

**TOWN OF MINTO**

DATE: November 8, 2016
REPORT TO: Mayor and Council
FROM: Bill White, C.A.O. Clerk
SUBJECT: Standard Community Improvement Plan Agreement

STRATEGIC PLAN:

4.7 Support and expand Community Improvement Plan incentives to strengthen the Town's core commercial districts including programs to enhance maintenance of the existing building stock and encourage re-use of vacant buildings.

9.3 Enhance funding and increase the range of qualifying projects in the Community Improvement Plan, such as structural improvements, and promote existing incentives for Brownfield redevelopment and tax increment financing while encouraging the County and Province to participate. Review the Plan's geographic area to assess whether to include areas beyond the downtowns.

BACKGROUND

In October 2015 Council approved an amended Community Improvement Plan providing "a framework to guide public sector investment and stimulate private sector investment" in the urban communities of Harriston, Palmerston and Clifford. The amended CIP enhanced and extended programs the Town has offered since 2009 (to December 31, 2019), added locations along Main Streets where incentives may be offered and defined new incentives for significant Commercial, Residential, Industrial, or Institutional re-development with a focus on maintaining core areas as key focal points. The document requires successful applicants "enter into an agreement with the municipality which will outline the specific terms of the loan/grant program"

In 2015 the Town had set a budget of \$75,000 in anticipation of additional grants for structural improvements under its CIP. Early in 2016 staff developed a Community Improvement Plan Structural Component Checklist to help review and rank potential projects. At that time the Old Post in Harriston and the Brett Young Seeds building in Clifford were main applicants. The Old Post received the first \$37,210.31 grant by recommendation of the Economic Development and Planning Committee and approval by Council. While a formal agreement was not signed at that time, payment was made based on proof of payment supplied by the owner.

In September 2016 Economic Development Committee approved a second structural grant to the Old Post in the amount of \$20,000 \$25,000 subject to the owners executing an agreement as contemplated by the amended CIP.

COMMENTS:

The attached draft agreement was prepared by the C.A.O. Clerk using an on-line version from another community. The Business & Economic Manager and Chief Building Official reviewed the draft agreement and it was presented to the Economic Development and Planning Committee and the Hendricks for comment.

General terms of the agreement are as follows:

- Owners to be up to date on taxes, no liens or contractor payments, and no by-law or other infractions
- Five year term when approved works are to be properly maintained at Owners expense
- 20 days' notice of sale of lands to be provided to Town to ensure new owner qualifies.
- All work to be constructed and maintained according to Building Code and this agreement and all permits to be obtained by the Owner
- Town has right to inspect the works and permission for occupying or using the Town road shall be obtained
- Owner to repay 20% of the grant received for each year the approved works are not properly maintained. 30 days to pay back the grant; interest for 90 days after which charged against the lands as taxes
- Owners to have \$2 million liability and provide a certificate to the Town if requested. Town is saved harmless from any liability for works the owner's complete using any grants provided by the Town.
- The agreement may be registered on title at Town's option and cost. Owners have seven days to correct deficiencies unless life safety or emergency where they have 24 hours;
- Council can provide relief to the agreement upon written request by the Owners
- Town may terminate the agreement with 30 days' notice

The Town and the owners of the Old Post have had fantastic cooperation during the renovation of this important building. This project is exactly the kind the amended CIP was designed to encourage and has become an important focal point in the community. The agreement is written as a template for use in projects where substantial grants are to be given. It provides written assurance that the work the Town helps fund will remain in place for at least five years. Other potential liabilities to the Town as a "supporter" of the project are addressed by the agreement and minimize legal exposure.

FINANCIAL CONSIDERATIONS:

It is suggested this agreement be considered for grants over \$5,000 or at the discretion of Council.

RECOMMENDATION:

That Council receives the C.A.O. Clerk's November 8, 2016 report regarding Standard Community Improvement Plan Agreement and approves the use of the agreement as described in the report for grants and other incentives over \$5,000 in value.

Bill White, C.A.O. Clerk