



Bylaw 2005: Non-Residential Tax Incentives

RECOMMENDATIONS:

That Council gives first reading to Bylaw 2005 Non-Residential Tax Incentives, and a public hearing to be scheduled for August 25, 2025, at 7:00 pm.

DETAILS:

Council and Administration have reviewed the current non-residential tax incentive bylaw and discussed the overall program, its effectiveness and the practical challenges of the administration of the bylaw. Amendments have been made to the following (highlighted in the attachment):

- 5.2 now reads “non-refundable” application fee,
- 5.3 previous wording has been replaced,
- 5.4 wording has been updated with more details on timing, and
- 6.2 Council only reviews the report and not the application.

PURPOSE:

Every three years, Council reviews this bylaw to ensure the tax incentive program continues and to address any practical matters within the administration of the bylaw.

ANALYSIS & OPTIONS: None.

FINANCIAL IMPLICATIONS:

- No financial changes were made to the bylaw.

COUNCIL STRATEGIC PLAN:

This submission is GROWING Fort Macleod. (Supporting priorities such as Residential Housing, Infrastructure, or Business Growth)

APPLICABLE LEGISLATION:

Municipal Government Act

ATTACHMENTS:

Bylaw 2005 – Non-Residential Tax Incentive Bylaw

PREPARED BY: Kris Holbeck, Director of Finance

APPROVED BY: Anthony Burdett, CAO

**TOWN OF FORT MACLEOD
PROVINCE OF ALBERTA
BYLAW NO. 2005**

**A BYLAW OF THE TOWN OF FORT MACLEOD IN THE PROVINCE OF ALBERTA,
TO ESTABLISH NON-RESIDENTIAL TAX INCENTIVES**

WHEREAS the Town of Fort Macleod considers it desirable to encourage the development of existing and new Business properties for the general benefit of the Town;

AND WHEREAS pursuant to Section 364.2 of the *Municipal Government Act*, RSA 2000, c M-26, Council may pass a Non-Residential Tax Incentives bylaw to encourage development and revitalization of non-residential properties for the general benefit of the Town;

AND WHEREAS the Town of Fort Macleod is responsible for carrying out measures that will develop and maintain a viable community pursuant to Section 3(c) of the *Municipal Government Act*, which includes measures to improve the long-term economic outlook for the Town,

NOW THEREFORE, the Council of the Town of Fort Macleod, in the Province of Alberta, duly assembled, enacts as follows:

1 Short Title

1.1 This Bylaw may be referred to as the "Non-Residential Tax Incentives Bylaw".

2 Definitions

2.1 In this Bylaw, unless the context otherwise requires:

- a) "Act" means the *Municipal Government Act*, RSA 2000, c M-26, as amended from time to time;
- b) "Administration" means the administrative and operational arm of the Town comprised of the various departments and business units and including all employees who operate under the leadership and supervision of the CAO;
- c) "Applicant" means a person who applies for an Exemption;
- d) "Application Fee" means the fee established by this Bylaw to be paid at the time an application is submitted pursuant to this Non-Residential Tax Incentives Bylaw;
- e) "Assessed Person" means an assessed person as that term is defined under Section 284(1) of the Act;
- f) "Business" means commerce for purposes of the production, storage, buying or selling of goods and services;

- g) “Chief Administrative Officer” or “CAO” means the chief administrative officer as appointed by Council, including the CAO’s delegate;
- h) “Complete Application” means an application submitted pursuant to this Non-Residential Tax Incentives Bylaw that includes the Application Fee and the application requirements for Non-Residential Tax Incentives and the application form for Non-Residential Tax Incentives as set out in Appendices “A” and “B”, respectively, attached hereto;
- i) “Council” means all the councillors of the Town including the chief elected official for the Town;
- j) “Exemption” means an exemption from taxation for Non-residential Property as provided for in Part 10, Division 2 of the Act. For purposes of clarity, the exemption from taxation applies only to taxes imposed by the Town under Part 10, Division 2 of the Act and not any Provincial requisitions;
- k) “Expansion” means development that adds to an existing Structure to increase the Structure’s physical space for purposes of facilitating the Business within that Structure, or to replace an existing Structure for purposes of facilitating the Business within that Structure;
- l) “New Construction” means the construction of a new Structure for the purpose of establishing a Business within that Structure;
- m) “Non-residential Property” means non-residential as defined in the Act in respect of property;
- n) “Qualifying Property” means a Structure that is the subject of the New Construction or an Expansion;
- o) “Structure” means a structure as that term is defined in s 284(1)(u) of the Act that is Non-residential Property;
- p) “Non-Residential Tax Incentive Agreement” means a written agreement setting out the terms and conditions for an Exemption for the Qualifying Property; and
- q) “Town” means the Town of Fort Macleod in the Province of Alberta.

3 Purpose

- 3.1 The purpose of this Non-Residential Tax Incentives Bylaw is to allow Non-Residential Tax Incentives for Exemptions from taxation under Part 10, Division 2 of the Act for Qualifying Properties in the Town that meet the requirements of this Non-Residential Tax Incentives Bylaw.
- 3.2 Non-Residential Tax Incentives under this Non-Residential Tax Incentives Bylaw will not be granted in respect of Non-residential property taxes imposed on land under Part 10, Division 2 of the Act.

4 Criteria for an Exemption

- 4.1 In order to apply for an Exemption, an Applicant must meet the following criteria:
 - 4.1.1 the Applicant must be the Assessed Person for the Qualifying Property that is the subject of the application; and
 - 4.1.2 the Applicant must have no outstanding monies owing to the Town.
- 4.2 In order to qualify for an Exemption, the Qualifying Property must meet the following criteria:
 - 4.2.1 the Qualifying Property must be located within the geographical boundaries of the Town;
 - 4.2.2 the development of the Qualifying Property must qualify as New Construction or an Expansion;
 - 4.2.3 All required Town development approvals with respect to the development of the Qualifying Property must have been issued;
 - 4.2.4 Eligibility for a Non-Residential Tax Incentive pursuant to this Bylaw requires the following criteria:
 - 4.2.4.1 \$50,000 minimum construction costs for the Qualifying Property from the previous year resulting from New Construction or an Expansion; and
 - 4.2.4.2 A building/development permit has been obtained and executed by the Town of Fort Macleod.
 - 4.2.5 The Applicant must submit a Complete Application in accordance with the terms of this Bylaw.
 - 4.2.6 With respect to a Qualifying Property, only one agreement per three-year period is allowed.
 - 4.2.7 A financial summary, copies of paid invoices or receipts in relation to the development showing the location of the expansion.

5 Application for an Exemption

- 5.1 Applicants must submit a Complete Application to the CAO.
- 5.2 The non-refundable Application Fee is \$100.00 DOLLARS.
- 5.3 The deadline for submitting a Complete application for an Exemption to be granted in the same tax year is March 31st of the given year. Any Complete application received after March 31st of the given year will be considered for an Exemption for the following tax year.

5.4 Complete Applications should be submitted in the year following substantial completion of the Construction/Expansion. This means the following year's assessment will show the increased assessment including the Construction/Expansion and is the tax year to submit the Complete application in.

5.5 Applications for past years' Expansion or New Construction will not be eligible in accordance with section 5.3.

5.6 Complete Applications may be considered and approved in accordance with the requirements of this Non-Residential Tax Incentives Bylaw before construction on the Qualifying Property is complete, however, the Exemption will not apply until all construction on the Qualifying Property is complete and the development is inspected and approved for occupancy.

5.7 Notwithstanding the Complete Application requirements set out in this Bylaw, the CAO may require any additional information that, in the discretion of the CAO, is necessary to complete the application.

5.8 The CAO will advise Applicants in writing if their application is accepted for consideration. Applications accepted for consideration shall become the property of the Town and may not be returned.

5.9 The CAO has the discretion to reject applications that are incomplete or illegible.

5.10 Applicants whose applications are returned as incomplete or illegible may resubmit an application provided the application is resubmitted by the deadline provided in section 5.3 of this Bylaw.

5.11 The CAO will advise Applicants in writing with reasons if their application is rejected.

6 Consideration of Applications

6.1 Administration shall review the Complete Application to determine if it meets the criteria and requirements for an Exemption and provide a written report with recommendations to Council.

6.2 Council shall review Administration's report and may:

6.2.1 pass a resolution directing Administration to enter into a Non-Residential Tax Incentive Agreement; or

6.2.2 pass a resolution refusing the Complete Application.

- 6.3 A resolution directing Administration to enter into a Non-Residential Tax Incentive Agreement must include:
- 6.3.1 the three taxation years to which the Exemption applies;
 - 6.3.2 the dollar value of the Exemption for the Qualifying Property for each of the three years, whether based upon New Construction or an Expansion in accordance with the following:
 - 6.3.2.1 In the first taxation year identified in the Non-Residential Tax Incentive Agreement, the Qualifying Property shall receive a 100% Exemption on the incremental increase in the assessed value of the Qualifying Property between the taxation year immediately prior to the commencement of the New Construction or Expansion and the first taxation year identified in the Non-Residential Tax Incentive Agreement;
 - 6.3.2.2 In the second taxation year identified in the Non-Residential Tax Incentive Agreement, the Qualifying Property shall receive a 75% Exemption on the incremental increase in the assessed value of the Qualifying Property, such increase as calculated in the first taxation year of the Non-Residential Tax Incentive Agreement;
 - 6.3.2.3 In the third taxation year identified in the Non-Residential Tax Incentive Agreement, the Qualifying Property shall receive a 50% Exemption on the incremental increase in the assessed value of the Qualifying Property, such increase as calculated in the first taxation year of the Non-Residential Tax Incentive Agreement.
- 6.4 A Non-Residential Tax Incentive Agreement shall be honoured notwithstanding this bylaw being amended or repealed subsequent to entering into such agreement.
- 6.5 Administration shall provide written notice of a refusal to an Applicant which must include the resolution passed under section 6.2.2.
- 6.6 Administration shall provide written notice of a refusal to an Applicant which must include the resolution passed under section 6.2.2.

7 Non-Residential Tax Incentive Agreement

- 7.1 Where Council has passed a resolution approving an Exemption, Administration shall draft a Non-Residential Tax Incentive Agreement in accordance with the resolution of Council.

7.2 A Non-Residential Tax Incentive Agreement must outline:

- 7.2.1 the taxation years to which the Exemption applies, which must not include any taxation year earlier than the taxation year in which the Exemption is granted;
- 7.2.2 the extent of the Exemption for each taxation year to which the Exemption applies;
- 7.2.3 a deadline for submission of proof that the Qualifying Property has been approved for occupancy;
- 7.2.4 any criteria in section 4 which formed the basis of granting the Exemption and the taxation year or years to which the criteria applies all of which are deemed to be a condition or conditions of the Non-Residential Tax Incentive Agreement the breach of which will result in the cancellation of the Exemption for the taxation year or years to which the criteria applies;
- 7.2.5 In the event of a cancellation pursuant to section 8.1 of this Bylaw, any monies owed to the Town shall be immediately paid by the Applicant; and
- 7.2.6 any other conditions Administration deems necessary and the taxation year(s) to which the condition applies.

7.3 Non-Residential Tax Incentive Agreements shall be executed by the chief elected official or their delegate and the CAO.

8 Cancellation of Non-Residential Tax Incentive Agreements

8.1 If at any time after an Exemption is granted, Administration determines that the Applicant or their application:

- 8.1.1 did not meet or ceased to meet any of the applicable criteria in section 4 which formed the basis of granting the Exemption;
- 8.1.2 Tax arrears are owing with respect to the Qualifying Property; or
- 8.1.3 that there was a breach of any condition of the Non-Residential Tax Incentive Agreement,

Administration shall make a recommendation to Council and Council may, by resolution, cancel the Exemption for the taxation year or years in which the criterion was not met or to which the condition applies.

8.2 A resolution passed by Council pursuant to section 8.1 must include reasons and identify the taxation year or years to which the cancellation applies.

- 8.3 Administration shall provide written notice of a cancellation to an Applicant which must include the resolution passed under section 8.1.

9 Review of Decision

- 9.1 Where an application has been rejected by Administration on the basis that it is incomplete, Applicants may apply to Council within 15 business days of receiving notice of the refusal to review the decision to reject the application.
- 9.2 Applicants may apply to Council within 15 business days of receiving a Non-Residential Tax Incentive Agreement to review the Non-Residential Tax Incentive Agreement on the limited issue of whether the Non-Residential Tax Incentive Agreement follows the direction of Council. Council may revise the Non-Residential Tax Incentive Agreement or provide direction to Administration to revise the Non-Residential Tax Incentive Agreement in accordance with Council's initial resolution.
- 9.3 Applicants may apply to Council within 15 business days of receiving a notice of cancellation to review the cancellation and Council may uphold or revoke the cancellation.
- 9.4 Applications for judicial review of a decision pursuant to this Non-Residential Tax Incentives Bylaw must be filed with the Court of Queen's Bench and served not more than sixty (60) days after the date of decision.

10 Severability

- 10.1 If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed and the remainder of this Bylaw is deemed valid.

11 Enactment

11.1 This Bylaw shall come into force and take effect upon receiving third reading.

11.2 This Bylaw repeals and replaces Bylaw No. 1960 and all amendments hereto.

READ a First time this ____ day of _____ 2025.

READ a Second time this ____ day of _____ 2025.

READ a Third time this ____ day of _____ 2025.

SIGNED AND PASSED this ____ day of _____ 2025.

MAYOR

CHIEF ADMINISTRATIVE OFFICER

Appendix “A”
Application Requirements for Non-Residential Tax Incentives
Pursuant to the Non-Residential Tax Incentives Bylaw No. 2005

1. All applications for an Exemption under to the Non-Residential Tax Incentives Bylaw must include the following information:
 - a) a signed and dated application form:
 - b) the **non-refundable** Application Fee:
 - c) if the Applicant is not an individual, an agent authorization form or directors' resolution:
 - d) if the Applicant is a corporation, a corporate registry record of the Applicant dated within 60 days of the date of the application:
 - e) a land titles certificate for the lands on which the Qualifying Property is located dated within 60 days of the date of the application:
 - f) copies of all building/development permits issued with respect to the development of the Qualifying Property:
 - g) a description of the Business conducted or to be conducted in the Qualifying Property:
 - h) an indication of whether the development is New Construction or an Expansion:
 - i) an estimate of when the Qualifying Property will be approved for occupancy after completion of the New Construction or Expansion:
 - j) an explanation of how the application meets the criteria for an Exemption; and
 - k) With regards to Expansions the following additional information:
 - i. photographs of the Qualifying Property before the Expansion; and
 - ii. a financial summary and copies of receipts or paid invoices in relation to the development showing the location of the Expansion. (Minimum of \$50,000.00)
2. Applicants may provide any other material, including additional print, visual or audio-visual material, which the Applicant believes will support their application.

NOTE: Applications and material provided may be included in reports to Council and the Council agenda packages that are available to the public.

All Qualifying Properties may be subject to inspection by Town staff to ensure the validity of the application.

Appendix “B”
Application Form for Non-Residential Non-Residential Tax Incentives
Pursuant to the Non-Residential Tax Incentives Bylaw No. 2005

Applicant Information:

| | |
|---|--|
| Applicant Name: | |
| Registered Corporate Name, If Different: | |
| Legal Description of Assessed Property: | |
| Mailing Address of Assessed Property: | |
| Corporate Registry Office Address of Applicant: | |

Agent Information:

| | |
|---|--|
| Name of Authorized Agent for Applicant: | |
| Mailing Address for Agent: | |
| Email Address for Agent: | |
| Telephone Number for Agent: | |

Note:

Complete applications must be received by March 31st of the year when the requested Exemption is to commence.

Applications and materials may be included in reports to Council and Council agenda packages. All Qualifying Properties may be subject to inspection by the Town Administration to ensure the validity of the application.

Personal Information required by Town of Fort Macleod application forms is collected under authority of sections 33(a) and (c) of the Alberta Freedom of Information and Protection of Privacy (FOIP) Act. Your personal information will be used to process your application(s). Please be advised that your name, address and details related to your application may be included on reports that are available to the public as required or allowed by legislation. If you have any questions, please contact the Town's FOIP Head at 780-553-4425 or l.gillingham@fortmacleod.com.

Provide, or append, a brief description of the Business:

The Applicant is applying for a three-year Non-Residential Tax Incentive for: (choose applicable)

☐ New Construction

☐ Expansion

Describe, or append, an explanation of why you are seeking an Exemption and how you meet the criteria for one of the Non-Residential Tax Incentive programs listed above:

What date is the subject property expected to be approved for occupancy:

Indicate if the application includes the following:

☐ Building/Development Permits (required)

☐ Application Fee (required)

☐ Tax Assessment Notices (required)

☐ Land Titles Certificate (required)

☐ Agent Authorization Form/Directors' Resolution (if applicable)

☐ Photos (if applicable)

☐ Financial Summary and Receipts/ Invoices (if applicable)

☐ Other materials (optional)

☐ Corporate Registry Record (if applicable)

Date of the Application

Signature of Applicant (or Applicant's Agent)

Print Name of Applicant (or Applicant's Agent)

FOR OFFICE USE ONLY

DATE APPLICATION WAS RECEIVED

NAME OF RECIPIENT