



<b><i>Policy Number</i></b>	<b>104</b>
<b><i>Name of Policy</i></b>	<b>ECONOMIC DEVELOPMENT INCENTIVE POLICY</b>
<b><i>Effective Date</i></b>	<b>April 2018</b>
<b><i>Originating Department</i></b>	<b>Economic Development &amp; Tourism Department</b>
<b><i>Policy Statement</i></b>	<b>Value added incentives have been proven to be an effective tool to Economic Development Agencies. This policy will put in place a program that will allow the City of Miramichi to provide strategic developments with a financial contribution.</b>
<b><i>Scope – Who it affects</i></b>	<b>Municipal Staff and Developers</b>

## **OVERVIEW**

The purpose of this economic development incentive is to provide the City with an additional tool to support and attract new development to the City of Miramichi.

The incentive will be issued as follows:

- The value of the incentive will be based on the net value of financial investment in the infrastructure only (equipment investment shall **not** qualify);
- Amount of the available incentive shall be calculated using the declared cost of infrastructure construction as stated on the approved building permit issued prior to construction;
- **The maximum allowable incentive will be calculated as 5% of the infrastructure investment amortized over five (5) years;**
- Upon acceptance into the incentive program, the company shall be required to enter into a contractual agreement with the City of Miramichi outlining the project and the terms and conditions of the incentive acceptance;
- The first installment of the economic development incentive shall be payable as of December 1<sup>st</sup> of the calendar year of project completion (as deemed by the Greater Miramichi Regional Service Commission – Planning Services);
- Subsequent installments of the economic development incentive shall be issued on December 1<sup>st</sup> of each subsequent year of the agreement; and
- All payments under the economic development incentive are subject to the terms and conditions of the contractual agreement noted above.

## **TARGET SECTORS**

- Aerospace and defence
- Manufacturing
- Value-added manufacturing
- Distribution centres
- Energy
- Value-added food processing
- Information and communications technologies
- Cannabis related companies
- Hotel and conference development
- Other facilities as determined by the City of Miramichi

## **QUALIFICATIONS**

Companies will require the following:

- Proposal must be a new construction or value-added expansion to an existing facility that once complete will increase the value of the proposed property;
- All applicable government sector related approvals and permits;
- A formal business plan outlining company goals and objectives including marketing plans;
- Projected goals for employment creation and financial investment;
- An approved building permit issued by the Greater Miramichi Regional Service Commission – Planning Services;
- The applicant/property owner must be actively involved in the industry as outlined in the business plan (rental/investment properties are **not** eligible); and
- Property ownership within the City of Miramichi.

## **THE APPLICATION REQUIREMENTS**

The following steps must be adhered to qualify for the economic development incentive:

1. Contact the Economic Development and Tourism Department to be assigned a file number and to be appointed a Development Officer;
2. Schedule a meeting with the Development Officer to review the proposal to determine eligibility; and
3. Provide the necessary documentation and complete the application forms as required.

## **TYPES OF COMPANIES**

The sector related companies that will generally be considered under this incentive policy will be the following:

- Regulated growing operations;
- Value-added cannabis related industries;
- Cannabis related distribution companies;
- Cannabis research facilities; and
- Other cannabis related facilities as determined by the City of Miramichi.

The types of companies that will generally not be considered under this incentive policy will be the following:

- Restaurants;
- Retail storefronts;
- Transportation companies;
- Commercial office building developments; and
- Housing.

Approved by City Manager	Signature:
Approved by City Council	Signature:
Date	