



July XX, 2024

Alberta Municipal Affairs

Sent via email: MA.APTP@gov.ab.ca

To whom it may concern:

COPTER Feedback

Thank you for the opportunity to share feedback on the review of the Community Organization Property Tax Exemption Regulation (COPTER). Recent Bill 20 amendments now enable full property tax exemptions for non-profit subsidized housing, in addition to current exemptions for lodge accommodations and property held by the Alberta Social Housing Corporation.

As the affordable housing crisis continues, municipalities are being asked to provide greater contributions to support the creation of new units. These contributions are generally tax supported. Expanding eligibility for tax exemptions to all subsidized affordable housing owned by non-profits raises a philosophical question on if the municipality should also be funding operating expenses. Further tax exemptions will erode the Town's ability to provide the necessary financial contributions to catalyze development of new affordable housing units.

Introducing further tax exemptions for non-profit subsidized housing represents a downloading of the financial responsibility for affordable housing to local rate payers. As municipalities have limited options to raise revenues, the burden of tax exemptions rests with local ratepayers. Property tax exemptions have significant impacts on budgets in smaller municipalities such as Okotoks, who have less ability to absorb the revenue losses compared to larger centres.

A grant in lieu of taxes program should be established to support these new affordable housing property tax exemptions. This will ensure municipalities can continue to focus resources on getting new units built. A limit on the number of years post construction that a property can be eligible for an exemption should be considered. Eligibility criteria should include a requirement that units are available to low income households.

Sincerely,



[handwritten signature]

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