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Town of Aurora

General Committee Report

No. PDS22-089

Subject: Community Improvement Plan Review – Public Meeting

Prepared by: Nick Kazakoff, Economic Development Officer

Department: Planning and Development Services

Date: June 7, 2022

Recommendation

1. That Report No. PDS22-089 be received for information.

Executive Summary

This report seeks to update Council on the internal review of the Aurora Promenade Community Improvement Plan (CIP) as directed by Council in September 2021 and its progress to date. Staff have conducted a best-practices review of its neighbouring municipalities CIP programs related to four key themes: Accessibility, Sustainability, Heritage and Affordable Housing.

- Accessibility related grants are common among neighbouring municipalities
- Several neighbouring municipalities offer sustainability related grants
- Heritage related CIP Programs are common among downtown CIPs
- Affordable Housing CIP programs are rare in lower-tier municipalities

Background

A Community Improvement Plan or CIP is a tool that allows a municipality to direct funds and implement policy initiatives toward a specifically defined project area. Section 28 of the Planning Act gives municipalities that have enabling policies in their official plans, the ability to prepare a CIP. CIPs are intended to encourage revitalization initiatives and/or stimulate development and redevelopment. Once implemented, the Plan allows municipalities to provide tax assistance, grants or loans to assist in the revitalization of lands and/or buildings within the defined CIP area.

Through Community Improvement Plans, municipalities can:

- Focus public attention on local priorities and municipal initiatives
- Target areas in transition or in need of repair, revitalization and redevelopment
- Facilitate and encourage community change in a coordinated manner
- Stimulate private sector investment through municipal incentive-based programs

As part of an overall plan to revitalize the downtown area, the Town has designated the Aurora Promenade as a CIP area. In 2014, a number of financial incentives were developed to support the Aurora Promenade CIP to encourage long-term private sector investment in new and existing development in the area. In 2019, the five-year CIP expired, and due to the pandemic, consultation on an updated CIP was halted.

In September 2021, Council directed staff to initiate an internal review of the Aurora Promenade Community Improvement Plan, as directed in the current CIP plan, and is intended to determine whether each program has met its goals.

The detailed internal review aims to evaluate and report back on several aspects including:

- The opportunities to improve effectiveness by determining which programs should be eliminated, and which programs should be added or enhanced, that align with the Official Plan and Promenade Secondary Plan
- The effectiveness of the funding and organizational structure of the CIP process
- The composition and operation of the Evaluation Committee
- The effectiveness of staff and other resources to administer, monitor and market the programs;
- The funding levels required to support the recommended programs

As part of the review and public consultation process, staff are presenting a program comparison of neighbouring municipalities as well as review and present best practices and programs from across Ontario that are permitted under the Municipal Act and Planning Act for a Community Improvement Plan. Special consideration has been given to programs that align with the Town's Strategic Plan and various Departmental plans and objectives including: climate and environment, green development, downtown revitalization, business support, heritage preservation, accessibility and public realm amenities, along with managed growth in the Promenade. These various facets of consideration have been grouped into four key areas: sustainability, heritage, accessibility and affordable housing. (Note that *affordable* and *attainable* housing terms have been

used interchangeably, both relating to the ability of people to find appropriate housing that meets their needs and budget.)

Analysis

Staff have conducted a best-practices review of other communities across Ontario that offer downtown Community Improvement Plans (see Attachment 1). The updated CIP aims to address the following four priority areas: sustainability, heritage, accessibility and affordable housing. By reviewing these best practices staff have identified elements that can be included into the Town's original CIP Programs or even new programs to be added to the next iteration of the Aurora Promenade CIP.

Accessibility related grants are common among neighbouring municipalities

A few of the Town's neighbouring municipalities offer accessibility-related grants as an eligible expense within their Building Restoration and Improvement Program. For example, the Township of King offers the installation of automatic doors and accessibility ramps as an eligible expense in their *Property Improvement Grant*. Similarly, the Town of Whitchurch-Stouffville offers eligible expenses for barrier free entry under their *Building, Façade and Signage Loan* program. King's maximum eligible grant amount is \$10,000 and Whitchurch-Stouffville is \$15,000.

Another example is Kawartha Lake's CIP that offers 50 per cent eligible cost grants on accessibility improvement projects, for a maximum of \$4,000, if they are in accordance with the Ontario Disability Act Standards. Similarly for commercial units, the City of Cambridge offers enhanced accessibility elements as an eligible expense under their *Building Restoration* program and covers 50 per cent of eligible costs.

The inclusion of accessibility improvement investments in the Aurora Promenade CIP could be easily addressed by adding them as an eligible expense as part of the Building Restoration, Renovation and Improvement Program similar to Whitchurch-Stouffville's CIP. As of right now, there is no reference to accessible improvements under the Aurora Promenade CIP.

Several neighbouring municipalities offer sustainability related grants

Several municipalities near Aurora offer sustainability-related incentives in their tax-increment based CIP programs. For example, the Township of King listed part of their eligible expenses to their Tax Increment Equivalent Grant (TIEG) program that would cover improvements to energy and water efficiency to buildings. Additionally, Bradford offers part of their eligible expenses in their *Tax-based Redevelopment Grant* (TIG)

program could go towards costs associated with environmental contamination and protection, or public infrastructure improvements like water services.

Another example, Middlesex County offers a unique sustainability-related incentive program titled *Energy Efficiency and Retrofit Grant* which includes replacement of windows and lighting with ENERGY STAR® models, implementation of a green roof with vegetation, replacement hot water tanks/ systems with more energy efficient models, and updating heating systems with ENERGY STAR® models under their eligible expenses. This grant covers 50 per cent of construction costs up to a total maximum amount of \$7,500. Lastly, on a broader scale, the City of Hamilton offers a sustainability grant titled *LEEDing The Way*, which covers up to 75 per cent of costs that are consistent with LEED (Leadership in Energy and Environmental Design) certification goals.

It is recommended that Aurora considers adding eligible expenses relating to sustainability, such as water efficiency upgrades, to their existing *Tax-based Redevelopment Grant Program*. This approach has been successfully demonstrated in close-by and comparable municipalities such as King and Bradford. Additionally, Middlesex County is a comparable municipality to Aurora and has taken the initiative to offer an entirely separate CIP incentive that includes many important sustainability improvements with a maximum eligible grant amount of \$7,500. Therefore, Aurora may consider adapting a similar program for the promenade CIP as it would greatly advance sustainability efforts and be within an affordable budget range.

Heritage related CIP Programs are common among downtown CIPs

Heritage related CIP programs are very common across many CIPs focused on downtown revitalization and redevelopment including the Town's neighbouring municipalities. For example, Bradford offers heritage-related incentives, such as the repairing and restoration of historic commercial facades in the eligible expenses under their *Facade, Landscape and Signage Improvement Grant* (See Fig. 1). Additionally, the Township of King offers heritage incentives, including the redevelopment of a non-historic property or the re-purposing of an historic property, under their *Tax Increment Equivalent Grant* (TIEG).

In addition, the City of Brampton offers extra grant amounts to developers under their Building Improvement Program who specifically meet Ontario Heritage Act (OHA) guidelines, up to a maximum of \$50,000. The eligible expense for Brampton's program includes restoring architectural features, and/or interior works (ie. woodwork, walls, metal work) for the purposes of heritage preservation in non-residential and mixed use-buildings.

In addition to heritage grant-based CIP programs common among many municipalities, the Aurora Promenade CIP offered a unique program titled the *Heritage Property Tax Relief Program* which isn't offered elsewhere. This program offered applicants 10-40 per cent reduction in municipal taxes for up to five years when improvement work to preserve, restore and enhance historic character elements of heritage properties which are being utilized for commercial enterprises was undertaken. Applicants of this program were able to stack this program and be eligible for other grant programs within the Aurora Promenade CIP program such as the Façade and Signage Program as well as Building Restoration and Improvement Grant.

Aurora already offered the *Heritage Property Tax Relief Program*, it may not be necessary to introduce any additional heritage CIP grants. However, Aurora may want to consider adding heritage-related restoration to their *Façade and Signage Improvement Grant Program* or their *Tax-based Redevelopment Grant Program*, which is what has been done in comparable neighboring municipalities such as Bradford and King.

Affordable Housing CIP programs are rare in lower-tier municipalities

Very few lower-tier municipalities offer affordable housing related CIP programs and none of the Town's neighbouring municipalities offers an affordable housing program component within their respective CIPs. Many of the affordable housing incentive programs are delivered at the Regional level. For example, Northumberland County offers grants and forgivable loans of \$20,000 per affordable rental housing unit that is built. Other larger single-tier municipalities such as the City of Hamilton and the City of Peterborough offer the waiving of development charges and providing tax assistance for affordable housing related developments.

The addition of an affordable housing financial component in the Aurora Promenade CIP may be out of the scope as it would require significant cost analysis in order to realize any benefit. However, non-financial incentives could be developed and offered under a CIP. For instance, projects that offer an affordable or attainable housing component might be eligible for a streamlined planning process, fee deferment plans, or assistance with grant applications from the Region, Province or Federal granting levels.

Advisory Committee Review

Consultation and presentation to the Town's various committees and organizations were or will be held on the following dates, with comments collected by staff for consideration.

May 2, 2022 - Heritage Advisory Committee

May 4, 2022 - Environmental Advisory Committee

May 11, 2022 – Accessibility Advisory Committee

June 7, 2022 – Aurora Economic Development Corporation

May 15, 2022 – Business Improvement Area

Legal Considerations

Once the preparation of the community improvement plan is underway, it will be done in accordance with the process set out in the *Planning Act*, which includes consultation and public meetings, notice, and the opportunity for submission and comments. The plan will require approval from Council and then the Minister.

Financial Implications

When first established, the Town's CIP program was funded through a similarly named capital project. In 2017 Council approved the creation of a new economic development reserve and funded it through a transfer of all remaining unused funds from the CIP capital project. On an ongoing basis the economic development reserve has been replenished through the Town's annual revenues earned from its small cell technology pilot projects.

All approved CIP program applications have been funded from the economic development reserve since 2017. To date this reserve has proven sufficient in meeting all CIP program funding needs. Should this program be expanded, staff will continue to monitor its funding requirements to ensure the ongoing health of this reserve.

Communications Considerations

Communications will assist with the public consultation and once the preparation of the community improvement plan is underway, the community will be informed.

Climate Change Considerations

Aurora continues to demonstrate community growth through the pursuit of new developments. With developmental growth comes impacts to climate change, particularly GHG emissions. The recommendations from this report, through the implementation of the Community Improvement Plan, provides the town an opportunity to continue their pursuit of communal growth whilst supporting town-wide commitment to sustainable investments. The implementation of the 2021 Community Improvement Plan programs will not only support the goals and objectives presented in the Town's Community Energy Plan; to reach a path towards 80% emissions reductions from 2018 levels by 2050 but support the objectives of the Town's Green Development Standards, currently in development.

Link to Strategic Plan

The 2021 Community Improvement Plan for the Aurora Promenade supports many of the Goals and Objectives of the Town's Strategic Plan, the most relevant goals are: Supporting an exception quality of life for all and enabling a diverse, creative and resilient economy. The relevant supporting objectives include: Strengthening the fabric of our community and promoting economic opportunities that facilitate growth of Aurora as a desirable place to do business.

Alternative(s) to the Recommendation

1. That Council provide direction.

Conclusions

Staff have conducted a best-practices review of neighbouring municipalities' CIP programs particularly related to Accessibility, Heritage, Sustainability and Affordable Housing and have consulted with the Town's various advisory committees. Staff will report back to Council on the findings of the public consultation to a future General Committee meeting following the statutory public meeting.

Attachments

Attachment 1 – CIP Review - Best Practices Overview

Previous Reports

PDS21-108 – Aurora Promenade Community Improvement Plan, September 21, 2021

Pre-submission Review

Agenda Management Team review on May 19, 2022

Approvals

Approved by Marco Ramunno, Director, Planning and Development Services

Approved by Doug Nadorozny, Chief Administrative Officer