

**Policy**

The Village of Innisfree Council recognize the importance of commercial development to sustain and improve the municipality's economic viability.

**Purpose**

The purpose of this policy is to:

- a.) Stimulate commercial expansion and new commercial development within the Village of Innisfree
- b.) Increase the commercial assessment base in the Village of Innisfree

**1. Definitions:**

- a. **Assessment** – means per the *Municipal Government Act, RSA 2000, c.M-26, section 297(1)(b)* – non-residential.
- b. **Assessed value** means the amount of the new assessed value per the *MGA, s. 297(1)(b)* as determined by the Village of Innisfree duly appointed Assessor as of December 31<sup>st</sup> of a particular year.
- c. **Building** means a building as defined in the *MGA, S. 616*
- d. **Municipal Government Act** means the Revised Statues of Alberta 2000, Chapter M-26 and amendments thereto and can be abbreviated as: *MGA*.
- e. **Municipal Tax Incentive** means a specified reduction of the Municipal Tax only; all other levies shall remain the responsibility of the property owner, i.e. Alberta Education, MD Foundation, Special Levies, Frontage Taxes, etc.
- f. **Tax Arrears** mean as per the *MGA, s. 326(c)*.

**2. Responsibilities:**

- a. Council has the sole authority to endorse, amend or cancel this policy at any time.
- b. Administration has the authority to administer the Commercial Development Incentive Policy Procedures as set out.

**3. Procedures:**

- a. The Municipal Tax Incentive policy shall come into effect for development and building permits issued after this policy has been passed by Council.
- b. Developments excluded from the Municipal Commercial Development Incentive include: oil tanks and bulk fuel tanks, utility or communication towers and non-permanent or portable buildings.

- c. The Development Permit must be completed and approved by the Village of Innisfree per the Land Use Bylaw as part of the qualification for incentives. In addition, copies of all demolition and building permits completed and approved by the authorized agency(ies) including the Occupancy Permit are required as a part of the incentive qualifications.
- d. All outstanding accounts (taxes, accounts receivable, utilities, etc.) with the Village of Innisfree must be in a current position before incentives will be granted.
- e. Municipal Tax Incentive approvals will be granted conditional to the business being in active operation.
- f. The business owner must own the land being developed.
- g. If at any time during the Municipal Tax Incentive period, taxes are in arrears on the affected property, the incentives for that fiscal year shall be withdrawn and the Municipal Tax Levy becomes payable for the property.
- h. The exemption period is by calendar year, beginning on January 1<sup>st</sup> of the year immediately following the substantial completion of the development as per the building inspector or upon date of occupancy (whichever comes first) of the building. The Village of Innisfree does not assess new construction in the year that construction begins.
- i. Construction must be completed within one (1) year of issuance of the building permit, to be eligible for any incentives authorized by the Village of Innisfree. Extenuating circumstances resulting in a longer construction period, over one year, will be addressed on a case-by-case basis.
- j. If the owner, prior to the end of the incentive time period, sells the qualifying building and/or property for which incentives have been granted, the incentives shall end at December 31<sup>st</sup> in the year of the sale.
- k. Applicants must complete a Village of Innisfree "Application for Municipal Tax Incentive" on the prescribed form, by January 30<sup>th</sup> of the year the property becomes eligible for an incentive.
- l. Full compliance with the Village of Innisfree Land Use Bylaw and any other pertinent regulations, shall be required. Failure to submit required documents by the property owner or his/her agent will result in the forfeit of all rights to the incentives provided in this policy.

**4. Municipal Commercial Tax Incentive Program:**

**a. New Developments:**

- i. 100% removal of Land & Improvement Municipal Taxes – 1<sup>st</sup> year of eligibility
- ii. 75% reduction of Land & Improvement Municipal Taxes – 2<sup>nd</sup> year of eligibility
- iii. 50% reduction of Land & Improvement Municipal Taxes – 3<sup>rd</sup> & 4<sup>th</sup> years of eligibility
- iv. 25% reduction of Land & Improvement Municipal Taxes – 5<sup>th</sup> year of eligibility

**b. New Business developed in an existing building:**

- i. 50% reduction of Municipal Tax portion on Improvements – 1<sup>st</sup> year of eligibility;
- ii. 25% reduction of Municipal Tax portion on Improvements – 2<sup>nd</sup> & 3<sup>rd</sup> year of eligibility.

**5. End of Policy.**