

CITY OF CHESTERMERE
POLICY HANDBOOK

EFFECTIVE DATE: February 5, 2019	POLICY: 651
APPROVED BY: COUNCIL	TITLE: ECONOMIC DEVELOPMENT INCENTIVE POLICY
REVISED DATE:	PAGE No.: 1 of 8
	POLICY TYPE: COUNCIL

CONTENTS

SECTION: 1

1. PURPOSE 1

2. DEFINITIONS 1

3. POLICY & ELIGIBILITY 2

4. INCENTIVE 3

5. AUTHORIZATION 5

6. COMING INTO FORCE AND TERM 5

SCHEDULE “A” 6

Owner Information: 6

Details of Development: 7

The Council of the City of Chestermere, in the Province of Alberta, adopts the within policy:

SECTION:

1. PURPOSE

The purpose of this policy is to promote and incentivize economic development through the cancellation, reduction or refund of the municipal portion of supplementary taxes on new construction of commercial, industrial and specified residential buildings in defined areas within the City of Chestermere on an equitable basis.

Without limiting Council’s discretion and authority under the *Municipal Government Act*, RSA 2000, c M-26, including section 347, this policy sets out the Economic Development Incentive Policy that will be considered by Council to cancel, reduce or refund tax or tax arrears.

2. DEFINITIONS

In this Policy,

- a) **“Accessory Building/Structure”** means an Accessory Building/Structure as defined in the *Land Use Bylaw*.
- b) **“City”** means the City of Chestermere.
- c) **“Incentive”** means the cancellation, reduction or refund of the municipal portion of Supplementary Taxes on new construction of commercial, industrial or specified residential buildings in the City for the Incentive Period, but not school taxes under the *Municipal Government Act*.
- d) **“Incentive Period”** means the period of time, measured in years, when the Incentive applies as set out in Section 4 of this policy. The Incentive Period is by calendar year with the Incentive year to be determined by the date of issuance of the occupancy permit. If a building is issued an occupancy permit prior to February 28 in any year, but the building is not yet assessed, this year shall be considered year one of the Incentive Period.
- e) **“Land Use Bylaw”** means the *City of Chestermere Land Use Bylaw* No. 022-10 and any amendments.
- f) **“New Construction”** refers to site preparation for and construction of an entirely new Principal Building on:
 - i. land not previously built on,
 - ii. vacant land, or
 - iii. a brand-new replacement Principal Building on land that previously had a Structure but has been demolished in its entirety.
- g) **“Permitted Use”** means a permitted use as defined in the *Land Use Bylaw*.
- h) **“Principal Building”** means a principal building as defined in the *Land Use Bylaw*.
- i) **“Structure”** means a structure as defined in the *Land Use Bylaw*.
- j) **“Supplementary Taxes”** means the property tax imposed when a new building or an addition to an existing building is completed during the calendar year.
- k) All other words have the same meaning as set in the *Land Use Bylaw*.

3. POLICY & ELIGIBILITY

This policy establishes an Economic Development Incentive Policy for New Construction of a Principal Building only in the City. Eligible properties will be exempt from the municipal portion of Supplementary Taxes, excluding school taxes. Subject to the conditions set out in this policy, an applicant is eligible for an Incentive where:

- a) The applicant is the owner of the building.

- b) Lands with New Construction have an occupancy permit issued after January 1, 2019.
- c) The application is received by the City before the expiry of this policy.
- d) At the time of the issuance of a building permit, the applicant has submitted to the City a complete and accurate “Application for Economic Development Incentive” in the prescribed form as set out in Schedule “A” attached to and forming part of this policy, and as amended from time to time.
- e) All required demolition permits, development permits, building permits, occupancy permits, and other permits (“Permits”) have been completed and approved by the City, as well as any federal and provincial permits and approvals have been obtained,
- f) Construction completed and occupancy permit issued within twenty-four (24) months of issuance of the building permit, unless extended in writing and approved in writing by the Chief Administrative Officer.
- g) Full compliance with the *Land Use Bylaw* including, but not limited to, any statutory plan, subdivision plan, approval and conditions, development agreement, *Safety Code Act*, *Alberta Building Code*, *Alberta Fire Code*, and Permits. Failure to submit required documents evidencing compliance by the applicant or his/her agent shall result in the forfeit of all rights to the Incentive.
- h) All outstanding accounts (ie. receivable, utility, tax, fees, fines, etc.) with the City must be paid in full before the Incentive will be granted, and must be fully maintained during the Incentive Period.
- i) During the Incentive Period, all property and other taxes levied on the eligible property are kept current. The Incentive ceases upon the property or other taxes on the eligible property going into arrears.
- j) The Incentive does not apply to the assessment of the land or to any taxes on pre- existing buildings or improvements; nor to any base tax, minimum taxes, local improvement, other special levies or fees, or non-municipal tax or fee if applicable.

4. INCENTIVE

This Incentive is only applicable to completely New Construction having been constructed in or moved into the City. Properties subject to Grants-In-Place of Taxes (GIPT) are excluded.

Subject to Council’s discretion and authority, residential, commercial, industrial Principal Buildings (New Construction) shall receive an Incentive for the following Incentive Period:

District	Incentive Period
Commercial District, or the commercial portion of a Mixed Use District (any Permitted	One (1) Year

Use or approved Discretionary Use)	
Industrial or Business Park District (any Permitted Use or approved Discretionary Use), based on values stated on the approved building permit:	
(a) Estimated Value of Construction – Less than or equal to \$5,000,000	One (1) Year
(b) Estimated Value of Construction - \$5,000,001 – \$9,999,999	Two (2) Years
(c) Estimated Value of Construction - \$10,000,000 or greater	Three (3) Years
Residential Multi-Unit District or Low Rise Multi-Unit Residential District, any residential care facility specific to housing for seniors (any Permitted Use or approved Discretionary Use)	Two (2) Years
In any Low Rise Multi-Unit Residential District, for the construction of multi-family housing in the form of 3 to 4 storey apartment building. (any Permitted Use or approved Discretionary Use).	Two (2) Years

For clarity, the following improvements, structures, or principal buildings are not eligible for any Incentive under this Policy:

- a) Oil Tanks and Bulk Fuel Tanks, etc.;
- b) Utility or Radio Towers;
- c) Non-permanent or removable (temporary) buildings or structures;
- d) New attached or detached garages or any other accessory buildings;
- e) Additions to existing buildings or structures;
- f) Commercial/Industrial Parking lots;
- g) Churches or places of worship;
- h) Junk or Salvage Yards;
- i) Mobile Homes;
- j) Liquor Stores;
- k) Cannabis Retail Stores;
- l) Any structure in a Residential zone that is not a Residential Care Facility for seniors or a multi-family 3 or more storey apartment building;
- m) Linear property as defined by the *Municipal Government Act*, and
- n) Any other non-principal building deemed by the City.

Incentives may be rescinded or forfeited, without recourse:

- a) If the development is not completed within the specified timeframe;

- b) If the development changes from the intended use noted in the application;
- c) If the applicant or property owner have any taxes, fees or fines in arrears;
- d) If the applicant no longer meets the eligibility requirements set out in Section 3 of the policy;
or
- e) If the applicant or property owner falsifies any records, information, or application, or provides any false or misleading information, regardless of whether the City relies on such.

If the owner, prior to the end of the Incentive Period, sells the qualifying Principal Building for which an Incentive was granted, the balance of the Incentive shall be transferred to or be in favour of the new owner.

Council reserves the right to customize an alternative economic development Incentive, on an equitable basis, for any industrial, commercial or residential development.

The City reserves the right to periodically review and modify this Policy.

5. AUTHORIZATION


The Chief Administrative Officer (CAO) is authorized to approve Incentive applications in accordance with this policy for consideration and determination of Council pursuant to *Municipal Government Act*.

6. COMING INTO FORCE

The policy shall come into force and take effect upon the date of the adoption

Adopted by Council: February 5, 2019

Resolution No. 030-19



Mayor



Chief Administrative Officer

SCHEDULE "A"



CITY OF CHESTERMERE APPLICATION FOR ECONOMIC DEVELOPMENT INCENTIVE

The City of Chestermere economic development incentive program is designed to encourage the development of properties in the City by giving cancellations, reductions or rebates of taxes for new Principal Building developments as defined and described in the Economic Development Incentive Policy.

Conditions of Eligibility for the Economic Development Incentive

1. All properties with Occupancy Permits issued after January 1, 2019 shall be eligible for the Incentive.
2. Land and any other improvement assessments remain taxable.
3. A new owner of a property that has a tax assessment exemption agreement in place shall be eligible to continue the tax assessment exemption as long as the agreement is still current. (i.e. the tax assessment exemption is within the eligible time period.)
4. There are no outstanding municipal taxes, utilities or other municipal charges owing on the property by the owner, or occupant.
5. Full compliance with Land Use Bylaw and Economic Development Incentive Policy.

Owner Information:

Name: _____

Mailing Address: _____

Postal Code: _____ Phone: (res) _____ (bus) _____

Email: _____

Details of Development:

Legal Description of Property: Lot(s) _____ Block: _____ Plan: _____

Civic Address: _____

Description of Building Being Constructed:

Date of Issue of Building Permit: _____

Expected Date of Occupancy Permit: _____

Was a building demolished before the new development was constructed?

Yes ___ No ___ Date of Demolition: _____

I / We, the undersigned, understand the conditions of eligibility outlined above and **further** set out in the Economic Development Incentive Policy, and would like to apply for an Incentive.

Name: _____

Signed _____ **Date** _____

Property Owner

**For OFFICIAL Office
Use Only:**

Civic Address: _____

Legal Description: _____

Building Owner(s): _____

Building Permit Issue Date: _____

Occupancy Permit Issue Date: _____

Residential Permit Value: \$ _____

Commercial Permit Value: \$ _____

Building Inspector Signature: _____ **Date:** _____

Monies owned on accounts: Utilities: (Y/N) Taxes: (Y/N) Accounts Receivable: (Y/N) Other () list: _____ If monies owed, list amount: \$ _____

Approved: () Denied: () Amount of Exemption: \$ _____ Starting Year: _____

Ending Year: _____ Comments: _____

Administration Approval:

Name: _____

Position: _____ **Signature:** _____