

# Municipal Heritage Tax Credit Guidelines

This program is designed to assist the owner(s) or lessees of a building which is of historical significance and is designated as a municipal Heritage Site under *The Heritage Resources Act*.

The program's objective is to ensure that work will be done in a manner that best retains the most important architectural features or engineering merit of the designated heritage building.

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## 1. Definitions

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**Preservation** is work undertaken to increase the longevity of the original heritage building. This work can include aspects of restoration and stabilization.

**Restoration** is the authentic replication of the historic appearance of the building using original material, where possible, or replacements that will exactly match the original finish, detail, and final appearance.

**Stabilization** is work undertaken to improve the structural stability of the original heritage building such as underpinning and bracing.

**Municipal Heritage Site** is a building designated as a Municipal Heritage Site under the provisions of *The Heritage Resources Act*. Designated sites are protected from alteration or demolition.

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## 2. Eligibility

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In order to receive Municipal Heritage Tax Credit assistance, an application must meet all of the following criteria:

1. Buildings must be legally designated at the time of application under *The Heritage Resources Act*.
2. The applicant must be the owner(s) of a designated heritage site or be long-term (10 years minimum beyond application date) leaseholders in a designated building with written authorization from the building owner(s) to apply for a Municipal Heritage Tax Credit.
3. The applicant must have submitted all information required in the Municipal Heritage Tax Credit Application Form.
4. All proposed preservation, restoration or stabilization must be approved prior to commencement. A Municipal Heritage Tax Credit will not be provided for work completed prior to grant approval.
5. The applicant must be willing to provide long-term maintenance to the designated heritage site.

6. All work must comply with all applicable zoning by-laws, design approval processes, etc.

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### **3. Eligible Work Items**

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#### **Eligible project costs include:**

1. Exterior and interior restoration, including: the conservation of original, existing material; the restoration of deteriorated material and; the reconstruction of missing components (which must accurately replicate the historic appearance based on archival or other evidence);
2. Structural repair and stabilization;
3. Architectural and engineering fees;
4. Work required to upgrade the historic building to contemporary standards, including:
  - Repair/replacement of electrical, mechanical and plumbing systems
  - Fire sprinklering as required by the Manitoba Building Codes
  - Renovation of heritage elevators to comply with the Manitoba Building Code
  - New interior construction, if it is sympathetic to the heritage nature of the building
  - Energy efficiency upgrading provided the exterior of the building is not affected
  - Asbestos removal and other environmental abatement requirements (insects, pigeons, mould, etc.)
  - Handicap access requirements (note that the work must demonstrate minimal impact to historically significant exterior and interior features)
5. Exterior historic paint colours (based on paint analysis);
6. Restoration of original landscape as determined through researched evidence.

#### **Ineligible project costs:**

1. Construction or maintenance of historic cairns, markers, or plaques;
2. Operations and maintenance costs (such as lawn cutting or cleaning eaves troughs) or short term routine building maintenance (such as repairing steps, general painting);
3. Moving of buildings;
4. Modern siding (such as aluminum or vinyl), modern roofing (such as asphalt shingles) or modern eaves roughing (such as vinyl and/or a contemporary design); new windows that do not replicate the original window appearance;
5. General landscaping (grass, trees, new fences, benches, etc.);
6. Sandblasting or other building cleaning techniques that will damage building materials or finishes.

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## **4. Application Assessment**

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Approval of an application will be based on project merit and demonstrated need, using the following criteria:

1. Integrity of the heritage site. Buildings that have been well preserved in the past and where the proposed work will build upon that foundation of quality will be given priority. Buildings preserved on their original sites will be given priority.
2. High quality restoration. Projects that will restore a building to an appearance appropriate to its period of construction as determined through researched evidence.
3. Importance to overall conservation of the building. Priority will be given to projects that undertake critical conservation work (such as structural repairs, roof repairs).
4. Applicant's ability to complete the project. Applicants that can demonstrate that their funding is in place and that the project can be completed within a reasonable timeframe will be given priority.
5. Financial need of the owner. Applicants will be given priority where the grant is crucial to their ability to undertake work.
6. Community Benefit. Applications that will serve to increase property assessment values contribute to the economic well-being of the community and/or will provide community services that contribute to the well-being of the community will be given priority.

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## **5. Level of Assistance**

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Proposed projects must entail a minimum of \$5,000 in eligible work.

The maximum tax credit will be 50% of the net private investment in eligible work.

The maximum time period for the tax credit and for completing the eligible work is 10 years.

The tax credit may be used to reduce property taxes accrued to the designated building only.

The application for a tax credit is subject to review by the municipal government based on the Application criteria outlined above. The municipal government reserves the right to accept or reject applications and to set the amount of the tax credit to be allocated to a specific project.

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## **6. Administrative Procedure**

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1. Application forms are accepted and reviewed on a first-come, first served basis. Applications will not be accepted until all required information as outlined in the Municipal Heritage Tax Credit Application is supplied.

2. Designation of the structure under *The Heritage Resources Act* must be completed or in process at the time of application. A Municipal Heritage Tax Credit will only be approved after the structure has been designated.
3. Applicants are encouraged to first consult their municipal government staff regarding the content of their application.
4. Applicants must apply for a Heritage Permit prior to a Municipal Heritage Tax Credit being evaluated.
5. All required permits, certificates and other authorizations must be obtained before the project commences construction.
6. Before the release of any tax credits, the project must be completed and:
  - All outstanding taxes, utility charges or other amounts owing to the municipal government must be paid
  - All project expenses must be paid
  - All paid invoices, a final financial report and any other information required must have been provided to the municipal government.

Please forward the application and all supporting documents to:

Heritage Coordinator  
City Clerk's Office  
City of Brandon  
410 – 9<sup>th</sup> Street  
Brandon, Manitoba  
R7A 6A2

Ph: (204) 717-1034  
Fax: (204) 729-0975

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## **7. General Conditions**

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1. The municipal government reserves the right to have its staff inspect the building before and during the work period.
2. Reasonable public access to the restored portion of the building or site may be required by the municipal government after project completion.
3. Successful applicants must agree to include a credit line, or other mutually agreeable form of credit, citing the municipal government in publicity and promotional material related to funding or funded activities under this program.
4. The applicant must make a commitment to complete the project by a specific date.
5. No further municipal tax credit applications for any one building site will be acceptable until completion of the project.
6. Municipal tax credits obtained through this program may only be used to finance work described in the application.
7. The applicant agrees that the municipal government is not liable for any claims, demands, or causes of action that may be made against him or her because of any act, or omission, by the applicant, or the applicant's employees or agents, resulting at or from the building site.