



TOWN OF HINTON BYLAW # 1161-2

BYLAW OF THE TOWN OF HINTON IN THE PROVINCE OF ALBERTA FOR THE PURPOSE OF PROVIDING NON-RESIDENTIAL PROPERTY TAX INCENTIVES FOR NEW INDUSTRIAL AND COMMERCIAL DEVELOPMENT AND EXPANSIONS

WHEREAS the Town of Hinton wishes to provide property tax incentives to encourage growth and promote industrial and commercial development and expansion; and

AND WHEREAS according to Section 364.2 of the *Municipal Government Act*, RSA 2000, c M-26, Council may pass a tax incentives bylaw to attract investment development and revitalization of non-residential properties for the general benefit of the Town;

AND WHEREAS the Town of Hinton is responsible for carrying out measures that will develop and maintain a viable community according to Section 3(c) of the *Municipal Government Act*, RSA 2000, c M-26, which includes a measure to improve the long-term economic outlook for the Town;

NOW THEREFORE, the Council of The Town of Hinton, in the Province of Alberta, duly assembled, enacts as follows:

1.0 SHORT TITLE

1.1 This Bylaw may be cited as the "Non-Residential Tax Incentives Bylaw".

2.0 DEFINITIONS

2.1 In this Bylaw, unless the context otherwise requires:

- 2.1.1 "**Act**" means the *Municipal Government Act*, RSA 2000, c. M- 26, as amended from time to time;
- 2.1.2 "**Applicant**" means a person who applies for an Exemption;
- 2.1.3 "**Application Deadline**" means December 31 of the year immediately preceding the first year the New Development or Expansion is eligible to a Non-residential Property Exemption or a Machinery and Equipment Exemption under this Bylaw;
- 2.1.4 "**Assessed Person**" means an assessed person as that term is defined in the Act;
- 2.1.5 "**Bylaw**" means this Bylaw, and includes any appendices thereto;
- 2.1.6 "**Chief Administrative Officer/CAO**" means the person appointed by Council to the position of the Chief Administrative Officer of the Town of Hinton, or their designate;
- 2.1.7 "**Council**" means the Council of the Town of Hinton, including the Mayor and six Councilors;
- 2.1.8 "**Eligible Capital Costs**" means, for both the Non-residential Property Exemption and the Machinery and Equipment Exemption, the actual cumulative total capital costs incurred to construct the New Development or Expansion and will include any new expenditures on labor, engineering, materials or other costs associated with the construction, but will not include the costs of any improvements or Machinery and Equipment that existed on the parcel before construction commenced or the land itself, or other non-capital costs such as legal, regulatory, or permitting fees;
- 2.1.9 "**Exemption**" means those portions of the municipal property Taxes that may

be exempt in accordance with this Bylaw, which are computed separately under this Bylaw;

2.1.10 "**Expansion**" means construction to add to, improve, renovate or replace an existing commercial or industrial development;

2.1.11 "**Machinery and Equipment**" means machinery and equipment as defined in the Act;

2.1.12 "**Machinery and Equipment Exemption**" means the Machinery and Equipment portion of the municipal property Taxes that may be exempt in accordance with this Bylaw and includes Machinery and Equipment Exemption A and Machinery and Equipment Exemption B;

2.1.13 "**New Development**" means the construction of new industrial or commercial developments;

2.1.14 "**Non-residential Property**" means non-residential property as defined in the Act;

2.1.15 "**Non-residential Property Exemption**" means the non-residential portion of the municipal property Taxes that may be exempt in accordance with this Bylaw and includes Non-residential Property Exemption A and Non-residential Property Exemption B;

2.1.16 "**Taxes**" means municipal property taxes which may be imposed by the Town pursuant to Part 10, Division 2 of the Act, not including any taxes associated with raising funds to cover requisitions as defined in the Act; and

2.1.17 "**Town**" means the municipal corporation of the Town of Hinton.

3.0 PURPOSE AND EXEMPTION AMOUNT

3.1 The purpose of this Bylaw is to allow for:

3.1.1 **Non-residential Property Exemption A** - New Developments and Expansions to be exempted from the Non-residential municipal property Taxes applicable to the New Development or Expansion in an amount that is equal to:

- 100% of the value of the Non-residential municipal tax levy applicable to the New Development or Expansion in the first year of taxation;
- 100% of the value of the Non-residential municipal tax levy applicable to the New Development or Expansion in the second year of taxation of the New Development or Expansion;
- 75% of the value of the Non-residential municipal tax levy applicable to the New Development or Expansion in the third year of the taxation of the New Development or Expansion; and
- 50% of the value of the Non-residential municipal tax levy applicable to the New Development or Expansion in the fourth year of the taxation of the New Development or Expansion; and
- 25% of the value of the Non-residential municipal tax levy applicable to the New Development or Expansion in the fifth year of the taxation of the New Development or Expansion.

3.1.2 **Machinery and Equipment Exemption A** - New Developments and Expansions to be exempted from the Machinery and Equipment municipal property Taxes applicable to the New Development or Expansion in an amount that is equal to:

- 100% of the value of the Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the first year of taxation of the New Development or Expansion;
- 100% of the value of the Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the second year of taxation of the New Development or Expansion;
- 75% of the value of the Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the third year of the taxation of the New Development or Expansion;

- d) 50% of the value of the Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the fourth year of the taxation of the New Development or Expansion; and
- e) 25% of the value of the Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the fifth year of the taxation of the New Development or Expansion.

3.1.3 **Non-residential Property Exemption B - New Developments and Expansions** to be exempted from the Non-residential municipal property Taxes applicable to the New Development or Expansion in an amount that is equal to 100% of the value of the annual Non-residential municipal tax levy applicable to the New Development or Expansion in the first 15 years of taxation of the New Development or Expansion following, for each Non-residential Property Exemption granted under this Bylaw, the date on which the criteria for such Non-residential Property Exemption is met.

3.1.4 **Machinery and Equipment Exemption B - New Developments and Expansions** to be exempted from the Machinery and Equipment municipal property Taxes applicable to the New Development or Expansion in an amount that is equal to 100% of the value of the annual Machinery and Equipment municipal tax levy applicable to the New Development or Expansion in the first 15 years of taxation of the New Development or Expansion following, for each Machinery and Equipment Exemption granted under this Bylaw, the date on which the criteria for such Machinery and Equipment Exemption is met.

4.0 CRITERIA FOR AN EXEMPTION

- 4.1 To apply and qualify for a Non-residential Property Exemption A, an Applicant must meet the following criteria:
 - 4.1.1 the Applicant must be the Assessed Person for (or the person with a right to acquire) the Non-residential Property which is the subject of the application;
 - 4.1.2 the subject Non-residential Property must be located within the geographical boundary of the Town;
 - 4.1.3 the Applicant must have no overdue monies owing to the Town, including monies owing with regard to Taxes, municipal utilities or other fees owed to the Town;
 - 4.1.4 the Applicant must have obtained the necessary development approvals from the Town;
 - 4.1.5 the Applicant must not be in the process of foreclosure, bankruptcy, or receivership;
 - 4.1.6 the Applicant must not have development compliance issues, be in violation of a development permit or development agreement or be in violation of the Safety Code Act;
 - 4.1.7 the Applicant must complete an application in accordance with this Bylaw and the completed application, including all required information and documentation, along with the application fee must be submitted by the Application Deadline in this Bylaw;
 - 4.1.8 the Applicant must construct a New Development or Expansion. An Expansion is only eligible if the capital investment toward the Expansion results in an increased assessment value of at least 25% by the end of year two (2) from when the development permit was issued. This Exemption will only apply to this increased assessment amount; and
 - 4.1.9 the Non-residential Property which is the subject of the application must not have previously been approved for a Non-residential Property Exemption B under this Town of Hinton Non-Residential Tax Incentives Bylaw #1161-1, as amended or replaced from time to time.
- 4.2 To qualify for a Machinery and Equipment Exemption A, an Applicant must meet the following criteria:

- 4.2.1 the Applicant must be the Assessed Person for (or the person with a right to acquire) the Machinery and Equipment which is the subject of the application;
- 4.2.2 the subject Machinery and Equipment must be located within the geographical boundary of the Town;
- 4.2.3 the Applicant must have no overdue monies owing to the Town, including monies owing with regard to Taxes, municipal utilities or other fees owed to the Town;
- 4.2.4 the Applicant must have obtained the necessary development approvals from the Town;
- 4.2.5 the Applicant must not be in the process of foreclosure, bankruptcy, or receivership;
- 4.2.6 the Applicant must not have development compliance issues, be in violation of a development permit or development agreement or be in violation of the Safety Code Act;
- 4.2.7 the Applicant must complete an application in accordance with this Bylaw and the completed application, including all required information and documentation, along with the application fee must be submitted by the Application Deadline in this Bylaw;
- 4.2.8 the Applicant must construct a New Development or Expansion. An Expansion is only eligible if the capital investment toward the Expansion results in an increased assessment value of at least 25% by the end of year two (2) from when the development permit was issued. This Exemption will only apply to this increased assessment amount; and
- 4.2.9 the Machinery and Equipment which is the subject of the application must not have previously been approved for a Machinery and Equipment Exemption B under this Town of Hinton Non-Residential Tax Incentives Bylaw #1161-1, as amended or replaced from time to time.

- 4.3 To qualify for a Non-residential Property Exemption B, an Applicant must meet the following criteria:
 - 4.3.1 the Applicant must be the Assessed Person for (or the person with a right to acquire) the Non-residential Property which is the subject of the application;
 - 4.3.2 the subject Non-residential Property must be located within the geographical boundary of the Town;
 - 4.3.3 the Applicant must have no overdue monies owing to the Town, including monies owing with regard to Taxes, municipal utilities or other fees owed to the Town;
 - 4.3.4 the Applicant must have obtained the necessary development approvals from the Town, in connection with the relevant New Development and Expansion from the Town, if and when those permits are required to be filed and obtained and not necessarily upon application under this Bylaw and provided that such permits shall be issued by the Town in the ordinary course of business for similar permits and cannot to be unreasonably withheld by the Town;
 - 4.3.5 the Applicant must not be in the process of foreclosure, bankruptcy, or receivership;
 - 4.3.6 the Applicant must not have received any written notice in relation to development compliance issues, or to a violation of a development permit or development agreement or of a violation of the Safety Code Act, that have not been cured in a reasonable cure period;
 - 4.3.7 the Applicant must complete an application in accordance with this Bylaw and the completed application, including all required information and documentation, along with the application fee must be submitted by the Application Deadline in this Bylaw;
 - 4.3.8 the Applicant must construct a New Development or Expansion with Eligible Capital Costs of more than FIFTEEN MILLION (\$15,000,000.00) Canadian dollars within one given fiscal year;
 - 4.3.9 the construction of a New Development or Expansion on a parcel on which is located assessable property with a total assessed value in excess of

\$250,000,000 in the year prior to the date of the application referred to in Section 4.3.7 of this Bylaw; and

4.3.10 the Non-residential Property which is the subject of the application must not be located on a parcel in respect of which a Non-residential Property Exemption B has previously been approved for the same or different Non-residential Property under this Town of Hinton Non-Residential Tax Incentives Bylaw #1161-1, as amended or replaced from time to time.

4.4 To qualify for a Machinery and Equipment Exemption B, an Applicant must meet the following criteria:

- 4.4.1 the Applicant must be the Assessed Person for (or the person with a right to acquire) the Machinery and Equipment which is the subject of the application;
- 4.4.2 the subject Machinery and Equipment must be located within the geographical boundary of the Town;
- 4.4.3 the Applicant must have no overdue monies owing to the Town, including monies owing with regard to Taxes, municipal utilities or other fees owed to the Town;
- 4.4.4 the Applicant must have obtained the necessary development approvals from the Town, in connection with the relevant New Development and Expansion from the Town, if and when those permits are required to be filed and obtained and not necessarily upon application under this Bylaw and provided that such permits shall be issued by the Town in the ordinary course of business for similar permits and cannot to be unreasonably withheld by the Town;
- 4.4.5 the Applicant must not be in the process of foreclosure, bankruptcy, or receivership;
- 4.4.6 the Applicant must not have received any written notice in relation to development compliance issues, or to a violation of a development permit or development agreement or of a violation of the Safety Code Act, that have not been cured in a reasonable cure period;
- 4.4.7 the Applicant must complete an application in accordance with this Bylaw and the completed application, including all required information and documentation, along with the application fee must be submitted by the Application Deadline in this Bylaw;
- 4.4.8 the Applicant must construct a New Development or Expansion with Eligible Capital Costs of more than FIFTEEN MILLION (\$15,000,000.00) Canadian dollars within one given fiscal year;
- 4.4.9 the construction of a New Development or Expansion on a parcel on which is located assessable property with a total assessed value in excess of \$250,000,000 Canadian dollars in the year prior to the date of the application referred to in Section 4.4.7 of this Bylaw; and
- 4.4.10 the Machinery and Equipment which is the subject of the application must not be located on a parcel in respect of which a Machinery and Equipment Exemption B has previously been approved for the same or different Machinery and Equipment under this Town of Hinton Non-Residential Tax Incentives Bylaw #1161-1, as amended or replaced from time to time.

5.0 APPLICATION FOR AN EXEMPTION

- 5.1 Applicants must apply for an Exemption using Appendix "B" – Application Form for Non-Residential Tax Incentives and the application must include all required information and documentation as outlined in Appendix "A" – Application Requirements for Non-Residential Tax Incentives.
- 5.2 Completed applications, including Appendix "B" and all required information and documentation as outlined in Appendix "A", along with the application fee must be received by the Finance Department of the Town prior to the Application Deadline.
- 5.3 Notwithstanding anything in this Bylaw, Applicants may apply for an Exemption at any

time prior to the Application Deadline, including prior to any or all the Exemption criteria listed in Section 4.0 of this Bylaw, as applicable, being met, in which case, the CAO may grant an Exemption, provided that, in such case, the Exemption shall be granted conditional on all the Exemption criteria listed in Section 4.0 of this Bylaw being met by the Application Deadline.

- 5.4 Notwithstanding anything in this Bylaw, where the Applicant is not the Assessed Person, the Exemption shall be granted conditional on the Applicant becoming the Assessed Person prior to the Application Deadline.
- 5.5 The CAO has the discretion to reject applications that are incomplete, illegible, or received after the Application Deadline in this Bylaw.
- 5.6 The CAO will advise Applicants in writing if their application is rejected for being incomplete, illegible, or late and return the application.
- 5.7 Applicants whose applications are returned as incomplete or illegible may resubmit an application provided the application is resubmitted by the Application Deadline.
- 5.8 Notwithstanding the requirements for a completed application, the CAO may require additional information that, in the discretion of the CAO, is necessary to complete the application and may require the Applicant's consent to be given for the CAO to obtain such additional information.
- 5.9 The CAO will advise Applicants in writing if their application is accepted for consideration. Applications accepted for consideration shall become the property of the Town and may not be returned.

6.0 DECISION ON THE EXEMPTION

- 6.1 The CAO will consider each application in accordance with this Bylaw to determine if they meet the criteria for an Exemption and either:
 - 6.1.1 grant an Exemption pursuant to this Bylaw; or
 - 6.1.2 reject the application for an Exemption.
- 6.2 If the CAO grants an Exemption, the CAO will issue a written decision to the Applicant outlining the following information:
 - a) the taxation years to which the Exemption applies, which must not include any taxation year earlier than the taxation year in which the Exemption is granted;
 - b) the extent of the Exemption for each taxation year to which the Exemption applies, which amount is determined in accordance with Section 3.0 of this Bylaw;
 - c) any conditions the breach of which will result in cancellation of the Exemption, and the taxation year or years to which the conditions apply; and
 - d) any other information or conditions provided by the Town.
- 6.3 If the CAO rejects an application for an Exemption, the CAO will issue a written decision to the Applicant outlining the following information:
 - a) the reasons why the application did not meet the criteria for an Exemption; and
 - b) the date by which an application for an appeal to Council must be submitted.
- 6.4 Except as otherwise provided herein, an Applicant may make subsequent applications for an Exemption and Council may grant subsequent Exemptions in respect of the same Nonresidential Property.
- 6.5 An Exemption is automatically transferable to subsequent owners of the Nonresidential Property and Machinery and Equipment for which it was granted.
- 6.6 Subject only to cancellation pursuant to Section 7, Non-residential Property and Machinery and Equipment will continue to be exempt from municipal property Taxes in accordance with the Exemption decision for the duration of the time specified in the

Exemption decision notwithstanding the subsequent amendment, replacement or repeal of this Bylaw.

7.0 CANCELLATION OF AN EXEMPTION

- 7.1 If the Town determines that the Applicant or their application:
 - 7.1.1 Did not meet or ceased to meet any of the applicable criteria in Section 4.0 of this Bylaw which formed the basis of granting the Exemption; or
 - 7.1.2 That there was a breach of any condition of the written decision, the Town may cancel the Exemption for the taxation year or years in which the criterion was not met or to which the condition applies, other than for criterion or conditions to be met on a specific date in accordance with this Bylaw and provided that, except where the Applicant is in the process of foreclosure, bankruptcy, or receivership:
 - a) the Town shall send a prior default notice to the Applicant or subsequent owner of the property with reasonable details and supporting documentation, declaring the intention of the Town to exercise its rights under this Section 7.0 of this Bylaw;
 - b) if the default is not duly remedied by the Applicant or subsequent owner of the property at least sixty (60) calendar days or any further delay as required under applicable law or regulation for the Applicant or subsequent owner of the property to be able to cure any such default, the Town shall send a final default notice to the Applicant or subsequent owner of the property;
 - c) if such default remains unremedied for thirty (30) calendar days after the final notice, the Exemption may be cancelled provided further that if such default is cured within the notice period set out above, then the Exemption shall not be cancelled.
- 7.2 For greater clarity, the criteria in Section 4.0 of this Bylaw are deemed conditions, the breach of which will result, subject to Section 7.1 of this Bylaw, in the cancellation of the Exemption for the taxation year or years in which the criteria are not met.
- 7.3 The Town shall send a written decision of cancellation to an Applicant whose Exemption was cancelled stating the reasons for cancellation and the date by which an application for an appeal to Council must be submitted.

8.0 APPEAL TO COUNCIL

- 8.1 An Applicant may appeal to Council in the following situations:
 - 8.1.1 An application for Exemption is rejected; or
 - 8.1.2 An Exemption is cancelled.
- 8.2 A request for an appeal must be in writing and be received by the Finance Department of the Town no later than the time and date specified in the decision in which the exemption was rejected or cancelled.
- 8.3 Council, after considering the appeal, may:
 - 8.1.3 Uphold or revoke a decision of the CAO with respect to the outcome of an application or cancellation of an Exemption; or
 - 8.1.4 Direct the CAO to revise or amend the decision with respect to the matter.
- 8.2 The decision of Council on appeal shall be final and binding upon all parties.

9.0 SEVERABILITY

- 9.1 If any portion of this Bylaw is declared invalid by a court of competent jurisdiction, then the invalid portion must be severed, and the remainder of this Bylaw is deemed valid.

10.0 EXPIRY

10.1 This Bylaw expires after four (4) years from the date of the final reading.

11.0 EFFECTIVE DATE

11.1 This Bylaw shall come into force and take effect upon receiving third and final reading.

READ A FIRST TIME THIS 5 DAY OF DECEMBER 2023.

READ A SECOND TIME THIS 19 DAY OF DECEMBER 2023.

READ A THIRD TIME AND PASSED THIS 30 DAY OF JANUARY 2024.



Mayor



Chief Administrative Officer

APPENDIX "A"

Application Requirements for Non-Residential Tax Incentives *Pursuant to the Non-Residential Tax Incentives Bylaw No. 1161-2*

1. All applications for an Exemption under the Non-Residential Tax Incentive Bylaw must include the following information:
 - a) a signed and dated application form;
 - b) the application fee of one hundred dollars (\$100.00);
 - c) an agent authorization form or directors' resolution;
 - d) a corporate registry record of the Applicant dated within 60 days of the date of the application;
 - e) a land titles certificate of the assessed property dated within 60 days of the date of the application or reasonable evidence of the right of the Applicant to purchase the assessed property;
 - f) a description of the business;
 - g) a description of the Exemption being requested;
 - h) an explanation of how the application meets the criteria for an Exemption; and
 - i) any other information, in the discretion of the CAO, that the CAO determines to be necessary to make an application.
2. Applicants may provide any other material, including additional print, visual or audio-visual material, which the Applicant believes will support their application.
3. The CAO has the discretion to reject applications that are incomplete, illegible, or provided after the Application Deadline provided in the Non-Residential Tax Incentives Bylaw.
4. Incomplete or late applications shall be returned.
5. Applicants whose applications are returned as incomplete may resubmit their application provided the application is resubmitted by the Application Deadline provided in the Tax Incentives Bylaw.
6. Applicants will be advised if their application is accepted for consideration. Applications accepted for consideration shall become the property of the Town and may not be returned.

APPENDIX "B"

Application Form for Non-Residential Tax Incentives *Pursuant to the Non-Residential Tax Incentives Bylaw No. 1161-2*

Only applications that are complete, legible, and provided by the deadline outlined in the Non-Residential Tax Incentives Bylaw will be considered. Incomplete or late applications will be returned. Applications that are brought forward for consideration, including any material provided with the application, become the property of the Town, and may not be returned. Information in applications may be included in reports that are available to the public.

Applicant Information:

Applicant Name:	
Registered Corporate Name, If Different:	
Legal Description of Assessed Property:	
Mailing Address of Assessed Property:	
Corporate Registry Office Address of Applicant:	

Agent Information:

Name of Authorized Agent for Applicant:	
Mailing Address for Agent:	
Email Address for Agent:	
Telephone Number for Agent:	

Personal Information required by the Town of Hinton application forms is collected under the authority of section 33(a) and (c) of the Alberta Freedom of Information and Protection of Privacy (FOIP) Act. Your personal information will be used to process your application(s). Please be advised that your name, address, and details related to your application may be included on reports that are available to the public as required or allowed by legislation. If you have any questions, please contact the Town's FOIP Head at 131 Civic Centre Road, 2nd Floor, Hinton, AB T7V 2E5 or call (780)740-8059.

Provide, or append, a brief description of business:

Describe, or append, the Exemption being sought, including the taxation years to which it would apply:

Describe, or append, an explanation of why you are seeking an Exemption or Deferral and how you meet the criteria for an Exemption or Deferral outlined in the Tax Incentives Bylaw.

Indicate if the application Includes the following:

- Corporate Registry Record (required)
- Land Titles Certificate (required)
- Agent Authorization Form/Directors' Resolution (required)
- Other materials (optional)
- Application Fee (required)

Date of the Application

Signature of Applicant's Agent

Print Name of Applicant's Agent

FOR OFFICE USE ONLY

DATE APPLICATION WAS RECEIVED

NAME OF RECIPIENT