

**THE CITY OF EDMONTON**  
**BYLAW XXXXX**  
**2021 Edmonton Economic Recovery Tax Exemption Bylaw**

WHEREAS:

City Council, pursuant to Section 364.2 of the Act, wishes to pass a Tax Exemption Bylaw to provide tax incentives for the construction of high impact construction projects that begin construction in 2021;

City Council recognizes that large construction projects are both a generator of employment and revenue;

These tax exemptions shall apply to non-residential property that meet the requirements to qualify for the exemption; and

Any exemptions shall only apply to municipal property tax.

THEREFORE, Edmonton City Council enacts:

**PART I - PURPOSE, DEFINITIONS, AND INTERPRETATION**

<b>PURPOSE</b>	1	The purpose of this Bylaw is to establish tax exemptions in accordance with section 364.2 of the Act for taxpayers when there is a Project that meets the requirements of this Bylaw.
<b>DEFINITIONS</b>	2	In this bylaw:  (a) “ <b>Act</b> ” means the <i>Municipal Government Act</i> , RSA 2000, c M-26 and amended by the City of Edmonton Charter, 2018 Regulation AR 39/2018;  (b) “ <b>Baseline Tax</b> ” means the municipal property tax charged on the Property for the 2021 taxation year for the non-residential portion of the Property, based on the condition of the Property on December 31, 2020;

		<ul style="list-style-type: none"> <li>(c) <b>“Centre City”</b> means that area of land outlined in Schedule “A”;</li> <li>(d) <b>“City Council”</b> means the municipal council of the City of Edmonton;</li> <li>(e) <b>“City Manager”</b> means the City’s chief administrative officer and includes any authorized delegate;</li> <li>(f) <b>“Construction Costs”</b> means the actual or anticipated cost of construction of the Project.</li> <li>(g) <b>“Decision”</b> means the decision to exempt, to refuse an exemption, or to cancel an exemption under Section XX;</li> <li>(h) <b>“Exemption”</b> means an exemption granted under this bylaw;</li> <li>(i) <b>“Municipal Tax”</b> means the municipal portion of property taxes as calculated under Division 2 of Part 10 of the Act, and does not include provincial education levies or requisitions, local improvement taxes, or any other form of taxation.</li> <li>(j) <b>“Non-Residential”</b> means the class of property defined as non-residential in Section 297 of the Act;</li> <li>(k) <b>“Project”</b> means a newly constructed improvement on a Property, or the renovation, renewal or improvement of an existing improvement on a Property;</li> <li>(l) <b>“Property”</b> means the property or properties as defined in Section 284(1)(r) of the Act on which a Taxpayer is applying to qualify for an Exemption;</li> <li>(m) <b>“Residential”</b> means the class of property defined as residential in Section 297 of the Act;</li> <li>(n) <b>“Taxpayer”</b> means the individual or entity that is liable to pay a tax pursuant to section 331 of the Act.</li> </ul>
<b>RULES FOR</b>	3	The marginal notes and headings in this bylaw are for ease of

<b>INTERPRETATION</b>		reference only.
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**PART II - AUTHORITY AND CRITERIA FOR EXEMPTION**

<b>AUTHORITY TO GRANT EXEMPTION</b>	4	The City Manager shall have the authority to determine whether an Exemption shall be granted on annual assessments or supplemental assessments in accordance with the terms and conditions of this bylaw.
<b>CRITERIA FOR EXEMPTION</b>	5 (1)	<p>In order to qualify for an Exemption a Project must:</p> <ul style="list-style-type: none"> <li>(a) take place on Property that will be at least partially classified as Non-Residential under Section 297 of the Act once the Project is complete;</li> <li>(b) have or be anticipated to have Construction Costs of at least \$10 million Canadian dollars on the Property;</li> <li>(c) be located in Centre City; and</li> <li>(d) provide proof that construction will commence on the Property in 2021.</li> </ul>
	(2)	Where the Project consists of both a residential and a non-residential component, the costs of both components of the Project may be included in the overall Construction Costs.
<b>INELIGIBLE TAXPAYERS</b>	6 (1)	<p>A Property shall not qualify for an Exemption when:</p> <ul style="list-style-type: none"> <li>(a) the Property is, or is intended to be, a condominium;</li> <li>(b) the Taxpayer who owns the Property is in tax arrears on the Property;</li> <li>(c) the Taxpayer who owns the Property is in bankruptcy or receivership;</li> <li>(d) the Property is going through foreclosure;</li> <li>(e) there are development compliance issues or safety code</li> </ul>

		<p>issues associated with the Property;</p> <p>(f) the Taxpayer has received another form grant or other financial assistance that has the effect of cancelling the taxation that would otherwise be exempted;</p> <p>(g) the Taxpayer has received a grant or some other form of financial assistance from the City and there is a dispute about whether the Taxpayer is abiding by the terms of that grant or other financial assistance; or</p> <p>(h) the Taxpayer of the Property does not otherwise meet a requirement under this Bylaw, or the Act.</p>
	(2)	<p>The City Manager may exercise discretion to refuse to have the City grant an Exemption when:</p> <p>(a) an entity related to the Taxpayer who owns the Property is in bankruptcy, or receivership;</p> <p>(b) the Taxpayer owns any interest in another property that is going through foreclosure;</p> <p>(c) an entity related to the Taxpayer who owns the Property owns any interest in another property going through foreclosure;</p> <p>(d) the Property is the subject of some form of litigation;</p> <p>(e) the Taxpayer who owns the Property is involved in litigation with the City; or</p> <p>(f) in the sole discretion of the City Manager, there is any other reason to believe that the Exemption is not in the public interest.</p>
<b>4 year Term</b>	7	A Property may qualify for an Exemption for up to 4 years between the 2022 to 2025 taxation years.

**PART III - APPLICATION AND DECISION PROCESS**

<b>Application Process</b>	8 (1)	During the 2021 year, a Taxpayer can apply for an Exemption on a Property that meets the requirements of this bylaw by submitting any forms required by the City Manager.
<b>Application Fee</b>	(2)	When applying for an Exemption, the Taxpayer shall submit a non-refundable application fee of \$500.00.
	(3)	Despite subsection (2), the application fee shall be refunded to the Taxpayer if the application is approved.
	(4)	Before processing the application the City may require the Taxpayer to provide any additional information required to make a determination under this Bylaw.
<b>Decision</b>	9 (1)	After considering whether an application meets the terms of this Bylaw, the City Manager will issue a Decision to the Taxpayer outlining the following information: <ul style="list-style-type: none"> <li>(a) whether a Property qualifies for the Exemption;</li> <li>(b) any reason why the Property fails to qualify for the Exemption and the date under Section XX by which an application must be filed for a reconsideration by City Council;</li> <li>(c) the extent of any exemptions granted on the Property pursuant to the terms of this Bylaw; and</li> <li>(d) any conditions, the breach of which will result in the loss of the exemption.</li> </ul>
	(2)	In issuing a Decision under subsection (1) the City Manager may set any condition required to ensure that the City is able to monitor whether the Property continues to meet the terms of this Bylaw, or to ensure that the calculation of the Exemption is accurate.
	(3)	It shall be a deemed condition of all Decisions that Section 5(1) and 6(1) of this Bylaw be complied with on an ongoing basis.

<b>Cancellation of Exemption</b>	11 (1)	<p>An Exemption shall be cancelled when:</p> <ul style="list-style-type: none"> <li>(a) a condition is breached;</li> <li>(b) There is a change in ownership on the property;</li> <li>(c) construction is not actively taking place on the Property and the construction is not complete;</li> <li>(d) the Taxpayer becomes bankrupt;</li> <li>(e) the Property goes into foreclosure; or</li> <li>(f) the Property no longer appears to meet a condition of this Bylaw.</li> </ul>
	(2)	<p>When an exemption is cancelled the City Manager shall send a letter to the Taxpayer indicating the reasons for the cancellation and the date by which any application for a reconsideration by City Council must be filed.</p>

**PART IV - CALCULATION AND APPLICATION OF THE EXEMPTION**

<b>CALCULATION OF THE NON-RESIDENTIAL EXEMPTION</b>	12 (1)	<p>An Exemption that is granted shall be applied as to offset any increase in Municipal Taxes on the non-residential portion of the Property over and above the Baseline Tax for each taxation year;</p>
	(2)	<p>For greater clarity, the Exemption shall apply so as to freeze any Municipal Taxes on the non-residential portion of the Property at the level of the Baseline Tax but shall not be applied to any Municipal tax on the Residential portion of the Property.</p>
	(3)	<p>A Taxpayer shall continue to be responsible for the Baseline Tax in each taxation year, and shall be responsible to pay for any provincial education requisitions or levies, local improvement taxes and all other forms of taxation on the Property.</p>

**PART V - APPEAL TO CITY COUNCIL**

<b>REQUEST TO RECONSIDER</b>	13 (1)	<p>If a Taxpayer disagrees with any part of a Decision made by the City Manager, the Taxpayer may request that City Council reconsider that decision.</p>
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	(2)	<p>A request for reconsideration shall be made by submitting to the City Manager the following information:</p> <ul style="list-style-type: none"> <li>(a) A copy of the Decision; and</li> <li>(b) An explanation as to why the Taxpayer feels the Decision is in error.</li> </ul>
	(3)	<p>A request by a Taxpayer under this Section must be made within 30 days of the date that a Decision is sent to the Taxpayer, and any request that is made late shall not be heard by City Council.</p>
	(4)	<p>Council may reconsider the application of the Taxpayer at:</p> <ul style="list-style-type: none"> <li>(a) A regularly scheduled meeting of Council; or</li> <li>(b) A special meeting of Council.</li> </ul>
	14 (1)	<p>In deciding whether a Property qualifies for an Exemption, Council may consider any information provided to the City Manager, as well as any new information that has become available since the Decision of the City Manager.</p>
	15 (1)	<p>In accordance with Section 460(7) of the Act, complaints about a Decision may not be made to the assessment review board.</p>

**PART VI - COMING INTO FORCE**

**COMING INTO  
FORCE**

13	This Bylaw shall come into force on the date it is signed and passed.
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Read a first time

Read a second time

Read a third time

SIGNED AND PASSED

THE CITY OF EDMONTON

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MAYOR

\_\_\_\_\_  
CITY CLERK