



Residential Lot Development Incentive Program Policy

POLICY NUMBER: 247-AD-26

Approval Date: April 14, 2026

Revise Date:

Motion Number: CRM20260414.1021

Repeal Date:

Supersedes: New

Review Date:

1.0 Policy Intent

The City of Cold Lake is committed to promoting the development of new buildable residential lots within the community. It is recognized that the development of new subdivisions requires significant financial investment including engineering services, site preparation, servicing installation (water/sewer/roads) and grading for example. In addition to development costs, property owners may also consider the cost of property taxes levied on new lots developed, that would be borne by the developer until the lots are sold. In order to encourage development, the City has established a tax rebate that may reduce the financial burden associated with building new lots that may not be immediately sold. This policy establishes a program whereby property owners who undertake development that results in the creation of new residential lots (ready to be built upon) may be eligible for a financial incentive in the form of a tax rebate upon completion of a subdivision.

The intent of this policy is to establish an incentive program to encourage the development of new residential lots, while ensuring that the incentive is transparent and administered equally amongst applicants in a manner that promotes the intent of the incentive opportunity in the best interests of the City of Cold Lake.

2.0 Purpose

The purpose of this policy is to encourage the development of new residential lots (that are ready to be built upon) by offering a tax incentive that will offset the developer's financial risk if the newly developed residential lots are not immediately sold.

3.0 Policy Statement

- 3.1 The City of Cold Lake shall establish an incentive program to incentivize construction of new residential lots in the City of Cold Lake.
- 3.2 A standardized application process with a rolling intake will be established.
- 3.3 The following guidelines shall ensure transparent and consistent administration of the grant:
 - 3.3.1 Eligibility Criteria and Application Requirements;
 - 3.3.2 Conditional Approval Process;
 - 3.3.3 Tax Rebate on New Lots;
 - 3.3.4 Incentive.

4.0 **Managerial Guidelines**

Eligibility Criteria & Application Requirements

- 4.1 To be deemed eligible to receive the incentive, the following criteria must be met:
- 4.1.1 The applicant must be a property owner of the property subject to the subdivision application and the property subject to the requested tax rebate.
 - 4.1.2 The land parcel being subdivided must:
 - 4.1.2.1 be a residential property;
 - 4.1.2.2 have no outstanding property taxes owing;
 - 4.1.2.3 have received Subdivision Approval;
 - 4.1.2.4 have received a Development Agreement;
 - 4.1.2.5 be located in the City of Cold Lake.
 - 4.2 An application for participation in the incentive program may be submitted for subdivision applications received by the City in 2026 or 2027.
 - 4.3 The City will only consider applications which include a completed Application Form submitted within the time periods indicated in this Policy.

Conditional Approval Process

- 4.4 An application for participation in the incentive program may be submitted concurrently with the application for subdivision to obtain a conditional approval for the incentive.
- 4.5 Where all other conditions are met, a conditional approval for tax rebate (to be issued on lots that have yet to be developed) may be granted subject to:
- 4.5.1 Approval of the application for subdivision;
 - 4.5.2 The developer entering into a Development Agreement with the City;
 - 4.5.3 The developer completing construction of the subdivision to the stage where a Construction Completion Certificate (CCC) has been issued by the City.
 - 4.5.4 The CCC must be issued within the timeframe established in the Development Agreement unless, in the sole opinion of the City, the failure to obtain the CCC within the prescribed timeframe is due to circumstances beyond the developer's control.

Tax Rebate on New Lots

- 4.6 Following approval for participation in the incentive program, a property owner may request the current year tax rebate on lots created through the participating subdivision from July 1st to December 31st.
- 4.7 A request for tax rebate must be made in writing on the prescribed form.
- 4.8 A single request may be submitted for all eligible lots that have been registered under a single registered plan of subdivision.
- 4.9 Requests for rebate received after December 31st shall not be considered for the past year's tax owing.

Incentive

- 4.10 The City may provide an annual tax rebate for 100% of the municipal portion of the current year tax bill.

- 4.11 Eligible properties may receive the incentive for one year to a maximum of six years.
- 4.12 A new lot shall no longer be eligible for the incentive when any of the following occur:
 - 4.12.1 The new residential lot is sold by the Developer;
 - 4.12.2 A building permit is issued for the new residential lot; or
 - 4.12.3 The new residential lot has been registered with Land Titles for seven (7) years or more.
- 4.13 Tax rebate will not be distributed until property taxes for the current year are paid in full.
- 4.14 The annual tax rebate may only be issued once per property, per taxation year.
- 4.15 City reserves the right to refuse to provide an incentive where at the discretion of the City it is determined that it would not be in the public interest to do so.
- 4.16 This program shall be reviewed annually by Council.

5.0 References

N/A

6.0 Persons Affected

City of Cold Lake staff
Members of the Public

7.0 Revision/Review History

April 20, 2026

Date

Apr 21, 2026

Date

JWA

Chief Administrative Officer

[Signature]

Mayor

