

BY-LAW NO. 6740

BEING A BY-LAW of the City of Brandon to establish a program of property tax credits to encourage and assist in the renovation and improvement of buildings designated as Municipal Heritage Sites.

WHEREAS Section 232 (1) of The Municipal Act authorizes the Council of a municipality to enact a by-law to establish a program of property tax credits to encourage and assist in the renovation of buildings that have been designated as municipal heritage sites under The Heritage Resources Act;

AND WHEREAS the Brandon and Area Planning District Development Plan includes objectives and policies respecting the preservation and enhancement of buildings by reason of their historical significance;

AND WHEREAS the Council of The City of Brandon has enacted The Brandon Heritage Conservation By-law to provide in part, for the issuance, suspension and cancellation of municipal heritage permits;

AND WHEREAS it is deemed necessary and expedient to pass a by-law for the purpose of establishing the terms and conditions for tax credits for heritage buildings;

NOW THEREFORE the Council of The City of Brandon, in open session assembled, enacts as follows:

1. In this by-law,
 - (a) “**MUNICIPALITY**” means the City of Brandon.
 - (b) “**DESIGNATED BUILDINGS**” means those buildings identified from time to time and designated as municipal heritage sites under The Heritage Resources Act.
 - (c) “**DESIGNATED OFFICER**” means the person designated in writing by the Chief Administrative Officer to administer this by-law.
 - (d) “**DESIGNATED COMMITTEE**” means the Brandon Municipal Heritage Committee.
 - (e) “**LONG TERM TENANT**” means a tenant in a designated building who has entered into a signed lease agreement effective for 10 years following the completion of the proposed conservation project.
 - (f) “**NET PRIVATE INVESTMENT**” means the cost of labour, material and equipment for eligible work in Designated Buildings and approved architectural engineering and interior design fees, or a portion thereof.
 - (g) “**OWNER**” means a person who is the registered owner under The Real Property Act of land on which a building is located, or the grantee thereof of a valid conveyance registered under The Registry Act, or an agent of either such owner.
2. Fifty (50%) percent of the net private investment in eligible work for each approved project is eligible for a tax credit, to a maximum credit of \$500.00 per year.

3. The tax credit may be used at the applicant's discretion for up to ten (10) years commencing in the 2004 tax year, to reduce municipal property taxes accruing to the designated building.
4. When calculating the net private investment in eligible renovations, any other government grants or rebates, including any provincial sales tax or federal goods and services tax refunds or credits which applicants may be eligible for, regardless of having applied for or received those entitlements, shall be excluded.
5. Eligibility for a tax credit under this by-law shall be determined in accordance with the attached Schedule "A" – Municipal Heritage Tax Credit Guidelines to this by-law.
6. All applications must comply with the following:
 - (a) the proposed conservation project must conform with all applicable provisions of the municipality's zoning and building by-laws, and with any applicable design approval process; and
 - (b) construction of the proposed project must not be commenced prior to approval of the tax credit.
7. One application shall be deemed sufficient to cover all phases of a multi-phase conservation project.
8. Applications will be received on a first-come, first-serve basis and shall be made in the form attached as "Schedule B" – Municipal Heritage Tax Credit Application Form to this by-law.
9. Applications of applicants which do not meet the criteria of this by-law, or which are received after the program has been fully subscribed, shall be notified in writing by the Designated Officer.
10. When a multi-phase conservation project is approved, the tax credit available shall be proportioned and released to the applicant only as the completion of each phase is documented and inspection to the satisfaction of the Designated Officer.
11. If the net private investment is less than approved, or if the proposed project is not completed in accordance with the application, the amount of approved tax credit shall be reduced accordingly.
12. If the net private investment is greater than approved due to structural or other conservation problems, which could not have been anticipated prior to the commencement of the project, the applicant may submit information regarding the excess net private investment to the Designated Officer for consideration for further tax credit. The Designated Officer shall forward the information to the Designated Committee for final determination.
13. Subject to subsection 14, if an applicant wishes to sell or transfer title or the long-term lease in the designated building, any approved tax credit or portion thereof which has not been released to the applicant, is not transferable and will be cancelled.
14. THAT this by-law shall come into force and take effect on the day following its passage.

SCHEDULE "A" TO BY-LAW NO. 6740

Municipal Heritage Tax Credit Guidelines

This program is designed to assist the owner(s) or lessees of a building which is of historical significance and is designated as a municipal Heritage Site under *The Heritage Resources Act*.

The program's objective is to ensure that work will be done in a manner that best retains the most important architectural features or engineering merit of the designated heritage building.

1. Definitions

Preservation is work undertaken to increase the longevity of the original heritage building. This work can include aspects of restoration and stabilization.

Restoration is the authentic replication of the historic appearance of the building using original material, where possible, or replacements that will exactly match the original finish, detail, and final appearance.

Stabilization is work undertaken to improve the structural stability of the original heritage building such as underpinning and bracing.

Municipal Heritage Site is a building designated as a Municipal Heritage Site under the provisions of *The Heritage Resources Act*. Designated sites are protected from alteration or demolition.

2. Eligibility

In order to receive Municipal Heritage Tax Credit assistance, an application must meet all of the following criteria:

1. Buildings must be legally designated at the time of application under *The Heritage Resources Act*.
2. The applicant must be the owner(s) of a designated heritage site or be long-term (10 years minimum beyond application date) leaseholders in a designated building with written authorization from the building owner(s) to apply for a Municipal Heritage Tax Credit.
3. The applicant must have submitted all information required in the Municipal Heritage Tax Credit Application Form.
4. All proposed preservation, restoration or stabilization must be approved prior to commencement. A Municipal Heritage Tax Credit will not be provided for work completed prior to grant approval.
5. The applicant must be willing to provide long-term maintenance to the designated heritage site.

6. All work must comply with all applicable zoning by-laws, design approval processes, etc.

3. Eligible Work Items

Eligible project costs include:

1. Exterior and interior restoration, including: the conservation of original, existing material; the restoration of deteriorated material and; the reconstruction of missing components (which must accurately replicate the historic appearance based on archival or other evidence);
2. Structural repair and stabilization;
3. Architectural and engineering fees;
4. Work required to upgrade the historic building to contemporary standards, including:
 - Repair/replacement of electrical, mechanical and plumbing systems
 - Fire sprinklering as required by the Manitoba Building Codes
 - Renovation of heritage elevators to comply with the Manitoba Building Code
 - New interior construction, if it is sympathetic to the heritage nature of the building
 - Energy efficiency upgrading provided the exterior of the building is not affected
 - Asbestos removal and other environmental abatement requirements (insects, pigeons, mould, etc.)
 - Handicap access requirements (note that the work must demonstrate minimal impact to historically significant exterior and interior features)
5. Exterior historic paint colours (based on paint analysis);
6. Restoration of original landscape as determined through researched evidence.

Ineligible project costs:

1. Construction or maintenance of historic cairns, markers, or plaques;
2. Operations and maintenance costs (such as lawn cutting or cleaning eaves troughs) or short term routine building maintenance (such as repairing steps, general painting);
3. Moving of buildings;
4. Modern siding (such as aluminum or vinyl), modern roofing (such as asphalt shingles) or modern eaves roughing (such as vinyl and/or a contemporary design); new windows that do not replicate the original window appearance;
5. General landscaping (grass, trees, new fences, benches, etc.);
6. Sandblasting or other building cleaning techniques that will damage building materials or finishes.

4. Application Assessment

Approval of an application will be based on project merit and demonstrated need, using the following criteria:

1. Integrity of the heritage site. Buildings that have been well preserved in the past and where the proposed work will build upon that foundation of quality will be given priority. Buildings preserved on their original sites will be given priority.
2. High quality restoration. Projects that will restore a building to an appearance appropriate to its period of construction as determined through researched evidence.
3. Importance to overall conservation of the building. Priority will be given to projects that undertake critical conservation work (such as structural repairs, roof repairs).
4. Applicant's ability to complete the project. Applicants that can demonstrate that their funding is in place and that the project can be completed within a reasonable timeframe will be given priority.
5. Financial need of the owner. Applicants will be given priority where the grant is crucial to their ability to undertake work.
6. Community Benefit. Applications that will serve to increase property assessment values contribute to the economic well-being of the community and/or will provide community services that contribute to the well-being of the community will be given priority.

5. Level of Assistance

Proposed projects must entail a minimum of \$5,000 in eligible work.

The maximum tax credit will be 50% of the net private investment in eligible work.

The maximum time period for the tax credit and for completing the eligible work is 10 years.

The tax credit may be used to reduce property taxes accrued to the designated building only.

The application for a tax credit is subject to review by the municipal government based on the Application criteria outlined above. The municipal government reserves the right to accept or eject applications and to set the amount of the tax credit to be allocated to a specific project.

6. Administrative Procedure

1. Application forms are accepted and reviewed on a first-come, first served basis. Applications will not be accepted until all required information as outlined in the Municipal Heritage Tax Credit Application is supplied.

2. Designation of the structure under *The Heritage Resources Act* must be completed or in process at the time of application. A Municipal Heritage Tax Credit will only be approved after the structure has been designated.
3. Applicants are encouraged to first consult their municipal government staff regarding the content of their application.
4. Applicants must apply for a Heritage Permit prior to a Municipal Heritage Tax Credit being evaluated.
5. All required permits, certificates and other authorizations must be obtained before the project commences construction.
6. Before the release of any tax credits, the project must be completed and:
 - All outstanding taxes, utility charges or other amounts owing to the municipal government must be paid
 - All project expenses must be paid
 - All paid invoices, a final financial report and any other information required must have been provided to the municipal government.

Please forward the application and all supporting documents to:

Heritage Resources Officer
City Clerk's Office
City of Brandon
410 – 9th Street
Brandon, Manitoba
R7A 6A2

Ph: (204) 729-2280
Fax: (204) 729-0975

7. General Conditions

1. The municipal government reserves the right to have its staff inspect the building before and during the work period.
2. Reasonable public access to the restored portion of the building or site may be required by the municipal government after project completion.
3. Successful applicants must agree to include a credit line, or other mutually agreeable form of credit, citing the municipal government in publicity and promotional material related to funding or funded activities under this program.
4. The applicant must make a commitment to complete the project by a specific date.
5. No further municipal tax credit applications for any one building site will be acceptable until completion of the project.
6. Municipal tax credits obtained through this program may only be used to finance work described in the application.
7. The applicant agrees that the municipal government is not liable for any claims, demands, or causes of action that may be made against him or her because of any act, or omission, by the applicant, or the applicant's employees or agents, resulting at or from the building site.

SCHEDULE "B"

MUNICIPAL HERITAGE TAX CREDIT
APPLICATION FORM

Please read the Programs Guidelines and all instructions before completing this application form. Attach additional support material. Applications must be complete. Please type or print clearly.

Section 1. Applicant Information

1. What is the name and address of the registered property owner?

Owner's Name: _____ Representing: _____

Telephone: _____ Fax No: _____ Email address: _____

Address: _____ Postal Code: _____

Contact Person: _____ Representing: _____

Address: _____ Postal Code: _____

Telephone: _____ Fax No. _____ Email address: _____

2. What is the name and address of the site lessee, if applicable?

Lessee's Name: _____ Representing: _____

Telephone: _____ Fax No: _____ Email address: _____

Address: _____ Postal Code: _____

Contact Person: _____ Representing: _____

Address: _____ Postal Code: _____

Telephone: _____ Fax No: _____ Email address: _____

Section 2. Heritage Site Information

1. What is the name of the property? _____

2. What is the address of the property? _____ Postal Code: _____

3. What date was the site designated? _____

Section 3. Project Proposal

1. Project Title: _____
2. What are the planned project start and completion dates?
Start Date: _____ Completion Date: _____
3. What is the present use of the building? _____
4. What will the building be used for after project completion? _____
5. Briefly describe the scope of work of this project that you consider eligible for a grant from this program.
Work Item # 1: _____
Work Item # 2: _____
Work Item # 3: _____
Work Item # 4: _____
Work Item # 5: _____
Work Item # 6: _____
Work Item # 7: _____
Work Item # 8: _____
6. Please list the major modifications of the building has undergone since it was designated as a heritage site.

7. Who is responsible for the long term maintenance costs? _____

Section 4. Project Financing Summary

A. Project Costs

Attach two independent quotes for each cost item (net of GST and PST) and summarize total costs below. Total work must be at least \$10,000.00.

ITEM OF WORK	MATERIALS			LABOUR			TOTAL COST
	Units	Cost/ Unit	Total Cost	Hours	Cost/ Unit	Total Cost	
Totals							

B. Proposed Project Revenues

This includes all funding sources that will be used to undertake the project.

Fundraising Sources (specify below):

_____ \$ _____
 _____ \$ _____

Owner Equity:

Loans (specify below):

_____ \$ _____

Approved Grants (specify below):

_____ \$ _____
 _____ \$ _____

Grants Applied For but Not Confirmed (specify below):

_____ \$ _____

_____ \$ _____

Other Funding Sources (specify below):

_____ \$ _____

_____ \$ _____

Total Revenue From All Sources:

Section 5. Attachments

The following items must be attached to this application before it will be accepted.

1. Detailed drawings and specifications for the proposed work.
2. Photographs of the areas of the building that will be affected by the proposed work.
3. Structural and other building condition reports upon which the proposed work is based.
4. A Heritage Permit for the proposed work.