
TO: GENERAL COMMITTEE

SUBJECT: PROPOSED BUILT BOUNDARY COMMUNITY IMPROVEMENT PLAN
REVIEW OF STAFF REPORT PLN009-16

WARD: ALL

PREPARED BY AND KEY CONTACT: K. BRISLIN B.Sc., M.C.I.P., R.P.P., SENIOR POLICY PLANNER
EXTENSION # 4440

SUBMITTED BY: S. NAYLOR, MES, M.C.I.P., R.P.P., DIRECTOR OF PLANNING AND
BUILDING SERVICES

GENERAL MANAGER APPROVAL: R. FORWARD, MBA, M.Sc., P. ENG.
GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH
MANAGEMENT

CHIEF ADMINISTRATIVE OFFICER APPROVAL: C. LADD, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That a new Community Improvement Plan (CIP), known as the Built Boundary Community Improvement Plan, be approved as outlined in Appendix "A" to Staff Report PLN016-16.
2. That Schedule "A" of By-law 2016-001 illustrating the Built Boundary Community Improvement Project Area be deleted and replaced with Schedule "A" attached to the Built Boundary Community Improvement Plan in Appendix "A" to Staff Report PLN016-16.
3. That the additional taxes realized through increased tax assessment relating to CIP projects, that are not paid to the applicant, as outlined in sections 7.4.1 5.b); 7.4.2 2.d) and 7.4.3 1.b) in the attached Built Boundary CIP, be transferred to the CIP Reserve to fund future CIP Projects.

PURPOSE & BACKGROUND

Purpose

4. The purpose of this Staff Report is to recommend approval of a revised Built Boundary Community Improvement Plan.

Background

5. Staff Report PLN009-16, dated June 6, recommended a Community Improvement Plan referred to as the Built Boundary Community Improvement Plan which proposes financial incentive programs to support the renovation of existing heritage buildings and buildings within the urban growth centre, and the development of affordable housing, brownfield redevelopment and mixed-use development in the intensification areas which include the Urban Growth Centre, and Intensification Nodes and Corridors and Major Transit areas identified on Schedule I to the Official Plan.

6. The report was referred back to staff to address the following matters:
 - a) Review of a consistent definition of affordable housing.
 - b) Review options available and the implications associated with providing incentives for all rental development.
 - c) Provide opportunities to incent affordable home ownership, specifically for not-for-profit and or charitable service providers offering a sweat-equity type of ownership model, to be assisted at the same level as social housing (50%) up to five units per year.
 - d) Direction was also provided to include transition provisions or allow for retro-activity to apply to incentives for affordable ownership sweat-equity models for eligible projects initiated prior to approval of the CIP.
7. In addition to the foregoing, questions raised included clarification with respect to the effects of bonusing on proposed incentives, and the implications of proposed new provincial legislation known as Bill 204 – the Promoting Affordable Housing Act, 2016.
8. These items have been addressed in the proposed CIP and are outlined in this report.

Definition of Affordable Housing:

9. The definition of affordable rental units in Section 7.2(c) of the draft CIP attached to Staff Report PLN009-16 is based on the definition for affordable rental housing in the Provincial Policy Statement, the City's Official Plan, and the City's Affordable Housing Strategy with one exception.

In the case of rental housing, the least expensive of:

- a) A unit for which the rent does not exceed 30% of the gross annual household income for low and moderate income households; or
 - b) A unit for which the rent is below the average market rent of a unit in the regional market area.
10. The Provincial Policy Statement, Official Plan, and Affordable Housing Strategy definition of affordability is for units for which the rent is "at or below" the average market rent.
 11. The County of Simcoe uses the median household income which is \$76,209 for the Barrie area.
 12. The 2015-2016 City of Barrie Affordable Housing Annual Report dated June 2016, provided information on Average Market Rents, and rents based on the median income in Barrie as follows:

Apartments (Rent per Month)	Bachelor	1 Bedroom	2 Bedroom	3 Bedroom	30% of adjusted median annual gross household income
	\$728	\$1,006	\$1,167	\$1,299	\$1,905

Source: CMHC Rental Housing Market Report Fall 2015

ANALYSIS

Proposed Definition:

13. Staff recommend, in keeping with the Provincial Policy Statement(PPS), Official Plan (OP) and Affordable Housing Strategy the following definition:

Affordable rental housing shall be the least expensive of:

- a) a unit for which the rent does not exceed 30% of gross annual household income for low and moderate income households; or
- b) a unit for which the rent is at or below the average market rent of a unit in the regional market area.

Options for Incentivizing Market Rental

14. Rents in Barrie are currently the sixth highest of any municipality in Canada and the CMHC Rental Housing Report (Fall 2015) indicates that the vacancy rate in Barrie dropped from 1.6% to 1.3% between 2014 to 2015. A 5% vacancy rate is considered healthy. Thus there is merit to providing incentives to support provision of market rental housing.
15. Consequently staff have amended the definition of Affordable Housing in the CIP to be consistent with the definition in the PPS, the City OP, and the Affordable Housing Strategy.
16. In addition, staff have included a Tax Increment based grant for affordable units at or below average market per the affordable housing definition such that a tax increment based payment will be granted over a five year period based on the percentage of affordable units provided within the entire project. This would apply to all affordable units, except where properties are exempt from taxes, in which case the tax increment grant would not apply.
17. Staff have included these changes in the proposed Built Boundary CIP attached as Appendix A to this staff Report PLN016-16.
18. In addition, the City currently offers tax based support to encourage rental residential through establishing equity with the Residential Class Tax Rate and Multi Residential Tax Rate. Over the past several years the City has progressively reduced the tax ratio for multi-residential units by approximately 25% annually to bring it to equity with residential. This is a significant tax-based support to encourage rental residential throughout the municipality, which is not part of the CIP. In 2009, the multi residential tax rate was 1.2 compared with 1.11 for residential units. The current rate for multi residential and residential is equal at 1.15.

Incentivizing Affordable Home Ownership

19. The attached CIP has been amended to provide grants for not-for-profit and charitable organizations which provide home ownership models, including sweat equity models, and which have processes in place to ensure the maintenance of affordability through subsequent purchases and sales. The CIP has included retroactivity clauses for this type of affordable ownership for any applications submitted as of January 1, 2016. The proposed tax increment based grant would also apply to these ownership units, whereby the benefits would be directly passed on to the owners.

20. The question of incentivizing affordable home ownership for anything over and above sweat equity type models is not recommended for reasons outlined in staff Report PLN009-16, and a Memorandum to Council dated June 6, 2016.
21. As stated in the memorandum to Council dated June 6, 2016, *“unlike rental housing where the City can require that the owner of the rental project enter into an agreement to maintain rents at a specific price point, there is no way of ensuring that ownership units, even if originally sold at an affordable price point, will remain that way through the second, third or fourth sale and beyond. Without that surety in place, incentivizing ownership units may simply create a fertile market place for speculators and drive the price of housing higher”*. The exception is in the case of ownership units developed by not-for profit or charitable organizations such as Habitat for Humanity where qualifying owners are required to enter into an agreement with the organization which can be tied to title through financing arrangements.”
22. Also as stated in the memorandum to Council dated June 6, 2016, *“Staff contacted and reviewed a variety of municipalities to determine if incentives are offered for ownership models. Programs in place for ownership in Ontario are provided by Housing Service providers (in this case the County of Simcoe) provide assistance directly to the home purchaser. In this model, the purchaser is required to satisfy the service provider of need (based on income), and then enters into an agreement with the Service Provider ensuring that the need continues and that the unit remains affordable. The Service Provider in effect becomes a low interest lending agency. This ensures the incentives are provided to the end user rather than a developer or a speculator.”* The County of Simcoe as the service provider does have similar programs which would apply to ownership within the City of Barrie.”
23. A public meeting was held on June 20, 2016, to consider proposed official plan policies and reduced zoning standards which are being recommended by the Built Form Task Force Working Group to encourage the development of affordable housing including ownership. The recommendations following this public meeting will be included in a Staff Report to be submitted in the Fall of 2016. The presumption is that revised standards will reduce overall costs which can be passed on to purchasers or tenants.
24. The Built Form Task Force Working Group also reviewed potential financial incentives including alignment of development charges for ownership and rental units. The same concern with respect to ensuring the long term affordability remains a challenge in this regard. Staff will be reporting back to General Committee on this matter.

Bonusing and the Proposed CIP

25. Bonusing refers to community benefits negotiated with a developer if Council approves an application to increase height and/or density which may include the provision of affordable housing.
26. In the case where a development provides affordable housing as a community benefit and Council approves an application for increased density or height, then this affordable housing will not be eligible for incentives under this proposed CIP. However, where a development includes affordable housing beyond the negotiated community benefit, subject to meeting all other eligibility requirements of the CIP, the additional affordable housing provisions may be eligible for the financial incentives being offered through the CIP.

Bill 204 - Proposed Legislation for Inclusionary Zoning

27. Bill 204 – the Promoting Affordable Housing Act, 2016 was recently introduced as part of the Province’s Long-Term Affordable Housing Strategy commitment to facilitating a greater range of housing choices and increasing the supply of affordable housing. Bill 204 proposes to allow municipalities to require inclusionary zoning, and also includes recommendations for reduced fees and development charge reductions for certain types of affordable housing, including ownership models. This Bill also proposes that affordability be registered on title for a time period.
28. Bill 204 may have significant implications for the proposed CIP. For example, if Inclusionary zoning is proposed and a set amount of affordable housing is required to be developed, then the City may only wish to provide incentives for affordable housing offered over and above those required through inclusionary zoning.
29. Staff will continue to monitor the status of this legislation and if necessary will recommend amendments to the Built Boundary CIP to align with the legislation if and when it is approved.

Further Stakeholder Input

30. Further discussions with stakeholders who have expressed an interest in the proposed Built Boundary CIP have occurred since Council’s consideration of Staff Report PLN009-16 in June 2016. The two issues relate to offering a tax increment based grant for rental residential in the intensification areas and the 20 year time frame for maintaining affordability. A summary of these discussions are noted in Appendix “E” attached.
31. The attached proposed Built Boundary CIP as revised includes a Tax Increment Based Grant for at or below average market rents.
32. Based on stakeholder input, staff recommend changing from 20 years to 10 years to maintain rental affordability.
33. The County of Simcoe has reduced the period for maintaining affordability to 10 years for projects which do not include provincial and federal funding, while maintaining 20 years for projects which do. In review of the comments and based on recent actions from the County, staff are of the opinion that a 20 year commitment to maintain affordability is too long, as market conditions and changes may occur in this time. Staff have revised the time frame to 10 years, in the proposed Built Boundary CIP attached as Appendix “A” to this report.

ENVIRONMENTAL MATTERS

34. The Redevelopment Grant program for brownfield costs will facilitate clean up and redevelopment of vacant contaminated sites and support soil and water quality improvement.
35. The proposed evaluation criteria include the opportunity to add scoring points for Leadership in Energy and Environmental Design (LEED) or equivalent design and development attributes.

ALTERNATIVES

36. There are two alternatives available for consideration by General Committee:

Alternative #1 General Committee could provide grants based on different percentages. Although this is viable, staff recommend grant percentages as proposed, as generally they have been developed in accordance with the Built Form Task Force, and other feedback.

Alternative #2 General Committee could set the affordable grant rate higher than “at or below average market rental for the region”. Although this is viable, staff recommend that this be reviewed after the proposed Built Boundary CIP programs have been monitored for two years in order to assess the uptake of the program and its impact on rental supply and vacancy rates.

FINANCIAL

37. The overall discussion on the financial implications was outlined in Staff Report PLN009-16, the extract of this section of the Staff Report PLN009-16 provided in Appendix “F” attached. The financial incentives for all programs are outlined in the Table below and include the recommended changes to the CIP as a result of this review.

Affordable Housing Spectrum					Intensificati on Nodes/ Corridors/ UGC - Mixed Use	Brownfield Site ³
Emergency Shelter Housing	Transitional Housing	Social Housing	Affordable Rental – Average Market Rental or Less ¹	Affordable Home Ownership Not-for-Profit Sweat Equity		
100% of DC Equivalent Grant	75% of DC Equivalent Grant	50% of DC Equivalent Grant	25% of DC Equivalent Grant	50% of DC Equivalent Grant	50% of DC Equivalent Grant	Studies Grant
100% Building Permit Equivalent Fees	75% Building Permit Equivalent fees	50% Building Permit Equivalent fees	25% Building Permit Equivalent fees	50% Building Permit Equivalent fees	50% Building Permit Equivalent fees	Remediation Grant
100% Planning Fee	75% Planning Fee	50% Planning Fee	25% Planning Fee	50% Planning Fee	100% Planning Fee	
Tax Increment Grant ² 5yrs	Tax Increment Grant ² 5yrs	Tax Increment Grant ² 5yrs	Tax Increment Grant ² 5yrs	Tax Increment Grant ² 5yrs	Tax Increment Grant ² 5yrs	
Grants available at Building Permit	Grants available at Building Permit	Grants paid at 50% Occupancy	Grants paid at 50% Occupancy	Grants available at Building Permit	Grant paid after tax increment is determined through MPAC property assessment ⁴	Grant paid after tax increment is determined through MPAC property assessment ³
1. Affordable rental housing is as defined as the least expensive of: i) A unit for which the rent does not exceed 30% of the gross annual household income for low and moderate income households; or ii) A unit for which the rent is at or below the average market rent of a unit in the regional market area. 2. Projects that are exempt from taxes would not qualify for the Tax Increment Grant. 3. Grant provided for the lesser of the total cost of remediation or the value of tax incremental increase payment over the five year period. 4. The grant only applies to the commercial component of the mixed use development.						

38. The implications of the changes included in the proposed CIP which are: opening up the incentives to units at average market rentals; providing incentives for affordable ownership provided by not-for-profit or charitable organizations, and adding a Tax Increment Grant for the Spectrum of Affordable Housing categories are outlined below.

39. Assuming 50 two bedroom affordable rental units are developed in 2017 (Five 100 unit developments providing 10% of units as affordable rental), a budget allocation of approximately \$350,300 for this program would be required (This represents an average grant of \$7,006 per affordable unit). Payment would occur at 50% occupancy. In addition, a tax increment grant would apply for eligible rental units, paid after the property is re-assessed and increased taxes are charged.
40. Based on the proposed grant for not-for-profit charitable sweat equity type models, the City of Barrie has issued three permits for Habitat for Humanity units that would be eligible under the recommended changes. The funding requirement based on the proposed grant at the 50% level would be \$49,563 (This represents Development Charges of \$31,495 per unit, and Building Permit Fees of \$1,547 per unit). In this instance, planning application fees did not apply as all the approvals were in place. In addition, a tax increment grant will be paid out after the increased taxes are billed.
41. If a full five units were to be developed in 2017, the budgetary requirement would be estimated at \$95,000, assuming the same rate of (\$31,495 X 50%) \$16,512 per unit for DC's and building permit fees, and \$2,500 per unit for planning application fees. In addition, the tax increment grant would apply after the properties are re-assessed. Staff recommend that this grant be capped at five units per year part until such time as the CIP Reserve is built up.
42. Staff anticipate approximately \$350,000 will be available in uncommitted reserve funds in the CIP account by the end of 2016. The 2016 "sweat equity" affordable ownership units could be funded through these funds and the balance carried over for funding of the other programs under the proposed built boundary CIP.
43. Staff will be submitting budgetary expectations for CIPs for 2017 based on ongoing applications under consideration under the Downtown and Allandale CIP programs and anticipated applications under the proposed new Built Boundary CIP should this be approved.
44. The budget will include an amount for the renovation grant program and some initial funding for the affordable housing grants under the redevelopment program where seeder funding will be necessary until such time as funds have been built up in the CIP reserve through the tax revenue from incremental tax grant. This will also take into account any uncommitted funds that are currently in the CIP reserve account, and ongoing applications submitted under the Downtown and Allandale CIP's.

LINKAGE TO 2014-2018 STRATEGIC PLAN

45. The recommendations included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
 - Responsible Spending
 - Inclusive Community
46. The expenditure of public funds to target outcomes and achieve growth management and planning and development objectives that may otherwise be difficult to achieve given barriers to development in the built boundary.
47. Incentives are proposed at different levels to encourage a spectrum of affordable housing types which supports an inclusive community.

Attachments:

Appendix "A" - Built Boundary – Community Improvement Project Area

Appendix "B" - Schedule I to the Official Plan

Appendix "C" - Comparison of UGC Boundary and Allandale and Downtown CIPs

Appendix "D" - Comparison of Proposed Built Boundary CIP and Downtown/Allandale CIPs

Appendix "E" - Summary of further Public Input

Appendix "F" – Extract Financial Section Staff Report PLN009-16

APPENDIX "A"
BUILT BOUNDARY – COMMUNITY IMPROVEMENT PLAN

PART A: PREAMBLE

1.0 Background

The Provincial Growth Plan identifies Downtown Barrie as an Urban Growth Centre (UGC). Intensified mixed use development including residential, office, commercial and institutional uses are contemplated at densities of 150 persons and jobs per hectare in the UGC. The Growth Plan also sets population targets and requires at least 40% of new growth to be accommodated within the built up area.

In 2009, the City prepared an Intensification Study which identified key intensification areas including the UGC, mixed use nodes and corridors along major arterial roads, intersections and areas within walking distance of transit stations. Urban Design Guidelines were prepared in 2013 for these key intensification areas to provide guidance for development of private and public realm lands in these areas. Two new zone categories for the Intensification Nodes and Corridors have also been approved by Council to implement the type of development envisaged for these areas.

In addition, Council approved an Affordable Housing Strategy in February 2015 which included direction to develop incentives for the provision of affordable housing.

Finally, in 2010 Council approved a Brownfield strategy which included a recommendation to develop financial incentives to facilitate the rehabilitation of potential brownfield sites within the City.

The purpose of this Community Improvement Plan (CIP) is to facilitate the development of more affordable housing units; to encourage the clean-up and development of brownfield sites; and to encourage development of mixed use nodes and corridors, and other intensification areas within the City's Built Boundary as designated on Schedule I of the Official Plan.

2.0 Basis

The City of Barrie Official Plan currently contains provisions regarding Community Improvement Planning which provides that any area within the City of Barrie (exclusive of the lands annexed into the City in 2010) may be designated a Community Improvement Project Area pursuant to Section 28 of the Planning Act.

In addition, Section 3.6.2.4 of the Official Plan states that Community Improvement Plans may provide direction, guidelines and a strategy for a number of matters, not limited to:

1. Allocation of public funds such as grants, loans, tax assistance or other financial instruments for the physical rehabilitation, redevelopment or improvement of land and buildings, to registered owners, assessed owners, tenants and assignees of lands or buildings.
2. Municipal acquisition or holding of land or buildings and subsequent clearance, grading, rehabilitation, redevelopment or resale of these properties or other preparation of land or buildings for community improvement.
3. Public/Private Partnerships, joint ventures and cost-sharing arrangements.
4. To achieve a variety of planning, development, growth management, transportation and health and safety and community objectives.

This Community Improvement Plan arises from several converging considerations which are summarised as follows:

1. The need to assess the current Downtown, Allandale and Georgian College CIP's, in light of the fact that they were developed prior to the Places to Grow Provincial Growth Plan (henceforth Growth Plan) came into effect.
2. Council direction for staff to explore opportunities for a sustainable source of funding of the CIP financial incentives (Motion 10-G-257).
3. Development of incentives for brownfield redevelopment as part of a Brownfield Strategy.
4. Review of incentives for Affordable Housing as recommended in both the Affordable Housing Strategy and the Built Form Task Force Report.
5. Investigation into potential incentives for Intensification Nodes and Corridors, to mitigate the cost of development, subject to zoning approval of zoning for mixed use nodes and corridors. (Incentives PLN002-15)(15-G-022)(Mixed Use Zoning PLN018-14)

3.0 Authority - Section 28 of the Planning Act

Authority for the provision of financial incentives is provided by Section 106 of the Municipal Act RSO 2001 and Sections 28(6) and (7) of the Planning Act.

Section 28(1) of the Planning Act defines a "community improvement project area" as "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 or for any other environmental, social or community economic development reason".

Schedule "A" attached of this Plan constitutes the Community Improvement Project Area which was designated by By-law 2016-001 on January 11, 2016.

For the purposes of developing and implementing a CIP, a municipality may engage in the following activities within the Community Improvement Project area:

1. acquire, hold, clear, grade or otherwise prepare land for community improvement;
2. construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the CIP;
3. sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the CIP and;
4. make grants or loans to the registered owners, assessed owners, and tenants of lands and buildings to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the CIP.

PART B: THE COMMUNITY IMPROVEMENT PLAN

1.0 Purpose

The purpose of this Community Improvement Plan will be to provide for Financial Incentives designed to achieve emerging community goals and priorities which target key planning and growth management objectives for development within the Built Boundary, including: affordable housing, brownfield redevelopment, and mixed-use development within the intensification areas identified on Schedule I of the Official Plan.

2.0 Community Improvement Project Area

The Community Improvement Project Area includes all of the Built Boundary as identified on Schedule I of the Official Plan. The Built Boundary Community Improvement Project Area is shown on Schedule "A" of this CIP.

3.0 Objectives

The objectives of this plan are as follows:

1. To support the provision of a variety of affordable housing by offering different levels of support for a continuum of affordable housing options.
2. To facilitate the redevelopment and remediation of brownfield sites.
3. To reinforce the vision for development of the Intensification areas with more intensive mixed use development, by offering incentives to support the development of street level commercial uses in the Intensification areas.
4. To facilitate renovation restoration and adaptive reuse of existing buildings in the Urban Growth Centre and buildings included on the Municipal Heritage Register.

4.0 Community Improvement Financial Incentives

In order to assist the City in achieving these objectives, this CIP will provide incentives in the form of two major programs; a renovation grant program and a redevelopment grant program.

The **Renovation Grant Program** is intended to provide financial incentives to promote the renovation and restoration of existing buildings within the Urban Growth Centre and buildings listed on the Municipal Heritage Register.

The **Redevelopment Grant Program** will provide financial incentives for development/redevelopment projects which provide affordable housing; remediate and redevelop brownfield sites within the Built Boundary, and develop ground related commercial in combination with the appropriate density and built form to support transit, walkability and animated streets in the intensification areas identified on Schedule I on the Official Plan.

5.0 General Eligibility Requirements for Incentive Grant Programs

1. The property must be within the Built Boundary Community Improvement Project Area, the Urban Growth Centre, an Intensification Node or Corridor as identified on Schedule "A" to this CIP.

2. All applications for assistance will be considered subject to the availability of funding.
3. Any owner of a property, within the Built Boundary Community Improvement Project Area, may apply for assistance, unless stated otherwise in the Specific Eligibility Criteria for grants and loans.
4. An owner or tenant of a residential condominium unit or condominium development shall not be eligible for any of the grants or loans available under this CIP unless otherwise stated in the program details.
5. Improvements shall be made to buildings or land in accordance with the purpose and the objectives of this CIP, the Official Plan, the Zoning By-Law and other municipal By-laws in effect.
6. Expansion, enlargement or improvements of existing legal non-conforming uses shall not be eligible. However, where improvements are proposed to bring uses into closer conformity with the intent of the Official Plan and Zoning By-Law, or Building Code, such improvements may be considered for a grant or loan under this CIP.
7. The property under consideration shall not be in a position of property tax arrears, or shall have a payment schedule acceptable to the City Treasurer at the time of application.
8. The total of the grants and loans made in respect to particular lands and buildings shall not exceed the eligible cost of the improvements with respect to those lands and buildings.
9. Improvements to auto related uses including drive through facilities, auto repair shops, car detailing, car dealerships, sales and leasing of automobiles, gas stations or any other auto related uses shall not be eligible for any grant or loan available under this CIP.
10. Temporary uses, such as temporary sales offices; scaffolding or other non-permanent structures, such as tents; temporary storage areas; temporary parking lots, or properties zoned under temporary use provisions of Section 39 the Planning Act shall not be eligible.

6.0 Renovation Grant Program

6.1 Purpose of the Renovation Grant

The purpose of this grant is to assist in the improvement, restoration or adaptive re-use of existing buildings within the Urban Growth Centre and to assist with restoration and renovation of heritage characteristics of buildings listed on the Municipal Heritage Register.

6.2 Specific Eligibility Requirements of the Renovation Grant

The renovation grant is available to property owners that meet the following eligibility requirements:

1. Buildings within the Urban Growth Centre identified on Schedule "A" attached to this CIP.
2. Buildings within the Built Boundary listed on the Municipal Heritage Register as updated from time to time.
3. Eligible renovations include interior and exterior renovations or improvements such as:

- a) Adaptive re-use, upgrade to building code, accessibility and HVAC improvements and façade and sign improvements.
- b) Restoration and renovation of the interior or exterior of buildings listed on the Municipal Heritage Register.
- c) Improvements that result in increased energy efficiency of buildings.

6.3 Calculation and Timing of Payment of the Renovation Grant

1. Where an application is approved under this program, assistance will be in the form of a grant for 50% of the eligible renovation costs to a maximum of \$25,000 per property, whichever is the lesser.
2. Approval will be conditional upon the works being completed within a year of approval. If works are not completed within the specified time frame, approval will be withdrawn unless the applicant has requested and received written approval for the extension from the Director of Planning and Building Services.
3. A Renovation Grant Agreement between the City and the owner shall be executed and registered on title prior to release of funds for the grant.
4. Grants will be paid at the time of completion of the works and after at least 50% occupancy of the building is confirmed.
5. From time to time, the upset maximum for the renovation program may be changed through a resolution of Council, based on monitoring of uptake, without requiring an amendment to this plan.

6.4 Renovation Grant Program Delivery and Process

1. Approval of the Renovation Grant is delegated to the Director of Planning and Building Services.
2. Applications for grants under this program will be required to be submitted within a prescribed time frame for consideration.
3. Only complete applications will be considered.
4. Eligibility criteria, evaluation criteria and if applicable priority streets will be stipulated on an annual basis.
5. Evaluation criteria shall be applied to assist in selection and approval of eligible projects and shall take into account the following considerations:
 - a) The proposed improvements result in increased occupancy of existing building within the UGC. Rankings will be based on the provision of ground floor commercial uses with second and third story residential and/or employment uses.
 - b) The proposed improvements result in the renovation/restoration of existing building on the municipal heritage registry.
 - c) The improvements result in a net increase to the employment and residential base of the Urban Growth Centre.

- d) The improvements result in a net increase to the availability of office and residential space on upper floors.
6. Evaluation criteria and scoring of grant applications may be amended on an annual basis.
7. Following the closing date the list of applications and details of the proposals will be made available to the Director of Planning and Building Services who shall evaluate applications against the criteria referenced above.
8. More than one intake per year may be considered at the discretion of the Director of Planning and Building Services subject to uptake and funding availability in any one year.

7.0 Redevelopment Grant Program

7.1 Purpose of the Redevelopment Grant Program

The purpose of the Redevelopment Grant Program is to provide financial incentives for (re)development which entails any of the following:

1. The provision of a variety of affordable housing.
2. The development of the Intensification Areas in with the density, mix of uses and built form required in accordance with the Official Plan and Zoning By-law. The intent is to support development that is in accordance with the vision of the intensification areas which includes mid-rise mixed use developments with animated complete streets as articulated in the Intensification Area Urban Design Guidelines dated April 2012. In some cases this may require zoning changes to meet the recommendations of the Intensification Area Urban Design Guidelines.
3. To support the redevelopment of Brownfield sites within the built boundary.

7.2 Specific Eligibility Requirements of the Redevelopment Grant

1. Affordable Housing:
 - a) A development or redevelopment which provides affordable housing within the Built Boundary or within the Urban Growth Centre, an Intensification Node or Corridor outside of the Built Boundary as identified on Schedule A of this CIP.
 - b) Those units within a development or redevelopment that meet the Affordable Rental Housing definition will only be eligible for the grant.
 - c) Affordable rental housing defined as the least expensive of:
 - i) A unit for which the rent does not exceed 30% of the gross annual household income for low and moderate income households; or
 - ii) A unit for which the rent is at or below the average market rent of a unit in the regional market area.
 - d) Affordable home ownership offered by Not-For-Profit service providers and/or charitable service providers offering a sweat-equity type of ownership model which offer affordable home ownership units and which have processes and/or

mechanisms in place to ensure the continued affordability of the unit for a specified period of time.

2. Intensification Area Redevelopment:
 - a) Properties or a consolidated group of properties or buildings with a minimum of 100m frontage on a road forming an Intensification Corridor or on one of the intersections forming an Intensification Node, within the Community Improvement Project Area Map - Schedule "A".
 - b) Properties or buildings within or partially within the Urban Growth Centre.
 - c) Properties or buildings within 500m of a Transit Station.
 - d) Projects shall comply with applicable official plan policies including densities and density and zoning requirements.
 - e) Properties within the Mixed Use Nodes and Corridors shall be required to comply with the City's Mixed Use Nodes and Mixed Use Corridor zoning standards. In addition the applicable Intensification Area Urban Design Guidelines shall be included in the design. Development within the Urban Growth Centre shall also comply with the mixed use more intensive development as articulated in the latest approved Intensification Area Urban Design Guidelines.
 - f) This grant shall only be provided where the full amount of commercial is developed as required in the zoning by-law. In the case of Intensification Corridors, at least 50% of the ground floor shall be developed for commercial use to qualify for the grant. A lesser percentage of ground related commercial will not be eligible.
 - g) The commercial use shall be provided in combination with residential development and shall meet the applicable density requirements; single story commercial development shall not be eligible for this grant program.
 - h) The development shall be in accordance with the vision for the intensification areas and built form as set out in the latest Intensification Area Urban Design Guidelines. In cases where the development complies with the zoning but does not, in the opinion of staff, reflect the Intensification Area Urban Design Guidelines, the property shall not be eligible for the intensification area incentives.
3. Brownfield Redevelopment:
 - a) Redevelopment of brownfields within the Built Boundary, or is within an Intensification Node or Corridor outside the Built Boundary as identified on Schedule "A" attached to this CIP.
 - b) For purposes of this CIP, a brownfield site is a property or part of a property with or without buildings having a history of either industrial or commercial uses and which as a result of these uses has become environmentally contaminated and remediation is needed in order to develop the site for a sensitive use.

7.3 Calculation and Timing of Payment of the Redevelopment Grant

7.3.1 Affordable Housing:

1. Affordable housing grants include a Tax Increment Grant and Affordable Housing charges and fees grant.
2. The value of the Affordable housing charges and fees grants will vary based on the type of affordable housing being considered: Emergency Housing, Transitional Housing, Social Housing, Affordable Rental Housing, and Affordable Not-for-Profit Charitable home ownership models. Refer to Appendix "B" to this CIP for definitions of these types of affordable housing.
3. The grants are for the equivalent costs of a percentage of the applicable Development Charges (DC's) as well as a percentage of Building Permit and Planning Application Fees. The value of the grants for different types of affordable housing is outlined as follows:
 - a) Emergency housing: a payment equalling 100% of development charges and building permit fees applicable to affordable units, and planning application fees based on the percentage of emergency housing units developed within the project.
 - b) Transitional housing: a payment equalling 75% of development charges and building permit fees applicable to affordable units, and planning application fees based on the percentage of transitional units developed within the project.
 - c) Social housing: a payment equalling 50% of development charges and building permit fees applicable to affordable units, and planning application fees based on the percentage of social housing units developed within the project.
 - d) Rental housing: a payment equalling 25% of development charges and building permit fees applicable to affordable units, and planning fees based on the percentage of affordable rental housing units developed within the project.
 - e) Affordable home ownership offered by Not-for-Profit service providers and or charitable service providers offering a sweat-equity type of ownership model which offer affordable home ownership units and which have processes and/or mechanisms in place to ensure the continued affordability of the unit for a specified period of time. The provisions of the Redevelopment Grant for this form of affordable housing would be the same as the provisions for Social Housing noted in 7.3.1. 2 c) above (50%).
3. For purposes of determining the applicable equivalent grant costs the following shall apply:
 - a) Development Charges Equivalent grants are based on the applicable percentage of the Development Charges required in accordance with the Development Charges by-law in effect at the time.
 - b) Building Permit Fees Equivalent grants are based on the full building permit fee required at the time of building permit application. The building permit fees

equivalent grant shall not include conditional building permit fees, unless this fee is approved by the Grant Review Group.

- c) Planning Application Fees Equivalent grants include all application fees applicable to planning processes, including:
 - i) Pre-consultation request forms; application fees for site plan, rezoning, official plan amendments, severance, minor variance, or other planning application process, relevant to the type of affordable housing being proposed on a specific site.
 - d) Planning Application Fees Equivalent grants shall not include security deposits, or letters of credit normally required through the planning process.
4. The Tax Increment Grant is for the incremental tax increase paid back over a five year period for Emergency Housing, Transitional Housing, Social Housing, Affordable Rental Housing at or below average market rents, and Affordable Not-for-Profit Charitable Sweat Equity home ownership. Except where these properties are exempt from taxes.

7.3.2 Intensification Area Redevelopment:

1. Intensification Area redevelopment grants include a Tax Increment Grant and a Charges or Fees Grant for the Commercial component of development in intensification nodes, corridors or the urban growth centre.
2. The following charges or fees for the commercial component will be granted:
 - a) 50% of Development Charges for the ground related commercial component of the project.
 - b) 50% of Building Permit Fees for the ground related commercial component of the project.
 - c) 100% of Planning Application Fees for the entire project.
3. Tax Increment Grant is for the incremental tax on the ground related commercial portion of the development.

7.3.3 Brownfield Redevelopment:

1. The following costs associated with Brownfield redevelopment will be paid back through a tax increment based grant:
 - a) Costs of preparation of a Phase One and Phase Two Environmental Site Assessment, or
 - b) Costs to prepare a Risk Assessment to Table 2 Standard
 - c) Costs of Preparing a Remediation and Monitoring Plan
 - d) 50% of costs of rehabilitating the property to permit a record of site condition to be filed with the Ministry of the Environment and Climate Change, and

- e) 50% of the cost of complying with a certificate of property use issued under section 168.6 of the Environmental Protection Act.
2. The foregoing costs shall be capped to the lesser of the value of the total of the tax increment grant or the costs of studies and remediation.
3. Only those remediation costs incurred after the execution of an agreement with the City will be eligible for rebate. Remediation costs that have previously been incurred by the applicant are not eligible for the program funding.
4. These studies shall be done by a Qualified Person as required under the applicable legislation.

7.4 Redevelopment Grant Payment

7.4.1 Affordable Housing:

1. The grant for affordable housing will be paid out at different times depending on the type of affordable housing developed. The timing of the grant payment for the different types of affordable housing is outlined as follows:
 - a) Emergency Housing and Transitional Housing:
 - The applicable percentage of Development Charges Equivalent, Building Permit Fees Equivalent and Planning Application Fees Grant will be paid at the time of building permit application.
 - b) Social and Affordable Rental Housing:
 - The applicable percentage of Development Charges Equivalent, Building Permit Fees Equivalent and Planning Application Fees are to be paid by the applicant when required and the total grant is paid after the project is completed and at least 50% occupancy is confirmed.
 - c) Affordable Not-for-Profit or Charitable Home ownership:
 - The applicable percentage of Development Charges Equivalent, Building Permit Fees Equivalent and Planning Application Fees Equivalent Grant will be paid at the time of building permit application.
 - This type of ownership model shall be funded to a maximum of five units per year, on a first come first serve basis.
 - Notwithstanding any other provisions of this CIP, any applications for this type of ownership may be considered eligible for the grant for projects initiated where applicable DC charges, building permit and planning application fees were paid on or after January 1, 2016.
2. Affordable Housing Redevelopment Grants shall be paid from a CIP reserve fund.
3. In the case of Emergency Housing and Transition Housing, and Affordable Not-for-Profit or Charitable Home ownership, the Affordable Housing fees and charges grant payment will be transferred from the CIP reserve fund into the applicable Development Charges, Building Permit Fees, or Planning Application Fees account at the time these will be required under the program.

4. In the case of Social Housing and Affordable Rental Housing, the applicant shall pay the applicable development charges, building permit fees or planning fees at the time required, and the grant will be paid from the CIP reserve account when 50% occupancy of the building is confirmed.

5. Affordable Housing Tax Increment Grant Payment:

- a) The repayment of the incremental tax increase will occur over a maximum period of five years.
- b) The annual grant payable will be equal to a percentage of the tax increment paid for the City's portion on the property taxes, in decreasing percentages of the increment, and the balance of the increment shall be allocated to a CIP Reserve account as follows:

Year	Percentage of Tax Increment	Percentage to CIP Reserve
1 (pro-rated)	100%	0
2	100%	0
3	75%	25%
4	50%	50%
5	25%	75%

- d) The tax increment shall be calculated as the difference between:
 - i) the annualized municipal taxes resulting from the increased assessment from project completion, as provided by Municipal Property Assessment Corporation (MPAC), adjusted if applicable by subsequent assessment appeal decisions, and
 - ii) the annualized municipal taxes based on assessment the day before the effective date of the assessment increase noted in (a) above.
- e) Properties that are developed that are exempt from taxes, shall not be eligible for the tax increment grant.
- f) Where properties that are not previously subject to taxes are redeveloped, the base tax shall be based on the tax that would be applied to the land and buildings based on the current use. For example, a municipal property or church converted to a commercial use shall not have a zero base tax from which to calculate the tax increment.
- g) The grant for Year 1 will be pro-rated based on the effective date for the increased assessment.
- h) This program does not exempt property owners from increases or decreases in municipal tax rate changes relating to provincial capping legislation or from changes in assessment for any other reason.
- i) The starting point for taxes levied on cleared or partially cleared parcels shall be based on the municipal taxes levied the day before clearance.

6. In all cases, an agreement shall be in place confirming the affordable tenancy which shall be retained as such for a period of 10 years from the date of payment of the grant. In

cases where a project also receives Federal, Provincial or County assistance or a combination thereof, the greater of the time periods shall apply.

7.4.2 Intensification Area Grant (Intensification Nodes/Corridors/Urban Growth Centre)

1. The 50% Charges and Fees Grant and Tax Increment Grant for the commercial components of a development shall be payable upon Municipal Property Assessment Corporation (MPAC) re-assessment of the property after development or redevelopment has occurred.
2. Intensification Area Tax Increment Grant Payment
 - a) The Tax Increment Grant shall be paid through the incremental taxes upon MPAC re-assessment of the property after development or redevelopment has occurred.
 - b) The repayment will occur over a maximum period of five years.
 - c) The total payment through the tax increment based grant shall not exceed the cost of redevelopment. If the costs exceed the tax increment based grant for the project, the limit shall be established by the five year tax increment based grant payment schedule.

d) The annual grant will be equal to a percentage of the tax increment paid for the City's portion on the property taxes, in decreasing percentages of the increment as follows:

Year	Percentage of Tax Increment	Percentage to CIP Reserve
1 (pro-rated)	100%	0
2	100%	0
3	75%	25%
4	50%	50%
5	25%	75%

- e) The tax increment shall be calculated as the difference between:
 - i) the annualized municipal taxes resulting from the increased assessment from project completion, as provided by Municipal Property Assessment Corporation (MPAC), adjusted if applicable by subsequent assessment appeal decisions, and
 - ii) the annualized municipal taxes based on assessment the day before the effective date of the assessment increase noted in (2) above.
- f) Where properties that are not subject to taxes are redeveloped, the base tax shall be based on the tax that would be applied to the land and buildings based on the current use. For example, a municipal property or church converted to a commercial use shall not have a zero base tax from which to calculate the tax increment.
- g) The grant for Year 1 will be pro-rated based on the effective date for the increased assessment.

- h) This program does not exempt property owners from increases or decreases in municipal tax rate changes relating to provincial capping legislation or from changes in assessment for any other reason.
- i) The starting point for taxes levied on cleared or partially cleared parcels shall be based on the municipal taxes levied the day before clearance.

7.4.3 Brownfield Redevelopment:

1. Brownfield Tax Increment Grant shall cover the eligible costs for Brownfield redevelopment to be paid through a Tax Increment Grant upon re-assessment of the property after redevelopment has occurred.

- a) The repayment will be for the lesser of total eligible costs and the tax increment grant payment over five years as outlined in c) below.
- b) The annual grant will be equal to a percentage of the tax increment paid for the City's portion on the property taxes, in decreasing percentages of the increment as follows:

Year	Percentage of Tax Increment	Percentage to CIP Reserve
1 (pro-rated)	100%	0
2	100%	0
3	75%	25%
4	50%	50%
5	25%	75%

- c) If the sum of eligible costs is less than the total paid out over the five year period, then the repayment schedule shall be ended when the full amount of eligible costs is paid out. The final year payment would then not need to be based on the percentage amount set out in the above table.
- d) If the eligible costs exceed the amount paid out by the end of the five year period no further payments will be made.
- e) The tax increment shall be calculated as the difference between:
 - i) the annualized municipal taxes resulting from the increased assessment from project completion, as provided by Municipal Property Assessment Corporation (MPAC), adjusted if applicable by subsequent assessment appeal decisions, and;
 - ii) the annualized municipal taxes based on assessment the day before the effective date of the assessment increase noted in a) above.
- f) Where properties that are not subject to taxes are redeveloped, the base tax shall be based on the tax that would be applied to the land and buildings based on the current use. For example, a municipal property or church converted to a commercial use shall not have a zero base tax from which to calculate the tax increment.
- g) The grant for Year 1 will be pro-rated based on the effective date for the increased assessment.

- h) This program does not exempt property owners from increases or decreases in municipal tax rate changes relating to provincial capping legislation or from changes in assessment for any other reason.
- i) The starting point for taxes levied on cleared or partially cleared parcels shall be based on the municipal taxes levied the day before clearance.

7.5 Redevelopment Grant Program Delivery and Process

1. Approval of all redevelopment grants shall be delegated to a Redevelopment Grant Review Group comprised of the General Manager of Infrastructure and Growth Management, the General Manager of Community and Corporate Services, and the Executive Director of Invest Barrie.
2. All applicants for financial assistance will be required to complete an application form outlining the location of the property, the type and nature of the improvements or development to be undertaken, the anticipated completion date, the estimated value of the project and the financial incentives applied for.
3. A grant application shall be submitted at the time of Site Plan application and will be reviewed in parallel to the Site Plan application.
4. Staff may provide feedback on a redevelopment grant application at the Site Plan Pre-consultation stage, at which time basic eligibility will be determined in conjunction with the Planning Department review.
5. Planning staff will evaluate the grant application for compliance with eligibility requirements and circulate the grant application for comments to applicable departments and provide a summary of comments to the landowner.
6. Upon receipt of an amended Site Plan to address the comments and recommendations from the Site Plan review, the landowner will submit a final grant application with amended Site Plan requirements including enhanced requirements for the grant application.
7. All projects are subject to funding availability, in consultation with the Finance Department.
8. If approved, conditional approval shall be granted and a Redevelopment Grant Agreement shall be prepared. The legal fees for this agreement and costs of registration on title may be recovered from the grant or may be added to the eligible costs funded through the tax increment.
9. A project may be eligible for more than one of the incentives under the Redevelopment Grant Program where all the elements are included. In these instances the incentives may be added on to each project however, the total maximum amount of all grants or loans shall not exceed the total cost of redevelopment.
10. Where planning applications fees are costs permitted in more than one grant (for example Affordable Housing within an Intensification area), this grant of greater value shall apply.

7.6 Prioritization of Affordable Housing

1. Generally, developments within the Intensification areas shall be required to meet the applicable Official Plan and Zoning standards, including density, built form, and urban design requirements.
2. Where special planning approvals are needed to facilitate the provision of affordable housing projects that do not meet all these requirements, Council shall have an opportunity to determine eligibility for the applicable Affordable Housing Redevelopment Grant Program in light of the special provisions needed to permit the affordable housing project, at the time of consideration of the planning application.

8.0 Renovation and Redevelopment Grant Program Rules and Requirements

1. The provision of any grant as described in Part B of this CIP shall be administered on the basis of merit and the limit of funding available in accordance with administrative rules governing the loan or grant programs.
2. Specific details regarding the grants, application and administration procedures shall be set out in the Grant Application Forms and may change from time to time without the need for an amendment to this Community Improvement Plan.
3. Terms and conditions of any incentive program, including interest, repayment terms and administrative procedures may be changed, altered, amended or modified by the City of Barrie without the necessity of an amendment to this CIP.
4. Any of the foregoing Grant Programs may be structured as loans or forgivable loans if necessary, to secure City interests.
5. Development or redevelopment carried out prior to approval of *The Built Boundary CIP* shall not be eligible for funding, except for Not-for-Profit or Charitable Sweat Equity units constructed after January 1, 2016.
6. Eligible costs for redevelopment or improvements incurred prior to an application under *The Built Boundary CIP* shall not be eligible for funding.
7. Where DC discounts are already in place through the Development Charges By-law, the grants will be based on the greater of the two.
8. Incentive programs will be available to a property owner only. The City may extend the original grant payment schedule to a new owner subject to an amended agreement with the new owner.
9. Tax Increment Grant payments to the original owner will cease if the original owner sells the property prior to payment of all installments per the Tax Increment Grant Schedule, and the Grant has not been transferred or assigned through an agreement to the new owner.
10. Assistance granted under any financial incentive program for a particular applicant is not transferable to any other property.
11. All applicant(s) will be required to enter into an agreement with the City of Barrie specifying the amount to be paid by the City and the payment period. In all cases, the property owner must consent to the agreement in writing.

12. Eligible properties and buildings shall have no outstanding charges, legal claim, lien or tax arrears that may affect title to the land.

9.0 Municipal Acquisition, Disposal, Investment, Holding or Clearance of Land

1. In some instances, such as the provision of affordable housing, direct action on the part of the municipality may be appropriate to realize the objectives as outlined in Part B Section 3.0 of this plan.
2. Council may undertake any or a combination of the following as set out in Section 28(3) of the Planning Act:
 - a) Acquire land within the Built Boundary Community Improvement Project Area without the approval of the Minister, after the CIP is approved;
 - b) Hold land acquired within the Built Boundary Community Improvement Project area; and
 - c) Clear, grade, or otherwise prepare the land for community improvement.
3. Council may also undertake any or a combination of the following as set out under Sections 28(6) of the Planning Act:
 - a) Construct, repair, rehabilitate or improve buildings on land acquired or held by the municipality in the Built Boundary Community Improvement Project Area in conformity with the CIP and sell, lease or otherwise dispose of any such buildings and land appurtenant thereto.
 - b) Sell, lease or otherwise dispose of any land acquired or held by the municipality in the Community Improvement Project Area for a use in conformity with the CIP.
4. The City may prioritize lands or areas for undertakings as described in 2 and 3 above.
5. As part of exercising the powers granted under Section 28 of the Planning Act, the City shall prepare a report available for the public which will outline the following:
 - a) Identification and description of the strategies to be employed.
 - b) The purpose and objective of the undertaking.
 - c) The role of the municipality and other parties in the undertaking.
 - d) The financial implications for the municipality.
 - e) The potential timing of the undertaking.

10.0 Implementation

1. The Built Boundary CIP will be implemented through the provisions of Section 3.6 of the Official Plan and Section 28 of the Planning Act, 1990, R.S.O.
2. Overall implementation of the grant program shall be subject to Council review and approval of program details and budgetary allocation.

3. Approval of grants would be delegated to City staff. In the case of Renovation Grant Program, this shall be the Director of Planning and Building Services. In the case of the Redevelopment Grant Programs, this shall be delegated to an interdepartmental panel of senior staff comprised of the General Manager of Infrastructure and Growth Management, the General Manager of Community and Corporate Services and the Executive Director of Invest Barrie. This group is referred to as the Redevelopment Grant Review Group in this document.
4. All programs outlined in Part B of this Community Improvement Plan may be considered upon funding approval of this Plan, after approval of this CIP. Retroactivity of the program prior to approval shall not apply.

11.0 Administration

1. The *Built Boundary CIP* and the *Financial Incentives Programs* shall be administered by the City of Barrie Planning and Building Services and Finance Departments.

12.0 Other Community Improvement Plans:

1. The Downtown: Next Wave Community Improvement Plan and the Allandale Community Improvement Plan only apply insofar as review and implementation of applications received up to and including April 30, 2016. Any current grants or forgivable loans offered under these programs will continue to be maintained in accordance with the program details of these Community improvement plans.
2. The Georgian College Community Improvement Plan provides specialised grants for developments providing student housing. The Georgian College CIP shall remain in effect. Applications within the Georgian College CIP area may either be made under this Built Boundary CIP or the Georgian College CIP; however, applications may only be eligible under one of these CIPs. If applications are submitted under one CIP, it will be ineligible to apply under the other CIP.

13.0 Financing of Incentives

1. Council may approve an annual budget for these incentive programs.
2. The balance of the percentage paid out through the Tax Increment Based Grant Programs may be assigned to a CIP Reserve fund in order to build up funds and to have funds available for the Affordable Housing Grants, where these are to be paid at the front end.
3. All of the programs described in Part B and further detailed in Appendices are to be funded by the City of Barrie or in conjunction with such other Federal or Provincial programs which may be available.

14.0 Monitoring and Revisions to the Built Boundary CIP

Records of all grants and incentives awarded shall be maintained and the following shall be documented:

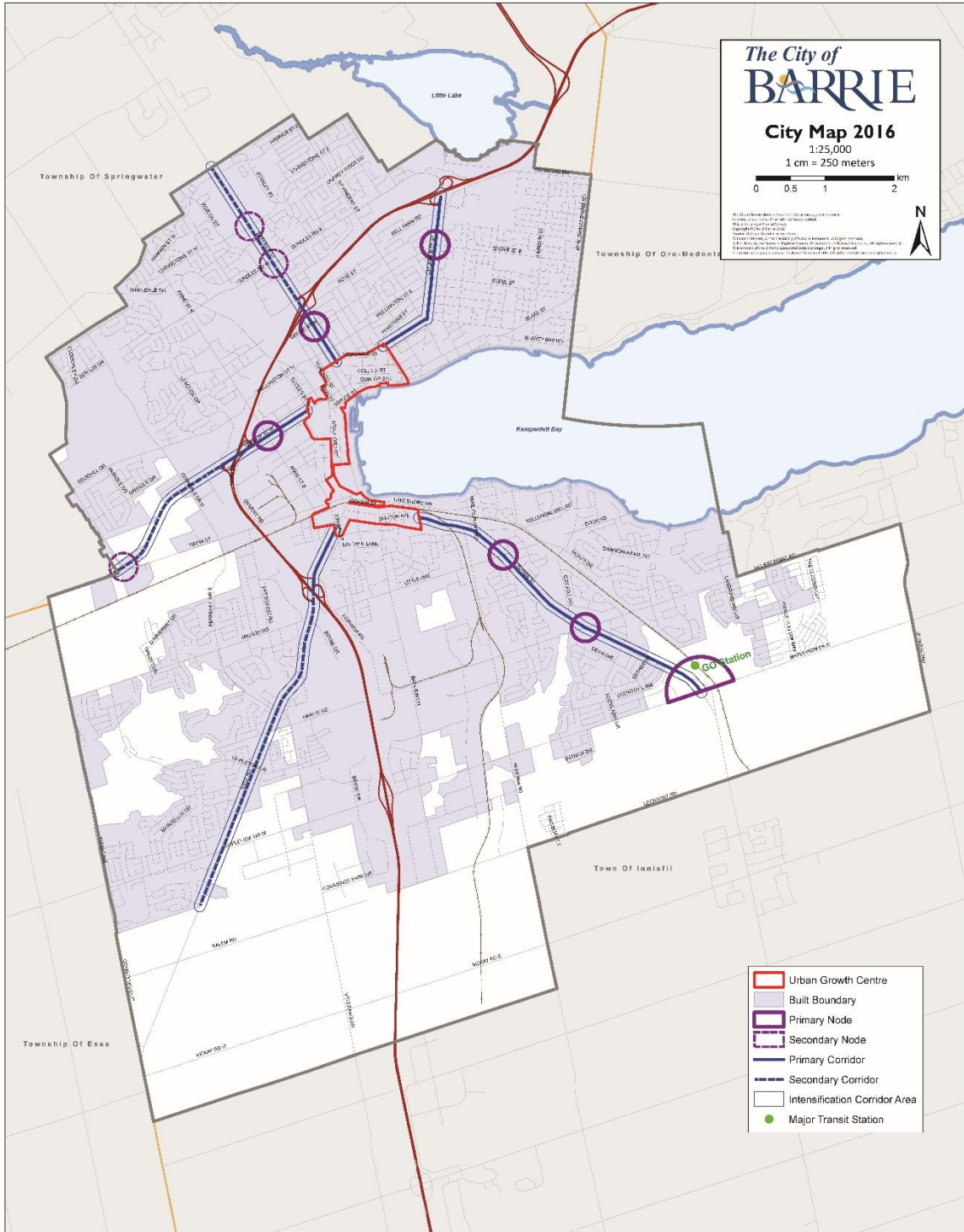
1. Renovation Grant:
 - a) Number and location of grants.
 - b) Number of jobs or units added.
 - c) Floor area of ground related commercial added.
 - d) Number and location of listed properties upgraded.

2. Redevelopment Grants:
 - a) Number and type of Development or Redevelopment Projects (based on the Continuum of Affordable Housing Units provided through the program.
 - b) Value of loans for development ground floor commercial space.
 - c) Additional commercial floor area.
 - d) Floor area of additional office space added.
3. Annual reviews and tracking of programs and activities relating to the Built Boundary CIP shall be submitted to Council.
4. As a result of this review; terms, conditions and details of any grant program may be changed, altered, amended or modified by the City of Barrie with direction from Council.
5. The addition of a new grant or loan program shall require an amendment to this CIP; however, the City of Barrie may discontinue any program without requiring an amendment to this Plan.

15.0 Interpretation

Part B Sections 1 to 20 inclusive and Schedule "A" attached, unless otherwise stated, shall form the Built Boundary CIP.

Schedule "A" – Community Improvement Project Area Boundary



APPENDIX "A" TO BUILT BOUNDARY CIP

RENOVATION GRANT EVALUATION CRITERIA

Criteria	Factor	Score (Points)	Maximum Points
1. Application required on Location Selected Street	For example Year 1 Dunlop Street between Mulcaster Street and High Street		
2.Type of Development	Office and/or residential above grade	10	20
		10	
	At grade commercial	10	
3.Property Description	Vacant Building	10	10
	Partially Vacant Building	5	
4.Conversion Type	Pre-existing vacant space	10	10
	Renovation	5	
5.Employment	More than 8+ jobs	8	20
	Less than 8 jobs	4	
	High Potential Jobs	8	
6.Residential Units Added	5+	10	10
	2-5	5	
	1	5	
7.Sustainability	<ul style="list-style-type: none"> • LEEDS or equivalent • Energy Saving Measures 		10
8.Design	<ul style="list-style-type: none"> • Materials utilized • Contribution to heritage preservation and character of the area • Accessibility • Landscaping • Signage 		20
			100

APPENDIX "B" TO BUILT BOUNDARY CIP

HOUSING SPECTRUM - LEVEL OF GRANT

Emergency Housing Facilities	Transitional Housing Facilities	Social Housing and Affordable Not-for-Profit or Charitable Home ownership (Sweat Equity models)	Affordable Rental Housing
DC Equivalent Grant			
100% DC Equivalent Grant	75% DC Equivalent Grant	50% of DC Equivalent Grant	25% of DC Equivalent Grant
Application Fee Grant			
100% Building Permit Equivalent Fees	75% Building Permit Equivalent fees	50% Building Permit Equivalent fees	25% Building Permit Equivalent fees
100% Planning Application Fees based on the percentage of Emergency Housing Facilities provided within a redevelopment project	75% Planning Application Fees based on the percentage of Transitional Housing facilities provided within a redevelopment project	50% Planning Application Fees based on the percentage of Social Housing units provided within a redevelopment project	25% Planning Application Fees based on the percentage of Affordable Rental Housing Units provided within a redevelopment project
Tax Increment Grant Applicable to All based on the Percentage of Affordable Units Provided			
Year	Percentage of Tax Increment	Percentage to CIP Reserve	
1 (pro-rated)	100%	0	
2	100%	0	
3	75%	25%	
4	50%	50%	
5	25%	75%	

Definitions of the Spectrum of Affordable Housing:

- a) Emergency Housing is housing that provides short term interim housing such as shelters, to address an immediate need to take a person or persons out of a harmful or high risk situation.
- b) Transitional Housing is temporary accommodation to bridges the gap from homelessness to permanent *housing* by offering support services structure, supervision, to facilitate integration into permanent occupation. Support may include education and training, translation services, life skills as appropriate to the situation.
- c) Social Housing may include Not-for-Profit Housing, Rent Geared to Income Housing, Urban Native Housing, or any form of rental housing where rental costs are supplemented with government subsidy. This may include co-op housing supported by the housing service provider.
- d) Affordable Rental Housing: is as defined in the City of Barrie Official Plan and Provincial Policy Statement which is as follows:

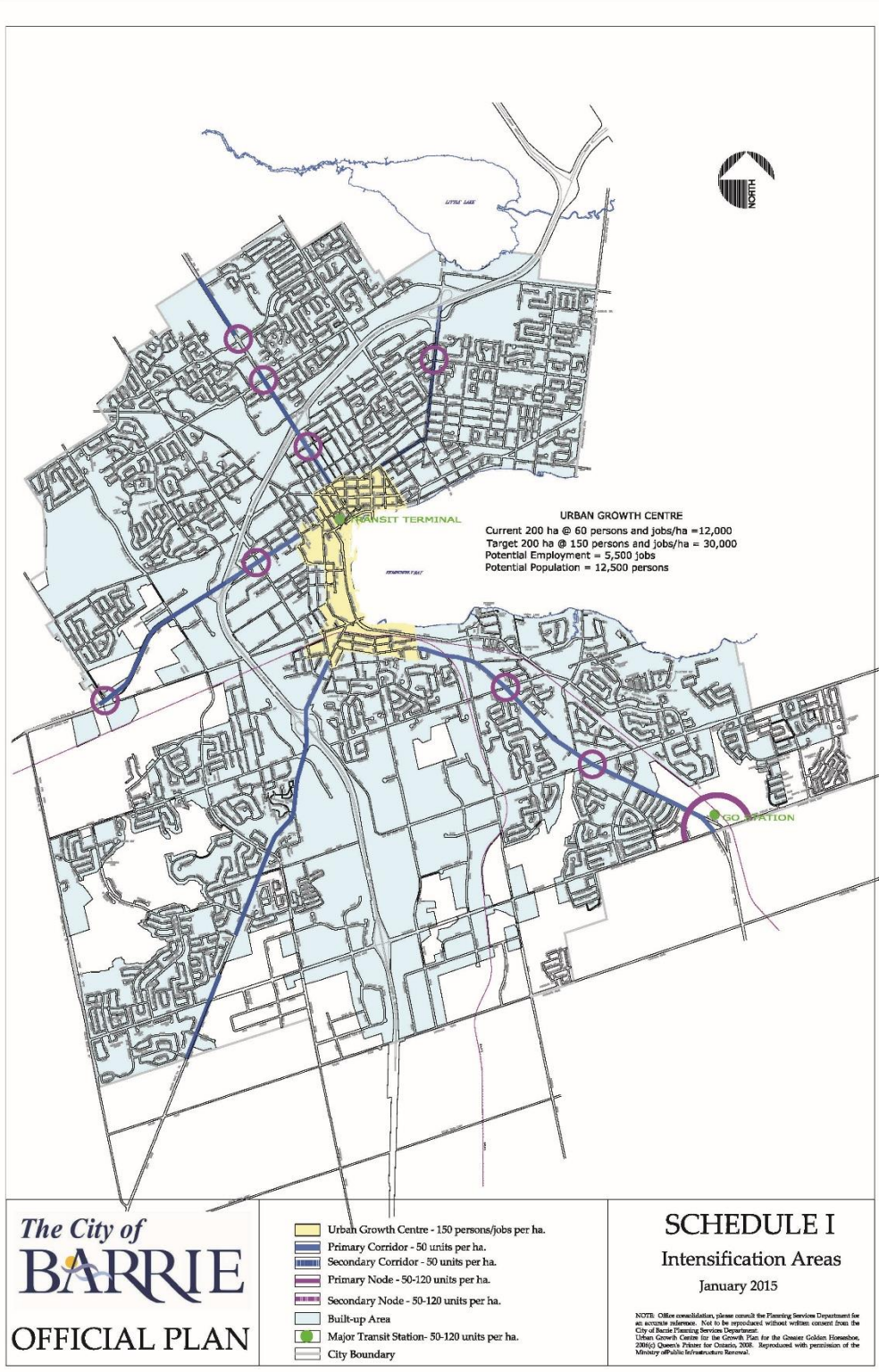
Affordable Rental Housing is defined as the least expensive of:

- i) A unit for which the rent does not exceed 30% of the gross annual household income for low and moderate income households; or

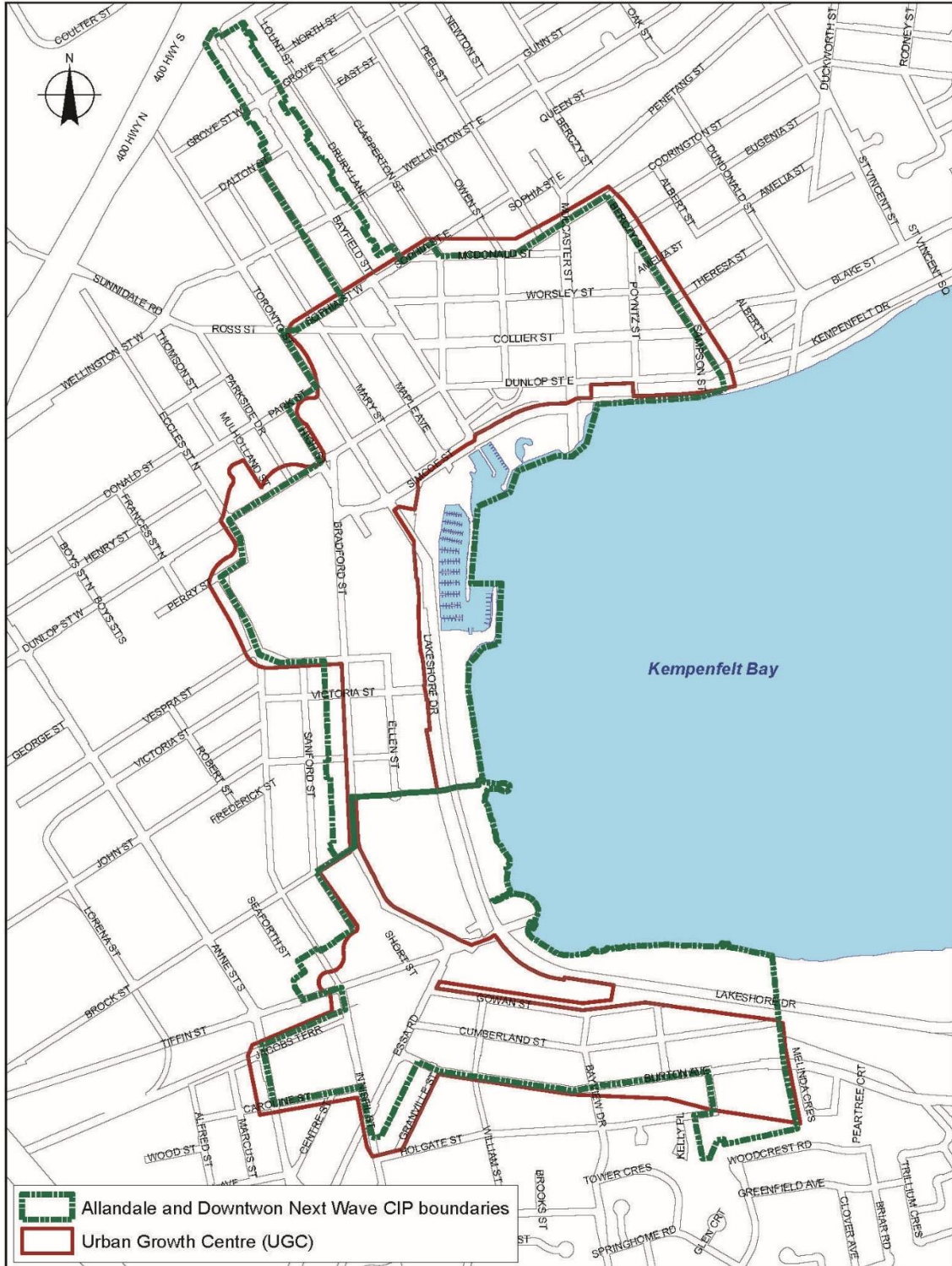
- ii) A unit for which the rent is at or below the average market rent of a unit in the regional market area.

The monthly affordable rental rate and market region may be based on annual price points as determined by the County of Simcoe as the Service Provider, or as otherwise defined by CMHC or other Federal, Provincial or Local Service provider. This will be reviewed on an annual basis and changes included in the Grant Application Form.

APPENDIX "B"
SCHEDULE I – OFFICIAL PLAN



APPENDIX "C"
Comparison of UGC Boundary and Allandale and Downtown CIP's



APPENDIX "D"
Comparison of Proposed Built Boundary CIP and Downtown/Allandale CIPs

PROPOSED BUILT BOUNDARY CIP	DOWNTOWN AND ALLANDALE CIPS
1. General	
Area of Coverage: Urban Growth Centre Built Boundary Intensification Nodes and Corridors	Area of Coverage: Urban Growth Centre
Two Grant Programs Renovation Grant Redevelopment Grant	Several Grant and Loan Programs Façade, Adaptive Re-use and Upgrade to Building Code and Sign and artwork forgivable loans SLED Grant (safe energy efficient lighting) Building Permit Fees Grant Planning Application Fees Grant Tax Increment Based Grant
2. Small Scale Projects	
Renovation Grant: <ul style="list-style-type: none"> Façade and sign, adaptive re-use, renovation, restoration Maximum \$25,000 per building Applies to listed buildings on the Municipal Heritage Register, in the UGC and Built Boundary 	Forgivable Loans: <ul style="list-style-type: none"> Façade and Sign, adaptive re-use, upgrade to building code improvements. Maximum \$25,000 per façade or adaptive reuse project Maximum \$5,000 for sign or artworks Some properties listed as Heritage Resources in Allandale are eligible for a renovation loan Small Grants: <ul style="list-style-type: none"> 25% Building permit fees Planning application fees SLED – Safe Energy Efficient Outdoor Lighting, maximum \$10,000 per fixture
Approval : Renovation Grants Delegated to the Director of Planning and Building Services.	Approval: Forgivable Loans and Small Grants under \$100,000 Delegated to the Director of Planning (and Building) Services.
3. More Significant Projects	
Redevelopment Grant <ul style="list-style-type: none"> Affordable Housing Intensification Area Redevelopment Brownfield Redevelopment Affordable Housing and Brownfield applies to Built Boundary and Intensification Areas, including UGC Intensification Area Redevelopment applies to Intensification Nodes, Corridors, and UGC 	Grants for Projects over \$100,000 and at least \$50,000 Assessment Increase <ul style="list-style-type: none"> Rental Accommodation (regardless of affordability) Commercial development Downtown and Allandale CIP areas only (UGC)
Intensification Area Re/development Commercial component only Fees and Charges Grant paid through a CIP Reserve Fund: <ul style="list-style-type: none"> 50% Development Charges 50% Building Permit Fees 100% Planning Application Fees Tax Increment Grant for Incremental Taxes on	Commercial Development in Allandale or Downtown CIP area (UGC) Planning and Building Permit Fees <ul style="list-style-type: none"> Building Permit Fees 25% for first \$25,000 and 50% for balance of fees 100% of Planning Application Fees Tax Increment Based Grant – incremental taxes for

<p>Ground Related commercial based on the Table below:</p> <table border="1"> <thead> <tr> <th></th> <th>To Applicant</th> <th>To CIP Reserve</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>100% pro-rated</td> <td>-</td> </tr> <tr> <td>Year 2</td> <td>100%</td> <td>-</td> </tr> <tr> <td>Year 3</td> <td>75%</td> <td>25%</td> </tr> <tr> <td>Year 4</td> <td>50%</td> <td>50%</td> </tr> <tr> <td>Year 5</td> <td>25%</td> <td>75%</td> </tr> </tbody> </table>		To Applicant	To CIP Reserve	Year 1	100% pro-rated	-	Year 2	100%	-	Year 3	75%	25%	Year 4	50%	50%	Year 5	25%	75%	<p>commercial and rental residential only based on the table below:</p> <table border="1"> <thead> <tr> <th></th> <th>To Applicant</th> </tr> </thead> <tbody> <tr> <td>Year 1</td> <td>100% pro-rated</td> </tr> <tr> <td>Year 2</td> <td>100%</td> </tr> <tr> <td>Year 3</td> <td>75%</td> </tr> <tr> <td>Year 4</td> <td>50%</td> </tr> <tr> <td>Year 5</td> <td>25%</td> </tr> </tbody> </table>		To Applicant	Year 1	100% pro-rated	Year 2	100%	Year 3	75%	Year 4	50%	Year 5	25%
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<p>Brownfield Redevelopment Costs of studies and remediation costs associated with brownfield remediation paid through a Tax Increment Based Grant based on the same table as for intensification area redevelopment.</p>	<p>No Grants for Brownfield Redevelopment</p>																														
<p>Approval: Redevelopment Grants are delegated to a Redevelopment Grant Review Group comprised of General Manager of Infrastructure and Growth Management, the General Manager of Community and Corporate Services, and the Executive Director of Invest Barrie.</p>	<p>Approval: Tax Increment Based Grants, combined with Permit & Application Fees Grants over \$100,000 Decision of Council – A staff report from Planning and Building Services with a recommendation.</p>																														
<p>CIP Grants factor in a percentage of DC equivalent payment for Affordable Housing and Intensification Area Grants.</p>	<p>DC costs are not part of the Downtown and Allandale CIPs.</p>																														
<p>Where DC Discounts or Exemptions are in place, such as discounts for Commercial Development in the City Centre Planning Area, the grants will be based on the greater of the two.</p>	<p>Any DC discounts or exemptions are part of the DC By-law and are not included in the Downtown or Allandale CIPs.</p>																														

APPENDIX "E"
Summary of Further Public Input

A. Mr. George Hunter and Mr. Cliff Dyke of EDEV Realty Advisors Inc.

1. Staff met with Mr. George Hunter and Mr. Cliff Dyke of EDEV Realty Advisors Inc. to discuss the proposed incentives under the new CIP. Mr. Hunter and Mr. Dyke are of the opinion that a Tax Increment Based Grant should be extended to all rental residential projects within the Urban Growth Centre and Intensification Nodes and Corridors to support residential intensification for rental projects. Eligibility would be premised on including a minimum of 10% of affordable units integrated into the total development, in support of the Official Plan Goal and Provincial Policy to develop a minimum of 10% of affordable units per annum.

Two Tax alternatives were suggested:

- a) That the same tax increment based grant available for rental residential in the Downtown CIP should be made available for rental residential units developed in the Urban Growth Centre, and Intensification Nodes and Corridors.
- b) That the redevelopment grant proposed for commercial development in the intensification nodes and corridors and urban growth centre under the proposed Built Boundary CIP be extended to rental residential development in these same areas (That is 50% of the DC charges and building permit fees and applicable planning application fees be paid through a tax increment based grant over the five year period for the rental residential component).

In both of the foregoing options, the intention is that this would replace the proposed incentive for affordable housing in the proposed Built Boundary CIP where applicable.

2. In response to staff concerns with respect to applying public funds to incentivise the luxury rental segment, Mr. Hunter commented that this was a limited and somewhat exclusive sector of the market; however this could be addressed by establishing a base level tied to the CMHC average rental published twice a year for studio, one, two and three bedroom unit types. The suggested average by Mr. Hunter was the CMHC Average+75% to capture the mid-priced market segment.

Comment:

3. The original recommendation from staff was to incent purpose built rental below the average market rent on the basis that public funds should be used to support projects that were truly providing affordable housing. Staff can support incenting purpose built rental at average market rents based on the premise that an increase in rental units at or below average rents will assist in increasing the supply of rental housing.
4. Since discussions with Mr. Hunter and Mr. Dyke the CIP has been amended to include a proposed Tax Increment Based Grant for the complete affordable housing spectrum including units developed at or below average market value/affordable units, based on the percentage of these units within a development.
5. In staff's view the recommended incentives proposed in the CIP should be monitored for the next several years to determine whether there is a need to further incentivise above market rental residential development within the intensification areas.

B. Mr. Ray Duhamel representing Mr. Michael Hassey:

1. Mr. Ray Duhamel, representing Mr. Michael Hassey on a proposed rental development, indicated that the proposed grant at 25% of DC and Building permit fees per unit is not a meaningful incentive to construct an affordable unit if the units are to remain affordable over an extended period of time. Mr. Duhamel advises that the proposed grant per unit at 25% of DC for a one bedroom apartment would equate to approximately \$5,000 per unit which amounts to \$21.00 per month over a twenty year time frame, and \$42.00 per month over a 10 year time-frame, and the business risk is too significant be tied to a certain rent, when the market could theoretically bring significantly more in years 10-20.

Comment:

2. The proposed CIP has been revised to reduce this time frame to 10 years, unless federal or provincial assistance requiring a longer time frame applies.

Appendix "F"

Extract from Staff Report PLN009-16 Financial Section of the Report.

FINANCIAL

Funding of Proposed Renovation Grant Program

41. Staff recommend that these grants be funded in a similar way to the current small forgivable loans through an annual budgetary process. Stable predictable funding would facilitate administration of this program. In review of past years for small grants and forgivable loans, the annual budgetary amount assigned has been between \$150,000 and \$250,000 for forgivable loans and small grants. For the past five years, the full amount has been allocated to applications received by the end of the summer of any year. New applications received after that date are held for consideration in the following year subject to budgetary approval.
42. If funding is approved, staff would be in a position to commence processing Renovation Grants under the proposed Built Boundary CIP in 2017.

Funding of Redevelopment Grant Program

43. Emergency Shelters and Transition Housing Grants are proposed to be paid at the time of building permit application, whereas grants for social housing and affordable rental housing are paid after the building is developed and 50% occupied. Thus funding would be required earlier in the process for Emergency Shelters and Transition Housing Grants. Staff are not aware of any proposed emergency shelters or transition housing development at this time, however, it is possible that with the proposed incentives in place, the City may receive an application for any one of these types of affordable housing projects. Until such time as sufficient funds are available in the CIP reserve fund to cover the grant payments, Council approval of funding will be necessary before any such CIP applications can be approved.
44. Redevelopment Grants that are funded through the tax increment based program would be paid after the development is completed and the increased taxes are paid. It is likely that any projects considered and approved in 2016 under this program would need to be paid in 2018 at the earliest. Thus there is no direct budgetary impact to be considered for this type of project at this time.
45. Since the CIP reserve would not have been built up through tax increment grants by 2017, funds will be needed for Affordable Housing Grants that may be received in 2016 and 2017. While staff are not aware of any proposals at this time, it will be suggested that some funds be set aside in the CIP reserve for this type of project in the 2017 budget.
46. Staff are recommending that a percentage of taxes collected from a project approved under the proposed CIP Tax Increment Grant program be allocated to the CIP reserve account in order to build up this account. As shown on the table below, a percentage would be paid out to cover costs of development and the remaining percentage would be placed in the account to fund future affordable housing projects that need a direct grant, or that would benefit from some front end funding.

TABLE A – Tax Increment Based Payment Schedule

Tax Increment Grant Payment to Applicant	Tax Increment Revenue Allocated to the Redevelopment Grant for Future Projects Needing Front End Funding
Year 1 – 100% pro-rated	0%
Year 2 – 100%	0%
Year 3 – 75%	25%
Year 4 – 50%	50%
Year 5 – 25%	75%

47. The effect would be that the additional taxes realized through increased assessment for CIP projects would be paid to the applicant or kept in a reserve account to finance future projects for the first five years as outlined in the table above.

48. Until such time as sufficient funds are available in the CIP reserve fund through diverting a portion of the increased taxes from the Tax Increment Grant approved projects, the reserve fund would require an annual budgetary allocation. In cases where an application is received and there is no budgetary allocation for these applications, funding approval will require Council consideration.