



Policy Number: 2022 – 07

Date of Issue: April 19, 2022

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Motion Number: 2022 – 123

Policy Subject/Title: NEW BUSINESS CONSTRUCTION (NBC) INCENTIVE

Signature of Approval by Authorized Personnel:


Karrie Gau, CAO

Supersedes: N/A
Date of Last Update

N/A
Title & No. of Previous Policy if Applicable

POLICY STATEMENT:

Council and Administration desires highway commercial and industrial development within the Town of Wainwright to stimulate the economy and contribute to the Town's tax assessment base.

PURPOSE:

Council has identified a need to provide an attractive highway commercial and industrial business environment through a continued competitive tax incentive and service provision as an objective of the Town of Wainwright.

Properties with developments that qualify under this program are eligible for a property tax refund.

DEFINITIONS:

1. **Property Tax Incentive:** A sum of money equivalent to the municipal portion only of property tax attributable to the assessed value of the new business. The refund applies to taxes on both land and improvements.
2. **Town:** The Town of Wainwright
3. **New Construction:** refers to site preparation and construction of an entirely new permanent Principal Building on:
 - a. land not previously built on,

- b. vacant land, or
- c. a brand-new replacement Principal Building on land that previously had a structure but has been demolished in its entirety.

4. **Principal Building:** means a building which:
- a. occupies the major or central portion of a parcel,
 - b. is the chief or main building on a parcel, or
 - c. constitutes, by reasons of its use, the primary purpose of which the parcel is used.

ELIGIBILITY:

1. The applicant must own the land being developed.
2. Construction of new highway commercial or industrial lots on properties within the Town of Wainwright that is zoned CH or IL are eligible.
3. New development will be eligible, provided a physical structure with a minimum of \$750,000 assessment value is constructed.
4. All required demolition permits, development permits, building permits, occupancy permits and other permits must be completed and approved by the Town, as well as any federal and provincial permits and approvals obtained.
5. Construction must be completed and occupancy permit issued within twelve (12) months of issuance of the building permit, unless extended and approved in writing by the Director of Planning & Development.
6. Where a demolition is involved, both the demolition and construction must be completed within twelve months of issuance of the demolition permit, unless extended and approved in writing by the Director of Planning & Development.
7. Properties with buildings that are demolished and replaced through insurance as a result of damage caused by fire, flood, wind storm, vehicle collision or another catastrophic event do not qualify.
8. The applicant must fully comply with the Land Use Bylaw including, but not limited to, any statutory plan, subdivision plan, approval and conditions, development agreement, Safety Code Act, Alberta Building Code, Alberta Fire Code, and Permits. Failure to submit required documents evidencing compliance by the applicant or his/her agent shall result in the forfeiture of all rights to the Incentive.
9. For clarity, the following improvements, structures, or principal buildings are not eligible for any incentive under this Policy:
 - a. Oil tanks and bulk fuel tanks, etc.;
 - b. Utility or radio towers;

- c. Non-permanent or removable (temporary) buildings or structures;
- d. New attached or detached garages or any other accessory buildings;
- e. Additions or renovations to existing buildings or structures;
- f. Commercial/Industrial parking lots;
- g. Churches or places of worship;
- h. Junk or salvage yards;
- i. Linear property as defined by the Municipal Government Act, and
- j. Any other non-principal building as deemed by the Town.

10. Incentives may be rescinded or forfeited, without recourse:
- a. If the development is not completed within the specified timeframe;
 - b. If the development changes from the intended use noted in the application;
 - c. If the applicant no longer meets the eligibility requirements; or
 - d. If the applicant or property owner falsifies any records, information or application or provides any false or misleading information, regardless of whether the Town relies on such.

INCENTIVES

The tax refunds begin with the year following the year that construction starts. The taxes shall be refunded per the following:

Year 1	75% of the current year's municipal tax levy
Year 2	50% of the current year's municipal tax levy

GUIDELINES AND PROCEDURES:

1. Applications must be submitted at the time of development permit application.
2. The tax refund will be calculated based on the property assessment as determined by the Town's assessor on December 31st of each year.
3. The tax refund will be made payable to the registered owner whose name appears on the tax roll on the date that the taxes are levied that year.
4. For the purpose of administering this program, the Director of Planning & Development has full authority in determining the dates of start of construction and will determine the completion of construction.
5. If the taxes for any given year are not paid by June 30th of that year, then the tax refund will be void for the current and future years and will not be reinstated once the arrears are paid. Taxes are to be paid in full every year. The refund will be mailed out to the current owner no more than 90 days after taxes have been paid to the Town.
6. Council reserves the right to periodically review, modify or cancel the policy at any time.