



## **Industrial Municipal Tax Incentive (IMTI) 2026 Municipal Tax Cancellations**

**Name** Kerry Boogaart, Property Tax Manager

**Department** Finance and Risk Management

### **Summary**

To present one previously approved project under the Industrial Municipal Tax Incentive (IMTI) for final municipal tax cancellation approval by Council in 2026. To remain compliant with [Council Policy CC-64](#) (Link 1), Council must pass a resolution approving the tax cancellations. Council has the authority to cancel a tax under Section 347 of the [Municipal Government Act](#) (MGA) (Link 2). This decision is necessary to complete the tax cancellation process for this project, which incentivize development in the industrial area. Annual Council approval of these tax cancellations ensures compliance with the MGA and IMTI program guidelines and timelines.

That Council approve the 2026 municipal tax cancellation for the eligible Industrial Municipal Tax Incentive property as follows:

<b>Address</b>	<b>2026 Municipal Tax Cancellation amount</b>	<b>Approval Date</b>
3690 36 St N	\$33,496.85	April 23, 2024

### **Financial**

The total 2026 IMTI municipal tax cancellation is \$33,496.85. This property has previously been approved by Council for enrollment in the IMTI, which provides for two-years of tax cancellation, with the term based on the total construction cost of the project (Link 1: CC-64). Council must approve the municipal tax cancellation for each property on an annual basis.

A separate budget item has been established to show municipal tax cancellations.

### **Background and Prior Decisions**

Council previously approved the following property for the IMTI municipal tax cancellation. All tax cancellations are subject to annual Council approval.

<b>Approval Date</b>	<b>Property</b>	<b>Cancellation starting in</b>	<b>Term</b>
April 23, 2024	3690 36 St N	2025	2 years

- Section 347, [Municipal Government Act](#) (MGA) (Link 2): Authorizes Council to cancel taxes.
- [Council Policy CC-64](#) (Industrial Municipal Tax Incentive) (Link 1):
  - Applies to eligible properties in the Industrial area.
  - Tax cancellations apply only to the incremental assessment (difference between preconstruction and post-construction value).
  - Terms range from 2 to 5 years based on construction costs.
  - Preconstruction (baseline) assessment is taxed at 100%, while municipal tax on the incremental assessment shall have a 25% tax cancellation.
  - Education and Green Acres Foundation taxes remain payable.

## Engagement

Upon approval, the 2026 Tax Notices will be printed and mailed, incorporating the IMTI cancellation adjustment for the property owner.

## Recommendation and Option(s) Analysis

Section 347 of the [Municipal Government Act](#) (Link 2) authorises Council to cancel a tax. The property identified in this report was approved through the Industrial Municipal Tax Incentive for tax cancellation and is now brought before Council to complete the tax cancellation process for the current year.

### Option 1 (Recommended): Approve Municipal Tax Cancellations Totaling \$33,496.85.

Council approves municipal tax cancellations for the following property:

Address	2026 Municipal Tax Cancellation Amount	Approved for IMTI (Date)	Links to the Council Approved IMTI Programs
3690 36 St N	\$33,496.85	April 23, 2024	<a href="#">Agenda Item 4.3.4</a> (Link 3)

#### Community/Citizen Impact

- **Social:** No impact identified.
- **Economic:** Provides financial relief as anticipated by IMTI.

#### Risk Analysis

- Low; aligns with prior approvals and program terms.
- Denial could harm municipal credibility and invite disputes.

#### Implementation and Communication Plan

- Immediate processing of cancellations and notification to property owners reflected on their 2026 Property Tax Notice.

### Option 2: Deny Municipal Tax Cancellations

Council denies the municipal tax cancellations for all properties.

#### Community/Citizen Impact

- **Social:** Potential negative impact on trust between the municipality and property owners who participated in the IMTI program.

- **Economic:** Creates financial strain for property owners expecting tax cancellations, potentially discouraging future participation in similar programs.

*Risk Analysis*

- High; breaches prior commitments and could lead to disputes, reputational harm, or legal challenges.

*Implementation and Communication Plan*

- Notify property owners of denial and update internal records.

The recommended option (Option 1) aligns with previous Council approvals under the IMTI policy and honours established agreements. It mitigates reputational risks, supports economic stability for participating property owners, and avoids potential disputes. Option 2 risks breaching commitments, undermining trust, and causing financial strain on property owners.

**Attachment(s)**

- 1.

**Link(s)**

1. Link 1 - [Council Policy CC-64 – Industrial Municipal Tax Incentive \(IMTI\)](#)
2. Link 2 - [RSA 2000, c M-26 | Municipal Government Act | CanLII](#)
3. Link 3 - [City Council - 4/23/2024 - OnBase Agenda Online](#)