



COUNCIL POLICY

Development Incentives and Grants (DIG) Program

Policy Title	Development Incentive Grants (DIG) Program		
Policy Number	357	Approved Date	2021/06/14
Department	Economic Development	Last Amended	2025/03/10
Mayor Signature		Last Reviewed	2025/03/10
		Signature Date	

1. Policy Statement

- 1.1. The City of Grande Prairie (City) is committed to supporting business development and investments that create jobs, stimulate the local economy and expand a diversified tax base.
- 1.2. The Development Incentives and Grants (DIG) Program provides financial assistance through grants designed to stimulate business development, building activity and continued local employment in the construction industry by encouraging reinvestment in buildings and property throughout the City and the construction of Multi-Unit Residential projects.

2. Purpose

- 2.1. The purpose of this council policy (policy) is to encourage Industrial and Commercial investment attraction and to stimulate building activity through residential development.

3. Definitions

In this policy:

- 3.1. **"Adaptive Reuse"** means the renovation and reuse of pre-existing structures for new purposes.
- 3.2. **"Apartment Building"** means a building comprising three (3) or more Dwelling Units having shared entrances, in which the Dwellings are arranged in any horizontal or vertical configuration, and which does not conform to the definition of any other residential use.
- 3.3. **"Business Retention and Expansion Grant"** means a grant to an existing business/property owner for construction enabling expanded business opportunity including new construction, infill or Adaptive Reuse of existing buildings.
- 3.4. **"City"** means the municipal corporation of The City of Grande Prairie, having authority under the Municipal Government Act, RSA 2000 C. M-26 and other applicable legislation. Where context requires, City also means the area included within the municipal boundaries of the City.



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- 3.5. **"Commercial"** means a building or property used or intended to be used, in whole or in part, for Commercial Purposes.
- 3.6. **"Commercial Purposes"** means those permitted uses or discretionary uses approved through a City development permit within Commercial land use districts as defined by the [Land Use Bylaw C-1260](#), excluding permanent living accommodation, government-owned businesses/properties and facilities intended for religious assembly or the not for profit delivery of community, educational, health, and/or recreation services.
- 3.7. **"Demolition"** means the removal or partial removal of a building structure, requiring a Demolition permit. This must conform to the City's Inspection Services' Demolition permit requirements.
- 3.8. **"Development Incentives and Grants (DIG) Program" or "DIG Program"** means the: ~~financial support available under the DIG Program that includes~~
- a. New Business Development Grant;
 - b. Business Retention and Expansion Grant; ~~and~~
 - c. ~~Municipal Fee Rebate;~~
 - d. ~~Large Multi-family Development Grant; and~~
 - e. ~~Fibre Optics Infrastructure Fee Rebate.~~
- 3.9. **"Duplex"** means a development consisting of a building containing only two (2) Dwellings, with one (1) Dwelling placed over the other in whole or in part, or with back-to-back orientation. Each Dwelling has an individual and separate access.
- 3.10. **"Dwelling Unit" or "Dwelling"** means a complete building or self-contained portion of a building used by a household, containing sleeping, cooking and sanitary facilities intended as a permanent residence and having an independent entrance either directly from the outside of the building or through a common area inside the building.
- 3.11. **"Engineering Services Fees"** means all fees relating to eligible developments for engineering permits, lot grading permits or alignment fees as outlined in the [Fees, Rates and Charges Bylaw C-1395](#), excluding any fees collected as deposits and development levies.
- 3.12. **"Fibre Optics Infrastructure Fee Rebate"** means a grant to provide a fee rebate for the alignment fees as outlined in the [Fees, Rates and Charges Bylaw C-1395](#), for fibre alignment projects initiated between July 1, 2024, and December 31, 2025.
- 3.13. **"Incremental Assessed Value"** means the increase in the assessed value of property subsequent to improvements. For example, if preconstruction taxable assessment was One Million (\$1,000,000.00) Dollars and post-construction taxable assessment was Five Million (\$5,000,000.00) Dollars the Incremental Assessed Value would be Four Million (\$4,000,000.00) Dollars.
- 3.14. **"Industrial"** means a building or property used or intended to be used, in whole or in part, for those permitted uses or discretionary uses approved through a City development permit, within the business industrial, general industrial, heavy industrial or rural industrial land use districts as defined by the [Land Use Bylaw C-1260](#).



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- 3.15. "Inspection Services Permit Fees"** means all fees relating to eligible developments for building, electrical, plumbing, or gas permits, occupancy certificate, or any miscellaneous permit fees as outlined in the [Fees, Rates and Charges Bylaw C-1395](#).
- 3.16. "Mixed-Use Apartment Building"** means a vertical apartment-style building including commercial, retail, or institutional use(s) and three (3) or more Dwelling Units (or "Dwelling Unit, supported" if listed in the applicable district), and having:
- The same land use district for all uses within the building;
 - Only residential uses located above the second floor;
 - Commercial, retail, or institutional uses located with street-side frontage (facing and visible from the street); and
 - Dwelling units and commercial, retail, and institutional uses which may have shared building entrance or access and facilities (e.g. service entrances, parking areas, ground floor hallways, elevators, stairwells, shared main building entry). However, Dwelling Units entry or access shall not be through a commercial, retail, or institutional development.
 - For the purpose of this Policy, Mixed-Use Apartment Buildings must have greater than 75% of the building square footage dedicated to residential uses.
- 3.17. "Multi-Attached Dwelling"** means a residential building containing three (3) or more Dwelling Units separated by common walls and located either on a single site or each unit on a separate individual lot, each Dwelling Unit having at least one (1) separate entrance. This definition applies to forms of housing that include, but are not limited to, townhouses, street-oriented townhouses, row houses, triplexes and fourplexes.
- 3.18. "Multi-Unit Residential"** means for the purpose of this grant, a residential building containing two (2) or more Dwelling Units, including a Duplex, Secondary Suite, Semi-Detached Dwelling, Multi-Attached Dwelling, Apartment Building or Mixed-Use Apartment Building as defined in the City's [Land Use Bylaw C-1260](#).
- 3.19. "Municipal Fee Rebate"** means a grant to a residential builder to offset ~~fees paid to the City~~ Engineering [Services Fees](#), Inspection [Permit Services Fees](#), and [Planning & Development Fees](#) ~~Planning departments in respect of an eligible project.~~
- 3.20. "New Business Development Grant"** means a grant to a property owner for a large scale Commercial or Industrial development.
- 3.21. "Planning & Development Fees"** means all fees relating to eligible development permits, compliance/zoning certificates, land use bylaw amendments, planning applications and miscellaneous fees as outlined in the Fees, Rates and Charges Bylaw C-1395.
- 3.22. "Single Detached Dwelling"** means a building containing one (1) Dwelling Unit but does not include a manufactured home.
- 3.23. "Secondary Suite"** means a Dwelling Unit located within, and accessory to, a Single Detached Dwelling or Semi-Detached Dwelling.
- 3.24. "Semi-Detached Dwelling"** means two (2) Dwelling Units joined side by side with a common wall and each Dwelling Unit has one (1) or more separate entrances.



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4. General Principles

4.1. The following financial incentives are applicable to Industrial and Commercial properties within the City through the DIG Program:

4.1.1. New Business Development Grant:

- a. For new large-scale Commercial or Industrial developments with a taxable assessment increase of over Eighteen Million (\$18,000,000.00) Dollars, an annual grant in the form of a rebate, equal to one hundred percent (100%) of the general municipal tax portion of the **municipal property tax increase associated with the** Incremental Assessed Value of the property in the first year, decreasing by ten percent (10%) annually for nine (9) additional years. For clarity, the rebate amount for an eligible annual New Business Development Grant is calculated as follows:

Year	1	2	3	4	5	6	7	8	9	10	11
Grant Amount	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%

4.1.2. Business Retention and Expansion Grant:

- a. For the expansion of existing Commercial or Industrial businesses through addition or renovation with a minimum taxable assessment increase of One Million (\$1,000,000.00) Dollars and which increases assessed value by a minimum of twenty-five percent (25%); or for Commercial or Industrial Demolition, infill, rehabilitation or Adaptive Reuse of vacant or under-utilized land/buildings with a minimum taxable assessment increase of One Million (\$1,000,000.00) Dollars and which increases assessed value by a minimum of twenty-five percent (25%); an annual grant in the form of a rebate equal to one hundred percent (100%) of the general municipal tax portion of the **municipal property tax increase associated with the** Incremental Assessed Value of the property in the first year, decreasing by twenty-five percent (25%) annually for three (3) additional years. For clarity, the rebate amount for an eligible annual Business Retention and Expansion Grant is as follows:

Year	1	2	3	4	5
Grant Amount	100%	75%	50%	25%	0%

4.2. The following financial incentive is applicable to Multi-Unit Residential projects within the City through the DIG Program:

4.2.1. Municipal Fee Rebate:

- a. A grant equal to the City imposed portions of all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees for any Multi-Unit Residential construction projects. In the case of Mixed-Use Apartment Buildings, residential uses must equal greater than 75% of the building's total square footage. **In the case of a Multi-Unit**



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Residential project resulting in the creation of one-hundred (100) or more new Dwelling Units, 50% of the Municipal Fee Rebate will be payable to the applicant upon a successful framing inspection of the project and the remaining 50% will be payable upon the issuance of a final occupancy certificate for the project, subject to all other requirements under the funding agreement, between the City and the applicant. Amounts remitted to other levels of government, charged as a result of a penalty or relating to construction not approved under this Policy remain the applicant's responsibility and will not be rebatedpayable; and

- b. Land Use Bylaw Amendment Fees as outlined in the **Fees, Rates and Charges Bylaw C-1395**, may be rebated one hundred percent (100%) for an approved application and fifty percent (50%) for applications not approved.
- c. Renovations or additions may qualify under this program where a minimum of one (1) new Dwelling Unit is added to the property.

4.2.2. Large Multi-family Development Grant:

- a. For a new Multi-Unit Residential project which results in the creation of one-hundred (100) or more new Dwelling Units, an applicant may be eligible to receive a temporary annual grant in the form of a prorated rebate, equal to one hundred percent (100%) of the general municipal tax portion of the municipal property tax increase associated with the Incremental Assessed Value of the property between the date on which the building permit for the project is issued and the earlier of:
 - i. the date on which the final occupancy certificate for the project is issued, AND
 - ii. the second anniversary of the date on which the building permit for the project was issued.

4.3. The following financial incentive is applicable to fibre optic alignments on City-owned land initiated between July 1, 2024, and December 31, 2025:

4.3.1. Fibre Optics Infrastructure Fee Rebate:

- a. An applicant may be eligible to receive a one-time grant in the form of a rebate in an amount of up to a 100% rebate on Development Services Fees for fibre alignment permit applications submitted between July 1, 2024 and December 31, 2025.

4.4. All applications must be submitted to the program coordinator and will be available on a first-come, first-served basis.

4.3.4.5. All funding under the DIG Project is subject to the execution of a written funding agreement between the City and the applicant, and the applicant's faithful satisfaction of the requirements therein.

4.4.4.6. All development must conform to the City's **Land Use Bylaw C-1260**.

4.5.1.1. The following financial incentive is applicable to fibre optic alignments on City-owned land initiated between July 1, 2024, and December 31, 2025:

4.5.1.1.1. Fibre Optics Infrastructure Fee Rebate:



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~~a. allowing for up to a 100% rebate on municipal fees for fibre alignment permit applications submitted between July 1, 2024, and December 31, 2025. A grant equal to the City imposed portions of all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees for any new fibre-optics projects.~~

5. Related Information

- 5.1. The intake for the DIG Program ~~Policy~~ will close when either all allocated funds have been assigned or by December 31, 2025, whichever occurs first. The intake may also be closed at any time at the discretion of City Council.

6. Responsibilities

- 6.1. City Council will review and approve any revisions to this Policy.
6.2. City Manager will review and approve any procedures related to this Policy.
6.3. City Administration will carry out the policy based on established procedures.

7. Legislative Authority & Other Reference

- 7.1. [Bylaw C-1260](#) Land Use Bylaw
7.2. [Bylaw C-1395](#) Fees, Rates and Charges Bylaw C-1395

8. Version History

Action	Date	Description
New Policy	2021/06/14	
Revision	2024/06/17	Changing new residential to Multi-Unit Residential. Changes to Municipal Fee Rebate. Removal of Business Revitalization Grant and Residential Infill Grant. Change to section 5 from a repeal to an intake closing. Added definitions for Apartment Building, City, Dwelling Units, Mixed Use, Secondary suites, and Semi-Detached Dwellings. Removal of definitions not in use after updates.
Revision	2025/03/10	Adjustment to the definition for Engineering Services Fees. New "Fibre Optics Infrastructure Fee Rebate" definition. 4.1.1 New Business



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		Development Grant changed from 25 million to 18 million. 4.5 added for the Fibre Optics Infrastructure Fee Rebate.
<u>Revision</u>		<u>Added "Large Multi-family Development Grant", which required changes to 3.8 and 4.2.1, as well as the addition of 4.2.2. Added "Fibre Optics Infrastructure Fee Rebate" to 3.8. Updated 3.19. Added "municipal property tax increase associated with the" to 4.1.1 and 4.1.2. Moved 4.5 on fibre optic alignments to 4.3 and updated 4.3.1.a. Added 4.5 on the funding agreement. Removed "Policy" from 5.1.</u>

DRAFT