



Community Improvement Plan – Financial Incentives Guide

Belle River Business Improvement Area

Prepared by Development Services, Planning
Division

April 2014

General Eligibility Requirements

The property must be within the Community Improvement Project Area as identified in Appendix A to the Belle River Business Improvement Area Community Improvement Plan (also see key map attached);

The CIP and its financial incentive programs do not apply to single detached dwellings;

Applicant(s) must be the owner(s) of the property, or an agent / tenant(s) to whom the owner(s) has provided written authorization for the application(s). Assistance is available for any building or contiguous group of buildings held in one ownership;

All proposals must meet the goals and objectives of the Community Improvement Plan;

Applications must be submitted prior to commencement of the project;

Eligible costs are specified in Section 28 (7.1) of the *Planning Act*, and include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or

facilities. Section 28 (7.3) states that the total of the grants and loans that is provided in respect of the lands and buildings shall not exceed the eligible cost of the Community Improvement project with respect to those lands and buildings. Eligible Applicants can apply for one, more or all the incentive programs, but no two programs may be used to pay for the same eligible cost;

A property owner who is in arrears of property tax or any other Municipal financial obligation is not eligible to participate in a program approved by Council. Outstanding work orders, and or orders or requests to comply must be satisfactorily addressed prior to grant or tax assistance;

Proposed projects will conform to County and Municipal policies, Municipal by-laws, provisions, standards and guidelines and will be subject to review and issuance of all necessary planning and development approvals and building permits;

The proposed exterior design of buildings or signage may be subject to review by a control architect;

Completed projects must be consistent with the approved project description submitted by the Applicant;

The project must conform to the Town's Official Plan;

An Applicant will be required to enter into a Financial Incentives Program Agreement with the Town, which will specify the terms, duration, default and any other provisions of the incentive program among other matters. Where the agreement is between a tenant(s) and the Town, the property owner(s) must consent to the agreement;

Expansion, enlargement or improvements of existing legal non-conforming uses shall not be eligible. However, where improvements are proposed to bring uses into closer conformity with the intent of the Town of Lakeshore Official Plan and Town of Lakeshore Zoning By-law or Building Code, such improvements may be considered for a grant;

Temporary uses, such as sales offices, scaffolding or other non-permanent structures such as tents, temporary storage areas, temporary parking lots, or properties zoned temporary use under provisions of Section 39 of the *Planning Act* shall not be eligible;

Assistance granted under any of the financial incentives to a particular property is not transferable to any other property;

If a building, erected or improved with a program grant is demolished prior to the expiry of the grant period, the grant is forfeited and re-payment of the grant may be required over a period of time to be determined by Financial Services;

Properties shall not have any outstanding legal claims or liens that may affect the title of the land;

Grants will be made upon successful completion of the approved works and documentation of costs for the works;

If a property is sold in whole or part before the original grant period lapses, the owner must apply to assign the remaining grant payment under the original agreement with the Town to the new owner, subject to Council's approval;

The Town reserves the right at any time to discontinue the program; however, participants in the program prior to its closing will continue to receive grants as approved for their property until the conclusion of their project;

All grants are subject to the availability of funding;

Costs incurred prior to the written approval of the Town will be deemed ineligible and will not be reimbursed;

Any significant changes in design or scope of the project must be approved by the Town. The Town reserves the right to decrease the total of the monies associated with the financial incentives if the scope of the work changes and actual costs differ from estimated costs;

The financial incentives will commence after the date of approval of the Community Improvement Plan (i.e. the CIP will be implemented on July 22, 2013), subject to funding in the Community Improvement (CIP) account.

CIP Financial Incentives: Grant Programs

Development Charges Grant Back Program

The Development Charges Grant Back Program shall consist of a grant program, whereby registered property owners / or assignees will be eligible to receive a grant for a portion or all of the development charges owing for certain classes of development when developing underutilized sites and redevelopment on commercial and mixed use properties in the downtown area and waterfront district as a means to encourage investment through additional commercial space and or residential units above commercial units.

Sliding Scale	Refund	Maximum
Up to \$5,000 fee	100%	\$5,000
\$5,001-\$10,000 fee	\$5,000+75% of amount over \$5,000	\$8,750
\$10,001-\$25,000 fee	\$8,750+25% of amount over \$10,000	\$12,500

Eligible Fee:

Development Charge

Eligible Criteria

Applicants must pay for all development charges prior to undertaking the approved work;

A grant back of development charges will be made after successful completion of work, to the satisfaction of the Town;

Grant backs can be made to property owners or an agent authorized by the owner undertaking work consistent with the goals of the Community Improvement Plan, when developing underutilized sites and redevelopment on commercial and mixed use properties in the downtown area and waterfront district as a means to encourage investment through additional commercial space and or residential units above commercial units.

Planning Application and Permit Fee Grant Back Program

Where a property owner or authorized agent is undertaking improvements to lands and buildings in the Community Improvement Project Area, the Town shall grant back 50% of the normal application fees for approved projects in accordance with the provisions of Section 69 of the

Planning Act and the Town of Lakeshore *Tariff of Fees By-law*. In the case of building permits, property owner / agent will be granted back up to 50%, to a maximum of \$1,000 of the fee.

Grant Amount is:

50% of planning application fees;
50% of building fees, up to a maximum of \$1,000.

Eligible Costs: under this program applies to the fees for any of the following approvals:

Site Plan Application
Zoning By-law Amendment
Minor Variance
Consents
Building Permit (including occupancy permits)
Demolition Permit
Sign Permit

The fees associated with applications that are not supported by staff, are not eligible costs under this Program.

Eligible Criteria

Grant backs can be made to property owners or an agent authorized by the owner undertaking work consistent with the goals of the Community Improvement Plan, including existing Commercial and

Mixed Use buildings / properties (residential units above a commercial use / commercial) and parking lots, where the redevelopment or rehabilitation project results in Commercial or Mixed Use improvements in the Community Improvement Project Area;

The Town will request payment of fees at the time of application stage. Upon final inspection of the completed and occupied project, fees collected will be granted back to the property owner(s) / agent;

This program does not apply to any required performance securities to be posted by the proponent, required professional studies, consultant or legal expenses required or to expenses incurred by the applicant because of an appeal to the Ontario Municipal Board.

Cash-in-lieu of Parkland or Parkland Dedication Exemption Program

If cash-in-lieu of parkland is being employed, 25% (to a maximum of \$5,000) of the cash equivalent paid by the owner is granted back by means of a grant, following successful completion of approved work, where land is being redeveloped for Commercial purposes in the Community Improvement Project Area.

Eligible Criteria

Assistance can be made to property owners or agents authorized by the property owner, undertaking works consistent with the goals of the Community Improvement Plan, for land that is being redeveloped for Commercial purposes in the Community Improvement Project Area.

Exemption from Parking Requirement Program

The Town shall provide assistance in the form of an exemption from or reduction in the parking requirements (depending on the size of the building) established within the Zoning By-law where there are improvements, and or a change in use to an existing Commercial building in the downtown area and waterfront district in accordance with Schedule “C” of the Town of Lakeshore Zoning By-law;

New Commercial buildings, additions to existing Commercial buildings and changes in use of a Commercial building will be exempt from the parking requirements to a maximum floor space of 149 square metres of newly constructed gross floor area.

Eligible Criteria

Assistance will be in the form of an exemption from or reduction in the parking requirements (depending on the size of the

building) established in the Zoning By-law, where there are New Commercial buildings, additions to existing Commercial buildings and changes in use of a Commercial building in the downtown area and waterfront district, in accordance with Schedule “C” of the Town of Lakeshore Zoning By-law;

Section 40 of the *Planning Act* provides municipalities the opportunity to accept cash-in-lieu of parking via agreements with a proponent where required parking cannot be accommodated for the given project. The cash-in-lieu payment is negotiated between the Town and the Owner. Typically, this payment is based on each of the total number of parking spaces being reduced. A nominal fee will be considered for the necessary reduction; however, in order to comply with the provisions of the *Planning Act*; an agreement between the parties is required;

Residential uses will not be permitted to develop on the basis of cash-in-lieu of parking.

Property Tax Increment Grant Program

Tax Increment: The increase in taxes, or tax increment, is calculated by subtracting the municipal portion of property taxes before reassessment from the municipal portion of property taxes after reassessment. A municipality may provide any proportion of the increment for any length of time their Council deems is appropriate. The tax increment does not include any increase / decrease in municipal taxes due to a general tax rate increase / decrease, or a change in assessment for any other reason.

The Town shall offer a grant to property owners who undertake major improvements, such as redevelopment, construction, re-construction and rehabilitation and / or the improvement of energy efficiency of Commercial or Mixed Use (residential units above a Commercial use) buildings or properties within the downtown area and waterfront district which causes an increase in municipal property tax. The incentive for property taxes (municipal share only) is based on the increase in the assessed value of the property as a result of the improvement. At the current tax rate, the municipal tax on \$100,000 is approximately \$575. Unless a building is demolished and rebuilt, the financial incentive is expected to be under \$2,000. In the event that a demolition and rebuild occurs and applies under this

program, a cap will be set at \$3,500 for the first year and decrease by 10% thereafter for the remaining 9 years.

The grant to the property owner is the municipal portion of the tax rate multiplied by the increase in assessed value immediately after the improvements. The change in assessed value is determined by the Municipal Property Assessment Corporation. This grant is payable over 10 years with the first year payment equal to 100% of this amount, the second year payment equal to 90% of this amount until the tenth and final year payment equal to 10% of this amount. The difference in municipal taxes determined in year one is the base for which the remaining nine year grant will be calculated.

Eligible Criteria

Eligible Projects Will Include: the substantial redevelopment, construction, re-construction and rehabilitation and / or the improvement of energy efficiency of Commercial or Mixed Use (residential units above a Commercial use) buildings or properties within the downtown area and waterfront district where it is anticipated that an increase in property taxes will result. Whether or not a project is considered substantial, will be determined at the sole discretion of the Municipality;

The program will provide a grant for a portion of the taxes resulting from increased assessment for development or redevelopment initiatives that further the objectives of this plan;

The municipal portion of the tax increment as a result of development or redevelopment will be determined based on the assessment increase information provided by the MPAC and grants will be funded after all property taxes for the year of the grant are paid;

The Applicant shall be the registered owner of the property;

This incentive cannot be used in conjunction with the façade improvement grant;

Assistance is available for any building or contiguous group of buildings held in one ownership;

The program shall not apply to condominium developments;

The tax grant will be in a form of a grant pursuant to subsection 28(7) & (8) of the *Planning Act RSO 1990*;

If the ownership of the property changes during the 10 year period, the relief is immediately cancelled. The Town may deem it appropriate to enter into an

agreement with the new owner for continuation of the program;

For year 1, after the tax bill resulting from the increased assessment has been paid, payment will be made within 30 days of the written request by the property owner. For subsequent years, if the property is not in arrears at December 31 and upon written request of the owner, payment will be made by January 31 of the following year. If the property is in arrears at December 31, the owner will be in default and will not be eligible for the grant for that year;

Properties participating in this program are subject to penalty / interest charges if payments are not made on or before the due dates.

Façade Improvement Program

A grant is provided that is equivalent to up to 50% of the renovation costs, to a maximum of \$5,000 shall be available to assist Commercial / Mixed Use (residential units above a commercial use) building owners and or assignees to improve a building façade or façade signs.

Façade: A façade is the face of a building, usually the front, which has been designed with a particular style and incorporates design elements.

Eligible Costs Include:

Professional fees (i.e. licensed contractors, architects, designers, engineers etc.) are eligible; and installation and materials.

Eligible Criteria

Building improvements (façade and façade signage) to existing Commercial and Mixed Use (residential units above a commercial use) buildings may be eligible in the downtown area and waterfront district.

Façade Improvements Include: siding, brick and stone masonry, exterior woodwork, architectural metals, windows, doors, exterior lighting for building and signage, canopy / awnings, paint site preparation, interior window display areas, weatherproofing, energy efficiency upgrades and any other exterior improvements that may bring the building up to code and improve the aesthetics of the façade or signage;

This component of the program, may operate in a staged fashion, based on the timing of the request for improvements, and may be considered in advance of the completion of the Façade Improvement Guidelines / Urban Design Guidelines, subject to:

The owner / operator hiring its own architect or designer to the satisfaction of

the Community Improvement Committee and the plans being reviewed and approved by the Committee.

Accessibility Program

A grant is provided that is equivalent to up to 75% of the construction costs, to a maximum of \$1,500 shall be available to improve accessibility to Commercial and Mixed Use buildings may be eligible in the Community Improvement Project Area.

Eligible Costs Include:

Professional fees (i.e. licensed contractors, architects, designers, engineers etc.) are eligible; and installation and materials.

Eligible Criteria:

Removal of barriers to access for people with disabilities for Commercial or Mixed use buildings in the Community Improvement Project Area;

Improvements for barrier-free accessibility upgrades that meet Provincial guidelines for accessibility;

Accessibility Improvements Include: automatic doors, handle replacement, ramps and associated landscaping immediately surrounding the ramp, clear external signage, step free access, slip resistant access, level access improvements,

clear path of travel / widening of aisles and doors, handrails, lighting and other similar accessibility improvements.

Public Art Grant Program

A grant up to a maximum of \$1,000 is available. The program provides funding for murals and public art on both public and private properties to promote community spirit and vibrancy in the downtown area and waterfront district, where such art can be enjoyed by the public. Encourages artists from diverse backgrounds and range of experience to apply.

Eligible Costs Include:

Professional fees (i.e. contractor or designer / artist), materials, installation; and lighting and landscaping that highlight the public art.

Eligible Criteria

Commercial or Mixed Use buildings / properties or public spaces in the downtown area and waterfront district are eligible;

Eligible Projects are to include: promotion of a “Waterfront Theme”;

Proposals must include a “sketch” indicating the type of art work, theme, size, colours,

materials and location (including dimensions of proposal).

The following types of art are considered eligible for a grant under this program:

- murals;
- sculptures
- paintings;
- interactive art pieces and displays; and
- any other art piece or display as approved by the Community Improvement Committee.

Application Process

Step 1 – Application Submission

Applicants are required to have a pre-application consultation meeting with Planning Services staff in order to determine program eligibility; Applicants submit completed application(s) including required supporting documentation; Planning staff screen the application to ensure it meets eligibility criteria; Applicants will be notified if their submission is incomplete; There is no application fee.

Step 2 – Application Review & Evaluation

A Community Improvement Committee (i.e. Staff from Planning, Building, Finance and the Belle River BIA) reviews and evaluates

applications and supporting documentation against eligibility requirements; Planning, Fire and Building staff will perform an initial site visit and inspection of the building / property. Any deficiencies will be required to be addressed; The Heritage Advisory Committee and the Accessibility Committee may also review the application and provide comments to staff if deemed necessary; The Community Improvement Committee will make a recommendation regarding the application.

Step 3 – Grant Approval

Should the application be approved, a Financial Incentive Program Agreement maybe required, which will outline the terms, duration, default and any other provisions of the incentive program; Property owner(s) / authorized agent(s) sign the agreement.

Step 4 – Payment

Owner(s) / agent(s) provides proof that the project is complete and request payment (i.e. invoices / proof of payment of contractors, photos, confirmation from the Town's Building Department etc.); The Municipality reserves the right to inspect the property and or audit final costs at the owner's expense; Should the Applicant default any of the requirements of the Financial Incentive Program or the Municipality, approved assistance maybe

withheld for a period of time as determined by the Municipality, canceled or the applicant maybe required to repay assistance to the Town; Applicants have 6 months to start the project and 1 year to complete the approved project from the date of the Notice of Approval. Extensions will be considered on a case by case basis. An application maybe canceled if work does not commence within the 6 month period or if the project is not completed within 1 year, in accordance with the Financial Incentive Program Agreement; Payment will be issued as specified in the agreement with the Municipality by Financial Services.

Application Requirements

Applications for any of the Financial Incentive Programs must include the following:

1. A completed application(s) form;
2. Supporting documentation as identified in the pre-application meeting or by the Community Improvement Committee, such as:

Project Description (i.e. proposal, conceptual elevation plan, materials / colours of the street oriented façade, exterior lighting, other drawings and reports / studies). A Business Plan may be required);

Current Assessment Information;

Copy of Deed;

Photograph(s) of the existing building / property;

Three reliable cost estimates for eligible work from qualified contractors (i.e. must be acceptable to the Community Improvement Committee) and any other requirements;

A letter from the Town's Finance Department is required to ensure the property is up to date and in good standing with respect to Municipal financial obligations.

Any additional forms of funding must be identified at the time of the application.