



POLICY NAME:

Development Incentive

POLICY AREA: Planning and Development

POLICY NO: PD25-001

APPROVAL DATE: Dec 31, 2025

LAST UPDATED:

1. PURPOSE

- 1.2 The purpose of this Development Incentive Policy is to encourage sustainable residential, commercial, industrial, and mixed-use development within the Town of Tisdale. This policy is intended to stimulate economic growth, increase the supply of housing, promote downtown revitalization, support business development, and ensure orderly and fiscally responsible growth.

2. POLICY OBJECTIVES

- 2.1 The objectives of this policy are to:
- 2.2.1 Encourage new residential, commercial, and industrial construction;
 - 2.2.2 Support multi-unit residential rental development;
 - 2.2.3 Promote infill development and redevelopment of vacant or underutilized properties;
 - 2.2.4 Encourage expansion and reinvestment by existing businesses;
 - 2.2.5 Support downtown and commercial area revitalization;
 - 2.2.6 Maintain fairness, transparency, and accountability in the use of municipal incentives;
 - 2.2.7 Balance economic development goals with long-term municipal financial sustainability.

3. GENERAL PRINCIPLES

- 3.2 All incentives are subject to approval by the Town Council.
- 3.3 Applicants must be in good standing with the Town of Tisdale, including payment of all property taxes, utilities, and other municipal charges, unless otherwise specified.
- 3.4 Incentives apply only to eligible new construction, approved expansion, or redevelopment projects that result in an increase in assessed value.
- 3.5 Incentives do not apply to routine maintenance, cosmetic renovations, or additions that do not result in an increase in assessment.
- 3.6 Incentives may be transferred to a new owner unless otherwise specified, provided all program conditions continue to be met.
- 3.7 School tax exemptions shall be applied only where permitted under Sections 298(2),



(5), and (6) of *The Municipalities Act*.

- 3.8 Council reserves the right to modify, limit, expand, or revoke any incentive on a case-by-case basis.
- 3.9 This policy shall be reviewed annually.

4. DEFINITIONS

- 4.2 **Building Permit Year:** The calendar year in which a building permit is issued by the Town of Tisdale.
- 4.3 **Expansion:** Construction or renovation that increases the taxable assessment of a property.
- 4.4 **Infill Development:** Development on a vacant or underutilized serviced or unserviced lot within an established built-up area.
- 4.5 **Multi-Unit Residential:** A residential development containing two (2) or more dwelling units, excluding single detached dwellings with basement suites.
- 4.6 **New Construction:** A building newly constructed on-site or moved onto a property that has not previously been occupied.
- 4.7 **Repurposed:** moved onto a property from another location and has been previously lived in or used for any other purpose.
- 4.8 **Vacant Building:** A commercial or industrial building or space that has been unoccupied for a minimum of six (6) consecutive months.

5. RESIDENTIAL DEVELOPMENT INCENTIVES

5.1 New Residential Dwellings

- 5.1.1 Eligible new residential dwellings, including owner-occupied and developer-built units, may receive the following tax incentives:

- 5.1.1.1 Year 1 (Permit Year): 100% exemption of both municipal tax and School property taxes; and
- 5.1.1.2 Year 2 and 3: 100% exemption of both municipal tax and School property taxes;
- 5.1.1.3 The exemption of school taxes will be in accordance with Sections 298 (2), (5) and (6) of the Municipalities Act.

5.2 Town-Owned Residential Property

- 5.2.1 Where residential construction occurs on Town-owned land, Council may approve the following additional incentives:

- 5.2.1.1 Deferral of the balance of land purchase costs until the dwelling is sold, rented, or occupied;
- 5.2.1.2 Exemption from municipal water and sewer charges until



occupancy;

5.2.1.3 Residential tax incentives as outlined in Section 5.1.

5.3 Privately-Owned or Infill Residential Property

5.3.1 Eligible projects may receive:

5.3.1.1 Year 1 (Permit Year): 100% exemption of both municipal and school property taxes on the increase in assessment during the construction year; and

5.3.1.2 Year 2 and 3: 100% exemption of both municipal tax and School property taxes.

5.3.1.3 The exemption of school taxes will be in accordance with Sections 298 (2), (5) and (6) of the Municipalities Act.

5.4 Multi-Unit Residential Rental Developments

5.4.1 New multi-unit residential rental developments: Five (5) year 100% tax exemption on the increase in taxable assessment;

5.4.2 Repurposed multi-unit residential rental developments: Three (3) year 100% tax exemption on the increase in taxable assessment.

5.4.3 If the use of the property changes from rental to owner-occupied units, the incentive shall be cancelled.

6. COMMERCIAL AND INDUSTRIAL DEVELOPMENT INCENTIVES

6.1 New Commercial or Industrial Construction

6.1.1 Town-Owned Land:

6.1.1.1 100% tax exemption for Years 1, 2, and 3;

6.1.1.2 Full taxation applies thereafter.

6.1.2 Privately-Owned Land:

6.1.2.1 Permit year taxable on land only;

6.1.2.2 Year 2 and 3: 100% exemption of both municipal tax and School property taxes.

6.1.2.3 Full taxation applies thereafter.

6.1.2.4 Construction must commence within ninety (90) days of permit issuance.

6.2 Commercial, Industrial, and Multi-Unit Residential Expansion

6.2.1 Eligible expansion projects must:

6.2.1.1 Involve a minimum construction value of \$50,000;



6.2.1.2 Result in an increase in taxable assessment.

6.2.2 Eligible projects may receive:

100% tax exemption on the increased assessment for Permit Years 2 and 3.

7. BUSINESS AND DOWNTOWN REVITALIZATION INCENTIVES

7.1 New Business Vacant Building Incentive

7.1.1 To encourage occupancy of vacant commercial buildings:

7.1.1.1 50% municipal tax exemption for the first 12 months of operation (maximum \$2,000);

7.1.1.2 25% municipal tax exemption for the second 12 months of operation (maximum \$1,000);

7.1.2 Incentive applies only while the business remains in operation;

7.1.3 No building may access this incentive more than two (2) times.

7.2 Storefront Enhancement Grant

7.2.1 To support downtown and commercial area revitalization:

7.2.1.1 Grants of up to 50% of eligible project costs;

7.2.1.2 Maximum grant of \$7,500 per legal land description;

7.2.1.3 New owner(s) can apply for the grant upon successful turnover of the property.

7.2.1.4 Eligible improvements include exterior finishes, lighting, canopies, and permanent signage;

7.2.1.5 Funding is subject to annual Council budget approval;

7.2.1.6 Payment issued upon proof of completed work.

8. APPLICATION AND ADMINISTRATION

8.1 Applications must be submitted in writing prior to construction, expansion, or business commencement.

8.2 Applications shall include project details, timelines, and estimated costs.

8.3 Administration shall review applications and provide recommendations to Council.

8.4 Council approval is required before any incentive is granted.

9. TRANSFER, CANCELLATION, AND COMPLIANCE

9.1 Incentives may be transferred to a new owner unless otherwise specified, provided



all eligibility requirements continue to be met.

9.2 Incentives may be cancelled if:

- 9.2.1** Construction does not commence within approved timelines;
- 9.2.2** The project fails to be completed in accordance with permit conditions;
- 9.2.3** Property taxes or utilities fall into arrears;
- 9.2.4** The approved use of the property changes;
- 9.2.5** The business ceases operation where ongoing operation is a condition of the incentive;
- 9.2.6** The owner does not sign the Sales Agreement with the Town of Tisdale if purchasing town-owned property.

9.3 Council may allow a reasonable grace period to remedy deficiencies before cancelling an incentive.

10. EFFECTIVE DATE

- 10.1** This policy shall come into force upon adoption by Town Council and shall apply to eligible development commencing on or after January 1, 2026.

Mayor

Chief Administrative Officer