

To: Mayor and Council

Submitted by: Ron Kelly Spurles, Manager of Tourism and Business Development

Date: January 23, 2025

Subject: Economic Development Incentive Program Application – Walker Rd.

PROPOSAL

Application from Right Coast Realty Ltd. for the Economic Development Incentive Program for an industrial building at 308 Walker Rd (PID 70050174).

BACKGROUND

In March 2020, Sackville Town Council approved the Economic Development Incentive Program. The intent of the program is to provide a financial incentive to developers to build locally. These types of incentives are intended to act as a catalyst for increased development activities in the community, which will in turn help attract further businesses, residents and employment.

The program applies to properties in the Mixed Use, Highway Commercial, Industrial/Business Park and Urban Residential 3 zones. It provides an incremental tax grant to projects based on the project’s economic value. Successful applicants will receive a rebate of a percentage of the post-project assessed values for a period of 5 years for projects valued <\$5,000,000 or 10 years for projects valued at >\$5,000,000.

DISCUSSION

Right Coast Realty Ltd. has submitted an application to the Economic Development Incentive Program for a development at 308 Walker Rd (PID 70050174) in Sackville. The property is zoned Industrial. The applicant has constructed a 27,544 square foot building with a shop, lean space, and office.

The development’s value is estimated at \$4,300,000.00, so if successful the property owner would receive a rebate of a percentage of the post-project assessed values for a period of 5 years.

Year		Municipal Assess	Municipal Tax Rate	Municipal Tax	Rebate		
2022	Pre-const	\$ 4,800	\$ 1.5600	\$ 112.32			
2024	90%	\$ 2,378,800	\$ 1.5389	\$ 62,232.50	\$ 55,908.16		
2025	80%	\$ 2,378,800	\$ 1.5350	\$ 62,074.79	\$ 49,569.97	*Estimate	
2026	60%	\$ 2,378,800	\$ 1.5350	\$ 62,074.79	\$ 37,177.48	*Estimate	
2027	40%	\$ 2,378,800	\$ 1.5350	\$ 62,074.79	\$ 24,784.99	*Estimate	
2028	20%	\$ 2,378,800	\$ 1.5350	\$ 62,074.79	\$ 12,392.49	*Estimate	
				\$ 310,531.64	\$ 179,833.09	\$ 130,698.55	* Municipal Tax

INTERDEPARTMENTAL CONSULTATION

The CAO and Treasurer have been consulted on the application.

LEGISLATION/POLICY

[Economic Development Incentive Program.](#)

FINANCIAL CONSIDERATIONS

Dependent on the option selected from below.

COMMUNICATIONS/PUBLIC ENGAGEMENT

The application will be discussed at Council.

TANTRAMAR 2024 PRIORITY ACTION PLAN

This aligns with pillar no. 2 - Financial Sustainability of the 2024 Priority Action Plan.

COMMUNITY IMPACT

Create opportunities for developers to build here in the community. Add to industrial stock in Tantramar, job creation.

CLIMATE CHANGE IMPLICATIONS

N/A

CLIMATE LENS

Climate Lens	Towards	Away	No change
Emissions reduction			x
Stormwater management			X
Thriving natural assets			X
Sustainable processes			X
Climate change adaptation			X
Climate leadership			x

OPTIONS

1. Decline the application, as the program criteria states on page 2 of the application guidelines:
2.6 Any property owner wishing to be considered for a grant under the Economic Development Financial Incentive Program must complete and submit an Application Form to the Town prior to the commencement of any works and prior to application for building permit.

This application was received after the permit was applied for/received, and the building was completely built.

2. Council could choose to back date the application to the project completion with the financial impact being \$105,478.13(estimate) which is ***not budgeted*** for 2025.

3. Start the incentive disbursement in 2026, which would be budgeted appropriately, using the 2024 amount listed in the table under the discussion section of this report. With this option, the incentive program completion date would be in 2030.

RECOMMENDATION

As Municipal administration, our role is to ensure that Program criteria are implemented as approved by council, therefore the staff recommendation would be not to proceed with the application due to guideline 2.6 of the program.

ATTACHMENTS

Economic Development Incentive Program Application
Proposed building plans

Section B - Property Owner and Applicant / Agent Information

Property Owner Information

Name of Registered Property Owner: RIGHT COAST REALTY LIMITED

Mailing Address of Property Owner: _PO Box 6161, 32 York St, Sackville, NB E4L1G6

Phone: __506-364-4600_x55610 (Wendy Alder)___ Email: walder@ail.ca

ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

Applicant /Agent Information

Name of Agent: ___Wendy Alder, VP Finance

Mailing Address: PO Box 6161, 32 York St., Sackville, NB E4L1G6_

Phone: __506-364-4600 x55610_____ Email: __walder@ail.ca

Section C - Property Information

Civic Address(es) of Property for which this Application is being submitted: __308 Walker Road, Sackville NB

Property Identification Number(s) (PID):

PID 70050174 PAN 0684419

Legal Description of Property (Lot and Plan Numbers): PAN 0684419

Existing Use

Are there Existing Buildings on Site?

Yes ____ (if yes provide size below)

No __X__ Not when permits were applied for

Building 1 _____sq. ft. Building 2 _____sq. ft.

(Please list any additional buildings on separate sheet)

Are there any outstanding work orders on this property? Yes____ No __X__

Section D - Property Tax Information

Current Property Taxes paid annually: \$

2024	assessed \$2,378,800	\$106,843.81 paid
2023 under construction	assessed \$337,500	\$15,213.49 paid
2022	assessed \$4,800	\$223.32 paid

Estimated Property Taxes Paid annually after redevelopment: \$107,000

Is this property or property owner in tax arrears? Yes _____ No X

If yes, specify value of tax arrears and identify property (by PID(s)): \$ _____ PID(s) _____

Section E - Development Information

Provide a detailed description (building size/type, number of stories, construction materials, etc.) of the proposed development to take place on the site (please attach detailed construction drawings).

See attached drawings The main shop is 225' x 85' = 19,125 sqft

Lean to 25ft x 50ft – 1250 sqft

Office 67 ft x 107 ft = 7169 sqft

Total 27,544 sqft

The building is a steel structure with foam sandwich

Estimated construction value of the proposed development: \$4,300,000

Estimated construction start date (Month/Year): 08/2022

Estimated construction end date (Month/Year): 12/2023

Section F - Authorization

I, Michael Wilson , am the owner of the land that is subject of this application, and I hereby authorize our agent / solicitor to make this application and to act on my behalf in regard to this application.

Date: 1/9/2025

Name of Owner Signature of Owner: Michael Wilson 

Section G - Sworn Declarations

I/WE HEREBY APPLY for a grant under this program.

I/WE HEREBY AGREE to abide by the terms and conditions of the Financial Incentive Program Grant as specified in this application.

I/WE HEREBY AGREE to enter into a Financial Incentive Program Agreement with the Town of Sackville that specifies the terms and conditions of the grant. ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

I/WE HEREBY AGREE to abide by the terms and conditions of the Financial Incentive Program Agreement.

I/WE HEREBY CERTIFY that the information contained in this application is true, correct and complete in every respect and may be verified by the Town of Sackville by such inquiry as it deems appropriate, including inspection of the property for which this application is being made.

I/WE HEREBY GRANT PERMISSION to the Town, or its agents, to inspect my/our property prior to, during, and after environmental remediation, site rehabilitation and project construction.

I/WE HEREBY AGREE that the program for which application has been made herein is subject to cancellation and/or change at any time by the Town in its sole discretion, subject to the terms and conditions specified in the Program. Participants in the program whose application has been approved and who have entered into the Financial Incentive Program Agreement with the Town, will continue to receive grant payments, subject to their Grant Agreement.

Date: 1/9/2025

Name of Owner or Authorized Agent: Michael Wilson Title: Owner

Signature of Owner or Authorized Agent: 