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Staff Report

Planning & Development Services – Planning Division

Report To: Committee of the Whole
Meeting Date: April 20, 2021
Report Number: PDS.21.034
Title: Community Improvement Plan – 2021 Program Recommendations
Prepared by: Nathan Westendorp, Director of Planning & Development Services

A. Recommendations

THAT Council receive Staff Report PDS.21.034, entitled “Community Improvement Plan – 2021 Program Recommendations”;

AND THAT Council direct staff to complete the administrative details including application forms to support the recommended Community Improvement Plan programs for 2021 as substantively outlined in Staff Report PDS.21.034;

AND THAT Council select Option A for the Financial Incentive Program Budget and allocate \$250,000 from the CIP Reserve Fund to support the recommended Community Improvement Plan programs for 2021.

AND THAT Council designate the role of Plan Administrator to the Manager of Community Planning, with the Planner 2 as the Plan Administrator-Designate.

AND THAT Council retain final approval authority for 2021 CIP Program applications deemed eligible by the Plan Administrator.

B. Overview

This report is a follow-up report to PDS.21.011 and provides staff recommendations for Community Improvement Plan programs to be funded for 2021. This report also identifies the Manager of Community Planning as the Plan Administrator but recommends that Council remain as the final approval authority for 2021 CIP Program Applications deemed eligible by the Plan Administrator.

C. Background

The Town initiated a Community Improvement Plan Project earlier in 2020. A consultant, WSP Canada, was retained to assist with the development of an attainable housing CIP and a review of the Town’s existing 2011 Community Improvement Plan (CIP) for the Thornbury, Clarksburg

and Craighleith Commercial Core Areas. The project included background research, a review of other municipal approaches, and a variety of consultation initiatives, including an Open House and statutory public meeting. As a result of the project process and the engagement, two proposed CIPs were ultimately supported by Town Council on January 11, 2021 and adopted by bylaw. Specifically, these were the [Housing Within Reach Community Improvement Plan](#) (“Housing CIP”) and the [Town-wide Revitalization Community Improvement Plan](#) (“Revitalization CIP”). As no LPAT appeals were received for either CIP, both CIPs are considered in effect.

As noted in Staff Report PDS. 21.011, various administrative matters need to be confirmed by Council to provide direction on activating both CIPs. These include the following:

- Identify what programs within the Housing Within Reach CIP should be made available in 2021
- Identify what programs within the Town-Wide Revitalization CIP should be made available in 2021
- Identify what portion of the CIP Reserve should be directed to fund the 2021 CIP Programs
- Assign the role of Plan Administrator to an individual (commonly a staff member) to oversee the administrative aspects of the CIP Programs. These administrative aspects include finalizing application forms, facilitating CIP Review Committee review

D. Analysis

Council’s support and approval of both the Housing Within Reach Community Improvement Plan (HWR-CIP) and the Town-wide Revitalization Community Improvement Plan (R-CIP) indicates the Town’s commitment to leveraging the tools with the Community Improvement Planning framework to incentivize. The tools within the Town’s two CIPs are intended to provide external parties with programs and financial assistance designed to pursue the objectives within the Housing Within Reach CIP and the Town-wide Revitalization CIP.

Following consultation with Town Planning, Finance, and Economic Development staff, as well as discussion with the Executive Director of The Blue Mountains Attainable Housing Corporation (BMAHC), the following are staff’s recommendations for the 2021 Program Year. These recommendations have been considered in the context of the funds currently available in the Community Improvement Plan Reserve fund and are aligned with recommendations provided in other Staff Reports being considered by Committee of the Whole on April 20, 2021.

The 2021 Program Recommendations for both CIPs have been prudently selected to ensure sufficient funds can be directed to fund this year’s programs. They also reflect what staff feel is the maximum number of programs that can be administered with the current staff and financial resources available. Finally, when considering the impact of the programs, it is important for potential applicants to consider that the CIPs and their tools are designed to assist applicants. The total of grants and loans made under each plan in respect to eligible community improvement works shall not exceed the total of the eligible costs of each Plan. The specific

grant and/or loan value for each CIP program is outlined in Appendix A of each CIP. However, for reference this information is outlined below for the recommended 2021 Programs.

2021 Program Recommendations – Housing Within Reach Community Improvement Plan

Recommended Incentive Program 1 – Development Charges Grant Equivalent Program

Purpose: This program is intended to offset the cost of Town and County development charges that are incurred through the development application and approval process. The grant shall be paid upon completion of the works to the satisfaction of the Town. As noted in the approved Community Improvement Plan, an eligible applicant shall initially pay the applicable development charges in full and the grant is paid upon completion of the project.

Eligible Costs: Costs associated with the development or redevelopment of a property that results in a minimum of two new attainable housing units shall be eligible for this Program. Further, only costs associated with development charges applicable to new attainable housing units shall be eligible costs.

Maximum Town Funding Available/Application: This program is available as a grant. The value of the grant is based on the value of development charges applicable to the number of attainable dwelling units in a development. The maximum value of the grant shall be 100% of the value of the applicable development charges, to a maximum of \$250,000.

Recommended Incentive Program 2 – Additional Dwelling Unit Program

Purpose: This program is intended to encourage additional dwelling units (e.g. a secondary suite basement apartment that is constructed in a valid Building Permit) that are accessory to a single detached dwelling, semi-detached dwelling, and a duplex or townhouse dwelling. This program provides financial assistance to improve, convert, legalize, or construct new attainable dwelling units that may otherwise be cost prohibitive.

Eligibility: Properties used for a single detached dwelling, semi-detached dwelling, duplex or townhouse dwelling and that are located with the designated Community Improvement Project area shall be eligible for this program. To be eligible for this Program, the minimum number of new attainable housing A full and complete list of eligibility requirements is outlined in Section 3.10 and 4.1 of the Housing Within Reach CIP. However, the following costs would be eligible for grant funding through this program:

- Works related to Ontario Building Code or Fire Code compliance
- Accessibility improvements
- Permanent finishing materials (max. 25% of the total eligible costs)

- Professional engineer or architect services related to the eligible works (max. 15% of the total eligible costs)

Maximum Town Funding Available/Application: This program will be provided as a grant for the 2021 Program Year. The maximum value of a grant shall be 50% of eligible costs to a maximum of \$15,000.

2021 Program Recommendations – Town-Wide Revitalization Community Improvement Plan

Recommended Incentive Program -- Building Façade & Signage Grant Program

Purpose: The Building Façade and Signage Program is intended to promote rehabilitation, restoration and improvements of façade elements of existing buildings that promote high quality design, including business signage that is consistent with the existing character of the Town. The program will also encourage the restoration of heritage buildings and their historic attributes.

Eligibility: Properties where commercial, mixed-use, residential, employment and institutional uses are permitted within certain areas designated in the Official Plan (Downtown Area, Harbour Area, Hamlet Area, Commercial Corridor, Urban Employment Area, Bruce St./Marsh St. Corridor). Eligible costs are outlined in Section 3.6.3 and Section 4 of the Town Wide Revitalization CIP, but are summarized below:

- Repair or replacement of storefront (windows and doors)
- Repair or replacement of façade masonry and brickwork
- Repair or replacement of cornices, parapets, eaves and other architectural details
- Repair or replacement of awnings or canopies
- Façade painting and cleaning/treatments
- Addition of new lighting/upgrading of existing fixtures on exterior façade and in entrance and storefront display areas
- Installation/improvement of signage (as permitted by the Town Sign By-law)
- Architectural/design fees required for eligible works (max. of 10% of the grant amount)

Maximum Town Funding Available/Application: The maximum grant value shall be 50% of eligible costs to a maximum of \$10,000. At the discretion of the Town, the maximum grant value may be increased by up to \$5,000 per property for properties that are designated under the Ontario Heritage Act. At the discretion of the Town, the maximum grant value may be increased by up to \$5,000 per property where a side or rear façade is highly visible to the public street or is located in a prominent location. However, for clarity, the maximum cumulative value of the grant shall not exceed \$20,000 per property where all of the above conditions may be satisfied.

CIP Reserve Funding for 2021 CIP Programs

In December 2020 Council considered Staff Report FAF.20.034 and approved the creation of a Community Improvement Plan Reserve. The CIP Reserve was established through By-law 2020-75 with \$433,672.24. These funds were sourced from the sale of four municipal properties sold by the Town in 2017-2020. Replenishment and enhancement of the CIP Reserve Fund will be considered by Council on an annual basis through Council's budget review process. With the completion of the Community Improvement Plans, the County of Grey has also transferred \$20,000 to the Town to assist with funding the Town's Community Improvement Plan Programs. Therefore, the total value of the Town CIP Reserve Fund is currently \$453,672.24. Considering the Town's desire to follow through with achieving the objectives of both Community Improvement Plans, staff recommend that Council ensure sufficient funds are available for CIP Programs in future year(s). Therefore, staff offer the following Financial Incentive Program Budget options for Council's consideration:

2021 CIP Financial Incentive Program Budget Option 1 (Recommended) – Staff recommend that \$250,000 of the CIP Reserve Fund be allocated to fund the recommended 2021 CIP Financial Incentive Programs for both the Housing Within Reach CIP and the Town Wide Revitalization CIP. This recommendation represents 55% of the current CIP Reserve Fund, while ensuring funding is available to the Town to consider CIP applications in 2021. The funding approved for each application will be at the discretion of Town Council when it is considering the CIP applications later in 2021. With Option 1, and depending on the volume of applications for each funding program, this could mean that an application for a Development Charges Rebate may not be able to receive the full amount that it would otherwise be eligible for (\$250,000).

2021 CIP Financial Incentive Program Budget Option 2 – Another option is that \$300,000 of the CIP Reserve Fund be allocated to fund the recommended 2021 CIP Financial Incentive Programs for both the Housing Within Reach CIP and the Town Wide Revitalization CIP. This option represents 66% of the current CIP Reserve Fund, ensuring more funding is available to the Town to consider CIP applications in 2021. This Option could generate more momentum with the CIP's by making more funds available to Town Council when it is considering the CIP applications in the inaugural year of CIP implementation. With Option 2, and depending on the volume of applications for each funding program, this could mean that an application for a Development Charges Rebate could receive the full amount that it would otherwise be eligible for (\$250,000) while also leaving further funds for Council to provide to other programs. However, unless other funding sources are confirmed to sustain the CIP Reserve Fund, only \$153,672.24 would remain in the CIP Reserve Fund for future years until it is re-evaluated through the 2022 Budget process.

Plan Administration

The Town's Community Improvement Plans require Council to designate a member of Town staff to be the Plan Administrator. To ensure timely administrative processing and evaluation of CIP Program applications, an alternate Plan Administrator should also be designated in the event that the primary Plan Administrator becomes unavailable. It is recommended that the Manager of Community Planning be designated as the Plan Administrator for all CIP Programs, with the Planner 2 as the Plan Administrator's designate. This will ensure consistency and efficiency in application intake, evaluation, processing, and monitoring.

With regard to the Housing Within Reach CIP, application forms should identify the attainability thresholds for a given year. Draft agreements will also be developed to ensure CIP funded attainable housing units meet the 15 year minimum attainability period outlined within the Housing Within Reach CIP. This information should be made available when the Intake Window is launched to provide potential applicants with the information needed to determine whether the housing dwelling units they wish to pursue could be considered attainable and to consider the legal obligations that are associated with the CIP funding. The information and data will be finalized in consultation with The Blue Mountains Attainable Housing Corporation staff to ensure the Town's efforts and the BMAHC efforts are aligned. At this time, *Attainable Housing*, is defined within the Housing Within Reach CIP and is as follows:

- In the case of home ownership, housing for which the purchase price results in annual accommodation costs which do not exceed 30% of the gross annual income for households within the income range of 50 – 130% of median income for the Town of The Blue Mountains. Annual household income information will be based upon the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation.
- In the case of rental housing, housing which is provided is defined as at least 20% below area median rent. Area median rent information will be based on the most recent Census of Canada statistics for the Town of The Blue Mountains and is updated at least every five years and may be updated more frequently in consultation with the Blue Mountains Attainable Housing Corporation. At the sole discretion of Town Council, an alternative definition of attainable housing may be applied to an eligible application, provided the definition contained within the Housing With Reach CIP and/or a proposed development that meets the eligibility criteria of this Plan, have received formal endorsement from The Blue Mountains Attainable Housing Corporation.

Once the 2021 CIP Programs are selected by Council and funded accordingly from the CIP Reserve Fund, staff will finalize the appropriate application forms, necessary guidance materials, and agreement(s) that will be used. It is expected that the Intake Window for the 2021 CIP Programs will commence approximately 1 month from Council's confirmation and will last for 6 weeks. After the initial Intake Window closes, staff will proceed with the administrative aspects of application evaluation and processing. These steps are described in more detail in Section 5 of each Community Improvement Plan. Eligible applications will then be presented to Council later in 2021 for a decision.

E. Strategic Priorities

2. Organizational Excellence

We will continually seek out ways to improve the internal organization of Town Staff and the management of Town assets.

3. Community

We will protect and enhance the community feel and the character of the Town, while ensuring the responsible use of resources and restoration of nature.

F. Environmental Impacts

There are no direct environmental impacts associated with the recommendations of this Staff Report.

G. Financial Impacts

Selection of Financial Incentive Program Budget Option 1 would allocate \$250,000 of the \$453,672.24 to be available for 2021 CIP program applications. This recommendation represents 55% of the entire CIP Reserve Fund, while ensuring funding is available to the Town to consider CIP applications in 2021. The funding approved for each application is at the discretion of Town Council when it is considering the CIP applications. With Option 1, and depending on the volume of applications for each funding program, this could mean that an application for a Development Charges Rebate may not be able to receive the full amount that it would otherwise be eligible for (\$250,000).

Selection of Financial Incentive Program Budget Option 1 would allocate \$300,000 of the \$453,672.24 to be available for 2021 CIP program applications. This option represents 66% of the entire CIP Reserve Fund, ensuring more funding is available to the Town to consider CIP applications in 2021. This Option could generate more momentum by making more funds available to Town Council when it is considering the CIP applications in the inaugural year of CIP implementation. With Option 2, and depending on the volume of applications for each funding program, this could mean that an application for a Development Charges Rebate could receive the full amount that it would otherwise be eligible for (\$250,000) while also leaving further funds for Council to provide to other programs. However, unless other funding sources are confirmed to sustain the CIP Reserve Fund, only \$153,672.24 would remain in the CIP Reserve Fund for future years until it is re-evaluated through the 2022 Budget process.

H. In Consultation With

The following staff were engaged in the preparation of this report:

Trevor Houghton, Manager of Community Planning
Sharon McCormick, Blue Mountains Attainable Housing Corporation
Tim Hendry, Manager of Communications & Economic Development
Ruth Prince, Director of Finance & IT

Shawn Everitt, Chief Administrative Officer

I. Public Engagement

The specific topic of this Staff Report has not been the subject of a Public Meeting and/or a Public Information Centre as neither a Public Meeting nor a Public Information Centre are required. However, any comments regarding this report should be submitted to Nathan Westendorp, directorplanningdevelopment@thebluemountains.ca

J. Attached

No Attachments

Respectfully submitted,

Nathan Westendorp, MCIP RPP
Director of Planning and Development Services

For more information, please contact:
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Report Approval Details

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Attachments:	
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This report and all of its attachments were approved and signed as outlined below:

Shawn Everitt - Apr 6, 2021 - 8:01 AM