

OFFICE CONSOLIDATION

**TOWN OF DRUMHELLER
BYLAW NUMBER 13.20**

Amending Bylaw 01.22

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 o *Section 347 (1) of the Municipal Government Act, RSA 2000, Chapter M-26*, Council may by bylaw cancel, reduce, refund or defer taxes it is considered equitable to do so, or phase-in increases or decreases from the preparation of a new assessment;

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 equitable 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 programs attached hereto and outlined in Schedules A: Residential Developers Housing Incentive Program & Schedule B: Multi-Unit Residential Rental Incentive Program;
3. The tax abatements apply to the municipal portion of property taxes only;
4. The Bylaw and corresponding schedules will be reviewed by Town Council at the beginning of each Council term; and
5. This Bylaw will come into full force and effect on the date of final passing thereof.

SCHEDULE “A”

RESIDENTIAL DEVELOPERS HOUSING INCENTIVE PROGRAM

1.0 PURPOSE:

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

2.0 GENERAL PROGRAM:

- 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 \$350,000 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 program 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 program, 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 program 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 Program during the term of the Incentive.

SCHEDULE “B”

MULTI-UNIT RESIDENTIAL RENTAL INCENTIVE PROGRAM

1.0 PURPOSE:

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

2.0 GENERAL PROGRAM:

- 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 \$950.00 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 Downtown District (DTD), Neighbourhood District (ND) and Neighbourhood Centre District (NCD).
- 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.

- 2.3 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” issued by the Town’s inspection agency:
- i. First Year – 100% Property Tax Abatement
 - ii. Second Year – 75% Property Tax Abatement
 - iii. Third Year – 50% Property Tax Abatement
 - iv. Fourth Year – 25% Property Tax Abatement
 - v. Fifth Year – 0% Property Tax Abatement
- 2.4 The Incentive applies to the municipal portion of taxes only. Special levies, improvement levies and school taxes are not exempt;
- 2.5 Expansion or renovation to existing buildings, properties and structures do not qualify;
- 2.6 Developments must comply with the current Municipal Development Plan, Land Use Bylaw, imposed design guidelines and the laws of the Province of Alberta and Canada;
- 2.7 If a Developer sells the building during the incentive period, the balance of the Incentive is automatically transferred to the new owner if the conditions of this program are maintained;
- 2.8 This program is established under the authority of *Section 347 (1) of the Municipal Government Act of Alberta*;
- 2.9 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 program 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 Program during the term of the Incentive.

Bylaw 13.20 passed July 20, 2020

Amendments
Bylaw 01.22 - May 9, 2022

**TOWN OF DRUMHELLER
BYLAW 01.22**

**BEING A BYLAW FOR THE PURPOSE OF AMENDING BYLAW 13.20 IMPLEMENTING
RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAMS FOR THE TOWN OF
DRUMHELLER IN THE PROVINCE OF ALBERTA.**

WHEREAS, pursuant to the provision of *Section 191 of the Municipal Government Act, RSA 2000, Chapter M-26*, Council has the power to pass a bylaw, amend or repeal a bylaw;

AND WHEREAS, the Town of Drumheller Council deems it desirable to amend Bylaw 13.20;

NOW THEREFORE, the Town of Drumheller, in the Province of Alberta, hereby enacts as follows:

1. SHORT NAME

1.1 This Bylaw will be known as Residential Development Incentive Amending Bylaw 01.22.

2. ADDITIONS

2.1 Purpose clause:

WHEREAS pursuant to the provision of *Section 347 (1) of the Municipal Government Act, RSA 2000, Chapter M-26*, Council may by bylaw cancel, reduce, refund or defer taxes it is considered equitable to do so, or phase-in increases or decreases from the preparation of a new assessment;

3. CHANGES / DELETIONS

3.1 The word "Policy" will be substituted with "Program".

3.2 Remove 4. The Bylaw and corresponding residential tax abatement policies may be amended from time to time

3.3 Schedule "A", General Program, Section 2.1. The listing sale price of \$250,000 will be changed to \$350,000.

3.4 Schedule "B", General Program, Section 2.1.3. Units must be rented for no more than \$950, indexed to the Canada Consumer Price Index, excluding utilities, for the duration of the incentive period.

3.5 Schedule "B", General Program, Section 2.1.5. The Land Use Designations will be changed to reflect Land Use Bylaw 16.20 as follows:
Downtown District (DTD), Neighbourhood District (ND) and Neighbourhood Centre District (NCD).

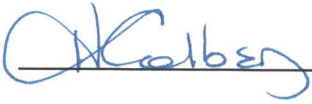
4. TRANSITIONAL

4.1 Bylaw 01.22 comes into full force after third reading.

READ A FIRST TIME THIS 22nd DAY OF FEBRUARY, 2022

READ A SECOND TIME THIS 22nd DAY OF FEBRUARY, 2022

READ A THIRD TIME AND PASSED THIS 9th DAY OF MAY, 2022


MAYOR


CHIEF ADMINISTRATIVE OFFICER