



Business Retention and Attraction Incentive Program Policy

POLICY NUMBER: 120-FN-10

Approval Date: March 16, 2010

Revise Date: January 14, 2020

Motion Number: CM20100316.1006

Repeal Date:

Supersedes:

Review Date: January 14, 2025

1.0 Policy Intent

The City of Cold Lake is committed to providing a City-wide incentive program for commercial property owners who enhance existing buildings/property, construct new buildings or additions to existing buildings, or those who demolish existing buildings. Participants in the program may be eligible for an improvement incentive, upon project completion, by way of a municipal property tax rebate.

2.0 Purpose

The purpose of the Business Retention and Attraction Incentive Program is to (1) encourage owners of non-residential buildings to invest in improvements that enhance the appearance and function of the building or property; (2) attract new business opportunities to the City and encourage investment in new buildings; and (3) encourage the demolition of existing buildings that may detract from the visual amenities of the area.

3.0 Policy Statement

- 3.1 The City of Cold Lake shall establish the Business Retention and Attraction Incentive Program to encourage commercial property owners to enhance existing buildings or properties, construct/add to existing buildings and/or demolish existing buildings.
- 3.2 A standardized application process and guidelines to ensure transparent and consistent administration of the program.

4.0 Managerial Guidelines

General

- 4.1 For the purposes of this policy, “municipal tax levy” shall mean property taxes levied and collected by the City of Cold Lake, exclusive of any property taxes levied and collected by the City on behalf of the Province of Alberta.
- 4.2 The program shall be reviewed annually by Council.

Eligibility

- 4.3 In order for the property to be deemed eligible for the program, the property must be either:

- 4.3.1 a private commercial and industrial building within the City of Cold Lake (including all vacant lots zoned for commercial or industrial purposes in accordance with the City of Cold Lake Land Use Bylaw); or;
- 4.3.2 a property zoned RMX-Residential Mixed Use if the City, in its sole discretion, determines that the post-development use of the property would be classified as a commercial use by the City of Cold Lake Land Use Bylaw.
- 4.4 In order for a project to be deemed eligible for the program, the following criteria must be satisfied:
 - 4.4.1 The minimum investment by the applicant of at least \$5,000 for eligible improvements for each project;
 - 4.4.2 The application form must be submitted no later than December 31 of the calendar year in which the improvements to the property are made.
- 4.5 The applicant would be eligible for the grant incentive once the City has received verification that the improvements, which are the subject of the grant application, have been completed to the City's satisfaction.
- 4.6 The program is limited to one grant application per parcel or principal building on a parcel. In the case of a single parcel accommodating multiple tenants or businesses, the program may be applied for each independent business operation, with the grant available to the property owner(s).
 - 4.6.1 Projects approved for inclusion in the program prior to the review date of this policy shall not be eligible to receive the increased grant funding offered by the current program.
 - 4.6.2 Notwithstanding section 4.6, properties which have previously been approved for incentive funding under this program are eligible to reapply in respect of additional enhancements provided that the payment term of the previous approval has expired and the property is no longer receiving grant payments under any previous approval made under this policy.
- 4.7 The following projects, businesses and/or properties are not eligible:
 - 4.7.1 Home based businesses;
 - 4.7.2 Properties that are in tax arrears with the City;
 - 4.7.2.1 Where a property for which an application for the incentive program has been submitted is found to be in tax arrears, the City shall notify the applicant and the decision on the application shall be deferred for a period not exceeding six (6) months.
 - 4.7.2.2 If, after the expiration of the six (6) month period referred to in 4.7.2.1, the property is still in tax arrears, the application for the incentive program shall be refused and the City shall notify the applicant of the refusal.
 - 4.7.3 Government offices and agencies and any organizations exempt from paying property taxes to the City;
 - 4.7.4 Projects for which permits have been obtained and/or construction has commenced prior to the approval of this policy by Council because this policy shall not apply retroactively.
 - 4.7.5 Improvements related to the normal upkeep of a building including, but not limited to, replacement of roofing, HVAC systems or business equipment shall not be eligible for a rebate under this program nor shall the value of such improvements be considered to meet the minimum investment criteria specified in 4.4.1 if combined with other eligible improvements.

Incentive Program Funding

- 4.8 External and Internal Enhancements to Existing Buildings or Properties
- 4.8.1 A one-time property tax rebate grant equal to 10% of the municipal tax levy for the year in which construction of the enhancements is completed is provided as an incentive.
- 4.8.2 Payment of the grant is subject to the applicant notifying the City that the project is complete and the City's confirmation of the same.
- 4.8.3 Eligible external enhancements may also include improvements to property on which a commercial building is located such as landscaping, paving, sidewalks or patios.
- 4.9 Demolition of Existing Structures Only or Demolition and Rebuild
- 4.9.1 A one-time grant of \$5,000 is available to assist with demolition costs.
- 4.9.2 Payment of the demolition rebate is subject to the City's confirmation that the entire site has been cleared of all buildings and structures.
- 4.9.3 The rebuild incentive is per the provisions of section 4.10 for new build on vacant land.
- 4.10 New Build on Vacant Land or Additions to Existing Buildings
- 4.10.1 100% of the difference between the pre-development and post-development municipal tax levy (resulting from the increased assessed value of the property following completion of the enhancements) is provided as an incentive grant in the form of a property tax rebate.
- 4.10.2 To be eligible, the improvements must result in an increase in the assessed value of the property.
- 4.10.3 The grant is provided over a three-year term to the property owner; 50% of the grant will be repaid in Year 1 following grant approval; 30% in year 2 and 20% in Year 3. See example chart attached as Schedule "A" to this Policy.

Application Requirements

- 4.11 Applications for this program must include the following:
- 4.11.1 A detailed explanation, written and with plans/drawings where applicable, of the proposed improvements to be made.
- 4.11.2 Written confirmation of the elements for which the applicant is seeking grant approval.
- 4.11.3 Photographs of the current state of the building or condition of the land and in the case of enlargement of existing buildings or construction of new buildings, elevation drawings/renderings of the proposed development.
- 4.11.4 A legal description of the property and the legal name of the owner(s).
- 4.11.5 Any other information that may be deemed necessary by the General Manager of Planning & Development to support the application.
- 4.12 Program participants are required to comply with all municipal, provincial and federal permits and licenses.
- 4.13 Approvals under this policy will be subject to the applicant obtaining the necessary development permit and/or building permit for the project for which the applicant is seeking incentive funding, within 90 days of the date of funding approval unless the necessary permit(s) were already obtained prior to submission of the incentive program application. If the necessary permit(s) are not obtained within 90 days, the funding approval shall be deemed void.

- 4.14 Acceptance into the Program will coincide with the issuance of all permits necessary for the Project to be undertaken.

Application Process

- 4.15 Prior to filing an application, the applicant shall schedule a pre-application consultation meeting with the General Manager of Planning and Development regarding the application process, criteria and rules of eligibility.
- 4.16 There is no fee required to submit an application.
- 4.17 Completed applications shall be submitted to the General Manager of Planning and Development or their designate.
- 4.18 The General Manager of Planning and Development will review the application and will determine whether the proposed work meets the Program's criteria. The General Manager may approve, approve with conditions, or refuse an application.

Appeal Process

- 4.19 In the case of an approval with conditions, or refusal of an application by the General Manager of Planning and Development, the applicant may appear as a delegation before Council to appeal the decision.
- 4.20 An appeal may be made in writing by filing the Council delegation form with the Council recording secretary within 14 days of the decision of the General Manager of Planning and Development.
- 4.21 Council shall hear from the applicant as well as the General Manager of Planning and Development after which Council will make a decision on the appeal. Council's decision respecting the appeal shall be final.
- 4.22 Notwithstanding Section 4.21 Council may, at its sole discretion, defer making a decision on the appeal until a later Council meeting in order to conduct due diligence.

Payment of Incentive Funding

- 4.23 Upon completion of the project, the applicant/property owner shall notify the City that the qualifying project is complete. The City shall determine that the project has been completed to the City's satisfaction.
- 4.24 The City's Assessment Agency shall determine the post-improvement assessment of the property (if the project has been approved under Section 4.10).
- 4.25 Based on the post-improvement assessment, the City shall determine the municipal tax rebate amount in accordance with this policy.
- 4.26 For each year of the payment term, the property owner shall ensure that the tax levy for that year has been paid in full, and request payment of the approved rebate using the prescribed form attached hereto as Schedule "B".
- 4.27 Upon receiving the prescribed payment request form and confirmation that the tax levy has been paid in full, the City shall issue a rebate cheque to the property owner.

5.0 References

6.0 Persons Affected

Cold Lake City Council
Cold Lake Planning and Development Department
Members of the Public

7.0 Revision/Review History

- Refer to Bylaw 013-BD-97 Consolidated Schedule “A”
- Refer to Bylaw 361-BD-09
- Reviewed June 12, 2012 by Motion No. CM20120612.1013. Moved by Councilor Vining that Council accept the recommendation of the Economic Development Advisory Committee to continue the Business Retention and Attraction Incentive Program (BRAIP) for two (2) additional years, and direct Administration to accept and review new applications for participation in the program.
- Reviewed March 10, 2015. Moved by Council to renew the Business Retention and Attraction Incentive Program Policy for an additional one (1) year period, effective March 10, 2015.
- Reviewed June 28, 2016. Moved by Council to renew the Business Retention and Attraction Incentive Program Policy for an additional one (1) year period, to expire March 31, 2017.
- Reviewed January 10, 2017- CM20170110.1014. Moved by Council to amend this policy, percentage of Municipal Tax Levy to be offered as an incentive as per section 4.8 and table 1 to be set at 10%.
- Reviewed September 26, 2017-CM20170926.1012. Moved by Councilor Lefebvre that Council amend Policy 120-FN-10, being the Business Retention and Attraction Incentive Program Policy, by inserting the following section: Section 4.4.3.
- Reviewed December 12, 2017-CM20171212.1015. Moved by Deputy Mayor Buckle that Council renew Policy 120-FN-10, being the Business Retention and Attraction Incentive Program Policy, for 2018 and direct Administration to continue to accept application for the program until December 31, 2018.
- Reviewed January 14, 2020- CM20200114.1008. Moved by Councillor Soroka that Council adopt the revisions, and to accept applications for the program until December 31, 2020.
- Reviewed November 24, 2020-CRM20201124.1014. Moved by Councillor Lay that Council renew Policy 120-FN-10, being the Business Retention and Attraction Incentive Program Policy, for 2021 and direct Administration to continue to accept application for the program until December 31, 2021.
- Reviewed December 14, 2021- CRM20211214.1007. Moved by Councillor Vining that Council renew Policy 120-FN-10 being the Business Retention and Attraction Incentive Program Policy, for 2022 and direct Administration to continue to accept application for the program until December 31, 2022.

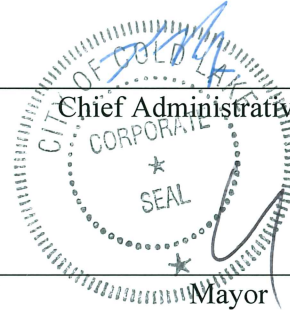
- Reviewed November 28, 2023 – CRM20231128.1016. Moved by Councillor Bailey that Council renew the Business Retention and Attraction Incentive Program (BRAIP), and direct Administration to continue to accept applications for the program until December 31, 2024.
- Reviewed January 14, 2025 – CRM20250114.1010. Moved by Councillor Lefebvre that Council renew the Business Retention and Attraction Incentive Program for 2025 and to continue to accept applications for the program until December 31, 2025.

Jan 22, 2025

Date

January 28, 2025

Date



SCHEDULE “A”

Table 1: Enhancements to Existing Buildings or Properties	
Post-Development Municipal Tax Levy	Grant Available (10% of Municipal Tax Levy in Completion Year)
Examples:	
\$5,675	\$568
\$8,680	\$868
\$12,035	\$1,204

Table 2: New Build on Vacant Land or Addition to an Existing Building					
Pre-Development Municipal Tax Levy	Post-Development Municipal Tax Levy	Grant Available (100% of Difference)	Grant Amount Paid in Year 1 (50%)	Grant Amount Paid in Year 2 (30%)	Grant Amount Paid in Year 3 (20%)
Examples:					
\$15,000	\$95,000	\$80,000	\$40,000	\$24,000	\$16,000
\$40,000	\$150,000	\$110,000	\$55,000	\$33,000	\$22,000

SCHEDULE "B"

City of *Cold Lake***BUSINESS RETENTION & ATTRACTION INCENTIVE PROGRAM
REQUEST FOR GRANT PAYMENT**

Date: _____ Tax Roll #: _____

Property Address: _____

As Property Owner(s) of the above mentioned tax roll, I/We have accepted a grant payment through the Business Retention and Attraction Incentive Program for the _____ year in the amount of \$ _____ for the, with reference to City of Cold Lake Policy 120-FN-10.

Enclosed is a copy of the receipt proving the property tax payment for the _____ year has been paid in full.

Recipient Signature_____
Print Name_____
Date**INTERNAL USE ONLY**

BRAIP Approved by Council on _____

Approved Rebate for the _____ year at \$ _____

Authorized by: _____
(Print Name)_____
Signature_____
Date

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Form 12-30-06

Ref: Policy 120-FN-10

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