

1. Program Description

This program provides a financial incentive in the form of a grant that reduces the Town development charges normally payable on residential intensification and mixed use development/redevelopment projects in the Mixed Use and Residential Intensification Community Improvement Project Area.

2. Who can apply?

Only owners of properties within the Mixed Use and Residential Intensification Community Improvement Project Area that meet the program eligibility requirements may apply. These eligibility requirements include the minimum intensification and mixed use targets as specified in **Appendix A** to this guide.

Applicants for this program whose properties are also within the Vineland or Beamsville Community Improvement Project Areas are not eligible to apply for the Development Charge Reduction Grant Program or the Tax Increment Grant Program available under the Vineland CIP or the Beamsville CIP.

The Town retains the right and absolute discretion to reject an application received from a person or corporation which in the opinion of the Town or its professional advisers, does not possess the experience, financial, technical, personnel or other resources that may be required to carry out the obligations that the applicant proposes to assume under the terms of its application and grant agreement.

3. How does the Program work?

Town development charges normally payable must be paid in full by an applicant at the time development charges are normally paid, e.g., building permit issuance. Where an application has been conditionally approved by the Town, the grant is then calculated and paid based on the as-built performance of the project once the project is completed. As shown in **Table 1 below**, this program will provide a grant equal to between 50% and 100% of the Town development charges normally payable for an approved as-built residential intensification or mixed use development/redevelopment project in the Project Area that meets the minimum residential intensification/mixed use targets.

Table 1 Development Charge Reduction Grant Program

Project Performance	Program Description
If <u>as-built</u> project achieves:	Development Charge Reduction Grant equals:
Minimum intensification targets or mixed use targets →	50% of Town DC normally payable
If as-built project <u>also</u> achieves:	
1) Requisite Number of Regional Smart Growth Design Criteria or any level of LEED certification →	+25% of Town DC normally payable
2) Minimum 20% of residential units are affordable (See Appendix B for definition of “affordable”) →	+25% of Town DC normally payable
3) 1) and 2) above →	+50% of Town DC normally payable

The Town may elect to establish a maximum total grant that can be paid under this program per property/project.

4. What types of properties/projects are eligible for the development charge reduction?

All residential development on lands designated or zoned for High Density Residential or Medium Density Residential and all mixed use development on lands zoned for Mixed Use Development¹ within the Project Area that is not exempt from payment of development charges.

5. What conditions must be met to be eligible for a development charge reduction grant?

In addition to the General Program Requirements, the following program specific requirements must also be met:

- (a) The Town may require submission of a Business Plan, with said Plan to the Town's satisfaction; and,
- (b) The applicant will be required to submit an estimate of the total cost of the rehabilitation/redevelopment works prepared by a bonafide licensed contractor.

6. Is there a fee to apply?

No.

7. When will the grant funds be advanced?

The grant will be paid only once:

- (a) A Grant Agreement has been signed and executed;
- (b) Construction of the eligible project is complete;
- (c) The applicant has submitted documentation acceptable to the Town which demonstrates that the as-built project has achieved:
 - (i) The minimum intensification targets or mixed use targets;
 - (ii) LEED Certification or incorporation of the requisite Regional Smart Growth Design Criteria (as applicable);
 - (iii) At least 20% of the residential units are affordable (as applicable);
- (d) Final building inspections have taken place;
- (e) An occupancy permit has been issued (as applicable); and
- (f) All deficiencies have been addressed.

8. What are the default provisions?

The default provisions are contained in the Grant Agreement. Payment of the grant may be delayed or cancelled if:

- (a) Property taxes are in arrears;
- (b) The building is demolished or any of the heritage features are altered in any way that would compromise the reason for designation;
- (c) The applicant declares bankruptcy;
- (d) The applicant uses the grant for works that are not eligible for this program;
- (e) The applicant fails to maintain the improvements as required in the Grant Agreement; and
- (f) The applicant is in default of any of the provisions of the Grant Agreement.

9. How do I apply for a grant?

- (a) Arrange a pre-application meeting with Staff in order to determine program eligibility, proposed scope of work, project timing, etc.; and
- (b) If authorized to apply for a grant, complete and submit an application form. Ensure that all required signatures have been provided and that the application is accompanied by all required documentation as shown in the required documents checklist.

¹ Includes properties that are designated or zoned Commercial where mixed use is permitted.

10. What happens next?

- (a) Applications and supporting documentation are reviewed by Staff to ensure that they meet all of the eligibility requirements. If your application does not meet the eligibility requirements, you will be notified of this in writing;
- (b) Staff may request clarification or additional supporting documentation;
- (c) Staff will perform an initial site visit(s) and inspection(s) of the property (if necessary).
- (d) A recommendation on the grant application is made by Staff and forwarded to Council or Council's designate;
- (e) If your application is approved, the Grant Agreement is then executed by the Town. A copy of the executed agreement(s) is then returned to you for your records;
- (f) Construction of the approved works may now commence, subject to issuance of a building permit(s);
- (g) Contact staff toward construction completion;
- (h) Upon completion of the project, submit "after" picture(s) of the completed project and any other required documentation proving completion of the project;
- (i) Also, upon completion of the project, submit written and other required documentation demonstrating that the as-built project has achieved the minimum intensification or mixed use targets, and, as applicable, the level of LEED Certification achieved or incorporation of the requisite Regional Smart Growth Design Criteria, and the number and percentage of total residential units that are affordable;
- (j) Upon completion of works, staff will conduct a final site visit(s) and inspection(s) (as necessary) to ensure compliance with the Grant Agreement, any applicable Design Guidelines and any permits pursuant to the *Ontario Heritage Act*;
- (k) Upon review and approval of all submitted documentation, the Town will issue a grant cheque to the applicant for the Development Charge Reduction Grant; and
- (l) The applicant will be asked to complete a grant receipt form and return this to the Town.

For further information on this program, please contact Planning and Development Staff.

APPENDIX A**MINIMUM RESIDENTIAL INTENSIFICATION AND MIXED USE TARGETS**

If Project on Lands:	As-built Project must achieve the following minimum targets:
Designated High Density Residential in the Official Plan; or, Zoned Residential Multiple 3 Zone (RM3) in the Zoning By-law	<ul style="list-style-type: none"> • 90 units per net ha.; <u>and</u> • Four (4) storeys in height
Designated Medium Density Residential in the Official Plan; or, Zoned Residential Multiple 1 Zone (RM1) or Residential Multiple 2 Zone (RM2) in the Zoning By-law	<ul style="list-style-type: none"> • 50 units per net ha.; <u>and</u> • Three (3) storeys in height
Designated Mixed Use	<ul style="list-style-type: none"> • 20% of residential units are live-work units; <u>and</u> • Floor Area Ratio (FAR) of 0.75; <u>and</u> • Three (3) storeys in height if on an Intensification Corridor and two (2) storeys in height elsewhere; <u>and</u> • Applicable minimum High Density Residential or Medium Density Residential units per net ha. target adjusted downward based on the ratio of non-residential floor space to total floor space

APPENDIX B

DEFINITION OF AFFORDABLE HOUSING

Affordable Housing means:

- (a) In the case of ownership housing, the least expensive of:
 - (i) housing for which the purchase price results in annual accommodation costs which do not exceed 30 per cent of gross annual household income for low and moderate income households; or
 - (ii) housing for which the purchase price is at least 10 per cent below the average purchase price of a resale unit in the regional market area;
- (b) In the case of rental housing, the least expensive of:
 - (i) a unit for which the rent does not exceed 30 per cent of gross annual household income for low and moderate income households; or
 - (i) a unit for which the rent is at or below the average market rent of a unit in the regional market area.

For the purposes of this definition: Low and moderate income households means, in the case of ownership housing, households with incomes in the lowest 60 per cent of the income distribution for the regional market area; or in the case of rental housing, households with incomes in the lowest 60 per cent of the income distribution for renter households for the regional market area.