

TOWN OF STONEWALL POLICIES AND PROCEDURES MANUAL

SECTION:	ECONOMIC DEVELOPMENT	POLICY NO. 12.1
SUBJECT:	STONEWALL PROGRAM FOR RENTAL UNIT CONSTRUCTION AND EXPANSION (SPRUCE)	
ORIGINALLY APPROVED BY RESOLUTION OF COUNCIL ON:	JANUARY 23, 2019	
MOST RECENTLY AMENDED BY RESOLUTION OF COUNCIL ON:		

BACKGROUND/INTENT:

The need for additional rental housing stock has been raised as an issue with the Council of the Town of Stonewall. Both total rental units and the percentage of rental units within the housing inventory of the community are well below the provincial average. This shortfall is not only seen as a barrier to retaining and attracting people to Stonewall but also as a potential economic development opportunity.

POLICY/PROCEDURES:

The Town has therefore created a program to provide incentives to encourage the construction and operation of multiple-family rental housing developments. Multiple-family developments that add 5 or more dwelling units and that are available for rent are eligible to apply for a SPRUCE incentive grant.

Subject to the criteria set out below, the grant (“Grant”) will be awarded on a per rental unit basis and paid in installments over a four-year period, as follows:

Year 1: \$500.00
Year 2: \$400.00
Year 3: \$350.00
Year 4: \$250.00

Criteria:

1. “Rental Housing” means any formation of multiple-family housing development owned by a single owner and containing dwelling units that are available for rent.
2. Owners of Rental Housing developments that create or add 5 or more dwelling units are eligible to apply for the Grant.
3. The Grant is for new, previously unoccupied, units in Rental Housing. Units may be new construction or created as a result of the renovation of an existing building (“eligible rental unit”).
4. The Grant for each eligible rental unit will be made in the four annual installments set out above.
5. The Grant will be awarded to the owner of the Rental Housing in which the eligible rental unit is located.
6. The terms to be met by an owner to be eligible for the Grant will be set out in an agreement between the Town and the applicant (“Agreement”).
7. The Grant will not be awarded retroactively for Rental Housing projects that had already been issued a building permit as of the date of the adoption of this policy, including permits that had been cancelled or were lapsed as of that date and reapplied for in an effort to receive the Grant.
8. Condominium developments are not eligible for the Grant. If an eligible rental unit becomes part of a condominium corporation or ceases to function as a rental unit at any time during the four-

year period, the agreement between an owner and the Town will become void and the owner will be required to repay any installments of the Grant received for that unit.

9. Property taxes for the eligible rental unit must be up to date and in good standing. The eligible rental unit must be in compliance with the Town's by-laws.
10. Payment of the Grant is subject to annual budget approval by Council.

Application Procedure:

1. Owners may submit applications for a Grant to the Chief Administrative Officer in a form prescribed by the Town as Schedule "A" to this Policy. Applications can be submitted at any time of the year. Applications must include
 - a. a copy of the current certificate of title for the property in which the eligible rental unit is contained,
 - b. a copy of the occupancy permit for the eligible rental unit, and
 - c. the Agreement (Schedule "B" to this Policy), signed by the owner.
2. The Chief Administrative Officer will review all Grant applications and prepare and submit a report to Council. Council is the approving authority for all Grant applications.
3. If Council awards a Grant to an owner, the Town will process the year 1 installment on December 1st of the year after the year in which the occupancy permit for the eligible rental unit was issued. The remaining installments will be processed on December 1st of each of the three subsequent years, provided the owner is in compliance with all requirements of this policy and the Agreement.

Term:

1. SPRUCE is a 3 year program. Applications for a Grant under the Program will be accepted from January 1, 2019 to December 31, 2021. Before the end of the term, Council will review SPRUCE and may extend the term and/or change the criteria. Even if the term of SPRUCE is not extended, the Town will continue to make Grant payments for those projects approved under the program.

**TOWN OF STONEWALL POLICY NO. 12.1
SCHEDULE "A"**

**STONEWALL PROGRAM FOR RENTAL UNIT CONSTRUCTION & EXPANSION
SPRUCE APPLICATION FORM**

Owner(s) contact information:

Address of rental unit development	
Name(s) of property owner(s)	
Contact telephone	
Contact email	
Contact Mailing Address	

Development description:

Number of rental units added	
Date building permit issued	
Date occupancy permit issued	

Required attachments:

- Copy of current certificate of title for the property.
- Copy of building permit for rental units.
- Copy of occupancy permit for rental units.
- SPRUCE agreement, signed by the property owner(s).

Certification:

The owner

- i. has reviewed the Town of Stonewall SPRUCE development incentive policy.
- ii. has signed and attached the SPRUCE agreement.
- iii. agrees to abide by all terms and conditions of the SPRUCE grant program and the agreement.
- iv. certifies that all information provided in this application is true, correct and complete in every respect.

Signature of owner

Date

Signature of owner

Date

TOWN OF STONEWALL POLICY NO. 12.1
SCHEDULE "B"

STONEWALL PROGRAM FOR RENTAL UNIT CONSTRUCTION & EXPANSION
SPRUCE AGREEMENT

BETWEEN: _____
("Owner")

and

The Town of Stonewall
("Town")

- A. The Owner is the registered owner of land in the Town located at _____
_____ ("property").
- B. The Town has established a program to provide development incentives to encourage the construction of multiple-family rental housing developments in the Town ("SPRUCE").
- C. The Owner has added more than four new, previously unoccupied dwelling units to the property that are available for rent ("eligible rental units") and wishes to apply for an incentive grant as provided for by SPRUCE.

The Owner and the Town therefore agree as follows:

1. The term of this agreement is from the date of its signing by the Owner until the Town has awarded and paid all installments to the Owner for each eligible rental unit as provided for by SPRUCE.
2. The Owner shall, throughout the term of this agreement
 - i. ensure each of the eligible rental units is maintained, operated and used in compliance with the objectives and terms of SPRUCE, and provide a letter confirming compliance to the Town each year prior to November 1st,
 - ii. ensure all property taxes on the property are kept up to date and in good standing,
 - iii. ensure each of the eligible rental units is in compliance with all Town by-laws, orders and requirements, and
 - iv. not assign the Owner's interest in this agreement except to a subsequent owner of the property, who shall take an assignment of this agreement and agree to be bound by it. The Owner and subsequent owner shall provide such information to the Town as the Town may require to continue to award the Grant to the subsequent owner.
3. Provided the Owner does not breach any term, condition or provision of, and performs all obligations set out in this agreement and SPRUCE, the Town shall award and pay the Owner the SPRUCE incentive grant ("Grant") on a per rental unit basis over a four-year period as set out in SPRUCE.
4. The Town may in its sole discretion cancel the Grant at any time during the term of this agreement at the Owner's written request. No further installments will be paid to the Owner.
5. If the Owner fails to meet any of the terms or conditions of this agreement or SPRUCE, the Town may in its sole discretion cancel the Grant, and no further installments will be paid to the Owner. If the Town has paid the Grant and then later learns the Owner failed to meet any of the terms or conditions of this agreement or SPRUCE or was not eligible for the Grant at the time it was paid, upon request the Owner shall immediately reimburse the Town for any installments already received for that unit.

6. If any of the eligible rental units becomes part of a condominium corporation or ceases to function as a rental unit at any time during the term of this agreement, the Town's obligations under this agreement will cease, and no further installments of the Grant will be paid to the Owner. The Owner shall reimburse the Town immediately for any installments already received for that unit.
7. If at any time during the term of this agreement the Town, in its sole discretion, cancels SPRUCE and the Owner is and remains in compliance with all terms and conditions of this agreement and SPRUCE, the Town will continue to pay the Grant to the Owner as set out in SPRUCE for the remainder of the term of this agreement.
8. The Owner shall notify the Town immediately if any information provided in the Owner's application for the Grant becomes untrue or incorrect, and if any circumstances that may impact the Owner's eligibility for the Grant during the term of this agreement.
9. The parties shall execute and do all such further acts, things and deeds as may be reasonably required to carry out the intent of SPRUCE and this agreement.
10. Any notice to be given under this agreement shall be either sent by mail, faxed, hand-delivered or emailed as follows:

In the case of the Town:

The Town of Stonewall
 293 Main Street, Box 250, Stonewall, MB R0C 2Z0
 Fax: 204-467-7999 Email: info@stonewall.ca

In the case of the Owner:

Name(s): _____

Mailing address: _____

 Fax: _____ Email: _____

11. This agreement enures to the benefit of and binds the parties and their respective successors and permitted assigns.
12. An amount owing to the Town under this agreement is a debt owing and may be collected by the Town in the same manner as a tax may be collected or enforced under the Municipal Act.

OWNER(S)

THE TOWN OF STONEWALL

 Signature

 Chief Administrative Officer

 (print name)

 Mayor

 Signature

 (print name)