

REDEVELOPMENT TAX INCENTIVE POLICY

#156-2023-06-12

Policy Number:	C2-1
Policy Review:	Yearly
Policy Owner (Dept.):	Development
References:	None

POLICY STATEMENT: The purpose of this policy is to adopt a tax incentive program to encourage redevelopment of older neglected properties and to encourage development on vacant properties to improve neighborhood appearances, increase assessments and to make effective use of existing infrastructure.

DEFINITIONS:

1. **Assessor** – an accredited professional appointed by Council to evaluate properties for taxation purposes.
2. **Assessment Value** – the dollar value assigned to a property to apply applicable property taxes.
3. **Bill of Sale** – a certificate of transfer of personal property.
4. **CAO** – Chief Administrative Officer for the Town of Beaverlodge.
5. **Commercial Property** – is any property used for business purposes.
6. **Town Council** – the Town of Beaverlodge Council and its delegates.
7. **Dilapidated** – in a state of disrepair or ruin as a result of age or neglect.
8. **Development Officer** – the person or persons appointed by resolution of Council.
9. **Modular Home** – Modular houses are prefabricated homes transported module by module, usually in a semi-truck, to the property.

10. **Manufactured Home** – Manufactured home is a structure that is constructed almost entirely in a factory and rests on a permanent chassis. The house is placed on a steel chassis (a supporting frame) and transported to the building site.
11. **Municipal Rate** – the tax applied to the assessment value to calculate the portion of property taxes collected for the purpose of operating the Town.
12. **Municipal Taxes** – the portion of property taxes collected for the purpose of operating the Town.
13. **New Build** – either existing or built specifically for the purchaser that has not been previously lived in.
14. **Owner** – the holder of Title or Bill of Sale.
15. **Peripheral** – Peripheral areas of land are ones which are on the edge of a larger area.
16. **Prefabricated Home** – A prefabricated home (prefab) is a type of house-built piece-by-piece from sections manufactured in a factory. Prefab homes can be built off-site and transported to the home site or be delivered in different sections to be assembled on site.
17. **Primary Residence** – the main resident where the owner(s) live for the most substantial portion of the year.
18. **Residence** – any building or structure used exclusively for human habitation and includes site-built, manufactured, and modular homes.
19. **Residential Property** – property zoned for living or dwelling.
20. **Roll** – official record of property, subject to property tax within the Town.
21. **Stick-Built Home** – Stick-built homes are constructed on site.
22. **Tax Rate Bylaw** – Bylaw setting the tax rates for the year.
23. **Title** – document identifying the registered owner(s) of the property, as provided by Alberta Land Titles.
24. **Town** – the Town of Beaverlodge.

REDEVELOPMENT INCENTIVE

1. Timeline

- (a) The qualifying period of this program will be from January 1 to December 31 of the current year;
- (b) Applications and it must be received by the Development Officer within 90 days of the date of construction completion.

2. Terms

- (a) If the owner(s) sells the property at any time during the 2- or 3-year incentive, the tax rebate will stay with the property and transfer to the new owner(s);
- (b) All developments must conform to the Land Use Bylaw and other applicable regulations;
- (c) The property owner is responsible to complete the Redevelopment Tax Incentive Application. Only the property owner(s) can apply for the incentive;
- (d) This is a one-time-per-property incentive;
- (e) The tax rebate is on the municipal portion of the property taxes only. The rebate applies to both land and improvement taxes. The property owner(s) will be charged the full levy and will pay the full levy by the due date; in turn the Town of Beaverlodge will refund the property owner(s) the municipal portion;
- (f) The tax rebate will be paid by December 31 of each year of the qualifying rebate;
- (g) Year 1 will start the year following the year that construction commences;
- (h) The period of the tax rebate shall be:
 - i. In the case of qualifying demolition, 3 years and
 - ii. In the case of a development of vacant property, 2 years.
- (i) If the taxes for any given year are **not paid** by the date that taxes are due that year, then the tax rebate for that year will be lost regardless of whenever they are paid. This section shall not apply to properties which are on the monthly tax instalment payment plan, provided taxes are paid as per the instalment plan specifications;
- (j) Where demolition is involved, construction must start within 12 months of the date of the application for a demolition permit in order to qualify for the 3-year rebate;
- (k) For the purposes of the program, a qualifying demolition is considered to occur only in those cases where a building that has become dilapidated through age is demolished and a new building constructed in its place. Buildings that are demolished as a result of damage caused by fire, windstorm, vehicle collision or other catastrophic events do not qualify as a demolition;
- (l) Construction must be completed to the point of suitability for occupancy within 1 year of the date of start of construction. The time period may be extended in the case of multi-family or large commercial development;
- (m) In the case of single-family residential, the time period for completion may be extended, in the case of extenuating circumstances. An extension requires approval from the Development Officer and must be applied for prior to the 1-year deadline;

(n) Failure by the applicant to comply with any of the regulations herein may result in disqualification of the applicant from the program.

3. Qualifying Properties

(a) Residential

- i. All residential demolitions and vacant lots bordering on existing water and sewer mains qualify, as per attached map – See attached map marked Appendix “A”;
- ii. Residential properties that are not marked on Appendix “A” can apply to Council for qualifying approval;
- iii. In order to qualify for the program, the new residential development must be in excess of:

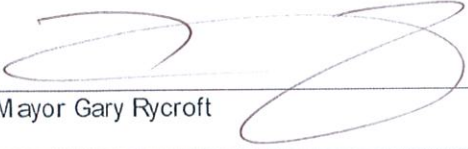
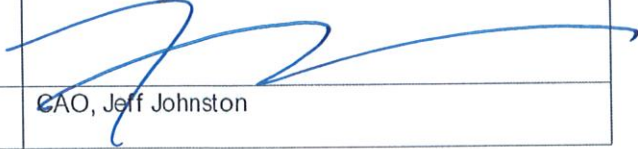
For single family dwellings	\$100,000
For duplex	\$ 80,000/unit
For triplex or quadruplex	\$ 60,000/unit
For multi-family project (greater than 4 units)	\$ 50,000/unit
- iv. If the property has a residential/commercial split, the incentive is only applied to the assessment value associated with residential.

(b) Commercial

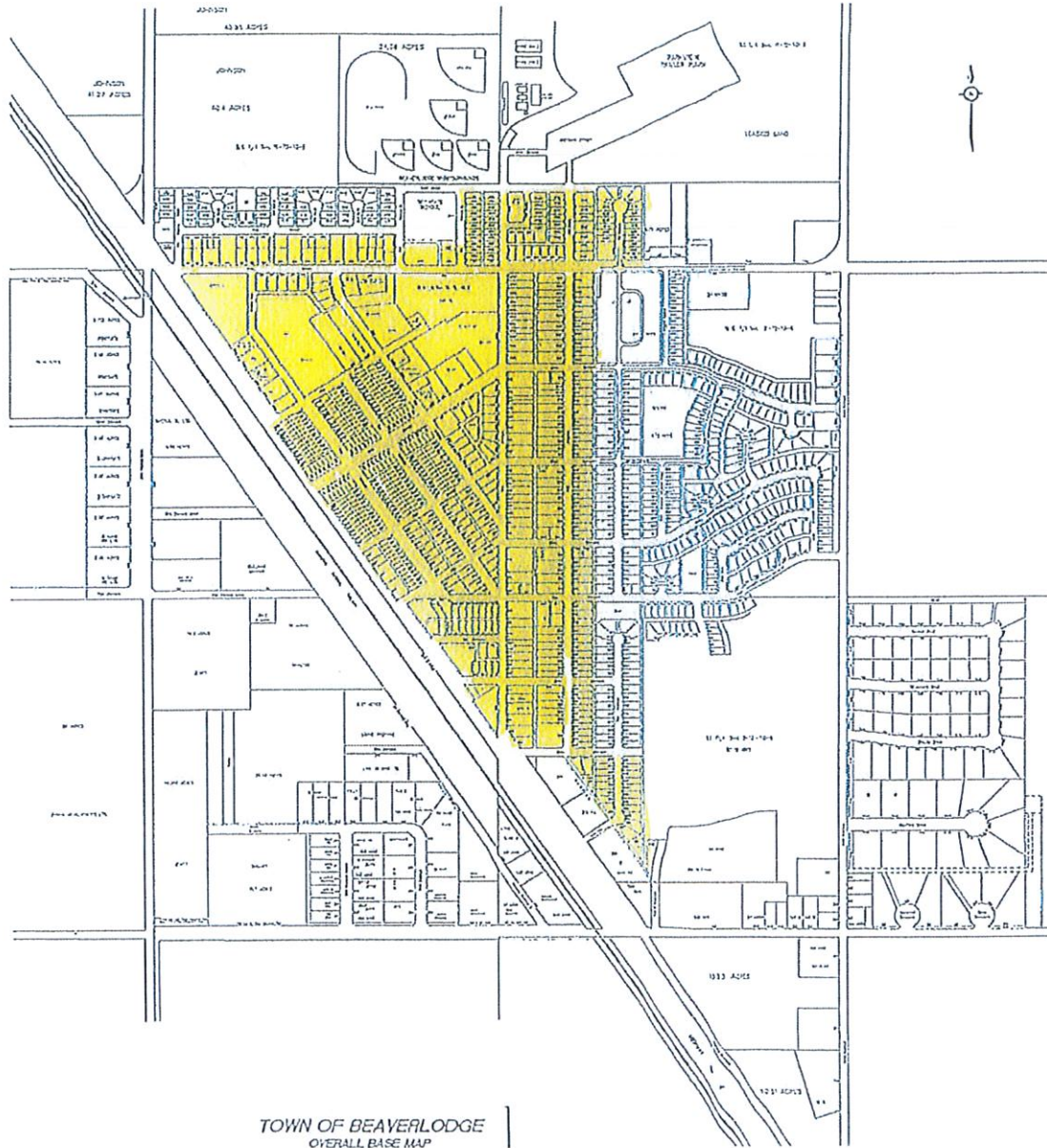
- i. Development on all C1 and C2 properties except for peripheral areas will qualify;
- ii. Development must be of a permanent nature;
- iii. Addition not to qualify.

4. Credits

- i. In the case of qualifying demolition, 3 years municipal tax rebate;
- ii. In the case of a development of vacant property, 2 years municipal tax rebate.

Reviewed / Amended	Date: <i>June 12, 2023</i>
	
Mayor Gary Rycroft	CAO, Jeff Johnston

APPENDIX "A"



REDEVELOPMENT TAX INCENTIVE APPLICATION

Application Date:		Tax Roll:	
Owner Name(s):			
Civic Address:		Legal Address:	Plan: Block: Lot:
Phone Number:		Email Address:	
Check Only One:	Vacant Property (2-year Municipal Portion Refund) <input type="checkbox"/>	Demolition Replacement (3 year Municipal Portion Refund) <input type="checkbox"/>	
Demolition Start Date:		Demolition Permit Number:	
Development Start Date:		Development Permit Number:	
Description of Development:			

By signing and initialing this form, I/We understand that this program is subject to the following terms:

TERMS	INITIALS
1. I/We the property owner(s) understand that if the taxes for any given year are not paid by the date that the taxes are due that year, then the tax rebate for that year will be lost regardless of whenever they are paid. I/We also understand that this shall not apply to properties which are on the monthly tax instalment payment plan, provided taxes are paid as per the instalment plan specifications.	
2. I/We the property owner(s) understand that in Year 1, a credit for the Municipal portion of the taxes will be paid by cheque on or before December 31 st of the current year.	
3. I/We the property owner(s) understand that Year 2, a credit for the Municipal portion of the taxes will be paid by cheque on or before December 31 st of the current year	
4. I/We the property owner(s) understand that Year 3 (demolition only), a credit for the Municipal portion of the taxes will be paid by cheque on or before December 31 st of the current year	
5. I/We understand that if we sell the property, that the credits will stay with the property and transfer to the new owner(s).	

Signature:		Date:	
Signature:		Date:	

FOR OFFICE USE ONLY					
Approved by:			Date:		
Year entered Program			Year of End of Program		
Year 1 =		Year 2 =		Year 3 =	

The personal information you provide on this form is being collected under the authority of the Freedom of Information and Protection of Privacy Act and is used solely for the purposes relating to the administration of Assessment/Taxation services. Questions about the collection or use of this information can be directed to the Town of Beaverlodge, 780-354-2201.

 **Email**
town@beaverlodge.ca

 **Phone**
780-354-2201

 **Website**
beaverlodge.ca