



**Town of Hartland**

**POLICY P-011-02**

**GRANT FOR COMMERCIAL PROPERTY DEVELOPMENT**

1. **AUTHORITY.** The Council of the Municipality of Hartland, under the authority vested in it by Section 104 of the Local Governance Act, 2017, and amendments thereto, enacts Policy P-011 to address grants for commercial development.
2. **PURPOSE.** This grant provides a financial incentive to private enterprises to expand existing properties or construct new properties that substantially increase the value of the commercial property tax assessment in Hartland.
3. **DEFINITIONS.**
  - 3.1. "Commercial development area" refers to the property or properties where the owner has constructed new buildings and facilities or expanded existing buildings and facilities.
  - 3.2. "Commercial property" refers to real estate that is used to conduct business or professional activities. In this document, the term "commercial properties" excludes rental properties that provide residential housing.
  - 3.3. "Occupancy availability" refers to the time when the commercial property has passed final inspection and is available for use.
  - 3.4. "Owner" refers to the registered owner of the property or properties upon which the commercial development is located.
  - 3.5. "Private enterprise" refers to a business that is owned and managed by independent companies or private individuals.
  - 3.6. "Town" refers to the municipality of Hartland, New Brunswick.
4. **ELIGIBILITY CRITERIA.** To qualify for this grant, the applicant must meet the following criteria:
  - 4.1. The applicant must be the registered owner of the commercial property.
  - 4.2. The tax assessment of the commercial development area must increase by \$1,000,000 or more.

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- 4.3. The tax assessment increase must be attributable to new construction or the expansion of buildings or facilities.
  - 4.4. All construction must be completed within a 36-month period that starts with the issuance of a building permit for one building or facility and ends with the occupancy availability date for the same or another building or facility within the commercial development area.
  - 4.5. All properties subject to the grant application have completed the required building inspections.
  - 4.6. The owner's accounts with the municipality must be in good standing. The owner shall not be in a position of tax arrears. All taxes and financial accounts, including utility accounts, owing to the Town by the owner must be paid prior to the disbursement of the grant.
  - 4.7. The owner must show proof that property taxes have been paid in full for the property.
5. **GRANT VALUE.** The applicant will be eligible to receive up to **37.5%** of the year-one Total local tax as invoiced on their real property tax payment (excluding cost of assessment) for the commercial development each year for a period of four (4) consecutive years up to a one-year maximum of \$100,000 (or a four-year maximum of \$400,000). The calculation of the grant will use the tax rate that applies to the property, including the commercial multiplier, noting that tax rates may vary within the municipality from one area to another. For clarity, the table below shows an example of how the grant will be calculated, based on a municipal tax rate of \$1.50 and a commercial multiplier of 1.6, per \$100 of property.

Year	Year 1 Property Value	Year 1 Tax Payment	Annual Grant
1	\$5,000,000	$(\$5M * 1.50)/100 * 1.6 = \$120,000$	$\$120,000 * 37.5\% = \$45,000$
2	---	$(\$5M * 1.50)/100 * 1.6 = \$120,000$	$\$120,000 * 37.5\% = \$45,000$
3	---	$(\$5M * 1.50)/100 * 1.6 = \$120,000$	$\$120,000 * 37.5\% = \$45,000$
4	---	$(\$5M * 1.50)/100 * 1.6 = \$120,000$	$\$120,000 * 37.5\% = \$45,000$
<b>Total</b>		<b>\$480,000</b>	<b>\$180,000</b>

6. **GRANT APPLICATION PROCESS FOR APPLICANT.**
- 6.1. Applicant completes and signs Form P-011-01. If the applicant lacks space to complete the form, the applicant must attach a separate sheet.
  - 6.2. Applicant mails the following documents in a sealed envelope that is addressed to Hartland's Treasurer:
    - 6.2.1. an original signed copy of Form P-011-01,
    - 6.2.2. one copy of the first property tax assessment sheet or sheets for the property or properties, and
  - 6.3. Each applicant must represent all eligible properties in one application.

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7. GRANT APPLICATION ASSESSMENT BY TOWN.

- 7.1. Town confirms receipt of application within thirty (30) business days by sending an email to the applicant.
- 7.2. CAO reviews application and makes recommendation to Council within 120 days of receipt of application.

8. GRANT AWARD BY COUNCIL.

- 8.1. Council approves the awarding of the grant.
- 8.2. Town issues a letter of award or a letter of rejection to the applicant, signed by the CAO and the Mayor.
- 8.3. Letters of award will specify the value of the award and stipulate any terms and conditions (e.g., restrictions, limitations) that apply to the owner.

9. GRANT PAYMENT BY TOWN.

- 9.1. Applications that receive a decision to award from Council shall be paid within two months of council approval.
- 9.2. After the grant has been awarded and paid in year one, the applicant must show that they have paid their property taxes in full for each subsequent year before the town will award the grant for year 2, 3, or 4. In addition, grant payment in years 2, 3, and 4 will be subject to the continued availability of the housing units for sale or rent.
- 9.3. Funding may be revoked at any time if the town determines that the owner has (a) failed to comply with the terms and conditions stipulated in the letter of award or (b) misrepresented facts or failed to report relevant information in its application.
- 9.4. The grant will only be available to the original registered owner of the property as specified in the application. The grant will not be available to a subsequent owner after the sale or other legal transfer of the property.
- 9.5. To receive the full value of the grant, the owner must pay 100% of all related development and construction costs. This includes all costs related to planning, construction, project management, and permitting, including water and sewer infrastructure installation and connection fees and any direct or indirect costs to repair, replace, or upgrade public infrastructure. The sum of all development and construction costs paid by the town will be deducted from the grant award.
- 9.6. If the development property was sold by the municipality of Hartland to the property owner and grant applicant for less than its property assessment value as set by the province, the difference between the sale price and the property assessment value at the time of sale will be deducted from the grant award.

10. RIGHT OF TOWN TO REJECT APPLICATION. In its sole and absolute discretion, the town may reject any grant application and is under no obligation to explain its decision to award or not award a grant to anyone, including the applicant or any party representing the applicant.

11. RIGHT OF TOWN TO NOT PAY GRANT. In its sole and absolute discretion, the town may withhold or cancel payment of the grant in year 2, 3, or 4 after a grant has been awarded in a previous year. The grant applicant or recipient will have no legal recourse against the town to contest or dispute the town's decision to cancel, defer, or withhold payment of this grant.

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## SIGNATURES

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### COUNCIL

NAME

Tracy DeMerchant

POSITION

MAYOR

SIGNATURE

Tracy DeMerchant

DATE

June 10, 2025

TOWN



NAME

Julie Stockford

TITLE

CAO

SIGNATURE

Julie Stockford

DATE

June 10, 2025