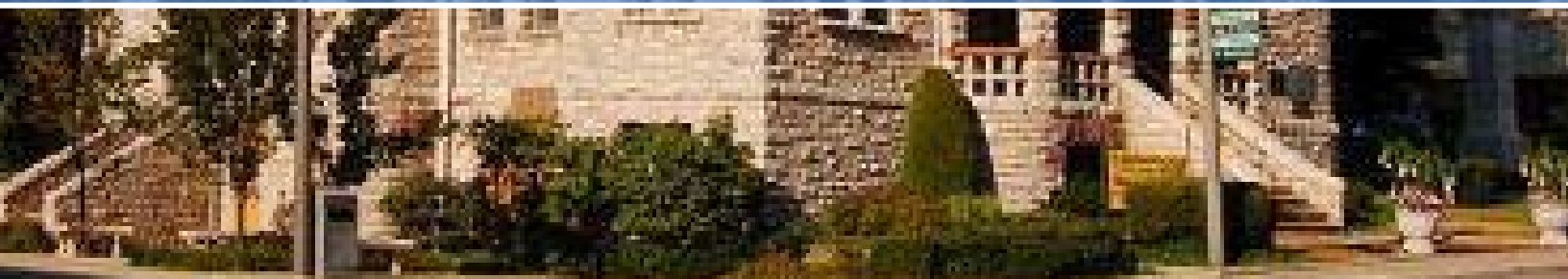




# Town of St Marys - Economic Prosperity Community Improvement Plan



## Table of Contents

<b>Introduction .....</b>	<b>3</b>
<i>Purpose.....</i>	<i>3</i>
<i>Authority.....</i>	<i>3</i>
<i>Ontario Planning Act.....</i>	<i>4</i>
<i>Provincial Policy Statement.....</i>	<i>6</i>
<b>Municipal Policy Framework.....</b>	<b>7</b>
<i>Town of St Marys Official Plan.....</i>	<i>7</i>
2.2 ECONOMIC DEVELOPMENT .....	7
<i>Community Based Strategic Plan.....</i>	<i>10</i>
Community Survey Results: .....	10
Industry Analysis.....	11
Sustainable Growth: .....	12
<b>Community Improvement Plan Framework.....</b>	<b>12</b>
<i>Area of Applicability.....</i>	<i>12</i>
<i>Goals and Objectives.....</i>	<i>12</i>
<i>General Definitions:.....</i>	<i>13</i>
<i>Plan Parameters.....</i>	<i>15</i>
Eligibility Criteria.....	15
<i>Grant Administration.....</i>	<i>16</i>
<i>Role of the Chief Building Officer (CBO) or Designate.....</i>	<i>17</i>
<b>Financial Incentive Programs .....</b>	<b>17</b>
<i>Financial Incentive Goals.....</i>	<i>17</i>
<i>Business Investment Grant Program.....</i>	<i>17</i>
<i>Business Revitalization/Expansion Grant Program.....</i>	<i>20</i>
<i>Plan Implementation: .....</i>	<i>22</i>
<b>Plan Monitoring.....</b>	<b>22</b>
<b>APPENDIX A .....</b>	<b>24</b>
IMPROVEMENT AREA 1.....	24
APPENDIX A.....	25
IMPROVEMENT AREA 2.....	25

## Introduction

The Town of St Marys has made significant efforts to rejuvenate itself and revitalize the economy evidenced by the multiple reports and plans it has undertaken, as well as through a previous Community Improvement Plan focused on the downtown.

St Marys though was hit hard by the recession, with a significant amount of the workforce employed in the manufacturing sector. As a result of companies leaving or shutting down, St Marys lost 25% of its labour force (**BR + E, pg2**). While the Community Improvement Plan focused on the downtown addressed some of the major issues in the Town, it is only one part of a larger solution.

Through consultation and work with many stakeholders, it has been identified that for St Marys to have an economy which is once again prosperous, there must be significant effort made to encourage job creation as well as business expansion and retention in the industrial, commercial, and retail sectors.

### Purpose

Council has as a result, directed the preparation of a Community Improvement Plan (CIP) with the ultimate purpose of encouraging job creation, business retention as well as business expansion, in the industrial, commercial and retail sectors. In doing so, the plan will assist in diversifying the local economy to make sure there is sustained growth and economic prosperity for the Town in future years. More specifically, the CIP will provide for grant programs utilizing tax increment equivalent grant incentives to help fulfill the needs of the Town. These include: the Business Investment Grant Program; and the Business Revitalization/Expansion Grant Program. As this plan aims to help revitalize the economy of the Town as a whole, the plan area will encompass all of St Marys.

The CIP will be administered through the Town of St. Marys Planning and Development Department.

### Authority

#### Municipal Act

Section 106 of the Municipal Act, while prohibiting Municipalities from “directly or indirectly assisting any manufacturing business or other industrial or commercial

enterprise through the granting of bonuses”, a CIP allows for exemptions from the general prohibition.

## **Ontario Planning Act**

Section 28 of the Ontario Planning Act allows municipalities where there are provisions in its Official Plan relating to community improvement to designate by by-law a “Community Improvement Project Area”, and subsequently provide for the preparation of a “Community Improvement Plan”.

### **Community Improvement Project Area:**

Section 28(1) of the Ontario Planning Act defines “Community Improvement Project Area” as a “municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings for any other environmental, social or community economic development reason.”

### **Community Improvement:**

Section 28(1) of the Ontario Planning Act defines “Community Improvement” as the planning or re-planning, design or redesign, re-subdivision, clearance, development or redevelopment, construction, reconstruction and rehabilitation, improvement of energy efficiency, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable or other uses, buildings, structures, works, improvements or facilities, or spaces therefore, as may be appropriate or necessary.”

### **Municipal Activities:**

Section 28(3) of the Ontario Planning Act provides the following regarding the “Acquisition and clearance of land”. When a by-law has been passed under subsection (2) designating a community improvement project area, the municipality may, a) acquire land within the community project area with the approval of the Minister if the land is acquired before a community improvement plan comes into effect and without the approval of the Minister if the land is acquired after the community improvement plan comes into effect; b) hold land acquired before or after the passing of the by-law within the community improvement project area; and c) clear, grade or otherwise prepare the land for community improvement.

Section 28(4) of the Ontario Planning Act provides that Council may provide for the preparation of a community improvement plan when a by-law has been passed designating a community project area.

As per Section 28(6) (a) of the Ontario Planning Act, for the purpose of carrying out a community improvement plan that has come into effect, the municipality may construct, repair, rehabilitate or improve buildings on land acquired or held by it in the community project area in conformity with the community improvement plan, and sell, lease or otherwise dispose of any such buildings and

the land appurtenant thereto; and further under Section 28(6) (b) may sell, lease or otherwise dispose of any land acquired or held by it in the community improvement project area to any person or governmental authority for use in conformity with the community improvement plan.

#### Provision of Grants and Loans:

Under Section 28(7) of the Ontario Planning Act, for the purpose of carrying out a community improvement plan that has come into effect the municipality may make grants or loans, in conformity with the community improvement plan, to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the costs of the community improvement plan.

The eligible costs of a community improvement plan may include costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities. Section 28 (7.1)

The total of the grants and loans made in respect of particular lands and buildings under subsections 28(7) and (7.2) and the tax assistance as defined in Section 365.1 of the *Municipal Act, 2001* or Section 333 of the *City of Toronto Act, 2006*, as the case may be, that is provided in respect of the lands and buildings shall not exceed the eligible cost of the community improvement plan with respect to those lands and buildings.

#### Public Consultation:

Section (15) of the Ontario Planning Act shall apply to any CIP being prepared by the municipality for Council consideration as follows:

Section (15) (a) in the course of the preparation of the plan, the Council shall ensure that the appropriate approval authority is consulted on the preparation of the plan and given an opportunity to review all supporting information and material and any other prescribed information and material, even if the plan is exempt from approval;

Section (15) (b) prescribed public bodies are consulted on the preparation of the plan and given an opportunity to review all supporting information and material and any other prescribed information and material;

Section (15) (c) adequate information and material, including a copy of the current proposed plan, is made available to the public in the prescribed manner, if any; and

Section (15) (d) at least one public meeting is held for the purpose of giving the public an opportunity to make representations in respect of the current proposed plan. Notice for said public meeting shall be given no later than 20 days prior to the date of public meeting [Section (19) of the Ontario Planning Act].

Under Section (16) of the Ontario Planning Act, if the plan is being revised under

Section 26, the council shall ensure that at least one open house is held for the purpose of giving the public an opportunity to review and ask questions about the information and material made available under clause (15) (c) above. Said open house shall be held no later than 7 days before any public meeting required under legislation [Section (18) of the Ontario Planning Act].

### **Registration of agreement**

An agreement concerning a grant or loan made under subsection (7) or an agreement entered into under subsection (10), may be registered against the land to which it applies and the municipality shall be entitled to enforce the provisions thereof against any party to the agreement and, subject to the provisions of the *Registry Act* and the *Land Titles Act*, against any and all subsequent owners or tenants of the land. Section 28(11)

### **Dissolution of area**

When the council is satisfied that the community improvement plan has been carried out, the council may, by by-law, dissolve the community improvement project area. Section 28(13).

## **Provincial Policy Statement**

Section 1.1.3 of the Provincial Policy Statement 2014 states that the vitality of settlement areas is critical to the long-term economic prosperity of our communities.” And further, under Section 1.1.3.1 the Provincial Policy Statement provides that “Settlement areas shall be the focus of growth and development, and their vitality and regeneration shall be promoted.”

Sections 1.3 and 1.7 of the Provincial Policy Statement 2014 are pertinent to this CIP as the sections address the promotion of economic development and competitiveness as well as long-term economic prosperity.

Section 1.3 of the Provincial Policy Statement: Employment areas:

1.3.1 Planning authorities shall promote economic development and competitiveness by:

a) providing for an appropriate mix and range of employment to meet long-term needs;

b) providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;

c) encouraging compact, mixed-use development that incorporates compatible employment uses to support livable and resilient communities; and

Section 1.7 of the Provincial Policy Statement: Long-term Economic Prosperity

1.7.1 Long-term economic prosperity should be supported by:

a) promoting opportunities for economic development and community investment-readiness;

c) promoting the redevelopment of Brownfield sites;

h) providing opportunities to support local food, and promoting the sustainability of agri-food and agri-product businesses by protecting agricultural resources, and minimizing land use conflicts.

## Municipal Policy Framework

The Planning Act stipulates that the Official Plan of perspective Municipalities must contain policies relating to community improvement in order to undertake a community improvement plan. The following are the relevant policies from the Town of St Marys Official Plan, as well as other policies and reports, which give greater reason and purpose for the CIP:

### Town of St Marys Official Plan

*2.2 ECONOMIC DEVELOPMENT Council recognizes that the promotion of local economic development is the key to the continuing livelihood of the community. The retention of existing and the development of new business, retail, service, and manufacturing uses enhance employment opportunities for its residents and strengthen the general economic health of the Town. The Town recognizes that such promotion rests with the Town and its development of a culture which is positive to responsible business and development ventures. The objectives and policies that follow have been developed for the purpose of fostering the Town's relationship with the business community in order to increase economic activity, employment opportunities, and the assessment base. Council appreciates that by maintaining a culture geared to retaining existing business and pursuing new business opportunities both the public and private sectors will benefit.*

#### 2.2.1 OBJECTIVES

2.2.1.1 To encourage the retention of existing business and the establishment of new diversified business through the creation of a business friendly culture.

2.2.1.2 To advocate local business development for the general benefit of the community. 2.2.1.3 To be proactive in attracting new business opportunities to the Town.

## 2.2.2 POLICIES

2.2.2.2 Council will develop partnerships with Town businesses and assist them by facilitating business/government and business/business interactions, relationships, and synergies.

2.2.2.3 Council will provide the necessary infrastructure in an affordable manner to maintain a competitive taxation/impost environment that is a catalyst for the retention of existing business and an enticement for new business.

2.2.2.5 Council will continue with initiatives to market the Town on a national and international landscape as a means of attracting new business.

The policies directly related to Community Improvement Plans are found under Section 6 of the Town of St Marys Official Plan, titled – “Community Improvement”. Specifically it states that “Council recognizes the need to maintain and rehabilitate the physical environment within the Town of St. Marys and Council is therefore committed to ongoing improvement efforts where deficiencies exist. Specific objectives for community improvement have been selected and areas in need of community improvement have been delineated within the Town based on specific criteria relating to improvement needs.”

## 6.0 COMMUNITY IMPROVEMENT

Section 6.0 of the Official Plan sets out Community Improvement Objectives for the Town of St. Marys. The objectives contained in this section of the Official Plan provide the basis for undertaking community improvement plans and community development projects to help ensure the ongoing maintenance, improvement and rehabilitation of the Town’s residential, commercial and industrial districts.

Objectives identified in this section are as follows:

6.1.1 To develop or rehabilitate hard and soft services in the Town to meet acceptable community standards, without placing undue burden on the Town’s financial resources;

6.1.2 To enhance the Town’s ability to accommodate development, redevelopment and economic growth and to foster a climate favourable to private investment;

6.1.3 To preserve and protect, without placing undue burden on the Town’s financial resources, man-made or natural features of the community that Council believes are important community assets; and,

6.1.4 To preserve the viability of the Central Commercial area as the primary retail, commercial, civic and cultural focus of the Town.

Section 6.2 of the Official Plan sets out Criteria for Area Selection, which



provides the basis for delineation of areas in need of community improvement. Two Community Improvement Areas are identified under section 6.3 of the Official Plan. The first encompasses the commercial core area of the Town of St. Marys, wherein the predominant land use type in this area is commercial and most of the deficiencies listed under criteria for area selection exist there.

The second area, noted as Improvement Area 2 “encompasses the entire Town of St. Marys with the exception of the commercial core area. The predominant land use type in this area is residential and most of the deficiencies listed in Section 6.2 as criteria for area selection are present. This Area is also anticipated as including the industrial areas of St. Marys.”

The intent of this CIP is to have the area of applicability encompass Improvement Areas 1 and 2 (Appendix A) thereby encompassing the entire Town.

Section 6.5 of the Official Plan sets out methods of implementing community improvements. Some of the methods, which Council may choose to achieve community improvement objectives include:

6.5.1 Establish a special committee of Council that will prepare and oversee the implementation of community improvements by utilizing the community improvement provisions outlined in Section 28 of the Planning Act, RSO 1990.

6.5.2 Take advantage of senior government programs that are available to assist municipal community improvement projects.

6.5.3 Support the provisions of the Town’s Maintenance and Occupancy Standards By-law.

6.5.4 Acquire land utilizing any assistance available through senior government programs.

6.5.5 Encourage the redevelopment or rehabilitation of privately-owned properties in need of improvement and take advantage of senior government programs that are available to assist property owners in their efforts.

6.5.6 Dispose of municipally-owned land to private sector investors who will develop projects that Council believes will be important assets to the community.

6.5.7 Support and assist the Business Improvement Area and Merchants’ Association in their efforts to improve the viability of the Town as a location for business.

6.5.8 Co-operate and liaise with community service clubs in an effort to improve community services.

6.5.9 Encourage and support the redevelopment and rehabilitation of underutilized properties and buildings.

6.5.10 Support the preservation of properties that Council believes to be historically significant.

Although the Town of St Marys official plan provides for multiple methods of implementing community improvements, this CIP will focus mostly on the provision to encourage and support the redevelopment and rehabilitation of underutilized properties and buildings.

## Community Based Strategic Plan

The community based strategic plan, which was completed in February 2010, titled “Our St Marys, Your Future”, established a plan which has enabled the “community to better capitalize on its strengths and assets and effectively position the community within the broader and regional economy.” To make sure this effort was truly community based, a large scale communications exercise was performed which included:

- Stakeholder interviews with local politicians, community leaders and the business community.
- 3 focus groups, including a youth symposium, which attracted approximately 50 people
- More than 250 people participated in an on-line survey where they were asked why they live in St. Marys, what should be done to strengthen the local economy and what the key priorities are for the community in the future.

The purpose behind the gathering of this significant amount of public input was the goal of finding out the needs and concerns locally, and utilizing that information to assist in “creating a community that is both sustainable and vibrant, providing opportunities for business and economic growth”.

Another important aspect of the plan was its analysis of industry history in St. Marys, as well as potential industry prospective for the future.

### Community Survey Results:

The results of the survey identified the concerns and wants of the community, which included: the need for assistance to local businesses, as well as tools to attract new business to Town. The most significant relevant response found in the survey was through the question asked “Does St Marys need to actively pursue industrial/commercial growth?” 48.2% of respondents answered “strongly agree”, while 37.4% answered “somewhat agree”, with a total of 75.6% of respondents “to a certain extent” agreeing.

In the same survey, 3 top priorities were established, one of which was business and development. More specifically, stakeholders discussed the need for improved retail and shopping to: diversify the economy; have independence and stability; attract industry to vacant buildings; support small/local business; and increase employment.

When asked in the same survey “how can St Marys be more sustainable”, respondents provided a variety of answers including: increasing grant awareness; maintaining a variety of local businesses; and supporting employment opportunities.

It is evident from the results of this survey that there is a clear desire from stakeholders for the Town of St Marys to play an active role in supporting and growing the economy locally. The CIP and its financial incentive tools will help meet this need.

## Industry Analysis

**Industrial Heritage:** Despite a recent decline in manufacturing, both in the Town and throughout the regional economy, St. Marys retains a strong industrial heritage from which to spur new business development. St. Marys Cement remains an anchor business within the region, with clients throughout the Great Lakes region. The presence of this industrial character coupled with the strength of the region’s agricultural community can be built upon to retain and attract firms from diverse sectors.

**New Industries – ICT and Green Economy:** The ICT sector represents a high-growth, high-skill area of the economy. The Town’s proximity to Stratford, which is currently developing a digital media centre, and its continued build-out of fibre optic capability, leave it well-positioned to attract and support ICT-related businesses and workers.

The Town also has an opportunity to pursue value-added goods and services related to the agriculture industry, which retains a strong presence in the County and surrounding townships. By becoming a hub for processing, technology and retailing for this sector, new business opportunities can be created within the Town.

The Agriculture, Value Added Agriculture and Agri-Food Sector provides 5,535 jobs and employs 5,340 residents in the region. The region is a net importer of 195 agriculture-related jobs. Many of the jobs are on farms (3,775) and in food manufacturing (1,610) (As of 2006 Census data). Furthermore, in the 2010 County of Perth, Town of St Marys and City of Stratford Economic Development Strategy and Action Plan: 2010-2014, it was estimated the specialty food sector has been growing by 9% annually and would be expected to continue to rise to 12% in the following five years.

#### Sustainable Growth:

Small business and entrepreneurs play an important role in economic growth in the province and represent a significant opportunity for the Town to drive new business growth. Local investment and employment gains can be realized by supporting these local businesses and nurturing entrepreneurial activities by providing needed hard and soft services e.g. telecommunication infrastructure, on-line business support services etc.

These types of businesses could also benefit greatly from local financial incentives.

## Community Improvement Plan Framework

### Area of Applicability

The CIP applies to both Improvement Areas delineated in Section 6.3 of the Town of St Marys Official Plan (Appendix A). As the CIP aims to assist in the recovery and growth of the Town's economy as a whole, it will apply to the entire Town.

### Goals and Objectives

#### Goals and Intent:

The goals of the CIP are driven by the policies of the Town's Official Plan, the Provincial Policy Statement, as well as by the needs of the community outlined in the Community Based Strategic Plan. The goals of the plan are to improve and add retail and shopping; diversify the economy; have independence and stability; attract industry to vacant buildings; support small/local business; and to increase employment so as to establish a long-term sustainable and prosperous economy.

#### Objectives of the CIP:

The plan aims to meet these goals by achieving the following objectives:

- Stimulate business investment, revitalization, and expansion through the financial incentive programs;
- Diversify the local economy, preparing it for stability for future years;
- Encourage the retention and creation of employment opportunities;
- Through the attraction/expansion of businesses, reduce the number of vacant buildings;
- Increase long-term tax assessment and revenue for the community;
- Monitor the performance of the Community Improvement Plan on an ongoing basis to ensure that the goals of the Plan are being met.

### **General Definitions:**

**Annual Budget:** means the annual budget for the Town of St. Marys as approved by Council and includes provisions for revenue and expenses incurred in the operation of the municipality as well as reserve funds for that period of 12 months from January 1st to December 31st

**Applicant:** means the registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and any persons to whom such an owner or tenant has assigned the right to receive a grant or loan.

**Business Year:** The Business Year for the Town of St Marys follows the calendar year, beginning January 1, ending December 31.

**Council:** means the Town Council for the Corporation of the Town of St. Marys.

**Development:** means the construction, erection, or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of substantially increasing the size or usability thereof, or the laying out and establishment of a commercial parking lot. For the purposes of this Community Improvement Plan and eligibility to all financial incentives contained herein, development shall not apply to Greenfield development.

**Eligible Business:** means an existing business that is eligible to apply for grant monies under this this CIP based upon the eligible costs related to expansion activities of that business but does not include Greenfield development. Home Occupations are not eligible to apply for grant monies under this CIP.

**Eligible Costs:** are the costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities as defined in Section 28(7.1) of the Planning Act.

**Eligible Use:** Eligible uses for this CIP are defined by the official land uses designated through the Town of St Marys Official Plan for Industrial and Commercial uses including: Central Commercial, Highway Commercial, General Industrial, and Extractive Industrial.

**Eligible Works:** includes all development, redevelopment, rehabilitation and/or adaptive reuse of a use that meets the eligibility criteria of one or more of the financial incentive programs described by this CIP.

**Environmental Assessment:** means the process of estimating and evaluating

significant short-term and long-term effects of a program or project on the quality of its location's environment. It also includes identifying ways to minimize, mitigate, or eliminate these effects and/or compensate for their impact. An environmental impact assessment is prepared on the basis of an EA. Also called environmental evaluation.

**Existing Business:** is a business that is in operation and has a physical location within the boundaries of the Town of St Marys on or before the date this CIP came into effect.

**Home Occupation:** means an occupation and/or profession conducted entirely within a dwelling unit in a single-detached dwelling or a semi-detached dwelling by a person residing permanently in the single-detached dwelling or a semi-detached dwelling.

**Maximum Grant:** the total of the grants and/or loans offered under this CIP shall not exceed the eligible costs of the Community Improvement Plan with respect to those lands and/or buildings.

**Redevelopment:** is development on properties that have been previously developed, or for the expansion, rehabilitation or adaptive reuse of an existing building, facility or operation. This can include the acquisition and wholesale changeover in the use of a large site or several smaller neighbouring sites, and may involve some land assembly or demolition activity.

**Rehabilitation:** is the returning of an existing building and/or land to a useful state by adaptive reuse, development, redevelopment and/or construction.

**Reserve fund:** means monies approved by Council for the current year that are unexpended as of December 31<sup>st</sup> and placed in a reserve fund for future purposes as originally designated by Council in the annual budget.

**Settlement Area:** means lands within the municipality of the Town of St. Marys which have been designated in the Town's Official Plan for development over the long-term planning horizon to the approval of the Minister.

**Tax Increment:** the tax increment is calculated by subtracting the municipal portion of property taxes before reassessment from the municipal portion of property taxes after reassessment. The tax increment does not include any increase/decrease in municipal taxes due to a general tax rate increase, or a change in assessment for any other reason.

**Tax Increment Equivalent Grant (TIEG):** A TIEG is a grant equal to the full amount, or a portion of the amount that municipal/own purpose property taxes increase after a property is reassessed. The increase in taxes, or tax increment, is calculated by subtracting the municipal portion of property taxes before reassessment from the municipal portion of property taxes after reassessment. A municipality may provide any proportion of the increment for any length of time

their council deems is appropriate. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser. Once established the tax increment shall remain constant. The tax increment does not include any increase/decrease in municipal taxes due to a general tax rate increase/decrease, or a change in assessment for any other reason.

## Plan Parameters

### Eligibility Criteria

1) This CIP allows for financial incentives to registered owners, assessed owners and tenants of land and buildings within the Community Improvement Area and to any person to such owner or tenant has assigned the right to receive the grant.

2) Through this CIP applicants may apply to the business investment grant program or the business revitalization/expansion program only if their business meets the eligible use criteria defined in the general definitions in this CIP.  
**(Applicants cannot apply for both).**

3) i) At the time that Council establishes its annual budget, Council shall determine the budget allocation to be made available to the Grant Program under the CIP for the current year. Council shall have the sole discretion to determine whether or not an annual budget allocation will be made.

3) ii) If these funds are not used in a budget year, Council may provide for the unused balance of the funds to be transferred to a reserve fund, established for this purpose, to be used for the grant program in subsequent budget years.

4) All applications for grant assistance under this CIP will be considered in priority of application received and will be restricted to the limit of the budgeted funding.

5) Applications to any incentive programs contained in this CIP will only be accepted for properties located within the approved CIP project area.

6) A property owner or applicant that is in arrears of property tax or any other municipal financial obligation is ineligible to participate in the program.

7) The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser.

8) The number of applications to any incentive programs offered under this CIP is restricted to one application per property; and further, any applicant who is already receiving any other form of financial incentives from the Town under other CIP programs is ineligible to apply for the financial incentives under this CIP.

9) All applicants must maintain occupancy and/or ownership of the property under which the grant has been applied for; otherwise the Tax Increment Equivalent Grant shall cease upon vacating or sale of the property.

10) This CIP and the grant programs under it are not available to home occupations.

## Grant Administration

1) All programs will be administered by the Town of St. Marys Planning and Development Department. Applicants shall pre-consult with members of the Planning and Development Department prior to submitting an application.

2) At the time of approval of the application, the current value assessment of the property, as recorded in the current assessment roll, shall be deemed to be the “pre-project or base assessment” for the purposes of calculating the tax increment. The value of the grant will be calculated based on the incremental increase in municipal taxes that result from the eligible works being completed. The tax increment value will be established after the final inspection of the improvements in accordance with the Ontario Building Code and when MPAC has established a new assessment value. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser.

3) All grants will be provided over a 5 year period, or until the total of all eligible costs under this CIP are met. Grants will commence in the first business year after the works are completed.

4) The applicant must submit an independent qualified estimate of the total cost of eligible works, all of which may be subject to audit or review by the Town.

5) All applicants who are approved for a grant must enter into a Grant Agreement with the Town, and said Agreement to be registered on title.

6) An application will not be considered approved until the Grant Agreement receives final approval of Council and is registered on title.

7) This Community Improvement Plan is consistent with the Ontario Planning Act, the Municipal Act, the Provincial Policy Statement, the St. Marys Community Based Strategic Plan, and the Town of St. Marys Official Plan.



## **Role of the Chief Building Officer (CBO) or Designate**

The role of the CBO or their designate shall be to receive and screen all applications, and make recommendations to Town Council. The CBO or their designate shall also be responsible for:

- Prioritizing grant applications in the event funding is oversubscribed,
- Providing consultative services to grant applicants,
- Monitoring progress of applicant projects,
- Inspecting and verifying completion of eligible works,
- Functioning as the designate of Council in granting final approval regarding financial incentive programs and applications.

Further to the recommendation of the CBO or designate, all grant applications under this CIP shall require the approval of Council unless Council has clearly assigned approval responsibilities to the CBO or designate.

## **Financial Incentive Programs**

This section outlines the grant programs the Town of St Marys will offer through the CIP, aimed at assisting in meeting the objectives of the CIP. As the objectives have been shaped by community input, there is a clear public benefit which can be gained through these offerings.

### **Financial Incentive Goals**

The goals of the financial incentives are to provide tools to assist in accomplishing the goals and objectives of the CIP including: improving retail and shopping; diversifying the economy; creating independence and stability; attracting industry to vacant buildings; supporting small/local business; and increasing employment. All with the ultimate goal of establishing a long term sustainable and prosperous economy.

### **Business Investment Grant Program**

Program Description:

The Business Investment Program will consist of a grant program, whereby eligible businesses will be able to receive a grant for a percentage of the tax increment generated as a result of development, redevelopment, rehabilitation, or construction, of a building or property, all in conformity with this CIP. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser. Eligible costs

may not include construction unless it is applicable to an existing structure. Greenfield development is not eligible under community improvement.

#### Program Purpose:

The Business Investment Program exists as a tool under this CIP to assist in attracting new businesses to St Marys. As identified through the community based strategic plan, there is a need and a want to diversify the economy, and make it sustainable and prosperous for years to come.

This program will ideally assist in growing the ICT and Green Economy, which were identified as sectors of potential growth for St Marys. The ICT sector represents a high-growth, high-skill area of the economy, and the Town's proximity to Stratford, which is continually building out its fibre optic capability, leave it well-positioned to attract and support ICT-related businesses and workers.

The Business Investment Program additionally allows the Town to take better advantage of possible opportunities to pursue value-added goods and services related to the agriculture industry, which retains a strong presence in the County and surrounding townships.

The Business Investment Program is also an ideal tool for the Town as it creates a lower barrier of entry for businesses coupled with an already low cost of living and doing business.

#### Program Details:

The Business Investment Grant is only available for eligible costs as stated in the Planning Act, which includes: "costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities". All eligible expenses however are subject to approval and audit by the CBO or designate.

Eligible costs under the Business Investment Grant Program shall include:

- entrance modifications to provide barrier-free accessibility;
- installation/upgrading of fire protection systems;
- repair/replacement of roof;
- structural repairs to walls, ceilings, floors and foundations;
- water/flood/weatherproofing;
- repair/replacement of windows and doors;
- extension/upgrading of plumbing and electrical services for the creation of habitable space;

- installation/alteration of required window openings to residential spaces;
- required improvements to heating and ventilation systems;
- and, other similar repairs/improvements related to health and safety issues, as may be approved;
- professional design fees;
- professional architectural fees;
- landfill/tipping fees;
- building demolition costs;
- development or redevelopment of a building or property;
- expansion of an existing building or facility;
- adaptive reuse, building rehabilitation and retrofit works;
- up to 100% of development application fees and building permit fees (includes application for Official Plan Amendment, Zoning By-law Amendment, Minor Variance or Permission, Consent, Site Plan Approval/Amendment/Modification /Termination, Plan of Subdivision/ Condominium, Condominium Conversion, Part Lot Control Exemption, Demolition Permit;
- up to 50% of Building Permit fees.

At the time of approval of the application, the current value assessment of the property, as recorded in the current assessment roll, shall be deemed to be the “pre-project or base assessment” for the purposes of calculating the tax increment. The amount of the grant shall be determined based upon the incremental increase in the municipal taxes that result from work being completed. The tax increment shall be established after the final inspection of the improvements in accordance with the Ontario Building Code and when MPAC has established a new assessment value. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser.

The payment schedule for the Business Development Grant will be as follows, or until the total of all grants that are provided in respect of the lands and buildings are equal to the approved *eligible costs*: **(IN REFERENCE TO CALCULATION TABLE)**

Year of Grant	Grant Percentage
1	100%
2	100%
3	80%
4	60%
5	40%

Once established, the tax increment shall remain constant and shall not be recalculated each year as the program under this CIP shall not include annual tax rate increases or phase-in adjustments in the grant calculation.

The applicant will be required to pay the full amount of property taxes owing for each year of the program's applicability and will receive a Business Investment Grant for the amount of the tax increment after the final tax bills for each year have been collected, provided all other eligibility criteria and conditions continue to be met. Grants will not be applied as tax credits against property tax accounts. If the tax bill is not paid in full, the Town will cancel all future grants.

## **Business Revitalization/Expansion Grant Program**

The Business Revitalization/Expansion Grant Program will consist of a grant program, whereby **existing** eligible local businesses will be able to receive a grant for a percentage of the tax increment generated (as a result of redevelopment or rehabilitation of an existing building or property), all in conformity with this CIP.

### Program Purpose:

A major portion of the St Marys economy is represented by Small Businesses and Entrepreneurs, all of which play a significant role in the current prosperity of the Town's economy. These same businesses and type of business will also be vital to the long-term sustainability of the economy. As such it is important that the Town make a significant effort to support these businesses.

Another major pillar of the St. Marys economy is large manufacturing businesses. To prevent some of these larger businesses from relocating to other municipalities, the Town through this grant program will provide incentives for them to grow and expand and maintain a presence in the community, retaining jobs, with the possibility of creating more, and growing the tax base.

### Program Details:

The Business Revitalization/Expansion Grant Program is only available for eligible costs as stated in the Planning Act, which includes: "costs related to environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities". All eligible expenses however are subject to approval and audit by the CBO or designate. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser.

Eligible costs under the Business Revitalization/Expansion Grant Program shall include:

- entrance modifications to provide barrier-free accessibility;
- installation/upgrading of fire protection systems;
- repair/replacement of roof;
- structural repairs to walls, ceilings, floors and foundations;
- water/flood/weatherproofing;
- repair/replacement of windows and doors;
- extension/upgrading of plumbing and electrical services for the creation of habitable space;
- installation/alteration of required window openings to residential spaces;
- required improvements to heating and ventilation systems;
- and, other similar repairs/improvements related to health and safety issues, as may be approved;
- professional design fees;
- professional architectural fees;
- landfill/tipping fees;
- demolishing buildings;
- development or redevelopment of a building or property;
- expansion of an existing building or facility;
- adaptive reuse, building rehabilitation and retrofit works;
- up to 100% of development application fees and building permit fees (includes application for Official Plan Amendment, Zoning By-law Amendment, Minor Variance or Permission, Consent, Site Plan Approval/Amendment/Modification/Termination, Plan of Subdivision/Condominium, Condominium Conversion, Part Lot Control Exemption, Demolition Permit;
- up to 50% of Building Permit fees.

At the time of approval of the application, the current value assessment of the property, as recorded in the current assessment roll, shall be deemed to be the “pre-project or base assessment” for the purposes of calculating the tax increment. The amount of the grant shall be determined based upon the incremental increase in the municipal taxes that result from work being completed. The tax increment shall be established after the final inspection of the improvements in accordance with the Ontario Building Code and when MPAC has established a new assessment value. The total amount of the grant provided cannot exceed \$15,000 or the value of the eligible work that resulted in the reassessment, whichever is the lesser.

The payment schedule for the Business Revitalization/Expansion Grant Program shall be as follows, or until the total of all grants that are provided in respect of the lands and buildings are equal to the approved *eligible costs*: **(IN REFERENCE TO CALCULATION TABLE)**

Year of Grant	Grant Percentage
1	100%
2	100%

3	80%
4	60%
5	40%

Once established, the tax increment shall remain constant and shall not be recalculated each year as the program under this CIP shall not include annual tax rate increases or phase-in adjustments in the grant calculation.

The *applicant* will be required to pay the full amount of property taxes owing for each year of the program's applicability and will receive a Business Revitalization/Expansion Grant for the amount of the *tax increment* after the final tax bills for each year have been collected, provided all other eligibility criteria and conditions continue to be met. Grants will not be applied as tax credits against property tax accounts. If the tax bill is not paid in full, the Town will cancel all future grants.

### Plan Implementation:

Any financial incentive programs under this CIP will commence following consultation with the Ministry of Municipal Affairs and Housing and the coming into effect of the plan. This CIP will come into effect following its adoption by Town Council and the required appeal periods. This CIP does not authorize the provision of financial incentives for rehabilitation activities which occurred prior to Council approval of the CIP. This CIP will be implemented over five years, ending on December 31, 2019.

Final decisions on applications and allocation of funds shall be made by Town Council unless Town Council has expressly delegated its authority to Town staff to make decisions on individual applications. Further, if the Town delegates its authority then the applicant shall be afforded an opportunity to appeal the staff decision to Council or an appropriate Standing Committee. Successful applicants shall be required to enter into an agreement with the Town.

When an application has been approved, payment of the grant will commence in the year following the completion of the work and approval of the grant by Town Council. The property owner is required to pay, in full, any and all tax amounts, which will then be granted back to the property owner under the approved application subject to this CIP.

### Plan Monitoring

Council may conduct periodic reviews of the program(s) being offered under the community improvement plan to determine the effectiveness of the program and whether funding levels should be increased or decreased, or whether modifications to the program should be made.

Should Council decide that additional programs are to be added to the CIP or that the financial commitment to the program(s) is to increase, an amendment to this plan shall be required. At the time that Council for the Town of St. Marys establishes its annual budget, Council will determine the monies to be made available to the program(s) under the CIP for the current year. Council shall have the sole discretion to determine whether or not an annual budget allocation will be made to the program(s) under the CIP. In addition, the Town of St. Marys reserves the right to limit the amount of assistance it will provide to any particular project.

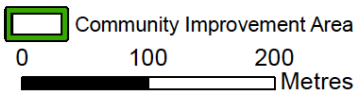
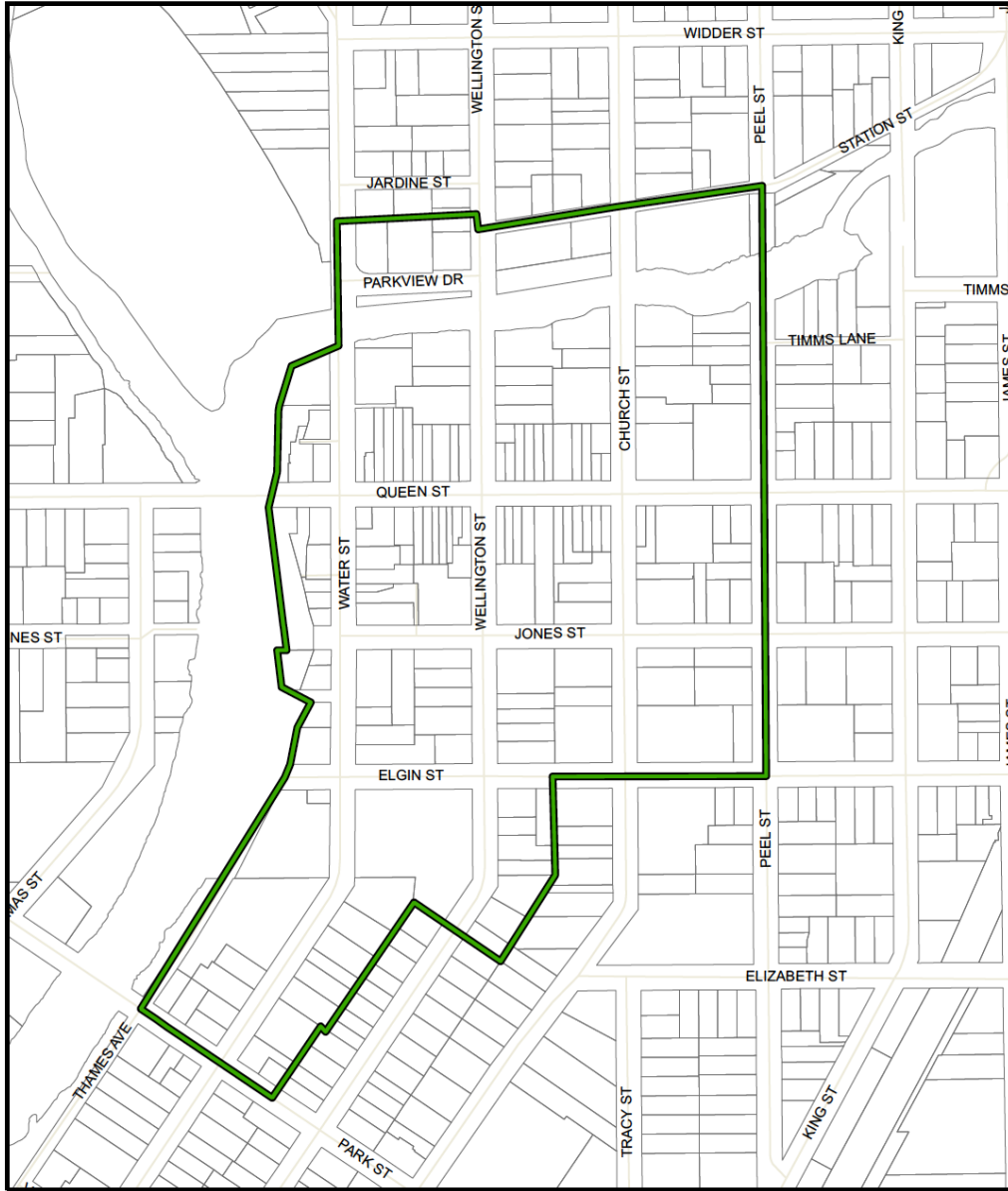
The municipality shall consult with the Ministry of Municipal Affairs and Housing where amendments to the CIP include:

1. a change or expansion in the geographic area to which financial or land programs outlined in a CIP apply;
2. a change in the eligibility criteria;
3. the addition of new municipal incentive programs involving grants, loans, tax assistance or land; or
4. an increase in a financial incentive to be offered within a municipal CIP.

# APPENDIX A

## IMPROVEMENT AREA 1

### Town of St. Marys Community Improvement Area



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# APPENDIX A

## IMPROVEMENT AREA 2

