



Targeted Redevelopment Incentive Program (TRIP) 2026 Municipal Tax Cancellations

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Summary

To present ten previously approved projects under the Targeted Redevelopment Incentive Program (TRIP) for final municipal tax cancellation approval by Council in 2026. To remain compliant with [Council Policy CC-53](#) (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 these projects, which incentivize development in key areas such as Downtown, the Warehouse District, 13 Street North, and brownfield properties. Annual Council approval of these tax cancellations ensures compliance with the TRIP program guidelines and timelines.

Recommendation(s)

That Council approve the 2026 municipal tax cancellations for eligible TRIP properties as follows:

Address	2026 Municipal Tax Cancellation amount	Approval Date
608 5 Avenue S	\$84,964.46	May 13, 2019
1244 3 Avenue S	\$26,918.37	March 23, 2021
316 5 Street S	\$38,775.88	March 23, 2021
622 3 Avenue S	\$4,533.17	October 11, 2022
507 6 Avenue S	\$12,362.55	October 11, 2022
321 8 Street S	\$12,045.27	October 11, 2022
319 6 Street S	\$6,886.09	October 11, 2022
1004 1 Avenue S	\$9,886.62	October 11, 2022
311 8 Street S	\$9,649.17	October 3, 2023
702 3 Avenue S	\$42,806.03	October 11, 2022
Total	\$248,827.61	

Financial

The total 2026 TRIP municipal tax cancellations are \$248,827.61. Each property has previously been approved by Council for enrollment in TRIP which provides for a multi-year tax cancellation, with the term based on the total construction cost of the project (Link 1: CC-53). Council must approve the municipal tax cancellation for each property on an annual basis.

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

Background and Prior Decisions

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

Approval Date	Property	Cancellation started in	Term
May 13, 2019	608 5 Avenue S	2022	7 years
March 23, 2021	1244 3 Avenue S	2022	6 years
March 23, 2021	316 5 Street S	2022	6 years
October 11, 2022	622 3 Avenue S	2024	5 years
October 11, 2022	507 6 Avenue S	2024	5 years
October 11, 2022	321 8 Street S	2024	5 years
October 11, 2022	319 6 Street S	2024	6 years
October 11, 2022	1004 1 Avenue S	2024	5 years
October 3, 2023	311 8 Street S	2024	5 years
October 11, 2022	702 3 Ave S	2025	6 years

- Section 347, [Municipal Government Act](#) (MGA) (Link 2): Authorizes Council to cancel taxes.
- [Council Policy CC-53](#) (Targeted Redevelopment Incentive Program) (Link 1):
 - Applies to eligible properties in Downtown, Warehouse District, 13 Street North, and brownfield areas.
 - Tax cancellations apply only to the incremental assessment (difference between preconstruction and post-construction value).
 - Terms range from 5 to 11 years based on construction costs.
 - Preconstruction (baseline) assessment is taxed at 100%, while municipal tax on the incremental assessment is cancelled.
 - Education and Green Acres Foundation taxes remain payable.

Engagement

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

Recommendation and Option(s) Analysis

Section 347 of the [Municipal Government Act](#) (Link 2) permits Council to cancel taxes. The properties identified in this report were approved through the Tax Relief Incentive Program (TRIP) for tax cancellation and are now brought before Council to complete the tax cancellation process for the current year.

Option 1 (Recommended): Approve Municipal Tax Cancellations Totaling \$248,827.61

Council approves municipal tax cancellations for the following properties:

Address	2026 Municipal Tax Cancellation Amount	Approved for TRIP (Date)	Links to the Council Approved TRIP Programs
608 5 Avenue S	\$84,964.46	May 13, 2019	Agenda Item 4.2 (Link 3)
1244 3 Avenue S	\$26,918.37	March 23, 2021	Agenda Item 5.2 (Link 4)
316 5 Street S	\$38,775.88	March 23, 2021	Agenda Item 5.4 (Link 4)
622 3 Avenue S	\$4,533.17	October 11, 2022	Agenda Item 10.1 (Link 5)
507 6 Avenue S	\$12,362.55	October 11, 2022	Agenda Item 10.2 (Link 5)
321 8 Street S	\$12,045.27	October 11, 2022	Agenda Item 10.3 (Link 5)
319 6 Street S	\$6,886.09	October 11, 2022	Agenda Item 10.5 (Link 5)
1004 1 Avenue S	\$9,886.62	October 11, 2022	Agenda Item 10.6 (Link 5)
311 8 Street S	\$9,649.17	October 3, 2022	Agenda Item 4.4.3 (Link 6)
702 3 Avenue S	\$42,806.03	October 11, 2022	Agenda Item 10.4 (Link 5)
Total	\$248,827.61		

Community/Citizen Impact

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

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 TRIP 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 TRIP program and honors 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-53 – Targeted Redevelopment Incentive Program \(TRIP\)](#)
2. Link 2 - [RSA 2000, c M-26 | Municipal Government Act | CanLII](#)
3. Link 3 - [City Council Meeting - 5/13/2019 - OnBase Agenda Online](#)
4. Link 4 - [City Council Meeting - 3/23/2021 - OnBase Agenda Online](#)
5. Link 5 - [City Council Meeting - 10/11/2022 - OnBase Agenda Online](#)
6. Link 6 - [City Council Meeting - 10/3/2023 - OnBase Agenda Online](#)