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|  COBOURG | THE CORPORATION OF THE TOWN OF COBOURG | |
| | STAFF REPORT | |
| TO: | Mayor and Council | |
| FROM: | Dave Johnson | |
| TITLE: | Planner I – Heritage | |
| DATE OF MEETING: | April 23, 2018 | |
| TITLE / SUBJECT: | Downtown Cobourg Vitalization Community Improvement Plan: Implementation Plan 2018 Intake | |
| REPORT DATE: | April 16, 2018 | File #: |

1.0 STRATEGIC PLAN

Objective #2: Support the preservation and enhancement of the Town’s arts, culture and heritage.

Objective #3: Promoting diverse economic development opportunities.

2.0 RECOMMENDATION

THAT Council receive this report for information purposes, and further, THAT Council endorse the implementation of the Downtown Cobourg Vitalization Community Improvement Plan (CIP) for the 2018 Intake as outlined herein.

3.0 ORIGIN

The purpose of this report is to advise Council of the proposed implementation plan for the 2018 Intake of the Downtown Cobourg Vitalization CIP.

4.0 BACKGROUND

The Downtown Cobourg Vitalization CIP was prepared in concert with the Downtown Cobourg Master Plan (DMP), and is intended to complement, support and be implemented in conjunction with the DMP. The CIP is called the Downtown Cobourg “Vitalization” CIP because it has been expressly developed and refined to help achieve the Vision and support the strategies and recommended actions contained in the Cobourg Downtown Vitalization Action Plan (DVAP).

In 2013, a survey of Cobourg and area residents undertaken as part of the

DVAP strongly indicated that respondents wanted an improvement in the appearance of the buildings in Downtown Cobourg. The need to improve the poor appearance of building exteriors, back lanes and parking lots was highlighted by more than 80% of respondents – topping the list of 3 concerns. Furthermore, the negative appearance of Downtown Cobourg accounted for a significant majority of unsolicited comments offered by residents. The survey also identified the following target market areas: mid-scale family restaurants, up-scale restaurants, food retailer, ladies & children's clothing & accessory shops, up-scale coffee shop, specialty stores, and businesses with unique cultural & artisan experiences.

On March 21, 2016, Cobourg Municipal Council adopted the Downtown Cobourg Vitalization CIP in accordance with Section 28 of the Planning Act, RSO 1990, c.P.13, as amended. The Downtown Cobourg Vitalization CIP provides a comprehensive tool kit of financial incentive programs specifically designed to address the community improvement needs in Downtown Cobourg and, over time, help achieve the Vision for Downtown Cobourg as outlined in the DVAP and the DMP. These financial incentive programs are designed to encourage private sector investment, rehabilitation, adaptive reuse, redevelopment, and construction activity in Downtown Cobourg.

The incentives contained within the Downtown Cobourg Vitalization CIP include grants and/or loans for work proposed under the following programs:

- Study Grant Program – costs for urban design study, heritage impact assessment, feasibility study and/or architectural/engineering studies and drawings;
- Façade Improvement Grant/Loan Program – costs for eligible façade and storefront improvement/restoration works;
- Building Improvement Grant/Loan Program – costs associated with eligible building improvement/restoration works;
- Residential Grant/Loan Program – costs associated with the creation/rehabilitation of residential space;
- Vitalization Tax Increment Grant Program – offsets any significant increase in municipal assessment and property taxes derived from a project(s);
- Brownfields Tax Assistance Program – cancellation of property taxes during rehabilitation and redevelopment periods on eligible brownfield properties;
- Vitalization Development Charge Grant Program – reduces or cancels development charges for eligible large-scale residential, commercial and mixed use vitalization projects; and,
- Fees Grant Program – application fees reduced or waived on specified development applications and permits for the renovation, rehabilitation and/or redevelopment of existing buildings.

Each program contains eligibility criteria for applicants to apply for and receive funding from Council, including such matters as improvements for barrier-free accessibility, energy efficiency retrofits and HVAC systems, fire protection systems, weatherproofing, residential intensification, brownfields, and structural and non-structural building upgrades. The programs can be used individually or “stacked” together for a particular project(s), just like tools in a toolbox.

Council approved \$50,000.00 in the 2016 Municipal Budget for the implementation of the financial grant incentive programs of the Downtown Cobourg Vitalization CIP, with the funds allocated from the Holdco Reserve. Given that the CIP was not in effect until late March of 2016, applications were accepted and reviewed by municipal staff on a case-by-case trial basis for the duration of 2016. A total of five projects were approved by Council, with total grants in the amount of \$54,696.13 and total secured repayable loans in the amount of \$51,886.00. The grand total commitment of CIP funds in 2016 was \$62,780.13.

After the successful initial implementation of the CIP in 2016, Council approved \$150,000.00 in the 2017 Municipal Budget (via the Holdco Reserve) to continue supporting the financial incentive programs.

Applications were received by the Planning Department twice in the calendar year. The first intake closed on April 13th and the second intake closed on July 21st. Sixteen (16) applications were received for the year and eleven (11) received assistance. An evaluation team consisting of the C.A.O., the Director of Finance, the Director of Planning and Development, the Heritage Planner, the Chair of the Downtown Coalition, the President & C.E.O of the Northumberland Central Chamber of Commerce, and the Vice-Chair of the Cobourg Heritage Advisory Committee met to review the applications.

In 2017, a total of eleven (11) projects were approved by Council with total grants in the amount of \$80,046.00 and total secured repayable loans in the amount of \$31,862.00. A grand total of \$85,653.27 was committed to the 2017 Intake out of the \$150,000.00 Municipal Budget allocation.

Furthermore, on April 9, 2018 Council approved funds following the completion of two applications from the final 2017 intake as follows. Council approved funds for 38 Covert – a \$15,000.00 grant and \$15,000.00 loan and 77 Albert - an \$8,500.00 façade improvement grant and a \$2,250.00 Building Improvement grant. These funds will be allocated from the remaining 2017 approved budget.

On January 18, 2018, Council passed the 2018 Municipal Budget that included \$150,000.00 in funding for the Downtown Vitalization CIP to continue.

5.0 **IMPLEMENTATION PLAN**

In anticipation of the continued implementation of the CIP, a subcommittee consisting of members of the Downtown Coalition Advisory Committee and municipal staff was formed to develop an implementation plan procedure and a comprehensive set of appropriate criteria for project selection.

Criteria for Project Selection

The direction of the CIP implementation for 2018 is proposed to have a greater focus on larger improvement projects, including but not limited to such projects that feature intensification and/or refurbishment of the upper floors of downtown buildings resulting in new or improved residential dwelling units and/or commercial space, and/or for projects that involve securing a landmark or anchor business, such as a bank or grocery store. A larger project focus would also allow for more resources to be targeted at major building improvements. Therefore, a larger proportion of available funds are proposed to be dedicated to one or more “significant” projects such as noted above and a smaller allocation of available funds would be directed to less significant exterior cosmetic alterations (i.e. roof work, façade improvements). Subject to Council’s endorsement of the above direction, the evaluation team will modify the evaluation criteria accordingly.

Receiving, Evaluating and Approving Applications,

It is proposed that applications will be received by the Planning Department once this calendar year, during a single Intake. The submission deadline is proposed for Friday, July 13th, 2018 with Council consideration of a recommendation report for the August 13, 2018 meeting of Council.

A single Intake is the preferred course of action this year over a two Intake schedule as it allows ample time for proponents to obtain relevant information, complete design work, secure quotes and obtain necessary approvals, as well as provide the Town with greater opportunity to promote the CIP Intake and adequately review the applications prior to a recommendation report being presented to Council. The single Intake will also enable proponents to undertake their projects in the Fall/Winter, after the prime tourist season has ended. Finally, it is municipal staff’s opinion that a single Intake schedule will be much more practicable for staff to administer while maintaining existing levels of service in their respective Departments and taking into consideration the shortened municipal schedule for the remainder of the year.

The following tables provide the proposed timeline for the receipt and review of CIP applications for the 2018 Intake:

| | |
|---------------------------------------|--------------------------|
| Submission Deadline | July 13, 2018 |
| Meet to Review Applications | Week of July 23-27, 2018 |
| Report Due for Committee of the Whole | August 1, 2018 |
| Committee of the Whole | August 13, 2018 |

The allocation of funds under the CIP program is entirely at the discretion of Council -- Council would retain the right to approve an application in whole or in part, or refuse an application. Should there be any unallocated funds after the first Intake period, it is proposed that the remaining funds be administered on a case-by-case basis.

Marketing and Communication of Program Requirements

To ensure that all those eligible to apply for grant/loan funds through the CIP are aware of the program, it is necessary to actively communicate the eligibility requirements and application deadlines to the property owners within the CIP study area. Furthermore, as the intention of the CIP is to support downtown vitalization and building improvements, it is equally necessary to present and market the CIP as an opportunity for building owners to engage with the revitalization of downtown Cobourg. The program will be marketed as an invitation to building owners to become active participants in building the momentum of revitalization downtown.

Prior to the submission deadline of July 13th, 2018, staff proposes to implement a multi-media communication plan that includes marketing the CIP through newspaper ads, the municipal website, and the Town's social media platforms. A brochure/flyer that summarizes the CIP program will be prepared and mailed to property owners within the CIP study area. Application packages will be available on the municipal website and from the Planning Department. The DBIA will be approached for assistance in communicating with their members.

Reporting and Monitoring

On an annual basis following the end of the calendar year, a report will be prepared by staff that describes the status of the CIP and the projects that have been allocated funds that year. The intention of this report is to monitor the implementation of the CIP, including measuring the projects against the evaluation criteria (where applicable) and formulating a database for tracking purposes, and to ensure that it continues to support the priorities of downtown vitalization. The weighting of various criteria, the allocation of bonus points, and the formula to score applications may be updated if it is determined that such changes would align more appropriately with current priorities for downtown revitalization. In addition, the timing of application intakes and other procedural matters may be evaluated to ensure that the process works effectively for all parties.

It is recommended that the grant/loan programs of the CIP be reviewed every five (5) years to evaluate their overall performance. After five years, the performance of the CIP may be evaluated according to certain measures derived from the annual monitoring and reporting of the program.

6.0 FINANCIAL IMPLICATIONS/BUDGET IMPACT

Cobourg Municipal Council allocated a total of \$150,000.00 in the 2018 budget for the implementation of financial grants as part of the Downtown Cobourg Vitalization CIP.

7.0 CONCLUSION

In summary, the implementation plan proposed for the 2018 Downtown Cobourg Vitalization CIP includes a single Intake process to provide proponents with ample time to prepare and submit requisite documentation to the Town regarding their projects, as well as provide a reasonable opportunity for the Town to promote and market the program, consult with applicants, review submissions and formulate recommendations to Council. The implementation of the 2018 CIP program will be monitored and reported on following the current calendar year, with a comprehensive performance evaluation planned for every five years.

Approved By:
Glenn McGlashon
Stephen Peacock

Department:
Planning
CAO