

CITY PROCEDURE

Development Incentives and Grants Program

Procedure Title	Development Incentives and Grants Program		
Procedure Number	357-2	Approved Date	2024-10-03
Department	Economic Development	Last Amended	
City Manager		Last Reviewed	
Signature		Signature Date	

1. Definitions

The definitions in the **Development Incentive Grants (DIG) Program Policy 357** apply to this Procedure. In addition, in this Procedure,

- 1.1. "Applicant" means the owner of the Property or the owner's authorized representative.
- **1.2. "Application"** means application to participate in one of the Development Incentive Grants (DIG) Program streams indicated in this Procedure, submitted in the form prescribed by the Grant Coordinator.
- **1.3. "Committee"** means the DIG Program Review Committee.
- 1.4. "Development" has the same meaning as it does in the City's Land Use Bylaw C-1260.
- **1.5. "Fibre Optic Alignment Project"** means a fiber optic project with the City of Grande Prairie to install fiber optic cables to improve communication and internet services.
- **1.6. "Funding Agreement"** means a written agreement with the City containing terms and conditions satisfactory to the City in respect of the Project, **Policy 357** and this Procedure.
- **1.7. "Grant Coordinator"** means DIG Program Grant Coordinator.
- **1.8.** "Notice of Conditional Approval" means a written notice provided to the Applicant by the Grant Coordinator in respect of the Applicant's Application and confirming that the Application is conditionally approved, subject to the terms and conditions in such notice and subject to the execution of a written Funding Agreement in respect of the Application.
- **1.9.** "Project" means the project or work described in an Application in respect of a Property.
- 1.10. "Property" means the property within the City that is the subject of the Application.



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2. DIG Program – Maximum Total Amounts

- **2.1.** Unless otherwise approved by Council:
 - **2.1.1.** The maximum total amount awarded to all eligible and approved Applicants under the New Business Development Grant and Business Retention and Expansion Grant will not exceed \$9,200,000.00.
 - **2.1.2.** The maximum total amount awarded to all eligible and approved Applicants under the Municipal Fee Rebate will not exceed \$1,000,000.00.
 - **2.1.3.** The maximum total amount awarded to all eligible and approved Applicants under the Large Multi-family Development Grant will not exceed \$1,000,000.00.

3. DIG Program – Grant and Rebate Streams

3.1. The DIG Program is made up of the following five independent grant and rebate streams, each of which must be separately applied for (each an Application):

3.1.1. New Business Development Grant

a. Funding provided under this stream is limited to only the municipal portion of the tax increase associated with the Incremental Assessed Value of the Property as a result of the Project. Education property taxes, Grande Spirit Foundation levy and taxes on the original assessed value will not be rebated to the Applicant. The Incremental Assessed Value will be calculated on the basis of the assessed value of the Property as of December 31st of the year during which the calculation is performed.

3.1.2. Business Retention and Expansion Grant

a. Funding provided under this stream is limited to only the municipal portion of the tax increase associated with the Incremental Assessed Value of the Property as a result of the Project. Education property taxes, Grande Spirit Foundation levy and taxes on the original assessed value will not be rebated to the Applicant. The Incremental Assessed Value will be calculated on the basis of the assessed value of the Property as of December 31st of the year during which the calculation is performed.

3.1.3. Municipal Fee Rebate

a. Funding provided under this stream is limited to the City-imposed portions of all Inspection Services Permit Fees, Engineering Services Fees, and Planning & Development Fees for eligible Multi-Unit Residential construction projects. Any fees or other amounts incurred prior to June 17, 2024 are not eligible to be reimbursed under the Municipal Fee Rebate. Any fees or other amounts remitted to other levels of government, charged as a result of a penalty or relating to construction not approved



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under <u>Policy 357</u> and this Procedure are not eligible to be reimbursed under the Municipal Fee Rebate.

3.1.4. Large Multi-Family Development Grant

- **a.** Funding provided under this stream is limited to 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.
- **b.** Education property taxes, Grande Spirit Foundation levy and taxes on the original assessed value will not be rebated to the Applicant.
- **c.** The Incremental Assessed Value will be calculated on the basis of the assessed value of the Property as of December 31st of the year during which the calculation is performed.

3.1.5. Fibre Optics Infrastructure Fee Rebate

- a. Funding provided under this stream is limited to Planning & Development Fees for eligible Fibre Optic Alignment Projects. Any Planning & Development Fees incurred prior to July 1, 2024, are not eligible to be reimbursed under the Fibre Optic Infrastructure Fee Rebate. Any fees or other amounts remitted to other levels of government, charged as a result of a penalty or relating to construction not approved under Policy 357 and this Procedure are not eligible to be reimbursed under the Fibre Optic Infrastructure Fee Rebate.
- **3.2.** Council or the Committee may close the DIG Program, or any of its constituent grants or rebates, to new applications at any time without notice, for any or no reason.
- **3.3.** The submission or conditional acceptance of an Application does not constitute an agreement with the City and does not require the City to enter into any Funding Agreement with any Applicant.
- **3.4.** No more than one (1) grant or rebate within the DIG Program shall be provided in respect of any one (1) Project, except that:
 - 3.4.1. A Project which has already been provided with a Municipal Fee Rebate for a Land Use Bylaw amendment fee may subsequently be provided with a Municipal Fee Rebate in respect of the Inspection Services Permit Fees, Engineering Services Fees and other Planning & Development Fees for that Project, subject to all required Funding Agreements; and



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- 3.4.2. A Project which has already been provided with a Municipal Fee Rebate in respect of the Inspection Services Permit Fees, Engineering Services Fees and other Planning & Development Fees for that Project, may also be provided with a Large Multi-Family Development Grant, subject to all required Funding Agreements.
- **3.5.** Applications for a grant or rebate within the DIG Program will be reviewed by the Committee based on the order in which they are received by the Grant Coordinator
- **3.6.** Conditional funding allocations may be made based on the order in which Funding Agreements are executed, as well as the value of each such Funding Agreement.
- **3.7.** Any Application which, in the opinion of the Committee, is incomplete or not signed will not be considered for DIG Program funding.
- **3.8.** If the Committee determines that an Application contains incomplete or inaccurate information, the Committee may at any time refuse the Application, revoke any conditional approval of the Application, terminate any Funding Agreement associated with the Application, or require the repayment of any DIG Program funding provided.
 - 3.8.1. The Committee may refuse any Application where the Committee determines the Application outlines a Project which is ineligible, the funding stream applied for no longer contains the requested funds, or any requirement herein has not been satisfied by the Applicant.
 - 3.8.2. The Committee may conditionally approve any eligible Application which satisfies the requirements herein, which conditional approval shall be conditional on the Applicant entering into a Funding Agreement with the City, and such other conditions as the Committee may specify in writing.

4. Eligibility Criteria

4.1. New Business Development Grant

- **4.1.1.** A person is ineligible to receive funding under the New Business Development Grant unless all the following requirements have been met to the satisfaction of the Committee:
 - **a.** The person has submitted a New Business Development Grant Application and such Application is received by the Grant Coordinator by not later than December 31, 2025;
 - **b.** The New Business Development Grant has not been fully subscribed at the time of the Application;
 - **c.** The Applicant is the owner of the Property which is the subject of the Application, or the owner's authorized representative;
 - **d.** The Application:
 - i. Is completed and signed by the Applicant;



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- ii. Outlines a Project in respect of a Property within the City, which Project is a new large-scale Commercial or Industrial Development that, in opinion of the Committee, is likely to result in an increase in the Incremental Assessed Value of the Property by not less than Twenty-Five Million (\$25,000,000) Dollars;
- **iii.** Includes a site plan for the Project that indicates the location of all existing and proposed structures and their context;
- **iv.** Includes drawings that show the proposed design and basic elevations of the Project; and
- v. Includes a complete description of the Project including the proposed uses, employment created, and benefits to the City and economy;
- **e.** The Property has not received any City-provided financial or gift-in-kind support for any reason within the five (5) years preceding the submission date of the Application;
- f. The Applicant has provided responses satisfactory to the Committee in respect of all requests by the Committee for any additional information with respect to the Application, Project or Property;
- g. The Application has been conditionally approved by the Committee as set out in a Notice of Conditional Approval, which conditional approval is conditional on the Applicant entering into a Funding Agreement with the City in respect of the Project and the New Business Development Grant funding;
- **h.** The Applicant has entered into the Funding Agreement by not later than the deadline set out in the Notice of Conditional Approval;
- **i.** The Development of the Project has not commenced prior to the effective date of the Funding Agreement;
- **j.** The Development of the Project is completed by not later than the deadline set out in the Funding Agreement;
- **k.** The Applicant has complied with the requirements of the Funding Agreement, and all other requirements, including such requirements as may be specified in writing from time to time by the Committee;
- I. The Project, upon completion, results in a minimum Twenty-Five Million (\$25,000,000) Dollars increase in the Incremental Assessed Value of the Property;
- **m.** The Applicant has paid in full all taxes levied and all amounts owing to the City in respect of the Property for the then current year, and has submitted a request in writing to the City for the payment of the amounts payable to the Applicant under the Funding Agreement for the then current year; and



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n. The Applicant is not in default of any taxes, fees, charges, fines, or other amounts owing to the City and is not engaged in civil litigation or commercial arbitration with the City.

4.2. Business Retention and Expansion Grant

- **4.2.1.** A person is ineligible to receive funding under the Business Retention and Expansion Grant unless all the following requirements have been met to the satisfaction of the Committee:
 - **a.** The person has submitted a Business Retention and Expansion Grant Application and such Application is received by the Grant Coordinator by not later than December 31, 2025:
 - **b.** The Business Retention and Expansion Grant has not been fully subscribed at the time of the Application;
 - **c.** The Applicant is the owner of the Property which is the subject of the Application, or the owner's authorized representative;
 - **d.** The Application:
 - i. Is completed and signed by the Applicant;
 - ii. Outlines a Project in respect of a Property within the City, which Property is, in the opinion of the Committee, a vacant or under-utilized Commercial or Industrial parcel which was developed at least twenty (20) years prior to the date on which the Application was submitted to the City;
 - **iii.** Includes a site plan for the Project that indicates the location of all existing and proposed structures and their context;
 - **iv.** Includes drawings that show the proposed design and basic elevations of the Project; and
 - v. Includes a complete description of the Project including the proposed uses, employment created, and benefits to the City and economy;
 - **e.** The Property has not received any City-provided financial or gift-in-kind support for any reason within the five (5) years preceding the submission date of the Application;
 - **f.** The Project does not require further extension of infrastructure to the Property, as determined by the Committee;
 - **g.** The Project is a Commercial or Industrial Development which, in the opinion of the Committee, is likely to result in an increase in:



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- i. A minimum One Million (\$1,000,000) Dollars increase in the Incremental Assessed Value of the Property; and
- **ii.** A minimum twenty-five percent (25%) increase in the taxable assessed value of Property;
- h. The Applicant has provided responses satisfactory to the Committee in respect of all requests by the Committee for any additional information with respect to the Application, Project, or Property;
- i. The Application has been conditionally approved by the Committee as set out in a Notice of Conditional Approval, which conditional approval is conditional on the Applicant entering into a Funding Agreement with the City in respect of the Project and the Business Retention and Expansion Grant funding;
- **j.** The Applicant has entered into the Funding Agreement by not later than the deadline set out in the Notice of Conditional Approval;
- **k.** The Development of the Project has not commenced prior to the effective date of the Funding Agreement;
- **I.** The Development of the Project is completed by not later than the deadline set out in the Funding Agreement;
- **m.** The Applicant has complied with the requirements of the Funding Agreement, and all other requirements, including such requirements as may be specified in writing from time to time by the Committee;
- **n.** The Project, upon completion, results in an increase in:
 - i. A minimum One Million (\$1,000,000) Dollars increase in the Incremental Assessed Value of the Property; and
 - **ii.** A minimum twenty-five percent (25%) increase in the taxable assessed value of Property;
- o. The Applicant has paid in full all taxes levied and all amounts owing to the City in respect of the Property for the then current year, and has submitted a request in writing to the City for the payment of the amounts payable to the Applicant under the Funding Agreement for the then current year; and
- **p.** The Applicant is not in default of any taxes, fees, charges, fines, or other amounts owing to the City and is not engaged in civil litigation or commercial arbitration with the City.



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4.3. Municipal Fee Rebate

- **4.3.1.** A person is ineligible to receive funding under the Municipal Fee Rebate unless all the following requirements have been met to the satisfaction of the Committee:
 - **a.** The person has submitted a Municipal Fee Rebate Application and such Application is received by the Grant Coordinator by not later than December 31, 2025;
 - **b.** The Municipal Fee Rebate has not been fully subscribed at the time of the Application;
 - **c.** The Applicant is the owner of the Property which is the subject of the Application, or the owner's authorized representative;
 - **d.** The Application:
 - i. Is completed and signed by the Applicant;
 - ii. Outlines a Project in respect of a Property for a Multi-Unit Residential Development which will result in an increase of a minimum of one (1) new Dwelling Unit on the Property, such that the Property will contain not less than two (2) Dwelling Units in total;
 - **iii.** Is submitted together with development permit application, building permit application, and lot grading permit application for the Project, except if:
 - the Project is to create a Secondary Suite, in which case the Application must be submitted together with a development permit application for the Project, or
 - 2. the Property requires a Land Use Bylaw amendment in order to allow for the Project's Multi-Unit Residential Development, in which case the Application must be submitted together with a Land Use Bylaw amendment package for the Project;
 - e. The Property has not received any City-provided financial or gift-in-kind support for any reason within the five (5) years preceding the submission date of the Application, except that:
 - i. A Property which has already been provided with a Municipal Fee Rebate for a Land Use Bylaw amendment fee which was required for the Project may subsequently be provided with a Municipal Fee Rebate in respect of the Inspection Services Permit Fees, Engineering Services Fees, and other Planning & Development Fees for that Project, subject to all required Funding Agreements; and
 - **ii.** A Project which has already been provided with a Municipal Fee Rebate in respect of the Inspection Services Permit Fees, Engineering Services Fees, and



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other Planning & Development Fees for that Project, may also be provided with a Large Multi-Family Development Grant, subject to all required Funding Agreements;

- f. The Applicant has provided responses satisfactory to the Committee in respect of all requests by the Committee for any additional information with respect to the Application, Project, or Property;
- g. The Application has been conditionally approved by the Committee as set out in a Notice of Conditional Approval, which conditional approval is conditional on the Applicant entering into a Funding Agreement with the City in respect of the Project and the Municipal Fee Rebate funding;
- **h.** The Applicant has entered into the Funding Agreement by not later than the deadline set out in the Notice of Conditional Approval;
- The Development of the Project has not commenced prior to the effective date of the Funding Agreement, except as otherwise authorized by the Grant Coordinator in writing;
- j. The Applicant and the owner of the Property (i.e., if the Applicant is not the owner) are not in default of any taxes, fees, charges, fines, or other amounts owing to the City and are not engaged in civil litigation or commercial arbitration with the City; and
- **k.** The following additional requirements are also met, except where the Funding Agreement is solely for a Municipal Fee Rebate for a Land Use Bylaw amendment fee:
 - i. The Development of the Project is completed by not later than the deadline set out in the Funding Agreement;
 - ii. The Applicant has complied with the requirements of the Funding Agreement, and all other requirements, including such requirements as may be specified in writing from time to time by the Committee;
 - iii. The Project results in an increase of a minimum of one (1) new Dwelling Unit on the Property, and, following completion, the Property contains not less than two (2) Dwelling Units in total; and
 - iv. The Applicant has paid in full all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees owing to the City in respect of the Project and the Applicant has submitted a request in writing to the City for the Municipal Fee Rebate in accordance with the Funding Agreement.



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4.4. Large Multi-Family Development Grant

- **4.4.1.** A person is ineligible to receive funding under the Large Multi-Family Development Grant unless all the following requirements have been met to the satisfaction of the Committee:
 - **a.** The person has submitted a Large Multi-Family Development Grant Application and such Application is received by the Grant Coordinator by not later than December 31, 2025;
 - **b.** The Large Multi-Family Development Grant has not been fully subscribed at the time of the Application;
 - **c.** The Applicant is the owner of the Property which is the subject of the Application, or the owner's authorized representative;
 - **d.** The Application:
 - i. Is completed and signed by the Applicant;
 - ii. Outlines a Project in respect of a Property for a Multi-Unit Residential Development which will result in a minimum of one-hundred (100) new Dwelling Units on the Property, such that the Property will contain not less than one-hundred (100) new Dwelling Units in total;
 - **iii.** Is submitted together with development permit application, building permit application, and lot grading permit application for the Project.
 - **e.** The Property has not received any City-provided financial or gift-in-kind support for any reason within the five (5) years preceding the submission date of the Application, with the exception of the Municipal Fee Rebate.
 - **f.** The Applicant has provided responses satisfactory to the Committee in respect of all requests by the Committee for any additional information with respect to the Application, Project, or Property;
 - g. The Application has been conditionally approved by the Committee as set out in a Notice of Conditional Approval, which conditional approval is conditional on the Applicant entering into a Funding Agreement with the City in respect of the Project and the Large Multi-Family Development Grant;
 - **h.** The Applicant has entered into the Funding Agreement by not later than the deadline set out in the Notice of Conditional Approval;
 - The Development of the Project has not commenced prior to the effective date of the Funding Agreement, except as otherwise authorized by the Grant Coordinator in writing;
 - **j.** The Development of the Project is completed by not later than the deadline set out in the Funding Agreement;



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- **k.** The Applicant has complied with the requirements of the Funding Agreement, and all other requirements, including such requirements as may be specified in writing from time to time by the Committee;
- I. The Project results in an increase of a minimum of one hundred (100) new Dwelling Units on the Property, and, following completion, the Property contains not less than one hundred (100) new Dwelling Units in total;
- m. The Applicant has paid in full all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees owing to the City in respect of the Project and the Applicant has submitted a request in writing to the City for the Multi-Family Development Grant in accordance with the Funding Agreement; and
- **n.** The Applicant is not in default of any taxes, fees, charges, fines, or other amounts owing to the City and is not engaged in civil litigation or commercial arbitration with the City.

4.5. Fibre Optics Infrastructure Fee Rebate

- **4.5.1.** A company is ineligible to receive funding under the Fibre Optics Infrastructure Fee Rebate unless all the following requirements have been met to the satisfaction of the Committee:
 - a. The person has submitted a Fibre Optics Infrastructure Fee Rebate Application and such Application is received by the Grant Coordinator by not later than December 31, 2025;
 - **b.** The Applicant is the authorized representative of the fibre optics company
 - **c.** The Application:
 - i. Is completed and signed by the Applicant;
 - **ii.** Includes written confirmation from the Engineering Services Inspector that the new fiber optic installation has been completed in accordance with the Alignment and Engineering permit requirements and construction standards.
 - **d.** The Fibre Optic Alignment Project has not received any City-provided financial or gift-in-kind support for any reason within the five (5) years preceding the submission date of the Application;
 - **e.** The Applicant has provided responses satisfactory to the Committee in respect of all requests by the Committee for any additional information with respect to the Application or Fibre Optic Infrastructure Project;
 - **f.** The Application has been conditionally approved by the Committee as set out in a Notice of Conditional Approval, which conditional approval is conditional on the



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- Applicant entering into a Funding Agreement with the City in respect of the Fibre Optic Infrastructure Project and the Fibre Optics Infrastructure Fee Rebate funding;
- **g.** The Applicant has entered into the Funding Agreement by not later than the deadline set out in the Notice of Conditional Approval;
- **h.** The Development of the Project is completed by not later than the deadline set out in the Funding Agreement;
- i. The Applicant has complied with the requirements of the Funding Agreement, and all other requirements, including such requirements as may be specified in writing from time to time by the Committee;
- j. The Applicant has paid in full all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees owing to the City in respect of the Fibre Optic Infrastructure Project and the Applicant has submitted a request in writing to the City for the Fibre Optics Infrastructure Fee Rebate in accordance with the Funding Agreement; and
- **k.** The Applicant is not in default of any taxes, fees, charges, fines, or other amounts owing to the City and is not engaged in civil litigation or commercial arbitration with the City.

5. Request for Exemption

- 5.1. The owner of a Project, or their authorized representative, may request an exemption from any of the eligibility criteria in this Procedure. To do so, they must submit a written request to the City Manager of Grande Prairie, along with all relevant supporting information. The City Manager may ask for additional information regarding the request. The deadline for submitting an exemption request is November 29, 2025.
- **5.2.** After reviewing the request and supporting information, the City Manager may, at their sole discretion, refuse or conditionally grant the request. The City Manager's decision is final.
- **5.3.** If the request is conditionally granted, the company representative must submit an Application, receive a Notice of Conditional Approval, and enter into a Funding Agreement with the City regarding an eligible Project in respect of their Property. They must also fulfill any other requirements specified in writing by the City Manager.

6. Administrative Review Process

6.1. Applicants may request to the review of a decision made by the Committee or Grant Coordinator by submitting, in writing, a request for such review within fourteen (14) calendar days of the date that the applicable decision was issued.



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- **6.2.** The Committee or Grant Coordinator, as applicable, will review the request and prepare a written response.
- **6.3.** The City Manager will review the request and the response and, at their discretion, request additional information from the Applicant, Committee or Grant Coordinator.
- **6.4.** The City Manager will issue a decision in writing which will uphold, uphold with conditions, overturn, or overturn with conditions, the decision of the Committee or Grant Coordinator.
- **6.5.** The decision of the City Manager is final and binding.

7. References and Related Documents:

- **7.1. Bylaw C-1260** Land Use
- 7.2. <u>Council Policy 357</u> Development Incentive Grants (DIG) Program
- 7.3. Business Retention and Expansion Grant Application Form
- 7.4. Major Development Application Package
- 7.5. Municipal Fee Rebate Application Form
- 7.6. New Business Development Application Form
- 7.7. Residential Development Application Package

8. Version History

Action	Date	Description
New Procedure	Replaces 357-1 Development Incentives and Grants Progra Procedure	
Revision		Added a definition for Fibre Optic Alignment Project. Changed the amount in 2.1.2 and added 2.1.3. Added sections 3.1.4. Edited 3.4 and added 3.4.1 and 3.4.2. Added 4.3.1.i and ii. Added 4.3.1.j and k and moved the remaining 4 points under k. Added 4.4 and 4.5. In 5.1 changed "Property" to "Project". In 5.1 and 5.3 changed property owner to "Applicant". Added owner of the Property to 6.3.

