

CITY OF SASKATOON ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE <i>Municipal Enterprise Zone</i>	ADOPTED BY: <i>City Manager</i>	EFFECTIVE DATE <i>May 23, 2002</i>
		UPDATED TO <i>May 5, 2008</i>
ORIGIN/AUTHORITY <i>City Manager's Report and Council Resolutions of March 11 and April 22, 2002; Administrative Reports 15-2002 (September 9, 2002); 14-2003 (September 8, 2003); 13-2004 (July 19, 2004); and 14-2005 (July 18, 2005); Administration and Finance Committee Reports 4-2006 (Mar. 13, 2006); 12-2007 (Nov. 5, 2007); and 1-2008 (Jan. 14, 2008); and Administrative Report No. 8-2008 (May 5, 2008)</i>	CITY FILE NO. <i>CK. 3500-15, 4000-1, 4110-1 & 4353-1</i>	PAGE NUMBER <i>1 of 11</i>

1. PURPOSE

To identify a Municipal Enterprise Zone and make incentives available to property owners and prospective businesses meeting the eligibility requirements listed within this Policy, to:

- Encourage businesses to locate or expand their operations in the Enterprise Zone in order to create more economic activity within this area;
- Encourage property owners and developers to invest in the renovation, expansion or creation of new housing in the Enterprise Zone;
- Encourage new investment in the Enterprise Zone and increase consumer and investor confidence in this area of Saskatoon;
- Demonstrate the City's commitment to improving conditions in the Enterprise Zone.

2. DEFINITIONS

2.1 Enterprise Zone - please refer to Appendix A.

2.2 Incentives – please refer to Appendix B.

2.3 Eligible Uses - refers to the following uses:

- All Residential Uses;
- Manufacturing and Industrial Uses;
- Any Retail, Personal Service, and Retail Service Uses on any B-zoned property;
- All Tourism and Cultural Facilities;
- Office Uses.

A detailed list of eligible uses is attached as Appendix C.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>2 of 11</i>

- 2.4 S.R.E.D.A. - Saskatoon Regional Economic Development Authority Inc.
- 2.5 Enterprise Zone Adjudication Committee - a core committee comprised of the following members:

- Representative from S.R.E.D.A.;
- Representative from QUINT;
- Representative from Riversdale BID;
- Representative from Sutherland BID;
- Councillor – Ward 1;
- Councillor – Ward 2;
- Councillor – Ward 10;
- Representative from City Planning Branch;
- Representative from Development Services Branch.

The core committee will invite the following representatives when dealing with all applications involving a multi-unit residential use:

- Representative from the Saskatoon Housing Initiatives Partnership;
- Housing Facilitator – Community Services Department;
- Representative from the Saskatoon Home Builders Association.

- 2.6 Enterprise Zone Administrative Policy Review Committee – will consist of all members listed in 2.5 plus the following members:

- Representative from the Mayfair/Kelsey Community Association;
- Representative from the Westmount Community Association;
- Representative from the Caswell Hill Community Association;
- Representative from the Pleasant Hill Community Association;
- Representative from the King George Community Association.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>3 of 11</i>

3. POLICY

3.1 One and Two Unit Dwellings

The owner of any one or two unit dwelling is eligible to receive:

- a) Permit Rebates – for building, development, demolition or plumbing permits directly from the City of Saskatoon for any construction work requiring a building, development, demolition or plumbing permit, subject to the work being completed and the construction location being within the Enterprise Zone.
- b) Environmental Screening Charges may also be rebated if the purpose of the application is to facilitate the re-use of former industrial or commercial land to construct one or two-unit dwellings.
- c) Incremental Property Tax Abatement – Any owner who undertakes renovations to an existing one or two unit dwelling, or constructs a new one or two unit dwelling, which has the effect of increasing the taxable assessment of the property, will not have to pay the incremental property taxes attributable to the renovations or construction for a period of thirty six (36) months commencing in the next taxation year after renovations or construction is completed.

Properties that are in tax arrears with the City of Saskatoon are not eligible for the above incentives.

3.2 All Other Eligible Uses

The owner of any property contained within the Enterprise Zone is eligible to receive an automatic rebate of any building, development, demolition, plumbing permit and sign permit fee (including overhanging sign fees) directly from the City of Saskatoon for any construction work requiring a building, development, demolition, plumbing permit or sign permit, subject to the work being completed and construction location being within the Enterprise Zone. The eligible uses (except one and two unit dwellings) may also be eligible to receive one or more of the following incentives:

- Property Tax Abatement;
- Grant in Lieu of Tax Abatement;

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>4 of 11</i>

- Façade Appearance Grant;
- Reduction or Waiver of any Off-site Development Charges;
- Rebate of Direct Service Charges;
- Relocation Assistance;
- Land Exchange;
- Rebate of Environmental Screening Charges;
- Land Assembly;
- Rebate of Development Plan Amendment Fees including advertising;
- Rebate of Rezoning Fees including advertising;
- Rebate of Discretionary Use Fees;
- Rebate of Subdivision Fees.

Demolition Permit Fees will not be rebated for any demolition which has occurred as the result of an “Order to Remedy”.

- 3.3 Property Tax Abatement – any eligible use, with the exception of one or two-unit dwellings, is eligible for a property tax abatement not to exceed five years. The abatement will apply to the incremental tax increase only. Each application will be dealt with on a case by case basis. The applicant of a project involved in manufacturing, processing, technology, data processing and call centres may apply for additional incentives through the City of Saskatoon’s Business Development Incentives Policy C09-014.
- 3.4 Grant in Lieu of Tax Abatement – any eligible use may apply for a cash grant where, in the opinion of the Adjudication Committee, there is no substantive incentive available from the Property Tax Abatement incentive (section 3.3 above). The cash Grant in lieu of Tax Abatement is limited to no more than one year of existing property taxes.
- 3.5 Façade Appearance Grant – the owner of any commercial, institutional, industrial or mixed-use property within the Enterprise Zone is eligible to apply for a grant for the purpose of enhancing or restoring the appearance of any street facing storefront façades. The amount of the cash grant is limited to a maximum of \$2,500 per facade, and is rebated upon completion of the project. It must be demonstrated to the Adjudication Committee that the intended work will be completed with appropriate preparation and materials, creating a permanent image that contributes positively to the streetscape.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>5 of 11</i>

- 3.6 Off-site Development Charges - any eligible use, with the exception of one or two-unit dwellings, is eligible for a rebate of any or all off-site development charges as calculated by the Infrastructure Services Department. Each application will be dealt with on a case by case basis.
- 3.7 Direct Service Charges – similar to Off-site Development Charges, any eligible use, with the exception of one or two-unit dwellings, is eligible for a rebate of any or all Direct Service Charges as calculated by the Infrastructure Services Department. Each application will be dealt with on a case by case basis.
- 3.8 Relocation Assistance/Land Exchange – the following sites are eligible for relocation assistance and/or a land exchange:
- 215 Avenue J South
 - 227 Avenue J South
 - 425 Avenue P South
 - 309 Avenue B North
 - 315 Avenue B North
 - 319 Avenue B North
 - 318 Avenue C North
 - 320 Avenue C North
 - 235 Avenue D North
 - 209 Avenue D South
 - 419 23rd Street West

The above sites are not eligible for any other incentive under this policy. In cases, involving relocation assistance and land exchange, the owner must approach SREDA with a relocation or land exchange proposal. In cases involving relocation assistance, the owner must include a detailed cost estimate of relocation. In all cases, the owner must agree to sell or grant title to the City of Saskatoon for the existing site. The owners must agree to relocate to a planned industrial area as determined suitable by the Land Branch. The amount of assistance will be dealt with on a case by case basis.

- 3.9 Rebate Environmental Screening Charges – any Environmental Screening Charges may be rebated up to 100% of costs upon 100% completion of any eligible use including one and two-unit dwellings. Environmental Screening Charges may include remediation costs and will be negotiated on a case by case basis.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>6 of 11</i>

- 3.10 Land Assembly – this incentive is available to accommodate specific projects at a specific location. The City may be requested to create a suitable site and pay all charges related to lane/street closure, infrastructure improvements, and other required upgrades and may or may not include land costs. The “assembled” site would be sold in a ready to build state. Land assembly is available to owners who wish to expand or build on adjacent city-owned land.
- 3.11 Development Plan Amendment Fees – this incentive is available to accommodate specific projects at a specific location. The City will rebate full costs associated with amending the City of Saskatoon Development Plan, including advertising fees. The rebate is available upon formal approval of amendment by City Council in accordance with *The Planning and Development Act, 2007*.
- 3.12 Rezoning Fees – this incentive is available to accommodate specific projects at a specific location. The City will rebate full costs associated with amending the City of Saskatoon Zoning Bylaw, including advertising fees. The rebate is available upon formal approval of amendment by City Council in accordance with *The Planning and Development Act, 2007*.
- 3.13 Discretionary Use Fees – this incentive is available to accommodate specific projects at a specific location. The City will rebate full costs associated with Discretionary Use approval upon formal approval of Discretionary Use application by City Council in accordance with *The Planning and Development Act, 2007*.
- 3.14 Subdivision Fees - this incentive is available to accommodate specific projects at a specific location. The City will rebate full costs associated with the Subdivision application, including approval fees. The rebate is available upon formal registration of the new sites at the Land Titles Office.

Properties that are in tax arrears with the City of Saskatoon are not eligible for the above incentives.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>7 of 11</i>

4. RESPONSIBILITIES

4.1 Community Services Department

- a) Responsible for all building, development, plumbing and sign permit fee rebates for all eligible uses, including one and two unit dwellings.
- b) Responsible for receiving all applications for incentives for all multi-unit residential projects and mixed use projects with a substantial residential component.
- c) Negotiates incentives with applicant, assesses value of development to community and appropriate level of incentives, develops recommendation and forwards report to members of the Enterprise Zone Adjudication Committee.
- d) Publicizes this Policy and responds to questions regarding this Policy and its operation.
- e) Requests additional information from the applicant if required.
- f) Monitors all applicants which receive incentives under this Policy to ensure compliance with conditions under which the incentives have been provided.
- g) Reports the financial status of the applications which have been approved or are pending to the City Comptroller's Office on a quarterly basis.
- h) Responsible for maintaining this policy.

4.2 S.R.E.D.A.

- a) Receives applications for incentives (not including building, development, plumbing or sign permits or any residential project or multi-use project with a substantial residential component) for all industrial uses.
- b) Negotiates incentives with applicant, assesses value of development to community and appropriate level of incentives, develops recommendation and forwards report to members of the Enterprise Zone Adjudication Committee.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>8 of 11</i>

- c) Publicizes this Policy and responds to questions regarding this Policy and its operation.
- d) Requests additional information from the applicant if required.
- e) Monitors all businesses which receive incentives under 4.2 of this Policy to ensure compliance with conditions under which the incentives have been provided.
- f) Reports the financial status of the applications which have been approved or are pending to the City Comptroller's Office on a quarterly basis.

4.3 Riversdale Business Improvement District (BID)

- a) Receives applications for incentives for proposed retail, cultural, personal service and retail service uses within B-zones excluding the Sutherland BID area (not including building, development, plumbing or sign permits or any residential project or multi-use project with a substantial residential component).
- b) Negotiates incentives with applicant, assesses value of development to community and appropriate level of incentives, develops recommendation and forwards report to members of the Enterprise Zone Adjudication Committee.
- c) Publicizes this Policy and responds to questions regarding this Policy and its operation.
- d) Requests additional information from the application if required.
- e) Monitors all businesses which receive incentives under 4.3 of this Policy to ensure compliance with conditions under which the incentives have been provided.
- f) Reports the financial status of the applications which have been approved or are pending to the City Comptroller's Office on a quarterly basis.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>9 of 11</i>

4.4 Sutherland Business Improvement District (BID)

- a) Receives applications for incentives for proposed retail, cultural, personal service and retail service uses within the Sutherland BID area (not including building, development, plumbing or sign permits or any residential project or multi-use project with a substantial residential component).
- b) Negotiates incentives with applicant, assesses value of development to community and appropriate level of incentives, develops recommendation and forwards report to members of the Enterprise Zone Adjudication Committee.
- c) Publicizes this Policy and responds to questions regarding this Policy and its operation.
- d) Requests additional information from the application if required.
- e) Monitors all businesses which receive incentives under 4.4 of this Policy to ensure compliance with conditions under which the incentives have been provided.
- f) Reports the financial status of the applications which have been approved or are pending to the City Comptroller's Office on a quarterly basis.

4.5 Enterprise Zone Adjudication Committee

- a) Shall select a chair and maintain a record of each meeting.
- b) Shall rotate the Committee Chair on an annual basis between the City Council representatives.
- c) Shall consider all applications at the request of the chair.
- d) The Committee may adjudicate for any uses which are not listed in Appendix C.

CITY OF SASKATOON

ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>10 of 11</i>

- e) The Committee will consider the perceived value of the application in determining the amount of the incentive. Perceived value is to be measured by the number and quality (i.e. secure, safe and degree of compensation) of jobs to be created, the long-term impact the eligible business will have on the Enterprise Zone and any other factors Committee deems as contributing value to an application.
- f) Will consider the applicant's ownership of the property or leasing arrangements in determining the value of the incentive.
- g) The amount of an incentive may be prorated as decided by the Committee if an approved applicant fails to meet all conditions associated with the provision of an incentive.
- h) The amount of any incentive may be phased in or phased out over a number of years as determined by the Committee.
- i) Shall determine the timing of payments to applicants as required.
- j) Provides reports annually, and as requested, to City Council outlining the performance of the Municipal Enterprise Zone.
- k) The Committee shall recommend any policy changes through the City's Administration and Finance Committee.

4.6 Enterprise Zone Administrative Policy Review Committee

- a) Will meet at the call of the Chair to consider any changes to this policy.

4.7 City Council

- a) Approves all requests for tax abatements, and any changes to this policy.

CITY OF SASKATOON ADMINISTRATIVE POLICY

NUMBER

A09-031

POLICY TITLE	EFFECTIVE DATE	UPDATED TO	PAGE NUMBER
<i>Municipal Enterprise Zone</i>	<i>May 23, 2002</i>	<i>May 5, 2008</i>	<i>11 of 11</i>

5. TIMING

- a) The applicant may apply for an incentive for any eligible use listed in 2.3 and prior to commencing with an expansion or new building project and prior to receiving a building, development or plumbing permit through the City of Saskatoon.
- b) Notwithstanding a) above, any uses for which a building permit has been issued on or after May 23, 2002 is also eligible.
- c) The timing of rebate payments for one and two unit dwellings and accessory buildings shall be after completion of the proposed work and closure of the applicable permits. In all other cases, the timing of rebates shall be paid upon closure of the applicable permits unless otherwise determined by the Adjudication Committee.

6. FUNDING

- a) The Municipal Enterprise Zone has funding up to a maximum of \$500,000.00 for all approved projects.
- b) The agency responsible for administering an application for Enterprise Zone incentives may charge a fee for service of no more than \$200 per application.

APPENDIX A TO CITY OF SASKATOON
ADMINISTRATIVE POLICY A09-031 - MUNICIPAL ENTERPRISE ZONE



APPENDIX B TO CITY OF SASKATOON
ADMINISTRATIVE POLICY A09-031 – MUNICIPAL ENTERPRISE ZONE

ESTIMATED VALUE OF INCENTIVES

<u>Building and Plumbing Permit Fees</u>		<u>Actual (May 02 – Dec.05)</u>
- Estimated Total Incentive:	\$180,000	\$156,199
<u>Development Plan Amendment Fees</u>		
- Estimated Total Annual Incentive:	\$ 4,500	
<u>Rezoning Fees</u>		
- Estimated Total Annual Incentive:	\$12,000	
<u>Discretionary Use Fees</u>		\$15,307 (DP, RZ, DU, Sub.)
- Estimated Total Annual Incentive:	\$ 5,600	
<u>Subdivision Fees</u>		
- Estimated Total Annual Incentive:	\$ 2,800	
<u>Environmental Screening Charges</u>		
- Estimated Total Annual Incentive:	\$48,000	\$53,371
<u>Development Charges</u>		
- Dependent upon site location and characteristics.		
- Costs calculated by Infrastructure Services Department.		\$80,611
<u>Property Tax Abatement</u>		
- To be negotiated on a case by case basis.		\$728,544
<u>Relocation Assistance/Land Exchange</u>		
- To be negotiated on a case by case basis.		\$0
<u>Land Assembly</u>		
- To be negotiated on a case by case basis.		\$10,000
<u>Grants in Lieu of Tax Abatement</u>		\$122,800

APPENDIX C TO CITY OF SASKATOON
ADMINISTRATIVE POLICY A09-031 – MUNICIPAL ENTERPRISE ZONE

ENTERPRISE ZONE ELIGIBLE USES

BUILDING, DEVELOPMENT & PLUMBING PERMITS ONLY (unless otherwise stated)		Stats Can Code
1	<u>ODU</u>	
	Single Detached home	110
	Single Detached home – Condominium	115
	Mobile Home	130
	Residential Care Home	650
2	<u>TUD</u>	
	Duplex or Semi-Detached	210
	Duplex or Semi-Detached – Condominium	215
3	<u>Accessory Buildings</u>	
	For One or Two Unit Dwellings	B-01 B-02
 THE FOLLOWING ARE ELIGIBLE FOR ALL INCENTIVES		
4	<u>Three to Six-plex</u>	
	Row House, Town house (Not for up and down units)	330
	Row House, Town house (Not for up and down units) – Condos	335
5	<u>Dwelling Group (Townhouse)</u>	
	Row House, Town house (Not for up and down units)	330
	Row House, Town house (Not for up and down units) - Condos	335
6	<u>Apartment (< 4 storeys)</u>	
	Up and down apartments	310
	Up and down apartments – Condos	315
	Accommodation not mentioned elsewhere including; student residence, boarding house, religious residence, hostel, dormitory	534
7	<u>Apartment (>= 4 storeys)</u>	
	Up and down apartments	310
	Up and down apartments – Condos	315
	<u>Other Residential</u>	
	Day Care, nursing home, rest home, home for the blind, charitable home	650

ENTERPRISE ZONE ELIGIBLE USES CONTINUED

8	<u>Retail, Personal Services, Retail Service Uses</u>	Grocery stores, retail stores, hairdressers, butcher shops, financial services, etc.	510
9	<u>Warehouses</u>	Maintenance Building: hangar, repair shop, accessory building, railway sheds, aircraft hangers	450
		Storage Building, Industrial Mall, Grain Elevator, Locker Rental, Silo, Quonset, Refrigerated Storage Terminal	460
		Wholesale outlets	510
10	<u>Factories/Manufacturing</u>	Plant for manufacturing, processing and assembling goods; factory, plant, mill, bakery, cannery, printing plant	430
11	<u>Public Recreational</u>	Convention centre, exhibition building	536
		Theatre and performing art centre; movie theatre, concert hall, opera house, cultural centre	550
		Indoor recreational building; sports complex, tennis court and squash, community centre, arena, curling club, swimming pool	560
		Outdoor recreational building; country club, golf club campground facilities, outdoor skating rink, outdoor swimming pool	562
12	<u>Cultural and Tourism Uses</u>	Library, museum, art gallery, aquarium, botanical garden, archive building, scientific centre	630
13	<u>Transportation Facility</u>	Transportation Terminal; bus and truck terminals, airport & railway related uses.	440
14	<u>Offices</u>	Offices, community centres, educational and medical uses, cultural centres, private clubs and other similar office/institutional uses	520/522