

# The Community of Three Rivers

## HOUSING DEVELOPMENT INCENTIVE PROGRAM FOR MULTIPLE UNIT RESIDENTIAL DEVELOPMENT

## PROGRAM DESCRIPTION

1.1 The Community of Three Rivers (COTR) Housing Development Incentive Program will seek to incentivize the development of housing in the Community of Three Rivers by offering a tax increment-based grant program focusing on new builds of multiple unit rental residential housing.

1.2 It is anticipated that these grants will act as a catalyst for increased development activities in The Community of Three Rivers, which will in turn attract further businesses, residents and employment. The description, criteria, and application process for these programs are outlined in the following pages.

1.3 The COTR Housing Development Incentive Program provides an incremental tax grant to completed projects within The Community of Three Rivers based on the project's post construction assessed value. Successful grant applicants will receive a rebate equal to a percentage of the municipal portion of the post-project tax levy, for a period of 3 years.

## OBJECTIVES

2.1 The Community of Three Rivers has created The Housing Development Incentive Program for Multi-Unit dwellings of 5 units or more to encourage the construction of new rental units for developers who qualify under the program. It is anticipated that this grant will act as a catalyst to provide much-needed housing for our residents as well as attract new residents to our area.

## PROGRAM CRITERIA

### General Conditions

3.1 The property must be located within The Community of Three Rivers and must be constructed in a zone that permits multi-unit buildings as outlined in Petitcodiac's Rural Plan By-Law 60 and The Westmorland Albert Planning Area Rural Plan Regulation and all amendments.

3.2 The registered property owner shall not be in a position of tax arrears on any property located within the province. All taxes and financial accounts, including utility accounts, shall be paid in full, prior to the payment of any grant under this Program.

3.3 Eligible COTR Housing Development Program grant projects must involve a multi-unit residential development consisting of 5 units or more.

3.4 Development must be designed to align with the character of the existing housing in the area.

3.5 All Applicants for a grant under the COTR Housing Development Incentive Program must complete and submit an Application Form to the municipality, and wait for the decision of Council, prior to the commencement of any works and prior to application for building permit. No grants will be awarded to any project that is already in progress.

3.6 The applicant will be required to enter into an Agreement with The Community of Three Rivers that sets out the conditions of the grant.

3.7 The proposed development must commence no later than 2 years following Council's approval of the grant, or the grant will be cancelled. The 2-year period may be extended by Council at its absolute discretion.

3.8 The first grant payment will be made no earlier than the 1st of July of the year following the final inspection on completion of the project, after all property taxes have been paid in full, and the municipality has confirmed the project is in compliance with the requirements of the Program and the Agreement.

3.9 No grant payment will be made, and any grant payment that has already been paid shall be repaid to the municipality, if the approved project is incomplete, demolished, destroyed, or allowed to go into disrepair, or for any other reason does not cause an increase in the value of the subject property, or if the building is not constructed in accordance with the Program, the builder’s application, and the grant agreement etc.;

**TAX BASED INCREMENT (TBI) GRANT FORMULA**

4.1 The Grant Formula will be as follows:

In year one, an amount equivalent to 90% of the municipal portion of the tax levy for that year;  
 In year two, an amount equivalent to 60% of the municipal portion of the tax levy for that year; and  
 In year three, an amount equivalent to 30% of the municipal portion of the tax levy for that year.

The following are examples of grant calculations based on different tax rates in Wards 1, 2 & 3 of The Community of Three Rivers

**3-Year Grant**

Example on a build with a \$3,000,000 assessed value  
 Provincial Taxes are applicable on rental units and will not be included in the Grant Calculation

**Sample 1**

Grant Calculation for Project Example Petitcodiac Ward 2	
Value of Construction (at the time of building permit application)	\$3,000,000.00
Municipal Tax Portion COTR	X .012973
Grant duration in Year	3 years
Annual Municipal Taxes based on \$3,000,000	\$38,919

Year	% of Grant	Grant Amount	New Tax Revenue to COTR
Year 1	90%	\$35,027	\$3892
Year 2	60%	\$23,351	\$15,568
Year 3	30%	\$11,675	\$27,244
<b>TOTAL</b>	<b>Over 3 years</b>	<b>\$70,053</b>	<b>\$46,704</b>

**Sample 2**

Grant Calculation for Projects Salisbury LSD Ward 1	
Value of Construction (at the time of building permit application)	\$3,000,000.00
Municipal Tax Portion COTR	X .005784
Grant duration in Year	3 years
Annual Municipal Taxes based on \$3,000,000	\$17,352

Year	% of Grant	Grant Amount	New Tax Revenue to COTR
Year 1	90%	\$15,617	\$1,735
Year 2	60%	\$10,411	\$6,941
Year 3	30%	\$5,206	\$12,146
<b>TOTAL</b>	<b>Over 3 years</b>	<b>\$31,234</b>	<b>\$20,822</b>

Sample 3

Grant Calculation for Projects Elgin Center Ward 3	
Value of Construction (at the time of building permit application)	\$3,000,000.00
Municipal Tax Portion COTR	X .006218
Grant duration in Year	3 years
Annual Municipal Taxes based on \$3,000,000	\$18654

Year	% of Grant	Grant Amount	New Tax Revenue to COTR
Year 1	90%	\$16,789	\$1,865
Year 2	60%	\$11,192	\$7,462
Year 3	30%	\$5,596	\$13,058
TOTAL	Over 3 years	\$33,577	\$22,385

Sample 4

Grant Calculation for Projects Elgin Parish Ward 3	
Value of Construction (at the time of building permit application)	\$3,000,000.00
Municipal Tax Portion COTR	X .005852
Grant duration in Year	3 years
Annual Municipal Taxes based on \$3,000,000	\$17,556

Year	% of Grant	Grant Amount	New Tax Revenue to COTR
Year 1	90%	\$15,800	\$1,756
Year 2	60%	\$10,534	\$7,022
Year 3	30%	\$5,267	\$12,289
TOTAL	Over 3 years	\$31,601	\$21,067

GRANT APPLICATION REVIEW AND APPROVAL

- 5.1 The municipality’s Chief Administrative Officer (CAO) or its designate will administer the COTR Housing Development Incentive Program, evaluate all applications, and provide recommendations to Council for approval based on the program requirements specified.
- 5.2 All applications will be awarded at the discretion of Council, based on the conditions, criteria, and objectives of the COTR Housing Development Incentive Program.
- 5.3 Applicants must use the Application Form attached as Schedule “A”.
- 5.4 Eligible Funding Projects must be located within zones that allow multi-unit development and all projects, and any requests for rezoning, must be in accordance with all planning laws and be approved by Plan 360 of the Southeast Regional Service Commission.

5.5 Multi-year incentives will be granted annually based on the project's ability to demonstrate good standing. If a project enters into tax arrears, is no longer operational, or fails to reach the agreed upon requirements, the incentive will be placed on hold until the requirements are met. Should the requirements not be met, the grant will be cancelled.

5.6 The incentive will only be applicable to the original owner of the development. If the property ownership changes for any reason, the grant will be cancelled. It is not transferable to other properties unless approved by Council.

**SCHEDULE A  
COTR HOUSING DEVELOPMENT INCENTIVE PROGRAM  
GRANT APPLICATION FORM**

Section A – General Information and Instructions

An application for the COTR Housing Development Program Grant must be submitted to The Community of Three Rivers prior to the commencement of any works and prior to application for building permit.

Such application shall include reports, plans, estimates, contracts and other details as may be required to satisfy the Municipality with respect to the eligible costs of the project.

As a condition of the grant application, the Municipality may require the applicant to submit a Business Plan, with said Plan to the Municipality’s satisfaction.

The property shall be redeveloped such that the amount of work undertaken results in a significant increase in the assessed value of the property.

1. All property owners participating in this program will be required to enter into an agreement with the Municipality which will specify the terms and conditions of the grant.
2. All grant applications will be considered by Council and only agreements approved by Council and signed are valid.
3. If an agent is acting on behalf of the property owner, please ensure the required authorization is completed and executed by the property owner as provided in Section F.

**Section B - Property Owner and Applicant / Agent Information**

**Property Owner Information (please print)**

Name of Registered Property Owner: \_\_\_\_\_

Complete Mailing Address of Property Owner: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**Applicant /Agent Information (please print)**

Name of Agent: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

**Section C - Property Information**

Civic Address(es) of Property for which this Application is being submitted: \_\_\_\_\_

\_\_\_\_\_

Property Identification Number(s) (PID): \_\_\_\_\_

Legal Description of Property (Lot and Plan Numbers): \_\_\_\_\_

\_\_\_\_\_

**Existing Use**

Are there Existing Buildings on Site?

Yes \_\_\_\_ (if yes provide size below)

No \_\_\_\_\_

Building 1 \_\_\_\_\_ sq. ft. Building 2 \_\_\_\_\_ sq. ft.

(Please list any additional buildings on separate sheet)

**Section D - Property Tax Information**

Current Property Taxes paid annually: \$ \_\_\_\_\_

Estimated Full Property Taxes Paid annually after development: \$ \_\_\_\_\_

Estimated Municipal Property Taxes paid annually after development. \$ \_\_\_\_\_

Is this property or property owner in tax arrears on this or any other properties? Yes \_\_\_\_ No \_\_\_\_

If yes, specify value of tax arrears and identify property (by PID(s)): \$ \_\_\_\_\_ PID(s) \_\_\_\_\_

**Section E - Development Information**

Provide a detailed description (building size/type, number of stories, number of units, construction materials, etc.) of the proposed development to take place on the site (please attach detailed construction drawings).

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Estimated construction value of the proposed development: \$ \_\_\_\_\_

Estimated construction start date (Month/Year): \_\_\_\_\_

Estimated construction end date (Month/Year): \_\_\_\_\_

**Section F – Authorization for Agent Representation**

I, \_\_\_\_\_, am the owner of the land that is subject of this application, and I hereby authorize our agent / solicitor to make this application and to act on my behalf in regard to this application.

Date: \_\_\_\_\_

Signature of Owner: \_\_\_\_\_

Signature of Authorized Agent \_\_\_\_\_



**Section G - Sworn Declarations**

I/WE HEREBY APPLY for a grant under this program.

I/WE HEREBY AGREE to abide by the terms and conditions of the COTR Housing Development Program Grant as specified in this application.

I/WE HEREBY AGREE to enter into a COTR Housing Development Program Agreement with The Community of Three Rivers that specifies the terms and conditions of the grant.

I/WE HEREBY AGREE to abide by the terms and conditions of the COTR Housing Development Program Agreement.

I/WE HEREBY CERTIFY that the information contained in this application is true, correct and complete in every respect and may be verified by The Community of Three Rives by such inquiry as it deems appropriate, including inspection of the property for which this application is being made.

I/WE HEREBY GRANT PERMISSION to the Municipality, or its agents, to inspect my/our property prior to, during, and after environmental remediation, site rehabilitation and project construction.

I/WE HEREBY AGREE that the program for which application has been made herein is subject to cancellation and/or change at any time by the Municipality in its sole discretion, subject to the terms and conditions specified in the Program. Participants in the program whose application has been approved and who have entered into the COTR Housing Development Program Agreement with the Municipality, will continue to receive grant payments, subject to their Grant Agreement.

Date: \_\_\_\_\_

Name of Owner or Authorized Agent: \_\_\_\_\_ Title: \_\_\_\_\_

Signature of Owner or Authorized Agent: \_\_\_\_\_

**CONTACT INFORMATION**

For further information on The Community of Three Rivers Housing Development Program please contact:

Sandra Kelly, CAO  
The Community of Three Rivers  
PO Box 2507, 63 Main Street  
Petitcodiac, NB E4Z 6H4

(506) 756-3140  
[Sandra.kelly@threeriversnb.ca](mailto:Sandra.kelly@threeriversnb.ca)  
[www.threeriversnb.ca](http://www.threeriversnb.ca)