

EDC - 003 Town of Viking Economic Development Policy

Property tax incentives for New Residential Construction

Approved: 2024

Resolution No: 2043-7457

Next Review: 2028

Replaces: 2018

POLICY STATEMENT

Council identifies the need for rejuvenation of existing neighborhoods within the Town of Viking by encouraging new residential in-fill developments as a way of supporting community growth while minimizing the need to expand the Town of Viking's water, sewer and street infrastructure. Also, the Town of Viking sees the need to promote new residential construction in new residential subdivisions.

DEFINITIONS

For the purpose of this Policy

"Duplex" shall mean a dwelling constructed on-site to house two residents in two separate units, both under one roof.

"Improvements" shall mean any residential building that is assessable for the purposes of property taxation.

"Modular Homes/RTM(Ready to Move) Homes" shall mean dwellings that are constructed off-site and are moved onto a permanent foundation, either in sections or as an entire unit. These homes are not designed for periodic movements and deal with a greater architectural detailing trailers, mobile homes and/or manufactured homes. Once on-site, these dwellings visually differ little from other more traditional on-site constructed dwellings.

"Multifamily/Townhouses/Apartments/Condominiums" shall mean a building designed to house more than two residents in more than two separate units under one roof.

"Residential" shall mean a property located within an area that is zoned by the Town of Viking as residential.

"Single Family Home" shall mean a dwelling constructed on-site to house one family.

"Tax incentive" shall mean the municipal portion of the property tax levied each year by the Town of Viking and shall exclude all requisitions and special levies.

"Trailers/Mobile Homes/Manufactured Homes" shall mean dwellings that are assembled off site and that are designed for the ease of periodic movement. They are dwellings categorized by the terms "single wide", "double wide", or "triple wide"

ELIGIBILITY:

- a) New residential construction for which a building permit has been approved.
- b) Travel trailers are not eligible for this program.
- c) Used Mobile Homes/Manufactured homes may be considered if constructed less than 3 years from date of application.
- d) Multi-family/Townhouses/Apartments/Condominiums are not eligible for this program (see Town of Viking incentive program for new commercial construction).
- e) Expansions (additions) to existing residential improvements are not eligible for this program.

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- f) The construction of garages and sheds are not eligible for this program.

IMPLEMENTATION

- a) In the case of in-fill properties where the demolition of existing improvements is necessary to facilitate the construction of new improvements, the Town of Viking may offer a credit toward the tipping fees required of the landfill in Ryley, providing;
 - 1) In the opinion of the Development Officer the assessment of the proposed new improvements will be significantly greater than the assessment of the existing improvements;
 - 2) A demolition permit has been approved for the demolition of the existing improvements; and
 - 3) The existing improvements are demolished and delivered to the landfill within 3 months of the demolition permit being issued.
- b) In the case of a property where the demolition of existing improvements is undertaken to facilitate the construction of new improvements following the process outlined in this policy the tax incentives may be granted as follows:
 - 1) A \$500.00 credit toward bin rental and disposal at the landfill in Ryley.
 - 2) Year 1 – 100% of the municipal portion of the property levy, after the reassessment of the property, once construction has been completed.
 - 3) Year 2 – 75 % of the municipal portion of the property levy.
 - 4) Year 3 – 50% of the municipal portion of the property levy.
 - 5) Year 4 – 25% of the municipal portion of the property levy.
 - 6) Year 5 and thereafter - full taxation applies.
- c) In the case of a property where there is no requirement for demolition of existing improvements to facilitate the construction of new improvements, tax incentives may be granted as follows;
 - 1) Year 1 – 100% of the municipal portion of the property levy after the reassessment of the property once construction has been completed.
 - 2) Year 2 – 75 % of the municipal portion of the property levy.
 - 3) Year 3 – 50% of the municipal portion of the property levy.
 - 4) Year 4 – 25% of the municipal portion of the property levy.
 - 5) Year 5 and thereafter - full taxation applies.

Conditions

- a) Any property taxes and/or special levies owing on the property on which construction is to occur must be paid in full to the Town of Viking before submitting an application.
- b) All taxes and special levies must continue to be paid on the property until construction has been completed.
- c) The value of the tax incentive shall be based on the reassessment of the property once the construction of the new improvement has been completed.
- d) Construction will be considered complete when an occupancy certificate can be issued by the building inspector whose services have been engaged by the Town of Viking.
- e) Taxes on improvements under construction will not be levied during the construction period, providing construction does not take more than one year. If the duration of the construction takes

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more than one year, at the discretion of the Development Officer, the tax incentive may be prorated in the year that construction is completed.

- f) Tax incentives will be applied to the re-assessed property in the calendar year following completion of construction.
- g) Tax incentives are linked to the property itself and therefore transferable to any new owner of the property. Tax incentives shall continue to be applied against the property taxes until such time as all the incentives are exhausted.
- h) In the event of a complete loss of the building, tax incentives on the property will be discontinued.
- i) This program may not be combined with any other Town of Viking tax incentive program.
- j) In cases where the Development Officer has granted a credit under this Policy for the removal of existing improvements to facilitate the construction of new improvements, the construction of new improvements must be initiated within one year of removal of the old improvements. If not, the full amount of the credit for bin rental must be paid to the Town of Viking.

Application Process:

- 1. Submission of a written application to the Town of Viking that includes engineered plans for the construction of new residential improvements.
- 2. Submission of a demolition permit application (if applicable).
- 3. Submission of a building permit application.

Mayor _____

CAO _____