

TOWN OF DRUMHELLER

BYLAW NUMBER 13.20

BEING A BYLAW FOR THE PURPOSE OF IMPLEMENTING RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAMS FOR THE TOWN OF DRUMHELLER IN THE PROVINCE OF ALBERTA.

WHEREAS pursuant to the provision of *Section 347 (1) of the Municipal Government Act, RSA 2000, Chapter M-26* and amendments thereto, the Council of the Town of Drumheller deems it expedient to provide for a Bylaw for the purposes of implementing "Residential Development Incentive Programs".

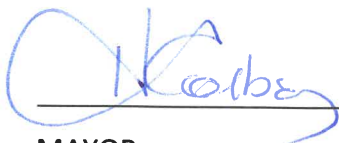
NOW THEREFORE, be it resolved that the Council of the Town of Drumheller, in the Province of Alberta, duly enacts as follows:

1. This Bylaw may be referred to as the "Residential Development Incentive Programs" Bylaw;
2. Minimum qualifying criteria and property tax abatements are outlined per policies attached hereto and outlined in Schedules A & B;
3. The tax abatements apply to the municipal portion of property taxes only;
4. The Bylaw and corresponding residential tax abatement policies may be amended from time to time by resolution of Town Council;
5. The Bylaw and corresponding schedules will be reviewed by Town Council at the beginning of each Council term; and
6. This Bylaw will come into full force and effect on the date of final passing thereof.

READ A FIRST TIME THIS 6th DAY OF JULY, 2020

READ A SECOND TIME THIS 6th DAY OF JULY, 2020

READ A THIRD TIME AND PASSED THIS 20th DAY OF JULY, 2020



MAYOR



CHIEF ADMINISTRATIVE OFFICER

SCHEDULE "A"

RESIDENTIAL DEVELOPERS HOUSING INCENTIVE POLICY

1.0 PURPOSE:

To establish an incentive policy for the development of residential lots and create a positive environment for residential construction.

2.0 GENERAL POLICY:

- 2.1 For the purposes of this Schedule, the term "eligible dwelling" is defined as any **new** development of single family detached residences, attached or unattached townhouses, or row houses with a listing sale price between \$180,000 to \$250,000 dollars;
- 2.2 The developer must sign an Incentive Agreement with the Town;
- 2.3 Developers building eligible dwelling(s) on Town property will be required to place a 20% deposit in accordance with the Land Purchase Agreement. The developer will not be required to pay the balance until the property has been sold or when the incentive period ends, which ever occurs first;
- 2.4 The Incentive shall be granted at the beginning of the tax year following completion of construction. Completion of construction will be recognized by an "Occupancy Permit" from the Town's inspection agency:
 - i. First Year – 100% Property Tax Abatement
 - ii. Second Year – 50% Property Tax Abatement
 - iii. Third Year – 25% Property Tax Abatement
 - iv. Fourth Year – 0% Property Tax Abatement
- 2.5 This policy is established under the authority of *Section 347 (1) of the Municipal Government Act of Alberta* and applies to municipal tax and land rebates as a result of **new** developments;
- 2.6 The Incentive applies to the municipal portion of taxes only. Special levies, improvement levies, Drumheller and District Senior Foundation Requisition and school taxes are not exempt;
- 2.7 Developments must comply with the Land Use Bylaw, imposed design guidelines, laws of the Province of Alberta and Canada;

- 2.8 Expansions or renovations to existing buildings or structures do not qualify for this Incentive;
- 2.9 If a developer sells a dwelling approved under this policy, the balance of the Incentive is automatically transferred to the new registered owner provided that:
 - 2.9.1 The new registered owner is not a business;
 - 2.9.2 The dwelling is not used as an income property.
- 2.10 All servicing costs will be the responsibility of the developer;
- 2.11 The Developer must have a Town of Drumheller Business License;

3.0 PROCESS:

- 3.1 Developers must submit a development proposal and incentive request to the Town of Drumheller prior to the start of construction;
- 3.2 The development proposal shall include details on the type of dwelling(s) being built, an estimated time of construction and an approximate time that the new dwelling(s) will be available on the market.

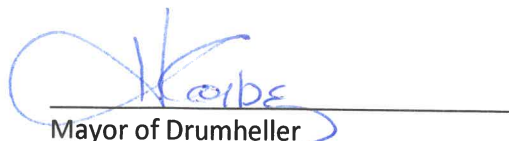
4.0 RESPONSIBILITIES:

- 4.1 If a unique incentive request is submitted to the Town of Drumheller, and with the approval of Town Council, the above criteria may be waived or modified to recognize the uniqueness of a request;
- 4.2 Review and recommendations of changes to this policy shall be the sole responsibility of Town Council upon recommendation of the Town's Chief Administrative Officer; and
- 4.3 The Town of Drumheller, through Town Council, may, at their sole discretion, refuse, limit, or cancel, any Incentive granted under this Schedule, should the developer fail to meet the requirements of the Residential Developers Housing Incentive Policy during the term of the Incentive.

Date: July 22/2020



Chief Administrative Officer



Mayor of Drumheller

SCHEDULE “B”

MULTI-UNIT RESIDENTIAL RENTAL INCENTIVE POLICY

1.0 PURPOSE:

To establish an incentive policy for the development of affordable multi-unit residential rental dwellings and create a positive environment for residential construction.

2.0 GENERAL POLICY:

2.1 For the purposes of this schedule, the term, “eligible building” is defined as any multi-unit residential building that meets the following requirements:

- 2.1.1 Minimum of four (4) units and a maximum of sixteen units;
- 2.1.2 Minimum of \$400,000 construction value;
- 2.1.3 Units must be rented for no more than \$850.00 per month, indexed to the Canada Consumer Price Index, excluding utilities, for the duration of the incentive period;
- 2.1.4 All individual units in the building must contain a balcony or access to a shared green space; and
- 2.1.5 Located within the R-3 (Residential), R-4 (Residential), D-T (Downtown Transitional) and C-B (Central Commercial) zoning districts.

2.2 Developers applying for the Multi-Unit Residential Rental Incentive must enter into an Incentive Agreement with the Town of Drumheller under the following terms:

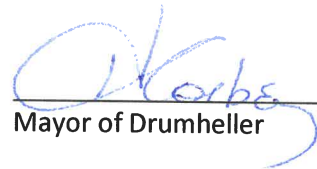
- 2.2.1 The units within the property shall remain solely as rentable dwelling units for a period of no less than ten (10) years and the Developer shall not convert the units to condominiums or otherwise sell the units during this time;
- 2.2.2 The Incentive Agreement shall be registered as a “miscellaneous interest” on title of the property to prevent the conversion to condominiums or sale of units; and
- 2.2.3 The “miscellaneous interest” will be removed upon request of the registered owner after the ten (10) year Incentive Agreement has expired.

- 4.2 Review and recommendations of changes to this policy shall be the sole responsibility of Town Council upon recommendation of the Town's Chief Administrative Officer; and
- 4.3 The Town of Drumheller, through Town Council, may, at their sole discretion, refuse, limit, or cancel, any Incentive granted under this Schedule, should the developer fail to meet the requirements of the Multi-Unit Residential Rental Incentive Policy during the term of the Incentive.

Date: July 22/2020



Chief Administrative Officer



Mayor of Drumheller