



**TOWN OF CLARESHOLM
PROVINCE OF ALBERTA
BYLAW #1802**

A BYLAW OF THE TOWN OF CLARESHOLM, IN THE PROVINCE OF ALBERTA, TO AUTHORIZE PROPERTY TAX INCENTIVES FOR NON-RESIDENTIAL PROPERTIES WITHIN THE TOWN OF CLARESHOLM.

WHEREAS, s. 364.2(2) of the *Municipal Government Act* RSA 2000, c.M-26, as amended, provides that a Council may, by bylaw, for the purpose of encouraging the development or revitalization of properties in the non-residential assessment class for the general benefit of the municipality, provide full or partial exemptions from taxation or deferrals of the collection of tax;

AND WHEREAS, s. 364.2(3) of the *Municipal Government Act* RSA 2000, c.M-26, as amended, requires a bylaw under s. 364.2(2) of the *Municipal Government Act* RSA 2000, c.M-26, as amended, to set criteria for property to qualify for an exemption or deferral and establish a process for the submission and consideration of an application for an exemption or deferral;

AND WHEREAS, the Council of the Town of Claresholm deems it appropriate to provide for property tax incentives for non-residential properties in the form of property tax exemptions to encourage development and redevelopment within the boundaries of the Town of Claresholm;

NOW THEREFORE, the Council of the Town of Claresholm, duly assembled, hereby enacts as follows:

1. Application

- 1.1. This Bylaw may be referred to as the “Non-Residential Tax Incentive Bylaw”.
- 1.2. This Bylaw applies to eligible Non-Residential properties within the boundaries of the Town of Claresholm.

2. Definitions

- 2.1. “Act” means the *Municipal Government Act* RSA 2000, c.M-26.1, as amended.
- 2.2. “Application” means an application for a Tax Incentive pursuant to this Bylaw in a form approved by the CAO.
- 2.3. “Building” means a building, structure or other thing erected or placed in, on, over or under land.
- 2.4. “CAO” means the Chief Administrative Officer of the Town of Claresholm.
- 2.5. “Completed” means the date of final inspection of the building permit for a Development or Redevelopment pursuant to the provisions of the Act and any applicable municipal bylaw, such that the Development or Redevelopment is approved for occupancy.
- 2.6. “Council” means the Municipal Council of the Town of Claresholm.
- 2.7. “Development” means the construction of a new Non-Residential Building on a property that is zoned for Non-Residential use in accordance with the Town’s Land Use Bylaw and any applicable plan of subdivision.
- 2.8. “Municipal Benefit” means, for a Development, the assessed value of the new Building or Buildings once construction is Completed, and for a Redevelopment, the increase in the assessed value of the renovated or altered existing Building or Buildings once construction is Completed. For clarity, the Municipal Benefit does not include the assessed value of any land or improvements that were on the property before construction on the Development or Redevelopment commenced.

- 2.9. “Non-Residential” means a property that meets the criteria to be classified as a Class 2 – Non-Residential property under section 297 of the Act.
- 2.10. “Redevelopment” means renovations or alterations to an existing Building or Buildings.
- 2.11. “Tax Incentive” means the cancellation of a portion of the municipal portion of taxes for a property pursuant to this Bylaw.

3. Eligibility Criteria

3.1. In order to qualify for a Tax Incentive under this Bylaw:

- 3.1.1. The property must be located within the boundaries of the Town of Claresholm when the Application is made;
- 3.1.2. Development or Redevelopment is Completed on the property after the coming into effect of this Bylaw;
- 3.1.3. Development or Redevelopment complies with the Town’s Land Use Bylaw and any other applicable municipal bylaw or regulation, as amended from time to time;
- 3.1.4. All outstanding property taxes (including amounts added to the tax roll pursuant to the *Municipal Government Act*) on the property have been paid in full and are not in arrears;
- 3.1.5. In the case of Development, the Municipal Benefit must be at least \$300,000.00 at the time construction is Completed to qualify for a Tax Exemption under this bylaw; and
- 3.1.6. In the case of Redevelopment, the Municipal Benefit must result in an increase in the assessed value of the renovated or altered Building at the time it is Completed of at least \$300,000.00 when compared to the assessed value of the same Building before the Redevelopment commenced.

3.2. The owner of a property within the Town on which Development or Redevelopment has occurred, shall be responsible for any costs associated with evidencing and quantifying the Municipal Benefit, including, but not limited to, any fee or charge to reconcile the change in assessment.

3.3. A Tax Incentive granted pursuant to this Bylaw shall apply to the municipal portion of property taxes only, and does not include school or other requisitions.

4. Calculation of Tax Incentive

4.1. If a property qualifies for a Tax Incentive under this Bylaw, the property shall receive a Tax Incentive calculated in accordance with the following:

- 4.1.1. In the tax year after the year in which the Development or Redevelopment is Completed, the eligible property shall receive a Tax Incentive equivalent to 100% of the municipal portion of the property taxes levied on the increase in the assessed value of the property attributable to the Development or Redevelopment.
- 4.1.2. In the second year after the year in which the Development or Redevelopment is Completed, the eligible property shall receive a Tax Incentive equivalent to 75% of the municipal portion of the property taxes levied on the increase in the assessed value of the property attributable to the Development or Redevelopment.
- 4.1.3. In the third year after the year in which the Development or Redevelopment is Completed, the eligible property shall receive a Tax Incentive equivalent to 50% of the municipal portion of the property taxes levied on the increase in the assessed value of the property attributable to the Development or Redevelopment.

- 4.1.4. In the fourth year after the year in which the Development or Redevelopment is Completed, the eligible property shall receive a Tax Incentive equivalent to 25% of the municipal portion of the property taxes levied on the increase in the assessed value of the property attributable to the Development or Redevelopment.
- 4.1.5. In the fifth year after the year in which the Development or Redevelopment is Completed, and for all subsequent years, the property shall cease receiving any further Tax Incentives under this Bylaw.
- 4.2. Tax Incentives granted to qualifying properties under this Bylaw shall continue to be granted irrespective of whether the property is sold to another purchaser.
- 4.3. Any property that is receiving a Tax Incentive under this Bylaw shall cease receiving any further Tax Incentives if the owner of that property fails to pay any municipal taxes when due to the Town, including any municipal taxes that apply to other properties owned by the same person in the Town that are not receiving a Tax Incentive.

5. Procedures

- 5.1. A person may apply to the CAO for a Tax Incentive under this Bylaw if they are the owner of the property for which the Tax Incentive is being sought.
- 5.2. An Application pursuant to this Bylaw must be submitted to the CAO no later than one year after construction on the Development or Redevelopment is Completed.
- 5.3. An Application must be submitted in writing to the CAO in a form and with supporting documentation satisfactory to the CAO, and must be accompanied by a valid Development Permit issued by the Town for the Development or Redevelopment, proof of payment of all outstanding taxes for the property that is the subject of the Application and all applicable fees and deposits.
- 5.4. The CAO may request any other documents and information as may be required to confirm eligibility for a Tax Incentive under this Bylaw, and the applicant must provide such other documents and information as requested in order for their Application to be considered complete.
- 5.5. The CAO shall refer all complete Applications to Council for a decision in accordance with s. 364.2(4) of the MGA.
- 5.6. All Applications are subject to approval by Council, which approval, if provided, shall be in the form of a Council resolution that specifies the taxation years to which the Tax Incentive applies and any condition the breach of which will result in cancellation of the Tax Incentive. If Council denies an Application for a Tax Incentive, it shall provide written reasons to the applicant for why the Application was denied.
- 5.7. If at any time after a Tax Incentive is granted under this Bylaw the Town determines that the property did not qualify or has ceased to qualify for a Tax Incentive under this Bylaw, Council may cancel the Tax Incentive for the taxation year or years in which the property did not qualify.
- 5.8. If a Tax Incentive is granted under this Bylaw, the owner of the property shall advise subsequent owners of the Tax Incentive and subsequent owners shall be subject to this Bylaw with respect to the continuation of the Tax Incentive.
- 5.9. Where Council refuses to grant or cancels a Tax Incentive, the applicant will receive a notice in writing with reasons.

6. Repeal of Previous Bylaw

- 6.1 Bylaw No. 1693, 'Non-Residential Tax Incentive Bylaw' is repealed.

This bylaw shall come into effect on the date of third and final reading.

Read a first time in Council this **12** day of **May**, 2025.

Read a second time in Council this **26** day of **May**, 2025.

Read a third and final time in Council this **26** day of **May**, 2025.

Mayor Brad Schlossberger

Abe Tinney, Chief Administrative Officer

DRAFT

SCHEDULE "A"

TAX INCENTIVE FOR NON-RESIDENTIAL PROPERTIES - APPLICATION FORM

Applicant		
	Name	
	Mailing Address	
	Contact Number(s)	
	Email	
Property:		
	Roll Number	
	Civic Address	
	Legal Description	
	Registered Owner(s)	
<p>Note – Proof of registered owners must be verified by supplying a current copy of title. If this is not provided the Town will pull a copy of the title and any fees related to this will be payable by the applicant.</p>		
The initial tax year exemption is being applied for:		
Assessment		
	Current Assessment Year	
	Current Assessment Value (Total)	
	Current Improved Assessment Value (Bldgs)	
	Reference Assessment Year	
	Reference year is the comparison year to show the assessed value of growth based on the development/redevelopment. This may be the previous year or earlier, based on length of development.	
	Previous Assessment Value (Total)	
	Previous Improved Assessment Value (Bldgs)	
	Improved Assessment Increase (from Prev. to Cur.)	
<p>Note – the Town will confirm Assessment values and percentage increases and may require confirmation from the Assessor the value increase based solely on development/redevelopment. Any fees to the Assessor for this assessment/adjustment is the responsibility of the applicant to pay.</p>		
Eligibility		
	Current zoning of property	
	Permit number(s) related to development/redevelopment	
	Are all permits closed? (attach proof)	
	Are Property Taxes fully paid? (attach proof)	
<p>Note – Proof of satisfactory completion of development/redevelopment must be provided (i.e. license to operate)</p>		
<p>Optional – Attach letter about property/business with reasoning as to why this property should be granted a tax incentive by the Town of Claresholm (i.e. number of new jobs being created, spin off economic development or growth the development will bring to Town, etc.)</p>		
<p>Application Fee - \$100 Refundable Deposit - \$500 (to cover 3rd party costs if applicable, such as land title fees)</p>		