



COUNCIL POLICY

RESIDENTIAL DEVELOPMENT INCENTIVE PROGRAM

Policy #: D-06-2026

Section: Development

Rescind Policy #: D-06-2025

Legislative Reference: Town of Smoky Lake Land Use Bylaw 007-18

1. PURPOSE

- 1.1. To provide incentives for eligible residential property owners and developers to encourage the development of additional residential housing units and multi-unit residential development through a per-unit square foot incentive on eligible building projects.

2. DEFINITIONS

2.1 In this Policy:

- a) *"Accessory Dwelling Unit"* shall mean a self-contained dwelling unit, that is accessory to a principal building and meets the Alberta Building Code and the Town of Smoky Lake Land Use Bylaw. This may include secondary suites, garage suites, garden suites, and in-law suites.
- b) *"Applicant"* shall mean the individual or developer submitting an application for financial support through the Residential Development Incentive Program.
- c) *"Application Date"* shall mean the date in which the application was acknowledged as received by the Program Review Officer.
- d) *"CAO"* shall mean the Chief Administrative Officer of the Town of Smoky Lake.
- e) *"Completion Date"* shall mean the date by which all work on the proposed project must be completed to the satisfaction of the Program Review Officer.
- f) *"Council"* shall mean the duly elected Council of the Town of Smoky Lake.
- g) *"Developer"* shall mean an owner, agency, occupant, or any person, firm, or company required to obtain or having obtained a development permit.
- h) *"Dwelling, Multi-Unit"* shall mean a building consisting of two (2) or more dwelling units and includes: duplexes, fourplexes, row housing, and apartments.



- i) *“Dwelling Unit”* shall mean a self-contained residential unit containing areas for sleeping, cooking, eating, and sanitation intended for occupancy by one household.
- j) *“Eligibility Criteria”* shall mean terms that specify who qualifies to receive support through the program and/or the actions necessary to qualify for the Program prior to the receipt of funds.
- k) *“Eligible Unit”* shall mean a dwelling unit approved by the Program Review Officer as meeting the requirements of this Policy and all applicable municipal and provincial regulations.
- l) *“Garage Suite”* shall mean a self-contained dwelling unit located above a detached garage which is located in a rear yard and which is accessory to a single detached dwelling. Garage suites have an entrance which is separated from the vehicle entrance to the detached garage, either from a common indoor landing or directly from the exterior of the building.
- m) *“Garden Suite”* shall mean a temporary, portable detached dwelling unit that is subservient to an existing dwelling on the site but does not include a park model. Garden suites can only be located on a lot containing an existing single detached dwelling or manufactured home.
- n) *“Habitable Floor Area”* shall mean the total finished floor area within a dwelling unit intended for occupancy, excluding garages, unfinished basements, crawl spaces, utility rooms, mechanical rooms, and exterior balconies or decks.
- o) *“Incentive”* shall mean a financial contribution where Eligibility Criteria and/or conditions are compulsory for the recipient, and there is a formal application/selection process and a future obligation is attached.
- p) *“In-Law Suite”* shall mean an additional dwelling unit intended for occupancy by one (1) or two (2) adult persons, which may share access with the adjoining dwelling unit.
- q) *“Land Use Bylaw”* shall mean the Town of Smoky Lake Land Use Bylaw, as amended from time to time.
- r) *“Program”* shall mean the Residential Development Incentive Program, which establishes clearly defined objectives, terms, conditions, provisions, and Eligibility Criteria for a recipient to have access to public funds through an objective assessment and selection process.
- s) *“Program Agreement”* shall mean a legal instrument documenting the terms and conditions under which an applicant receives public funds through the Program.



- t) *“Program Review Officer”* shall mean the Development Officer for the Town of Smoky Lake.
- u) *“Project Inspection”* shall mean the periodic inspection by the Program Review Officer and/or appropriate Town staff to determine an Applicant’s qualification for the Program, review project progress, and to evaluate a completed project with respect to the Program Agreement.
- v) *“Property”* shall mean a parcel of land described in a Certificate of Title and contained within defined lot lines. For the purpose of this policy this shall include properties identified for residential uses as defined in the Town of Smoky Lake Land Use Bylaw.
- w) *“Residential Development”* shall mean the construction, establishment, or conversion of one or more dwelling units intended for residential occupancy.
- x) *“Secondary Suite”* shall mean a self-contained Dwelling Unit, clearly secondary in size to the main Dwelling Unit within a dwelling, which may or may not share access to the outside and/or other facilities with the main Dwelling Unit.
- y) *“Town”* shall mean the Municipal Corporation of the Town of Smoky Lake.

3. POLICY STATEMENT

3.1 The Town may, subject to budget approval and available funds, provide grant funding to encourage residential intensification and accelerated housing growth.

4. GUIDING PRINCIPLES

4.1 Funds available for incentives are allocated annually through the Development Department’s budget approved by Council, or from other sources identified by the CAO.

4.2 Council may choose to fund and/or eliminate any or all of the incentives at any time.

4.3 The provision of incentives is based on objective evaluation of applications submitted by applicants and are awarded on a first-come, first-served basis.

4.4 Applications requesting funding are reviewed by the Program Review Officer prior to being forwarded to the CAO for final approval.

5. GRANTING ALLOCATIONS & REIMBURSEMENT

5.1 The amount available under the Program is as follows:



- a. Eligible projects may receive grant funding equal to \$10 per square foot of habitable floor area, to a maximum of \$20,000 per dwelling unit within an approved Residential Development.
- b. Eligible dwelling units must contain a minimum of 37.16 square meters (400 square feet) of habitable floor area.

5.2 Successful Applicants will be required to enter into and abide by a binding Program Agreement.

5.3 The Program Agreement must be signed and returned to the Town by the applicant within ten (10) working days of notification of approval.

5.4 To be eligible for reimbursement, no work is to be performed until a Program Agreement is entered into with the Town. Work that has commenced prior to Town approval is not eligible for reimbursement.

5.5 Incentive funding will only be provided as a one-time lump sum reimbursement as per the Program Agreement once:

- a. The approved building permit has successfully passed final inspection.

5.6 Projects must adhere to all applicable requirements of the Land Use Bylaw, Alberta Building Code, and any other municipal standards to be eligible for reimbursement.

5.7 Funding is subject to availability. Applications will be held in a queue and processed in chronological order of their submission date if additional funding becomes available.

6. PROGRAM RESPONSIBILITIES

6.1 The CAO or designate shall:

- a. Approve, within signing authority, Program Agreements between the Town and recipient.
- b. Identify sources of funds.

6.2 The Program Review Officer shall:

- a. Serve as the Town's primary contact for the receipt of applications.
- b. Review and evaluate applications for funding requests in an objective manner.
- c. Seek additional information when necessary to make an informed decision on an application.
- d. Establish the terms of the Program Agreements.
- e. Maintain records of decisions and prepare appropriate schedules and documentation.
- f. Conduct Project Inspections of the projects as necessary.



- g. Evaluate the Program annually and make recommendations to the CAO regarding their continuation, cessation, and/or ongoing implementation.

6.3 The Applicant shall:

- a. Provide all documentation required by the application and requested by the Program Review Officer.
- b. Adhere to the stipulations and conditions of the Program Agreement.
- c. Obtain all necessary permits and licenses.
- d. Provide all necessary reports and documentation at the conclusion of the project.
- e. Ensure the project is complete by the Completion Date stated within the Project Agreement.
- f. Ensure general upkeep and maintenance of the Property pursuant to the Town's Community Standards Bylaw.
- g. Not submit documentation that is false, incomplete, incorrect or misleading.

7. INCENTIVE GUIDELINES & ELIGIBILITY

7.1 Multi-Unit Residential Incentive Program

- a. Purpose
 - i. The purpose of the Program is to provide a per-square-foot financial incentive for the creation of new dwelling units through multi-unit residential development, accessory dwelling unit development, and residential conversion or redevelopment projects.
- b. Eligibility
 - i. Owners or Developers (with property owner permission) are eligible to apply for funding.
 - ii. Applicants must be in good standing with the Town and not be in arrears on taxes, utilities, fees, fines, or other amounts.
 - iii. Applicants shall not have any pending enforcement issues with the Town.
 - iv. There shall be no maximum number of eligible dwelling units per property, subject to compliance with the Land Use Bylaw and available program funding.
 - v. The Applicant shall ensure all required municipal approvals are in place prior to commencement of the new construction project.
- c. Eligible Funding and Costs
 - i. The maximum funding allowed under the Residential Development Incentive Program is \$10 per square foot of habitable floor area, to a maximum of \$20,000 per dwelling unit.
 - ii. Work must commence within three (3) months of approval and shall be completed within one (1) calendar year from when Program approval is received.
 - iii. Extensions may be considered and granted where justified, at the discretion of the CAO or designate.



- iv. Eligible projects may include new construction, additions, or conversions resulting in the creation of new dwelling units.
- d. Application Requirements
 - i. Applications submitted under the Residential Development Incentive Program must include the following submittals:
 - A completed application form.
 - Drawings of the proposed project and/or a development proposal that shall include details on the type of dwelling(s) being built, an estimated time of construction commencement and an approximate time that the new dwelling(s) will be completed and/or available on the market.
 - Written permission from the property owner if the applicant is a contractor applying on their behalf.
 - The Program Review Officer may request additional information to verify that the Applicant possesses the resources to complete the project as outlined (this can include but is not limited to a list of similar projects completed, financial statements, letter of credit, etc.).
 - All contractors performing work on the project must be licensed by the Province of Alberta and possess a valid Business License issued by the Town. They must also carry all required insurance.
 - ii. The Program Review Officer may determine the habitable floor area for the purpose of calculating incentive funding.

8. APPLICATION REVIEW AND PROCESS

- 8.1 Applicants are encouraged to consult with the Program Review Officer prior to submitting an application.
- 8.2 Completed applications shall be submitted to the Program Review Officer.
- 8.3 The Program Review Officer shall acknowledge receipt of the application and record the Application Date.
- 8.4 Program applications can be submitted throughout the calendar year and are reviewed and awarded in the order in which they are received.
- 8.5 All completed applications shall be reviewed and evaluated by the Program Review Officer.
- 8.6 The Program Review Officer will recommend to the CAO approval, modification, or refusal regarding the decision to enter into a Program Agreement regarding any application.
- 8.7 The Program Review Officer will determine whether an application is in compliance with this policy.



8.8 The Program Review Officer will determine the eligibility of costs/expenses, and the allocation of funds depending on the nature and scope of the project, relative to this policy.

8.9 Approvals are based on Eligibility Criteria and each applications alignment with this policy.

8.10 There is no method of appeal for the decision of the Program Review Officer and CAO.

9. FUNDING DISQUALIFICATION

9.1 Applicants found to have falsified documents and/or reports, or submit information that is false or misleading, shall immediately reimburse the Town of any funds received from the Program.

9.2 Projects which are not completed within the timelines of each Project Agreement risk loss of incentive allocation.

9.3 Applicants found to have breached any condition contained in the decision to grant an extension may risk loss of incentive allocation.

9.4 A written decision to cancel the incentive allocation must be provided to the Applicant and must include reasons for the cancellation and identify the project in which the cancellation applies to.

10. MUNICIPAL CONTROL

10.1 Council may choose to eliminate the Program at any time.

10.2 The delivery of incentive funding is subject to the terms of each Program Agreement.

10.3 Submitting an application does not commit the Town into entering a Program Agreement.

10.4 The acceptance of an application does not constitute approval, or that a Program Agreement will be entered into by the Town.



	DATE	RESOLUTION NUMBER
Approved	June 2, 2026	312-2026

Original Signed

Marianne Prockiw-Zarusky
Mayor

Original Signed

Rod Hawken
Interim Chief Administrative Officer