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| <b>Policy Title</b>              | BUILD Bassano – Residential Housing Development Incentive Policy |
| <b>Authority</b>                 | Administration   |
| <b>Approved (Dates/Motion #)</b> | TOB137/22  |
| <b>Policy Number</b>             | P-TOB66/003-22   |
| <b>Review</b>                    | To be reviewed annually at the Organizational meeting            |
| <b>Reviewed by/date</b>          | July 11, 2022  |

## Policy Statement

To advance our vision to be the most attractive and affordable urban community under 2,500 in Alberta where industry leaders want to invest, where tourists come for a new experience, and where people choose to live work and play, we commit to residential housing and development incentives to stimulate growth and to limit the housing shortage.

## Purpose Statement

The Town has passed multiple strategies that aim to activate the community and local economy over-time. It is important that our community has a complete housing stock to serve a diverse population.

The purpose of the development incentive is to:

1. To stimulate residential development in Bassano
2. To ensure there is quality housing options for people that choose to live and work in Bassano
3. To improve the housing market and the variety of housing stock in Bassano
4. To help solve the rental shortage in Bassano
5. To support local businesses and industry

## Definitions

**Abandoned Property** – mean a property that has been abandoned by the owner, or a property that is unkempt, or derelict, with or without tenants.

**Chief Administrative Officer (CAO)** – means the administrative head of the municipality.

**Contacted Assessor** – means the contacted entity that provides assessment services to the Town.

**Council** – means the elected body of the Town.

**Derelict Property** - means a run down, unkempt residential property that is not suitable for habitants. The property lacks a sense of duty, is neglected by the property owner or landlord.

**Land Use Bylaw 921/21** – mean a bylaw passed by the municipality that governs the use of lands which is subject to change.

**Poor Conditioned Property** – means a residential property that has aged and requires revitalization to refresh the liveability, or to bring the property into code compliance.

**Tax Credit** – means a non-cash value municipal tax credit that is non-transferrable and applied to a residential tax roll as a development incentive.

**Town** - means the incorporated municipality of Bassano.

**Vacant Property** – means a property that is not inhabited. It may be derelict, vacant, or abandoned.

## Responsibility

It is the responsibility of the CAO to ensure this policy is implemented.

## Process

1. This is a termed development incentive. The total valuation of the incentive is \$150,000 in overall municipal tax credits. The term begins at the date of policy adoption and runs until December 31, 2025, or until that total valuation of the municipal tax credits has been allocated, whichever comes first.
2. To be eligible for a development incentive, the applicant must be in good standing with the Town. Development incentives are stackable. This means, one applicant may be eligible for the Revitalization Development Incentive and the Backyard Suite Development Incentive at the same location.
3. A tax credit is non-transferrable and has no cash value.
4. The CAO shall administer and sign off on all development incentives. The CAO shall provide a written report to council each month related to administration of this policy.

## Revitalization Development Incentive 1

The purpose of the revitalization development incentive is to improve the condition of a privately owned vacant, abandoned, derelict, or poorly conditioned properties in the Town.

1. The revitalization development incentive applies only to the residential districts as defined within the Town's Land Use Bylaw 921/21.
2. Any option may be applied for under the revitalization development incentive:
  - a. A complete demolition of a privately owned, vacant, abandoned, derelict, or poorly conditioned residential property. The site must be backfilled and graded and left in a vacant state for future development.
  - b. A complete renovation of the privately owned, vacant, abandoned, derelict, or poorly conditioned residential property. The complete renovation must result in a viable residential property. The complete renovation must include interior and exterior upgrades to bring the property into compliance under the Alberta Building Code with refreshed landscaping where applicable.

- c. A complete or partial demolition, with a complete or full rebuild of a privately owned, vacant, abandoned, derelict, or poorly conditioned residential property. The renovation must include interior and exterior upgrades to bring the property into compliance under the Alberta Building Code with refreshed landscaping where applicable.
3. The applicant must obtain a development permit from the Town and submit plans in accordance with the Land Use Bylaw relative to the revitalization development incentive.
4. The applicant must obtain all discipline permits from Superior Safety Codes as a condition of the development permit relative to the revitalization development incentive.
5. Where the property requires updated municipal utility services, the cost to upgrade the municipal utility service is the responsibility of the applicant. The applicant shall enter into a Development Agreement with the Town.
6. A tax credit shall be applied to the revitalized property at the point of occupancy. A point of occupancy is received in written form from Superior Safety Codes when a development is complete and ready for occupancy. A copy of the occupancy permit must be provided to the Town. The CAO will verify/certify the occupancy permit prior to applying the tax credit to the account. The tax credit is non-transferrable and has no cash value.
7. The tax credit is applied to the revitalized property based on an improved property assessment. The property assessment is determined by the Town's contacted assessor. Property assessment is not fair market value. To be eligible for the tax credit, the revitalization of a single-family dwelling (SFD) must double the property's assessment to a minimum of 150,000. For a multi-unit dwelling, it must double the property's assessment to a minimum of 250,000 (see Table 1). Minimum property assessment does not apply for a complete demolition.

| <b>Property Assessment Categories</b> | <b>Tax Credit Applied</b> |
|---------------------------------------|---------------------------|
| SFD - Category 1                      | \$5,000                   |
| Multi-unit dwelling - Category 2      | \$10,000                  |

*Table 1. Revitalization Development Incentive Chart*

## Backyard Suite Development Incentive 2

The purpose of the backyard suite development incentive is to add to the residential housing stock, to promote infill development, and to provide a diverse range of housing options.

1. The backyard suite development incentive applies only to the residential districts as defined within the Town's Land Use Bylaw 921/21. See Image 1 for examples of backyard suites.

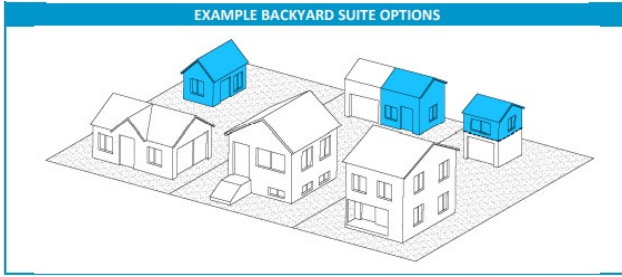


Image 1. Example of Backyard Suites

2. The backyard suite must be on a permanent foundation.
3. The applicant must obtain a development permit from the Town and submit plans in accordance with the Land Use Bylaw relative to the backyard suite development incentive.
4. The applicant must obtain all discipline permits from Superior Safety Codes as a condition of the development permit relative to the backyard suite development incentive.
5. A tax credit shall be applied to the backyard suite at the point of occupancy. A point of occupancy is received in written form from Superior Safety Codes when a development is complete and ready for occupancy. A copy of the occupancy permit must be provided to the Town. The CAO will verify/certify the occupancy permit prior to applying the tax credit to the account. The tax credit is non-transferrable and has no cash value.
6. The tax credit is applied to the backyard suite as defined in Table 2.

| Categories  | Tax Credit Applied |
|---|--------------------|
| New Build – Backyard Suite                            | \$10,000           |
| Building Conversion to Add a Compliant Backyard Suite | \$5,000            |

Table 2. Backyard Suite Tax Credit

## Supporting Plans

1. Town of Bassano Strategic Plan 2019-2026
2. Economic Enrichment Strategy 2021
3. Intergenerational and Multigenerational Tiny Home Pilot Project 2020
4. Municipal Development Plan 910/20
5. Land Use Bylaw 921/21
6. Beautify Bassano Initiative 2018

## Attachments

1. BUILD Bassano – Residential Housing Development Incentive – Application Forms

END OF POLICY