6.1.8 Increased property assessment value within the Incentive Target Area.

7.0 Related Forms

A complete Revitalization Incentive Application shall include a completed Revitalization Incentive Application Form, as provided by the City on their website during defined Revitalization Incentive intake periods.

8.0 Revision History

Date	Description of Change	(Re)-Approval Required (y/n)
01-Jan-2023	Initial Release.	Yes

Appendix A – Incentive Target Area

