

PROPOSED CRITERIA AND PROCESS FOR A PROPERTY TAX RELIEF PROGRAM

Purpose of Program

To forgive 2013, 2014 and 2015 property tax for property owners, residential and non-residential, who have lost the use of their properties either permanently or for a prolonged period due to the 2013 June flood because the property is deemed uninhabitable.

Eligibility Criteria

- The building is severely damaged beyond economic repair; or,
- The building is damaged to the extent that a decision is made by the homeowner or business owner (in writing) to rebuild the building as a result of the extent of the costs of repair of damages; or,
- The property cannot be occupied as municipal services formerly available to the property are not accessible; or,
- The building is damaged, requiring extensive repairs or renovations that will make the building uninhabitable for a period of more than 90 days.
- The cancellation/refund will include both residential and non-residential taxes payable that are levied under Part 10 Division 2 of the *Municipal Government Act*, with the exception of taxable linear properties. Local improvement taxes are not eligible under this program.
- The following documentation can be used to satisfy the definition of uninhabitable:
 - The insurance company adjuster's report.
 - A report from a licensed building inspector or appraiser indicating the building is beyond economic repair or damages require extensive repairs or renovations that will make the building uninhabitable for a period of more than 90 days.
 - A remediation report from a licensed expert dated more than 90 days following the flood indicating that the property is now fit for habitation.
 - A Closed Health Order (Order of an Executive Officer of Alberta Health Services) indicating the property was uninhabitable for more than 90 days following the flood.
 - An Active Health Order (Order of an Executive Officer of Alberta Health Services) indicating the property remains uninhabitable for more than 90 days following the flood, along with a certification from the property owner indicating the order has not been closed.
 - A Post Remediation Assessment of Flood Affected Homes completed by Alberta Health Services that lifts a Not Fit for Habitation declaration.
 - Disaster appraisals that were completed for individual properties immediately following the floods to determine the extent of the damage.
 - Other inspections or reports from licensed/certified experts.

Determination of Property Tax Credit

- The property tax credit will be calculated based on the number of days the building is uninhabitable plus a 30 day credit for a grace period after the building is reoccupied. For example, if a building was uninhabitable starting from 2013 June 20 due to the flood and was reoccupied on 2013 December 1, the tax credit will be calculated as follow:
(163 days + 30 days) / 365 days = 52.9% of the 2013 property tax (exclude Local Improvement).
- All 2013 current year penalties charged to the qualified property tax accounts, if any, will also be credited back to the accounts.

- An interest amount, based on the City Deposit Rate, will be calculated and added to the qualified property tax accounts from 2014 January 1 to the date the credit was applied to the account.

Process for the Property Tax Relief Program

- Application form will be available on The City's web site and the Tax Advisory Services counter located in the Municipal Building starting on 2014 March 3.
- Qualified residential and non-residential property owners need to complete and submit the application along with at least one of the documents identified above under the Eligibility Criteria. The property owners can mail, fax, complete online (secure web form) or drop-off the applications at the Tax Advisory Services counter.
- Administration will ensure the applications meet the definition of uninhabitable and are supported by appropriate documents as required by the Southern Alberta Flood Response Program.
- Administration will bring a report to Council recommending Council to pass a resolution pursuant to Section 347 of the Municipal Government Act to cancel the appropriate property taxes.
- Administration will apply the credits to the property tax accounts to reflect the cancellations approved by Council.
- Administration will submit an application, along with the Council resolution and list of properties, to Municipal Affairs for reimbursement.