

Non-Residential Property Tax Incentive

BEING A BYLAW OF THE VILLAGE OF CLYDE IN THE PROVINCE OF ALBERTA, TO PROVIDE PROPERTY TAX INCENTIVES TO ENCOURAGE GROWTH AND PROMOTE INDUSTRIAL AND COMMERCIAL DEVELOPMENT AND EXPANSION IN THE VILLAGE OF CLYDE

WHEREAS, The Village of Clyde intends to provide property tax incentives to encourage growth and promote industrial and commercial development and expansion to the overall benefit of the municipality.

AND WHEREAS, Section 364.2 of the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended, permits municipalities to offer multi-year tax exemptions, reductions, or deferrals for non-residential properties in order to attract investment, development and revitalization.

NOW THEREFORE the Municipal Council of the Village of Clyde in the Province of Alberta, duly assembled, in accordance with the *Municipal Government Act*, R.S.A. 2000, c. M-26, as amended, hereby enacts as follows:

TITLE

This Bylaw shall be called the "Non-Residential Property Tax Incentive" of the Village of Clyde.

DEFINITIONS

1. In this Bylaw, unless the context otherwise requires:

- a) "Applicant" means the owner of the property on which the improvement subject to the applicant is located, or their designate.
- b) "Council" means the duly elected officers of the Village of Clyde.
- c) "CAO" means the Chief Administrative Officer for the Village of Clyde;
- d) "Exemption" means the portion of municipal taxes on non-residential property that have been determined to be exempt in accordance with this Bylaw.
- e) "Project" means the new construction, expansion, or refurbishment of a structure that increases its assessment value.
- f) "MGA" means the *Municipal Government Act*, R.S.A. 2000, c. M-26 as amended from time to time.
- g) "Non-Residential" has the same meaning as defined under MGA section 297(1)(b).
- h) "Village" means the municipality of the Village of Clyde.

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CRITERIA FOR TAX EXEMPTION

1. To be eligible for tax exemption, the following criteria must be met:
 - a. The project shall meet one of the following:
 - i. Construction of a new non-residential development value at or above \$250,000; or
 - ii. Expansion or refurbishment of an existing non-residential development that will result in an increase of assessment value of \$50,000 or more.
 - b. The development must be of a permanent nature.
 - c. The development shall conform to the Village of Clyde's Land Use Bylaw, as amended, and all other applicable provincial legislation.
 - d. All necessary development and building permits required by the Village of Clyde must be in place and in good standing.
 - e. The applicant shall not have any compliance issues, be in violation of a development permit and/or agreement, or be in violation development permit and/or agreement, or be in violation of the Safety Codes Act at any time from the time of application to the end of the exemption period.
 - f. The property shall not be eligible for any other tax credit or exemption offered by the Village or granted under the MGA.
 - g. The applicant shall not be in arrears or have amounts owing to the Village relating to property taxes, utilities or any other fees and charges.
 - h. The applicant shall not be in the process of foreclosure, bankruptcy, or receivership.

INELIGIBLE ROJECTS

1. Any projects or properties that are assessed as Linear Property or Designated Industrial Properties are ineligible for the property tax incentive program.

DETAILS OF EXEMPTION

1. The exemption shall apply only to municipal taxes. Provincial Education and Senior Housing property tax levies are outside the jurisdiction of the Village and are excluded from any exemption.
2. The exemption period shall begin January 1, 2024 and end December 31, 2038.
3. The tax exemption shall only apply to the increased assessment amount.
4. Projects meeting the criteria noted above may be granted the following tax exemptions:

New or Increased Assessment Value		
	\$50,000 - \$1,000,000	Over \$1,000,000

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Exemption Level		
Year 1	75%	100%
Year 2	50%	75%
Year 3	25%	50%

5. The exemption shall be granted for the tax year immediately following the Project being deemed complete, assessable, and available for use.
6. Applications may be considered and approved in accordance with this Bylaw before construction on the qualifying Project is complete. However, the calculation of the exemption and exemption period will not be confirmed until the Project is complete, the development is inspected and approved, and the property is assessed for taxation.
7. A property shall only be eligible for one (1) tax incentive exemption during the exemption period, beginning January 1, 2024 and ending December 31, 2038.

CHANGE IN OWNERSHIP

1. Change in ownership of a property will not affect a granted exemption unless the new owner(s) fall within on or more of the terms of disqualification.
2. To maintain eligibility for a granted exemption, the new owner(s) must assume the obligations that arise under written decision.

APPLICATION PROCESS

1. The CAO, or designate, shall have the authority to determine whether an non-residential property tax exemption will be granted in accordance with the terms and conditions of this Bylaw.
2. The application process shall be as follows:
 - a. The Applicant shall submit a completed application form (Schedule A) to the Village of Clyde Planning & Development department for consideration;
 - b. The Village has the discretion to reject applications that are incomplete, ineligible, or provided after the deadline provided for in this Bylaw;
 - c. Applications must be received within a year (365 days) of the improvement being made available for use and included in the Village of Clyde assessment roll;
 - d. An applicant may resubmit an application that has previously been deemed incomplete;
 - e. Resubmissions must be made within 14 days of the date of the notice communicating that the application is incomplete;
 - f. The Village may require any additional information that, in its discretion, is necessary to consider the eligibility of the application or to confirm ongoing compliance with the eligibility criteria of the exemption;
 - g. The Village will advise applicants in writing if their application has been accepted. Accepted applications will become the property of the Village and may not be returned.

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3. Applications must be received by December 31 of the year prior to the first tax year which a Project would be eligible for a tax exemption.

DECISION ON EXEMPTION

1. If the CAO (or designate) approves the application, the Applicant will receive the following information in writing:
 - a. The taxation years to which the exemption applies and the amount of exemption for the respective tax year;
 - b. Conditions, the breach of which would result in the cancellation of the exemption;
 - c. The date on which the exemption shall take effect;
2. Should the CAO (or designate) not approve the application, the CAO will issue a written decision to the Applicant outlining the following:
 - a. The reasons detailing why the Project fails to qualify for the exemption; and
 - b. The date by which an application for an appeal to Council must be submitted.
3. The decision on an application may not be finalized until after the final assessment values are confirmed by the Villages assessor on February 28 of the subject taxation year.

CANCELLATION OF EXEMPTION

1. The Village may cancel the exemption for a taxation year or years if at any time after an exemption is granted the Village determines that:
 - a. The Applicant or their application did not meet or ceased to meet any of the criteria required for granting an exemption; or
 - b. There was a breach of any condition contained in the decision to grant the extension.
2. 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 for which an application for an appeal to Council must be submitted.

COUNCIL REVIEW

1. An applicant may apply to Council for a review of a decision made by the CAO (or designate) regarding an application for a non-residential property tax exemption in the following situations:
 - a. An application for an exemption is refused or rejected; or
 - b. An exemption is cancelled.
2. A request for review must be in writing and be received by the Municipal Clerk no later than 30 days following the receipt of the written decision of refusal or cancellation.
3. Village Council shall conduct a review within 90 days of the receipt of an application for review.
4. Remedies available to Council upon conclusion of a review are:
 - a. Council may uphold the decision of the CAO (or designate) to reject an application or revoke a

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previously approved exemption; or

- b. Council may direct the CAO (or designate) to revise a decision with respect to the outcome of an application or cancellation of an exemption.
5. The decision of Council shall be final and binding on all parties except in the case where the decision is the subject of an application for judicial review, and such application must be filed with the Court of King's Bench not more than 60 days after the date of decision.

REVIEW OF BYLAW

1. This Bylaw shall be brought before Council for review every five (5) years, to evaluate the progress of the incentive program and any required amendments.

SEVERABILITY

1. If any Section or parts of this Bylaw are found in any court of law to be illegal or beyond the power of Council to enact, such Sections or parts shall be deemed to be severable and all other Sections or parts of this Bylaw shall be deemed to be separate and independent there from and to be enacted as such.

EFFECTIVE DATE

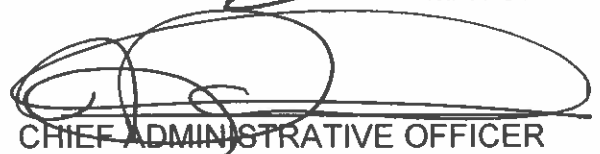
1. This Bylaw shall come into full force and effect upon the passing of third and final reading.

READ A FIRST TIME this 16th day of October, 2023.

READ A SECOND TIME 16th day of October, 2023.

UNANIMOUS CONSENT TO PROCEED WITH THIRD READING provided this 16th day of October, 2023.

READ A THIRD TIME AND PASSED this 16th day of October, 2023.


MAYOR
CHIEF ADMINISTRATIVE OFFICER