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# REGIONAL INCENTIVES PROGRAM – March 2021

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*Where Ontario Began*



# 1 INTRODUCTION AND CONTEXT

## 1.0 PURPOSE

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

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

## 1.1 AUTHORITY UNDER THE *PLANNING ACT*

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

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

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

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

#### 1.1.1 SDG Official Plan

The SDG Official Plan serves as the Official Plan for the entire region. This Plan includes two key policies that support the County's participation in local CIP programs:

#### 3.5.1.10 Community Improvement

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

#### 8.12.5 Community Improvement

1. A Local municipality may, subject to the provisions of the Planning Act, carry out physical improvements within the community. The County may also make grants or loans to the Council of a local municipality for the purpose of carrying out a community improvement plan, on such terms as Council considers appropriate. In establishing a Community Improvement Area, consideration shall be given to the following matters:

- a. The extent or deficiencies in public services, public service facilities or infrastructure;
  - b. Building stock, including municipal buildings, which do not meet a Local Municipality's Property Standards By-law;
  - c. The presence of vacant buildings/lands that could be developed, re-developed or converted to another use;
  - d. The opportunity to expand the supply of housing;
  - e. The need to improve the streetscape or aesthetics of an area;
  - f. The presence of incompatible land uses;
  - g. The presence of older industrial lands (e.g. brownfields) that exhibit deficiencies but provide opportunities for redevelopment;
2. The intent of this Plan is to recognize the entire County as a Community Improvement Area eligible for the establishment of one or more Community Improvement Project Areas. A local Municipality may implement measures for Community Improvement including, but not limited to:
- a. The designation of Community Improvement Project Areas by By-law and the preparation of Community Improvement Plans for one or more project areas.
  - b. Scheduling community improvement projects in accordance with municipal budgets.
  - c. Enforcement of the Property Standards By-law.
  - d. Utilizing senior government funding programs and/or partnering or soliciting financial support or contributions in kind from the public or private sector.
  - e. Supporting, through the development of land use and design criteria, proposals for conversion, infill, redevelopment or intensification of land or buildings.
  - f. Pursuant to Section 28 (3) of the Planning Act, a Local municipality may acquire and clear land for the purposes of implementing a program of community improvement.
  - g. Preparing appropriate policies and guidelines to direct streetscape improvements in residential, commercial and industrial areas.
  - h. Providing and encouraging buffering techniques to reduce the impact of incompatible land uses using mechanisms such as site plan control and development permits.
  - i. Considering the use of property tax or other financial incentives for the redevelopment of 'Brownfield', older industrial areas, commercial areas, or other areas considered suitable for redevelopment.
  - j. Supporting Municipal Heritage Committee and heritage conservation initiatives as set out in the heritage policies of this Plan.
  - k. Providing grants or loans to the registered **Owners** or assessed **Owners** of lands and buildings within a community improvement project area to pay for the whole or any part of the cost of rehabilitating such lands, or in undertaking other measures which conform to the community improvement plan.
  - l. To reduce flooding in hazard or flood prone lands by encouraging the conservation authorities to develop and identify a two-zone concept for flood plain management in areas of historical development.

## 1.2 REGIONAL CONTEXT

The SDG Regional Incentives Program and Action Plan was implemented in 2018 after a year of review and public consultations. The program supports strategic economic development initiatives in the following areas:

- Tourism, agriculture-related, agri-tourism uses, and facility improvement projects.
- Adaptive re-use of commercial, institutional, and industrial buildings.
- Development of permanent, roofed accommodations.

Regional financial incentives are available in the following municipalities:

- The Township of North Dundas
- The Municipality of South Dundas
- The Township of North Stormont
- The Township of South Stormont
- The Township of North Glengarry
- The Township of South Glengarry

The SDG Regional Incentives Program is incorporated into each local municipal Community Improvement Plan (CIP) and offers additional economic development tools. In some cases, different components of a project may be eligible for both local and County funding, subject to the general criteria outlined in Section 2.2.

## 1.3 SDG REGIONAL ECONOMIC GOALS

1. Stimulate investment in tourism and in the agricultural sector by funding diverse, on-farm expansions and agri-tourism.
2. Encourage redevelopment and private sector investment in existing building stock within the County to support employment, reduce the number of vacant commercial, institutional and industrial buildings, and increase the assessment base.
3. Increase the amount of permanent roofed accommodations within the County to specifically accommodate for an increase in tourism establishments that cater to short-term accommodations.

## 1.4 SDG REGIONAL INCENTIVES PROGRAM AREA

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

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

# 2 FINANCIAL INCENTIVES

## 2.0 GENERAL

The County believes that providing 50% matching grant funding is one of the most direct, predictable, and simplest ways to stimulate private sector investment; attract and retain businesses; and increase taxable



assessment within the region. These grants are available to eligible property *Owners* and authorized *Tenants*, including bona fide non-profit organizations. While some bona fide non-profit organizations are eligible for funding, **local municipalities and other governmental or quasi-governmental organizations; including conservation authorities, schools, hospitals, libraries, etc., are not eligible for funding.** See Section 2.2 for further details.

Where a property is eligible for local municipal funding through one element of the local CIP (e.g. Façade improvement), Regional Incentives Program funding will generally not be available for the same improvement. *However*, the County may fund a different type of improvement on the same property (e.g. landscaping), as part of the overall project.

An application for any financial incentive program contained within the Regional Incentives Program must include plans, estimates, contracts, reports and other details, as required to satisfy the **Regional Incentives Program Approvals Committee and Council.**

Funding under the Regional Incentives Program will flow to the local municipality where the successful application is situated and not to the applicant. Eligible grants will then be dispersed from the municipality to the applicant(s).

**Grant payments will be allocated upon completion of the Program works**, final inspection and approval, and/or issuance of any required certificates.

## 2.1 REGIONAL FINANCIAL GRANTS

**The following grants are available under this Program, subject to the availability of County resources:**

1. Façade, Signage, and Property Improvement Grant.
2. Building Improvement/Restoration Grant.
3. Building Conversion/Expansion Grant.
4. Feasibility, Design, and Study Grant.
5. Planning Application and Permit Fees Grant.

The Regional Incentives Program is a collaborative effort between the County and its local municipalities. Applications will generally be received and initially reviewed by staff of the local municipality. Subsequently, applications will be reviewed by County staff and forwarded to the Regional Incentives Program Approvals Committee. The Regional Incentives Approvals Committee shall be responsible for recommending the approval of Regional Tourism grants to County Council. Final approval for all grants shall rest with County Council, who shall receive a summary report of all recommended grants as soon as reasonably possible after each Committee meeting. Subsequent to Council approval, the Regional Incentives Program Approvals Committee shall advise applicants of the success of their applications.

**The composition of the Regional Incentives Program Approvals Committee is as follows:**

- Three (3) members of County Council (must include the Warden or Warden's designate), appointed by County Council for a 2-year term. One of the members of County Council will act as Committee Chair.
- Two lay members, who are residents of SDG, appointed by County Council for a 2-year term.

County staff members may from time to time be asked to participate in the proceedings of a Committee meeting to provide clarification, support, or guidance. Under no circumstances shall non-Committee members vote on matters before the Committee.

Meetings will be subject to the protocols followed by Committees of Council.

Detailed information about each type of incentive is found in Section 2.3. Each year, the Regional Incentives Program Approvals Committee will determine specific intake dates and amounts available for each intake date.

## 2.2 GENERAL CRITERIA

- a) Eligible **Owners** and authorized **Tenants** of lands and buildings within the area designated within the local By-law may for funding under the Regional Incentives Program
- b) The type of property or use subject to an application must be clearly identified as eligible. Generally, this includes properties with a full or partial commercial designation, or properties designated as agricultural, outdoor/recreational, etc.
- c) To be eligible for funding, proposed projects must demonstrate some level of improvement over the existing conditions and not simply represent a **Life-cycle replacement**.
- d) All projects must demonstrate consistency with one or more of the SDG Regional Economic Goals identified in Section 1.3.
- e) All proposals must demonstrate conformity with the Official Plan and local Zoning By-law.
- f) To be eligible for funding, non-profit organizations must be incorporated.
- g) Non-profit organizations, whose annual budgets are comprised of greater than 50% funding from the County or a local municipality, are ineligible under this Program.
- h) Local municipalities, other governmental or quasi-governmental organizations are ineligible under this Program.
- i) **All applicants are required to disclose all project funding sources.** This Program will not fund the portion of a project being funded by a local CIP. However, complementary aspects of the same project may be eligible for funding.
- j) Successful applicants are required to enter into an Agreement with the County and the local municipality.
- k) A property may be eligible for multiple grants (See Section 2.1), however **the total combined value of all grants approved for a single project will not exceed \$50,000 per property.**
- l) Successful applicants are ineligible to participate in the Program again for two (2) calendar years.
  - o \*By exception, applicants who received funding for phased projects prior to 2021, will be eligible to apply during the 2021 intake period, for additional phases of their ongoing projects. All eligible applications will be considered on a competitive basis. There is no guarantee of funding for any of the applicants.
- m) With the exception of the *Feasibility, Design, & Study Grant* and the *Planning Application and Building Fee Grant*, grants will not be applied retroactively to works started prior to the application intake date.
- n) For grant programs involving the reimbursement of fees, said fees must be paid in full by the applicant prior to being reimbursed. Proof of payment will be required during the final reporting processes.
- o) At the time of application, applicants must demonstrate that there are no outstanding building permit(s), property standards orders, property tax arrears, or any other outstanding

municipal/County accounts receivable.

- p) All outstanding building permits, property standards orders, property tax arrears, or any other outstanding municipal/County accounts receivable on the subject property must be rectified before grant money will distributed to an Applicant.
- q) All works approved under this Program shall comply with all relevant municipal policies and standards, including zoning, design guidelines (if any) and will be subject to planning and development approvals and building permits pursuant to the Ontario Building Code.
- r) All works approved for funding under this Program must be completed within twelve (12) months from the execution of the Agreement between the applicant, the County and the local municipality.
- s) Applicants may apply in writing to the Review Committee for an extension to complete their projects however the maximum extension is six (6) months (i.e. 18-months from the date of execution of the funding Agreement).
- t) The County reserves the right to discontinue any of the grant programs at any time. Notwithstanding, Applicants with approved grants will receive funding, provided they complete their project in accordance with their funding Agreement.
- u) Funding will not be provided for any labour supplied by the Applicant, either personally or via a company or person associated with the Applicant.
- v) Applicants must submit at least (2) written estimates for all work.
- w) Final grant totals will be determined according to the following:
  - 50% of the total invoices up to the maximum established within the funding Agreement.
  - Taxes are not eligible for reimbursement.
  - Additional expenditures incurred by Applicants exceeding the amounts specified in the funding Agreement do not qualify for funding.
  - Final grant totals will be adjusted to reflect 50% of amount established within the funding Agreement or final invoice, **whichever is lower.**

## 2.3 Regional Financial Grants Details

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

#### **Objective**

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

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

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

*Eligible Façade Improvement costs may include:*

- 1) Enhancements or improvements to exterior building treatments such as brickwork,

cladding, siding, cornices, eaves, parapets, windows, doors, lighting, and awnings.

- 2) Exterior painting where a clear enhancement is made.
- 3) Chemical or façade cleaning.
- 4) The installation of permanent Outdoor Art; including items such as murals; sculptures; paintings; local heritage-based art pieces and displays; and other types of artwork that will promote local heritage, improve aesthetics and enhance tourism.
- 5) Redesign of entrances including changes to improve accessibility.
- 6) Other similar improvements or repairs required to enhance a building **Façade**.

**Signage improvement project** – For a signage improvement project, improvements to the main storefront sign of buildings are eligible. A grant may cover 50% of eligible costs to a maximum of \$2,500. The maximum value may increase to \$5,000 if the building has more than one street address and/or storefront; more than one wall visible from a public street; or fronts onto a laneway or parking lot.

Signage Improvement grants are intended to assist applicants with the replacement and updating of existing commercial signage and to help new business owners to implement new commercial signage elements. Commercial signage must be representative of the business’ activities; and must comply with all respective municipal requirements and Building Code Standards.

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

*Eligible Property Improvement costs may include:*

- 1) Addition of landscaping features such as plants, sod, trees, and vegetation.
- 2) Addition of permanent landscaping elements such as fencing, benches, planters, and lighting.
- 3) \*Addition of new parking/upgrades to existing parking areas.
- 4) \*Improvements to rear building entrances and rear parking areas.
- 5) Addition of walkways.
- 6) Such other similar improvements and repairs that may be necessary to improve a property.
- 7) Property Improvements to facilitate new build construction, for the purpose of business expansion, including such elements as excavation work, land clearing and private water and waste-water installation (wells, septic tanks).

\*Note that standalone parking lot improvement (e.g. asphaltting) will not be approved. Applications involving parking lot improvements must be part of an application involving other property improvements.

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

**Objective:**

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

**Grant Amount and Details**

**Building Improvement/Restoration project** - may cover 50% of the eligible cost to a maximum of \$10,000. The following projects may be eligible. Note that project elements deemed



to be **Life-cycle replacements** will not be funded.

*Eligible Building Improvement costs may include:*

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

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

***Objective***

To assist with the large-scale conversion, or expansion, of existing vacant space into new commercial, industrial, or mixed-use, agricultural-related uses, etc.

***Grant Amount and Details***

- a) **Projects under 5,000 square feet** are eligible for reimbursement of 50% of eligible costs to a maximum amount of \$20,000.
- b) **Projects over 5,000 square feet** are eligible for reimbursement of 50% of eligible costs to a maximum amount of \$50,000.

*Eligible Building Conversion and Expansion costs may include:*

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

### **2.3.4 Feasibility, Design, and Study Grant**

***Objective***

To financially assist with the completion of studies and plans to support a new business or development project.

***Grant Amount and Details***

50% of eligible costs to a maximum of \$2,000 for the following types of plans or studies:

*Eligible Feasibility, Design and Study costs may include:*

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

### **2.3.5 Planning Application and Building Permit Fee Grant**

#### ***Objective***

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

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

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

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

## **3 MONITORING, TERM, AND AMENDMENTS**

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

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

## **4 DEFINITIONS**

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

**Agri-tourism** include farm-related tourism uses, including limited accommodations such as a bed and breakfast establishments, that promote the enjoyment, education or activities related to the farm operation, in accordance

with the Provincial Policy Statement.

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

**Life-cycle replacement** refers to a change to a building or property that is not a material improvement. Put another way, replacing “like for like” is considered a life-cycle replacement. Examples include:

- a) Replacing worn-out windows is a life-cycle replacement. However, restyling, returning heritage features, or making the windows more attractive can be considered a material property improvement.
- b) Replacing worn-out shingles is a life-cycle replacement. However, changing a roofline or covering an extension or remodel could be considered a material property improvement.

What is a life-cycle replacement is strictly within the purview of the Regional Incentives Program Approvals Committee.

**Roofed Accommodations** are defined as four-season short term, permanent fixed roof accommodations within or as an extension to existing buildings and includes premises such as hotels, motels, and Bed and Breakfast establishments.

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

**Tenant** refers to the person(s) or entity who legally occupies or possesses a property under lease from the **Owner**.