

THE CITY OF SPRUCE GROVE

BYLAW C-1442-26

CITY CENTRE TAX INCENTIVE BYLAW

WHEREAS, pursuant to section 364.2 of the *Municipal Government Act*, RSA 2000 c M-26, a Council may by bylaw, provide for full or partial exemptions from taxation;

AND WHEREAS Council wishes to encourage the redevelopment and revitalization of the City Centre by providing full or partial exemptions from taxation for commercial and mixed-use developments in accordance with the objectives of the City Centre Area Redevelopment Plan;

NOW THEREFORE, the Council for the City of Spruce Grove, duly assembled, hereby enacts as follows:

1. BYLAW TITLE

1.1 This bylaw is called the “City Centre Tax Incentive Bylaw”.

2. DEFINITIONS

2.1 “Act” means the *Municipal Government Act*, RSA. 2000, c M-26, as amended.

2.2 “Applicant” means a person who applies for a Tax Incentive under Section 4 of this Bylaw.

2.3 “Application” means an Application for a Tax Incentive made under Section 4 of this Bylaw.

2.4 “Area Redevelopment Plan” means the City Centre Redevelopment Plan as established by Bylaw C-1074-19, as amended.

2.5 “Change in Assessed Value” means the difference between the assessed value of a property in the taxation year Council approved a Tax Incentive for the property and the increased assessed value of the property in subsequent taxation years as a result of the construction of the Proposed Development, calculated in accordance with Schedule “C” of this Bylaw.

- 2.6 “City” means the municipal corporation of the City of Spruce Grove, and where the context so requires, means the land included in the boundaries of the City.
- 2.7 “Council” means the Council of the City of Spruce Grove elected pursuant to the *Local Authorities Election Act*, RSA. 2000, c L-21, as amended.
- 2.8 “Owner” means the person who is registered under the *Land Titles Act*, RSA. 2000, c L-4, as amended as the owner of the fee simple estate in a property.
- 2.9 “Project Costs” means the total cost to construct a Proposed Development including land acquisition costs, engineering, permitting and regulatory fees, project management, third-party labour, materials and other costs directly associated with the construction of the Proposed Development including any demolition or remediation expenses in relation to land acquired for the purpose of a Proposed Development to the extent that the remediation is required for the construction of the Proposed Development, but does not include legal fees or goods and services tax, provincial sales tax or harmonized sales tax.
- 2.10 “Proposed Development” has the meaning set out in Subsection 3.1 of this Bylaw.
- 2.11 “Tax Incentive” means a full or partial exemption from taxation granted under this bylaw to the extent and for the taxation years set out in the applicable Tax Incentive Agreement.
- 2.12 “Tax Incentive Agreement” means a written agreement between the City and the Owner of a property with respect to a Tax Incentive granted under this Bylaw.

3. ELIGIBILITY CRITERIA

- 3.1 In order to be eligible for a Tax Incentive the property that is the subject of the Application must be:
- (a) located in the areas identified in the City Centre Area Redevelopment Plan as the McLeod Avenue (Mixed-Use) and First Avenue (Business Commercial) Precincts as shown as Schedule “A” to this bylaw;

- (b) the site of a proposed commercial or mixed-use development which:
 - (i) has an estimated Project Cost of at least one million dollars (\$1,000,000); and
 - (ii) is consistent with all applicable planning bylaws and policies of the City and without limitation to the foregoing supports the redevelopment objectives of the Area Redevelopment Plan; and
- (c) a Proposed Development.

3.2 Whether a property meets the criteria set out in section 3.1 of this bylaw, including the accuracy and reasonableness of the estimated Project Cost, shall be determined by the City in its sole discretion.

4. APPLICATION FOR A TAX INCENTIVE

- 4.1 The Owner of a property may apply for a Tax Incentive by submitting an Application to the City.
- 4.2 An Application for a Tax Incentive must be made prior to commencement of the Proposed Development.
- 4.3 An Application must:
 - (a) be in writing, in a form satisfactory to the City, fully completed and duly executed by the Owner;
 - (b) be accompanied by the applicable application fee, if any; and
 - (c) contain the following information:
 - (i) a copy of the Land Title Certificate for the property obtained from the Land Titles Office within the previous forty-five (45) days;
 - (ii) the Owner's name, address and telephone number;
 - (iii) if the Owner is a corporation, confirmation of corporate registration;

- (iv) the name, address and telephone number of the person acting as the Owner's agent for the purposes of the Application, if any;
- (v) a detailed description of the Proposed Development including concept renderings, a description of proposed uses, and an estimated Project Cost with supporting documentation satisfactory to the City in its discretion;
- (vi) adequate evidence that the eligibility criteria outlined in section 3.1 are met, as determined by the City at its discretion; and
- (vii) confirmation satisfactory to the City that there are no tax arrears, outstanding utility charges, or other unpaid taxes, fees or charges owing by the owner of the property that is the subject of the Application to the City.

4.4 The City may, at any time, require an Applicant to provide any documentation, information, access, or consents as the City may deem necessary at its discretion to verify any information contained in an Application or conform compliance with the eligibility criteria set out in section 3.1 of this bylaw.

4.5 The City will refer Applications which satisfy the eligibility criteria for a Tax Incentive set out in section 3.1 of this bylaw, and comply with the requirements set out in this section 4, to Council for a decision in accordance with section 5 of this Bylaw.

4.6 The City may in its discretion reject any Application that does not include all documentation, information, access, or consents required by this bylaw, application form, or otherwise by Administration.

5. DECISIONS ON APPLICATIONS FOR TAX INCENTIVE

5.1 Council shall make decisions on all Applications for a Tax Incentive.

5.2 If Council determines, in its sole discretion, that:

- (a) the criteria for a Tax Incentive set out in section 3.1 of this bylaw are satisfied; and

- (b) the granting of a Tax Incentive would encourage the development or revitalization of the property that is the subject of the Applicant for the general benefit of the municipality.

Council may grant a Tax Incentive in accordance with or without conditions.

- 5.3 Council may, in exercising its discretion under section 5.2 of this bylaw, consider any factors Council considers relevant or reasonable including but not limited to:
- (a) any bylaw or safety codes compliance issues associated with the property that is the subject of the Application or other property owned by the Owner or an affiliate or subsidiary of the Owner;
 - (b) any outstanding litigation involving the Owner;
 - (c) whether the Owner or an affiliate or subsidiary of the Owner is subject to bankruptcy, insolvency, restructuring or receivership proceedings;
 - (d) whether the Property that is the subject of the Application or other property owned by the Owner or an affiliate or subsidiary of the Owner is the subject of foreclosure proceedings;
 - (e) if the Owner has received any form of grant, incentive or financial assistance from the City or another level of government, any dispute or issue with respect to the Owner's compliance with the terms and conditions of such grant or financial assistance; and
 - (f) whether the Applicant is likely to be able to satisfy the conditions set out in this bylaw including the satisfactory completion of the Proposed Development.
- 5.4 A Tax Incentive must be granted in a written form that specifies:
- (a) the taxation years to which the Tax Incentive applies, which must not include any taxation year earlier than the taxation year in which the Tax Incentive is granted;
 - (b) in the case of a partial exemption, the extent of the exemption; and

- (c) any condition the breach of which will result in cancellation of the Tax Incentive and the taxation year or years to which the condition applies.

5.5 If Council refuses to grant a Tax Incentive, the City must send a written notice to the Applicant stating the reasons for the refusal.

6. DURATION AND EXTENT OF TAX INCENTIVES

6.1 The duration of any Tax Incentive shall be determined by Council in its sole discretion considering the guidelines set out in Schedule "B" to this bylaw, provided that the term of a Tax Incentive shall not exceed ten (10) taxation years.

6.2 The extent of any Tax Incentive shall be determined by Council and its sole discretion and without limitation to the foregoing may decline periodically over the duration of the Tax Incentive.

7. CONDITIONS OF TAX INCENTIVE

7.1 A Tax Incentive applies solely to an increase in municipal taxes as a result of a Change in Assessed Value and does not include any provincial education taxes or other requisitions.

7.2 A Tax Incentive shall come into effect in the taxation year specified by Council in accordance with subsection 5.4(a) of this bylaw.

7.3 In addition to any conditions imposed by Council in accordance with section 5.2 of this bylaw, the following conditions shall be imposed in respect of every Tax Incentive:

- (a) the Owner must enter into a Tax Incentive Agreement with the City within sixty (60) days of Council's approval of the Tax Incentive, which the City may require to be registered against title to the property that is the subject of the Tax Incentive and comply with the requirements of the Tax Incentive Agreement at all times;
- (b) without limitation to the generality of subsection (a) above, the Proposed Development must be commenced and completed within the timelines set out in the Tax Incentive Agreement;

- (c) the Proposed Development must comply at all times with all applicable legislation, regulations, bylaws, permits, licenses, and approvals;
- (d) the property that is the subject of the Application shall continue to satisfy the criteria for a Tax Incentive set out in section 3.1 of this bylaw at all times;
- (e) there must not be any unpaid amounts owing by the Owner to the City; and
- (f) there must not be any material or significant change with respect to any of the information provided in support of the Application for the Tax Incentive.

7.4 A Tax Incentive is conditional at all times upon compliance with the Tax Incentive Agreement. Any breach of a Tax Incentive Agreement shall be grounds for the cancellation of the Tax Incentive. The termination of a Tax Incentive Agreement shall be grounds for the cancellation of the Tax Incentive.

8. CANCELLATION OR MODIFICATION OF TAX INCENTIVE

- 8.1 If at any time after the granting of a Tax Incentive the City determines, in its discretion, that:
- (a) a condition imposed by Council in accordance with section 5.2 of this bylaw or a condition set out in section 7.3 of this bylaw has been breached; or
 - (b) the property that is the subject of the Tax Incentive did not meet or has ceased to meet any of the eligibility criteria set out in section 3.1 of this Bylaw,

the City may cancel the Tax Incentive for the taxation years to which the condition applies or in which the criteria were not met.

- 8.2 Subject to section 8.3 of this bylaw, a change in ownership of a property will not affect a Tax Incentive with respect to the property unless the property or the new Owner falls within one or more of the grounds for cancellation under this bylaw.

- 8.3 To maintain eligibility for the Tax Incentive following a change in ownership of a property that is the subject of a Tax Incentive:
- (a) the property, and new Owner, must be in compliance with the requirements of this bylaw and any applicable criteria and conditions with respect to the Tax Incentive; and
 - (b) the new Owner must enter into and comply with a Tax Incentive Agreement with the City, on terms and conditions satisfactory to the City.
- 8.4 In the event of significant modification to a Proposed Development or estimated Project Costs, an Applicant may in the discretion of the City be required to re-apply for a Tax Incentive. For the purposes of this section 8.4 what constitutes a significant modification shall be determined by the City in its sole discretion and includes but is not limited to any modification which in the opinion of the City could reasonably have been expected to influence the recommendation to Council or Council's decision regarding the Application for the Tax Incentive.

9. SEVERABILITY

- 9.1 Every provision of this bylaw is independent of all other provisions and if any provision is declared invalid by a Court, then the invalid provisions shall be severed and the remainder provisions shall remain valid and enforceable.

10. EFFECTIVE DATE AND REPEAL

- 10.1 This bylaw comes into force and effect when it receives third reading and is duly signed.
- 10.2 This bylaw will be in effect for five (5) years from the date on which it comes into force and effect unless it is renewed by Council.

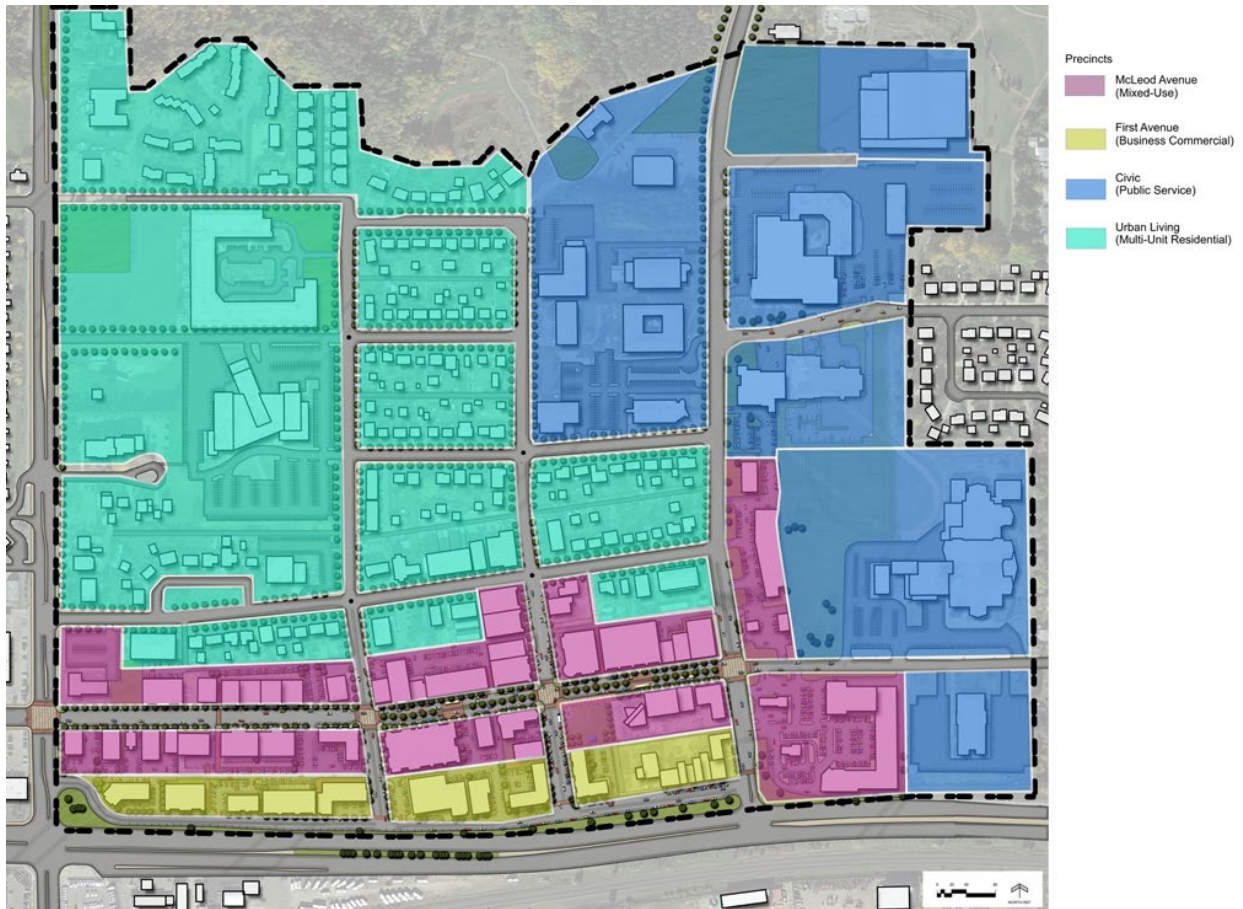
First Reading Carried	8 June 2026
Second Reading Carried	8 June 2026
Third Reading Carried	22 June 2026
Date Signed	22 June 2026

Mayor

City Clerk

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SCHEDULE "A" ELIGIBLE LANDS



Eligibility under Bylaw C-1442-26 is limited to the McLeod Avenue & First Avenue precincts

UNCERTAIN

SCHEDULE "B"
GUIDELINES FOR DURATION OF TAX INCENTIVES

Estimated Project Cost	Duration of Tax Incentive
\$1,000,000.00 to \$4,999,999.99	Up to five (5) taxation years
\$5,000,000.00 to \$10,000,000.00	Up to seven (7) taxation years
More than \$10,000,000.00	Up to ten (10) taxation years

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SCHEDULE "C"
CHANGE IN ASSESSED VALUE

The Change in Assessed Value of a property for each taxation year during the term of a Tax Incentive shall be calculated by determining the difference between:

- (a) the assessed value of the property in the year the Tax Incentive was approved; and
- (b) the assessed value of the property in the taxation year in question.

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