



Secondary Suite Development Incentive Program Policy

POLICY NUMBER: 237-AD-24

Approval Date: May 14, 2024

Revise Date:

Motion Number: CRM20240514.1009

Repeal Date:

Supersedes:

Review Date: June 23, 2026

1.0 Policy Intent

The City of Cold Lake encourages the development of secondary suites in order to promote the availability of a range of housing options in the community. Property owners who undertake developments that result in the creation of new secondary suites or, wish to legalize an existing, unapproved secondary suite, may be eligible for a financial incentive in the form of a reimbursement grant upon completion of the project.

2.0 Purpose

The purpose of the Secondary Suite Development Incentive Program Policy is to encourage the development of new secondary suites and encourage property owners to legalize existing, unapproved secondary suites, though the provision of a financial incentive intended to offset a portion of the costs incurred to develop a secondary suite that complies with the requirements of the City's Land Use Bylaw and the *National Building Code – 2023 Alberta Edition*.

3.0 Policy Statement

3.1 Application Area, Effective Date and Program Timeline:

3.1.1 This Policy applies to:

3.1.1.1 Developments that result in the creation of a new secondary suite within a RE, R1A, R1B, R2, or RMX district as defined by the City's Land Use Bylaw No. 766-LU-23.

3.1.1.2 The legalization of an existing secondary suite, for which permits were not previously obtained, within a RE, R1A, R1B, R2, or RMX district as defined by the City's Land Use Bylaw No. 766-LU-23.

3.1.2 Secondary suites that have been issued a Development Permit/Building Permit prior to the date of Council's approval of this policy shall not be considered for inclusion in this incentive program.

3.1.3 This policy shall become effective upon approval by City Council.

- 3.1.4 Once approved by Council, this program shall run for an initial one-year period for application submissions or until the maximum number of units specified in 3.1.5 have been funded, whichever occurs first.
- 3.1.5 The maximum number of secondary suites eligible for grant funding shall be twenty (20).
- 3.1.6 Council shall evaluate the overall effectiveness of the program on an annual basis and determine whether to continue the program.
- 3.2 Eligibility: To be eligible for a reimbursement grant under this program, the project must meet the following criteria:
 - 3.2.1 For the purposes of this policy, "project" shall mean the creation of a new secondary suite, in accordance with the requirements set out in the City's Land Use Bylaw No. 766-LU-23 and the *National Building Code – 2023 Alberta Edition*.
 - 3.2.2 The project must be located in one of the following land use districts as defined by the City of Cold Lake Land Use Bylaw No. 766-LU-23:
 - 3.2.2.1 RE-Residential Estate District;
 - 3.2.2.2 R1A-Residential (Single Detached) District;
 - 3.2.2.3 R1B-Residential (Single Detached – Small Lot) District;
 - 3.2.2.4 R2-Residential (Duplex) District;
 - 3.2.2.5 RMX-Residential Mixed-Use District.
 - 3.2.3 The project must be located within, or on the same parcel as, a single-detached dwelling and result in the creation of a new secondary suite, or, the legalization of an existing secondary suite, as defined by the City's Land Use Bylaw No. 766-LU-23 as one of the following dwelling types:
 - 3.2.3.1 A Basement Suite located within the basement of the principal dwelling;
 - 3.2.3.2 A Garage Suite located either above or attached to the side of a garage;
 - 3.2.3.3 A Garden Suite located within an accessory building in the rear yard of the property.
 - 3.2.4 The project must have an approved Development Permit and Building Permit issued by the City of Cold Lake prior to application for inclusion in this incentive program, unless clause 3.2.5 applies to the application.
 - 3.2.5 A project may be considered for approval prior to an approved Development Permit and Building Permit where there is a clear intent by the applicant that approval of a Development Permit and Building Permit is to be obtained and/or is obtainable within six (6) months of the approval of the grant application. In the event that a Development Permit and Building Permit have not been obtained within six (6) months of the grant application approval, such approval shall be expired. Extensions to this timeline due to circumstances beyond the applicant's control may be considered by Council.
 - 3.2.6 The project must comply with all applicable municipal bylaws, Building Codes and provincial and federal legislation. This may include but is not limited to: The City of Cold Lake Municipal Development Plan No. 699-LU-21; The City of Cold Lake Land Use Bylaw No. 766-LU-23; any

- applicable Area Structure Plan approved by the City of Cold Lake; The *National Building Code – 2023 Alberta Edition*, *National Energy Code* and *Safety Codes Act*.
- 3.2.7 Properties that are in tax arrears with the City of Cold Lake shall not be eligible for this program.
- 3.2.8 Projects that have received funding under any other Municipal, Provincial or Federal grant program are not eligible to receive funding under this program.
- 3.2.9 All projects approved to receive reimbursement grant funding must be completed in a timely manner. The City shall allow a maximum of 12 months from the time of application for the project to be completed to the stage where occupancy can be granted.
- 3.3 Incentive Program Funding:
- 3.3.1 The Secondary Suite Development Incentive Program provides property owners with a reimbursement grant of \$5,000 for each new or legalized secondary suite.
- 3.3.2 Applications will be received and reviewed on a first-come, first-served basis until the total number of units established by Council in clause 3.1.5 has been funded, or the program term has ended.
- 3.3.3 A reimbursement grant for an approved project will be disbursed upon the applicant providing satisfactory evidence that the project has complied with all requirements of this policy and a Development Completion Certificate has been issued by the City in accordance with the Land Use Bylaw No. 766-LU-23.
- 3.4 Disbursement of Grant Funding:
- 3.4.1 Upon issuance of a Development Completion Certificate for the project by the City, the approved grant funds shall be disbursed to the applicant.

4.0 Managerial Guidelines

- 4.1 Application Requirements: Applications made for reimbursement grant funding under this program must include the following information:
- 4.1.1 A description of the proposed project and how it meets the eligibility criteria outlined in Section 4.0 of this policy;
- 4.1.2 An approved Development Permit and/or Building Permit (unless clause 3.2.5 applies to the application); and
- 4.1.3 A certified copy of Title for the property.
- 4.2 Application and Approval Process:
- 4.2.1 Prior to applying for the Incentive Program, the applicant shall schedule a meeting with the Planning and Development Department to review their application for participation in the reimbursement grant Incentive Program.
- 4.2.2 Administration shall review the application for conformity to the eligibility criteria outlined in Section 4.0 of this policy and provide a recommendation to Council.

- 4.2.3 Council shall, after considering the application and the Administration's recommendation approve or deny the application for participation in the grant program.
- 4.2.4 Council's decision respecting any particular application shall be final.
- 4.2.5 Following approval of an application by Council, the applicant shall enter into a Reimbursement Grant Agreement with the City of Cold Lake outlining the terms and conditions under which the City will disburse the approved funding to the applicant.

5.0 References

- 5.1 City of Cold Lake Municipal Development Plan No. 699-LU-21
- 5.2 City of Cold Lake Land Use Bylaw No. 766-LU-23
- 5.3 *Municipal Government Act*, R.S.A. 2000
- 5.4 *Safety Codes Act*, R.S.A. 2000, Chapter S-1
- 5.5 *National Building Code – 2023 Alberta Edition*
- 5.6 *National Energy Code of Canada for Buildings 2017*

6.0 Persons Affected

City of Cold Lake Residents
Corporate Services – Finance
Land Use, Planning and Regulatory Services

7.0 Revision/Review History

The Council and the CAO or their designate, shall review this policy as required, or following changes to the operating environment of any of the divisions of the City; or at such other times as the Council and or CAO considers appropriate.

Reviewed August 12, 2025 – CRM20250812.1011 – Moved by Councillor Mattice that Council renew the Secondary Suite Development Incentive Program and continue to accept applications for the program until May 14, 2026.

Reviewed June 23, 2026 – CRM20260623.1014 – Moved by Councillor Weber that Council renew the Secondary Suite Development Incentive Program for an additional year and continue to accept applications for the program until May 14, 2027.

JUNE 25, 2026

Date

June 29/2026

Date

Chief Administrative Officer



Mayor