REPORT



MEETING TYPE: Regular Council Meeting

То:	Mayor and Council
From:	Jody Brinkman, Manager of Development Services/Chief Building Official
Date:	August 14, 2024
Subject:	Community Improvement Plan Applications
Report No.:	2024-249

TITLE: Community Improvement Plan Applications

RECOMMENDATION:

THAT Council direct Staff to award the following incentives through the Community Improvement Plan and to enter into an agreement for the disbursement of these funds with each successful applicant:

1. Forest Inn and Conference Centre Inc.

Façade Improvement Grant - \$5,000 Improved Signage Grant - \$2,000 Landscaping - \$1,000

Total - \$8,000

2. 2656116 Ontario Inc. - Fresh Market

Building Renovation and Improvement Grant - \$10,000

3. Incan Group

Landscaping - \$1,000 Tax Increase Increment Grant - \$5,319.62 Accessibility Grant - \$4,524.88

Total - \$10,844.50

4. Former Mayfair Building - 1000257529 Ontario Inc.

Façade Improvement Grant - \$5,000 Signage - \$1,000 Building Renovation and Improvement Grant - \$4,844.50 Total - \$10,844.50

5. Mitchell Wills

Residential Intensification Grant - \$9,000

6. Sunset Inns Inc.

Façade Improvement Grant - \$5,000 Improved Signage Grant - \$2,000 Landscaping - \$1,000

Total - \$8,000

7. The Hub Collective

Building Renovation and Improvement Grant - \$6,215 Landscaping - \$1,000

Total - \$7,215

PURPOSE:

To award the incentives/grants applied for in the Municipal Community Improvement Plan.

BACKGROUND:

The Municipality had an active Community Improvement Plan (CIP) in 2013 and 2014. We received five applications in 2013 and no applications in 2014. The CIP then sat dormant until 2022 when staff started the process to update the CIP and associated documents. The newest version of the CIP was adopted by Council in March of 2024.

The CIP includes several grant and funding opportunities for local businesses and developers, please note the following:

Façade Improvement Grant:

The Municipality may provide a one-time grant of 50% (up to a maximum of \$5,000) of the costs to assist commercial building owners to improve a building façade in accordance with the Downtown Revitalization Study and the Community Improvement Plan Background Report (available from the Development Services Department). The grant would include building materials, labour and professional fees.

Improved Signage Grant:

The sign improvement program may provide property owners a grant of 50% (up to a maximum of \$2,000) toward the cost of replacing an existing sign that does not comply with the sign design guidelines outlined in this Plan. Grants will be paid upon completion and

installation of the sign.

Landscaping:

A grant of 50% (up to a maximum of \$1,000) of the costs may be available for landscape improvements between parking areas and roadways or laneways. The grant will be payable upon completion of the works.

Application Fees Grant:

Where a property owner is undertaking improvements to a building in the designated improvement area in accordance with this program, the Municipality may provide a grant equivalent to the cost of the normal application fees for approved projects in accordance with the provisions of Section 69 of the Planning Act as follows:

- Site Plan Approval \$800 for construction valued \$0-\$800,000
 0.1% of costs (Maximum \$5000) for construction valued greater than \$800,000
- Zoning By-law Amendment \$800
- Minor Variance \$400
- Building Permit 50% to a maximum of \$3,000.

Residential Intensification Grant:

Notwithstanding Section 6.0, the Residential Intensification Grant shall be available throughout the entire Municipality.

Where new residential dwelling units are created within the Community Improvement Areas within the Official Plan and where permitted by the Municipality of Sioux Lookout Zoning Bylaw, the Municipality may provide a grant of up to \$3,000 per residential unit created where the unit is developed on an existing serviced lot or within an existing building. Where residential units are less than 60 square metres the Municipality may provide a grant of up to \$1,500 per residential unit.

The grant is for a maximum of \$9,000.

Tax Increase Increment Grant:

Where property owners have improved lands and buildings under this Community Improvement Plan and those improvements have resulted in increased assessment on the property, the Municipality may provide a grant to offset the tax increase in the first year to a maximum of 50% of the tax increase to a maximum of \$10,000.

Conditions of Tax Increase Increment Grant:

- Must be improvement to developed land
- Grant applies to regular Tax Levy, not Supplemental Tax Levies
- Previous year's taxes must be paid in full
- Grant applies to previous year's taxes
- Grant will be applied as a credit on the subject property's tax account
- The Tax Increase Increment Grant will only be available where the property and building improvements undertaken result in an increase in the Municipal share of taxes resulting from increased assessment and exceed \$200 per year. The actual costs associated with an

individual application may be subject to an independent audit at the request of the Municipality and at the expense of the property owner.

Municipal Land Development Grant:

Where the Municipality sells public lands for the purposes of development as described in the Official Plan, the Municipality may sell the land at less than market value. If there are comparable private lands for sale at the same time the Municipality must sell at an appraised market value to ensure non-compete with the private market.

An agreement must be registered on title requiring the lands to be developed within 24 months of the close of the purchase, unless the Municipality provides a written extension.

Building Renovation and Improvement Grant:

The Building Renovation and Improvement Grant provides financial assistance to improve upon the physical appearance of properties in the Main Central area and the Hudson Core Area, as well as to assist in creating barrier free environments, and interior improvements. The purpose of this program is to support capital projects that will allow for the establishment of new businesses, enhancement of existing businesses, or the creation of new mixed-use, or residential units.

Grant option:

The maximum grant amount is \$10,000 per development to a maximum of 50% of the value of the improvements.

It is at Council's/Committee's discretion to offer this incentive based on available funds, and Grant Agreements.

Accessibility Grant:

A grant of 50% to a maximum of \$5,000 to assist property owners to encourage the provision of accessibility improvements to existing buildings. Examples of the types that projects that may qualify for the grant include, but are not limited to: remove barriers, install ramps, elevators, lifts, automatic doors, and design services by a professional for the required project.

Relocation of a Home Occupation/Home Industry:

Where a business owner is relocating an existing home occupation or home industry to a commercial building in a Community Improvement Plan area, the Municipality may apply a grant of 100% of the Municipal planning related fees and building permit-related fees up to a maximum of \$10,000.

Applicants can apply for multiple streams but the grant/incentive cannot exceed \$15,000 for an individual property. Applications that are requesting grant dollars in 3 or more streams and/or \$10,000 or more must be reviewed and approved by Council. Staff received 7 applications, 5 of which require Council approval.

DISCUSSION:

Staff received 7 completed applications for various streams in the CIP. Currently the CIP reserve has \$63,904, the total ask between the 7 applications was \$74,715. The CIP committee, made up of the Chief Administrative Officer, Treasurer, Economic Development Officer and the Manager of Development Services, reviewed each application to determine that they met criteria for each stream that they applied to. Some applications required some minor changes but for the most part were acceptable. The CIP committee met and have suggested the following for each application:

1. <u>Forest Inn and Conference Centre Inc. - This application included the following grant requests:</u>

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Façade Improvement Grant - $12,000 (maximum 50% up to $5,000)
Improved Signage Grant - $7,000 (maximum 50% up to $2,000)
Landscaping - $7,000 (maximum 50% up to $1,000)
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Application Fees Grant - \$5,000 (Building Permit, Planning applications,

SPCA)

Each request exceeded the maximum amount permitted and there are no permit or planning applications necessary for the work taking place. The committee reduced the grants to the maximum allowed and removed the requests to cover the costs of the applications. Bringing the total to \$8,000 - \$5,000 for the Façade Improvement Grant, \$2,000 for the Improved Signage Grant and \$1,000 for the Landscaping Grant.

2. 2656116 Ontario Inc. - Fresh Market (48 Front Street - Former IGA building). This application included the following grant request:

Building Renovations and Improvement Grant - \$20,000 (maximum 50% up to \$10,000)

This request exceeded the maximum amount permitted. The committee reduced the grant amount to the maximum allowed.

3. Incan Group (Dairy Queen and 3 Unit Retail/Office Development). This application included the following grant requests:

Tax Increase Increment Grant - \$10,000 (maximum 50% of tax increase up to \$10,000)

Landscaping - \$1,000 (maximum 50% up to \$1,000) Accessibility Grant - \$5,000 (maximum 50% up to \$5,000)

After a review of the increase in taxes it was determined that the maximum amount permitted for the Tax Increase Increment Grant was \$5,319.62. This application is one of two that met the criteria and exceeded \$10,000, in effort to keep things fair and to exhaust the existing CIP reserve the total amount being recommended to this and the other applicant is \$10,844.50. Therefore, it is recommended that Incan receive \$1,000 for the Landscaping Grant and \$4,524.88 for the Accessibility Grant. Bringing the total amount to \$10,884.50

4. Former Mayfair Building - 1000257529 Ontario Inc. This application included the following grant requests:

Façade Improvement Grant - \$5,000 (maximum 50% up to \$5,000)

Improved Signage Grant - \$1,000 (maximum 50% up to

\$2,000)

Application Fees Grant - \$800 (Building Permit, Planning

applications, SPCA)

Building Renovation and Improvement Grant - \$10,000 (maximum 50% up to \$10,000)

The overall amount in this application exceeded the maximum permitted amount of \$15,000 per property. The committee reviewed the application and similar to the Incan application have reworked the amounts to total \$10,844.50. The Façade Improvement Grant and Improved Signage Grant will remain the same, the Application Fees Grant has been removed and the Building Renovation and Improvement amount will be \$4,844.50.

5. Mitchell Wills - This application included the following grant request:

Residential Intensification Grant - \$9,000 (\$3,000 per unit created up to \$9,000)

This application met the funding criteria and the committee recommends awarding the entire \$9,000.

6. Sunset Inns Inc. This application included the following grant requests:

Façade Improvement Grant - \$12,000 (maximum 50% up to \$5,000) Improved Signage Grant - \$6,000 (maximum 50% up to \$2,000) Landscaping - \$5.000 (maximum 50% up to \$1,000)

Each grant request exceeded the maximum permitted, the committee altered the values to match the maximum allowed. Façade Improvement Grant - \$5,000; Improved Signage Grant - \$2,000; Landscaping - \$1,000. The recommended total is \$8,000.

7. The Hub Collective. This application included the following grant requests:

Building Renovation and Improvement Grant - \$10,000 (maximum 50% up to \$10,000)

Landscaping - \$1,000 (maximum 50% up to \$1,000)

The Landscaping request meets the maximum value for this stream. The quote provided for the Building Renovation and Improvement Grant was \$12,430, the maximum value allowed for this stream is 50% of the project cost or up to \$10,000. In this instance we need to use the 50% valuation which is \$6,215. The committee recommends awarding \$7,215 for this application.

It is the committees recommendation that the above grants/incentives be awarded, these projects will help to rejuvenate our downtown area, beautify our gateway area and will support additional residential units.

If Council supports this recommendation, the entirety if the CIP reserve will be exhausted. Council has previously agreed to budget \$25,000 each year for the CIP reserve, in the future if this money isn't awarded in full to CIP applicants the reserve will continue to grow until it has reached it's maximum capacity of \$75,000 as per the terms of reference.

RELATIONSHIP TO THE STRATEGIC PLAN:

Community Development

FINANCIAL IMPLICATIONS:

\$63,904 in grants and incentives will be awarded to the successful applicants. Funds will be paid through the Community Improvement Plan Reserve.

Written By: Jody Brinkman, Development Services Manager Approved By:
Brian P. MacKinnon, CAO/Municipal Clerk