

Port Colborne CIPs Review

Report 2022-102
Appendix A

Council Update
June 28, 2022



Outline

1. Purpose of CIP Review
2. CIP Program Uptake
3. Key Review Findings
4. Revised CIPA Boundaries
5. Revised Incentive Programs
6. Next Steps

Purpose of CIP Review

- A CIP allows a municipality to provide grants and loans for building/property renovations, improvement, development.
- A CIP is an “enabling” policy document that uses public sector investment to **leverage** private sector investment and can produce significant transformative results.
- City currently has 6 CIPS adopted between 2008 and 2013:
 1. Brownfield CIP;
 2. Downtown CBD CIP;
 3. East Waterfront CIP;
 4. Gateway CIP;
 5. Industrial CIP;
 6. Main Street CIP (Olde Humberstone).

Purpose of CIP Review

- All the CIPs are now dated.
- Policy direction, including planning, environmental, and economic goals have changed over last 10 years.
- 6 CIPs contain 11 different incentive program types – can be confusing and cumbersome to administer.
- Lessons learned from existing program implementation and results.
- Evolving CIP best practices in Ontario municipalities.
- Region revised SNIPs, with some programs ending and new programs coming online over next 2 years.

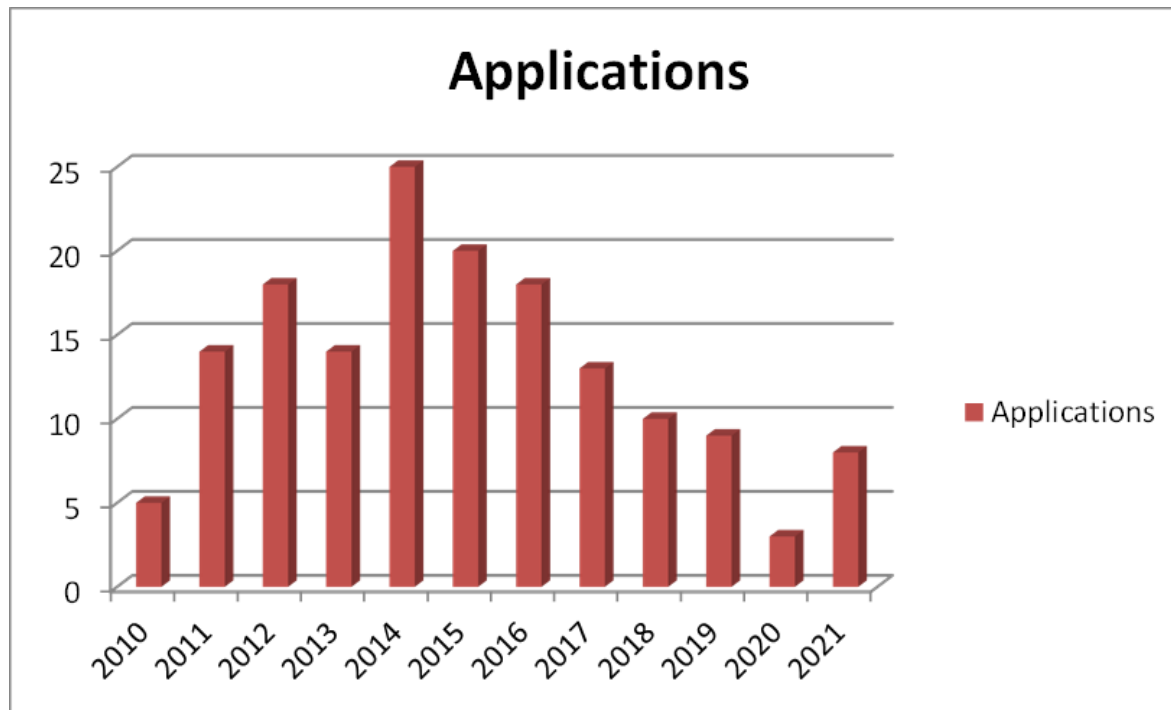
Purpose of CIP Review

- **Methodology**

- ✓ City established Project Review Team (PRT) - (Strategic Initiatives, Planning, Economic Development, Finance).
- ✓ 3 meetings to date with PRT to obtain input and feedback.
- ✓ Reviewed uptake of current CIP Programs.
- ✓ Reviewed current Policy Framework (City, Region, Province)
- ✓ Reviewed best practices, i.e., emerging programs/areas.
- ✓ Toured current CIPAs and adjacent areas.
- ✓ Identified key community improvement needs not being met.
- ✓ Developed Draft revised CIPA and Incentive Programs.
- ✓ Today - Provide project update/obtain feedback from Council.

CIP Program Uptake

- Total of 158 approved applications from 2010 to 2021.
- Total City Funding = \$522,733 (61.3%).
- Total Regional Funding = \$330,657 (38.7%).
- Total City/Region Funding = \$853,390.
- Leverage Ratio in 2014 was 1.35 and in 2016 was 1.65.



CIP Program Uptake

Program Type	Downtown/ CBD	Main Street	East Waterfront	Brownfield	Industrial	Gateway	
							TOTAL
1) Urban Design Study Grant	10	1	1				12
2) Environmental Site Assessment Grant				16			16
3) Façade Improvement Grant	62	19	12				93
4) Residential Intensification Grant	8	1	1				10
5) Residential Rehabilitation			12				12
6) Affordable Housing Grant							0
7) Tax Increment Grant	5			1	1	1	8
8) Planning/Building Fees Grant							0
9) Sidewalk Café Grant							0
10) Sign Replacement Grant		3					3
11) Parking Lot Grant		4					4
TOTAL	85	28	26	17	1	1	158

Key Findings

- Programs have been well utilized and effective, but some gaps/weaknesses have emerged, e.g. affordable housing.
- Need to streamline/reduce number of programs and focus on more substantive programs.
- 1 comprehensive CIP preferred to 6 separate CIPs.
- Policy goals suggest more emphasis on intensification, brownfields, affordable housing, and employment lands.
- Some CIPAs merit expansion based on current building/property conditions and updated policy directives.
- Incorporate recent CIP best practices on brownfields, downtown revitalization, and affordable housing.
- Convert current DC Bylaw Exemptions to Grant Programs under the CIP to improve program flexibility and coordination.
- Revised City CIP programs should dovetail as much as possible with new Regional SNIPs.

Revised CIPA Boundaries

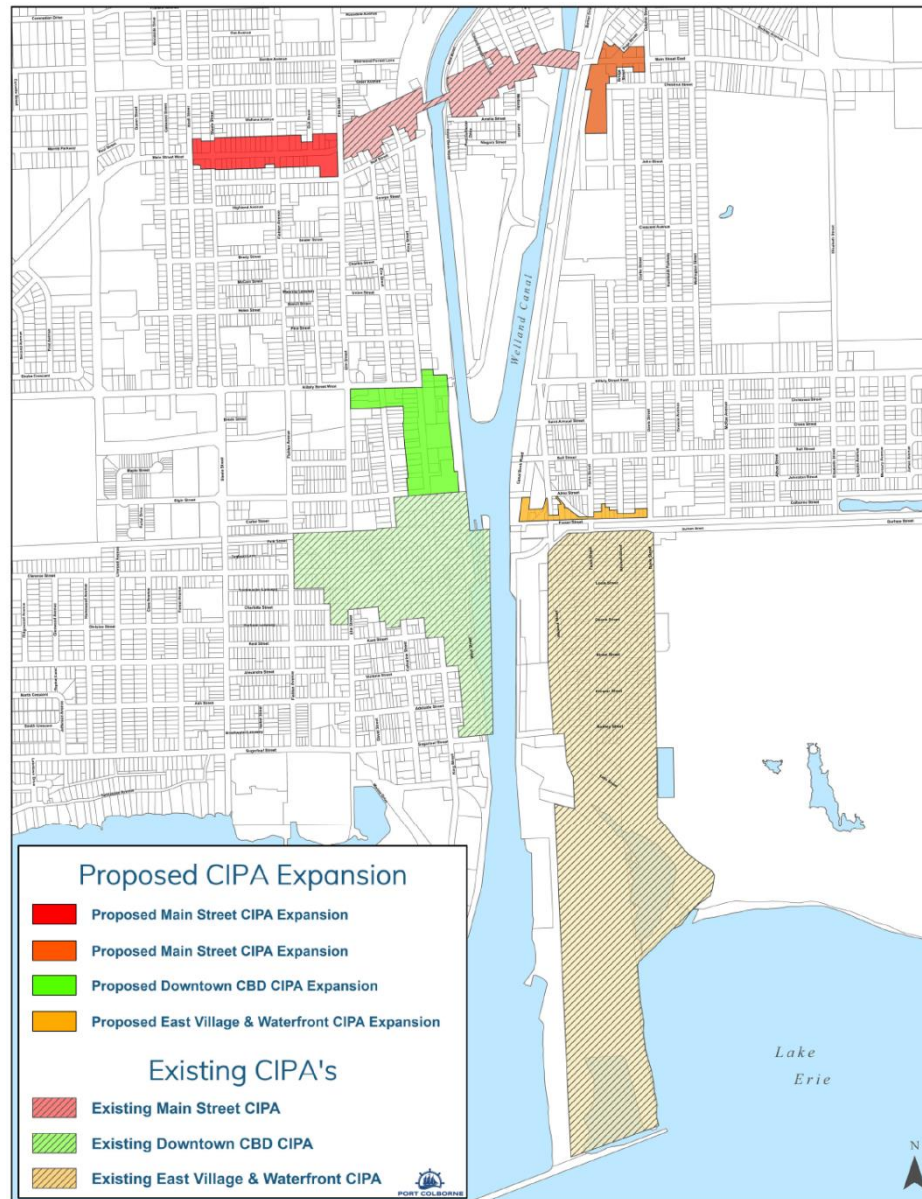
- **6 Current CIPAs**

- 3 – Downtown CBD, Main Street, and East Waterfront designated by map reference.
- 3 – Brownfield CIPA (Urban Area), Industrial CIPA (all lands designated “Industrial” in Urban Area (UA)) and Gateway CIPA (all lands designated “Employment” in UA) designated by text reference.
- Industrial CIPA can be covered off by the Gateway CIPA.

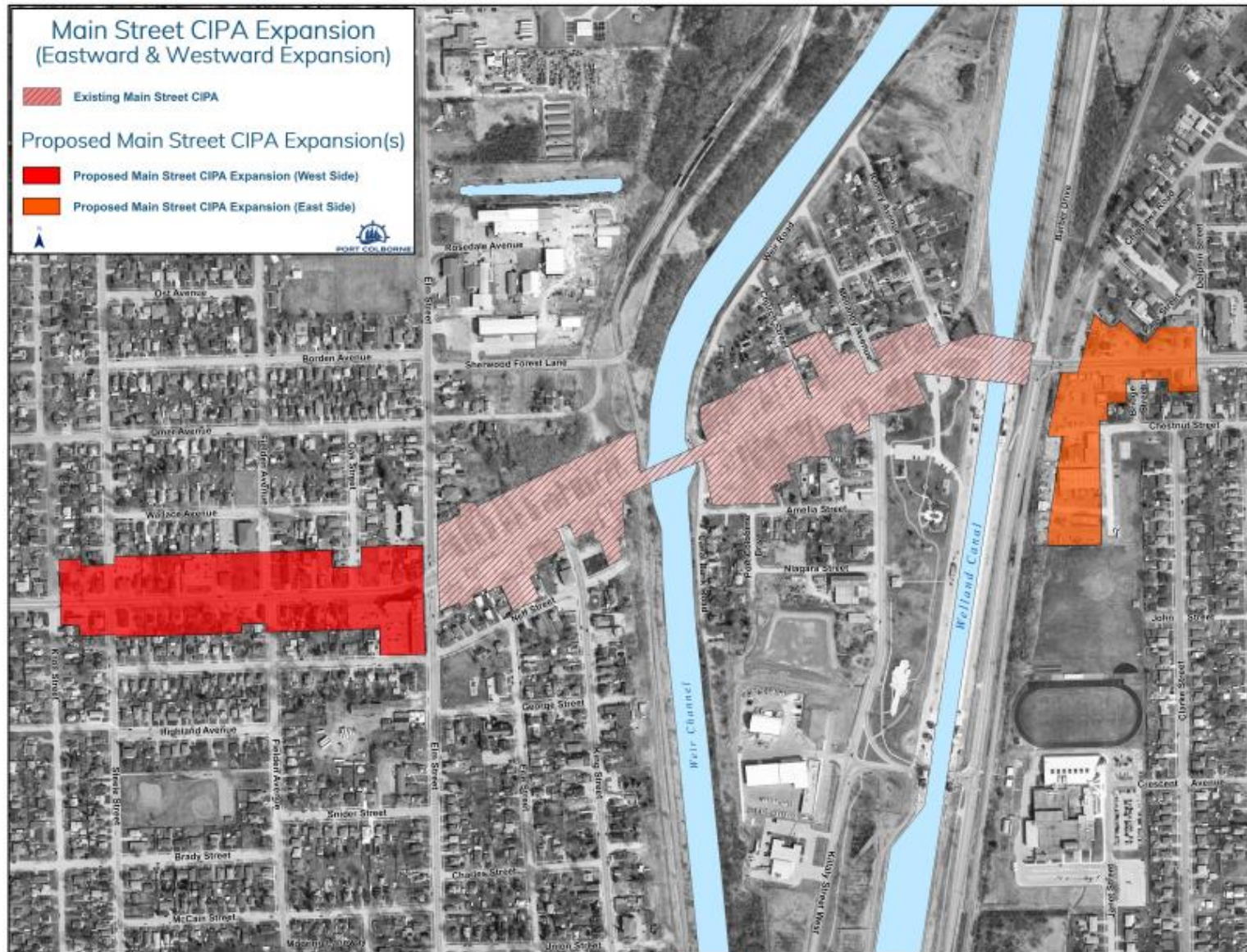
- **Methodology**

- ✓ Reviewed policy directions in OP, including vision, goals and objectives of associated CIPs.
- ✓ Conducted needs examination of each CIPA, including:
 - Initial walking/driving tour with City staff and follow up walking tour and examination of geographic areas identified by staff;
 - Photos and notes taken re: building and property condition;
 - Reviewed land uses as per OP and Zoning Bylaw.

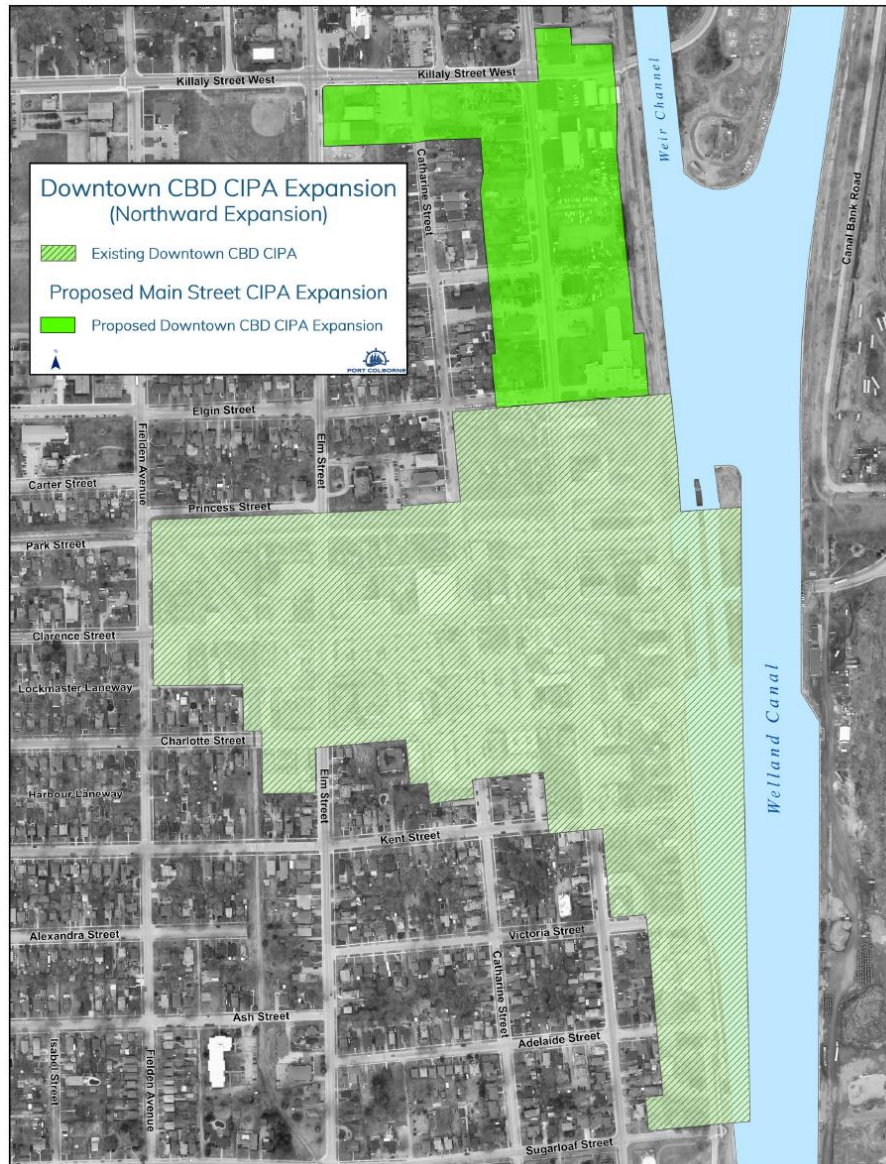
Revised CIPA Boundaries



Main Street CIPA



Downtown CBD CIPA



East Waterfront CIPA



Revised Incentive Programs

- **Current** - 6 CIPs contain 11 types of incentive programs.
- **Proposed** – 1 Comprehensive CIP with 6 substantive programs.
 1. Environmental Site Assessment Grant Program
 2. Facade Improvement Grant Program
 3. Residential Intensification Grant Program
 4. Affordable Housing Grant Program
 5. Tax Increment Grant Program
 6. DC Grant Program
- Strategic geographic targeting of incentive programs to reflect key policy goals and direction.
- Maximum grant amounts increased for some programs.
- Enhanced measures to limit potential financial exposure of the municipality.

Revised Incentive Programs

	Program	Description	Applicable CIPA	Program Change Notes
1	ESA Grant	Grant = 50% of study cost. Max. grant per study = \$20K. Max. 2 studies per project. Max. grant for 2 studies = \$30K.	Urban Area Wide (Brownfields)	Increased max. grant from \$15K to \$20K and max. for 2 studies from \$25K to \$30K to reflect increased costs.
2	Facade Improvement Grant	Grant = 50% of costs up to max. grant of \$20K. 50% grant can be increased up to \$5K for designated heritage properties. 50% grant for side and/or rear facades to max. grant of \$5K.	Downtown, Main Street and East Waterfront	Increased max. grant from \$10K to \$20K to reflect increased costs and better address wider buildings.
3	Residential Intensification Grant	Grant = \$15 per sq.ft. to max. grant of \$15K per unit up to 5 units.	Downtown, Main Street and East Waterfront	Increased max. grant from \$10 per sq.ft. to \$15 per sq.ft. to reflect increased costs. Increased from 4 to 5 units to match new Regional program.

Revised Incentive Programs

	Program	Description	Applicable CIPA	Program Change Notes
4	Affordable Housing Grant	Grant = \$15 per sq.ft. to max. grant of \$15K per unit, up to 5 units. Can be stacked with Residential Intensification Grant.	Urban Area Wide, but priority given to applications in Downtown, Main Street and East Waterfront.	New program to promote affordable housing.
5	Tax Increment Grant (TIG)	Brownfield TIG = 100% of City Tax Increment (TI) for up to 10 years.	Urban Area Wide (Brownfields).	Simplified and increased from current 60%/80%/100% level to 100%.
		Downtown, Main Street, and East Waterfront TIG = 80% for 10 years, bumps up to 100% for 10 years if affordable housing project.	Downtown, Main Street, and East Waterfront.	Added 20% bump up for affordable housing.
		Gateway TIG = between 40% and 100% for 10 years if in Strategic Location for Investment, 5 years elsewhere.	Gateway CIPA.	No change.

Revised Incentive Programs

	Program	Description	Applicable CIPA	Program Change Notes
6	DC Grant	Brownfields, DC Grant = 100%, but DC Grant is deducted (offset) from TIG.	Urban Area Wide (Brownfields).	All DC Exemptions in current DC Bylaw, except Industrial over 5,000 sq.ft., to be removed from DC Bylaw (at next DC Bylaw review) and converted into DC Grants within the CIP.
		Downtown, Main Street, and East Waterfront, DC Grant = 50%, but applicant must choose between DC Grant and TIG.	Downtown, Main Street, and East Waterfront.	Downtown decreases from 100% to 50%. Main Street and East Waterfront increases from 0% to 50%.
		Gateway DC Grant = between 70% and 100% if project achieves minimum score, as per Gateway CIP.	Gateway CIPA.	No change.
		Affordable Housing DC Grant = 100%, but applicant must choose between DC Grant and TIG.	Urban Area Wide	New program to promote affordable housing.

Next Steps and Timing

1. Incorporate input/feedback from Council.
2. Hold Stakeholder/Public Consultation Session (July 14) and incorporate input/feedback.
3. Finalize Draft CIPAs and Draft Incentive Programs (Summer).
4. Prepare Draft CIP Report including Monitoring Program and Marketing Strategy (Summer).
5. PRT to review and comment on Draft CIP
6. Finalize Draft CIP (Late Summer).
7. Circulate to MMAH/prescribed agencies for comment (Fall).
8. Statutory Public Meeting (Fall)
9. Council adopts new CIP (target by end of 2022)
10. Implementation (2023)