



# Council Policy

**Policy Title:** Purpose-Built Rentals Incentive Policy

**Policy Number:** FIN-010

**Date in Effect:** January 7, 2025

**Current as of:** January 7, 2025

## POLICY STATEMENT

- 1 The Town of Canmore has identified housing affordability and accessibility as a priority. There is a lack of new market-based Purpose-Built Rental Housing properties being developed in the community, and council is seeking to incent their development.

## PURPOSE

- 2 To provide new Purpose-Built Rental Housing properties with financial relief for an amount equivalent to 75% of the municipal portion of residential property taxes for up to 10 years.

## DEFINITIONS

- 3 In this policy:
  - a) “Agent” means a person or company authorized to act on behalf of a Purpose-Built Rental Housing Project owner in the Town of Canmore;
  - b) “Agreement” means an agreement between the owner of a Project and the Town of Canmore to provide the Incentive Amount;
  - c) “Annual Report” means a report, in a format prescribed by the chief administrative officer or their delegate, including supporting documentation confirming that the Property has a valid Occupancy Certificate and was used during the Current Taxation Year as a Purpose-Built Rental Housing Property in which at least 95% of the Dwelling Units provided Long-Term Rental Accommodation during that period.
  - d) “Current Taxation Year” means the calendar year in which the current annual taxes are assessed against a property;
  - e) “Development Officer” means an official of the Town charged with the responsibility of processing and reviewing Development Permits, in addition to issuing Occupancy Certificates as it relates to the Development Permit process;

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- f) "Development Permit" means a document issued by the development authority pursuant to the Land Use Bylaw, which authorizes a development and includes the plans and conditions of approval;
- g) "Dwelling Unit" means Dwelling Unit as defined under the Division of Class 1 Property Bylaw;
- h) "Incentive Amount" means 75% of the value of the annual municipal portion of property taxes owing on the Purpose-Built Rental Housing Project property for the Current Taxation Year;
- i) "Long-Term Rental Accommodation" means a Dwelling Unit used as a Primary Residence under a minimum 12-month lease;
- j) "Occupancy Certificate" means a certificate issued by the Development Officer which authorizes the applicant to occupy a building;
- k) "Primary Residence" means Primary Residence as defined under the Division of Class 1 Property Bylaw;
- l) "Primary Residential" means the Primary Residential subclass of class 1 property as defined in the Division of Class 1 Property Bylaw;
- m) "Project" means a Purpose-Built Rental Housing Project involving the construction of a new improvement or alteration of an existing improvement, to which an Agreement applies;
- n) "Property" means the legally described land and improvements to which an Agreement applies;
- o) "Purpose-Built Rental Housing" means three or more Dwelling Units under one legal parcel and tax roll that is intended to be used for Long-Term Rental Accommodation.

#### ELIGIBILITY

- 4 A Purpose-Built Rental Housing Project owner may enter into an Agreement to receive the Incentive Amount.
- 5 The eligibility to receive an Incentive Amount will commence once both an Occupancy Certificate has been issued by the Town of Canmore for the Project and an Agreement has been signed.
- 6 For a Project to be eligible to receive the Incentive Amount, the Project must involve the construction of new Purpose-Built Rental Housing that results in
  - i) floor space being added to an existing building,
  - ii) a new building, or
  - iii) a renovation of existing floor space.

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- 7 The construction value of the Project, as determined based on the building permit(s) issued, must be \$300,000 or greater.
- 8 For greater certainty, the land use for the Project must be one of the uses permitted in the applicable zone as set out in the Land Use Bylaw.
- 9 The owner of the Project must enter into an Agreement with the Town of Canmore, whereby
  - a) the Property remains a Purpose-Built Rental Housing Property in which 95% or more of the Dwelling Units provide Long-Term Accommodation throughout the term of the Agreement;
  - b) the contract duration will not exceed 10 years; and
  - c) the Project owner or their Agent submits an Annual Report to the Town of Canmore no more than 30 calendar days after the end of the Current Taxation Year.
- 10 If during the term of the Agreement the Project is in breach of the Agreement, all Incentive Amounts received pursuant to the Agreement must be repaid and due immediately to the Town upon the owner being notified of the breach in writing and such not being rectified within 30 days of said notice.

#### **PAYMENT OF INCENTIVE AMOUNT**

- 11 The Incentive Amount will be paid to the owner of the Property within 45 calendar days of receipt of the complete Annual Report.
- 12 For taxation years where the Property was only eligible for the Incentive Amount for a portion of the year, the Incentive Amount will be prorated on a monthly basis for the number of full months it was eligible.

#### **RESPONSIBILITIES**

- 13 Administration is responsible for
  - a) entering into Agreements,
  - b) issuing Incentive Amount payments,
  - c) annually reporting to Council:
    - i) the aggregate number of Agreements still in effect at yearend,
    - ii) the number of new Agreements, their aggregate permit value, and the number of Dwelling Units they added,
    - iii) the number of new purpose-built rental properties not accessing the incentive program, and

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iv) the aggregate value of Incentive Amounts paid.

14 Council is responsible for

- a) approving the Purpose-Built Rentals Incentive Policy and any amendments as required, and
- b) approving the annual budget needed to pay the Incentive Amounts, including the source of funds.

**POLICY REVIEW**

15 This policy will be reviewed by Council on or before December 31, 2028.

**RELATED DOCUMENTS**

- Municipal Government Act
- Division of Class 1 Property Bylaw
- Land Use Bylaw

**AUTHORIZATION**



Sean Krausert  
Mayor



Cheryl Hyde  
Manager, Municipal Clerk's Office

**REVISION HISTORY**

Action	Date	Council Motion	Notes
Approved	2025.01.07	10-2025	New policy.

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