

To:	Warden Hicks and Members of Grey County Council
Committee Date:	June 13, 2019
Subject / Report No:	PDR-CW-30-19
Title:	Community Improvement Plan Program
Prepared by:	Randy Scherzer, Director of Planning Savanna Myers, Manager of Economic Development
Reviewed by:	Kim Wingrove
Lower Tier(s) Affected:	All Municipalities
Status:	Recommendation adopted by Committee of the Whole as presented as per Resolution <i>CW128-19</i> ; Endorsed by Council on June 27, 2019 as per Resolution <i>CC47-19</i> .

Recommendation

1. That Report PDR-CW-30-19 regarding the Community Improvement Plan (CIP) Program be received; and
2. That County Council hereby supports the CIP Program template and directs staff to work with local municipalities to implement the Community Improvement Program template through the adoption of local Community Improvement Plans that are designed to address the needs and incentives for each local municipality and that address the five development priority areas identified in the CIP Program which are to:
 - i. Increase the supply of affordable and attainable housing,
 - ii. Increase value added agricultural uses,
 - iii. Promote the development, redevelopment and/or conversion of brownfield, vacant, and grey field properties;
 - iv. Support downtown improvements, and
 - v. Support adaptive re-use of commercial, industrial and institutional buildings; and
3. That financial support be provided to local municipalities to assist with the various incentives to be adopted through the local Community Improvement Plans which can include financial support for grant programs (up to \$20,000 per year subject to budget approval), as well as other incentives including participating in tax incentives, providing surplus land, and reducing or waiving application fees/development charges.

Executive Summary

The attached CIP Program template outlines the process and implementation toolkit for member municipalities to adopt a local CIP. The template includes justification, the planning framework, priority areas, eligibility and procedure for adopting and implementing a local CIP, an menu of incentives, administration, monitoring and evaluation tactics, as well as draft by-law templates.

Growing the Grey County Economy is one of the three goals in the County Strategic Plan. In 2018, Planning and Economic Development staff initiated the development of a Community Improvement Plan (CIP) Program based on discussions with member municipalities looking for new tools to grow their assessment base and to assist with becoming more investment ready. The attached template was developed in consultation with our municipal partners over the past 18 months. It is recommended that the CIP Program template be supported in principle and that staff be directed to work with local municipalities on implementing the CIP Program through the adoption of local Community Improvement Plans that address the five priority development areas. Further consultation will occur as part of each local CIP process prior to the local municipality adopting the CIP. The 2019 budget included \$20,000 for each municipality to be used to support grant incentives offered through the local CIP. The County would also participate in other incentives that support the five priority development areas including tax incentives, surplus land, and application fee reductions/exemptions.

Background and Discussion

A Community Improvement Plan (CIP) is developed by municipal planners and economic developers working collaboratively to develop policies and incentives targeting specific types of growth and investment. Grey County and the local municipalities have identified a need for a Community Improvement Plan Program to help promote and enable prioritized development across the County as outlined in the County Official Plan.

Grey County hopes to have an inventory of Investment-Ready properties and to realize its economic development vision of being 'Open for Business'; while ensuring County Council's goal of 'Growing the Grey County Economy' is met. This CIP Program is meant to enable and boost development momentum across the region and enhance the regional ecosystem from the ground up, which is where investment happens. The intent of this Program is to offer targeted incentives countywide through the adoption of local municipal CIP's including within settlement areas as well as in our rural areas.

This CIP Program template proposes a menu of incentives to promote and support the following five types of development and revitalization projects:

- Increase attainable housing stock, including secondary suites, multi-unit housing, purpose built rental housing, rooming house developments and apartment dormitory style developments;
- Increase value added agricultural uses, agri-tourism, and facility improvement projects;
- Promotion of the development, redevelopment and/or conversion of brownfield, vacant, and grey field properties;
- Support for downtown revitalization of store fronts, publically-used frontages, and streetscapes; and
- Support adaptive re-use of commercial, industrial and institutional buildings.

Local Municipalities would develop local CIP's using the CIP Program template and choose the incentives that would best support the five priority development areas within their municipality. County staff would work with local municipalities on implementing the CIP Program. Further consultation will occur as part of each local CIP process prior to the local municipality adopting the CIP.

CIP Program Process

The CIP Program began following several discussions with the Grey County Economic Development Working Group in 2017 regarding 2018 priorities and work plans.

A CIP Program template has been developed based on initial input received from several Economic Development Working Group discussions as well as community input received as part of Recolour Grey, the Affordable Housing Study, and the Mayor's Attainable Housing Forum held in Meaford.

The preparation of a CIP must be consistent with applicable provincial, regional, and local policy. The first section of the draft document provides an overview of CIP's and provides an overview of the legislation, policies and studies relevant to the preparation of a CIP for each municipality. The second section outlines priority areas, followed by eligibility criteria and procedures, and details about the potential incentives. The third section identifies the process for monitoring and evaluating the success of the CIP Program as well as details about the administration of the CIP. There are also several appendices which provide links to other source materials, general terms of incentive programs, by-law templates and evaluation criteria. The CIP Program has been designed as a template so that local municipalities can customize it to support their local needs while meeting the overall five priority areas.

To enable the five priority areas, an a la carte menu of incentives has been proposed, recommending a mixture of grants, fee waivers and deferrals, tax equivalent financing and surplus land grants.

Menu of Potential Incentives	
Study & Design Grant	Permit/Application Fee Exemption
Development Charge Exemption/Deferral	Brownfield Tax Assistance Grant
Tax Increment Equivalent Grant	Vacant Lands Tax Assistance Grant
Heritage Property Tax Relief	Housing Rehabilitation & Conversion Grant
Surplus Land Grant	Buildings & Land Improvement Grant
Start Up Space Leasehold Improvement Grant	Vacant Building Conversion/Expansion Grant
Façade, Signage & Property Improvement Grant	Destination Infrastructure Grant

The above represents a 'menu' of incentives that could be considered. It will be important for local municipalities to select which options would work best to support the immediate needs of the local municipality and the County with emphasis on the incentives that would best work to support the priority areas noted above. It is the expectation of staff that each municipal CIP will be unique to their community, enabling development and enhancement aligned with local priorities, in addition to supporting overarching County priorities such as affordable and attainable housing. We will work with

the local municipalities to tailor the CIP program with these aspects in mind and given the funds/budget available to support these incentives. Ultimately we want to choose the best incentives that will achieve the priority areas and objectives in order to get the best 'bang for our buck'.

The draft CIP Program was shared with municipal CAOs, EDOs and Planning staff on August 24, 2018 for review. On August 29 County Economic Development and Planning Staff hosted a Planning 101 session with the same municipal stakeholders to engage in a formal review and discussion of the draft. County staff also met with local municipal finance staff to get their input. Based on the feedback received, we have made some changes to the CIP Program template. Grey Highlands has already utilized the draft template to create a new Grey Highlands CIP that aligns with the CIP Program.

Next Steps

Each municipality will need to seek input from key stakeholders such as developers, Downtown Improvement Areas and Chambers of Commerce prior to adopting their local CIP to ensure the incentives are valuable and will be used. Once discussions have taken place and drafts are nearing their final form, local municipal staff would then make presentations and reports to their local municipal councils and hold a public meeting as required by the Planning Act. Each municipality is in a different position in terms of the process requirements. Some will require a local official plan amendment in addition to the CIP public meeting, where others will only require an amendment to their existing CIPs for land areas and programs. County staff will work with member municipalities to help complete these necessary steps.

Following the public meetings, final documents, based on the attached template, will be prepared by local municipalities and circulated to the Ministry of Municipal Affairs and Housing. Approval of CIPs and associated budgets will ultimately be the choice of each local municipal Council.

Legal and Legislated Requirements

The Community Improvement Plan Program has been drafted with due regard for S.28 of the Planning Act and O.Reg. 550/06 Prescribed Matters – Upper Tier Community Improvement Plans.

Financial and Resource Implications

The approved 10 year capital plan identifies that the County would contribute \$20,000 per municipality for a period of 5 years from 2019 to 2024. The 2019 approved budget includes \$20,000 for each local municipality as the County's contribution for grant incentives to be offered through the local CIP's that align with the five priority areas. In addition to the cash contribution, it is recommended that the County would also participate in the County tax portion of tax increment grants and provide relief to planning application fees and development charges as determined by the CIP program and subject to the County Development Charges By-law being updated. Surplus land will also be considered as determined by the CIP program and subject to the Sale and Acquisition of Land Policy. For those municipalities that are not prepared to use the \$20,000 in 2019, these funds can be held in reserve which can be utilized to support incentives in 2020.

Beyond the \$20,000 grant contribution, it is difficult to say what the overall financial implications will be

for the other incentives (i.e. tax incentives, application fee incentives, etc.) as this will be dependent upon the uptake for these incentives. For the County to participate in the tax incentives, County Council would need to pass a motion to support a local municipal by-law so that the County tax portion can be exempted for a development that qualifies. For developments that qualify for application fee reduction/exemptions, this could result in less application revenue being collected in the future. County staff will work with local municipalities on monitoring and tracking the various incentives and will report on an annual basis back to Council through a Grey County report card. We will then monitor over time and use this information to help inform future budgets.

Relevant Consultation

Internal – CAO, Director of Corporate Services, Director of Planning, Director of Housing, Manager of Economic Development, Economic Development Officers, Senior Planner, Economic Development and Planning Advisory Committee

External – Economic Development Working Group, Municipal Chief Administrative Officers, Municipal Planning Staff, Municipal Finance Staff, Ministry of Municipal Affairs and Housing.

Appendices and Attachments

[Draft CIP Program Template](#)