



**STAFF REPORT  
MUNICIPALITY OF WAWA**

**Maury O'Neill, CAO-Clerk**

<b>Prepared By: Maury O'Neill</b>	<b>Report No.: CAO 2024-11</b>
<b>Agenda Date: August 11, 2024</b>	<b>File No. Community Improvement D-18</b>

**DOWNTOWN WAWA CIP FINANCIAL INCENTIVES**

**Staff Recommendation**

**THAT** Council receive Report No. CAO 2024-11 and approve the recommendations as contained in the report to implement a set of Downtown Wawa CIP Financial Incentives, as outlined in the Wawa Downtown Community Improvement Plan By-Law No. 3685-24 including the following in 2024-2025;

- 1) Residential/Office Rehabilitation and Conversion Grant.
- 2) Activation Grant for Vacant Building Space.
- 3) Building Façade and Signage Improvement Grant.
- 4) Planning and Building Permit Fees
- 5) Tax Increment Equivalent Grant (TIEG)

**AND THAT** Council review and approve Policy AD-007 Downtown Wawa CIP Financial Incentives Program attached to this Report as Appendix "A" at its September 3<sup>rd</sup> meeting;

**AND THAT** Council approve by Resolution to set-aside a budget for the period from September 3, 2024, to December 31, 2025, of \$80,000 for the Financial Incentive Programs listed as items #1 to #4 above, and that the funds come from the Community Wellness Reserve Fund;

**AND THAT** funds for the Tax Incentive Grant, item #5 above, come from the Community Wellness Reserve with no cap on amount, over a maximum period of five years, with a grant being provided to eligible applicants equivalent to the following;

YEAR	TIEG AMOUNT (% of Township Property Tax Increase (Increment) Resulting from Project)
1	100%
2	80%
3	60%
4	40%
5	20%

## Purpose/Summary

The purpose of this report is to:

- a) Provide a suite of approved financial incentives to support and encourage property owners in the Downtown CIP Improvement Area to make improvements to their buildings and properties, with Council approved budget support in 2024-2025;
- b) Provide staff and the Economic Development (EDTAC) Committee with considerations and guidelines to follow when reviewing and recommending Downtown CIP Financial Incentive applications, as set-out in the approved Wawa CIP;
- c) Clearly set-out that any Financial Incentive Programs contained within the Downtown Wawa CIP are subject to approval and municipal budget allocations by Council on an annual basis. There is no guarantee of any Financial Incentive Program being implemented in any given year and selection is at the sole discretion of Council.

## Background

Council approved the Wawa Downtown Community Improvement Plan in April 2024 and which permits the Municipality to provide grant funds to property owners to undertake property improvements in the CIP area.

A set of financial incentives are contained in the Downtown Wawa CIP and not all incentive programs are being recommended by staff at this time due to need and budget funds. After review and consultations, staff recommend the following programs to Council for implementation, pending budget funds available/approved;

- 1) Residential/Office Rehabilitation and Conversion Grant.
- 2) Activation Grant for Vacant Building Space.
- 3) Building Façade and Signage Improvement Grant.
- 4) Planning and Building Permit Fees
- 5) Tax Increment Equivalent Grant (TIEG)

A presentation was provided to Council on June 18, 2024, outlining the recommendations contained in this Report which were shared with the public for comment on in June and July. No public comments have been received and the EDTAC Committee did provide some input into the criteria of the incentives which has been incorporated.

It is recommended that a Council Policy be adopted to set-out to staff and EDTAC which incentives will be provided, the approval process for applications and the agreement that must be entered into should an applicant be successful in receiving a grant. A draft Policy is attached as Appendix "A" to this report.

The draft Policy AD-007 is presented to Council for review and consideration for possible adoption at the Tuesday, September 3, 2024, meeting.

## Discussion

### Draft CIP Grant Policy – Overview

#### ***CIP Application Review***

The Draft Policy AD-007, copy attached, sets out the process for approving a financial grant and when a complete application has been received by the CIP Administrator, which at this time will be the EDO or EDO Assistant, it will be circulated to members of the EDTAC for review and comment. The EDTAC Committee will recommend whether the application should be granted or refused based upon the criteria and provisions within the community improvement plan, including available funding.

#### ***Council Decision***

Council will approve grant applications by Resolution. There is no appeal for an application for an incentive program for a community improvement plan. If the application is approved, the applicant shall then enter into an agreement with the Municipality regarding the conditions of the terms, duration, and any other provisions of the incentive program, as outlined in the Draft Policy AD-007. This agreement may be registered on title of the subject property.

#### ***Completion of Work***

If an application is approved and an agreement is entered into, the applicant may proceed and has 12 months to complete the work. If an applicant is unable to complete the work before the time period expires, they may write a letter requesting that the time period be extended, subject to Council's approval.

#### ***Applicant Agreement***

The Draft proposed Policy AD-007 follows the requirements and guidelines set-out in the Wawa Downtown CIP. All successful applicants shall be required to enter into an agreement with the Municipality to receive funds, and a copy for review is attached as an appendix to the proposed Policy.

## Financial Impact - Budget

### Financial Incentive Program Budget

At its sole discretion, Council may establish a budget for Financial Incentive Programs as part of its annual budget process. This budget may be subject to the availability of funding and other budget priorities. Any unused portion of the Financial Incentive Programs budget may be carried over to the following year or placed into a reserve account designated for CIP Financial Incentive Programs.

Further, at its sole discretion and considering any recommendations made by the CIP Administrator and/or EDTAC, Council may choose to allocate portions of the Financial Incentive Program budget to specific programs or choose not to allocate funding to certain programs. Council may also prioritize the consideration of applications for specific Financial Incentive Programs, depending on the Downtown Wawa and CIP implementation priorities in any given year.

The Municipality may discontinue funding for any of the Financial Incentive Programs at any time. Applicants with approved tax assistance and/or grant payments shall still receive said payment, provided that they continue to meet the general and program-specific requirements and the terms of any executed Financial Incentive Program Agreement entered into with the Municipality.

Once the CIP Financial Incentive budget has been approved and funds have been allocated, applications will begin to be accepted for that year on a first come first served basis up to the maximum funding available. In the event there are additional applications above the annual budgeted amount staff will recommend using funds from the designated reserve (if funds are available).

**Budget Request for 2024-2025 Grant Programs**

No funds were included in the 2024 operating budget for implementation of the Financial Incentives. As a result, and in an effort to expediate the financial incentives for property owners in the downtown CIP area contemplating renovations, staff request that Council dedicate up to \$80,000 from the Community Wellness Reserve for the suite of financial incentives from September 3, 2024 to December 31, 2025, by Resolution in September.

In terms of the “Tax Increment” program, the grant budget cannot be determined until applications are received due to the fact that the grant depends on the building impacts from renovations and how they affect assessed values of properties. As a result, Council is asked to consider applications under the Tax Increment grant separately, from the approved budget of the other four programs.

The budget for the Tax Incentive Grants would come from the Community Wellness Reserve subject to Council’s approval on a case by case decision, over a maximum period of five years, with a grant being provided to eligible applicants equivalent to the following;

YEAR	TIEG AMOUNT (% of Township Property Tax Increase (Increment) Resulting from Project)
1	100%
2	80%
3	60%
4	40%
5	20%

## Options and Recommendations

- 1) Implement the recommendations of the Wawa Community Improvement Plan as set-out in this Report and provide five financial incentive programs to property and building owners in the Downtown CIP area in 2024 and 2025 and approve a budget of \$80,000 for the first round of applications, funds to come from the Community Wellness Reserve. (RECOMMENDED)
- 2) Approve Tax Incentive Grant applications on a case-by-case request with a maximum period of five years to receive the grant on a sliding scale from 100% in year one, decreasing by 20% annually. (RECOMMENDED)
- 3) Review and approve Policy AD-007 – Downtown Financial Incentives, to meet Council’s intention to provide grants subject to applicant’s entering into an agreement with the Municipality. (RECOMMENDED)
- 4) Reduce the budget and suite of financial incentive programs (various scenarios available). (NOT RECOMMENDED)
- 5) Do nothing. (NOT RECOMMENDED)

---

Report Submitted to Council By:

*Maury O'Neill*

Maury O'Neill  
CAO-Clerk

*Attached: Draft Policy AD-007*



**The Corporation of the Municipality of Wawa  
Policy Manual**

<b>POLICY TITLE:</b>	Downtown Wawa CIP Financial Incentives Program
<b>SUBJECT:</b>	<b><i>CIP Financial Grant Assistance Conditions and Agreement</i></b>
<b>POLICY NO.</b>	Administrative Policy No. AD-007
<b>EFFECTIVE DATE:</b>	September 3, 2024
<b>ENACTED BY:</b>	By-Law No.

## **1. Policy Statement and Purpose**

The Municipality of Wawa encourages the revitalization of downtown commercial areas through financial incentives for property owners which are aimed at reducing chronic vacancies and encouraging investment in new commercial, housing and mixed-use development.

To encourage the beautification and revitalization of Downtown Wawa, Council will provide a series of financial incentives to owners who build or renovate commercial properties in the Downtown Wawa Community Improvement Area as set-out in the 2024 Wawa Downtown Community Improvement Plan adopted by Council under By-Law 3685-24.

The purpose of this policy is to:

- a) Provide financial incentives to encourage property owners in the Downtown CIP Improvement Area to invest in chronically vacant commercial units, underused buildings and vacant properties and to build new commercial and mixed-use buildings and improve existing buildings.
- b) Encouraging attractive, pedestrian-friendly main street commercial areas through investments in existing commercial buildings and new commercial and mixed-use buildings that will support the improvement of the downtown area.
- c) Provide staff and the Economic Development (EDTAC) Committee with considerations and guidelines to follow when reviewing and approving applications.

Any Financial Incentive Programs contained within the Downtown Wawa CIP are subject to approval and municipal budget allocations by Council on an annual basis. There is no guarantee of any Financial Incentive Program being implemented in any given year and selection is at the sole discretion of Council.

## **2. Policy Background**

Council approved the Wawa Downtown Community Improvement Plan in April 2024 and it is a tool that allows the Municipality to provide funds to property owners to achieve improvements in the downtown area by encouraging both public and private sector development and investment.

A set of financial incentives are contained in the Downtown Wawa CIP and the following have been selected by Council for implementation pending budget;

- 1) Residential/Office Rehabilitation and Conversion Grant.
- 2) Activation Grant for Vacant Building Space.
- 3) Building Façade and Signage Improvement Grant.
- 4) Planning and Building Permit Fees
- 5) Tax Increment Equivalent Grant (TIEG)

### **3. Grant Procedure and Process**

#### **Administration of the Community Improvement Plan Financial Incentives**

The Wawa Downton CIP outlines that Council is responsible for the overall administration of the Community Improvement Plan, which includes:

- a. Determining which of the financial incentive programs and municipal strategies outlined in this CIP, if any, will be implemented in any given year;
- b. Approving the CIP financial incentive's budget in any given year.

#### **Evaluation of Applications**

Once a complete application has been received by the Municipality, it will be circulated to members of staff, as well as any other additional person (s) as required, for review and evaluation.

The CIP Administrator will review the application and comments and prepare and make a recommendation to the Economic Development and Tourism (EDTAC) Committee whether the application should be granted or refused based upon the criteria and provisions within the community improvement plan.

Municipal Council may then accept or reject the recommendation from EDTAC at its sole discretion.

If the application is approved by Council, the applicant shall then enter into an agreement, contained as Appendix "A" to this Policy, with the Municipality regarding the conditions of the terms, duration, and any other provisions of the incentive.

### **4. Budget and Financial Implications**

#### **Financial Incentive Program Budget**

At its sole discretion, Council may establish a budget for Financial Incentive Programs as part of its annual budget process. This budget may be subject to the availability of funding and other budget priorities. Any unused portion of the Financial Incentive Programs budget may be carried over to the following year or placed into a reserve account designated for CIP Financial Incentive Programs.

Further, at its sole discretion and considering any recommendations made by the CIP Administrator and/or EDTAC, Council may choose to allocate portions of the Financial Incentive Program budget to specific programs or choose not to allocate funding to certain programs. Council may also prioritize the consideration of applications for specific Financial Incentive Programs, depending on the Downtown Wawa and CIP implementation priorities in any given year.



The Municipality may discontinue funding for any of the Financial Incentive Programs at any time. Applicants with approved tax assistance and/or grant payments shall still receive said payment, provided that they continue to meet the general and program-specific requirements and the terms of any executed Financial Incentive Program Agreement entered into with the Municipality.

Once the CIP Financial Incentive budget has been approved and funds have been allocated, applications will begin to be accepted for that year on a first come first served basis up to the maximum funding available. In the event there are additional applications above the annual budgeted amount staff will recommend using funds from the designated reserve (if funds are available).

Should an approved applicant be unable to complete the approved work within the set time period and the applicant has not requested that the time period be extended, or it has not been approved, there will be no funding made available to the applicant and the Municipality will not be liable for any costs due to the applicant's failure to obtain funding.

**5. Policy Review**

This policy shall be reviewed as determined necessary by Council or the Chief Administrative Officer.

Date of Adoption by Council	By-Law No.	Date of Most Recent Review by Council	Changes Made Yes/No
September 3, 2024			

**6. References to Other Policies/By-laws**

Document	Policy Number	By-Law
Wawa Downtown CIP		
CIP Urban Design Guidelines		
Wawa Zoning By-Law		

**APPENDIX A**

**Downtown Wawa CIP Grant Agreement**

**GRANT AGREEMENT ENTERED ON \_\_\_\_\_ (date)**

**BETWEEN:**

**The Municipality of Wawa (referred herein as Municipality)**

**AND**

\_\_\_\_\_ **(referred herein as Applicant)**

**WHEREAS:**

The Applicant wishes to revitalize their property and participate in the Downtown Wawa CIP Financial Incentive Program on the terms and conditions set out in this Revitalization Grant Agreement;

**THEREFORE BE IT RESOLVED:**

The parties in this agreement, in consideration of the mutual covenants and conditions to be observed and performed by each party, agree as follows:

**SECTION 1 – DEFINITIONS**

- a) APPLICANT** means the approved person or business receiving the financial assistance.
- b) CAO** means the individual appointed as the Chief Administrative Officer or her/his designate.
- c) COUNCIL** means the Council of The Corporation of the Municipality of Wawa.
- d) EDTAC** means the Economic Development and Tourism Advisory Committee.
- e) MUNICIPALITY** means The Corporation of the Municipality of Wawa.

**SECTION 2 – TERM AND TERMINATION**

2.1 This Agreement shall be in effect for one year from the date of Council approval.

2.2 This Agreement may not be renewed, and the Applicant may be required to re-apply with no guarantee of grant approval. Request for extensions must be submitted to Municipal Council, who has sole discretion to approve or deny any request.

### **SECTION 3 – GENERAL**

**5.1** This Agreement may be altered from time to time by mutual written consent of the parties hereto.

**5.2** Notice with regard to this agreement shall be forwarded by email or mail to:

In the case of the Town:

CIP Administrator, Municipality of Wawa  
40 Broadway Avenue, Wawa, ON, P0S 1K0  
Email: [info@wawa.cc](mailto:info@wawa.cc)

In the case of the Owner:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**5.3** This Agreement constitutes the entire agreement between the parties. No other warranties or representations are given or implied.

**5.4** This agreement shall be construed and governed by the laws of the Province of Ontario and the laws of Canada applicable.

**5.5** Each of the Parties agree to do such things and execute such further documents, agreements and assurances as may be necessary or advisable from time to time in order to carry out the terms and conditions of this Agreement in accordance with their true intent.

**5.6** This Agreement may not be altered or amended in any of its provisions, excepts where any such changes are reduced to writing and executed by the Parties.

**5.7** If any term, covenant or condition of this Agreement or the application thereof to any Party or circumstances shall be invalid or unenforceable to any extent, the remainder of this Agreement or application of such term, covenant or condition to a Party or circumstance other than those to which it is held invalid or unenforceable shall not be affected thereby and each remaining term, covenant or condition of this Agreement shall be valid and shall be enforceable to the fullest permitted by law.

**5.8** This Agreement shall endure to the benefit of and be binding on the parties, their respective successors, and permitted assigns. This Agreement shall not be assignable by the Owner/Applicant without the express written approval of the Municipality.

**Declaration:**

I/We hereby apply for a Financial Incentive Program, pursuant to the Municipality of Wawa Downtown Community Improvement Plan 2024, and have completed and fulfilled the requirements of the Financial Incentive Program Application Form to the satisfaction of the Municipality.

I/We hereby acknowledge receiving and reviewing this form and attached Schedule “A”, and agree to be bound by the General Terms and Conditions of the Financial Incentive Programs therein.

I/We hereby acknowledge receiving and reviewing this Agreement and attached Schedule “B”, the Terms and Conditions of the Financial Incentive Programs as contained therein.

I/We hereby agree that in the event of default, the rebate, refund, and/or grant is immediately cancelled and any rebate, refund, and/or grant monies previously received by the applicant become immediately due for payment to the Municipality of Wawa.

Any of the following events will be considered default during the grant period:

- i** Commencement of the approved community improvement works is not completed within twelve (12) months of the signing of this Agreement;
- ii** Completion of the community improvement works are not consistent with the description or information as provided by the Applicant on an approved Financial Incentive Program Application Form and by supporting materials, or are not completed to the satisfaction of the Municipality as confirmed by the Municipality’s CIP Administrator and/or Designate;
- iii** Demolition of the building which was subject to the improvement grant/works;
- iv** Use of the Financial Incentive Program for ineligible costs, or for works which were not specified as part of the project, as indicated by the Applicant on the approved Financial Incentive Program Application Form and supporting materials;
- v** Failure of the property owner to pay taxes in any year during the rebate, refund, and/or grant period;
- vi** Bankruptcy of the recipient of the rebate, refund, and/or grant;
- vii** Transfer of ownership of the subject real estate, (unless, in its sole discretion, the Municipality approves, in writing, a continuance of the Financial Incentive Program with the Transferee); or



We have authority to bind the Corporation

) BUSINESS NAME (Printed in Full)

)

)

)

)

)

)

\_\_\_\_\_  
WITNESS

) Name:

) Title:

)

)

)

\_\_\_\_\_  
WITNESS

) Name:

) Title:

)

*Note: If a Business is a registered Ontario Corporation, a Witness is not required, but under the signing authority the following wording will be required: "I/We have the authority to bind the Corporation" and/or affix the Corporate Seal.*

DRAFT

## **SCHEDULE “A” - GENERAL TERMS & CONDITIONS OF THE FINANCIAL INCENTIVE PROGRAMS**

The general and program-specific requirements contained in the Municipality of Wawa Downtown Community Improvement Plan 2024 (CIP) are not necessarily exhaustive and the Municipality reserves the right to include other requirements and conditions as deemed necessary:

### **Eligibility Criteria**

- a. The subject property must be located in the Downtown Community Improvement Project Area as designated by municipal by-law at the time of the application;
- b. All proposed projects must, in the opinion of the CIP Administrator and/or Council, generally contribute to achieving, and not conflict with, the vision and goals of the CIP as set out in Section 3 of the CIP;
- c. Proposed projects must represent a permanent improvement to the property or building, and not a lifecycle replacement of existing materials or structures. For clarity, and without limiting the generality of the foregoing, trailers, sheds, hanging planters, and similar non-permanent elements shall not be considered eligible, unless otherwise specified under the individual Financial Incentive Programs;
- d. Proposed projects shall be in accordance with, or exceed, the requirements of the Ontario Building Code, Fire Code, Accessibility for Ontarians with Disabilities Act, and Municipal Property Standards By-law, as applicable to the property;
- e. Due to administrative costs, applications for grants less than \$500 shall not be considered;
- f. An application for any Financial Incentive Program contained in the CIP must be submitted to the Municipality prior to the commencement of any site works and/or issuance of a building permit, as applicable;
- g. If the applicant is not the owner of the property, the applicant must provide written consent from the owner of the property to make the application;
- h. An application for any Financial Incentive Program contained in the CIP must include plans, estimates, contracts, reports, and other details, as required by the Municipality, to satisfy the Municipality with respect to project costs and conformity to the CIP, as well as all municipal by-laws, policies, procedures, standards and guidelines, including Official Plan, Zoning By-law, and Site Plan requirements and approvals;

- i. As a condition of application approval, the applicant shall be required to enter into an agreement with the Municipality. The agreement shall specify the terms, duration, and default provisions of the incentive to be provided;
- j. Where other sources of government and/or non-profit organization funding (federal, provincial, etc.) that can be applied against the eligible costs are anticipated or have been secured, these must be declared as part of the application. Accordingly, the grant may be reduced on a pro-rated basis;
- k. The Municipality reserves the right to audit the cost of any and all works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- l. The Municipality is not responsible for any costs incurred by an applicant in relation to any of the programs, including costs incurred in anticipation of a tax assistance and/or grant payment;
- m. If the applicant is in default of any of the general or program specific requirements, or any other requirements of the Municipality, the Municipality may delay, reduce or cancel the approved tax assistance and/or grant payment and require repayment of the approved tax assistance and/or grant;
- n. Municipality staff, officials, and/or agents may inspect any property that is the subject of an application for any of the Financial Incentive Programs offered by the Municipality;
- o. Eligible applicants may apply for one (1) or more of the incentive programs contained in this Plan. No two (2) programs may be used to pay for the same eligible cost. In addition, the total of all tax assistance and grants provided in respect of the subject property may not exceed the eligible cost of the improvements to that property;
- p. The subject property must not be in arrears of any municipal taxes, area rates, or other charges;
- q. All expenses that are eligible for the Financial Incentive Programs contained herein must be paid in full and the amount of the incentive shall be reimbursed as a grant to the applicant. Grants shall only be paid out when the work has been completed and paid invoices are submitted to the Municipality;
- r. Outstanding work orders from any of the Municipality's Departments must be addressed prior to grant approval; and
- s. Applications for Financial Incentive Programs must meet the eligibility criteria set out for each individual Financial Incentive Program (as set out in Sections



5.2.1 to 5.3.9 of the CIP), as well as the general policies and requirements for submitting applications as outlined in Section 6.4 of the CIP.

- t. All housing-focused Financial Incentive Programs include both non-profit housing providers and the private sector as eligible CIP applicants.

DRAFT

## SCHEDULE "B" - SPECIFIC TERMS & CONDITIONS OF EACH FINANCIAL INCENTIVE PROGRAM

### A. Residential/Office Rehabilitation and Conversion Grant – Upper Storey(s)

#### Purpose

A grant to offset the cost of rehabilitating and converting existing upper storey units above an existing commercial use to residential units or office uses in compliance with the Municipality's Zoning By-law, as amended.

#### Eligible Costs

1. Eligibility is contingent on the use of the main floor remaining commercial. This grant could also be used to provide financial support to rehabilitate vacant units into viable residential/office uses for prospective tenants.

Eligible costs shall include materials, equipment, and contracted labour to complete the proposed improvements. Labour provided by owner/tenant is not an eligible cost.

#### Program Details

1. A grant of up to half (50%) of construction costs related to the rehabilitation and conversion of upper storey units to residential units or office uses, up to a maximum of \$5,000 per unit and a total maximum of \$20,000 (or four units), or as determined by Council.

#### Eligibility Criteria

1. All General Eligibility Requirements outlined above and in this Agreement and in Section **Error! Reference source not found.** of the CIP shall apply.

The applicant must be either a registered property owner, assessed property owner, or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP.

Approval of applications must be received prior to the commencement of any site works and/or issuance of a building permit, as applicable.

Upon project completion, and once all invoices have been paid, an applicant must provide a detailed summary of costs, together with proof of payment in order to receive reimbursement equal to or less than the grant that was approved at the outset of the work. Any costs above the initial estimate are subject to approval.

## **B. Building Activation Grant for Vacant Spaces**

### **Purpose**

A grant to assist with the costs of converting and/or rehabilitating existing vacant commercial buildings into viable commercial uses, such as retail space.

### **Eligible Costs**

1. All interior and exterior retrofits required to ensure the new commercial use complies with Ontario Building Code, Fire Code, and Municipal Property Standards By-law standards, and restores the vacant building / property to a condition suitable for the proposed commercial operations. Cosmetic and other minor improvements will only be eligible if they are part of a major renovation.

Design and architectural professional fees associated with the rehabilitation of the new commercial use.

### **Program Details**

1. A grant for up to half (50%) of eligible costs, to a maximum of \$10,000 per property.

### **Eligibility Requirements**

1. All General Eligibility Requirements outlined in this Agreement and including Section **Error! Reference source not found.** of the Wawa Downtown CIP shall apply.

Vacant commercial space will be deemed vacant if the commercial space has been unoccupied for 90 days.

The new commercial use that is being created has direct access to a public street.

An application for this program must be submitted to the Municipality prior to the commencement of any site works and/or issuance of a building permit, as applicable.

## **C. Building Façade and Signage Improvement Grant**

### **Purpose**

A grant to encourage aesthetic improvements to buildings as well as to business signage, lighting, awnings and similar general façade improvements.

### **Eligible Costs**

1. The following eligible improvements apply only to front, rear, or exterior building façades that front onto a public street:
  - a. façade restoration of brickwork, wood, masonry, and metal cladding;
  - b. repair or replacement of entablature, eaves, parapets, and other architectural details;
  - c. repair or replacement of windows and doors;
  - d. repair, replacement, or addition of exterior lighting;
  - e. repair, replacement, or addition of awnings, marquees, and canopies;
  - f. replacement of façade elements that were originally in place during initial construction of the building;
  - g. redesigned shop fronts; and/or
  - h. such other improvements/repairs, as may be considered and approved by Council.

Replacement, repair, design, or installation of signage and associated lighting on front, rear, or exterior building façades of commercial, office, and mixed-use (including home-based businesses) properties.

Eligible signs include:

- i. Primary signs attached to buildings, particularly those that form part of a building façade's sign board area, or that are located above a building entrance or porch;
- j. Hanging or stand-alone signs, associated with landscaping, located in a yard which fronts onto a public street.

Professional fees associated with the above improvements are eligible.

### **Program Details**

1. For eligible improvements related to front, rear, or exterior building façades: A grant for up to half (50%) of the construction costs, to a maximum of \$10,000.
  - a. The maximum amount of a grant for professional architectural services or heritage professionals shall not exceed 50% of the grant that is calculated for eligible construction costs.

For eligible improvements related to signage: A grant for up to half (50%) of the construction costs, to a maximum of \$5,000, or as determined by Council.

## Eligibility Criteria

1. All General Eligibility Requirements outlined in this Agreement and **Section** Error! Reference source not found. of the CIP shall apply.

Improvements shall comply with the Municipality's Property Standards By-law and/or Sign By-law and the Ontario Building Code and AODA or other Regulations.

An application for this program must be submitted to the Municipality prior to the commencement of any site works and/or issuance of a building permit, as applicable.

DRAFT

## **D. Planning and Building Fee Grant**

### **Purpose**

A rebate of planning application fees (e.g., Official Plan Amendment, Zoning By-law Amendment, Minor Variance, Consent, Site Plan Control) and building permit or demolition permit fees to assist with the administrative costs of development or redevelopment of a site or existing building with commercial or mixed uses, or the development of an affordable rental or purpose-built rental housing project.

### **Eligible Costs**

1. Development or redevelopment of a vacant property or building for commercial, office, or mixed uses;

Development or redevelopment of a vacant property or building for affordable rental or purpose-built rental housing;

Rehabilitation and conversion of upper-storey space in a mixed use or commercial building to residential units;

Major additions to a commercial, office, or mixed use property, involving an increase of at least 25% of the existing gross floor area;

Infrastructure works including the improvement or reconstruction of existing on-site public infrastructure (water services, sanitary, and storm sewers);

Demolition of existing buildings on a private property, associated with redevelopment of that property, but excluding dumping fees;

Professional services by an engineer, architect, and/or professional planner; and/or

Any combination of the above.

### **Program Details**

1. A rebate grant for up to a total of 50% of the Municipality's fees up to a maximum of \$1,500, to cover the cost of planning, building permit, or demolition permit application fees.
2. In general, any projects which are eligible for other incentives outlined in this Plan will also be eligible for the Planning and Building Fees Grant, if the applicant is required to obtain planning approvals and/or a building permit or demolition permit.

Rebate grants associated with demolition permit applications do not include dumping fees.

## Eligibility Criteria

1. All General Eligibility Requirements outlined in this Agreement and **Section 6.3** of the CIP shall apply.

An application for this program must be submitted to the Municipality prior to the commencement of any site works and/or issuance of a building permit, as applicable.

DRAFT

## **E. Tax Increment Equivalent Grant (TIEG)**

### **Purpose**

A grant to help offset the costs of building improvements to commercial, office, multi-residential or mixed-use projects where the property assessment increases as a result of development, redevelopment, or major improvement, and there is a subsequent increase in municipal property assessment. The duration of the grant will be no more than five years.

### **Eligible Costs**

1. The following costs shall be considered eligible:
  - a. Development or redevelopment of a property or building resulting in viable use of the property;
  - b. Adaptive reuse of a property;
  - c. Major additions to a commercial, office, multi-residential, or mixed-use property, involving an increase of at least 25% of the existing gross floor area, or of at least \$500 of the assessed value of the property;
  - d. Conversion of upper-storey space in a mixed use or commercial building to residential units, or major renovations or improvements to upper storey residential space;
  - e. Streetscaping or landscaping improvements required as part of a proposed development;
  - f. Professional services by an engineer, architect, and/or professional planner associated with the redevelopment or adaptive reuse; or
  - g. Any combination of the above.

### **Program Details**

1. The Tax Increment Equivalent Grant is offered to eligible property owners only where the property assessment increases as a result of development, redevelopment, or major improvement, and there is a subsequent increase in municipal property taxes. For the purposes of calculating this grant, municipal property taxes include the municipal portion of the taxes only, and do not include education or any other special charges.

Grants will be equal to a declining percentage of the municipal tax increase resulting from the improvements and will be paid to the owner each year for a maximum duration of five years.



The amount of the grant(s), the time period over which the grant(s) are paid, and the rate of decrease of the value of the grant(s), shall be at the sole discretion of Council and outlined in the Financial Incentive Program Agreement. The total amount of all Tax Increment Equivalent Grants shall not exceed 50% of the total eligible costs of the improvements.

Grants shall be provided upon successful completion of the work and payment in full of the property taxes including the taxes for the incremental assessment increase. The amount of the grant in the first year cannot be calculated until the incremental assessment has been determined by the Municipal Property Assessment Corporation (MPAC) and provided to the Municipality, which may take up to two (2) years. Grants for subsequent years will be paid annually to property owners within three (3) months of payment of the full property tax.

The Tax Increment Equivalent Grant shall not be paid and shall not accumulate for any year when taxes remain unpaid by the due date. Any failure to pay taxes in any year shall disqualify the owner for further grant payments.

### **Eligibility Criteria**

1. All General Eligibility Requirements outlined in the CIP Guidelines apply.

At its sole discretion, the Municipality may require the applicant to submit a business plan, prepared to the satisfaction of the Municipality, in relation to an application for the Tax Increment Equivalent Grant.

To be eligible for the Tax Increment Equivalent Grant, the property shall be improved such that the amount of work undertaken results in an increase of at least \$500 in the assessed value of the property, or the improvement involves more than 25% of the existing gross floor area.

In order to determine the suitability of the Tax Increment Equivalent Grant, prior to submitting an application for the program, eligible applicants may be required to estimate the total potential value of the tax increment, based on current assessment values and anticipated investment.

If the total value of the Tax Increment Equivalent Grant is significantly less than the applicant's estimated value, at the sole discretion of the Municipality, the applicant may be given the opportunity to withdraw their application for the Tax Increment Equivalent Grant program, and submit an application for one or more of the other incentive programs in this Plan as may be applicable to the project.

Should an eligible applicant be approved for the Tax Increment Equivalent Grant, and if the subject property is sold, in whole or in part, before the original grant period lapses, the original owner may not be entitled to receive the remaining grant payments, in accordance with the terms of the program agreement. The

payments are also non-transferrable to the new owner, unless subsequently approved by Council.

The property owner is responsible for the entire cost of the development or redevelopment project.

An application for this program must be submitted to the Municipality prior to the commencement of any site works and/or issuance of a building permit, as applicable.

Greenfield properties are not eligible for the Tax Increment Equivalent Grant. Greenfield properties are generally considered vacant properties that have no prior history of development and cannot be serviced by existing municipal services. Council shall determine if a property is to be considered Greenfield at its discretion.

DRAFT