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# REGIONAL INCENTIVES PROGRAM

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*Where Ontario Began*



## 1 INTRODUCTION AND CONTEXT

### 1.0 PURPOSE

This section of the Community Improvement Plan (CIP) is supported and funded by the United Counties of Stormont, Dundas and Glengarry (SDG). The County developed these regional incentives as part of a broad, progressive framework to support broad economic development goals. As an upper-tier municipality with six unique local municipalities, SDG coordinates regional funding through this Program to advance economic priorities where the need is the greatest and where there will be demonstrable County-wide benefits.

Regional economic initiatives focus on: projects linked to *agriculture-related uses*, adaptive re-use of commercial, industrial, and institutional buildings/structures, and the development of *roofed accommodations* across the County. The County offers customized financial programs within these areas based on Council's annual priorities.

### 1.1 AUTHORITY UNDER THE *PLANNING ACT*

The Ontario *Planning Act* (Section 28) permits local municipalities to adopt CIPs to encourage revitalization, redevelopment, and to advance local economic priorities. These programs help address community planning issues, breathe life into downtowns, and support key sectors within the region.

The *Planning Act* allows upper-tier municipalities to participate in local CIPs through Section 28 (7.2), as follows:

#### **Grants or loans between upper and lower-tier municipalities**

*The Council of an upper-tier municipality may make grants or loans to the council of a lower-tier municipality and the council of a lower-tier municipality may make grants or loans to the council of the upper-tier municipality, for the purposes of carrying out a community improvement plan that has come into effect, on such terms as to security and otherwise as the council considers appropriate, but only if the official plan of the municipality making the grant or loan contains provisions relating to the making of such grants or loans.*

In recent years several upper-tier municipalities in Ontario have used this policy to create funding opportunities that expand the scope of local CIP programs.

#### **1.1.1 SDG Official Plan**

The SDG Official Plan serves as the Official Plan for both the County and its local municipalities. The SDG Official Plan includes two key policies that support the County's participation in local CIP programs:

##### **3.5.1.10 Community Improvement:**

*Local municipalities may undertake community improvement projects as authorized under Section 28 of the Planning Act (see Section 8.12.5). County Council may also make grants or loans to the council of a lower tier municipality for the purpose of carrying out a community improvement plan, on such terms as council considers appropriate.*

## 8.12.5 Community Improvement

1. *A Local municipality may, subject to the provisions of the Planning Act, carry out physical improvements within the community. The County may also make grants or loans to the Council of a local municipality for the purpose of carrying out a community improvement plan, on such terms as council considers appropriate. In establishing a Community Improvement Area, consideration shall be given to the following matters:*
  - a. *The extent or deficiencies in public services, public service facilities or infrastructure;*
  - b. *Building stock, including municipal buildings, which do not meet a Local Municipality's Property Standards By-law;*
  - c. *The presence of vacant buildings/lands that could be developed, redeveloped or converted to another use;*
  - d. *The opportunity to expand the supply of housing;*
  - e. *The need to improve the streetscape or aesthetics of an area;*
  - f. *The presence of incompatible land uses; and*
  - g. *The presence of older industrial lands (e.g. brownfields) that exhibit deficiencies but provide opportunities for redevelopment.*
2. *The intent of this Plan is to recognize the entire County as a Community Improvement Area eligible for the establishment of one or more Community Improvement Project Areas.*

*A local Municipality may implement measures for community improvement including, but not limited to:*

- a. *The designation of Community Improvement Project Areas by By-law and the preparation of Community Improvement Plans for one or more project areas.*
- b. *Scheduling community improvement projects in accordance with municipal budgets.*
- c. *Enforcement of the Property Standards By-law.*
- d. *Utilizing senior government funding programs and/or partnering or soliciting financial support or contributions in kind from the public or private sector.*
- e. *Supporting, through the development of land use and design criteria, proposals for conversion, infill, redevelopment or intensification of land or buildings.*
- f. *Pursuant to Section 28 (3) of the Planning Act, a Local municipality may acquire and clear land for the purposes of implementing a program of community improvement.*
- g. *Preparing appropriate policies and guidelines to direct streetscape improvements in residential, commercial and industrial areas.*
- h. *Providing and encouraging buffering techniques to reduce the impact of incompatible land uses using mechanisms such as site plan control and development permits.*
- i. *Considering the use of property tax or other financial incentives for the redevelopment of 'Brownfield', older industrial areas, commercial areas, or other areas considered suitable for redevelopment.*
- j. *Supporting Municipal Heritage Committee and heritage conservation initiatives as set out in the heritage policies of this Plan.*
- k. *Providing grants or loans to the registered **owners** or assessed **owners** of lands and buildings within a community improvement project area to pay for the whole or any part of the cost of*

*rehabilitating such lands, or in undertaking other measures which conform to the community improvement plan.*

- I. *To reduce flooding in hazard or flood prone lands by encouraging the conservation authorities to develop and identify a two-zone concept for flood plain management in areas of historical development.*

## 1.2 REGIONAL CONTEXT

The SDG Economic Development Strategy and Action Plan (2017) identified three high-level goals which anchor and qualify all strategic initiatives for the County over the next three to five years: Regional Promotion and Investment Attraction; Small Business and Entrepreneurship and Business Retention and Expansion; and, Investment Readiness. These goals provide an overarching vision for economic development planning.

Within this framework, the SDG Regional Incentives Program supports strategic economic development initiatives in the following areas:

- a) ***Agriculture-related uses, agri-tourism***, and facility improvement projects;
- b) Regional trail expansion and development of new trailsystems;
- c) Adaptive re-use of commercial, institutional, and industrial buildings; and,
- d) Development of permanent ***roofed accommodations***.

Regional financial incentives are available in the following municipalities:

- 1) The Township of North Dundas;
- 2) The Municipality of South Dundas;
- 3) The Township of North Stormont;
- 4) The Township of South Stormont;
- 5) The Township of North Glengarry; and
- 6) The Township of South Glengarry.

The SDG Regional Incentives Program is incorporated as part of a local CIP and offers additional economic development tools in an expanded area. In some cases, different components of a project may be eligible for both local and County funding, subject to the general criteria of Section 2.2.

## 1.3 SDG REGIONAL ECONOMIC GOALS

- 1) Encourage redevelopment and private sector investment in existing building stock within the County to support employment, reduce the number of vacant buildings, and increase the assessment base;
- 2) Promote active recreation, tourism, and the continued development or enhancement of the trail network within the municipality, especially within the waterfront area;
- 3) Stimulate investment in the agricultural sector by funding diverse, on-farm expansions and ***agri-tourism***; and,
- 4) Increase the amount of tourist accommodation available within the County and enhance and expand existing establishment.

## 1.4 SDG REGIONAL INCENTIVES PROGRAM AREA

The approved Program area includes all lands within the local municipality. These lands have been designated by Municipal By-law.

The financial incentives included in this plan may be available to registered *owners* or *tenants* (upon written landowner consent) of land or buildings within the Program area.

## 1.5 MUNICIPAL AND PUBLIC ENGAGEMENT

The County formed a Working Group in 2017 comprised of planning and economic development staff and Councilors from the County and local municipalities. The Working Group reviewed the potential for regional involvement in local CIPs. Two models for developing a regional program were proposed: one consistent template for all municipalities or unique local CIPs with a consistent regional section. The County decided to move forward with a standard regional section that could be incorporated into the existing, unique, local CIPs. The Working Group agreed to continue to meet, as needed, to collaborate on public engagement and promotion.

The County also engaged the Ministry of Municipal Affairs and Housing (MMAH) at the outset of the process. The MMAH held a CIP training session for County and local municipal staff in December 2017 and offered advice and suggestions throughout the development process.

Beginning in February 2018, the County, in partnership with local municipalities, held six public consultations. Additionally, a survey to collect feedback and suggestions on the proposed regional incentives was made available online. Through these meetings with local business owners and residents, the County received valuable feedback including:

- Importance of local and regional trails and cycling networks;
- Providing funding to non-profit organizations;
- Encouraging collaboration between SDG Regional Tourism partners;
- Promoting areas across the County, not only downtown locations;
- Prioritizing projects which include accessibility initiatives; and
- Offering a variety of ways in which applicants can submit project proposals (i.e. online, live pitches, etc.).

## 2 FINANCIAL INCENTIVES

### 2.0 GENERAL

The County believes that 50% matching grant funding is a direct, predictable, and simple way to stimulate private sector investment, attract and retain businesses, and increase taxable assessment. These grants are available to eligible property *owners* and authorized *tenants*, including bona fide non-profit organizations, local municipalities, and quasi municipal organizations such as Conservation Authorities.

Where a property is eligible for local municipal funding through one of the incentive programs (e.g. *façade* improvement) the County will not fund the same incentive; however, the County may fund a different type of incentive on the same property (e.g. landscaping), as part of the overall project enhancement.

## 2.1 REGIONAL FINANCIAL INCENTIVE PROGRAMS

The following incentive programs may be offered during the term of this Program, subject to the availability of County resources:

- 1) **Façade**, Signage, and Property Improvement Grant;
- 2) Building Improvement/Restoration Grant;
- 3) Building Conversion/Expansion Grant;
- 4) Trails Improvement Grant;
- 5) Planning, Design, and Study Grant;
- 6) Application and Permit Fees Grant;

The regional incentives are a collaborative effort between the County and local municipalities. Applications will generally be received by the local municipality and reviewed and approved by the County. The County will host a Review Committee comprised of County staff, two members of County Council including the Warden, and two lay members. Funding for approved regional initiatives will flow directly to the local municipality and **not to the applicant**.

Detailed information about each program can be found in Section 2.3. Any number of the grants identified above may be put into effect during the term of this document, subject to the availability of funds and resources. Each year, the Review Committee will determine intake dates and amounts as well as make recommendations to County Council with respect to the financial incentives that will be offered for that year.

## 2.2 GENERAL CRITERIA

- 1) All **owners** and authorized **tenants** of lands (who are authorized in writing by the **owner**) and buildings within the local municipality are eligible to apply within the approved area designated by by-law.
- 2) The type of property or use subject to an application must be identified as eligible. Generally, this includes properties with full or partial commercial, agricultural, or outdoor/recreational use.
- 3) All proposed projects must demonstrate some level of improvement or rehabilitation over the existing conditions and not simply represent a **life-cycle replacement**.
- 4) All projects must contribute to achieving one or more SDG regional economic goals (as identified in Section 1.3), must conform to the County Official Plan, and must comply with the local Zoning By-law.
- 5) Incorporated non-profit groups (e.g. local fair boards, agricultural societies, community groups, etc.), local municipalities, and quasi-municipal organizations are eligible for regional improvement grants.
- 6) Applicants will be required to disclose **all** other funding sources to support the project, including government, private, or non-profit. The County will not fund the portion of a project already being funded by a local CIP; however, the County may fund a complementary aspect of the same project.
- 7) The Applicant will be required to enter into an Agreement with the County and the local municipality.
- 8) A property may be eligible for multiple regional incentives and may submit multiple applications during the term of this document; however, the total combined value of grants approved through the County in any given year shall not exceed \$50,000 per property.
- 9) Grants will not be applied retroactively to works started prior to approval of the application.
- 10) For programs involving the reimbursement of fees, said fees must be paid in full by the applicant prior to being reimbursed.
- 11) The property **owner** must have no outstanding building permit, property standards orders, property tax arrears, or any other outstanding Municipal/County accounts receivable on the subject property at the

time of application.

- 12) All outstanding building permits, property standards orders, property tax arrears, or any other outstanding Municipal/County accounts receivable on the subject property must be completed and/or rectified before grant money will distributed to an applicant.
- 13) All works approved under this document shall comply with all relevant municipal policies and standards, including zoning, design guidelines (if any) and will be subject to planning and development approvals and building permits pursuant to the Ontario Building Code.
- 14) The grant approval will expire if work is not completed within twelve (12) months from the execution of the Agreement between the applicant, the County and the local municipality. Any request for an extension beyond twelve (12) months must be made in writing and is subject to the approval of the Review Committee. Extensions can be a maximum of six (6) months.
- 15) The County reserves the right to discontinue any of the programs at any time, but applicants with approved grants will still receive said grant, subject to meeting the general and Program specific requirements.
- 16) Funding will not be provided for any labour supplied by of the applicant, either personally or via a company or person associated with the applicant.
- 17) The applicant must submit at least (2) written estimates for all work. 50% of eligible costs will be based on the lowest estimates.

## 2.3 INCENTIVE PROGRAM DETAILS

### 2.3.1 Façade, Signage, and Property Improvement Grant

#### **Objective**

To assist with improvements to a building's **façade** or signage, or to assist with other eligible improvements to private property (i.e., parking and landscaping).

#### **Grant Amount and Details**

Façade improvement project – may cover 50% of eligible costs to a maximum of \$10,000. Maximum value may increase to \$12,500 if outdoor art (i.e. murals) is a component of the project and/or if the building has more than one street address and/or storefront, more than one wall visible from a public street, or fronts onto a laneway or parking lot. Eligible costs may include:

- a) Enhancements or improvements to exterior building treatments such as brickwork, cladding, siding, cornices, eaves, parapets, windows, doors, lighting, and awnings;
- b) Exterior painting where a clear enhancement is made;
- c) Chemical or façade cleaning;
- d) Outdoor art (i.e. murals, etc.);
- e) Redesign of entrances including changes to improve accessibility; and/or,
- f) Other similar improvements or repairs required to enhance a building **façade**.

Signage improvement project – may cover 50% of eligible costs to a maximum of \$2,500. Maximum value may increase to \$5,000 if the building has more than one street address and/or storefront, more than one wall visible from a public street, or fronts onto a laneway or parking lot.

Property improvement project - may cover 50% of eligible costs to a maximum of \$10,000. Eligible costs may include:



- 1) Addition of landscaping features such as plants, sod, trees, and vegetation;
- 2) Addition of permanent landscaping elements such as fencing, benches, planters, and lighting;
- 3) Addition of new parking/upgrades to existing parking areas for cars, motorcycles, and bicycles;
- 4) Improvements to rear building entrances and rear parking areas;
- 5) Addition of walkways; and
- 6) Such other similar improvements and repairs that may be necessary to improve a property.

### **2.3.2 Building Improvement/Restoration Grant**

#### **Objective**

To assist with the improvement of existing buildings to improve aesthetics, bring buildings up to current Building or Fire Code standards, and/or improve accessibility.

#### **Grant Amount and Details**

Building Improvement/Restoration project - may cover 50% of the eligible cost to a maximum of \$10,000. The following projects may be eligible if not deemed to be a **life-cycle replacement**:

- 1) Structural repairs to walls, ceilings, floors, and foundations;
- 2) Interior restoration and design;
- 3) Repair/replacement/installation of building infrastructure, such as roofing, windows, and doors;
- 4) Repair/replacement/installation of plumbing, electrical, HVAC, and fire protection systems;
- 5) Weatherproofing;
- 6) Accessibility improvements;
- 7) Any other improvements that may bring a building up to code, or address health, safety, or risk management issues; and
- 8) The services of a professional engineer, architect or planner to design and implement the project.

### **2.3.3 Building Conversion/Expansion Grant**

#### **Objective**

To assist with large-scale conversion or expansion of existing vacant space into new commercial, mixed-use and other eligible uses. This grant is reserved for large, regionally significant projects resulting in the conversion of not less than 5,000 ft<sup>2</sup>.

#### **Grant Amount and Details**

This grant may be provided on approved applications for 50% of the eligible cost to a maximum of \$50,000. The following projects may be eligible:

- 1) Conversion of non-commercial or vacant space into new commercial, mixed-use, secondary uses, and **agriculture-related uses**, and other eligible uses;
- 2) Conversion of upper storey space (whether vacant, office, commercial or other non-residential use) into new residential units;
- 3) Conversion of a building or a unit in a building into a hotel, inn or bed and breakfast;
- 4) Expansion of existing eligible uses to increase the gross floor area;
- 5) Environmental studies which are related to the conversion; and
- 6) The services of a professional engineer, architect or planner to design and implement the project.

### **2.3.4 Trails Improvement Grant**

#### **Objective**

To promote the development, preservation, management, and expansion of trails, especially those that



connect to regional trail networks. Funding will be prioritized for projects that are regional in scope, promote or enhance well-established trails, include considerations for accessibility, and/or connect built-up areas.

**Grant Amount and Details**

This grant may be approved for 50% of the eligible cost of the improvements to a maximum of \$10,000. The following costs may be eligible:

- 1) Capital expenses including:
  - a. Renovation or construction of permanent spaces, parks or grounds, and/or ancillary facilities related to trails;
  - b. Furniture, fixtures or other non-portable equipment;
- 2) Acquiring land essential for the connection or extension of an existing trail; and
- 3) Creating new trails.

**2.3.5 Feasibility, Design, and Study Grant**

**Objective**

To assist with the completion of a range of studies and plans that investigate or support a new business or development project on individual properties.

**Grant Amount and Details**

This grant may be provided on approved applications for 50% of the eligible cost to a maximum of \$2,000. The following types of plans or studies may be eligible:

- 1) Concept plans;
- 2) Site plan drawings;
- 3) Feasibility studies;
- 4) Environmental studies;
- 5) Structural analyses;
- 6) Evaluation of existing and proposed mechanical, electrical and other buildingsystems;
- 7) Traffic Impact Assessments;
- 8) Market analyses;
- 9) Business plans; and
- 10) Any other study or plan as approved.

The plan or study must provide new information about the feasibility and cost of an eligible use or provide details in support of a new business or development.

**2.3.6 Planning Application and Building Permit Fee Grant**

**Objective**

To grant a portion of the fees required for planning applications or building permits in relation to an improvement project.

**Grant Amount and Details**

This grant may cover 50% of the municipal and/or County portion of the eligible cost to a maximum of \$2,500 including:

- 1) Municipal and County planning application fees, including minor variances, site plans, zoning by-law amendments or Official Plan amendments; and/or
- 2) Municipal building permit fees or change of use permits.

### 3 MONITORING, TERM, AND AMENDMENTS

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A variety of materials have been developed to assist in the implementation of the Regional Incentives Program, including marketing and promotional aids, information and guidelines for applicants, etc. While these documents are an integral part of the Program, they are not included here, do not form part of this document, and may from time to time be amended by the County without the need for an amendment to this document.

The SDG Regional Incentives Program follows the term and review cycle detailed in the local CIP. Based on the results of monitoring and evaluation efforts, adjustments may be made from time to time. Technical amendments will be permitted at the discretion of the local municipality. Any change to the SDG Regional Incentive Program area or to the value or type of financial programs will require consultation and approval by the County and will require an amendment to the local CIP in accordance with Section 28 of the *Planning Act*.

### 4 DEFINITIONS

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**Agriculture-related uses** are farm related commercial and farm-related industrial uses that are directly related to farm operations in the area, support agriculture, benefit from being in close proximity to farm operations, and provide direct products and/or services to farm operations as a primary activity, in accordance with the Provincial Policy Statement (2014).

**Agri-tourism** includes those farm-related tourism uses, including limited accommodation such as a bed and breakfast, that promote the enjoyment, education or activities related to the farm operation, as per the Provincial Policy Statement (2014).

**Façade** refers to the front of a building and/or other exterior walls that are exposed to high-density areas. Refers to the overall or multiple design element(s) of a building, not a single aspect.

**Life-cycle replacement** refers to a noticeable improvement or change to a building or property. For example:

- a) Replacing old windows would be life-cycle. Restyling, returning heritage features, or making them more attractive would not be considered a life-cycle replacement.
- b) Replacing shingles on a roof that are deteriorating would be life-cycle. Changing a roofline or covering an extension or remodel would not be considered lifecycle replacement.

**Roofed Accommodations** are defined as year-round, permanent fixed roof accommodations within or as an extension to existing buildings and including hotels/motels/Bed and Breakfast establishments. This excludes camp grounds, cottage rentals or trailer parks.

**Owner** refers to the registered owner of the lands and includes any successors, assignees, agents, partners and any affiliated corporations.

**Tenants** refers to a person(s) who occupies or possesses a property, which has been rented to a person by a landlord.