THE CITY OF WINNIPEG

BY-LAW NO. 115/2008

A By-law of THE CITY OF WINNIPEG to establish a program of real property tax credits in the year 2008 to encourage and assist in the renovation of residential premises in the City of Winnipeg.

THE CITY OF WINNIPEG, in Council assembled, enacts as follows:

1 This by-law shall be referred to as the "2008 Home Renovation Tax Assistance Program By-law".

2 In this by-law,

"**building permit**" means a permit granted under The Winnipeg Electrical By-law or The Winnipeg Building By-law;

"**child**" means a natural, adopted or step-child;

"**designated officer**" means a person designated in writing by the Chief Administrative Officer;

"**immediate family member of the eligible homeowner**" means an eligible homeowner's spouse, parent, child, sibling, parent's parent, parent's sibling, child's spouse, sibling's spouse, child's child, sibling's child, spouse's parent, spouse's sibling, or spouse's sibling's child;

"low flush toilet" means a toilet that complies with the Canadian Standards Association B45 standard and is rated to use 6 liters or less per flush;

"**parent**" means a natural, adoptive or step-parent;

"**residential unit**" means:

(a) a dwelling unit in a building that is used solely for residential occupation, other than:

(i) a mobile home located in a mobile home park or not constructed on a permanent foundation;

(ii) a building that is used wholly or partly as a hotel, motel, tourist camp, apartment hotel or other transient accommodation;

(iii) a building that is used as a nursing home or personal care home; and

(iv) a dwelling unit in a building that contains more than four dwelling units; or

(b) a condominium unit that is used solely as a single dwelling unit for residential occupation, but not including the common elements of a condominium plan;

"**sibling**" means a natural, adoptive or step-sibling;

"**spouse**" means:

(a) a person who is legally married to an eligible homeowner; or

(b) a person publicly represented by the eligible homeowner as the spouse of that eligible homeowner;

"**total proposed valuation**" means the total valuation of proposed eligible renovations as indicated on applications under this by-law, which are

(a) stated as required under The Winnipeg Electrical By-law and/or The Winnipeg Building By-law; or

(b) stated as required under subsection 10(2) of this by-law.

3 The object of this by-law is to provide an economic incentive for home renovations, to reduce the perception that property owners are penalized for improving their properties and to encourage property owners to take out building permits thereby promoting the quality of construction in meeting applicable building, electrical and plumbing codes.

4 Annual tax assistance shall be provided to the owners of buildings in which eligible residential units are contained, as set out in this by-law.

5 To be an eligible homeowner, a person must meet one of the following requirements at the time of the application and at all times until the eligible renovation is completed:

(a) the person must be the registered owner of the building in which the residential unit is contained; or

(b) the person is someone other than the owner of the building in which the residential unit is contained who is able to show long-term uninterrupted occupancy of the residential unit and who does not pay rent;

and must occupy the residential unit on a year-round basis as his or her principal residence at the time of the application and at all times until the eligible renovation is completed.

6 Subject to section 7, the following are eligible renovations:

(a) renovating any part of a residential unit that is used or will be capable of being used as year-round living space, such as

(i) renovating a kitchen,

(ii) renovating a bathroom, including the purchase and installation of sinks, tubs and vanities, and

(iii) finishing an unfinished basement;

(b) building an addition to a residential unit if the addition will be capable of being used as year-round living space;

(c) installing, repairing or upgrading a primary heating system, a plumbing system, an electrical system or a ventilation system, but not including an air conditioner;

(d) insulating walls or attics;

(e) reinforcing or repairing a foundation or basement, or repairing or replacing weeping tile or other parts of the basement, including related excavation and landscaping;

(f) installing or repairing exterior sheathing;

(g) installing or repairing roofing, shingling, soffits, fascia or eavestroughing;

(h) installing or repairing doors or windows, excluding skylight windows;

(i) installing, repairing or upgrading a water or sewer system, including related excavation and landscaping;

(j) modifying a residential unit to accommodate a disabled person;

(k) renovating for reasons of safety or occupant health;

(l) repairing or renovating a residential unit or a part of a residential unit to ensure or maintain compliance with The Maintenance and Occupancy By-law of The City of Winnipeg.

(m) constructing or repairing a deck, verandah or garage;

(n) purchasing, installing or repairing a hard–wired, monitored security system; and

(o) purchasing and installing a low flush toilet.

7 The following are not eligible renovations:

(a) building or repairing a fence, driveway, patio or sidewalk unless

(i) the building or repairing is necessary to ensure or maintain the structural integrity of the residential unit or to ensure or maintain compliance with any by-law of the City, or

(ii) in the case of a repair, a safety or occupant health risk will exist if the repair is not carried out;

(b) building, installing or repairing a play structure or swings;

(c) building, installing or repairing a swimming pool;

(d) landscaping, except

(i) landscaping that is eligible under section 6, or

(ii) if the landscaping is necessary to ensure or maintain the structural integrity of the residential unit or to ensure or maintain compliance with any by-law of the City;

(e) interior decorating, including the cost of purchasing and installing wallpaper, blinds and drapes;

(f) interior or exterior painting, except

(i) painting that is part of a renovation or addition described in clauses 6(a) or (b);

(ii) to ensure or maintain the structural integrity of the residential unit or to ensure or maintain compliance with any by-law of the City, or

(iii) if a safety or occupant health risk will exist if the painting is not carried out;

(g) purchasing, installing or repairing floor covering, except

(i) as part of a renovation or addition described in clauses 6(a) or (b),

(ii) to ensure or maintain the structural integrity of the residential unit or to ensure or maintain compliance with any by-law of the City, or

(iii) if a safety or occupant health risk will exist if the purchasing, installing or repairing is not carried out;

(h) purchasing, installing or repairing any of the following:

(i) a household appliance, whether it is built-in or free standing;

(ii) skylight windows;

(iii) a fireplace;

(iv) a hot tub, spa or jacuzzi;

(v) a secondary heating unit unless the unit is permanently installed as the primary heating source in a new living space;

(vi) a heat pump, unless it is a primary heating source;

(vii) an air conditioner or a back-up generator;

(viii) an air purification system, unless a safety or occupant health risk will exist if the air purification system is not installed or repaired or to ensure or maintain compliance with any by-law of the City;

(ix) a radio or television antenna or a satellite dish;

(x) a lawn sprinkler system;

(xi) awnings or other exterior window coverings;

(xii) any equipment or other thing that is not permanently affixed to a residential unit;

(i) any modification to a residential unit to permit a non-residential use;

(j) any modification to a residential unit to permit a multi-family use;

(k) repairing a residential unit or part of a residential unit which has been damaged by fire, flood or other insurable risk; and

(l) constructing or repairing an adjunct or accessory building such as a greenhouse, gazebo or sunroom.

8 To be an eligible residential unit,

(a) a residential unit must be contained in a building which is owned by an eligible homeowner under section 5;

(b) a residential unit must have been built before January 1, 1983; and

(c) a residential unit and the land on which it is situated has an assessed value as defined in subsection 1(1) of *The Municipal Assessment Act* not exceeding $115,600 for the year in which the application is made.

9 Subject to sections 10, 11 and 12, applications for home renovation tax assistance may be made in the year 2008 and a real property tax credit given pursuant to this by-law shall be provided for the years 2009, 2010 and 2011.

10(1) In order for a real property tax credit to be provided:

(a) the eligible homeowner must make application for home renovation tax assistance in a form determined by the designated officer and shall provide any information, documentation or verification that the designated officer may require, which may include obtaining a building permit;

(b) the eligible renovation must be commenced after an application for tax assistance has been made pursuant to this by-law;

(c) the eligible renovation must be completed by December 31, 2008;

(d) the eligible homeowner must submit proof of the completion of the eligible renovation and must submit invoices for the amount expended for the eligible renovation with proof of payment by December 31, 2008;

(e) the eligible homeowner must allow the designated officer or his designate a reasonable opportunity to inspect the completed eligible renovation; and

(f) the eligible homeowner must provide such information, documentation or verification as the designated officer may require from time to time to confirm continuing eligibility.

10(2) Notwithstanding any provision of this by-law or of any by-law of the City of Winnipeg, in order for a real property tax credit to be provided, where a building permit is not required for the eligible renovation, an eligible homeowner must state the valuation of the proposed eligible renovation.

10(3) Notwithstanding clause (1)(a) and subsection (2), where a building permit is not required by by-law for an eligible renovation, an eligible homeowner shall not be charged a fee for applying for a tax credit under this By-law.

11(1) Subject to subsections (2), (2.1) and (3), the annual real property tax credit shall be equivalent to 5% of:

(a) the valuation of the proposed eligible renovation,

(i) stated as required under The Winnipeg Electrical By-law and/or The Winnipeg Building By-law; or

(ii) stated as required under subsection 10(2) of this by-law; or

(b) the amount expended for eligible renovations;

whichever is less,

to a maximum annual real property tax credit of:

(a) $500.00; or

(b) the amount of the real property taxes levied in the year by the City for its own purposes, which for greater certainty, does not include taxes levied by the City for school purposes or local improvements;

whichever is less, per eligible residential unit.

11(2) Subject to subsections (2.1) and (3), the annual real property tax credit for eligible renovations that improve energy efficiency and/or reduce greenhouse gas emissions shall be

equivalent to 8.33% of:

(a) the valuation of the proposed eligible renovation,

(i) stated as required under The Winnipeg Electrical By-law and/or The Winnipeg Building By-law; or

(ii) stated as required under subsection 10(2) of this by-law; or

(b) the amount expended for eligible renovations;

whichever is less,

to a maximum annual real property tax credit of:

(a) $500.00; or

(b) the amount of the real property taxes levied in the year by the City for its own purposes, which for greater certainty, does not include taxes levied by the City for school purposes or local improvements;

whichever is less, per eligible residential unit.

11(2.1) In order to qualify for a tax credit pursuant to subsection (2), renovations must fall within the following categories and must meet or exceed Manitoba Hydro Power Smart standards and guidelines:

(a) repairing an existing primary heating system or replacing it with a new ENERGY STAR high-efficiency furnace or boiler;

(b) replacing a conventional heating and cooling system with a new geothermal heat pump;

(c) replacing an existing natural gas or electric water heater with a more efficient unit;

(d) adding insulation to attics, exterior walls, basements, crawlspaces or exposed floors;

(e) repairing existing windows (excluding skylight windows) and exterior doors or replacing them with new units;

(f) sealing, caulking and weatherstripping to reduce air leakage;

(g) upgrading an existing or installing a new ventilation system.

11(3) The total amount of tax assistance provided by the City of Winnipeg under this and any other Home Renovation Tax Assistance Program shall not exceed $1,500.00 per eligible residential unit.

11(4) In this section, “other Home Renovation Tax Assistance Program” includes City of Winnipeg By-law Nos. 6544/94, 6927/96, 6930/96, 7137/97, 7230/98, 7384/99, 7523/99, 7798/2001, 7943/2001, 8165/2002, 10/2004, 88/2005, 33/2006 and 121/2007.

12(1) The designated officer shall keep a record of all applications made under section 9 of this by-law.

12(2) For greater certainty, no real property tax credit shall be given under this by-law which shall cause the total real property tax credits given under this by-law to exceed $325,000.00 in any of the years 2009, 2010 or 2011.

13 Subject to section 14, the following costs will be included in calculating the amount expended for eligible renovations:

(a) materials;

(b) contractor labour;

(c) retail sales tax;

(d) goods and services tax;

(e) drafting plans;

(f) architectural plans;

(g) applicable permit fees and fees under subsection 10(2) of this by-law; and

(h) legal and inspection fees.

14 Notwithstanding clause 13(b), the cost or value of labour that is carried out by the eligible homeowner or an immediate family member of the eligible homeowner will not be included in the calculation of the amount expended for eligible renovations.

15 Notwithstanding section 9, a real property tax credit will be terminated in the year following the occurrence of any of the following events:

(a) the eligible residential unit ceases to be occupied by a person who meets any of the requirements of clauses 5(a) or (b);

(b) the eligible residential unit is demolished;

(c) more than 50% of the eligible residential unit requires replacement as a result of fire, flood or other insurable damage;

(d) the eligible residential unit ceases to be occupied solely for residential purposes; or

(e) the eligible residential unit ceases to be a residential unit.

16 A real property tax credit provided pursuant to this by-law does not terminate simply by reason of the sale of the eligible residential unit.

17 The Director of Planning, Property and Development and his/her delegates may take steps to administer and enforce this by-law and their decisions must be made in accordance with *The City of Winnipeg Charter.*

18 A copy of a decision made under this by-law by the Director of Planning, Property and Development or his/her delegates must be given to the registered owner of the building in which the residential unit is contained by delivering a copy of the decision to him/her or the person authorized by him/her to apply for a real property tax credit on his/her behalf at the address provided in the application for the property tax credit.

19 An appeal from a decision by the Director of Planning, Property and Development or his/her delegates under this by-law may be made to the Chief Administrative Officer in accordance with *The City of Winnipeg Charter*.

20 Pursuant to section 119 of *The City of Winnipeg Charter*, the requirements for notice of a decision made by the Chief Administrative Officer under this By-law are hereby varied. A copy of a decision made under this By-law by the Chief Administrative Officer must be given to the registered owner of the property on which the building in which the residential unit is contained is located by mailing a copy of the decision by ordinary mail to the address maintained by the tax collector for the purpose of issuing the tax notice for that property.

21 An appeal from a decision by the Chief Administrative Officer under this by-law may be made to the Standing Policy Committee on Property and Development in accordance with *The City of Winnipeg Charter*.

DONE AND PASSED this 18th day of June, 2008.