



City of Moose Jaw POLICY

POLICY:	Housing Incentives Policy	POLICY NO.:	PDS-001-2022 POY
POLICY Owner	Planning and Development Services	Effective Date:	January 1, 2023
Approved by:	City Council Resolution #2022-12-07-0488	Approved on:	December 19, 2022
Last Reviewed:	December 7, 2022	Next Review:	December 7, 2023
Version History			
Date Revised:	January 6, 2023	Approved on:	January 9, 2023

1. Purpose

The City of Moose Jaw offers incentives for projects that address the housing needs in the community. Strategic housing objectives are identified by the City of Moose Jaw on an on-going basis. In order to address the ongoing needs for quality, affordability, and availability of housing in Moose Jaw, the objectives of this Policy are:

- a) To build upon provincial and federal housing incentives and offer additional incentives that meet the specific needs of Moose Jaw;
- b) To encourage the construction of transitional and supportive housing;
- c) To diversify the housing options in all areas of Moose Jaw;
- d) To accommodate and encourage housing for low and moderate-income households;
- e) To align Moose Jaw's Housing program with the priorities contained in the National Housing Strategy and the Saskatchewan Housing Corporation to leverage funding for new projects;
- f) To increase the range of affordable and market housing within key areas of strategic importance to Moose Jaw (e.g. Downtown, South Hill, etc.);
- g) To attract private sector support for housing projects that offer supportive housing options;
- h) To promote innovation in the housing market to fully address the continuum of housing needs in the city;
- i) To rejuvenate established neighbourhoods and renew housing stock;
- j) To encourage efficient use of existing infrastructure through the promotion of infill development.

2. Definitions

- a) Affordable Housing – housing projects which meet the definition of affordable housing according to Federal and/or Provincial standards.
- b) Approved Project – is a housing development which has been approved by Administration, via application, for one or more of the incentives identified within this policy. An approved project may include more than one site in different locations of the city.

- c) Downtown Housing – any new dwelling unit that is located within the Downtown area as defined in the City of Moose Jaw Downtown Local Area Plan, as designated by Appendix A.
- d) Good Standing – properties and/or property owners which have no outstanding charges owing to the City of Moose Jaw. This may include property taxes, permit/license fees, local improvement charges, levies, or other charges. The property must also have no outstanding orders or conditions of non-compliance, as deemed by a Building Official.
- e) Increased Assessed Value – the increased value, if any, as determined by Saskatchewan Assessment Management Agency (SAMA) following an expansion, improvement, or renovation project.
- f) Infill Housing – any new dwelling unit that is constructed within an established area of Moose Jaw where development has previously existed, as designated by Appendix B.
- g) Residential Portion – that portion of a housing development that provides direct physical services to residents, including rooms, housing units, common areas, and common facilities accessible by residents, but not including any office space or other facilities not directly required for the housing of household occupants.
- h) Secondary Suite – any dwelling unit that meets the definition of a secondary suite according to the City of Moose Jaw Zoning Bylaw.
- i) South Hill Housing – any new dwelling unit that is located within the neighbourhood of South Hill and is zoned C2 – High Density Commercial District, as designated by Appendix C.
- j) Substantial Completion – a project is considered substantially complete once a City Building Official has issued an Occupancy Permit.

3. General Criteria and Provisions

- a) Requests for City of Moose Jaw financial support must be made via application to the Department of Planning and Development Services.
- b) The City of Moose Jaw will only offer financial incentives to projects located within city limits.
- c) The property (i.e. land and building) shall pay full property taxes or an equivalent grant-in-lieu, unless abated or exempted under this or other programs, policies or legislation.
- d) Construction must not commence prior to successful application under this program. Retroactive applications will not be considered.

- e) Housing Incentives provided under this Policy shall cease if the Building Permit for the subject project expires.
- f) Corporations applying for City of Moose Jaw financial support must be registered corporations in the Province of Saskatchewan.
- g) The project must maintain the approved eligibility status and comply with the terms of this policy and any agreement entered into under this policy for the duration of the incentive period (5 years for both tax exemption and capital grants, or the City may seek reimbursement of incentives by any means of legal recourse.
- h) Priority will be given to projects that include the following characteristics:
 - i) Incorporate multiple housing and municipal objective, as outlined in Appendix D;
 - ii) Are inclusive and integrated with the surrounding community;
 - iii) Align with the priorities under the National Housing Strategy and are eligible for funding through this strategy.
- i) Incentives offered under this Policy shall only apply to the residential portion of any project. Commercial and industrial developments will be considered under the Commercial/Industrial Tax Policies, as amended by City Council from time to time.
- j) Eligibility for incentive is contingent on the compliance of the property with all applicable bylaws and regulations.
- k) Any requests that are outside of the scope of this policy shall be reviewed by City Council, and may be provided financial support to a greater degree than is stated in this Policy.
- l) Properties and/or property owners must remain in good standing throughout the duration of the incentive. Eligibility for incentive ceases if the property and/or property owner fail to remain in good standing.
- m) An agreement is required for all projects which have been approved for the Capital Grant and/or Property Tax Exemption incentive.

4. Incentive Options

Approved projects are eligible to receive the following incentives:

- a) Capital Grant
 - i) The Capital Grants is a lump sum payment provided to the property owner upon substantial completion of the approved project. Eligible projects shall receive a base grant of \$3,000 per unit.

- ii) Applicants may increase the amount of the Capital Grant by incorporating multiple municipal objectives, as outlined in Appendix D, to a maximum of \$5,000 per unit.
- iii) City Administration may approve a Capital Grant of up to \$5,000 per unit, to a project maximum of \$25,000 (subject to available funds). Proponents may request access to additional Grant funding through an application to City Council.
- iv) Capital Grants shall be funded from the Housing Reserve Fund to the Housing Capital (OSERV-2) account. Funding to replenish the House Capital (OSERV-2) account will be determined annually through capital budget.
- v) Capital Grants shall only be provided as the sufficiency of the Housing Reserve Fund allows. Requests to access additional funding utilizing the principal balance of the Housing Reserve will be considered by City Council on a case-by-case basis.
- vi) Any registered non-profit organizations may request to have the Capital Grant provided prior to construction, to assist with land purchase.
- vii) Grant payments will not be made in whole or in part until units are approved for occupancy by a City Building Official, unless previously requested by a non-profit organization. Grant payments may be made in phases if some unit or phases in a project are complete before other units.
- viii) The Capital Grant is paid to the individual(s) or corporation that own the property on the date that each dwelling unit is approved for occupancy, unless previously requested by a registered non-profit organization.

b) Property Tax Exemption

- i) A property Tax Exemption incentive is available to eligible projects beginning January 1st of the year immediately following the substantial completion of the project. The incentive is in the form of a 5-year Tax Phase-in, unless otherwise stated. The exemption phase-in is as follows:
 - (1) Year 1: 100%
 - (2) Year 2: 80%
 - (3) Year 3: 60%
 - (4) Year 4: 40%
 - (5) Year 5: 20%
- ii) For any projects which create new housing units or beds to existing buildings, the Tax Exemption shall solely apply to the increased assessed value, if any, of the residential portion, unless otherwise stated in Section 5.
- iii) The Tax Exemption ceases if the property/property owner fails to remain in good standing with the City of Moose Jaw.
- iv) The Government of Saskatchewan requires the City of Moose Jaw to apply on a case-by-case basis for exemption of the education portion of the property taxes where a property's annual education portion is equal to \$25,000 or more. Where the

Government of Saskatchewan does not approve the exemption of the education portion of the property taxes, or if they reduce the amount of the education property taxes approved for exemption, the property owner is liable for the balance of the education portion of the property taxes.

5. Eligible Projects

a) Approved Federal and Provincial Projects

- i) Any project which creates new housing units or beds and has been approved for financial or other support under a Federal or Provincial housing-related incentive program may be eligible for incentive at the discretion of City Council. It is at the discretion of Council to decide what level of incentive, if any, to provide to the project.
- ii) City Council may provide conditional approval for projects which require municipal support as criteria for Federal/Provincial support.
- iii) Mixed housing projects which include a minimum of 50% affordable or supportive housing units, may be eligible for the Capital Grant and Tax Exemption in the form of a 5-year 100% exemption for the entire project.

b) Secondary Suites

- i) The installation of new secondary suites or the legalization of existing suites in infill areas only are eligible for a maximum Capital Grant of \$3,000.
- ii) The criteria and definition of a secondary suite is as described in the City of Moose Jaw Zoning Bylaw.
- iii) The Capital Grant shall never exceed 50% of the project costs.

c) Infill and Replacement Housing

- i. Replacement and infill housing must be located within existing and previously developed Infill areas as described in Appendix B. The determination of infill areas is at the discretion of Administration.
- ii. Infill projects are eligible for the Capital Grant or Tax Exemption incentive based on the nature of the project:
 - 1. New construction projects which add dwelling units are eligible for both the Tax Exemption incentive and Capital Grant.
 - 2. Additions or renovation projects are eligible for the Capital Grant incentive. Must be addition of new units, or conversion of vacant/commercial space to housing units.

3. The construction of one- and two-unit dwelling in infill areas are eligible for both the Tax Exemption incentive and the Capital Grant. The Tax Exemption shall be in the form of a 5-year 100% exemption.

iii. Eligible infill projects may be rental or ownership units.

iv. Ready-to-Move and Modular Homes are eligible.

v. Mobile Homes are not eligible for incentive under this Policy.

6. Responsibilities

a) Administration

vi. Review applications for all housing incentives offered by the City of Moose Jaw. Arrange for tax exemptions if eligible, and approve grant applications up to \$5,000 per unit, to a project maximum of \$25,000.

vii. Approve or deny applications for housing incentives based on the project's adherence to this Policy.

viii. Determine the value of a Capital Grant incentive based on the inclusion of municipal objectives, as outlined in Appendix D.

ix. Facilitate the signing of a grant agreement with the owners of the property if necessary.

x. Facilitate awareness of this program to encourage innovative additions to and enhancement and preservation of the City's housing stock.

xi. Facilitate discussions with other public funding agencies to monitor and identify housing needs in the community.

xii. Annually advise City Council on the achievement of the objectives in this Policy.

b) City Council

i) Review requests which are at the discretion of City Council according to this Policy, or which do not meet the criteria or are outside the scope of this Policy and determine the appropriate level of incentive, if any.

ii) Review any requests to utilize the principal balance of the Housing Capital Reserve.

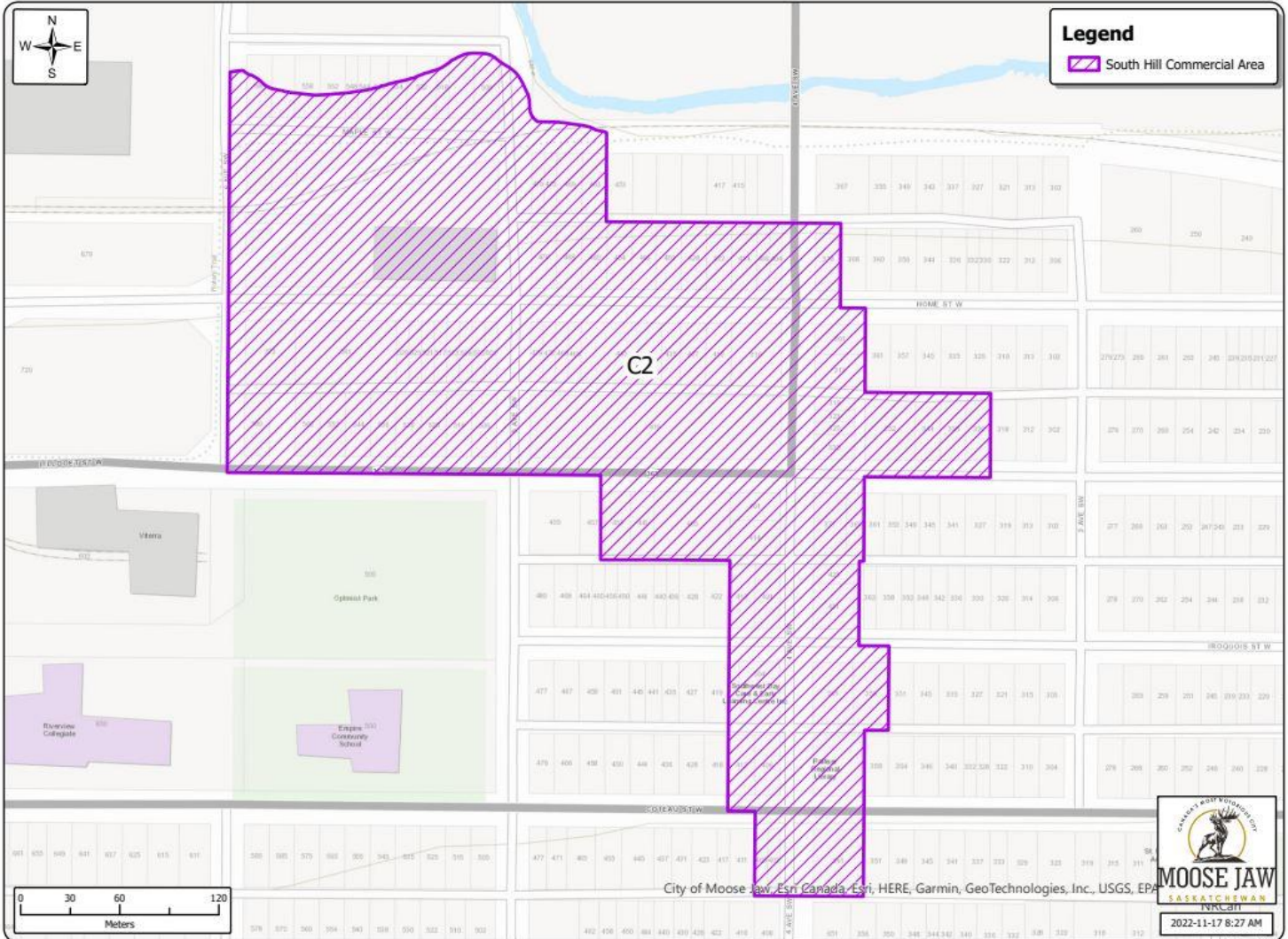
APPROVED

City Manager's Signature:

Jim Puffalt

Appendix C

South Hill Commercial Area Housing Eligibility - 2022



Appendix D – Additional Capital Grant Incentives

All projects applying for a Capital Grant under Section 4 of this Policy shall be eligible to receive an additional grant increase based on the inclusion of multiple municipal objectives. Maximum contribution shall not exceed \$5,000 per unit to a project maximum of \$25,000. (Projects shall not be eligible for additional grant funding for the category that they are initially approved under). Proponents who wish to request additional Grant funding shall make an application to City Council.

City of Moose Jaw Priority	Criteria	Amount of Additional Grant Funding
Base Grant	Projects which meet the requirements of one of the Eligible Projects under Section 5 of this policy.	\$3,000
Leveraging Funding or Other Support from Additional Levels of Government	Secured funding or other support from either the Federal or Provincial governments under a housing-related program	\$1,000
Significant Private Partnership Support	In-kind support, donation, and/or on-going investment from a private donor, faith-based group or service club.	\$1,000
Accessible Housing	At least 5% of housing units meet barrier free standards.	\$1,000
Infill and Replacement Housing	Project develops on an infill property, as defined in Section 2.	\$1,000
Mixed Income Development	Project has a mix affordable and market units	\$1,000
Downtown or South Hill Housing	New Housing is located within the Downtown or South Hill areas, as defined in Section 2.	\$1,000
	The development contains a Mixed-Use component.	\$1,000
Innovative Housing	Project uses innovative design, construction technique, materials or energy saving features.	\$1,000
Innovative Tenure	Innovative Housing tenures such as Rent to Own, Life Lease, Land Trust, Sweat Equity, Co-op Housing or Co-Housing.	\$1,000
Secondary Suites	The addition or legalization of a secondary suite.	\$1,000
Adaptive Re-Use of a Heritage Building	Projects which develop new dwelling units within a designated heritage building.	\$1,000
Non-Profit Developers	An organization recognized as a non-profit by <i>The Non-Profit Corporations Act, 1995</i> .	\$1,000