



TOWN OF NIVERVILLE-FINANCE

POLICY NO. F5-16:	<u>SHOW HOME POLICY</u>	
EFFECTIVE DATE:	<u>December 6, 2016</u>	RESOLUTION# <u>330-16</u>
REVISION DATE:	<u>November 20th, 2018</u>	RESOLUTION# <u>376-18</u>

Background: The Town of Niverville acknowledges the importance show homes have for residential builders in marketing their products within the community. The opportunity for prospective buyers to walk-thru a furnished model is an industry proven approach in the promotion of the sale of new residential lots and similar type residences.

In acknowledgment of these benefits Niverville Council desires to provide an incentive grant beyond its current policy of taxation not beginning on unoccupied spec homes until the second full year after building completion (*See Policy F1-14 for additional details*). The Show Home grant's purpose is to encourage the construction of show homes marketing both the builder's opportunity and the community at-large. In essence, the grant, which will be calculated based on the new building's assessment, will provide for a limit of five years, with a reduced general municipal tax (*see Municipal Tax definition on the subject property*).

An overview of the application process is as follows: The property owner will be required to pay the current property tax invoice in full prior to the property tax due date. The Town will review the grant application, identify the general Municipal Tax portion of the bill, and process the application accordingly by October 31st.

The grant applicant is required to hold (*see Hold definition below*) a minimum of five (5) serviced available lots for each type of show home. The home builder and/or their subsidiary company are limited to one show home per category (*see Show Home Categories definition*).

Terms & Conditions:

1. Grant pertains to the annual general municipal portion of the Show Home's taxes being levied in any one full calendar year.
2. LIDs fees, Utility fees, Education Tax, Special Services tax, and Land Tax will not be eligible for a grant under this program.

3. Applicant must provide annually proof of efforts to sell lots/construct residences when payment of property taxes occurs. Proof could include but not limited to MLS listing showing sale price and days on market.
4. The home must be fully furnished (including kitchen, bathrooms, and room furniture). Exterior of property must be fully finished as well (including landscaped / sodded yard, and hard surfaced driveway). The home must be properly maintained in a first class state.
5. Homes cannot be occupied. Should the residence be lived in and a grant received, the grant must be returned to the Town and be removed from future eligibility of this policy.
6. Applications for a grant must be made at the time building permit application is made with the Town. Once construction is completed, the property owner must contact the Town and confirm intention is to continue with property being a Show Home.

Definitions:

- A) **Show Home:** is a residence that is fully built and furnished and not occupied other than for display purposes, to market buildings of similar style/type for a property owner.
- B) **Hold:** the property owner must be the registered owner of five lots for a single intended type of show home category; to be considered as part of program the lots must be actively for sale via a reputable method such as real estate agent websites or realtor.ca. The lots may be in various states (empty, partially developed or fully serviced).
- C) **Municipal Tax:** each property will be granted back a portion of municipal general taxes after the property owner has paid the taxes in full prior to the property tax due date.
- D) **Show Home Categories:** for the purpose of eligibility there are four categories of homes that a home builder can apply under (limit of one per category per property owner):
 - Duplex
 - Single Detached
 - Multi-Unit – Town house
 - Multi-Unit – Apartment condo / Life Lease
- E) **Local Improvement District (LIDs):** all show homes are expected to pay in full the applicable LIDs fees on their properties; this amount is associated with the land and will not be considered for grant eligibility.
- F) **Education Tax:** the school tax levy for the Hanover School Division is a mandated fee collected by, the Town on behalf of the school division. Therefore these taxes will not be considered for grant eligibility.

- G) **Special Services Tax:** the tax levy to provide for protective services such as Fire, policing, Emergency responders, Flood Control and other emergency preparedness costs.
- H) **Land Tax:** the property owner will be required to pay all the taxes levied on the value of the land.
- I) **Application process:**
- i) Applicant obtains building permit from Town Office.
 - ii) Applicant registers building permit with Town.
 - iii) Applicant emails taxes@whereyoubelong.ca to register the dwelling as a Show Home and request application form.
 - iv) Building permit approved by Town.
 - v) Upon substantial construction completion, the Assessment Branch completing its review, and following the expiry of Policy F1-14, the Applicant completes the application form (Schedule A) for the Show Home Grant and submits it to the Town Office.
 - vi) Applicant completes and returns application form with supporting documentation to Town Office.
 - vii) The Town activates the application, reviews current status of all tax and utility accounts made by titleholder.
 - viii) Town approves/denies request and provides basis for decision
 - ix) IF:
 - a. Approved –Town will provide approved grant within thirty days after tax deadline given full payment has been made by the titleholder of the property tax statement;
 - b. Denied – Applicant has option to request review by Council; must submit letter to Council within fifteen (15) days of notice of denied application with reasoning for additional consideration.