

**Effective Date**

January 1, 2024

**Approving Authority**

City Council

**Policy Owner**

Manager,  
City Revitalization

# Revitalization Incentives Policy

## Purpose & Scope

### Purpose

- 1 The City of Regina is committed to supporting the City's urban form through revitalization projects. The City's support includes providing financial incentives to property and business owners to encourage revitalization in targeted areas
- 2 Objectives of the policy are to:
  - (a) stimulate building activity, supporting local employment and suppliers,
  - (b) help improve aging building stock to attract new businesses to vacant spaces,
  - (c) introduce new features and amenities that create interest and vibrancy, helping bring more people to the established areas of the city to live, work, invest and visit, and
  - (d) catalyze future private investment in established areas of the City.

### Scope

- 3 This policy applies to revitalization projects within the target incentive area.

## Policy Provisions

### Definitions

- 4 The following definitions apply to this policy:
  - 4.1 Actual eligible costs means the total value of actual eligible project costs incurred by an applicant based on invoices and other documentation submitted by an applicant after the completion of a revitalization project.
  - 4.2 Applicant means the registered owner of the lands, or their designate, applying for a revitalization incentive under this policy.
  - 4.3 Building permit means a permit issued under *The Building Bylaw* of the City of Regina authorizing the construction of a building.
  - 4.4 City means the City of Regina.
  - 4.5 City Assessor means the City of Regina Assessor, or the City Assessor's designate.
  - 4.6 Demolition means the removal of or partial removal of a building structure, requiring a demolition permit under *The Building Bylaw*.
  - 4.7 Development means a development within the meaning of *The Planning and Development Act, 2007*.
  - 4.8 Development permit means a permit issued pursuant to *The Regina Zoning Bylaw, 2019* authorizing a development.
  - 4.9 Dwelling unit means a self-contained living unit of one or more rooms containing cooking facilities, sanitary facilities, living quarters and/or sleeping quarters.
  - 4.10 Estimated eligible costs mean the value of the total estimated eligible costs submitted by an applicant in a revitalization incentive application.
  - 4.11 Executive Director means the Executive Director of the City Planning & Community Development Division, or the Executive Director's designate.
  - 4.12 Floor area means the area of a floor in a building or structure, measured between the exterior faces of the exterior walls of the building or structure.
  - 4.13 Funding agreement means an agreement between the City, the registered owner, and, the applicant where the registered owner and applicant are different, containing the terms and conditions for a revitalization grant or eligibility for a revitalization tax exemption.
  - 4.14 Funding commitment means a written commitment by the City to the applicant to provide a revitalization grant or eligibility for a revitalization tax exemption upon completion of a project and fulfillment of the terms of a funding agreement.

- 4.15 Gross floor area means the total floor area in a building or structure that is primarily indoors, measured between the exterior faces of the exterior walls of the building or structure at the level of each storey, excluding any area used for off-street unloading, parking, mechanical equipment, stairways or shafts.
- 4.16 Incentive target area means the area designated by City Council to which this policy applies as depicted in Appendix A.
- 4.17 Project means the work being done on the property or properties that are the subject of a revitalization application under this policy.
- 4.18 **Qualified Professional** means an architect, engineer, journeyman (Red Seal), technician, or someone with experience or training in the construction industry as deemed appropriate by the City.
- 4.19 Registered owner means the owner of a property as indicated on the land title for the parcel in the Land Titles Registry.
- 4.20 Residential business means an accessory land use conducted in a dwelling unit by the resident of the dwelling unit for monetary gain.
- 4.21 Revitalization grant means a lump sum grant offered under this policy for a project.
- 4.22 Revitalization incentive means a revitalization grant or revitalization tax exemption provided under this policy.
- 4.23 Revitalization incentive application means an application for a revitalization incentive in the form prescribed by the City.
- 4.24 Revitalization tax exemption means a tax exemption under this policy for a project.
- 4.25 Tax exemption agreement means an agreement between the City, the registered owner, and, the applicant where the registered owner and applicant are different, containing the terms and conditions for a revitalization tax exemption.

### **General Eligibility Requirements**

- 5 Existing commercial, mixed-use or residential buildings may be eligible for a revitalization incentive based on the eligible project costs defined in sections 35 to 38, subject to the following requirements:
- (a) the project must be located within the boundaries of the incentive target area,
  - (b) the project must incur a minimum of \$5,000 in total eligible project costs as defined in section 35, and
  - (c) the portion of the property undergoing revitalization must not have received a revitalization grant or revitalization tax incentive within the preceding 10 years.

## **Ineligible Applicants, Building Types and Land Uses**

- 6 The following building types and land uses are ineligible:
  - (a) residential businesses, and
  - (b) government-owned buildings (municipal, provincial or federal).
- 7 Applicants in any one of the following circumstances are not eligible for a revitalization incentive:
  - (a) applicants and registered owners that have taxes, utilities, fees, fines or other charges owing to the City that are past due,
  - (b) applicants and registered owners that are in default of any obligation under any municipal grant or exemption program, and
  - (c) applicants and registered owners that are in active litigation against the City.
- 8 Properties that have outstanding building code, fire code, property standards, or other City orders are not eligible for a revitalization incentive, unless the proposed project involves work to bring the property into compliance with building and fire codes.

## **Conditions**

- 9 The City reserves the right to determine applicant participation in a revitalization incentive on a case-by-case basis.
- 10 Revitalization incentive applications will be accepted during a defined intake period and will continue to be accepted on a first come, first served basis until the intake period is closed or suspended by the City.
- 11 Revitalization grants are subject to budget availability and intake may be closed or suspended by the City at any time without notice.
- 12 Applicants are required to comply with all applicable City development and building permit requirements, provincial building codes, *National Building Code of Canada 2020* and *National Fire Code of Canada 2020* and are responsible for obtaining development and building permits.
- 13 Where an applicant does not meet the requirements of section 12, the Executive Director has the discretion to withdraw the City's funding commitments.
- 14 The execution of a funding agreement or tax exemption agreement under this policy in no way constitutes a development permit or building permit approval.
- 15 Costs incurred up to one year prior to a Funding Commitment being made may be included as Actual Eligible Costs.

- 16 Revitalization incentives under this policy may be provided in addition to other incentives offered by the City, or incentives provided by the provincial or federal governments provided that:
- (a) applications must be submitted to each program separately,
  - (b) when a project qualifies for more than one incentive, specific eligible costs may only be claimed once, and
  - (c) when a project qualifies for tax exemptions under more than one incentive, the maximum value of the exemption remains what is prescribed through individual policies (i.e., five years and 100 per cent exemption for the residential portion under the Housing Incentives Policy, 10 years and 100 per cent exemption based on eligible costs under the Heritage Incentives Policy.)

### **Types of Incentives**

- 17 Eligible projects may apply for one of the following revitalization incentives:
- (a) revitalization tax exemption, or
  - (b) revitalization grant.

### **Calculation of Revitalization Tax Exemption**

- 18 Subject to section 22, eligible projects may receive annual property tax exemptions up to the lesser of a total of five years of current taxes on a property, the estimated eligible costs or the actual eligible costs incurred as a result of the project.
- 19 The amount of the property tax exemption, including calculation of any percentage or portion and the determination of any use or cost, shall be conclusively determined by the City Assessor.
- 20 The property tax exemption does not apply to local improvement fees, business improvement fees, and the non-exempt portion of taxes (i.e. laneway improvements) and other charges to tax accounts, which must be paid during the term of the tax exemption agreement in the year in which they are due. No exemption of outstanding or current taxes will be negotiated.
- 21 In place of a tax exemption, land and improvements that have been granted reserve status may receive an equivalent reduction in fees paid in lieu of municipal and library levies to the City.
- 22 Notwithstanding section 18, *The Education Property Tax Act*, contains provisions which require provincial approval to exempt the education portion of property taxes where the value of the educational tax is equal to or greater than \$25,000 in a single year. If this approval is not granted, the exemption will cover the municipal and library portions of taxes only.

## Calculation of Revitalization Grant

- 23 Eligible may receive a one-time lump sum grant equivalent to the lesser of \$50,000, the estimated eligible costs or the actual eligible costs.

## Application Requirements

- 24 The City shall only accept complete revitalization incentive applications, which are processed on a first come, first served basis.
- 25 Complete revitalization incentive applications shall contain the following, with exceptions only approved at the discretion of the Executive Director:
- (a) for interior work:
    - (i) professionally prepared building plans that show the existing and proposed uses, existing and proposed elevations, layouts, dimensions, rooms, entrances and upgrades to building systems, and
    - (ii) where the work is eligible under subsection 35(c), a statement from a qualified professional stating the work is being done to correct an imminent health or safety issue as determined by the most recent and relevant provisions of *The National Fire Code of Canada 2020*, *The Construction Codes Act*, *The Electrical Inspections Act* or *The Gas Inspections Act*.
  - (b) for exterior work, professionally prepared drawings of the façade or exterior improvement design showing colours, materials and product specification,
  - (c) digital images which provide an overall view of the exterior of the property and interior spaces where work is to be performed,
  - (d) for each eligible project cost:
    - (i) a detailed estimate provided by a Saskatchewan licensed contractor, architect, consultant or engineer. The estimate shall be valid for six months from the issuance date, or longer at the discretion of the Executive Director;
    - (ii) in the case of work done up to one year prior to application, proper invoices for actual eligible costs already incurred, with the information indicated in subsection 43(b) and accompanying receipts; or
    - (iii) in the case of projects where work will be done by the applicant without a contractor, the City may accept a quote from supplier or a picture showing price for each material to be used in the project. The quote and prices shall be valid for six months from the issuance or picture date, or longer at the discretion of the Executive Director. Personal labour costs shall not be covered.
  - (e) for each entity providing an estimate under subsection (d) and section 27, one of the following licensing information will be required:

- i) proof of membership in a trade association or professional body within Saskatchewan;
  - ii) business registry information from Information Services Corporation; or
  - iii) a City of Regina business license.
- (f) a development permit, building permit or confirmation of zoning compliance from the City of Regina Planning & Development Services department, if the project requires a permit,
- (g) Province of Saskatchewan Land Titles Registry Title or other proof of ownership, and
- (h) the applicant's Information Services Corporation incorporation information, if the applicant is a corporation.
- 26 Notwithstanding section 25, depending on the scope of the eligible work, the City may consider accepting relevant information in alternative formats for projects not requiring development and building permits.
- 27 The City may request any other additional information, including additional quotes, required to evaluate a revitalization incentive application. Additional information requested will not be considered when evaluating the completeness of an application.

### **Construction & Timelines**

- 28 Construction shall not begin until all applicable municipal permits and permissions are obtained.
- 29 Applicants may use a contractor of their choice. However, subject to section 27, where more than one contractor estimate or price for each material to be used in the project is required as a part of a revitalization incentive application, the lower of the estimates submitted will be used to determine the total estimated eligible costs to be included in a funding agreement for a revitalization grant.
- 30 The City will encourage applicants to participate in a pre-application meeting to clarify requirements before applying.
- 31 Applicants shall notify the City if the project scope or design changes during the permitting or construction process. The City may require the applicant to enter into an amended funding agreement.
- 32 Projects shall begin within six months and finish within two years from the date the applicant received a funding commitment from the City.
- 33 Applicants may request an extension to the construction start and end periods in writing, which may be granted at the Executive Director's discretion.
- 34 Where an applicant does not meet the requirements of section 28 and sections 32 to 33, the Executive Director has the discretion to withdraw the City's funding commitment.

## Eligible Project Costs

35 Eligible project costs for a revitalization incentive include:

- (a) building façade or exterior improvements, including:
  - (i) new or improved awnings, decorative stone or other finishing material improvements to the exterior of a building,
  - (ii) development of back-alley business access,
  - (iii) new or improved eavestroughs, rain gutters, soffits, fascia, bargeboard and other materials that direct rainwater,
  - (iv) non-portable business name signage affixed to the exterior of the building,
  - (v) entryway improvements, such as decorative elements, accessible entrance improvements, steps and exterior seating,
  - (vi) long-lasting landscaping on private property including tree plantings, shrubs, soil, mulch, grass, statuary, rain gardens and perennial vegetation to a maximum of \$3,000 per application,
  - (vii) decorative lighting affixed to the exterior street front of the building that is ornamental and installed for aesthetic effect, and
  - (viii) replacement of cornices, parapets or other architectural features.
- (b) costs to demolish an existing building and replace it with a new building of the same land use (i.e, “like for like”). Demolition costs include:
  - (i) utility disconnection fees,
  - (ii) cost of demolishing, removing material and filling and leveling of the excavation to an elevation compatible with abutting properties,
  - (iii) site fencing costs during demolition,
  - (iv) landfill tipping fees,
  - (v) demolition permit fees,
  - (vi) completion of a Hazardous Materials Survey, and
  - (vii) other related demolition costs to be considered at the discretion of the Executive Director,
- (c) interior improvements required to bring a building into compliance with *The National Fire Code of Canada 2020*, *The Construction Codes Act*, *The Electrical Inspections Act* or *The Gas Inspections Act* to correct an imminent health or safety issue, as described in section 38, identified by a qualified professional including:



- (i) construction costs,
  - (ii) code assessments or related reports,
  - (iii) site serviceability studies or reports,
  - (iv) constructing/upgrading of any on-site improvement that is required to fulfill any condition of a development/planning approval for code compliance work, and
  - (v) constructing/upgrading of any off-site improvement that is required to fulfill any condition of a development/planning approval for code compliance work, and
- (d) interior improvements required to bring a building into compliance with *The National Fire Code of Canada 2020 The Construction Codes Act*, *The Electrical Inspections Act* or *The Gas Inspections Act* to support a building permit for a change of land use or new development in an existing building or space including the costs identified in subsection 35(c).
- 36 Costs associated with the purchase of land are ineligible for a revitalization incentive.
- 37 A residential building with under three dwelling units is ineligible to receive a revitalization incentive if the project solely involves building façade or exterior improvements, as described in subsection 35(a). Residential buildings with under three dwelling units may be eligible to receive a revitalization incentive if the project involves both the eligible costs described in subsections 35(a) and (c).
- 38 The following work may be eligible under subsection 35(c) if, in the opinion of a qualified professional, an imminent threat to the health and safety exists, and the work is intended to correct the health or safety issue.
- (a) installation or alteration of fire protection systems such as sprinklers, standpipes, fire alarms, emergency power, lighting, and exit signs,
  - (b) installation or alteration of fire separations, fire doors, fire shutters and other fire protection devices,
  - (c) relocation of fire escapes and the installation of new exit facilities,
  - (d) extension of plumbing and electrical services for the creation of habitable space,
  - (e) replacement of plumbing, electrical, and mechanical systems that no longer meet building code requirements,
  - (f) construction or alteration of stairs, guards, handrails, etc.,
  - (g) reinforcement or reconstruction of floors, walls, ceilings or roofs,
  - (h) installation or alteration of required window openings to residential spaces,
  - (i) improvements to ventilation systems,

- (j) improvements for barrier-free accessibility including elevators, ramps, and washrooms,
- (k) improvements to basements, or other such spaces that can be occupied and are located below the first storey,
- (l) asbestos abatement, including the removal, enclosure and/or encapsulating to prevent building occupants from being exposed to the fibers,
- (m) renovations required to remove moulds (or other materials caused by water-damage from interior building materials), replace affected materials and install vapour barriers, and
- (n) other improvements related to imminent health and safety issues as indicated by a qualified professional.

### **Application Process**

- 39 The City will review completed revitalization incentive applications in the order they are received and deemed complete in accordance with the requirements in sections 24 to 27.
- 40 Upon completing the review in section 39, the City will either:
  - (a) provide the applicant with written notice that the project is not eligible for a revitalization incentive, or
  - (b) provide the applicant with written notice that the project is eligible for a revitalization incentive.
- 41 Eligible projects will receive a funding commitment, subject to approval by the Executive Director.
  - 41.1 For revitalization grants, funding commitments are subject to funding availability.
  - 41.2 If a project is eligible for a revitalization grant but there is insufficient funding, the applicant may be offered a revitalization tax exemption instead.
- 42 If a funding commitment is approved, the applicant will be invited to enter into a funding agreement.
  - 42.1 If the applicant and registered owner of the project are different, both are required to enter into the funding agreement with the City.
  - 42.2 Proof of ownership is required before the City can enter into a funding agreement.
  - 42.3 In the case of a revitalization grant, the City will record the total estimated eligible costs that an applicant may receive funding for through the revitalization grant as a “committed amount” in the revitalization grant budget.
  - 42.4 If the applicant and registered owner of the property undergoing revitalization are different, the revitalization grant or revitalization tax exemption will be granted to

the registered owner. Revitalization grants may be paid to the applicant or a third party on request by the registered owner.

42.5 A funding agreement may be assigned to a new party at the discretion of the Executive Director. An assignment agreement will be required.

### **Payout Process**

43 Applicants may request payout of a revitalization grant or request to proceed with a revitalization tax exemption after the project is complete. The following documentation is required to process the request for payout:

- (a) one of the following:
  - (i) an occupancy permit issued by the City,
  - (ii) a Letter of Completion issued by the City, or
  - (iii) if neither of these are applicable, an inspection by City staff is required,
- (b) proper invoices for all eligible project costs indicated in the funding agreement that each include the following :
  - (i) the name and address of the contractor or service provider who performed the work,
  - (ii) the date of the invoice and the period during which the work was performed or materials provided,
  - (iii) information identifying contracts or other authority under which services or materials were supplied, if applicable (the contracts themselves are not required),
  - (iv) a description, including quantity if appropriate, of the services or materials supplied,
  - (v) the relevant section number of the estimated eligible cost included in the funding agreement,
- (c) receipts showing the amount paid for the services and materials in each invoice,
- (d) digital images of the completed project including exterior images and images of interior areas where work was performed,
- (e) total construction value of the project,
- (f) total gross floor area brought into compliance with building or fire codes,
- (g) a completed applicant feedback survey, and
- (i) a completed electronic direct deposit form.

- 44 In the case of a revitalization tax exemption, projects must be complete and the documentation identified in section 43 submitted by September 30 for the project to be eligible for a tax exemption in the following year.
- 45 Where an applicant does not meet the requirements of section 43 within six months of project completion the Executive Director has the discretion to withdraw the City's funding commitment.
- 46 Upon receipt of the documentation outlined in section 43, the City shall verify:
- (a) that the project complied with the funding agreement,
  - (b) the actual eligible costs,
  - (c) that property taxes, utility bills and any other charges owing to the City have been paid and are current on the project property,
  - (d) that the applicant and registered owner are not in default of any obligation under any municipal grant or exemption program or in active litigation against the City, and
  - (e) that there are no outstanding building code, fire code or property standards orders on the project property.
- 47 Should there be outstanding property taxes, utility bills, or other charges owing, any default of any obligations under any municipal grant or exemption programs or outstanding municipal order on the project property, the City will withhold the revitalization grant or revitalization tax exemption until all accounts are brought current, all obligations are met and/or all municipal orders are lifted.
- (a) where an Applicant does not meet the obligations or comply with all municipal orders within six months from the date when payout is requested, the Executive Director has the discretion to withdraw the City's funding commitment.
- 48 In the case of revitalization grants, if the project complied with the funding agreement the City will issue a lump-sum grant in accordance with section 23.
- 49 Subject to section 44, in the case of revitalization tax exemptions, the City will calculate the tax exemption in accordance with sections 18 to 22 and prepare a tax exemption bylaw for consideration by City Council. If the bylaw is approved, the City will invite the registered owner to enter into a tax exemption agreement commencing January 1 of the following year.
- 49.1 The date for commencing the exemption may be deferred for one year at the discretion of the Executive Director.
  - 49.2 A tax exemption agreement may be assigned to a new registered owner at the discretion of the Executive Director. An assignment agreement will be required.
- 50 Approved projects receiving funding may be announced to the media or highlighted on the City of Regina website or social media accounts.

## **Roles and Responsibilities**

- 51 The City Manager is responsible to:
- (a) initially approve this policy;
  - (b) approve minor amendments that do not change the intent of the policy but are necessary to support the overall implementation of this policy, and
  - (c) approve the transfer of unused funds to the Intensification Incentives Program.
- 52 The Executive Director is responsible to:
- (a) approve revitalization incentive applications,
  - (b) finalize and approve the terms of any agreements entered into pursuant to this policy,
  - (c) authorize payment of a revitalization grant,
  - (d) determine start and end dates for revitalization incentive intake periods based on funding availability and other considerations, and
  - (e) recommend, review and support any amendments to this policy.
- 53 City Council is responsible to:
- (a) approve this policy and any major amendments, and
  - (b) approve tax exemption agreements through the passage of a bylaw, and
  - (c) approve the revitalization grant budget and any additional funding allocations as appropriate.

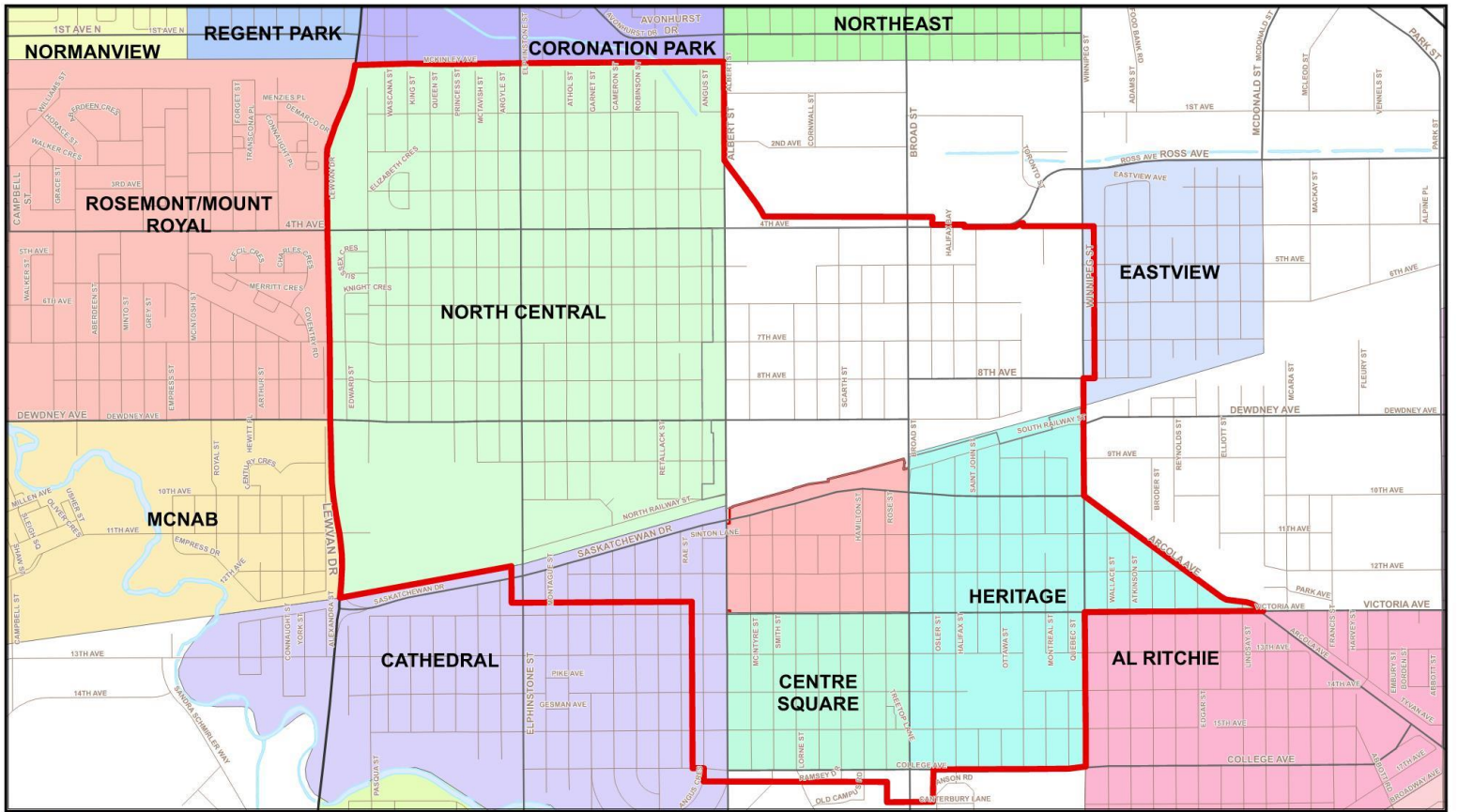
## **Monitoring and Reporting**

- 54 The City shall monitor and periodically report to City Council on:
- (a) the number and type of revitalization incentive applications received, reviewed, approved, completed and funded,
  - (b) total yearly funding provided under this policy,
  - (c) total construction value of completed projects,
  - (d) total gross floor area of any buildings brought into compliance with building or fire codes,
  - (e) estimated annual increase in population and intensification within the City centre, and

(f) increased property assessment value within the incentive target area.

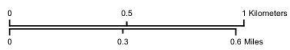
<b>Date Approved</b>	November 22, 2023
<b>Date of Last Review</b>	December 19, 2023
<b>Date of Next Review</b>	

## Appendix A – Incentive Target Area



**LEGEND**

- INCENTIVE TARGET AREA
- WATER BODY



INCENTIVE TARGET AREA

City Revitalization

LOCATION MAP



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