

ADMINISTRATIVE REPORT

TO: Shane Bourke, City Manager	DATE: June 23, 2025
FROM: Patricia Bailey, Chief Strategy Officer	MEETING: Council Committee of the Whole
REPORT WRITER: Rory Tarant, Invest Grande Prairie Interim Director	
SUBJECT: Municipal Fee Rebate Program	

RECOMMENDATIONS

That Council Committee of the Whole recommend Council approve the following:

1. Amendments to Policy 357, increasing the total funds available for the Municipal Fee Rebate from \$1 million to \$1.6 million;
2. That the remaining \$139,300 in unallocated funds from the Economic Recovery Fund be allocated to the Municipal Fee Rebate program;
3. That \$51,358 from the disbanded Training and Marketing Grant programs be allocated to the Municipal Fee Rebate program;
4. That the remaining \$172,380 in unallocated funds from the Development Incentives and Grants (DIG) program be allocated to the Municipal Fee Rebate program; and
5. That \$236,962 be allocated to the Municipal Fee Rebate program from the Financial Stabilization Reserve.

PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

City Council June 17, 2024

Council direct Administration to consolidate all unallocated funding from the Economic Recovery Fund, into the Development Grants and Incentives Fund, and allocate \$700,000 to the Municipal Fee Rebate Program, with the remainder to be left unallocated within the DIG Program.

City Council March 10, 2025

Council increase the budget for the Municipal Fee Rebate program from \$700,000 to \$1,000,000, transferring \$300,000 from the Economic Recovery Fund.

BACKGROUND

In June 2024, Council adapted the Municipal Fee Rebate program to incentivize the development of a variety of multi-unit housing options. As per Policy 357 Development Incentives and Grants Program, eligible Multi-Unit Residential Projects may apply for the Municipal Fee Rebate grant. New Multi Unit Residential Projects, resulting in a minimum of two (2) new dwelling units on a

single property are eligible for a grant equal to the City imposed portions of all Inspection Services Permit Fees, Engineering Services Fees and Planning & Development Fees.

In the case of Mixed-Use Apartment Buildings, residential uses must equal greater than 75% of the building’s total square footage. 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.

Renovations or additions may qualify under this program where the project results in a minimum of two (2) Dwelling Unit on a single property, with a minimum increase of one (1) new Dwelling Unit.

ANALYSIS

Since the program began in June 2024, there have been 146 multi-unit projects submitted for development permits, representing the potential of 712 housing units being incentivized through this program. These projects include 3 apartment buildings which collectively represent 431 units and whose municipal fees would equate to \$822,910.

Of the 146 eligible projects, 52 currently have funding agreements in place which results in \$777,363 of the \$1 million fund being currently committed. The remaining 94 projects are in varying permitting and funding agreement stages. If all these projects move forward, there would be an additional \$477,776 required to rebate municipal fees. Additionally, there are 2 other projects which are in the pre-application stage (a 101-unit apartment building and an 8-plex). These two projects would equate to \$246,827 in municipal fees.

In total, there would be \$1.5 million required to fund all projects currently at some stage of permitting with the City. If all known projects proceed, 821 units will have been created in multi-unit developments since the inception of the grant program.

It is recommended that Council approve the amendments to Policy 357 as attached, increasing the total funds available for the Multi-Unit Residential Fee Rebate from \$1 million to \$1.6 million. This would allow for all submitted projects to receive a reimbursement of their municipal fees and provide a \$100K contingency to approve several more projects that may be submitted by the end of the year when the program ends.

Relationship to City Council's Areas of Focus / Strategic Priorities

The Grants and Incentives program aligns with the following City Council Strategic Objective; Innovative Efficiencies and Economic Readiness by providing support to local businesses to continue growing diverse and innovative economic opportunities and ensuring a strong and resilient economy.

Environmental Impact

No adverse environmental impacts have been identified.

Economic Impact

This program has positively impacted the local economy. Grande Prairie currently faces a rental vacancy rate of less than 2% which adversely affects workforce availability. Implementing a municipal fee rebate program has been successful in encouraging the construction of new housing, thereby increasing the availability of accommodations for incoming workers.

Social Impact

Given the current rental vacancy rate of less than 2%, local residents are struggling to find affordable accommodation. This program has positively impacted the local housing market by increasing the availability of affordable housing options.

Relevant Statutes / Master Plans / City Documents

- Policy 357 Development Incentives and Grants Program
- Fees, Rates and Charges Bylaw C-1395
- Land Use Bylaw C-1260

Risk

There is a risk of builders not proceeding with their proposed projects if access to the Municipal Fee Rebate grant is not available.

STAKEHOLDER ENGAGEMENT

Internal departments were consulted regarding the recommended change. Development Services has indicated that it has the capacity to accommodate the current permit volume. They are nearing capacity though and an increase in developments above current levels would challenge their permitting times.

BUDGET / FINANCIAL IMPLICATIONS

There is currently \$1 million allocated to the Municipal Fee Rebate program. Should Council want to increase the funding available to fund more municipal fees, there are several options:

There is \$139,300 in unallocated funds remaining in the Economic Recovery Fund, \$51,358 from the disbanded Training and Marketing Grant programs and \$172,380 in unallocated funds from the Development Incentives and Grants (DIG) program.

Collectively, there is \$363,083 remaining in these funds which could be allocated to the MFR program.

To reach a full \$1.6 million in program funding, it is recommended that \$236,962 be allocated to the Municipal Fee Rebate program from the Financial Stabilization Reserve.

SUMMARY / CONCLUSION

Since its inception in June 2024, the Municipal Fee Rebate (MFR) program has spurred 146 development applications totaling 712 housing units. An additional 94 projects and two pre-application projects could push the required rebate total to \$1.5 million. To meet this demand and support future applications, it is recommended that Council amend Policy 357 to increase the amount available in the program from \$1 million to \$1.6 million. The MFR program, aligned with Council's economic readiness priorities, has shown positive economic and housing impacts by incentivizing new housing development.

ATTACHMENTS