



OFFICE CONSOLIDATION

of

BYLAW #13.20

RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAM

This Bylaw and its amendments have been consolidated into a single publication for the convenience of users. The official Bylaw and all associated amending Bylaws are available at Town Hall and should be consulted in interpreting and applying this Bylaw. In the case of any dispute the original Bylaw and all associated amending Bylaws shall prevail. For more information, please contact the Manager of Legislative Services.

For convenience, the amending Bylaw Number(s) and a brief description have been listed below.

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AMENDMENTS TO BYLAW #13.20

| Bylaw | Date | Description |
|--------------|-------------------|---|
| Bylaw #01.22 | March 9, 2022 | Increase of price caps from \$250,000 to \$350,000 for residential listings, formatting changes and clerical changes. |
| Bylaw #04.23 | July 10, 2023 | Removal of price caps on residential listings, removal of price caps and size caps on rentals and the addition of titled RV lot incentives. |
| Bylaw #05.26 | February 17, 2026 | Removal of short-term rental developments from the Residential Development Incentive Program. |

**TOWN OF DRUMHELLER
BYLAW NUMBER 13.20**

Residential Development Incentive Programs Bylaw

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*, Council may, by bylaw, cancel, reduce, refund or defer taxes, if it considers it equitable to do so, or phase-in increases or decreases from the preparation of a new assessment; (BL01.22)

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, and Schedule C: Titled Recreational Vehicle Lots.
3. The tax abatements apply to the municipal portion of property taxes only. Special levies, improvement levies, Drumheller and District Senior Foundation Requisition and school taxes are not exempt for the purposes of this incentive; and (BL04.23)
4. This Bylaw applies to new developments only, expansions or renovations to existing buildings or structures do not qualify for this incentive. (BL04.23)
5. A development constructed for the purpose of developing Short-Term Rentals, defined as a dwelling or portion of a dwelling offering temporary accommodation for a period of twenty-eight (28) days or less, shall not be considered an eligible dwelling unit for the purposes of this Bylaw. (BL05.26)

PROCESS

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

3. Developments must comply with the Land Use Bylaw, imposed design guidelines, and the laws of the Province of Alberta and Canada;
4. The developer must have a Town of Drumheller Business License;
5. All servicing costs will be the responsibility of the developer; and
6. If a developer sells the development(s) during the incentive period, the balance of the incentive is automatically transferred to the new owner, if the conditions of this program are maintained and subject to the conditions listed in the corresponding schedules.

RESPONSIBILITIES

(BL04.23)

1. If a unique incentive request is submitted to the Town of Drumheller, upon approval of Town Council, the above criteria may be waived or modified to recognize the uniqueness of a request;
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;
3. The Town of Drumheller, through Town Council, may, at their sole discretion, refuse, limit, or cancel, any property tax abatement granted under this incentive program; and
4. This Bylaw and corresponding schedules will be reviewed by Town Council at the beginning of each Council term.

(BL04.23)

TRANSITIONAL

1. 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

SCHEDULE "A"
RESIDENTIAL DEVELOPER 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, row houses or condominiums built to be sold as individual units with a listing sale price greater than \$180,000; (BL04.23)
- 2.2 The developer must sign an Incentive Agreement with the Town prior to development starting;
- 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 For single family detached homes, the incentive shall be granted at the beginning of the tax year following the transfer of title. For attached or unattached townhouses, row houses or condominiums built to be sold as individual units, the incentive shall be granted at the beginning of the tax year following the transfer of title *or* the issuance of the building permit, depending on the preference of the developer. The tax abatement schedule will be as follows:
- 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;
- (BL04.23)
- 2.5 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:
- 2.5.1 The new registered owner is not a business;
 - 2.5.2 The dwelling is not used as an income property.

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: (BL04.23)
- 2.1.2 Minimum of two (2) units; (BL04.23)
 - 2.1.2 Minimum of \$400,000 construction value;
 - 2.1.3 All individual units in the building must contain a balcony or access to a shared green space; and
 - 2.1.4 Located within the Downtown District (DTD), Neighbourhood District (ND) and Neighbourhood Centre District (NCD).(BL01.22)
- 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 eligible building 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 the issuance of a building permit. The tax abatement schedule will be as follows:
- 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.

(BL04.23)

SCHEDULE 'C'
TITLED RECREATIONAL VEHICLE LOTS

1.0 PURPOSE:

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

2.0 GENERAL PURPOSE:

- 2.1 For the purposes of this schedule, the term, "eligible lot" is defined as any titled recreational vehicle lot that meets the following requirements:
- 2.1.1 Is sold to an individual owner after construction;
 - 2.1.2 Has the minimum services of electrical and water or sewer;
 - 2.1.3 All individual units in the development share services that are not the responsibility of the Town of Drumheller (e.g. roads, sewer, garbage);
- 2.2 Developers applying for the Titled Recreational Vehicle Lot Incentive must enter into an Incentive Agreement with the Town of Drumheller under the following terms:
- 2.2.1 The Titled Recreational Vehicle Lot must be sold within five (5) years after entering into the agreement.
- 2.3 The incentive shall be granted at the beginning of the tax year following the request of the developer. The tax abatement schedule will be as follows:
- 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;

(BL04.23)