

BYLAW NO. 22-03
OF THE TOWN OF STRATHMORE
IN THE PROVINCE OF ALBERTA

**A BYLAW OF THE TOWN OF STRATHMORE IN THE PROVINCE OF ALBERTA TO
PROVIDE A MUNICIPAL PROPERTY TAX INCENTIVE EXEMPTION FOR NEW NON-
RESIDENTIAL DEVELOPMENT OR EXPANSIONS.**

WHEREAS pursuant to the *Municipal Government Act*, RSA 2000, c. M-26 and amendments thereto, Council may pass bylaws to offer multi-year tax exemptions, partial exemptions, or deferrals, in accordance with the *Municipal Government Act*, for non-residential properties in order to attract investment, development and substantial redevelopment and expansion of existing non-residential development;

AND WHEREAS the Town of Strathmore seeks to grow its property tax base and provide increased employment opportunities for Town residents by attracting investment;

NOW THEREFORE BE IT RESOLVED THAT the Municipal Council of the Town of Strathmore, in the Province of Alberta duly assembled **HEREBY ENACTS AS FOLLOWS:**

1. PURPOSE AND TITLE

- 1.1. This Bylaw is cited as the "Non-residential Municipal Tax Incentive Bylaw."
- 1.2. The purpose of this bylaw is to:
 - (a) Encourage the development or revitalization of Non-residential properties in the Town of Strathmore for the general benefit of the municipality;
 - (b) Establish tax exemptions for Eligible Property in accordance with the *Municipal Government Act* when there is a New Development or a Renovated Development that meets the criteria and requirements set out in this Bylaw;
 - (c) Provide a process for an application for a tax exemption under this Bylaw;
and
 - (d) Provide a process for review by Council of the refusal or cancellation of a tax exemption under this Bylaw.

2. DEFINITIONS

- 2.1. When used in this Bylaw:
 - (a) "Act" means the *Municipal Government Act*, RSA 2000, c. M-26, as amended or repealed and replaced from time to time;
 - (b) "Appeal Fee" means the fee established by this Bylaw to be paid at the time an appeal application is submitted pursuant to this Bylaw;

- (c) "Application Fee" means the fee established by this Bylaw to be paid at the time an application is submitted pursuant to this Bylaw;
- (d) "Assessed Person" means an assessed person as defined under the Act, or an authorized agent for the Assessed Person;
- (e) "Assessment" has the meaning given to it in the Act;
- (f) "Assessor" has the meaning given to it in the Act;
- (g) "Base Assessment Year" shall mean the assessment year immediately prior to the assessment year that has an increase in Improvement Assessment as a result of an occupied and operational New Development or Renovated Development and in which the increase is used within the net calculation of Improvement Assessment of the subject property to qualify for an Exemption under this Bylaw. The Base Assessment Year shall not be prior to the 2021 assessment year;
- (h) "Chief Administration Officer" (CAO) shall mean the Chief Administrative Officer of the Town, or delegate;
- (i) "Complete Application" means an application submitted pursuant to this Bylaw that includes the Application Fee, the application form, any information, and documents set out on the application form and any application requirements for the tax incentives under this Bylaw;
- (j) "Council" means all of the Councillors of the Town, including the Chief Elected Official for the Town;
- (k) "Current Taxes" shall mean property taxes levied for the current tax year;
- (l) "Decision" means the decision to grant an Exemption, to reject an Exemption application, or to cancel an Exemption;
- (m) "Eligible Property" shall mean property within Assessment Class 2 – Non-residential as defined in the Act that meet the criteria set out in section 3 of this Bylaw;
- (n) "Exemption" means the portion of municipal property taxes for Eligible Property that has been determined to be exempt and subject to a refund, in accordance with this Bylaw, and which are computed separately under this Bylaw;
- (o) "Farm Land" means land used for farming operations as defined in the regulations;
- (p) "Improvement(s)" has the meaning given to it in the Act;

- (q) "Improvement Assessment" means the change in an Assessment attributable solely to an Improvement or Improvements on a property;
- (r) "machinery and equipment" means materials, devices, fittings, installations, appliances, apparatus and tanks, other than tanks used exclusively for storage, including supporting foundations, footings and any other thing prescribed by the Minister that forms an integral part of an operational unit intended for or used in
- i. manufacturing,
 - ii. processing,
 - iii. the production or transmission by pipeline of natural resources or products or by-products of that production, but not including pipeline as defined in clause (i),
 - iv. the excavation or transportation of coal or oil sands as defined in the Oil Sands Conservation Act,
 - v. a telecommunications system, or
 - vi. an electric power system, other than a micro-generation generating unit,
- whether or not the materials, devices, fittings, installations, appliances, apparatus, tanks, foundations, footings, or other things are affixed to land in such a manner that they would be transferred without special mention by a transfer or sale of the land;
- (s) "Municipal Portion of Property Taxes" means taxes imposed under the Act Part 10 Division 2, and excludes requisitions defined in section 326(1)(a) of the Act;
- (t) "Non-residential" means the type of property falling within the assessment class specified in the Act;
- (u) "New Development" shall mean new Improvements on an Eligible Property that increases the Improvement Assessment of that property in accordance with sections 3.1(e) and (g) of this Bylaw;
- (v) "Renovated Development" shall mean renovations or physical additions to existing Improvements on an Eligible Property that increases the Improvement Assessment of that property in accordance with sections 3.1(e) and (g) of this Bylaw;
- (w) "Tax Arrears" shall mean taxes remaining unpaid after December 31 of the year in which it is levied;

(x) "Town" shall mean the municipal corporation of the Town of Strathmore.

3. CRITERIA FOR ELIGIBILITY

3.1. New Developments and Renovated Developments may be eligible provided that:

- (a) The property subject to the New Development or Renovated Development must not have any Arrear taxes or have amounts owing with regards to property tax, utilities, or other fees owing to the Town and all current taxes must be paid in full;
- (b) The property subject to the New Development or Renovated Development must not have development compliance issues, be in violation of a development agreement, or be in violation of the *Safety Code Act* at any time during the taxation years for which the Exemption applies to the New Development or Renovated Development;
- (c) All applicable provincial or federal approvals and permits are in place with respect to the property subject to the New Development or Renovated Development;
- (d) The registered property owner or the Assessed Person, excluding any authorized agent therefore, of the property subject to the New Development or Renovated Development is not involved in some form of litigation with the Town;
- (e) The current total Assessment for the New Development or Renovated Development on the subject property must have increased by at least \$10,000,000.00 compared to the Base Assessment Year;
- (f) The Assessed Person must employ at least 25 individuals working at the eligible property;
- (g) The New Development must be at least 2800 square metres in area on one level; and
- (h) The Renovated Development must be at least 2800 square metres on one level after the renovation.

4. APPLICATION FOR TAX INCENTIVE

- 4.1. The Assessed Person of the property subject to the application must submit a Complete Application to the Town, and the Town has the discretion to reject applications that are incomplete or ineligible.
- 4.2. Assessed Persons must submit a non-refundable application fee of \$2,500 (Canadian dollars).

- 4.3. The deadline for submitting a Complete Application for an Exemption to be granted in the same tax year is June 30 of the given year. Any Complete Application received after June 30 of the given year will be considered for an Exemption for the following tax year.
- 4.4. Notwithstanding the Complete Application requirements, the Town may require any additional information that, in the discretion of the Town, is necessary to complete the application.
- 4.5. Assessed Persons whose application is returned as incomplete or ineligible may resubmit an application without payment of an additional Application Fee.
- 4.6. The Town will advise an Assessed Person in writing if their application is accepted for consideration, refused, or rejected. Applications accepted for consideration will become the property of the Town and may not be returned.

5. CONSIDERATION OF APPLICATIONS

- 5.1. The CAO or their designate shall receive and consider Complete Applications within the provisions of this Bylaw and may consult with, obtain information with other employees or agents of the Town, other governments, government agencies, or persons.
- 5.2. The CAO or their designate may, at any time, require an Assessed Person to provide any documents the Town deems necessary to verify any information contained in a Complete Application or to confirm ongoing compliance with the eligibility criteria of the Exemption.
- 5.3. The CAO will consider each Complete Application and shall either:
 - (a) Grant the Exemption; or
 - (b) Reject the application and advise the Assessed Person with written reasons as to why the application was rejected. The written reasons shall also provide the date by which an appeal to Council must be submitted.

6. CALCULATION OF THE EXEMPTION

- 6.1. Subject to Section 6.2 of this Bylaw, the amount of the Exemption will be calculated as follows:
 - (a) The amount of total taxes subject to Exemption is equal to a percentage of the increase in municipal property taxes attributable to the differential in the Improvement Assessments (excluding Machinery and Equipment) between the Base Assessment Year and the Current Assessment Year for Eligible Property in accordance with following table; and

Year 1	Year 2	Year 3	Year 4	Year 5
100%	80%	60%	40%	20%

Example:

Increase to Assessed Value	Millrate	1st Year	2nd Year	3rd Year	4th Year	5th Year
\$10,000,000		100%	80%	60%	40%	20%
Property Taxes	7.7875	\$77,875	\$77,875	\$77,875	\$77,875	\$77,875
Rebate		\$77,875	\$62,300	\$46,725	\$31,150	\$15,575

(b) Only the municipal portion of property taxes is eligible for exemption.

- 6.2. No Exemption will be granted respecting any Provincial or Wheatland Housing Board requisitions.

7. PAYMENT OF THE EXEMPTION

- 7.1. The Exemption as calculated in accordance with Section 6 of this Bylaw shall be paid to the Assessed Person as a refund of a portion of the Current Taxes on the Eligible Property, subject to the Current Taxes for the taxation year first being paid in full.
- 7.2. Subject to the following terms:
- (a) The amount of the Exemption shall be paid to the Assessed Person each year for a period of no more than five (5) taxation years provided that in each of those years the Current Taxes are paid in full;
 - (b) Payment shall be made to the Assessed Person within ninety (90) working days from the date the Current Taxes are paid in full; and
 - (c) If the Assessed Person is enrolled in the TIPPS program, then payment of the Exemption will be paid before the end of February in the following year; and
 - (d) If the Current Taxes are not paid in full by December 31 of any year, then the Exemption shall not be paid to the Assessed Person for that year nor shall the Assessed Person be eligible to receive the Exemption for any subsequent years.

- (e) If the Assessed Person files an appeal of assessed value, then no decision will be made, or rebate paid until the appeal process has been completed.

8. DURATION OF THE EXEMPTION PROGRAM

- 8.1. The Exemption program as authorized by this Bylaw will be available for Eligible Property commencing with the 2022 assessment year and shall operate in accordance with the terms of this Bylaw until such time as this Bylaw is amended or repealed.

9. CANCELLATION OF EXEMPTION

- 9.1. If at any time after an Exemption is granted, the Town determines that the Assessed person, their application, or the property subject to the application did not meet or ceased to meet any of the criteria in which formed the basis of granting the Exemption, the CAO may cancel the Exemption for the taxation year or years in which the criterion was not met or to which the condition applies.
- 9.2. The Town may, at any time, require an Assessed Person to provide any documents the Town deems necessary to verify compliance with the conditions of this Bylaw.
- 9.3. A written decision to cancel an Exemption must be provided to the Applicant and must include reasons for the cancellation, identify the taxation year or years to which the cancellation applies, and provide the date by which an application for an appeal to Council must be made.

10. APPEAL TO COUNCIL

- 10.1. An Assessed Person may appeal a decision of tax exemption to Council in the following situations:
- (a) An application for Exemption is refused or rejected;
 - (b) An Exemption is cancelled for one or more taxation years;
- 10.2. A request for appeal must:
- (a) Be in writing, and
 - (b) Be received by the CAO by the date stated in the decision under section 9.3.
- 10.3. An Assessed Person must submit a non-refundable tax incentive appeal fee of \$1,000.00 (Canadian dollars).
- 10.4. Council will consider an appeal at:
- (a) A regularly scheduled meeting of Council; or
 - (b) A special meeting of Council.

10.5. Upon conclusion of an appeal, Council may uphold or revoke a decision of the CAO with respect to the outcome of an application or cancellation of an Exemption.

10.6. In accordance with the Act, complaints about a decision may not be made to the assessment review board.

11. SEVERABILITY

11.1. Should any provision of the Bylaw be declared to be invalid, then such invalid provision shall be severed, and the remaining Bylaw shall be maintained.

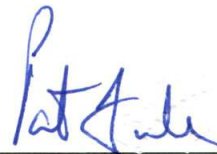
12. EFFECTIVE DATE

12.1. This Bylaw shall come into force and effect upon receiving third and final reading and being signed.

READ A FIRST TIME this 9th day of February 2022.

READ A SECOND TIME this 9th day of February 2022.

READ A THIRD TIME and final reading this 9th day of February 2022.



MAYOR



for CHIEF ADMINISTRATIVE OFFICER