



WEST HANTS
NOVA SCOTIA

MUNICIPALITY OF THE DISTRICT OF WEST HANTS
Public Hearing
January 8, 2019
Commercial Development District Improvement By-law

Present:	A. Zebian	Warden
	R. Jannasch	Councillor District 1
	K. Monroe	Councillor District 2
	D. Keith	Councillor District 3
	T. Leopold	Councillor District 4
	D. Francis	Councillor District 5
	R. Hussey	Councillor District 6
	J. Daniels	Councillor District 7
	R. Zwicker	Councillor District 10
	M. Laycock	Chief Administrative Officer (CAO)
	M. LeMay	Director of Planning and Development
	S. Campbell	Planner
	B. Carrigan	Director of Public Works
	C. Lowe	Director of Finance
	K. Kehoe	Director of Parks and Recreation
	R. Brown	Municipal Clerk
	C. Remme	Executive Assistant/Communications Coordinator
Regrets:	P. Morton	Deputy Warden

There were 5 members of the public in attendance.

Warden Zebian advised that a Public Hearing is required by the *Municipal Government Act* when changes are proposed to Council’s Planning Documents or when Council intends to enter into or amend a development agreement. The Warden went on to say that Public Hearings are held before Council and provide members of the public the opportunity to hear the proposal, bring up any concerns and ask the applicant and Planning staff questions regarding the proposal.

The Warden stated that upon completion of the Public Hearing, the Council meeting will resume, and members of Council may then ask questions and make comments. He called on Sara Poirier, Planner, to speak on the application.

Ms. Poirier reviewed the presentation (attached).

The Warden asked for any questions or comments from the public. There were none.

Warden Zebian called for any submissions in favour or against the By-law. There were none.

The Warden asked if the Planner had any closing remarks. She had none.

Warden Zebian declared the Public Hearing adjourned at 7:30 p.m.

Abraham Zebian, Warden

Rhonda Brown, Municipal Clerk



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Background: Bill 177

- ▶ Representatives from the Department of Municipal Affairs made presentations to:
 - ▶ Hantsport Area Advisory Committee - January 10, 2018
 - ▶ Planning Advisory Committee - March 15, 2018
- ▶ In March, a request was made by PAC for staff to investigate the commercial areas in the Growth Centres and the community of Hantsport with respect to making use of the opportunity offered by Bill 177

Bill 177

- ▶ Approved in 2016 to amend the Municipal Government Act to allow municipalities to phase-in up to 50% of commercial tax assessment increases in designated areas over a period not exceeding 10 years
- ▶ The phase-in tool does not change property tax rates but allows a phase-in of commercial assessment increases

Bill 177

- ▶ is a tool to support:
 - ▶ economic growth in areas of low annual assessment increase;
 - ▶ commercial property owners in areas where upward assessment pressure is occurring; and
 - ▶ re-development of brownfield sites

Bill 177 Example

If a property begins with a commercial tax assessment of \$200,000

Then assessment increases to \$350,000

The difference is \$150,000

The phase-in tool is based on 50% of the increased assessment i.e. \$75,000

Taxes on \$75,000 would be rebated over a period to a maximum of 10 years

Year 1	Tax on \$350,000	Rebate 90% taxes of \$75,000
Year 2	Tax on \$350,000	Rebate 80% taxes of \$75,000
Year ...	Tax on \$350,000	Rebate ...% taxes of \$75,000

Commercial Properties

- ▶ Property Valuation Services Corporation (PVSC) categorizes properties into one of three classes for taxation purposes:
 - ▶ Residential
 - ▶ Resource
 - ▶ Commercial
- ▶ Bill 177 would apply to properties with a commercial tax assessment (i.e. not residential or resource properties)

How to use Bill 177

- ▶ To use the opportunity the Municipality has to:
 - ▶ Designate a Commercial Development District through amendments to the Hantsport and West Hants Municipal Planning Strategy (HMPS and WHMPS); and
 - ▶ Develop a by-law to outline the details of the phased-in assessment



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Commercial Development District Improvement By-law

Process for By-law Development

- ▶ Research and review CDDI By-laws elsewhere
- ▶ Correspond with the Department of Municipal Affairs
- ▶ Discuss details of by-law with:
 - ▶ CAO
 - ▶ Municipal Clerk
 - ▶ Finance Department
 - ▶ Director of Planning
 - ▶ Municipal Solicitor

Background

- ▶ Increases in property assessments can deter property owners from updating, renovating or expanding their commercial ventures
- ▶ This By-law, enabled by Bill 177, will allow the Municipality to create some financial relief by phasing-in up to 50% of these assessment increases for commercial property owners within the designated areas to complete the renovations or construction
- ▶ The reduced tax invoices are designed to stimulate building construction and the expansion of the economy of the Municipality

CDDI By-law Details

- ▶ Will only apply to properties within the Commercial Development District and will only be able to be utilized by owners who receive a commercial tax assessment and meet the requirements outlined in the By-law
- ▶ The owner of the property must not be in arrears of any property taxes or other fees and charges on the date that the Phased-In Assessment Agreement is signed
- ▶ If a building on the property is demolished, except to allow for eligible development, all rebates will cease

CDDI By-law Details Cont.

- ▶ If the owner proposes additional work after the original agreement is signed, that may serve to further increase the commercial tax assessment value, the additional work will not be included in the current agreement, but may be eligible to be included in a new agreement
- ▶ If this By-law is repealed, any owner who has signed the Phased-In Assessment Agreement with the Municipality prior to the date of repeal will continue to receive the reduced tax invoices for the remaining duration of the agreement term

CDDI By-law

- ▶ Once approved, the CDDI By-law allows the Municipality of West Hants to enter into a Phased-In Assessment Agreement with a property owner to phase-in up to 50% of their commercial tax assessment increases over a period of 10 years
- ▶ The By-law will be managed by the Finance Department and reviewed every 4 years by the Office of the CAO

Phased-In Assessment Agreement

- ▶ Prior to receiving support through the by-law an owner must first enter into an agreement with the Municipality
- ▶ This agreement will be registered on the property at the Land Registry Office
- ▶ If the owner sells the property, the subsequent owner has the option of taking over the agreement

Annual Rebates

- ▶ To be eligible for an Annual Rebate for the upcoming tax year the Phased-In Assessment Agreement must be signed by January 31 of that year
- ▶ Annual rebates will be calculated by the Director of Finance
- ▶ Before the rebates begin, the Director of Finance and owner will agree on the base year assessed value, which will remain fixed for the duration of the agreement
- ▶ Annual rebate payments to a maximum of ten (10) annual reduced tax invoices will begin in the first taxation year in which the property is reassessed to reflect the development by PVSC

Phased-In Assessment Agreement

- ▶ Other Municipalities in Nova Scotia have created a phase-in program that has the owner paying their full tax invoice and then receiving the phase-in rebate in the mail
- ▶ Instead of this process, West Hants will calculate and apply the rebate straight to the upcoming year's tax invoice

Process for Residents

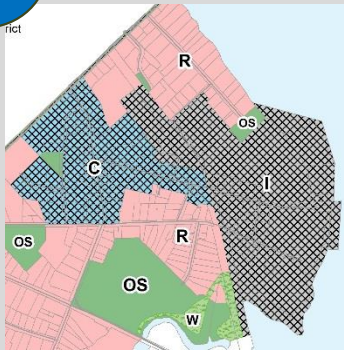
- ▶ Once the CDDI By-law is approved by the Minister of Municipal Affairs, commercial property owners within the designated areas will be able to apply to participate in the program. To apply, the owner will:
 1. Determine if they are within the designated Commercial Development District by calling the Municipal Planning and Development Department
 2. Check with the Finance Department to ensure their property is eligible and meets the criteria of the CDDI By-law

Process for Residents Cont.

3. Receive initial approval from the Finance Department and sign off on the base year assessed value
4. Visit the Planning and Development Department to apply for their development and building permit for the construction or renovations
5. Receive final inspection approval for the construction and renovations; sign the Phase-In Assessment Agreement with the Finance Department. This Agreement will be registered by West Hants with the Land Registry Office.

Process for Residents

1



Check Map

2



Check By-law

3



Apply for the Phase-in

4



Apply for a Building Permit

5



Sign the Agreement

Communication

- ▶ Planning staff will work with the Finance Department and the Communications Coordinator to provide information to the residents within the designated areas through the Municipal website, social media, and mail-out brochures
- ▶ Update online mapping to show the CDD areas
- ▶ Other communication options
 - ▶ Contact real estate agents

By-law Development Process





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Recommendation

- ▶ **that Council gives Second Reading to and approves the Commercial Development District Improvement By-law, which is substantially the same as By-law C-002 attached to the Council package of January 8, 2019 for the Public Hearing.**