

## 1. Statement

The Town of Fort Smith may, subject to Council approval, offer a time-limited municipal property tax exemption on the incremental assessed value of eligible residential developments.

## 2. Purpose

To accelerate housing growth by incentivizing new builds and accessory units through a structured, declining municipal tax exemption.

## 3. Definitions

- a. *Accessory Dwelling* – A legal secondary suite located within or on the same lot as a principal dwelling.
- b. *Administration* – The Senior Administrative Officer (SAO) or designated municipal staff responsible for program oversight.
- c. *Applicant* – The property owner submitting the exemption application.
- d. *Completion Date* – The date by which construction is complete, and the unit is legally occupied.
- e. *Incremental Assessment* – *The new assessed value added by development, excluding land value.*
- f. *Multi-Unit Residential* – Residential structures containing more than one unit.
- g. *New Residential Construction* – Any newly built home, duplex, row house of multi-unit dwelling.
- h. *Program* – The Housing Incentive Program under Fort Smith’s HAF Strategy.
- i. *Property* – A legally titled parcel within the municipal boundaries.
- j. *Reassessment* – A GNWT property reassessment following construction and occupancy.
- k. *Tax Exemption* – A Municipal waiver of a portion of the assessed taxes on qualifying improvements.

#### **4. Guiding Principles**

- a. This initiative is part of the Town of Fort Smith's broader Housing Accelerator Funding (HAF) Housing Incentive Program.
- b. Council may amend or terminate the program at any time.
- c. Exemption are available only to qualifying developments completed and occupied before March 31, 2028.

#### **5. Tax Exemption Schedule**

- a. *Year 1 (first full calendar year after reassessment): 100% exemption*
- b. *Year 2: 66% exemption*
- c. *Year 3: 33% exemption*
- d. *Year 4 and beyond: Fully Taxable*

#### **6. Program Parameters**

- a. Applies only to the incremental assessed value.
- b. Exemptions do not apply during construction.
- c. All permits, final inspections, and GNWT reassessment must be complete.
- d. Final exemption year is 2029, regardless of occupancy date.

#### **7. Eligibility Criteria**

- a. Project must be located within the Town of Fort Smith;
- b. Application must be in good standing with the Town of Fort Smith;
- c. No Outstanding Taxes or enforcement issues;
- d. Must comply with zoning and building regulations;
- e. Not available for short-term rentals or commercial uses.

#### **8. Application Process**

- a. Applications must be submitted following reassessment.
- b. Applications must include:
- c. Completed Application Form;
- d. GNWT assessment notice;
- e. Development and building permits;
- f. Final occupancy documentation;
- g. Applications are reviewed by administration and approved by the SAO.

- h. Requires signed Exemption Agreement.
- i. Council reserves the right to limit the number of exemptions per year.

## **9. Conditions and Terminations**

- a. Exemptions are non-transferable unless authorized in writing.
- b. Will be revoked if the property is converted to an ineligible use.
- c. Town may cancel or revise the program at any time with notice.

## **10. Monitoring & Administration**

- a. The SAO or designate is responsible for program oversight.
- b. Corporate Services shall track exemptions and report annually to Council.
- c. Appeals must be submitted in writing and brought to Council for decision.

## **11. Related Policies**

- a. Housing Accelerator Fund Contribution Agreement
- b. Town of Fort Smith Zoning and Building Bylaws
- c. Bylaw 952: Spending Authority