

City of Belleville

**Downtown
TAX REBATE PROGRAM**

Procedural Guidelines



Engineering & Development Services Department

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INDEX

PAGE

PART 1 - BACKGROUND

1.1	Basis	1
1.2	Purpose	1
1.3	Nature of the Program	1
1.4	Location of Eligible Properties	1
1.5	Who is Eligible to Apply	1

PART 2 - ELIGIBILITY CRITERIA

2.1	General Criteria	2
2.2	New Construction	2
2.3	Retroactivity	2
2.4	Tax Arrears	2

PART 3 - ADMINISTRATION AND APPLICATIONS

3.1	General Criteria	3
3.2	Request for Approval	3

PART 1 - BACKGROUND

1.1 Basis

City Council, pursuant to the Official Plan for the City of Belleville, adopted a Community Improvement Plan for Belleville's Downtown that provides for tax rebates under certain circumstances.

This procedural guideline has been prepared by the City as required by the policies of the Community Improvement Plan for Belleville's Downtown to define the terms of the *Tax Rebate Program*.

1.2 Purpose

The primary purpose of the *Tax Rebate Program* is to encourage the upgrading and/or restoration of existing buildings by providing an incentive for those who undertake such work to benefit from gradual tax increases through a tax rebate program.

The purpose of this document is to define the criteria to be used by the City for the *Tax Rebate Program*. Descriptions of the application and administrative processes are outlined in this document.

1.3 Nature of the Program

Under the *Tax Rebate Program*, payments in the form of non-repayable tax rebates will be provided by the City of Belleville on an application basis to owners of buildings in the City's Business Improvement Area to offset the increase in the municipal portion of realty taxes resulting from improvements to existing buildings.

1.4 Location of Eligible Properties

Properties located in the City of Belleville's Business Improvement Area are eligible for consideration under the *Tax Rebate Program*.

1.5 Who is Eligible to Apply

Building owners and tenants of buildings who operate a business in the area described above and who pay the realty taxes may apply for rebates under this program. Any applicant who does not own the property subject of the application must provide authorization from the owner.

PART 2 - ELIGIBILITY CRITERIA

2.1 General Criteria

The general eligibility criteria that would apply to the *Tax Rebate Program* are as follows:

- The property must be located within the Business Improvement Area of downtown Belleville.
- Renovations must have been conducted to an existing building, and be accepted as totally complete by the City's Building Division.
- There shall be no work orders against the building.
- Reassessment of the property must be such that there is at minimum a 10% increase in the municipal portion of the realty taxes.
- A property is eligible to participate in the program only once.

2.2 New Construction

Properties for which additions to existing buildings (adding new floor area) have been completed are eligible for rebates under this program provided the addition to the existing building is not larger in floor space than the original building.

Totally new buildings or additions to buildings that are larger than the original structure would not be eligible.

2.3 Retroactivity

Projects completed prior to the initiation of the *Tax Rebate Program* will not be eligible unless given special consideration and approval by City Council. In such cases, the applicant shall provide a written request for such consideration to Council with an explanation.

2.4 Tax Arrears

Municipal taxes for the subject property must not be in arrears. Where arrears exist, an application will not be approved and/or rebates will not be advanced until arrears are eliminated.

PART 3 - ADMINISTRATION AND APPLICATIONS

3.1 General Criteria

Annual rebates shall be calculated by the City based on the increase in the municipal portion of the realty taxes that occurs as a result of reassessment of improvements to an existing building. The eligible amount shall be calculated in accordance with the City Council approved policy. Rates shall be adjusted to reflect any changes in assessment that occur during the term of the rebate.

Rebates shall not be paid by the City for any property for longer than five (5) years.

Rebates shall be based on a declining scale; year 1 is deemed to be the year the request for approval is made.

- In year 1, the total rebate paid shall be equal to 100% of the eligible amount.
- In year 2, the total rebate paid shall be equal to 80% of the eligible amount.
- In year 3, the total rebate paid shall be equal to 60% of the eligible amount.
- In year 4, the total rebate paid shall be equal to 40% of the eligible amount.
- In year 5, the total rebate paid shall be equal to 20% of the eligible amount.
- In year 6 and in all subsequent years, no rebate shall be paid by the City.

Rebates will be applied to any current past due taxes and penalty.

3.2 Request for Approval

To apply under the *Tax Rebate Program*, an applicant shall submit a written application to the Treasurer of the City of Belleville. The application will not be processed unless signed by the owner of the property; where the applicant is not the owner of the property, written authorization by the owner shall be provided.

Applications under this program must be filed within one (1) year from the date of notification of change in assessment.

There shall be no cost to make an application under the *Tax Rebate Program*.

Note: This program is offered at the pleasure of City Council, and may be rescinded by Council at any time without notice being provided. Further, Council may amend this manual at any time without notice, which may affect the way the program applies to certain lands. For up-to-date information on this program, you should contact City Hall at (613) 967-3319.