INFORMATION ITEMS

Week Ending June 21, 2019

REPORTS

1. Wellbeing Grant Allocations 2019.
2. Smart Cities Challenge Update.
3. Impact of Provincial Legislative and Policy Changes to the City of Guelph.
4. Downtown Community Improvement Plan Background Report 2010 to 2018 and Potential CIP Review Directions.

INTERGOVERNMENTAL CONSULTATIONS

1. Regulations for Recycling of Electrical and Electronic Equipment (EEE) and Batteries under the Resource Recovery and Circular Economy Act, 2016.
2. The City of Guelph's comments on Excess Soil Regulatory Proposal and Amendments to Record of Site Condition (Brownfields) Regulation (ERO Number 013-5000).

CORRESPONDENCE

1. Township of Huron-Kinloss RE: Resolution #513 – Bill 108 More Home, More Choice Act.
2. Township of Huron-Kinloss RE: Resolution #512 – Ontario Library Service Support
3. City of Hamilton RE: Proposed Public Health Changes
4. City of St. Catharines RE: Resolution – Free Menstrual Products at City Facilities

BOARDS & COMMITTEES

1. Crime Stoppers Guelph Wellington – Summer 2019 Newsletter
2. Resignation from Dylan Cropper of the Planning Advisory Committee

ITEMS AVAILABLE IN THE CLERK'S OFFICE

1. None

Information Report

Service Area	Public Services
Date	Friday, June 21, 2019
Subject	**Wellbeing Grant Allocations 2019**
Report Number	PS-2019-14

Executive Summary

Purpose of Report

To provide Council with a report on the Wellbeing Grant Allocations for 2019.

Key Findings

The City supports non-profit, non-governmental community groups through the Wellbeing Grant program. Applications from eligible organizations received within the designated period were adjudicated by the Grants Allocation Panel and allocations were made. Decision letters were mailed March 8, 2019 to all applicants, following approval of the 2019 budget.

Financial Implications

Funds for the grant program were approved in the 2019 operating budget. The total 2019 Wellbeing Grants budget is $301,100.

Report

Details

The City works with and supports many local organizations in the community to improve the wellbeing of Guelph residents. These organizations deliver a range of services from organizing sports and recreational activities, to staging arts and culture events, to meeting basic human needs such as food and shelter.

The Council-approved Community Investment Strategy (CIS) provides the City with a strategy for providing funding and in-kind supports to local not-for-profit organizations. The Wellbeing Grant Program is one funding method of the CIS. The grant program is designed to direct City funding to not-for-profit, non-governmental community organizations which promote the wellbeing of Guelph residents.

Eligible organizations can apply for small operating grant funding on an annual basis. Authority to make grant allocation decisions on behalf of City Council was delegated to a panel of community members with appropriate skills and knowledge.

This Panel helps ensure that the grant program is supporting areas of importance to Guelph residents and increases community participation in municipal decision-making.

The Panel's decisions are guided by a set of guidelines outlined in the Wellbeing Grants Policy, and funding decisions are aligned to the community's wellbeing priorities. The Wellbeing Grant Program has 21 grant goals covering the eight domains of wellbeing outlined in the Canadian Index of Wellbeing. The eight domains are: Community Vitality, Democratic Engagement, Education, Environment, Healthy Populations, Leisure and Culture, Living Standards, and Time-Use. Applicants must clearly show how they will contribute to at least two of these goals.

Organizations were able to submit an application for a 2019 Wellbeing Grant from August 30, 2018 until 4pm on October 11, 2018. All eligible applications received by the deadline were adjudicated by the Wellbeing Grant Allocation Panel.

Over the period of October 2018 to January 2019, the Grants Allocation Panel held eight meetings, totaling approximately 23 hours for distribution of eligible applications, reviewing/discussing each application, and determining grant allocations. Each application was reviewed by two Panel members and presented to the plenary Panel for discussion. Panel members reviewed their assigned applications outside the scheduled meetings. Review of applications outside of meeting times can take up to 25 hours per panel member.

Two information sessions were held on September 18 and September 20, 2018 for organizations to familiarize themselves with the Wellbeing Grants and support the development of funding applications. The sessions were attended by 21 organizations.

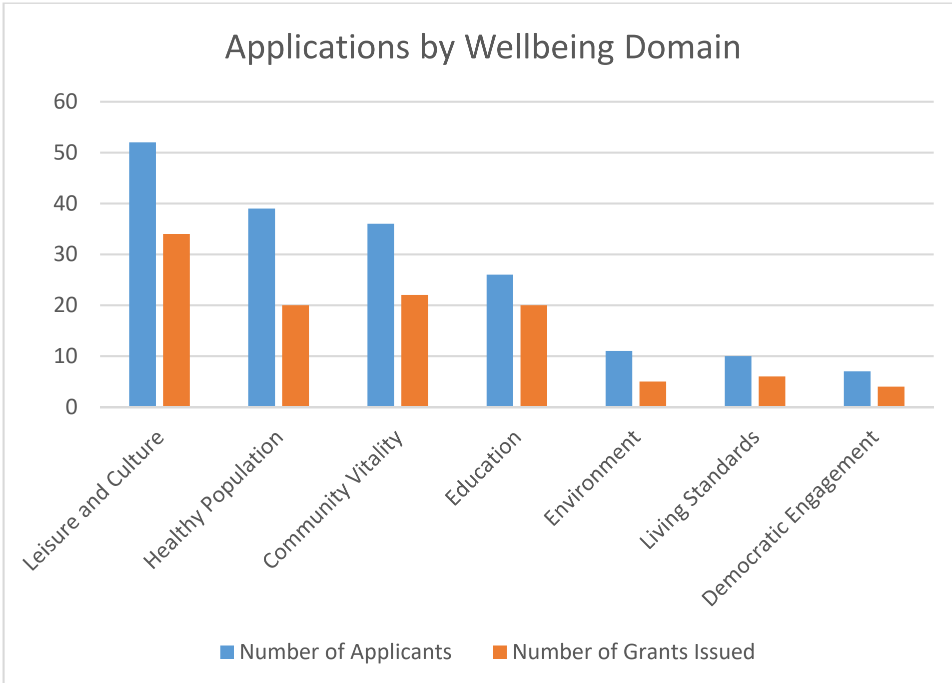
The 2019 Wellbeing Grants budget is $301,100. A total of 89 grant applications were received with a total requested amount of $841,610 in funding. Of the 89 applications, 55 organizations were awarded funding.

By sector type, funds were allocated as follows:

Grants by Funding Category	Number of Applications Received	Number of Grants Issued	Total Amount of Requests	Total Amount Granted
Arts and Culture	29	23	$271,800	$125,600
Environment	6	3	$66,000	$18,500
Human and Social Services	40	23	$393,310	$130,000
Recreation and Sport	9	4	$76,500	$17,500
Other	5	2	$34,000	$9,500

Organizations which self-identified using the "other" category for sector type included cross-sectoral, and education category applications.

Funds awarded crossed most domains of wellbeing, as identified by the applicants. The domains of "leisure & culture" followed by "community vitality", "healthy populations", and "education" were most strongly supported.



On March 8, a letter was sent to each applicant communicating the Panel's decision. Consistent with the Council-approved policy, all decisions are final.

As with each grants cycle, the Panel debriefed after the allocations were made. Panel members identified what worked well and challenges faced, and shared suggestions for improvement. The review encompassed all aspects of the grant program and process such as the clarity of the policy, adjustments to the application form questions, and also the application review process followed by the Panel. This information was forwarded to staff for consideration in the application and the Panel review process.

Year-End Reporting by 2018 Grant Recipients

Grant recipients are required to report at the end of the year on how the grant funding was spent and the impact made by the grant. Failure to submit the year-end report precludes an organization's eligibility for future grant funding until the City is satisfied that the report has been submitted in full.

In 2018, 54 organizations were awarded a grant and 52 of those organizations submitted a year-end report. For the events, services, programs, and capital projects funded by the City's grant, in summary, the organizations reported that cumulatively 464,831 City residents benefited, nearly doubling the number of residents impacted in 2017; 4,780 volunteers provided 188,400 volunteer hours; $1,007,300 in funding from other sources was leveraged in the community by 40 not-for-profit organizations as the result of the City's grant (a 30% increase in leveraged funds over 2017); and 49 organizations recognized the City's contribution in some format (e.g. on marketing material or websites, at presentations, through the use of the City logo).

Financial Implications

Funds for the grant program were approved in the 2019 operating budget. The total 2019 Wellbeing Grants budget is $301,100.

Consultations

Molly Kriksic, Chair, Wellbeing Grants Allocation Panel

Raquel Gurr, Corporate Analyst for Community Investment

Corporate Administrative Plan

Overarching Goals

Innovation

Service Excellence

Service Area Operational Work Plans

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

Attachments

Attachment-1: 2019 Wellbeing Grant Recipients

Departmental Approval

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2019 Wellbeing Grant Recipients

Organization	How funds will be used	2019 Grant Amount
10 Carden Shared Space (10C)	To support staff hours to expand and strengthen volunteer engagement	$8,000
Action Read Community Literacy Centre	To help cover shortfalls in the family literacy program	$10,000
Bereaved Families of Ontario - Midwestern Region	To support the Living with Loss program in Guelph as well as two educational sessions specific to the holidays	$2,500
Big Brothers Big Sisters of Guelph	To support the program activities of the second In-School Mentoring caseworker and include ongoing support for this caseworker from our incumbent ISM casework staff	$6,000
Chalmers Community Services Centre	To ensure all guests receive a food basket of healthy food and contribute to the overall wellbeing of the people in the community	$11,000
Child Witness Centre	To ensure that young people who are victims or witnesses of crime and their families receive trauma-informed support	$1,800
Community of Hearts Lifelong Learning Centre	To support an eight month program, Independent Hearts. Supported by a one-on-one Life Skills Educator, participants will gain necessary skills to live alone	$4,750
Diyode Makers Club	To support the operations of the shared workspace and resources that are available to all members, including maintenance, repairs, and training	$3,000
Ed Video Media Arts Centre	To fund operations making it possible to provide 24 hour edit suites, workshops, and exhibition program for new media, mentorships and support for artists across the community	$13,000
eMERGE Guelph Sustainability	To allow eMERGE to increase promotion of the Home Tune-Up Program (HYU) and the 100% Renewable Energy by 2050 (100RE) work to expand programming and improve results	$6,000
Everdale Environmental Learning Centre	To develop and launch the Guelph-Wellington (GW) Food Project, which will train and employ youth and utilize volunteers to grow food that will be distributed throughout Guelph and Wellington for hunger relief	$6,500
Focus on Nature	To strengthen capacity, providing a bridge to nature for young people raising the awareness of the benefits of getting kids outdoors, exploring and appreciating their local natural environment	$5,000

Guelph and District Multicultural Festival Inc.	To support the operating expenses for the three-day annual festival focused on promoting multiculturalism	$8,000
Guelph Black Heritage Society	To help with the launching of the Rehearsal Studio, a safe and inclusive space for musicians	$5,500
Guelph Chamber Choir	To be used for rental costs for rehearsal and concert venues in the Guelph Youth Music Centre, River Run Centre, and St. George's Anglican Church	$3,000
Guelph Comedy Festival	To support the annual festival and a variety of comedy workshops, including improv, comedy writing and stand up, and nurturing new and emerging talent	$2,500
Guelph Community Health Centre	To support the Strengthening Families Program to enable Indigenous families to create spaces that honor and foster their cultural wellbeing, while addressing systemic oppression	$4,500
Guelph Concert Band	To help fund general operating costs and the staging of a free summer concert series at the Royal City Park bandstand	$3,000
Guelph Contemporary Dance Festival	To support the Guelph Dance Festival, as well as Arts Explosion Camps for kids from junior kindergarten to grade 8, and contemporary dance workshops	$13,000
Guelph Creative Arts Association	To go towards increasing membership among youth with a program designed to showcase the work of high school students, and to mentor young people to properly display and take pride in their work	$1,000
Guelph Film Festival (A Festival of Moving Media)	To support new initiatives such as the Tiny Docs for Tiny People series (documentaries by kids under 11), youth programming, and Moving Histories/Neighbourhood Mysteries	$5,000
Guelph Jazz Festival	To support the annual Guelph Jazz Festival and the 2019 Market Square program including a Friday Night Street Music Party	$13,000
Guelph Pipe Band	To fund expansion into three bands, and as a result, will require additional uniforms and equipment	$3,500
Guelph Rugby Football Club	To send new coaches to training courses, allow youth players to attend refereeing courses, and allow the club to pay for much needed assistance in the management of the club	$3,000
Guelph Spoken Word	To support Guelph Spoken Word hosting the Canadian Festival of Spoken Word in the fall 2019	$3,500

Guelph Symphony Orchestra	To support GSO Main Stage Series, Youth Outreach Programs, Kinderconcert Series, Masterclasses with visiting artists, Orchestral Apprentice Program, and Outreach Talks and Lecture Series	$9,000
Guelph Youth Music Centre	To expand a variety of existing musical programs and to add an Indigenous studies component	$6,000
Guelph Youth Singers	T support ongoing programs, training, workshops, performance opportunities, and mentorship	$2,500
Guelph Youth Volleyball Association	To support expanding the development and in-house programs to meet the growing needs of the community	$4,500
Guelph-Wellington Women in Crisis	To support public education on healthy relationships and gender-based violence through events including International Women's Day, Take Back the Night, Sisters in Spirit, and the December 6 Vigil	$3,000
Hillside Community Festival of Guelph	To support two full three-day festivals featuring indie, Indigenous and World music, song writing courses, educational workshops in Indigenous culture and song writing, and Youth showcases	$8,000
Immigrant Services Guelph Wellington	To support creating a program specifically geared for newcomer seniors to break down cultural and linguistic barriers through the arts	$8,000
J.O.E. (Jobs.Opportunities.Enterprise)	To support an increase of volunteers, community awareness, and Pop-Up Café community opportunities for adults with developmental disabilities	$6,500
Kazoo! Festival	To support operating expenses and enhance programming, increase organizational capacity, and expand audience development initiatives	$6,000
Kiwanis Music Festival of Guelph	To support the continued operation of the festival and awards ceremony to offer music students both competitive and non-competitive classes and performance opportunities	$3,000
Michael House Pregnancy and Parenting Support Services	To enhance programs that support, educate and, advocate for women and children	$8,000
Navy League of Canada, Guelph Branch	To support nautical-themed programs with activities geared to the physical and mental development of youth aged 9 to 18; programs are offered at no cost	$5,000
Out on the Shelf Inc.	To support rental space, plan and implement social and supportive programming, Guelph Pride week events and music festival	$4,200

PIN - The People and Information Network	To support the organizing of a full-day group volunteer opportunity for 50 at-risk youth in Guelph	$3,500
Rainbow Programmes for Children	To support the Inclusion program at camps to ensure adequate support from inclusion counsellors for campers with special needs	$5,000
Royal City Musical Productions Inc	To support the 40th season of RCMPI presentations	$2,500
Sexual Health Options, Resources & Education Centre (SHORE)	To support the satellite office that was opened last year, and support sexual health education programs	$3,250
Shelldale Better Futures Grant Application	To support ongoing programs, promote the healthy development of children, support and promote activities to reduce the poverty gap for children and their families	$10,000
Silence: Guelph's Portal for Adventurous New Sound Events	To support "Pay what you can" option for programming to allow everyone to participate	$5,000
St. John Ambulance Guelph Branch	To help volunteers cover the cost of extensive training, uniforms, equipment, oxygen, and first aid supplies	$3,500
Start2Finish Canada	To support the expansion of the Running & Reading Club program that is currently offered at four schools with expansion into two more schools	$3,000
Strong Start Charitable Organization	To support the Letters, Sounds and Words (LSW) program, which will help approximately 115 children learn to read	$1,500
The Guelph Enabling Garden	To build an additional raised bed and to repair/replace three 13 year old wooden structures	$5,500
The Julien Project	To support horticultural and urban agricultural skill development programs for marginalized youth/adults, and therapeutic gardening workshops to support mental health	$4,000
The Waterloo Wellington Chorus of GLB & Friends Rainbow Chorus	To support the 25th Anniversary with a special concert at the River Run Centre. Funds will go towards concert production materials, honoraria and promotional materials	$1,600
The West Village Community Development Co-operative Ltd	To support ongoing events - Fall Fair, Winterfest, after school programs, Breakfast Club, Camps, food drives, and backpacks	$5,500
Torchlight Services	To be used for ongoing programming to offer meaningful work to people with disabilities, and for repairs to the current Torchlight facility	$8,000
Transition Guelph	To support Backyard Caring Program, Guelph Walking Friends, Repair Café, Resilience Festival, and the Zero Waste Conference	$7,000

Trinity United Church (for the North End Harvest Market program)	To help with the distribution of fresh vegetables, fruit, and bread to vulnerable community members	$4,500
Wyndham House	To support the Long-Term Transitional Housing programs providing long-term stability to young people experiencing a housing crisis through education and life skills necessary to become independently housed	$8,000
	Total 2019 Wellbeing Grant Amount	**$301,100**

Information Report

Service Area	Office of the Chief Administrative Officer
Date	Friday, June 21, 2019
Subject	**Smart Cities Challenge Update**
Report Number	CAO-2019-13

Executive Summary

Purpose of Report

On May 14, 2019, the City of Guelph/County of Wellington's proposal in Infrastructure Canada's Smart Cities Challenge was selected as a winner of $10M to implement the "Our Food Future" project plan to create Canada's first circular food economy.

This report is to describe the proposed governance structure and outline next steps.

Key Findings

In anticipation of formalizing a Contribution Agreement with Infrastructure Canada in the Fall of 2019, the City of Guelph is articulating its planned governance structure, which includes the establishment of a Smart Cities Office (SCO) as a department with the City.

A staff report will be forth-coming in the Fall of 2019 seeking Council approval for creating an Advisory Board of Management, endorsement of City representation on the Advisory Board of Management, as well as a Council resolution to execute a Contribution Agreement with Infrastructure Canada. Further details regarding the SCO, the resourcing and the five-year budget will also be forthcoming at that time.

The vision of the Our Food Future initiative is an integral component of an integrated social, economic and environmental strategy for the community. From a City perspective, the winning submission serves to reinforce Guelph's reputation as a leader in municipal innovation and contributes to advancing a wide range of strategic work already underway, including:

- Building Partnerships and its four commitments: "Getting to yes"; providing needed tools to ensure processes are clear and straightforward; building the right team; and "listen, learn, lead" – creating a culture of continuous improvement
- Enhancing Guelph's profile as the 'heart' of the Innovation Corridor. Guelph is anchored by a rich tradition in agriculture, the expertise and world-class research facilities at the University Guelph, home to the Ontario Agricultural College, and a cluster of companies and government agencies engaged in research, innovation and commercialization in the sector. It has made Guelph a powerhouse in agri-food, with significant advances in nutrition, new food products and technologies, human and animal health, bio-pharmaceuticals

and medical applications, sustainable farming practices, bio-plastics, bio-fuels and even bio-based automotive parts;

- Completing the implementation of Prosperity 2020 and setting the groundwork for the City's next 5 year economic development strategy;
- Achieving the community commitment for net zero carbon, and the City commitment of 100 per cent renewable energy by 2050;
- Guelph's leadership in progressive waste programming and waste diversion.
- Guelph's new Community Plan, which outlines complimentary goals shared by residents, businesses and other stakeholders.

Financial Implications

The City and County were successful in a joint proposal that will provide $10M over the next five years to execute a visionary plan to be Canada's first circular food economy. This type of long-term, complex project requires the development of a detailed financial and business plan that extends over the five-year term of this award.

The SCO budget will be incorporated into the City's budget presentation for Council's ultimate approval on an on-going basis and further consideration to the City's Tier-1 Project Management Framework and current budget monitoring reporting practices will also need to be defined.

Further, pending the requirements of the Infrastructure Canada Contribution Agreement, there may be additional financial requirements including the creation of an interest-bearing reserve fund and financial outcome reporting.

Report

In November 2017, Infrastructure Canada launched its Smart Cities Challenge to communities of all sizes, including municipalities, regional governments and Indigenous communities (First Nations, Métis and Inuit) to encourage communities to adopt a smart cities approach to improve the lives of their residents through innovation, data and connected technology.

The City of Guelph and County of Wellington partnered extensively with agencies, businesses, academic institutions and citizens to form a shared vision of creating Canada's first circular food economy. The identified vision includes a plan to re-imagine the food system, using nature's circular approach as the inspiration. Instead of a "linear" economic model of "take-make-dispose", a circular approach is envisioned that is economically, socially and environmentally sustainable. The vision incorporates three connected goals: to increase access to affordable, nutritious food by 50%, create 50 new circular businesses and collaborations and increase circular economic revenues by 50% - recognizing the value of waste as a resource. In other words, 50x50x50 by 2025.

Over 130 applications were submitted to Infrastructure Canada, and on June 1, 2018, our application was identified as a finalist and recipient of $250,000 to develop a final proposal.

Over the following several months, the City of Guelph and County of Wellington, together with our partners, formalized our proposal, submitting the same on March

5, 2019. On May 14, 2019, Infrastructure Canada selected ours as one of two winners in the population category under 250,000, and awarded us $10M to implement the identified project plan.

City and County staff are working with Infrastructure Canada to negotiate a Contribution Agreement that is expected to be finalized in the Fall 2019.

Governance

The proposed governance strategy for the implementation of the Our Food Future initiative includes a set of core principles such as inclusive innovation; strengthening democratic participation; creating new approaches for engaging private-sector partners as expert advisors and collaborators; and transparency and accountability.

During the project development stage of the Smart Cities Challenge application, the City of Guelph and County of Wellington held various workstream roundtables to support decision-making, strategic direction, planning and development for the overall initiative and the nine specific projects. Each of these roundtables included broad-based sectoral representation with collaborators from the University of Guelph, Conestoga College, health organizations, food security and social innovation agencies, businesses and school boards, as well as residents, data and technology experts, and food producers. These collaborators contribute to the success of the initiative through their extensive networks, service delivery capacity and engagement channels with residents and client groups. Our partner-led roundtables co-created project plans and budgets, as well as carried out prototyping experiments. During the next phase, these same community partners will lead the implementation of the projects, and we will add new partnerships and expertise where required.

Going forward, the overall initiative coordination will come from a formalized Smart City Office (SCO), hosted by the City of Guelph, with support from core City and County staff. This approach allows the opportunity to benefit from new and existing municipal processes, as well as internal capacity. However, the approach will be continuously monitored, carefully considering options for evolving the governance model in future if needed (e.g., becoming a not-for-profit entity, municipal service or business corporation).

Our Food Future Governance Model

Smart City Office – Project Management

The SCO will provide a primary point of contact and focus of control; responsible for the overall issues, risks and change management requirements that are inevitable for this large-scale, complex, multi-level initiative. It will provide project management, administration and oversight for the execution of key project milestones and deliverables. Responsible for coordinating the governance system, financial administration and performance monitoring/reporting, it will also coordinate and deliver the engagement, communication and performance management functions and guide the implementation of technology and data strategies, on behalf of all the projects. It will also provide secretariat support to Workstream Leadership Tables.

Resourcing will be established in the coming months.

This project will be classified as a "Tier 1" project, which is given the highest level of oversight and has direct support from the City's Project Management Office. This project will provide a stage-gate approach that includes budget planning (preinitiation), initiation, planning, execution (with monitoring/controlling) and close-out. The monitoring and controlling activities are completed as per the Project Management Plan (in particular, cost, schedule, risks and change log).

Additional project management requirements will be identified through the Contribution Agreement as negotiated with Infrastructure Canada.

Advisory Board of Management & City and County Councils — Strategic Leadership and Accountability

To ensure public accountability and to continue coordinating a joint City/County initiative of this nature, an Advisory Board of Management is envisioned. Operating under the authority of Guelph City Council, this board will provide the strategic direction and oversight for Our Food Future as a whole. The Board will be responsible for monitoring the implementation and achievement of the circular food economy vision and objectives, addressing the ongoing sustainability of the initiative and resolving issues where required.

The members of this Board will meet quarterly and will consist of senior executive representatives from:

- key project partners (3 members)
- political representatives (2 members – 1 from the City and 1 from the County)
- Chief Administrative Officers from the City and County (2 members)

Additional representation will be sought from the public.

Annual public reporting will occur during scheduled City and County Council meetings. These meetings are advertised to the public and live-streamed on the City's website. Members of the respective Councils and the public will also have the opportunity to inquire about the progress and direction of the initiative on behalf of their constituents.

An appointment of City Council representation will be sought via a subsequent report to Council later this year, in advance of endorsement of the contribution agreement with the province. This appointment will be conducted in accordance with Council's established nominating/striking process and will be supported by the City Clerk's Office.

<u>Circular Food Economy Expert Panel — national and international expert advice</u>

To expand a knowledge of international Smart City best practices, developments in technology and data, innovation approaches, and developments in circular food economy thinking, expert advice from national and global leaders in these fields will be sought.

During the initial phase of the Smart Cities Challenge application, a Transitional Advisory Board was formed, providing executive-level membership from the community, small and medium enterprises, large businesses, the University and College sectors, the tech sector, public health, the Ontario Centres of Excellence, the Ontario Federation of Agriculture, Ontario Agri-Food Technologies, Bell Canada and RBC.

The Transitional Advisory Board met for a series of strategic meetings, providing subject matter expertise and strategic advice, supporting knowledge mobilization, and assisting with the establishment of a permanent national and global level expert panel for the initiative. The Expert Panel will continue in this advisory capacity, providing considerations for a sustainable future.

<u>Workstream Leadership Tables — Implementation</u>

The three Workstream Leadership Tables are Nutritious Foods; Circular Jobs and Businesses; and Waste as a Resource. Each Workstream identified, developed and coordinated several interconnected projects deemed necessary to achieve the goal and outcomes. Project Leads from each Workstream reported directly to the Steering Committee during monthly meetings. Members of the Workstreams met independently and collectively on a monthly basis at joint Workstream meetings to share information, reduce overlaps and identify dependencies in the overall initiative.

Moving forward, the Workstream Leadership Tables will shift their focus to ensuring the coordinated and synergistic implementation of the projects. These tables will consist of the Project Delivery Partners and core collaborators.

Community Steering Panel — implementation and engagement

The Community Steering Table includes core delivery partners, as well as organizations that may not be directly involved in project implementation, but play a supporting role in achieving the outcomes of the initiative. This local community-coordination table will receive bi-annual reports from Project Delivery Partners and provide advice regarding implementation, resource coordination, community and stakeholder engagement, and outreach. The membership of this multi-sector table reflects principles of diversity and inclusion.

Next Steps

In formalizing the plan for the implementation of the Our Food Future initiative, the following next steps are contemplated:

- Creation of the Smart Cities Office – Summer 2019
- Report back to Council in Fall of 2019 to:
    - seek approval of the creation of an Advisory Board of Management including the roles and responsibility and reporting relationship of this Board in relation to Council
    - confirm City political and CAO membership on the Advisory Board of Management
    - seek approval for the execution of the Contribution Agreement with Infrastructure Canada
- Execution of Contribution Agreements with project partners – Fall/Winter 2019/2020
- Continue to explore additional funding opportunities to realize the full scope of the Our Food Future initiative - Ongoing

Financial Implications

The City and County were successful in a joint proposal that will provide $10M over the next five years to execute a visionary plan to be Canada's first circular food economy. This type of long-term, complex project requires the development of a detailed financial and business plan that extends over the five-year term of this award.

The SCO budget will be incorporated into the City's budget presentation for Council's ultimate approval on an ongoing basis and further consideration to the City's Tier-1 Project Management Framework and current budget monitoring reporting practices will also need to be defined.

Further, pending the requirements of the Infrastructure Canada Contribution Agreement, there may be additional financial requirements including the creation of an interest-bearing reserve fund and financial outcome reporting.

Consultations

Finance

Legal

City Clerk's Office

Project Management Office

Corporate Administrative Plan

Overarching Goals

Service Excellence

Innovation

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Our People - Building a great community together

Departmental Approval

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Information Report

Service Area	Office of the Chief Administrative Officer
Date	Friday, June 21, 2019
Subject	**Impact of Provincial Legislative and Policy Changes to the City of Guelph**
Report Number	CAO-2019-12

Executive Summary

Purpose of Report

As a means of achieving its Provincial mandate to reduce the deficit, in part, by effecting efficiencies and cost-savings, the Ontario Government (the Province) has introduced a number of significant financial and operational reforms that impact on municipalities. Local governments and municipal associations have been actively assessing the impact these reforms will have on municipal revenue, service delivery, infrastructure and, ultimately, municipal sustainability. Specifically, the Province's More Homes, More Choice: Ontario's Housing Supply Action Plan (the Action Plan) and related legislation (formerly Bill 108) (the Act) will have the greatest effect on municipal decision-making regarding planning matters and revenue generation.

Although City staff will not be able to determine the full repercussions of these policy changes until more information is delivered by the Province, and the City hears from its partnering agencies, staff have been advocating, alongside the City's municipal counterparts, to pressure the Province into modifying its proposed legislation, subsequent regulations, and various service/program arrangements with municipalities affected by the proposed changes. This report outlines the impact the Province's reforms will have on the community and the various approaches the City has undertaken to ensure concerns are reflected in new Provincial legislation, corresponding regulations, and provincial-municipal service delivery.

Key Findings

Municipal associations are participating in discussions with the Province to acquire additional details and clarification on all the changes that have been announced in the recent months. Additionally, the Province had undertaken more than 10 different consultations related to these policy changes, which were intended to inform any amendments to respective legislation and future regulations. Nevertheless, the short consultation period restricted staff's ability to fully assess the impact the legislation would have and respond accordingly.

The Province's new Action Plan and the Act create a number of budget impacts for the City of Guelph. While staff have worked to review and understand the impacts of the legislation, the Province continued to push the legislation through the parliamentary process. Although the legislation was passed on June 6, 2019, the

City is now pursuing various opportunities to influence the development of the policies and related regulations.

An additional challenge is to identify how the changes to the Provincial budget may reduce services or increase taxes at the local level. Services impacted include public health, libraries, paramedics and child care, and will have a cascade effect that could indirectly impact other aspects of residents' lives.

Financial Implications

The combination of anticipated revenue shortages and the increase in expenses resulting from both changes arising from the 2019 provincial budget and the Action Plan, will unquestionably alter the City's 2020 capital and operating budgets. It will be necessary for the City to explore cost-savings and efficiencies in order to redirect funds to other needs. In addition, City initiatives that have been deferred to the 2020 budget from previous years or any new non-essential capital or operating expenses may have to be postponed to future budget years or abandoned altogether.

Currently, there are insufficient details on how elements of the Act will be implemented through the regulations and municipalities can only speculate on the potential loss in revenue from development charges. One of the greatest uncertainties is the impact that the forthcoming creation of the Community Benefits Charge Authority will have on DCs for soft services. As the provincial regulations evolve, staff will be in a better position to make a full assessment.

Report

Background

Since the new Ontario Government was sworn in on June 29, 2018, it begun implementing its mandate to reduce the deficit and find efficiencies. Program cancellations, such as the Cap and Trade Program, began immediately, while many other cuts to program funding were announced in the Provincial budget, Protecting What Matters Most, on April 11, 2019 and the weeks following.

On May 27, 2019, the Province announced it would postpone certain municipal cuts until 2020-namely, those related to public health, paramedic services, and childcare. Despite this delay, the Province is expected to proceed with these reforms once municipalities have an opportunity to prepare their budgets for the next fiscal year.

On May 2, 2019, the Ministry of Municipal Affairs and Housing (the Ministry) launched its More Homes, More Choice: Ontario's Housing Supply Action Plan (the Action Plan) and introduced an omnibus bill, entitled Bill 108: *More Homes, More Choice Act* (*the Act*). The Action Plan outlines the Province's goal of managing Ontario's housing crisis, in part through changes that it says will streamline the development approvals process. The Province's declared intent is also to make costs and timelines more predictable, and enable specific types of priority housing to be built.

On June 6, 2019, the Provincial Legislature passed Bill 108 into law to the dismay of the municipal sector, given that most of the concerns and proposed solutions expressed by way of consultations with the Ministry and individual meetings with the Minister were not reflected in the Act. Nevertheless, although approval of this overarching legislation is complete, City staff still have the opportunity to influence and tailor policies through ongoing dialogue and advocacy with Provincial public servants in various ministries. During the stage in which the regulations—which prescribe how this *Act* will be implemented—are developed, staff can work with the ministries to design the rules, policies and related programs as they evolve.

Staff are of the opinion that all Guelph residents will feel the impact of Provincial funding reductions at the local level. Local governments will continue to disproportionately experience mounting economic, demographic, environmental and social impacts over the next 10 to 20 years.

The City, with the support of the Large Urban Mayor's Caucus of Ontario (LUMCO), insists on a respectful partnership between the Province and municipalities and will continue to advocate that consultation with municipalities and their citizens must be part of the process.

The City has established an interdepartmental working team to monitor, analyze and advise on impacts of changes to municipal budget and local service delivery levels. This team will continue to lead the internal conversations and the external communication regarding the City's response to and involvement in the development of the regulations.

Provincial Consultations

Since the release of the Provincial budget, municipalities have been vocal about the incremental approach the Province has taken to informing municipalities of funding cuts and service realignments, which have generally been conducted without meaningful municipal consultation. In response to municipal pressure, the Province has undertaken consultations related to the Action Plan. However, municipalities were expected to respond quickly to the proposed changes to these complex pieces of legislation. With a condensed, one-month consultation window, City staff had a limited opportunity to review, assess and comment on these changes. Proposed changes to legislation that will have an impact on the City have been communicated in the weekly Council Information Package. The following consultations were available through the month of May:

- 10th Year Review of Ontario's Endangered Species Act: proposed changes
- Amendments to the Conservation Authorities Act (Operations)
- Modernizing Ontario's environmental assessment program Environmental Assessment Act and Discussion Paper
- Excess soil regulatory proposal and amendments to Record of Site Condition (Brownfields) Regulation
- Amendments to the Development Charges Act, 1997
- Amendments to the Planning Act
- Amendments to the Ontario Heritage Act
- Amendments to the Local Planning Appeal Tribunal Act, 2017
- Amendments to the Cannabis Control Act, 2017
- Amendments to the Endangered Species Act, 2007

Since the legislation was passed, the Province has committed to providing both indirect (written response) and direct (individual meetings) consultations with municipalities as the regulations and respective policies are developed, which City staff will be actively pursuing.

Other Advocacy Approaches

As representatives of large municipalities across Ontario, LUMCO and the City addressed the Legislative Standing Committee on Justice through written correspondence on May 31, 2019, to outline concerns about *the* Act and strongly encourage changes to the legislation. The Municipal Finance Officers' Association of Ontario (MFOA) and the cities of Toronto and Ottawa were selected to present at the Legislative Standing Committee on Justice Policy where they voiced similar messages to Guelph's.

In addition, the Association of Municipalities of Ontario (AMO) continues to convey the impact Provincial changes are having on municipalities. Other municipal-related associations are also undertaking their own advocacy campaigns and sharing information with City staff.

Impact of Provincial Reductions on Local Programs

The changes to the Provincial budget will require additional resources at the local level to support the continuation of those programs previously offered by other agencies. At a time when municipalities are already fiscally constrained by limited revenue sources and infrastructure deficits, provincial incentives to encourage municipalities to reduce spending as well as provincial service realignments are placing unrealistic demands on municipal finances. The likely result will be increased taxes from residents to maintain services, which is unsustainable as the Guelph community continues to grow.

Provincial reductions may impact the services Guelph residents have come to expect from Guelph Police Services, the Grand River Conservation Authority, Public Health, the County, the library and school boards. The programs or services that will have an impact on the City as a direct result of the Action Plan and *the Act* have been identified in red in Attachment 1 to Report Number CAO-2019-12. That Attachment illustrates the anticipated financial and social impacts all of the policy changes may have on the City of Guelph and its residents, based on available information. At this time, most significant reforms will apply to local health care delivery.

Local Health Care Reforms

After considerable push-back from municipalities regarding the drastic, immediate changes to local health care, the Province announced on May 27, 2019 that it will delay the implementation of the funding and service changes. Municipalities will have only a few months to influence the policies before the proposed service delivery and cost-sharing agreements are reflected in municipalities' 2020 budgets.

Public Health Units

Thirty-five regional public health (PH) entities will be amalgamated into 10 PH entities and 10 new regional boards of health. In May, 2019, the City received notice that the Wellington-Dufferin-Guelph Public Health unit (WDGPH) will join the Regions of Waterloo, Peel, and Halton to become the largest and fastest-growing public health entity in the Province.

Municipal-Provincial funding arrangements for PH are expected to change in 2020. The cost-sharing agreement has historically been a 75:25 Provincial/municipal model. The proposed new cost-share apportionment will now be a 70:30 model.

The City estimates the lost provincial revenue for WDGPH, as a result of the cost allocation changes, could be in the range of $1.5M to $3M, and Guelph's portion approximately $675K to $1.35M. This excludes any impact from the amalgamation of the PH units. Currently, the City's 2019 budget for WDGPH is $3.9M and, until more information is known about the future of PH, staff cannot advise of impacts.

Local Health Integration Networks (LHINs)

The Province has proposed the dissolution of 14 LHINs and the merger of six health agencies (including Cancer Care Ontario and eHealth) into a new agency called Ontario Health. As the LHINs are consolidated, there may be consideration for service realignment and include municipalities and long-term care homes. At this time, the Province has not provided further details.

Paramedic Services

Similar to the LHINs, there has been little information about how proposed changes to paramedic services will be implemented, limiting municipalities' ability to prepare. The Province is proposing to streamline paramedic services through the integration of Ontario's 59 emergency health services operators and 22 provincial ambulance dispatch services. Should paramedic services be removed from municipal control, certain guarantees must be assured by the Province. These would include:

- Honour and assume any long-term leases and agreements entered into by municipalities for the provision of paramedic services.
- Reimburse municipalities for any capital costs incurred for the purpose of providing paramedic services for items that are within their projected life cycle, or negotiate / enter into long-term leases for any capital property owned by municipalities for the purposes of providing paramedic services.
- Provide assurances to municipalities that enhancements to services, including capital and operating increases, can be considered and implemented as current and past practice. This will require the Province's continued commitment to contribute to the resulting cost increase in subsequent years, as done in previous years.

Without more information, the City cannot engage in longer-term planning, capital purchases or enter into long-term leases for stations.

More Homes, More Choice: Ontario Housing Supply Action Plan and *More Homes, More Choice Act* (formerly Bill 108)

The Action Plan and corresponding legislation will have repercussions on municipal planning, revenue generation, and financing infrastructure projects, particularly as they relate to the collection of soft service development charges. These reforms will restrict municipalities' ability to manage community planning and have "growth pay for growth".

In addition, years of municipal advocacy, collaboration with the Province, and subsequent positive improvements to the Ontario Municipal Board (OMB) are now being largely reversed. The recent transition from the OMB to the Local Planning Appeal Tribunal (LPAT) was intended to help put planning decisions back into the hands of municipal councils, to ensure growth reflects the needs of their communities. However, the proposed reforms to the *Local* Planning Appeal Tribunal Act, 2017 will mean the LPAT will return to the type of review associated with the former OMB, which treated each appeal as a fresh application (i.e. a "hearing de novo") with only limited regard for any municipal-level decision. This effectively means the LPAT will be able to make final planning decisions, overriding municipal-level decisions, based on its own opinion of the "best planning outcome" approach, in much the same manner as the former OMB had done.

City responses that outlined the most significant changes and the impact they will have on Guelph, including the Development Charges Act, 1997, the Planning Act, the Ontario Heritage Act, the Endangered Species Act, 2007 and the Local Planning Appeals Tribunal Act, 2017, were submitted to the Ministry and the Ministry of Tourism, Culture, and Sport through the Ministry consultation process. Included in the submission was Council's May 27, 2019 resolution opposing the Act. The official City staff responses are provided in Attachment 2 to Report Number CAO-2019-12, which provide specific details about how each change directly affects the City's operations.

New Community Benefits Charge Authority

Although the City's response in Attachment 2 touches on the new Community Benefits Charge (CBC) Authority, its relationship with development charges and parklands requires further explanation.

Given that a significant portion of Guelph's new growth-related infrastructure is dependent on revenue from development charges (DCs), the risk of funding shortfalls has been identified as the City transitions to the CBC regime.

Planned municipal projects currently underway are likely to experience a revenue shortfall even though the Province has said this is not the intent of new legislation. Specifically, soft service DCs collected for recreation centres, trails, parks and libraries will no longer be eligible for the collection. Rather, municipalities are authorized to pass a new CBC By-law to collect revenue for these purposes. This new revenue stream will also replace the current Parkland Dedication By-law and any revenues that would be generated from height and density bonusing.

Staff are concerned about this new CBC regime because it is based upon land value, similar to the current Parkland Dedication By-law, which makes it a very difficult, long-term financial planning tool. Rather than being able to estimate revenues based on cost of capital, revenues will be based on value of the developable land in the city. The Province will be imposing a "cap" on the amount that municipalities can collect; however, this value has not yet been disclosed.

Further concerns relate to the City's inability to require parkland conveyance as an alternative to cash, and the language that up to 60% of the funds must be allocated or spent within each year.

The effects of this new CBC regime are substantial and, as a result, City staff are turning their attention to addressing implementation concerns, preparing for changes to internal processes and financing, and providing input on the development of the regulations once they become available. There will likely be a point in time where municipalities will choose between raising taxes to fund services that are expected by residents or to eliminate some of these services altogether.

Next Steps

All governments need to innovate to enable growth and economic opportunities, find efficiencies, and improve the services provided to their citizens. The cost to innovate should be balanced between the three orders of government, so as to avoid the tax burden being placed more heavily on one level of government over others.

Over the next several months, the Province is expected to release more information as it consults with the public, municipalities and municipal associations, including draft regulations on "Bill 108" and other service reforms. Specifically, the province has committed to acquiring additional input from municipalities on CBCs through:

1. its Environmental Registry of Ontario (ERO) portal to seek feedback on the methodological approach for development of a proposed formula;

2. a Technical Working Group for the purposes of advising on the methodological approach for development of a proposed formula, and;

3. a second ERO posting to seek additional feedback on the proposed formula developed by the consultant and with municipal input through the first ERO posting and technical working group.

The Province anticipates that the consultation process related to CBCs will conclude by this Fall.

Through the coordination of the diverse perspectives of the internal staff working team and in consultation with LUMCO, City staff will continue to work with the Province to shape the cost-sharing arrangements and the Action Plan's rules, regulations, policies and programs to better prepare and mitigate the effects of the Provincial changes.

Financial Implications

The Province announced that all budget impacts for paramedic services, public health and childcare would be deferred until 2020, to allow municipal councils time to plan for impacts. Nevertheless, it is expected that there will be a significant impact on the City's 2020 operating and capital budgets, largely as a result of these Provincial program cuts and downloads, as well as likely reductions to development charges, cash-in-lieu of parkland and height and density bonusing revenues. At this time, the full fiscal impact on the City cannot be determined until more details about how the changes will be implemented through various Acts' corresponding regulations.

Budget 2020

The City's Finance Department is actively planning the 2020 budget with Provincial funding announcements and the DCs/CBC revenue changes in mind. There will be difficult service-level decisions for Council to make as a result of the Provincial Government's changes, and as the City finalizes its strategic plan. Council will consider 2020 budget planning options throughout the month of July, 2019 as staff seek direction for both City departmental and local board guidelines.

Capital budget considerations, including pausing already-approved spending from the soft service DCs reserve funds, and limiting further capital obligations beyond DCs to be collected in the short-term period, will need to be reviewed.

Audit and Accountability Fund

On May 22, 2019, the Minister of Municipal Affairs and Housing launched the Audit and Accountability Fund which extends funding to large municipalities to conduct service delivery and administrative expenditure reviews with the goal of finding efficiencies. The declared intent is to help municipalities in finding cost savings to offset the impacts of the provincial cost downloads to the municipal taxpayers. Expression of Interest (EOI) for these funds was due June 14, 2019 with the final application due on June 30, 2019. Staff have advised the Province of the City's interest in applying for these funds however has not yet identified a project for submission. There is hope that this review will provide cost escalation mitigation and corporate efficiencies.

Consultations

In addition to the Ministry consultations in which City staff participated, staff have been monitoring various municipal associations as they review and provide in-depth analysis of the affects the Provincial policies will have on various municipalities, depending on their size and location. Staff are also soliciting information from other municipalities about their advocacy approaches, responses to Provincial consultations, and their next steps.

In preparing this report, multiple City departments were consulted to better understand the potential impacts the legislation and Provincial policy proposals will have on municipal operations, including: Culture, Tourism and Investment; Parks and Recreation; Business and Economic Development; Engineering and

Transportation Services; Planning and Building Services; Legal, Realty and Court Services; Guelph Wellington Paramedic Service; and Library Services.

Communications with the Public

A strategy was developed and is underway with the aim of influencing Bill 108's regulations and policies, and protecting local decision-making authority, discretion, and tools for revenue generation. To this end, the City is blending advocacy and public information to make citizens and other stakeholders aware of the potential impacts of the Provincial changes, and to encourage them to take action. The City will continue to inform the public as the situation unfolds.

Corporate Administrative Plan

Overarching Goals

Service Excellence

Financial Stability

Innovation

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Our People - Building a great community together

Our Resources - A solid foundation for a growing city

Attachments

Attachment 1 - Potential and Real Provincial Budget Reductions & Impact on Guelph and Local Stakeholders

Attachment 2 - City of Guelph response to Ministry Consultations related to:
Schedule 3 – Development Charges Act, 1997
Schedule 11 – Ontario Heritage Act; and
Schedule 12 – Planning Act

Departmental Approval

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Potential and Real Provincial Budget Reductions & Impact on Guelph and Local Stakeholders

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
Alcohol	Extension of alcohol consumption in public areas	To be determined based on whether Council adopts by-law	Police Services may be impacted by potential increases in disturbances	1) Local by-law will require updating to align with provincial legislation 2) May require resources for additional by-law enforcement officers 3) Additional Solid Waste resources directed to public areas designated for alcohol consumption	• Potential increase in public disturbances, including noise violations • Could be potential community safety concerns • Public areas may experience an increase in traffic, vandalism, and uncleanliness
Audit and Accountability Fund	$7.35 million offered to large urban municipalities interested in conducting reviews to identify potential cost reductions, while maintaining front-line services	Offset the province's downloads, which could range from $1 to 3 million.	Also applies to school boards	Optional uptake	• May create greater efficiencies in service and better delivery or could result in diminished service
Cap and Trade Program	Companies would "pay" to pollute (carbon credits) to incentivize greener investments in their businesses, which would be passed on	Unknown at this time		GHG Challenge Fund grant for Wastewater Treatment Digester Gas Storage project of $315K cancelled in 2018. City received $20K as part of wind-	• Residents can no long apply and receive rebates for retrofitting homes to be more energy efficient

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
	to consumers to encourage consumers to make more environmentally friendly choices. Financed the Green Ontario Fund ($377 million), which has now been eliminated			down grant process to fund costs incurred to date. Other City impacts are difficult to quantify.	(from the Green Ontario Fund) • Cost for Consumer products would remain unchanged
Child Care Services	Fee stabilization support that helped child care centres cover increasing labour costs without passing them on to parents will be eliminated April 2019, all service managers will be required to cost-share operating portion of Expansion Plan funding for new child care spaces	Reduction of $50 million By contributing 20% municipal funding ($43.2 million based on $216 million funding envelope) in order to access provincial funds	The City's 2019 Child Care budget (delivered by the County of Wellington, the Consolidated Municipal Service Provider), is $3.79 million. Specific impact to be determined		Costs for labour may increase and may be transferred to parents causing increasing living expenses for families
Community Homelessness Prevention Initiative	The Province will significantly reduce expenditures for this program this year and may affect	Unknown at this time	The County may be impacted by any reductions or	The City's 2019 Housing budget (delivered by the County of Wellington, the Consolidated	Reduction of funding will impact vulnerable groups that rely on services

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
	funding levels for housing and homelessness programs administered by municipal service system managers. Also a portion of $174 million in 2019-2020 for mental health and addictions services will go toward supportive housing		provincial status quo on funding County has confirmed that they will be losing an Addiction Services grant of $120K. Further assessment and costing will be forthcoming	Municipal Service Provider), is $15.6 million. It has yet to be determined whether the province will commit to increasing funding by $15 million in 2019, which may impact on social services provided by the City	provided by associated agencies
Education Development Charges	Regulatory amendments have implemented restricted rate increases of 5% or $300 per residential unit and a max yearly increase of 5% for non-residential rates	Unknown at this time	Impacts on school board revenue	No impact to City of Guelph	• May impact on construction budget for new schools
Education Property Tax	Revenue is projected to increase at an average annual rate of 0.9% between 2019-19 and 2021-22 largely due to growth in property	No impact to City of Guelph	Impacts school board revenues	City collects this revenue on behalf of the School Boards. There is no financial impact to the City of Guelph. There is an indirect impact that these property taxes	• Changes total property taxes for residents

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
	assessment base resulting from new construction activities			are added to the tax bill and the general tax payer doesn't see the difference of City/School Board	
Local Health Integration Networks (LHINs)	Dissolution of 14 LHINs and the merger of six health agencies (including Cancer Care Ontario and eHealth) into Ontario Health	Unknown at this time	As the LHIN is consolidated, there may be consideration of service realignment	More information required before impact on Guelph can be determined	Change to local health services may create temporary confusion as these services are transferred to other agencies.
OntarioBuys Program	Funding has been cut to this program, which is intended to makes investments to support innovation, facilitate and accelerate the adoption of integrated supply chain, back-office leading practices and operational excellence. OntarioBuys helps drive collaboration and improve supply chain processes in Ontario's broader public sector.	Unknown at this time. Current approved grant totaled $1.98 million with $780K received to date.		Guelph, in partnership with the Cities of Barrie and London, will have its funding reduced for its Municipal Innovation Exchange project. This will result in condensed timelines and reduced scope.	The initiatives anticipated from this project would result in improved municipal service delivery that is replicable for other local governments. The reduction in funding will prevent these initiatives from being developed and implemented

Potential and Real Provincial Budget Reductions & Impact on Guelph and Local Stakeholders

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
Ontario Community Infrastructure Fund (OCIF)	Provides assistance to communities less than 100,000	$200 million no longer available	Reduction of funding may impact service delivery for the County as they may have been eligible for this funding	No – Guelph is not eligible for these funds	No indirect impact
Ontario Library Services	50% of library funding for Ontario Library Service North (OLSN) and the Southern Ontario Library Service (SOLS) resulting in SOLS ending in interlibrary loan service and threaten e-book access	OLSN and SOLS funding reduced by half	May impact the County in attempts to acquire interlibrary loans from other jurisdictions	Funding cuts have resulted in the cancellation of interlibrary loans	The program that enables Inter-library loans between public library systems – including national and international – has been cancelled and reducing quality of library services
Paramedic Services	Paramedic services will be streamlined through integration of Ontario's 59 emergency health services operators and 22 provincial dispatch communication centres	Details not yet known		Should services be removed: • Long-term leases would need to be fulfilled • Reimbursement of capital costs incurred for the purpose of providing	May impact on quality of services and emergency arrival times.

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
				paramedic services • Matters related to collective bargaining	
	Funding for Paramedics will be held at the 2018 budgeted amounts	$819k funding gap from what was approved in the 2019 city budget. The City portion of this is approximately $500k and the County approximately $420k	This was an unexpected freeze and will create a real financial pressure this year for the City and the County, and would also negatively impact patient response times if staffing levels were reduced to offset the funding loss. Emergency services negotiations may be affected.		May impact quality of services available to residents
Property Assessment	Province is conducting a review to enhance accuracy and stability of property assessments	Information unavailable	All stakeholders may have their service delivery impacted	More details required. May impact property tax revenue and property tax ratios should property values be reduced/increased following an assessment	Property tax ratios may shift
Provincial Gas Tax Program	Province will not move forward on its campaign promise to increase municipal	Overall, $364M less to invest in transit		The increase to 4 cents/litre was not built into the City of Guelph capital plan so	The increase in funding would have contributed to the rehabilitation and

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
	share of provincial gas tax funds	infrastructure provincially		there is no impact to the Long-term Financial Plan. This lost opportunity would have provided the City an additional $27 million from 2019 to 2028	maintenance of municipal road work
Public Health	Amalgamating regional public health entities by establishing 10 public health entities and 10 new regional boards of health Additionally, PH cost allocations were announced to move from the current 75%:25% provincial/municipal model to a 70%:30% model and then further in some cases to a 60%:40% model	$200M or 26% reduction in public health funding WDG Public Health will be merging with Peel Region, Halton Region and Waterloo Region to make the largest Public Health agency in the Province overseeing 3 million people. Province reducing the current cost-sharing 75:25 arrangement over three years beginning in 2019	Public Health is currently operated by 4 partners: • Province • City of Guelph • County of Wellington • Dufferin County Future will include the regional partners.	The City estimates that the lost provincial revenue as a result of the cost allocation changes could be in the range of $1.5 to $3 million. Guelph's portion of this would be $675K to $1.35M. Currently the City's 2019 budget for Public Health is $3.9M	Change to local health services may create temporary confusion as these services are transferred to other agencies. Programs that will be affected include food safety, water-quality inspections, and immunization costs

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
		• 70:30 for public health units <1M population • 60:40 for public health >1M			
Specialized School Programs	Funding for programs that provide after-school jobs for at-risk youth	$25 million impacting 72 school boards	Guelph-Wellington School Board	Not in Guelph's jurisdiction of responsibilities	Children at risk will not receive the supports they require to be successful and productive residents of Guelph
Wastewater	Municipalities will be required to provide real-time reporting of sewage outflows	Unknown at this time Dependent on requirements of the Province Full cost to implement would likely be municipal responsibility	Unknown at this time	• Additional resources required to update policies on reporting overflows • May require the purchase of new technology/tools to monitor outflow	Provides an added service for the community to help prevent property damage and mitigate the impact of flooding Also provides information on water quality issues

Potential and Real Provincial Budget Reductions <u>specific to Bill 108</u>

& Impact on Guelph and Local Stakeholders

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
Cannabis	As a result of the Ontario Cannabis Store losing $25M in 2018-2019, there will be no additional cannabis funding for 2019-20 as the threshold of $100M of cannabis excise tax would not be reached	Unknown at this time	By-law enforcement may be impacted on potential loss in funding. Announcement only specific to direct impact on municipalities (not as it relates to Police enforcement)	Funding for cannabis was intended to compensate for increased enforcement. Guelph will be required to make up for any potential loss in funding	• Potential for shortage of by-law enforcement resulting in community safety concerns (smoking violations)
Conservation Authority Programs	Cuts from the annual $7.4 million transfer payment from the Hazard Program (2019). Streamlining conservation authorities role may effect participation in development permitting and municipal plan review	$3.7 million cut	Reduction in Conservation Authority program funding	To be determined pending response from the GRCA. May result in downloading flooding and erosion mitigation to the City	Support for flood plain management and flood response measures may result in increasing property damage resulting from flooding
Endangered Species Act	Creation of a Species at Risk Stewardship Program to fund academics, communities,	Unknown at this time	Conservation Authorities may also be involved in supporting this new program	Funds for the program will come from municipalities and developers, who can	• Environmental conservationists may raise concerns over the delayed timing it takes for new

Potential and Real Provincial Budget Reductions specific to Bill 108
& Impact on Guelph and Local Stakeholders

Program	Details	Cost Impact	Impact on County and Municipal Agencies, Boards, & Committees	Impact on Guelph	Indirect Impact on the Community
	organizations and Indigenous peoples across Ontario to implement on-the-ground activities that benefit species at risk and their habitats			pay a fee into the program directly	species on the at-risk list to receive protection
Housing Supply Action Plan and Bill 108	Outlines the Provincial government's plan to manage Ontario's Housing crisis, in part, through proposed changes that would streamline the development approvals process	Unknown at this time	County will also be impacted on new housing requirements	1) Potential reduction in Development Charge, Bonusing, and Parkland Dedication revenue 2) Infrastructure projects underway that depended on DCs will be stalled until new funding can be acquired 3) Potential loss of control on planning decisions to LPAT 4) Significant number of by-law amendments (Zoning, Official Plan, Development Charges)	• Fewer opportunities for engagement and consultation with the public on planning matters • Potential increase in traffic congestion from increased development if not adequately mitigated • Reduction in development charges will prevent the construction of key community amenities (i.e. Recreation centers)

May 31, 2019

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
17th Floor, 777 Bay Street
Toronto, Ontario M5G 2E5
Canada

Dear Minister Clark:

RE: **Bill 108, (Schedule 3) – *More Homes, More Choice Act*: Amendments to the *Development Charges Act, 1997***

Thank you for the opportunity to comment on the proposed Bill 108, *Mores Homes, More Choice Act* (Schedule 3) Amendments to the *Development Charges Act (DCA), 1997*. On May 27, 2019 City of Guelph Council passed the following resolution:

> WHEREAS the legislation that abolished the OMB and replaced it with LPAT received unanimous – all party support; and
>
> WHEREAS all parties recognized that local governments should have the authority to uphold their provincially approved Official Plans; to uphold their community driven planning; and
>
> WHEREAS Bill 108 will once again allow an unelected, unaccountable body make decisions on how our communities evolve and grow; and
>
> WHEREAS On August 21, 2018 Minister Clark once again signed the MOU with the Association of Municipalities of Ontario and entered into "...a legally binding agreement recognizing Ontario Municipalities as a mature, accountable order of government"; and
>
> WHEREAS This MOU is "enshrined in law as part of the Municipal Act". And recognizes that as "...public policy issues are complex and thus require coordinated responses...the Province endorses the principle of regular consultation between Ontario and municipalities in relation to matters of mutual interest"; and
>
> WHEREAS By signing this agreement, the Province made "...a commitment to cooperating with its municipal governments in considering new legislation or regulations that will have a municipal impact"; and
>
> WHEREAS Bill 108 will impact 15 different Acts - Cannabis Control Act, 2017 Conservation Authorities Act, Development Charges Act, Education Act, Endangered Species Act, 2007, Environmental Assessment Act, Environmental Protection Act, Labour Relations Act, 1995, Local Planning Appeal Tribunal Act, 2017, Municipal Act, 2001, Occupational Health and Safety Act, Ontario Heritage Act, Ontario Water Resources Act, Planning Act, Workplace Safety and Insurance Act, 1997.

> Now Therefore Be it Hereby Resolved That the City of Guelph oppose Bill 108 which in its current state will have negative consequences on community building and proper planning; and
> Be it further resolved that the City of Guelph call upon the Government of Ontario to halt the legislative advancement of Bill 108 to enable fulsome consultation with Municipalities to ensure that its objectives for sound decision making for housing growth that meets local needs will be reasonably achieved; and
>
> Be It Further Resolved That a copy of this Motion be sent to the Honourable Doug Ford, Premier of Ontario, The Honourable Christine Elliott, Deputy Premier, the Honourable Steve Clark, Minister of Municipal Affairs, the Honourable Andrea Horwath, Leader of the New Democratic Party, and all MPPs in the Province of Ontario; and
>
> Be It Further Resolved That a copy of this Motion be sent to the Association of Municipalities of Ontario (AMO) and all Ontario municipalities for their consideration.

Thank you again for the opportunity to comment on Bill 108 Schedule 3. As outlined above, the City has highlighted a number of concerns regarding the proposed Bill that we encourage the province to consider in its review. Further, the City requests to be actively engaged with the province as it reviews comments regarding the Bill and any subsequent programs and regulations. Please do not hesitate to contact me if you have any questions regarding the City of Guelph's feedback.

Sincerely,

Scott Stewart
Deputy CAO, Infrastructure, Development and Enterprise
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E scott.stewart@guelph.ca

cc: Association of Municipalities of Ontario
County of Wellington
Lloyd Longfield, MP, Guelph
Mike Schreiner, MPP, Guelph

City of Guelph comments on Bill 108 Schedule 3

Overview

The City of Guelph strongly believes in the fundamental principle of "Growth paying for Growth" and for this reason cannot support many of the proposed changes in Bill 108 related to the Development Charges Act (DCA) and the Planning Act Sections 37 and 42. Movement away from a methodology that links development revenues to the long-term cost of infrastructure to a methodology based upon market-driven land value is in principle, a poor financial model. Like the province and the development community, municipalities need reliable revenue streams to develop growth business plans and this policy change will create unmanageable risk and unwarranted administrative burden, which collectively, will slow growth and housing supply creation. Give municipalities the choice between DCA and Section 37 of the Planning Act.

The proposed DCA impacts are further exacerbated by the requirement to choose between Sections 42/51.1 or Section 37 of the Planning Act; essentially leaving municipalities to choose between conveyance of parkland or the funding to build community infrastructure. The goal should not be building more housing at the expense of complete, health communities with parks, trails, and recreation facilities. Consideration of user fees (or increases) to recover the full cost of managing municipal parks, natural open spaces, trails and recreational facilities for residents who frequent these amenities may be required, which may ultimately pose a deterrent if unaffordable.

Protection of our Ontario tax payers should be the highest priority when considering the merits of Bill 108. Guelph is concerned that this Bill does not go far enough to protect our resident's investment in affordable housing. Ontario tax payers should not become the bank to finance industrial and commercial developments. We need assurances that developers are passing on the savings to new homeowners and we need mechanisms to ensure that affordable units are not sold and made available for above-market profit. Community Investment Plans (CIPs) can better achieve the housing supply goals that the DCA is unequipped to provide.

Any legislation that reduces municipal cash flows in the development process will mean less financial capacity to fund the linear infrastructure resulting in slowed growth and housing supply creation. Guelph cautions that the provincial proposals to collect DCs over a six year period and freezing DCs at a point in time prior to building permit will have the negative and opposing effect of what the province was intending.

Timing

Similar to the Province's recent announcement to reconsider the timing for cost-sharing and funding reforms to key services, Guelph strongly advocates for a delay in passing any of the changes to the DCA and Planning Act Sections 37, 42 and 51.1 until the implications can be studied more holistically which will provide for an orderly transition.

Guelph requests to be part of the consultation for the development of the regulations as they are foundational for the seamless implementation of the policy and for cultivating a growing and healthy housing supply.

Below is a comprehensive summary of staff comments regarding this Bill for consideration.

Development Charges Act:
Section 2(4) – Service eligibility

The proposed changes to eliminate development charges (DCs) for the collective "soft or social services" will likely result in a capital funding shortfall for growth-related infrastructure required for indoor and outdoor recreation (parks, trails and recreation centres), libraries, public health, child care and social housing, homes for the aged, paramedic services and parking. Without the specific regulations, Guelph cannot quantify the impact of these changes. Nevertheless, we do know that it leaves approximately $155 million of capital funding vulnerable considering these monies were planned in our DC Study that was approved in February 2019. These services are critical to creating livable, healthy communities and it is expected that new populations/businesses fund the growth infrastructure that is necessary for services in the same way as the other critical services such water, wastewater, roads and fire/police services. The current DCA provides a measurable and equitable means to quantify the cost of these services in each municipality based on existing service levels. Replacing this system with a Community Benefit Charge (CBC) regime based upon land value has many faults:

i) Land value is subject to market conditions making it a very unreliable long-term financial planning tool – the Province advocates long-term capital planning with capital asset management plans and policies however is proposing to make a reliable capital revenue become unpredictable and unplannable.
ii) Land value can vary based on proximity to the GTA making it an unfair method for funding common infrastructure needed across the province. The cost of building a recreation centre or a park may only vary upwards of 15% across the province whereas land value in the GTA for a single family lot may be 20 times that of the same size lot elsewhere in the province. This will create the have/have-not effect of urban centres versus rural communities where the revenue generation tool is unequitable to the cost of infrastructure.
iii) The need for appraisals and the ability for the applicant to challenge the appraisal will create more burden and expense for municipalities rather than it creating a streamlined process that was the original intention of the province.
iv) In a regional or county government system, the DCA contained guidance for the apportionment of the DC revenue collected according to the government

body levying the charge considering it was directly attributable to their respective capital project plan. A system established on land value will create a new undefined, burdensome process to determine how this Community Benefit Charge would be allocated between the local and regional/county bodies.

Waste Diversion and Paramedic Services

The City applauds the decision to make Waste Diversion a non-discounted service and would stand firmly in the recommendation that all municipally-delivered services should be non-discounted so that growth development is really paying for growth. At a minimum, Guelph believes that Paramedic Services infrastructure should be treated equally to Police and Fire Services as they collectively create our first response emergency services team and are subject to mandatory requirements for response times as imposed by the province. Growth costs for provincially mandated services should be fully recovered from growth development.

Actions:
Guelph recommends that municipalities be given the option to choose between the DCA and Section 37 CBC as the growth-related revenue tool for soft services. Let municipalities make a choice rather than forcing the implementation of a separate, cumbersome, costly and unnecessary CBC regime, which will require separate studies, by-laws and administration.

If the Province feels that reducing municipal fees is necessary, it would be preferable to keep soft services in the DCA and simply limit the extent of recovery within the existing DCA to a cap as prescribed by the province.

Guelph recommends Paramedic Services should be a non-discounted service in the DCA similar to the other provincially legislated first response emergency services of Fire and Police.

Section 3.1 DC Exemption for second dwelling units in new residential buildings

The City understands and supports a concept to increase housing supply and agrees that this exemption would achieve more units. However, the City urges the province to put in place a mechanism to ensure developers transfer this cost reduction to the homebuyer.

Further, Guelph is requesting the province to acknowledge that exempting DCs does not change the cost of the infrastructure required for that development and this is a form of cost downloading to the citizens of Ontario. The lost DCs that would have otherwise been collected on these units will need to be recovered from property taxes and user fees. The DCA is based on a full cost recovery model, and any revenues not collected through DCs are subsidized by our citizens and businesses.

Section 26.1 Certain types of development, when charge can be payable - 6 annual installments

Guelph strongly opposes any payment deferral arrangements for Institutional, Industrial or Commercial (ICI) development. Fundamentally, the provincial goal is to increase housing supply with Bill 108; ICI development does not create housing. The effect of ICI deferred payment arrangements will actually have the negative and opposing effect by slowing growth and reducing housing supply because the City's cash flows will be impaired early in the development cycle resulting in limited capacity to build road and pipe servicing infrastructure. Specifically, concerns relating to the six year ICI payment plan include:

- Property tax payers become a financing institution for the ICI development community. Let the banking industry finance and let the municipalities focus on building the infrastructure to accommodate development.
- Since municipalities are not banks, we do not have a building permit financial system in place to invoice development fees over a period of time. This new requirement necessitates an overhaul to the City's financial systems, increase risk of collection, increase staffing required to manage the extended collection period and generally will increase costs, time and red tape that will be passed back to the homeowners through increases in fees.
- A six year payment plan will reduce hard DC cash flows in Guelph by $900,000 per year and increase the amount of debt funding required for growth-related infrastructure. There is insufficient debt capacity to simultaneously manage current and growth capital needs. Over-leveraging the City with more debt will mean a decrease in its credit rating and an increase in debt carrying costs which will ultimately be transferred to developers through increased DC rates.

The City understands and supports a concept to incentivize non-profit and rental housing. However, incentivising affordable housing units through the DCA (DC deferred payment arrangements over 6 years) does not allow for the appropriate level of security to keep those units affordable after they are built. It also does not allow for local municipalities to tailor the incentives to the types of units or construction that is needed in their community. We take affordable housing seriously in Guelph and are very concerned with the lack of protection and local influence over the 6 year payment plan currently proposed in the DCA. Just this week, Council approved the following staff report motion to provide $1.3 million in grants to developments creating 230 new affordable units in Guelph. Further, we have a dedicated affordable housing incentive policy that guides our investments to ensure we are targeting the right units for our community. Without agreements, we cannot guarantee these units stay affordable.

Guelph would advocate for a requirement to implement a Community Improvement Plan (CIP) to incent affordable housing in each community (based upon a population requirement). This is a much more productive and effective way to incent, it enables the province to approve the CIP policies that are proposed, it allows local focus towards the types of units that are needed in the community, it provides consolidated reporting already built into the municipal FIR, and provides the protection to our Ontario tax payers investment in affordable housing. Affordable housing incentives go beyond DCs and a CIP would be a more inclusive and holistic way to require municipalities to have housing policies that align with the provincial mandates.

Actions:
Guelph strongly recommends removing any deferred payment language for ICI development and would direct those developers to secure financing from a lending institution rather than the property tax payers of Ontario.

Incentives are best achieved through CIPs or other local policies where appropriate security is available to protect that new housing supply from converting to unaffordable housing types. Guelph recommends that instead of the new proposed DCA deferral, that a requirement for municipalities to create a CIP to incent affordable housing (in more ways than just deferring DCs) with a local focus on the needs of that community. This will have a real impact on new supply of affordable housing in a way that protects the Ontario tax payer's investment.

Section 26.2 When amount of development charge is determined

The proposed requirement to freeze the DC obligation at a point in time years before the development occurs will significantly reduce the amount of DCs currently planned in the approved Background Study. This will require an update to the DC Study for this undefined time period and will result in an increased DC rate to make up for this lost revenue. The DCA is premised upon a full cost recovery model for the hard services and therefore this revenue loss would be made up through increases in DC rates immediately. Other concerns related to this proposal include:

- Increased burden in the system as incomplete or unwarranted planning applications and minor variances will be submitted to cities with the sole purpose to freeze a lower DC rate years before any development actually occurs. This will increase the planning and development fees to cover this additional burden.
- Building permit financial systems across the province are built to invoice fees at the building permit issuance date and has no mechanism to calculate fees on any other date. This new requirement will again require an overhaul to financial systems and reduce cash flow in the short term to fund the needed servicing infrastructure.

The City understands that certainty in development costs is desirable; however, similar to their cost of construction materials and labour increases over time, City costs also continue to increase. Guelph feels this proposed legislation has transferred all the financial risk to be borne by the property tax payers rather than the private industry. The DCA provides a high degree of certainty as the notice period for any rate change is highly regulated and requires significant public consultation. Guelph would support a transitional phase-in of rate requirements that do not extend beyond a two-year period during the time that a new DC By-law is introduced.

Action:
As the DCA already provides a high degree of fee certainty to the development community, Guelph recommends that DC obligations be determined at the time a building permit is issued and to seek out alternative phase-in language of increases to DC rates at the time of DC By-law approvals. Guelph does not support a phase-in or DC freeze period beyond 2 years.

Section 60 Regulations and Section 61 Transitional issues

The proposed Bill does not include the regulations or details regarding the transitional provisions that would provide municipalities more detail to quantify the real implications including the effective date of transition, the prescribed interest rate, the prescribed amount of time for frozen DC fees, and definitions of types of affordable developments. In addition to these omissions, it is also not clear how municipalities are to be compensated for over-drawn DC reserve funds for which debentures were used to fund the construction of large facility infrastructure. Guelph has $12.7 million in outstanding DC debt that was issued under the current DCA.

Actions:
Guelph requests that municipalities are engaged during the development of the regulations as these will be foundational for planning for an orderly transition of any of these changes.

In the event that a CBC is implemented and there is no choice to use the DCA as a more cost effective and reliable revenue authority, then Guelph would strongly urge the province to allow the CBC revenues to satisfy any remaining DC debt obligations remaining at the time of transition.

Planning Act:

Section 37: Combining parkland dedication, height and density bonusing, and community benefit charge into one authority

The proposed CBC would take three distinct revenue streams with unique purposes and authorities, like the conveyance of land, and consolidate them into one, less dynamic revenue tool. The parkland conveyance authority is fundamental to accessing land at the most affordable point in a development. If municipalities are required only to collect funds in lieu of parkland and in turn strategically buy parkland parcels throughout the city, this is a more expensive alternative and will decrease parkland affordability in the city. Removing the conveyance of parkland option will significantly increase the cost of development as buying land after an area is built up is more costly than acquiring it early in the development. This would effectively result in less overall parkland for residents and a decrease in access to open spaces and outdoor recreation opportunities.

The process of developing a Community Benefits Strategy would provide municipalities with greater flexibility for funding services; however, it will likely mean less funding in total to build community assets. If the intent of the legislation is to encourage growth and development, these proposed changes would mean that residents in new neighborhoods will likely see a drastically lower service level than those built under previous legislation.

Action:
Guelph urges the province to remove the either/or option for Section 37 or Section 42/51.1. Require a choice between soft DCs in the DCA or Section 37 of the Planning Act (with a provincially legislated cap) but not both. It is also encouraged that Section 42 remain intact to be used in conjunction with Section 37 or DCA to convey parkland

so we can ensure parks are available for future residents.

Section 37: Requirement to spend or allocate

The requirement to spend or allocate 60% of the funds received via the proposed CBC would drastically change how Guelph funds large recreation infrastructure. Funds to build arenas, swimming pools or acquire land for parks and sports fields require substantial investment that can take years of accumulation of funds to afford.

Action:
Guelph requests that the definition of the word "allocate" includes ear-marking funds for future large projects where spending will not occur for many years until funds are sufficiently accumulated.

Section 42 and 51.1: Eliminating the alternative rate

The proposed legislation removes reference to the alternative rate for parkland dedication. The contemplated changes would result in less parkland overall, and more specifically, less parkland for residents that purchase homes under the proposed legislation. This would either create a service level disparity between 'older' homes and 'newer' homes or would require that municipalities contemplate tax increases to maintain parkland service levels. This results in an increased burden on taxpayers and a significant shift away from the 'Growth pays for Growth' principle.

Action:
Guelph requests that the alternative rate for parkland dedication remains so that future communities can enjoy the same access to parks as older communities.

Section 37, 42 and 51.1: Transitional concerns

Due to the quick pace at which Bill 108 was drafted, with limited input from stakeholders, there has been little rationalization between the various Acts and even sections within the same Act. Guelph notes below a number of concerns and impacts that will arise with the passing of Bill 108 in its current form.

- Non application of Section 42(6.1) to CBC requires an amendment to the building code to include a section 37 by-law as applicable law.
- Non application of s. 42(7) to CBC means redevelopment will potentially be subject to a fresh charge even where parkland conveyance or even previous community benefits or DCs have been paid for the same services.
- Lack of rationalization between proposed Section 37 and 51.1 means that municipalities who chose to take land as a condition of subdivision approval will be unable to impose a charge for soft services. Alternatively, if a CBC is imposed, it may be forced to buy or expropriate land within the proposed subdivision from the developer for the provision of park and other recreational services which will likely require paying at a greater rate than the rate used to determine the charge.
- Key terms in Section 37 are not defined and will need further clarity in the development of the regulations including the words "allocated", "value of the

land", "land" and "development".

- Effect of repealing current Section 37 will be that the certain Official Plan (OP) policies that require "bonusing" to allow increased height will be unavailable. Amendments and updates to the OP will be required.
- Proposed Section 37 "in kind contribution" language appears to require reduction of payments to be based on estimates rather than actual costs. There is no allowance made to permit a credit where the amount of an in kind contribution would exceed the charge. No statutory power to enter into agreements, and nothing on how in-kind community benefits and DC credit for services agreements are allowed to interact. In kind contributions also do not appear to be limited to things included in the CBC by-law.
- Proposed Section 37 could be read as permitting multiple charges where there are multiple triggers; or the land value cap could be circumvented where multiple triggers exist.
- Proposed Section 37(13) appears to say "shall" where it should likely say "may".

Action:
Guelph strongly advocates for a delay in passing any of the changes to the DCA and Planning Act Sections 37, 42 and 51.1 until the implications can be studied more holistically. This will enable municipalities to implement any changes in an orderly transition. There are many legal concerns with the disconnectedness of the proposed Bill 108 language and its interacting Acts.

May 31, 2019

Hon. Steve Clark
Minister of Municipal Affairs and Housing
777 Bay Street
Toronto, Ontario M5G 2ES

Dear Minister Clark,

RE: Proposed Changes to Bill 108-More Homes, More Choice Act, 2019

Thank you for the opportunity to comment on the proposed changes to Bill 108:*More Homes, More Choice Act, 2019* (Schedule 5, 11 and 12). Although the City of Guelph supports building more housing to meet Ontario's growing needs, the City is concerned that Bill 108 threatens the ability of municipalities to develop complete communities and provide livable cities for all its residents.

Several changes proposed to the *Planning Act* jeopardize Guelph's ability to meet its community needs for parkland, affordable housing and other community benefits that enhance the wellbeing for all residents. Additional clarity on the proposed changes are also required to ensure that municipalities have the tools to consistently and fairly implement the proposed legislation. The City has attached additional comments related to Bill 108 and we appreciate consideration of our feedback.

We respectfully request to be included in future consultation when developing regulations associated with Bill 108 prior to the Bill coming into force. Transparent and extensive consultation with municipalities on regulations will be crucial to ensure we have a comprehensive understanding of the impacts of Bill 108. We look forward to ongoing discussions on Bill 108 and its associated regulations in the future. Please do not hesitate to contact me if you have any questions regarding the City of Guelph's feedback.

Sincerely,

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Administration's Comments

Schedule 12 – Amendments to the Planning Act

Section 16 (3) Additional residential unit policies

The City of Guelph (City) is supportive of providing opportunities to add additional residential units where appropriate. The City has been a leader in enabling additional residential units and we acknowledge their important role in increasing density and promoting efficient use of infrastructure. However, through our experiences and ongoing community feedback we also recognize that additional residential units can pose challenges if they are not properly regulated to consider the local context. Some concerns include parking considerations, servicing feasibility and safe access to units.

The City requests that the Province clarify that these policy directions are not as of right and would be subject to additional municipal regulations so that municipalities can ensure that additional units are sensitive to their local planning context.

Although the City understands and supports this concept to increase housing supply and agrees that the exemption for second dwelling units in new residential buildings would achieve more units. However, the City urges the province to put in place a mechanism to ensure this reduction to the cost of housing is transferred to the homebuyer.

Further, the City is requesting the province to acknowledge that exempting Development Charges (DCs) does not change the cost of the infrastructure required for that development and this is a form of cost downloading to the citizens of Ontario. The lost DCs that would have otherwise been collected on these units will need to be recovered from property taxes and user fees. The *Development Charges Act, 1997* (DCA) is based on a full cost recovery model, and any revenues not collected through DCs are subsidized by the property tax base.

Section 16 (5) Inclusionary Zoning

Providing affordable housing is an important area that Guelph continues to explore. There has been significant local interest in using additional tools to incentivize inclusionary housing options. As a result, it is disappointing to see that inclusionary zoning will no longer be a tool available to Guelph as these provisions have been limited to areas with protected major transit stations and development permit systems. The City believes that tools to assist with inclusionary zoning should continue to be supported and accessible in order to address the growing need for affordable housing in Guelph as well as communities across Ontario.

Reduction of processing timelines

Bill 108 has reduced the timelines for processing an official plan or official plan amendment from 210 days to 120 days, a zoning bylaw amendment from 150 days to 90 days and a draft plan of subdivision from 180 days to 120 days. The existing timeframes were previously examined as part of the province's review of the Planning Act, which occurred prior to the introduction of the *Building Better Communities and Conserving Watersheds Act, 2017* ("Bill 139" in the 41^{st} Parliament, 2^{nd} Session) and it was determined that the existing timelines introduced through Bill 139 were necessary to provide adequate time to assess planning matters, hear input from the public before making a decision, and enable municipalities to negotiate solutions to issues throughout the process. The timelines established in Bill 139 were lengthened to reduce the number of appeals and contribute to a more transparent and efficient decision making process. Now Bill 108 is proposing to condense the timelines for approvals to a period that is even shorter than the timelines pre-Bill 139. No additional study appears to have been conducted, or additional rationale provided, for these proposed reduced timelines. The City believes the proposed timelines in Bill 108 compromise the municipality's ability to make comprehensive decisions that consider public feedback. Therefore, it is recommended that the existing timelines as established in Bill 139 be maintained.

Section 37: Community benefits charges and changes to the *Development Charges Act, 1997*

The City of Guelph is opposed to the proposed changes to Bill 108 related to a community benefits charge. Guelph is committed to maximizing community benefits for residents and are concerned that the proposed changes will compromise our ability to provide these amenities. The proposed community benefits charge also appears inconsistent with the Province's commitment to ensure that "Growth pays for growth".

By removing options for land conveyance for parks and limiting the community services function of DCs, Guelph will be unable to provide parkland and a range of other community facilities and services that the community requires. The community benefits charge will be limited to a prescribed percentage which may force municipalities to choose between competing community needs. A percentage limit could also result in a financial shortfall and force the municipality to look to other sources of funding to pay for community needs or become unable to provide them at all.

In addition, the ability to provide additional facilities and services through increased height or density has been removed in Bill 108. The elimination of this provision prevents Guelph from using height and density bonusing as a tool to assist in addressing some of its rapidly growing community needs as it continues to develop.

Although the Province has stated a desire to provide municipalities with the resources to support complete communities, the community benefits charge will result in the opposite. The City of Guelph requests more information on how the percentage limitation on the charge will be determined. We request consultation on developing this percentage limit to ensure it will adequately provide for a diverse range of community needs and to confirm it will be based on the principle that "growth should pay for growth". Additional information is also required to highlight the financial impact of this provision so the City can assess how this charge compares to the benefits provided through existing Development Charges and conveyance of land for parks. This information will be crucial to ensure that Guelph can continue to support community benefits that improve the quality of life for all its residents.

From a municipal finance perspective, the proposed changes to eliminate DCs for the collective "soft or social services" will likely result in a capital funding shortfall for growth-related infrastructure required for indoor and outdoor recreation (parks, trails and recreation centres), libraries, public health, child care and social housing, homes for the aged, paramedic services and parking. Without the specific regulations, Guelph cannot quantify the impact of these changes. Nevertheless, we do know that it leaves approximately $155 million of capital funding vulnerable considering these monies were planned in our DC Study that was approved in February 2019. These services are critical to creating livable, healthy communities and it is expected that new populations/businesses fund the growth infrastructure that is necessary for services in the same way as the other critical services such water, wastewater, roads and fire/police services. The current DCA provides a measurable and equitable means to quantify the cost of these services in each municipality based on existing service levels. Replacing this system with a Community Benefit Charge (CBC) regime based upon land value has many faults:

i) Land value is subject to market conditions making it a very unreliable long-term financial planning tool – the Province advocates long-term capital planning with capital asset management plans and policies however is proposing to make a reliable capital revenue become unpredictable and unplannable.
ii) Land value can vary based on proximity to the GTA making it an unfair method for funding common infrastructure needed across the province. The cost of building a recreation centre or a park may only vary upwards of 15% across the province whereas land value in the GTA for a single family lot may be 20 times that of the same size lot elsewhere in the province. This will create the have/have-not effect of urban centres versus rural communities where the revenue generation tool is unequitable to the cost of infrastructure.
iii) The need for appraisals and the ability for the applicant to challenge the appraisal will create more burden and expense for municipalities rather than it creating a streamlined process that was the original intention of the province.
iv) In a regional or county government system, the DCA contained guidance for the apportionment of the DC revenue collected according to the

government body levying the charge considering it was directly attributable to their respective capital project plan. A system established on land value will create a new undefined, burdensome process to determine how this Community Benefit Charge would be allocated between the local and regional/county bodies.

Guelph recommends that municipalities be given the option to choose between the DCA and Section 37 CBC as the growth-related revenue tool for soft services. Let municipalities make a choice rather than forcing the implementation of a separate, cumbersome, costly and unnecessary CBC regime, which will require separate studies, by-laws and administration.

If the Province feels that reducing municipal development charges is necessary, it would be preferable to keep soft services in the DCA and simply limit the extent of recovery within the existing DCA to a cap as prescribed by the province.

Section 37: Combining parkland dedication, bonusing and development

The proposed CBC would take three distinct revenue streams with unique purposes and authorities, like the conveyance of land, and consolidate them into one, less dynamic revenue tool. The parkland conveyance authority is fundamental to accessing land at the most affordable point in a development. If municipalities are required only to collect funds in lieu of parkland and in turn strategically buy parkland parcels throughout the city, this is a more expensive alternative and will decrease parkland affordability in the city. Removing the conveyance of parkland option will significantly increase the cost of development as buying land after an area is built up is more costly than acquiring it early in the development. This would effectively result in less overall parkland for residents and a decrease in access to open spaces and outdoor recreation opportunities.

The process of developing a Community Benefits Strategy would provide municipalities with greater flexibility for funding services; however, it will likely mean less funding in total to build community assets. If the intent of the legislation is to encourage growth and development, these proposed changes would mean that residents in new neighborhoods will likely see a drastically lower service level than those built under previous legislation.

The City urges the province to remove the either/or option for Section 37 or Section 42/51.1. Require a choice between soft DCs in the DCA or Section 37 of the Planning Act (with a provincially legislated cap) but not both. It is also encouraged that Section 42 remain intact to be used in conjunction with Section 37 or DCA to convey parkland so the City can ensure parks are available for future residents.

Section 37: Special Fund and Requirement to spend or allocate

The requirement to spend or allocate 60% of the funds received via the proposed CBC would drastically change how Guelph funds large recreation infrastructure. Funds to build arenas, swimming pools or acquire land for parks and sports fields require substantial investment that can take years of accumulation of funds to afford.

The City of Guelph requests that the definition of the word "allocate" includes ear-marking funds for future large projects where spending will not occur for many years until funds are sufficiently accumulated.

Section 42 and 51.1: Eliminating the alternative rate

The proposed legislation removes reference to the alternative rate for parkland dedication. The contemplated changes would result in less parkland overall, and more specifically, less parkland for residents that purchase homes under the proposed legislation. This would either create a service level disparity between 'older' homes and 'newer' homes or would require that municipalities contemplate tax increases to maintain parkland service levels. This results in an increased burden on taxpayers and a significant shift away from the 'Growth pays for Growth' principle.

The City of Guelph requests that the alternative rate for parkland dedication remains so that future communities can enjoy the same access to parks as older communities.

Section 70.2. Orders re development permit system

The City of Guelph requests more information and clarification on the criteria for the Minister to require a local municipality to adopt or establish a development permit system. The City's previous examination of development permit systems illustrated that alternative instruments would be more effective in implementing the goals of the Growth Plan due to the challenges associated with a development permit system. As a result, greater certainty around this provision would allow the City to better assess the proposed change.

Appeal to L.P.A.T

Bill 108 proposes a fundamental shift in the system of land use planning appeals in the Province of Ontario, and generally repeals changes introduced through Bill 139. The effect of these changes is a return to the "de novo hearing" standard of review that had historically been applied in appeals to the former Ontario Municipal Board.

A return to the hearing "*de novo*" standard as proposed in the current Bill 108 is contrary to the province's agreement that municipalities are a mature, accountable order of government and that local governments should have the appropriate authority to uphold their provincially approved Official Plans and promote community driven planning.

The City of Guelph continues to support a system of true appeals under which reviews of planning decisions are undertaken on a standard of reasonableness, primarily based on the record before the approval authority. Elected municipal councils should continue to have primary responsibility for local planning decisions, as their decisions d comply with the *Planning Act* are consistent with applicable provincial policies they should not be subject to review by an external agency. The Local Planning Appeal Tribunal (LPAT) should have the power to overturn or replace a municipal level decision on a planning matter only under the conditions where the original decision is outside of its jurisdiction, is inconsistent with good planning principles (*e.g.* "political" decisions), or does not conform with relevant local and provincial planning policies.

A more appropriate balance between the current (*i.e.* post Bill 139) system and the previous (pre Bill 139) system would be to permit the LPAT to overturn or replace only those municipal decisions found to be lacking jurisdiction or not falling within a reasonable spectrum of good planning as established by local and provincial policies, and eliminating the current requirement to refer those decisions back to the municipal councils that made them. This will ensure the decisions of democratically-elected municipal council are respected while offering a more streamlined process for appeals. It would also encourage better decision making at the municipal level by providing improved guidelines on local planning matters and meaningful oversight of those decisions.

If the *de novo* standard is to be reintroduced despite the City's objections, the City of Guelph recommends that the *Planning Act* include stronger requirements that the LPAT fully consider the decision of municipal councils. There should be specific direction to the LPAT that it only replace a municipal decision with its own decision where there is a specific, identified, public interest in doing so. Where a municipal level decision satisfies applicable policies and the public interest, that the Tribunal might have made a different decision on the same facts should not, on its own, be sufficient grounds to overturn the decision of an elected municipal council.

The changes introduced through the current Bill 108 would also limit the ability for new evidence introduced at a hearing to be sent back to the municipality for review. This has the potential to undermine the process at the municipal level by discouraging applicants from putting their "best foot forward" as part of the initial application. The tactic of introducing a revised or "improved" application as the subject of a *de novo* review on appeal to the former Ontario Municipal Board was not uncommon before Bill 139. Combined with the proposal to reduce timelines for municipal review of applications, the effect will be to reduce the ability to improve applications at the municipal level and reduced input from elected municipal councilors on proposals before they may be appealed to the LPAT.

The City is supportive of changes that will allow the LPAT to restrict new evidence from being entered on the hearing of an appeal, as this is consistent with the view that appeals ought to continue to be based primarily upon the record of the application at the municipal level. The City would propose that these provisions be strengthened to indicate that the LPAT shall only allow new evidence to be introduced where it is satisfied that the municipal record is insufficient to make a decision on the appeal.

The City of Guelph generally supports restrictions on appeals, and who may be a party to an appeal, introduced through Bill 108 as long as they achieve the objective of reducing the number of appeals to local planning decisions. The proposed restrictions on appeals to non-decisions on official plans that are not exempt from approval are important, as they will resolve the current situation where the entirety of an official plan may be appealed by any person where an approval authority fails to make a decision on that plan. Restrictions on who may appeal a decision to approve or refuse a draft plan of subdivision will potentially result in a reduced number of appeals of municipal decisions. It must be noted, however, that there may be instances where other related applications required in conjunction with plan of subdivision applications (*e.g.* Zoning By-law amendments, Official Plan amendments) may remain subject to appeal by third parties. There may also be circumstances were legitimate public interest appeals will be restricted by these changes.

It is unclear whether the transitional rules introduced for *Planning Act* appeals will require existing appeals under the post Bill 139 system to be re-filed under the post Bill 108 system. The City of Guelph would request the opportunity to review and comment on the proposed regulations before this transition takes effect.

Section 37, 42 and 51.1: Transitional concerns

The City of Guelph notes below a number of additional concerns and impacts that may arise with the passing of Bill 108 in its current form:

- Non application of Section 42(6.1) to CBC requires an amendment to the building code to include a section 37 by-law as applicable law for the purposes of subsection 8(2) of the Building Code Act, 1992.
- Non application of s. 42(7) to CBC means redevelopment will potentially be subject to a fresh charge even where parkland conveyance or even previous community benefits or DCs have been paid for the same services.
- Lack of rationalization between proposed Section 37 and 51.1 means that municipalities who chose to take land as a condition of subdivision approval will be unable to impose a charge for soft services. Alternatively, if a CBC is imposed, it may be forced to buy or expropriate land within the proposed subdivision from the developer for the provision of park and other recreational services which will likely require paying at a greater rate than the rate used to determine the charge.
- Key terms in Section 37 are not defined and will need further clarity in the development of the regulations including the words "allocated", "value of the land", "land" and "development".
- Effect of repealing current Section 37 will be that the certain Official Plan (OP) policies that require "bonusing" to allow increased height and/or density will be unavailable (i.e. They will be capped at lower heights and densities then were previously available through the application of the existing section

37 of the Planning Act).
- Proposed Section 37 "in kind contribution" language appears to require reduction of payments to be based on estimates rather than actual costs. There is no allowance made to permit a credit where the amount of an in kind contribution would exceed the charge. No statutory power to enter into agreements, and nothing on how in-kind community benefits and DC credit for services agreements are allowed to interact. In kind contributions also do not appear to be limited to facilities, services or matters included in the CBC by-law.
- Proposed Section 37 could be read as permitting multiple charges where there are multiple triggers; or the land value cap could be circumvented where multiple triggers exist.
- Proposed Section 37(13), which deals with payment of CBCs under protest, appears to say "shall" where it should likely say "may".

Schedule 11 – Amendments to the Ontario Heritage Act

Changes proposed by Bill 108 to the Ontario Heritage Act (OHA) could significantly impact the City of Guelph's ability to conserve its heritage resources.

Adjudication of heritage designation by-laws and Part IV heritage matters by LPAT

Under the proposed changes to the OHA, Part IV designation by-law appeals would be adjudicated by the LPAT. Currently, Council has the final authority for heritage designation under Part IV of the OHA. Designations (and alterations) can be referred/appealed to the Conservation Review Board (CRB), but its members review the merits of a Council decision and make a recommendation back to Council- their decisions are not binding.

The City of Guelph has significant concerns with proposed amendments that reduce municipal Council's decision-making authority. It is recommended that municipal Councils retain their current authority on all Part IV heritage matters. Such appeals should only be permitted to new heritage designations initiated post-Bill 108.

Further, the City does not support broadening the scope and type of hearings managed by the LPAT. The inclusion of Part IV heritage matters under the LPAT's authority will add complexity to the heritage process, as well as incur additional staff resources and costs to municipalities and applicants.

LPAT adjudicators should have heritage expertise

The proposed elimination of the existing CRB hearing process and recommendation will give control over municipal heritage protection to the LPAT.

The City is concerned that the LPAT members will not have the heritage expertise comparable to that of CRB members. Taking authority over heritage designation away from municipalities could have a negative impact on heritage conservation, which should be determined locally as well as respected.

Alteration vs. demolition

Bill 108 proposes that appeals to a Council's decision with respect to both proposed alterations under section 33 and proposed demolitions under section 34 of the OHA, be adjudicated by the LPAT.

The City believes that municipalities should retain control over the final authorization of alterations to designated heritage properties. With the narrowing of the definition of "alteration", significant changes will be required to the City's heritage permit application process to ensure that the proposed legislative requirements are followed with respect to the proposed demolition of any heritage attribute.

Complete application requirements for alteration and demolition permits

Bill 108 proposes a new 60-day timeline for notifying property owners on when their (heritage permit) applications for alteration and demolition are complete – a new concept in the context of the OHA. However, the Bill is unclear in terms of what would occur in the event of a "notice of incomplete application."

The City recommends that a process to address incomplete applications should be provided by the legislation. Given the emphasis on expeditious decision-making and mandatory adherence to a complete application review for all alterations and demolitions, the City will need to review and adapt the existing heritage permit application process, including the creation of new documents for complete and incomplete applications.

Principles required to designate

Bill 108 proposes to amend the OHA to enable the Province to introduce "prescribed principles" in relation to Part IV properties as well as heritage conservation districts (HCDs) that a Council will be required to consider when making decisions about designating a property or district, or when making decisions affecting the property or district. Draft "prescribed principles" have not yet been released, and as such, the potential implications of this requirement are uncertain.

The City has concerns about the relationship between provincial "prescribed principles" and the stated objectives of a HCD Plan that is already in force. In addition, the new language that is proposed to be inserted into section 34.5(2) of the OHA makes it unclear how individual property attributes are intended to be regulated within a district plan area which, by definition, is intended to manage change on an area-wide scale and currently provides only general policies and guidelines for alterations. Consultation on the "prescribed principles" should be undertaken with municipalities to determine the extent of revisions required to the City's existing HCD plan.

Interim protection during designation process

The City requests that the Province clarify that a property subject to an appealed designation by-law would also be treated "as designated" for the purposes of the OHA until the matter is adjudicated by the LPAT.

Restricting designation to 90 days after a "prescribed event"

Under Bill 108, Council will be required to consider and make a decision on a notice of objection to the designation of a property under section 29(1) of the OHA within 90 days after the end of the 30-day period during which a notice of objection may be filed. Until municipalities have an opportunity to review the regulations, it is difficult to determine the full impact of the proposed changes.

Clarification of defined "prescribed" terms and revision of regulations

New (or revised) criteria for determining whether a property has cultural heritage value or interest could be prescribed as a result of Bill 108; however it is currently unknown to what extent the changes will be to the existing criteria set out in O. Reg. 9/06.

The City recommends that before Bill 108 is passed or its corresponding regulations finalized, municipalities should be consulted on what constitutes a "prescribed event" (in addition to "prescribed criteria", "prescribed principles," and all the non-existent supporting regulations).

Notice to owners regarding the listing of heritage properties

Under Bill 108, a municipal Council will be required to provide notice to owners within 30 days of its decision to list a property on the heritage register as a non-designated property of potential cultural heritage value or interest. Regulations will prescribe the contents of the notification. This is generally the process already followed by the City of Guelph, although the contents of the notice will require changes to ensure that the prescribed content is included.

Bill 108 proposes that property owners be able to object to Council's decision to list a property, and Council be required to consider any objection and make a second decision to confirm or remove the listing. Council would then provide an additional notice to the owner within 90 days of its decision.

Under the proposed new section 27(3) of the Ontario Heritage Act, the City recommends that a time limit for objections be specified. It is noted that this new objection process would not apply to properties included in the heritage register before Bill 108 comes into force.

The City recognizes that Bill 108 will substantially impact the resources available to heritage planners as it will require updates to internal procedures and information systems in order to ensure the delivery of heritage reports and notices within the specified timelines.

Schedule 5 – Amendments to the Endangered Species Act

The City of Guelph has a long history of protecting its natural heritage. In 1993, the Hanlon Creek Subwatershed Study put the City at the forefront of watershed planning in Southern Ontario. This led to a series of subsequent studies, which were a key influence on the evolution of our Official Plan policies. In 2010, the City completed its natural heritage strategy. This strategy provided the technical basis and background for the development of a new comprehensive set of natural heritage policies and the identification of a natural heritage system, one of the first in Ontario. These policies came into full effect in 2014. Through this environment first approach the City has made a commitment to protect, monitor, restore and enhance the natural heritage system to support biodiversity. Many of these commitments will be realized through the implementation of our Natural Heritage Action Plan that was developed in 2018.

The natural heritage system contributes to enhancing the quality of life within the city and represents a portion of the City's natural assets that supports natural processes, populations of indigenous species and sustains local biodiversity.

Recently the City of Guelph released its Community Plan, the culmination of a year-long engagement process where we heard from more than 10,000 community members, visitors, and City staff. One of the common community values identified in our plan is environmental stewardship. We are passionate about our green spaces and the beauty of our natural environment. We understand the crucial need to take care of it. We are proud to be environmental leaders, helping address pressing national and international concerns.

In light of the above, the proposed changes within Schedule 5 of Bill 108 (i.e. the proposed changes to the Endangered Species Act) are of concern to the City. Many of the changes run contrary to science-based evidence and decision-making. Further, the proposed change to allow proponents to take advantage of paying into a conservation fund rather than protecting Species at Risk and their habitats could potentially result in a net loss of species/habitats in Guelph. As proposed, the monies collected in this arrangement do not necessarily have to be directed towards the conservation of the particular species/habitat that was impacted and do not even have to be used for beneficial projects in the geographical area where the impacts occur. Additionally, the agency overseeing the fund would be able to spend a portion of the monies collected on its establishment, administration and operation. Overall, the proposed changes to the Endangered Species Act appear to represent reduced protection for Species at Risk and their habitats that will result in worse outcomes compared to the existing legislation.

Given our concerns, the City urges the province to remove Schedule 5 from Bill 108.

Information Report

Service Area	Infrastructure, Development and Enterprise Services
Date	Friday, June 21, 2019
Subject	**Downtown Community Improvement Plan – Background Report: 2010-2018 and Potential CIP Review Directions**
Report Number	IDE-2019-55

Executive Summary

Purpose of Report

- To present an overview of the previous Community Improvement Plan (CIP) which ended in 2016.
- To report on the City's Downtown Community Improvement Tax Increment Based Grant (TIBG) Programs: the Major Activation Grant under the Downtown Guelph Community Improvement Plan.
- To present draft directions for potential revisions to the Downtown CIP; and the City's financial approach to TIBGs.
- The next step in the process will be to present proposed revisions to the CIPs at a Statutory Public Meeting in accordance with the requirements of the Planning Act.

Key Findings

- In 2012, the City took a significant step in the coordinated establishment of improved investment programs through the Downtown and Brownfield CIPs. This supported the Heritage Redevelopment Reserve that was established in 2007 for the same purpose. These major programs were supported by the establishment of a Tax Increment Based Grant Reserve for each program. In 2017, these three TIBG reserves were consolidated into one Redevelopment Reserve Fund for ease of managing the administrative process.
- The programs were all designed to incent projects that would create significant tax assessment increases in areas deemed a high priority in the City. The corresponding property tax levy could be used to offset eligible costs recognized under the programs and fund the TIBG payments.
- The TIBG program established in 2012 had a total funding commitment of $33M. The City investments are estimated to support (both existing and projected):
    - $316 million in construction value (9X leverage)
    - $3.4 million in increased yearly City tax revenue
    - 827 residential units created
    - 16,000 m2 commercial floor area built or rehabilitated
    - $293 million in increased property assessment

    - 29 ha of contaminated land remediated (7 sites)
    - 331 estimated permanent jobs created
- The $33M City investment in TIBGs has leveraged a nine-fold private investment in strategic projects when fully built out approved projects will have increased the city tax revenue by approximately $3.4 million annually.
- The $33M funding envelope has been substantially committed since 2014, and as a result, no new major projects have been able to receive funding from the program in the past 5 years.
- Revisions to the Downtown CIP are being considered to reflect the evolution of the downtown real estate market since 2012 and to continue to align public investments with city building and economic development CIP objectives.

Financial Implications

The financial model approved by Council in 2012 was to fund the original $33M commitment to the TIBG program through an incremental annual build-up of the base budget for contributions to the TIBG Reserve Fund. Each year for ten years the funding would increase to a peak amount of $3.5M in 2021 at which point the base budget would then begin to decline back to zero in 2027. This funding strategy was in place to match the TIBG program requirements and commitments of $33M.

The proposed revisions to the CIP programs hinges on moving the financial commitment for redevelopment from a one-time TIBG program to a long-term sustainable redevelopment incentive program as recommended by Council on July 9, 2018, staff report IDE-2018-90. Staff are recommending that future funding for TIBG programs be modeled on the financial assumption that the base budget amount of $3.5M will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City.

By maintaining the base budget redevelopment contribution at the 2021 levels a total of $25M would be available for renewed TIBG programs between the years of 2022-2031. Sustained financial capacity to award beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new projects to be received or considered in late 2020.

Both the development community and the City realize the benefits of a long-term financial approach for redevelopment incentives. Program stability for the development community reinforces better and more strategic development projects as it removes the unwarranted sense of urgency to apply as quickly as possible. Further, it enables the City to be more flexible and agile to respond to development opportunities as they arise.

Report

Details

Downtown CIP Background

The Previous Downtown CIP was developed over the same period as the Downtown Secondary Plan consultations (2009-12). The Downtown Guelph Community Improvement Plan focus is on incentives that spur private sector investment in

Downtown Guelph, an area of the city that had seen little private development investment over the preceding 20 years.

The small scale programs were initiated in 2010. The first three programs (Feasibility Study Grants, Façade Improvement Grants and Minor Activation Grants) are funded through the BDE Operating Budget. Downtown Renewal staff have Delegated Authority to administer and award these grants, and report back annually on the programs.

These programs are based on the cost-sharing principles. The Study and Façade programs provide funding to a maximum of 50% public cost-share with limits on the City contribution. The Minor Activation program is a maximum 30% contribution by the City up to $120,000 per address. Grants are paid following the completion of the work.

The larger scale programs are known as the renovation grants; the Major Activation Grants are tax-increment based incentives that are funded through the Redevelopment Incentive Reserve shared by the Brownfield CIP and Heritage Redevelopment Reserve Policy. These grants, because of their scale, remain as Council approvals. They also work based on grant payments not being made until the work is complete and reassessed. Both the Minor and Major Activation Grants target, at different scales, the redevelopment of vacant or underutilized sites that would explicitly add new assessment value as well as other public or economic activation benefits to the Urban Growth Centre. These programs were approved through an amendment in 2012.

CIPs exist in many municipalities that surround the City of Guelph, particularly around the challenges of core area investments in mid-sized cities that continue to grow through greenfield expansion areas. The cost and complexity of urban renovation or development projects means that projects are generally not competitive compared to suburban development forms.

The CIP contains a range of scale of programs to support initiatives that would both renovate existing buildings as well as incent major new projects. The goal is to improve the downtown by encouraging existing businesses and owners to re-invest as well as land new projects and enterprises and to build a new economic environment in an area that has had little private investment and lagging assessment growth as a result.

A policy developed early on was that while the CIP tool does allow municipalities to incent private developments in one geographic area distinct from others, there would remain a level playing field in terms of requiring all City fees and development charges (DCs) to be paid.

The Downtown CIP was also established as a response to the provincial growth planning directions. The Downtown Secondary Plan outlines the vision of intensified land use in Downtown Guelph, and the CIP has been a key tool to shift the momentum and spur the transformational shift contemplated in the plans.

Brownfield CIP Background

Brownfields are abandoned, idled, or underused properties where expansion or redevelopment is complicated by real or perceived environmental contamination as a result of historical land use practices. These sites can have significant environmental, economic and social impacts on the community. However, remediation and redevelopment can result in improvements to soil and groundwater conditions, lead to job retention and creation, improve public safety and security and allow for efficient use of existing hard and soft services.

The purpose of a Brownfield Redevelopment CIP is to provide financial incentives that partially offset the cost of investigation and remediation of sites with redevelopment potential and stimulate private investment in brownfields.

The City's first Brownfield Redevelopment CIP was approved in 2004 and established the following financial incentives:

- Environmental Study Grant (ESG) program
- Tax Increment Based Grant (TIBG) program
- Tax Assistance (TA) programs

The Brownfield CIP has been reviewed/updated in July 9, 2018 and approved by Council, staff report IDE-2018-90.

Heritage Redevelopment Reserve Program Background

While Guelph had, on an ad hoc basis, supported early heritage projects (the Mill Lofts and Stewart Mill) through the use of tax increment based grants, the policy was formalized in 2007 following the Gummer Building fire and subsequent support of that project as the first approved under the Heritage Redevelopment Reserve Policy (HRR).

The HRR is possible through broad provisions under the Ontario Heritage Act allowing municipalities to "grant or loan" funds toward the conservation of designated heritage resources. The HRR uses the TIBG approach, looking at the pre- and post- development assessment increases created by a project to support the conservation and restoration of elements related to the designation by-law. Sites that have been supported through this policy also enter into a Heritage Conservation Easement Agreement to establish appropriate controls over the long-term protection of elements that have had public investment support.

Tax Increment Based Grant Mechanism

The Major Activation Grant program in Downtown CIP, the Brownfield CIP's TIBG program, and the HRR program all rely on the tax increment based grant mechanism. TIBGs use the increase in City taxes (tax increment) generated by an increase in property assessment as a result of the renovation to offset eligible costs related to the project. Each of the three programs outlines different eligible costs connected to the goals of the program. The grant is the lower of the eligible costs, the tax increment for 10 years or the upset limit set out in the agreement.

TIBG programs are popular among municipalities because of their low risk. There is no grant funding paid until the redevelopment project is complete, the property is reassessed, and increased taxes have actually been collected.

In 2012, Council approved a CAFES Report 12-01 that set the financial and accounting parameters for the three TIBG programs with a $33 million funding envelope. This envelope was largely committed by 2014 and the City has not been able to award large TIBGs since that time.

TIBG Programs Performance

Overall, the CIPs have been successful in incenting private development that has remediated and redeveloped brownfields, intensified downtown, conserved cultural heritage resources. The CIPs have brought about long-term fiscal, economic, social and environmental benefits as part of these incented projects. The TIBG programs are the highest value programs within the CIP and the HRR programs.

The City has awarded 17 TIBGs applying to 11 sites with estimated grants valued at $32.5 million

Table 1 TIBG Grant Values by Project

Program	Projects	Grant Value
Downtown	7	$19.4M
Brownfield	6	$10.3M
Heritage	3	$2.8M
Total	**11***	**$32.5M****

*Does not sum because three projects have multiple grants.

**The remaining $500k from the original $33M envelope is budgeted for Brownfield Environmental Study Grants.

CIP and TIBG Funding Review

Reviews of both CIPs have been initiated and include lessons from administering the CIPs over the past five years. Staff are reviewing the funding mechanism for TIBGs to allow the continuation of this valuable program. The Heritage Redevelopment Reserve Policy is not a CIP and is not under review at this time, although it is affected by the TIBG funding discussion. The Brownfield CIP was updated and approved in 2018.

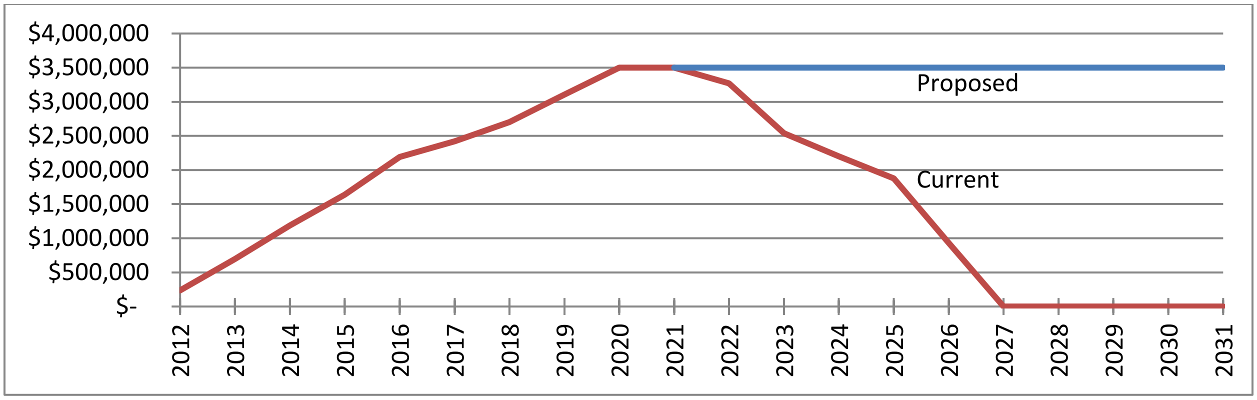
Draft Future Directional Changes to the CIP Plan

1. Long Term Sustainable Funding Approach

The financial modeling approved to fund the original $33M commitment to the TIBG program called for an incremental annual build-up from 2012 to 2021 of the base budget for contributions to the TIBG Reserve Fund to a peak amount of $3.5M at which point the base budget would then begin to decline back to zero in 2027 (see the red line on Chart 1 below). The funding strategy was originally planned over a ten-year period but has extended to a 15-year timeline to match the expected grant expenditures; the estimated base budget peak year of $3.5M will be reached in 2021.

Staff are recommending that funding for TIBG programs be modeled on the financial assumption that the base budget amount of $3.5M will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City (see blue line in Chart 1 below). Further, staff are recommending that this amount be indexed annually effective 2022 to keep the redevelopment program competitive with the tax rates in effect in future years.

Figure 1 - TIBG Reserve Fund Base Budget Strategy



Reconfiguring the one-time five-year program to a long-term sustainable redevelopment model better supports long-term strategic projects that will most benefit the city. Furthermore, reliability and stability in the program better supports the development community with a longer time horizon offering more flexibility in program design to meet changing needs. Sustained financial capacity beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new grants to be reviewed and considered in 2020.

2. Downtown, Brownfield and Heritage TIBGs

In 2012, the programs were opened up on a 'first come, first served' basis. And while the $33M budget was established through the combined estimates of uptake, with each program identified and allocated, this structure was modified as opportunity projects came to be identified through applications. This meant that the initial 'allocations' had to be adjusted between programs – with the result that Downtown projects took more of the allocation than initially projected. The reallocation led to tension and confusion amongst the public and developers. Staff would like to address this dynamic in future administration of the programs. Staff will suggest proposed funding envelopes for each of the three programs while being able to have some flexibility to the distribution of the funds.

Table 2 - Funding Allocation of Previous CIP

Funding Allocation	2012 Projection (in millions)	2020 Committed (in millions)
Downtown CIP	$12	$19
Brownfield CIP	$16.5	$10.5

Funding Allocation	2012 Projection (in millions)	2020 Committed (in millions)
Heritage	$4	$3
TOTAL	$32.5	$32.5

Whereas the Downtown TIBG is premised as a discrete program with 5-year program iterations, and used to incent specific redevelopment goals, the Brownfield program does not have the same discrete 5-year focus and is viewed as open to address ongoing community benefits of addressing site contamination issues in the city. That is, while remediation and redevelopment of brownfield sites results in increased tax revenue from previously under-utilized or abandoned properties, the fundamental benefit is how the program mitigates potential risk to groundwater resources, reduces risks to human health and the environment, and enhances the City's social well-being.

Accordingly, additional flexibility is proposed for the Brownfield TIBGs that would enable the City to support valuable projects on a continuous basis within certain financial parameters. TIBGs would continue to be reviewed by staff and awarded on a case-by-case basis and recommended for approval by Council.

The existing framework of the programs may be left in place but changes in the focus of the plan achieved through developing a strategy for targets for more non-residential development and investment could be a looked at. Changes in focus may be achieved by considering eligibility, relative levels of program support by type of use, content of evaluation of applications, greater concordance between the Downtown and Brownfield CIP.

Staff are considering that Downtown grants be evaluated in a competitive framework such that grants are allocated to the best projects within a specific annual 'envelope'. Staff are also considering an annual call for proposals with projects to be evaluated against clear evaluation criteria and then brought to Council for approval.

3. Review of Downtown CIP Targets and Possible Revisions

Given the investment environment in 2010, the eligibility requirements for the first round of Downtown TIBG funding were wide open – all types of land uses were supported. The Downtown Secondary Plan places a significant emphasis on creating new downtown residential development, and as there had been no privately developed residential projects over the previous two decades, these were seen as equally important to other development types such as employment or commercial projects.

With the success of the first five years in the residential market, the recalibration of efforts towards employment is under consideration. While there have been smaller successes, there has not been significant new office space created in downtown as yet.

Although value of downtown residential real estate has increased dramatically since 2010, development costs have increased as well. The development industry have indicated through discussions that there is still shortfall in market values to make downtown residential projects truly viable. Residential development in the Downtown can be expected to remain as the main opportunity for development plans and necessary to achieve required return on investment.

The potential need to continue to support residential development exists but, the opportunity also exists to increase/influence the nature and levels of assistance to specific forms of non-residential use as a standalone developments and/or mixed use development.

The amount of assistance for non-residential development can be greater than for residential on a per sq.ft. basis. This could be reviewed on an annual basis. Accordingly, staff are considering a reduction or phase out to grant amounts for residential development but sustaining the current scale of the program for commercial and office development.

4. Development Charge Deferral

The most fundamental critique of the TIBG mechanism, is how late the benefits/payments come in the project's development timeline. Grants earlier in the timeline would be more impactful to the proponents, per City dollar invested. One potential revision that is under review/consideration is allowing TIBG grant recipients under all three programs to have all or a part of their Development Charges (DCs) deferred up to the amount of the upset limit and eligible costs within the grant programs. DCs would be recovered with interest through the TIBG payments.

Next Steps

Revisions to CIPs follow the same Planning Act process as Official Plan amendments. Subject to Council feedback, the next steps will be:

- Stakeholders meetings, first one held on May 7, 2019, second planned for August 2019;
- To formally present proposed revisions at a statutory public meeting of Council;
- Revisions to the plan based on stakeholders meetings and Council Feedback;
- A decision in late 2019. Concurrent with the recommended approval of CIP revisions, the recommended sustainable TIBG funding model will be presented to Council for endorsement.
- Following the approval from Council the CIP report will be forwarded to the Ministry of Municipal Affairs and Housing for review.

Financial Implications

Funding of the TIBG's are based on revenue received through property taxes based on development or improvements and the corresponding property tax increment. Thus if there is not an increase in property taxes levied and paid there will not be a TIBG for the property. This is an extremely low financial risk mechanism that allows municipalities to incent growth. This also ensures that after the TIBG is paid out there is an ongoing additional revenue stream from those additional property taxes the municipality may otherwise not have had.

The financial modeling approved to fund the original $33M commitment to the TIBG program called for an incremental annual build-up of the base budget for contributions to the TIBG Reserve Fund to a peak amount of $3.5M at which point the base budget would then begin to decline back to zero. The funding strategy was originally planned over a ten-year period but has been stretched to fifteen years to match the TIBG program, it's estimated that this base budget peak year will be reached in 2021.

The proposed revisions to the CIP programs hinges on moving the financial commitment for redevelopment from a one-time TIBG program to a long-term sustainable redevelopment incentive program. Staff are recommending that funding for TIBG programs be modeled on the financial assumption that the base budget amount of $3.5M (to be reached in 2021) will continue in perpetuity until such time that financial incentives are considered not required for redevelopment in the City. Further, staff are recommending that this amount be indexed annually effective 2022 to keep the redevelopment program competitive with the tax rates in effect in future years.

By maintaining the base budget redevelopment contribution at the 2021 levels, a total of $25M would be available for renewed TIBG programs between the years of 2022-2031. Sustained financial capacity to award beyond 2021 would enable the TIBG supported programs to be re-opened and would allow new projects to start as early as 2022.

Potential Affects from Bill 108

Bill 108 which is part of the Ontario Government's Housing Supply Action Plan, has received Royal Assent on June 6, 2019. The impact of this Bill may have changes to the DC payment calculation and timing of the payment, which may result in cash flows and reserve fund shortfalls – which in turn may potentially delay the growth related servicing of downtown infrastructure. Further review of the Bill will have to be studied and determine the effects on this program.

Consultations

An initial stakeholders meeting was held on May 15, 2019 to obtain feedback from developers that have used the program in the past, there were 7 individuals in attendance. In support of the Downtown Community Improvement Plan, a statutory public meeting will be held in the coming months to obtain feedback from key stakeholders who have had direct experience with the previous programs.

Corporate Administrative Plan

Overarching Goals

Innovation

Financial Stability

Service Area Operational Work Plans

Our Services - Municipal services that make lives better

Attachments

Attachment-1: City of Guelph Downtown CIP Background Report, Prepared by Sierra Planning and Management

Departmental Approval

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CITY OF GUELPH

DOWNTOWN COMMUNITY IMPROVEMENT PLAN:

BACKGROUND REPORT

Sierra Planning and Management
advice • strategy • implementation

April 2019

Contents

1 INTRODUCTION AND PURPOSE

1.1 Retained Services

The City of Guelph currently operates two Community Improvement Plans (CIP) in the form of the Downtown CIP and the Brownfield CIP. In addition, financial incentives for heritage restoration are contained in the Heritage Redevelopment Reserve (HRR) Program which is provided for under the Ontario Heritage Act. The Downtown CIP has elapsed based on its five-year mandate and the intent of this project is to update and re-establish the Plan and its funding.

The City of Guelph commenced an update to the Downtown CIP in 2017, at the same time as a related reassessment of funding was required for both the Brownfield and Heritage Incentive plans. An update to the Brownfield CIP was initiated at the same time, which has since been approved (as per Staff Report IDE-2018-90, dated July 9, 2018) and is now in effect.

The City has retained the services of Sierra Planning and Management to undertake the process of completing the update to the Downtown Community Improvement Plan (CIP) in terms of consulting advice and Plan development, integrating with the work completed by City staff to date. Importantly, the mandate for this work is not isolated to the Downtown Plan but should be considered as part of a coordinated funding strategy applicable to all the City's plans in place at this time – namely the combined rationale for funding the Downtown CIP, Brownfield CIP and Heritage Redevelopment Reserve (HRR) Program.

1.2 Purpose of this Report

In addition to summarizing the existing Downtown CIP programs, program take-up / funding to date, and other incentives offered by the City, this report addresses a number of key items or questions that must be answered in order to determine how best to move the Downtown CIP document forward. These items are outlined below:

1. Justification of the quantum for the ongoing annual contribution to a funding reserve to support Tax Increment-Based Grants (TIBGs);

2. Analysis of the allocation of the annual funding contribution to each of the Plans (whether this is a formal allocation or flexible guidance) and the extent to which the plans can be adjusted to reflect differing priorities for type of development (residential versus office versus other); and

3. Establishing a protocol for effectively aligning available funding to those projects which are deemed to represent the most effective use of public resources (i.e. effectively the projects which generate the most significant ongoing benefits to the City). This will result in a clear process of evaluation of applications.

These items, as addressed within this report, are backed by primary and secondary research undertaken by the consulting team to inform this process.

It has not yet been determined if changes will be required to the City's Official Plan, however, the draft update plan developed in the next phase of work will reference all relevant enabling policies.

1.3 Limitations of Analysis

The contents of this report and its analysis is based, in part, upon a range of primary and secondary sources. Sierra Planning and Management endeavours to ensure the accuracy of all secondary sources of information but cannot warranty the accuracy of secondary source material. In the event that secondary source information is inaccurate or incomplete, Sierra Planning and Management will not be held liable for original errors in data.

This report and the information contained within it is prepared specifically for the purposes as laid out in this report. Reliance on information and opinion contained in this report for other purposes is not recommended. The contents of this report should not be extracted in part from the entire report without the permission of Sierra Planning and Management.

1.4 Relevant Background

As identified above, the City of Guelph currently has three tax increment-based incentive programs available for take-up - the Downtown Guelph CIP, the Brownfields Redevelopment CIP, and the Heritage Redevelopment Reserve (HRR) Program. An overview of these programs is provided in the following exhibit with further details provided in the sections below.

Exhibit 1: Summary of Incentive Programs Offered by City of Guelph

	Downtown	**Brownfield**	**Heritage**
Type:	**CIP**	**CIP**	**Policy**
Purpose:	Stimulate private sector investment to meet Downtown Secondary Plan targets.	Incentivize redevelopment of contaminated properties.	Encourage redevelopment of protected heritage properties.
Programs Available:	1. Feasibility Study 2. Façade Improvement 3. Renovation (minor) 4. Major Redevelopment (TIBG)	1. Environmental Study 2. Tax Assistance during remediation 3. Remediation Assistance (TIBG)	1. Redevelopment of Ontario Heritage Act protected resources (TIBG)
Location:	Urban Growth Centre	City-wide	City-wide
Established:	2010; 2012 Major Amendment	2004; 2012 Update	2007
Update:	2017 (overdue)	2018 (completed)	As and when required.

Source: Sierra Planning and Management based on City of Guelph data

1.4.1 Existing Downtown CIP Programs

The Downtown Guelph Community Improvement Plan (CIP) is a tool to revitalize and enhance the Downtown as a focal area for public and private investment. The focus of the Downtown CIP is to deliver municipal incentive programs to support private sector investment in the form of façade improvement, feasibility study grants, and larger-scale renovation and redevelopment programs called minor and major downtown activation grants. The existing Downtown CIP has 4 distinct programs that provide a variety of financial incentives to land owners and developers. The exhibit below provides an overview of these programs and identifies any key funding changes proposed to date in the draft update to the Downtown CIP.

Exhibit 2: Overview of Existing Downtown CIP Programs

Program	Description	Eligibility	Eligibility Provisions	Funding
Façade Improve-ment Grant Program	To stimulate reinvestment in the Downtown by providing incentives to promote exterior façade restoration / improvements.	Located within CIPA; Property's registered owner, assessed owner, or tenant.	Improvements must address Downtown Façade Improvement Guidelines; Commercial uses on ground floor.	50% of eligible work cost up to max $10,000 per property address with one façade; max. $20,000 for corner lots; $30,000 for properties with multiple addresses / facades. **Proposed increase in max. amount to $12,000, $24,000 and $36,000 respectively.**
Feasibility Study Grant	Allows property owners to determine if building renovations or upgrades are physically or financially feasible.	Located within CIPA; Property's registered owner, assessed owner, or tenant.	Only buildings with likelihood for renovation / reuse at higher potential are eligible.	50% of cost of eligible feasibility study costs to max. grant of $5,000 per building; Grand total is the lesser of 50% of the cost of the eligible work or $5,000.
Minor Downtown Activation Grant Program	Supports re-development of underutilized and vacant properties into viable commercial or residential uses; Assists with capital costs (incl. project, construction) for converting /	Located within CIPA; Property's registered owner, assessed owner, or tenant; min. of 2 residential units or 2,153 sq. ft. (200 sq. m) of	Priority given to residential or mixed-use projects; Grant may be in addition to existing grants secured through other City incentive programs (BRCIP, HRR) or other non-activation grant	30% of project's capital costs of redevelopment/ rehabilitation up to max. of $120,000 per municipal address. **Proposed increase to max. $140,000 per municipal address.**

Program	Description	Eligibility	Eligibility Provisions	Funding
	rehabilitating under-utilized/vacant lands.	office / commercial.	programs[1] within the DCIP - when there is duplication of eligible works, costs will not be funded twice.	
Major Downtown Activation Grant Program	Supports redevelopment of underutilized and vacant properties to encourage large-scale residential and commercial redevelopment; Grant in the form of a Tax Increment Based Grant (TIBG) to enable larger scale investment to increase business and residential tax base.	Located within CIP Area; Property's registered owner, assessed owner, or tenant; min. of 8 residential units or 8,611 sq. ft. (800 sq. m) of office / commercial.	Financial incentive may be granted in addition to other existing grants, but costs are not funded twice.	30% of project's construction value, or max. amount equal to 100% of increase to municipal portion of taxes up to 10-year period, whichever is less. **Proposed decrease to 30% of construction value, or max. amount equal to 80%[2] of increase to municipal-portion of taxes up to 10-year period, whichever is less.**

Source: Sierra Planning and Management based on Downtown Guelph CIP Implementation Guidelines, 2012.

1.4.2 Related Programs

Related incentive programs offered by the City - the Brownfield Redevelopment Community Improvement Plan and the Heritage Redevelopment Reserve Program - complement the Downtown Guelph CIP, as described below.

Brownfield Redevelopment Community Improvement Plan (2018 Update)

The updated Brownfield Redevelopment Community Improvement Plan contains financial incentive programs to stimulate private sector investment in the remediation, rehabilitation, adaptive re-use and redevelopment of a brownfield site. The program is designed to partially offset the cost of site assessment and remediation through three complimentary programs that

[1] 'Non-activation grant programs' are understood to be the Façade Improvement Grant Program and the Feasibility Study Grant Program.

[2] The plan update will consider other percentages, including TIBGs for residential properties to be equal to 50% of the increased municipal property taxes.

can be applied to the same project: Environmental Study Grant (ESG), Tax Assistance (TA), and Tax Increment Based Grant (TIBG). All three programs are set to run for a duration of 5 years from the date of the 2018 CIP update approval.

Exhibit 3: Brownfield Redevelopment CIP Programs Summary

Program	Details
Environmental Study Grant (ESG)	• Grant equivalent to 50% of the cost of a Phase II Environmental Site Assessment, designated substances and hazardous materials survey, remedial work plan, or risk assessment. • Maximum total grant of $30,000 per property/project. • Maximum of two studies per property/project.
Tax Assistance (TA)	• Offset site investigation and remediation by cancelling municipal property taxes and education property taxes for up to three years. • Cancellation of education property taxes is subject to approval by the Minister of Finance.
Tax Increment Based Grant (TIBG)	• Offset site investigation and remediation costs, and LEED® costs using a grant equivalent to 80% of the municipal property tax increase created by the project for up to 10 years after the project completion.

Source: Sierra Planning and Management based on approved 2018 update to the Brownfields Redevelopment CIP.

Heritage Redevelopment Reserve (HRR) Program

The City of Guelph has established a Heritage Redevelopment Reserve (HRR) Program to reduce costs associated with the retention of heritage features during redevelopment projects by providing incentives that encourage the preservation, restoration or re-use of designated cultural heritage features.

The HRR uses the Tax Increment Based Grant (TIBG) approach by examining the pre-and post-development assessment increases created by a project to support the conservation and restoration of elements related to designation by-law.

1.4.3 Program Funding History

Tax-Increment-Based Grants (TIBGs) Funding

Funding for tax increment-based grants (TIBGs) under each of the CIPs and the Heritage Redevelopment Reserve Program (HRR) is administered on a combined basis under a single reserve established by Council. To date, funding commitments have amounted to $33 million since 2012 (when the TIBG was added to the CIP) with approximately 14 projects accounting for a 100% commitment of these reserve funds. The City's $33 M investment in TIBGs will result in an increase of $3.4 M in City tax revenues annually.

As a result of offering the program on a "first come, first serve" basis, no new major projects have been able to use the programs since 2014. Of these 14 projects, and specific to the Downtown CIP, 6 projects have received approval for grants totalling $19 million since 2012. The initial funding allocations assigned in 2012 included $12 M for the Downtown CIP, $16.5 M for the Brownfield CIP, and $4 M for the Heritage Program. Due to the popularity of the Downtown CIP programs, a larger share of the allocation was taken than initially thought.

Funding for Other Programs

Other funds available in support of the Downtown CIP, include a range of grants through the Feasibility Study Grants, Façade Improvement Grants, and Minor Downtown Activation Grants (added in 2012). A summary of the total grants issued for each of the programs is provide below.

Exhibit 4: Downtown CIP Programs Take-Up Summary (2010 – 2016)

2010-2016 Downtown CIP Minor Program Activity				
	Grants Issued	**Construction Value ($)**	**Total CIP Grant Value ($)**	**Leverage (Public$ to: Total$)**
Feasibility Study Grants (2010-2014)	2	$40,248	$14,950	1 : 2.6
Façade Improvement Grants (2010-2014)	47	$2,133,897	$627,934	1 : 3.4
Minor Activation Grants (2012-2016)	4	$2,337,934	$443,800	1 : 5.3
Totals:	**53**	**$4,512,079**	**$1,086,684**	**1 : 4.2**
2012-2016 Downtown CIP Major Program Activity				
	Grants Issued	**Construction Value ($)**	**Total CIP Grant Value ($)**	**Leverage (Public$ to: Total$)**
Major Activation Grants (TIBGs) (2012-2016[3])	6	$235,500,000	$19,351,163	1 : 12.2

Source: Sierra Planning and Management based on data provided by the City of Guelph (Staff Report IDE-18-01, dated February 12,2018).

Notes: Projects that are not completed or have been cancelled are not included above.

[3] Major Activation Grant program was unavailable in 2015 and 2016 due to all funds being committed by 2014.

It is understood that since its inception in 2010, the Downtown CIP has been funded at a level below the recommended amount (except for 2012 when a major amendment to the CIP was completed and the Downtown CIP program was funded at the recommended level of $260,000, as per Staff Report IDE-18-01). Details of the historic program funding levels from the City's Operating Budget are provided below.

Exhibit 5: Historic Downtown CIP Program Budget Contributions (2010-2016)

Total Funding for Downtown CIP Programs (excl. Major Activation Grants (TIBGs))							
	2010	**2011**	**2012 (Major CIP Amendment)**	**2013**	**2014**	**2015**	**2016**
Budget Amount	$140,000	$160,000	$260,000	$130,000	$130,000	$130,000	$130,000
						Total Program Funding:	**$1,080,000**

Source: Sierra Planning and Management based on data provided by the City of Guelph (Staff Report IDE-18-01 Attachment 1, dated February 12,2018).

Based on the goals and targets that will be established as a result of stakeholder consultation, the final plan update will recommend the appropriate level of funding. Based on our review of programs in other larger communities, this determination should be referenced against the type (or suite) of programs on offer – for example, in those communities where a Development Charge-equivalent grant is utilized, this program alone can increase the required funding for non-tax increment programs by a significant degree. We further note that, notwithstanding that DC-equivalent grants are ultimately to be funded through a CIP or other non-DC reserve, municipalities have pursued different strategies to achieving this, including establishing the CIP reserve over time in response to expenditures incurred in advance of full funding of the reserve. It is also evident that where the DC-equivalent grant is a significant amount, some municipalities have debentured the amounts required (for example in some major industrial CIP applications).

1.4.4 Project Area Description

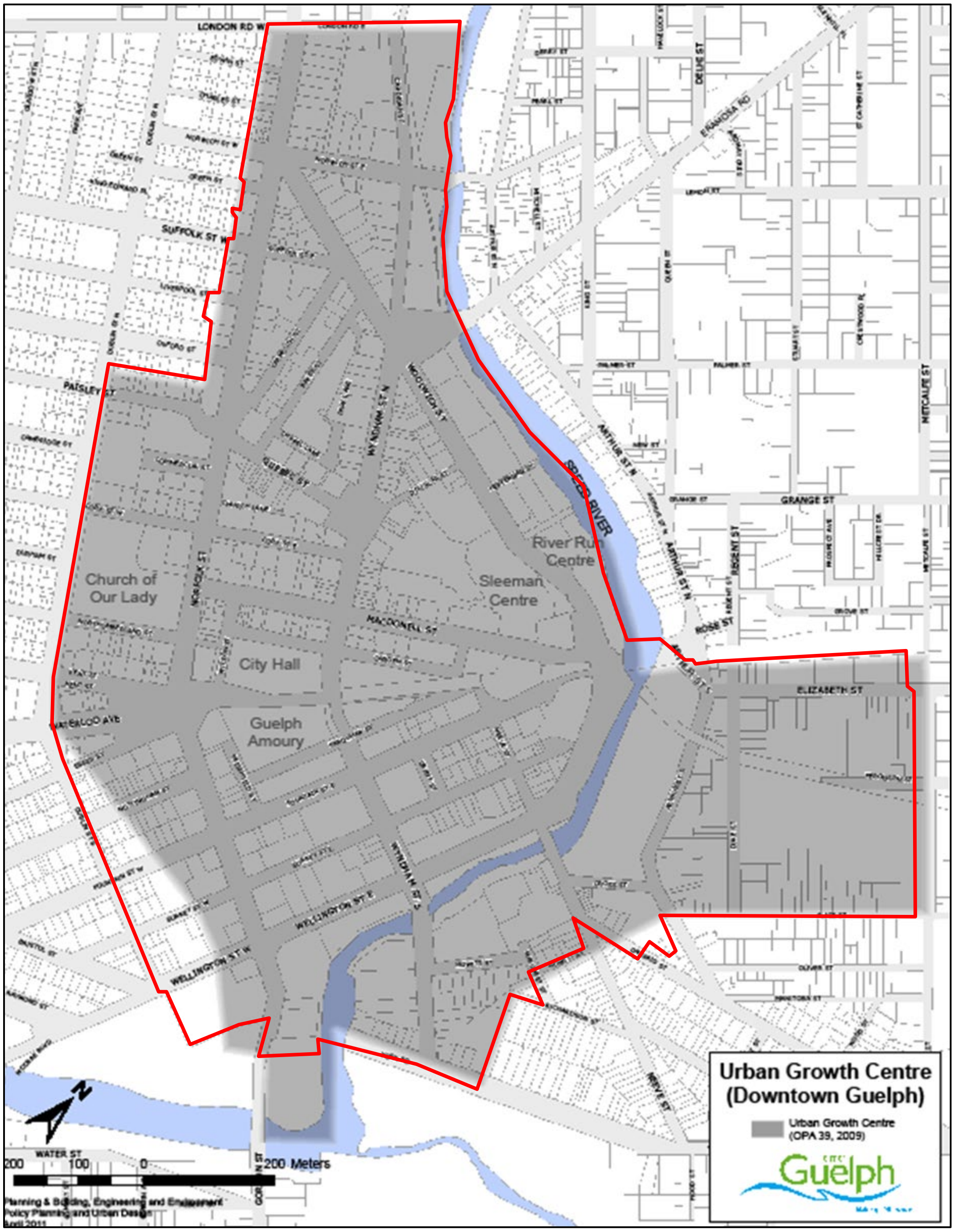
The existing Downtown CIP Project Area (CIPA) is generally bound by the Speed River to the north, Dublin Street and Norfolk Street to the south and west, and Howitt Street and Alice Street to the east. The CIPA is shaded on the following exhibit.

As identified within the Downtown CIP document (2011), these boundaries reflect the Downtown Guelph Urban Growth Centre[4]. However, since that time the Downtown Guelph Secondary Plan has been developed (2012, consolidated 2016) which amends the boundary for

[4] An 'Urban Growth Centre' is defined within the Growth Plan for the Greater Golden Horseshoe (GGH) as "mixed-use, high-density, and public-transit oriented developments, which are meant to become focal points within the GGH".

Downtown Guelph slightly. This new boundary is shown on the exhibit below in red, overlaid on the current CIPA.

Exhibit 6: Existing Community Improvement Project Area and New Downtown Boundary (as per Secondary Plan)



Source: Downtown CIP, 2011 and Downtown Secondary Plan, 2016, City of Guelph

At the time of the Secondary Plan approval in 2012, the 2006 Provincial Growth Plan for the Greater Golden Horseshoe (GGH) was in effect, which targeted 40% of intensification to be within the built boundary, with the Urban Growth Centre (UGC) expected to accommodate a significant share, , and identified that Downtown Guelph UGC should be planned to achieve a minimum of 150 residents and jobs (combined) per hectare.

Proposed changes released on January 15th, 2019 simplifies the minimum intensification and density targets approach to reflect local realities and make it easier to understand and measure the impacts of growth. For Guelph, this translates into a minimum intensification target of 50% of growth to be accommodated within the delineated built-up area[5]. Resident and job density targets remain unchanged for the Downtown Guelph UGC.

1.4.5 Relevant Staff Reports

As relevant to this assignment, Staff Report IDE-2018-01 Downtown, Brownfield and Heritage Grant Performance Monitoring: 2010-2017 and Potential CIP Review Directions, dated February 12, 2018, was developed to provide Council with details related to the overall performance of the existing incentive programs. The key recommendations identified within this report include:

- Consideration for recalibrating the Downtown CIP program to focus on employment / office uses;
- That Downtown CIP TIBGs be evaluated in a competitive framework to incentivize the 'best projects' within a specific annual allocation; and
- Potential amendments to enable all TIBG recipients to have Development Charges (DCs) deferred up to the amount of the eligible costs within the TIBG, which would then be recovered (with interest) when TIBGs are paid out.

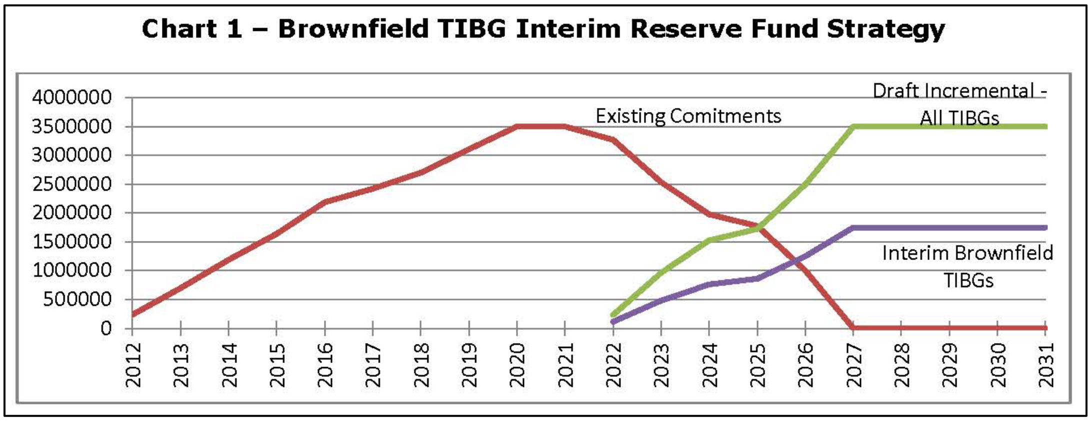
Since then, Staff Report IDE-2018-90 Decision Report: Brownfield Redevelopment Community Improvement Plan Update, dated July 9, 2018, was developed to provide the updated Brownfield Redevelopment CIP for approval as well as an interim framework for the financing of the Brownfield TIBGs. The February 2018 Staff Report detailed a modified approach to the future financing of the TIBG programs, but with the delay of the Downtown CIP update, a financing strategy for Brownfields has been developed to ensure that the Brownfield CIP programs are available over the interim period. This approach includes:

- An annual budget amount of $3.5 M for TIBG programs that is held constant until the desired development results are achieved (as initially discussed in the February Staff Report), rather than declining back to zero in 2027, as was previously the case. This is in line with the original funding envelope developed in 2012 of $33 M; and

[5] Delineated built-up area can be defined as all lands within the defined built boundary or urban area for the purposes of measuring the minimum intensification target set forth in the Growth Plan.

- Identification of distinct funding envelopes for each of the three incentives (as per February Staff Report), and that in the interim, half of the incremental funds be made available to the Brownfield TIBG (see exhibit below for details). This would enable up to $116,000 to be available for grant payments in 2022, increasing to $1.75 M by 2027.

Exhibit 7: Interim Funding Strategy for Brownfield TIBG (Extracted from Staff Report)



Source: City of Guelph Staff Report IDE-2018-90

1.5 Next Steps: Consultation and Downtown CIP Revisions

This information report will inform the future work required on this project, both consultation process planned to occur in early 2019, as well as the required revisions to the Downtown CIP document.

2 COMPARATIVE RESEARCH

2.1 Introduction and Focus

The purpose of comparative research was to address the specific questions that have arisen in the course of considering the updates to both the Downtown CIP as well as its sister document, the Brownfield Redevelopment CIP. For both of these plans there were, and are, ongoing questions as to the following:

1. When is the assistance to development in the Downtown and on Brownfields sufficient to pare back funding? This question raises a number of additional perspectives, all of which are addressed later in this report under emerging directions;

2. Is the funding envelope for tax increment-based grants sufficient – is it too high, too low? And how is funding for tax increment assistance addressed as policy in other municipalities?

3. What should the funding amounts be for all of this going forward? And what should the split be (if any) between the Brownfield CIP, Downtown CIP and the Heritage component?

4. How does the Plan secure the most effective benefits for Downtown such as incenting commercial development more than residential development, pursuant to City policies which can emerge from its commercial lands strategy, and the need and opportunity to create new employment in the downtown as required by provincial planning policy and guidelines.

The interim funding solution for the Brownfield Plan is a reflection of the need to answer these questions and staff reporting to date necessitates a strategy for combined approaches to funding such that final funding plans for both plans can be put in place. Our comparative assessment is designed to illustrate how other cities have pursued their plans regardless of whether they have actively asked the above questions or followed common practice. Nonetheless the section which follows, and the appendix material is a detailed compendium of such structure which can be used to offer alternative directions for completing the update to the Downtown CIP, finalizing funding pots and engaging in meaningful consultation with stakeholders prior to making final recommendations.

2.2 Overview

The following provides a case study review of a range of CIP supports for downtown renewal and office/commercial-focused (re)development. These incentive programs were assessed considering the complexity of issues faced in Guelph.

For the purposes of this document, CIP program support for major centres in the Greater Golden Horseshoe (GGH) have been summarized, and include:

- City of Vaughan;
- City of Toronto;
- City of Oshawa;
- City of Hamilton;
- Town of Ajax;
- City of Waterloo;
- City of Mississauga; and
- Town of Richmond Hill.

The research included a longer list of cities[6] which were progressively less relevant to Guelph, but which showcase the spectrum of approaches and common practice.

A summary of the fuller suite of CIPs reviewed as part of this assignment is provided in the Appendix A. The case studies researched include a variety of incentives, including but not limited to, those related to the development of brownfield redevelopment, commercial development, and community revitalization. This is relevant because the research is undertaken to gain perspective on the questions above – we therefore include not only downtown CIP programs, but also sector-specific plans and brownfield plans as these provide applicable policy approaches to funding and implementation of financial incentives.

The research was focused on assessing the following:

- Scale and breadth of programs offered specific to downtowns in larger cities, including sector-specific plans and/or programs;

- Approaches to funding of significance for Tax-Increment Based Grants, regardless of the type of incentive offered;

- Provision of defined intake periods; and

- Evaluation methods and criteria used to determine which applications were successful.

Collectively these areas enable a picture to emerge of how CIPs are organized in other medium to large cities and therefore the implications for updating the Downtown CIP for the City of Guelph.

[6] Additional cities researched include Barrie, Brampton, Cambridge, Cobourg, Kingston, Kitchener, Ottawa, St. Catharines, Thunder Bay, and Windsor.

2.3 Research Findings

2.3.1 Sector Focused Plans and Programs

Research Outcome: Certain Plans are Target-Driven

Based on our research it is evident that the majority of plans are conceived of in practical terms, focusing on the inputs necessary to achieve generally held objectives. Accordingly, and understandably, the plans focus on the funding availability and the program benefits with often less consideration for a precise enunciation of the required outcomes of the program.

This statement simplifies the reality that plans do differ in the extent to which they are constructed to deliver a specific outcome. This represents a gradient from those programs that do not specify targets other than the obvious ones - eligible area and type of development – residential or commercial, brownfield clean-up or building or landscape improvements, heritage buildings, etc. – to programs which are highly sector-focused. Truly outcome focused CIPs are those that specify a target achievement of either investment of built space. This is, of course, easier done in some markets and development contexts than others (the greenfield Vaughan Metropolitan Centre being one that is more definable in terms of expected outcomes than an historic downtown or more complicated land ownership and building mix such as in the Yonge Street corridor of Richmond Hill).

- The City of Vaughan and the City of Mississauga, both major centres within the GTA, have both initiated Community Improvement Plans to incentivize office development focused within the downtown core areas. The CIP for Vaughan offers incentives that are geared towards encouraging major office in the Vaughan Metropolitan Centre (VMC) (i.e. 107,639 sq. ft. (10,000 sq. m) or above in GFA). Office projects with a minimum of 53,820 sq. ft. (5,000 sq. m) are eligible for support under Mississauga's CIP. Programmatic support through Vaughan's CIP is also provided for the Weston Road & Highway 7 Primary Centre.

- Both municipalities have set targets for the amount of office space to be developed through the CIP – Vaughan is targeting the development of 1.5 million sq. ft. (139,355 sq. m) of office space while Mississauga is targeting 500,000 sq. ft. (46,452 sq. m) within the downtown core.

- These CIPs have come into effect based on the existing challenges faced by the municipalities. In the case of Mississauga, and similar to Guelph, office relocation to greenfield employment areas has resulted in losses to the downtown. Both communities, however, have sought to reduce the higher cost of urban office development through a CIP tool to address intensification and employment growth priorities.

- In the case of Vaughan, this is primarily an economic development project to compete effectively with other emerging central business districts in the 905 Region of the GTA and create a viable commercial office centered on high density, speculative office development that can support a variety of transit-oriented development. In short, to spur the development of a city centre. In that regards, targets are essential. Targets could reasonably be included in an updated Downtown CIP in Guelph as long as mechanisms are in place within the plan to achieve these.

Research Outcome: Sector Targeting

It is important to note that the urban landscape in Guelph is quite different from that found in the VMC or Mississauga's downtown. These urban nodes have larger land areas and parcel fabric offering greater opportunity for new office development – in particular, major office uses.

- Within these two urban CIPs, Tax Increment Equivalent Grants (TIEGs) is a key support offered to office projects. The City of Vaughan also offered - via its Section 28 CIP provisions - Development Charges (DC) relief in two variations: the first being a DC Grant / Reduction which "freezes" the total applicable City-wide DCs at a discounted rate, as well as a DC Deferral program. Cash-in-Lieu (CIL) of Parkland Exemption / Reduction is also offered in Vaughan - developments which provide at least 10,000 sq. m of office space will receive a 100% parkland exemption for the office. If the office space is part of a mixed-use development, a discount of $4,400 for each high-density residential unit is applied towards the CIL rate for every 70 sq. ft. (6.5 sq. m) of office space provided.

- While not solely dedicated to incentivizing office development, the City of Toronto also provides for a Tax Increment Equivalent Grant for targeted sectors to develop specific uses (including corporate office, corporate headquarters, and office space) through the Imagination, Manufacturing, Innovation and Technology (IMIT) Program. This program is offered on a city-wide basis, excluding the Financial District and the Liberty and Queen/Carlaw SmartTrack Station areas.

Research Outcome: Recognize Market and Land Ownership Constraints

The Town of Richmond Hill has recently enacted a CIP focused on encouraging new office development with a target of 125,000 to 150,000 sq. ft. (11,613 to 13,935 sq. m) of office space annually within the Town's Centres, Corridors and older business parks. This came about due to the fact that the Town has experienced slow growth in the development of office space in the past and wanted to focus support for it within the designated Centres, Corridors and older business parks to help meet municipal employment targets.

In the case of Richmond Hill, the older lot fabric of the Yonge Street corridor has, for many years, constrained the pace of change along this commercial strip due to the need to assemble lands. It has also led to a market preference for residential development, in part because of the density transition necessary to scale down to the surrounding neighbourhoods, but also because of the lack of land available for large footprint commercial buildings and their parking needs. Larger sites and ample room for parking in the business parks has led to a range of lower density office developments in the City's business parks – and a consequential lack of commercial development in the Yonge corridor.

To overcome this, the CIP works with the market – not by precluding residential development, but – by promoting incentives for second and third floor offices above ground floor retail as part of mixed-use projects. Residential-only development is not supported.

The approach in some municipalities is to recognize that downtowns cannot easily compete with out of town locations, or even business parks for the ease of commercial development and the resolution of the expensive question of on-site (underground or otherwise) parking. It is not a taxation matter within the same jurisdiction but certainly a development cost issue. As such, the CIP needs to be realistic in its capacity to intervene and redirect the land development market, especially if the scale of financial incentives is limited to either tax increment grants or development charges-equivalent grants.

Research Outcome: Create CIP Programs that Solve Known Problems of Development

It may seem counterintuitive to raise the need to focus Downtown CIPs on specific problems when the aim was general downtown renewal but following the initial success of a broader approach to downtown rejuvenation, tailoring the level of program support to specific aims and objectives is a realistic option to consider.

There are many municipalities that have utilized Section 28 provisions to meet very specific economic development goals – CIPs specific to areas which can promote certain sectors. Sometimes the CIPs are even more prescriptive, limited to one specific kind of development:

1. Targeting wind farm manufacturing, agritourism;
2. Agritourism;
3. Hotel; or
4. Seniors Housing.

Some are broader employment land CIPs designed to achieve build-out of existing older business parks, retain existing employers by facilitating expansion in-situ, or act as inward investment attractors.

The common thread among these plans is a willingness to design a suite of financial incentive programs, a community improvement project area and an eligibility framework that targets certain outcomes and is more surgical in nature as a result.

In addition, plan makers have been willing to operationalize these plans on an as needed basis – using the programs and CIP created for certain periods of time until some level of development is achieved (such as the development of a hotel), then rescinding the program until warranted in the future based on the municipality's understanding of the real estate and investment market. In other cases, the scale of the incentives on offer decline over the duration of the CIP – the maximum funding allowable under a program is achievable subject to evaluation requirements in year 1, while the scale of resources on offer declines if the application is submitted in year 2, or year 3, and so on.

Research Outcome: Downtowns are complicated and broad support for development remains an effective strategy

In the context of a large, multi-faceted economy such as the downtown, a simplistic approach to sector-specific promotion is more likely to run into obstacles – both market and political. The most effective way to intervene to adjust the land market in the direction that is most desirable from a public policy perspective is to a) recognize the limited capacity of the municipality to fund development through incentives and b) support a breadth of development in downtown but progressively favour the development of employment over residential uses.

Downtowns are public and civic hubs and therefore any CIP for a downtown environment needs to balance all of the potential benefits associated with new investment. This may translate into preference given to projects that are deemed to contribute to the public realm and overall synergies created, even if the land use mix is not per a sector-specific strategy.

2.3.2 Funding Approaches

Research Outcome: Funding Levels Vary Considerably

Of the case studies reviewed, funds allocated to CIP programs were typically in the range of approximately $500,000 to $2.4 M per year. The City of Toronto is an outlier with an annual allocation of $34 M from its operating budget for just one of its incentive programs (IMIT Program).

Five of the eight CIPs reviewed have an enactment period in place which is typically 5 years. Those CIPs that do not identify an enactment period include:

1. City of Toronto IMIT Program which will be in force on a continual basis until the set goals of the CIP have been achieved, with a review undertaken every four years, and

2. City of Oshawa Urban Growth Centre CIP, while continuous, the City has the ability to discontinue any program within the CIP without requiring an amendment to the CIP.

The City of Hamilton identifies separate funding amounts available for its distinct CIPs, which are typically location-oriented. For example, it allocated over $1 M in 2018 for Downtown-focused initiatives and just under $1 M for initiatives specific to the Barton/Kenilworth Corridor. Additionally, it allocated $250,000 for brownfield development through its ERASE CIP, the CIPA of which overlaps with the Downtown CIPA, as is the case in Guelph.

Research Outcome: Approach to Funding Varies

Based on our review of funding approaches in place to operationalize the CIPs reviews, it is evident that funding is based on an approach that best serves the municipality in question. In smaller communities that we have worked in, the potential to create CIP reserves of sizeable proportions in a short period of time is often not workable and hence alternative mechanisms are often pursued. Either this can be a reliance on tax increment grant funding, or Development Charge-equivalent grants where DCs are chargeable, or it can involve innovation in municipal finance to achieve a one-time contribution to one of more corporate reserves. As an example, this can arise from the sale, refinancing or full amortization of financial obligations that are already reflected in the tax support requirements of the municipality. The revenues or cost savings can be applied to many projects, including infrastructure but also a CIP reserve.

The establishment of a CIP reserve is necessary to fund the various programs. The reserve requirement is important in the case of major funding such as from a DC-equivalent grant. Whether the DC is paid, and a grant provided for part or all of the DC charge, or simply an accounting transfer, the funds need to be sourced from a CIP reserve in order for the DC reserve account to balance. This assumes that the municipality wishes to ensure that the DC reserve is effectively made whole at the time of the incentive rather than at some later time. In all cases, as legislation dictates, the DC charge itself cannot be adjusted upward from what the charge would otherwise be simply to cover the grants paid to CIP applicants. The grant is a Section 28 funding mechanism, must be funded from a reserve, and the DC reserve must not be increased to cover this CIP grant by charging higher DC rates.

The concern on the part of the development community, as evidenced in the stakeholder consultations for the Brownfield CIP update, that the use of tax grants represents a back-ended funding solution when a more front-ended solution is preferable.

In our experience the extent to which a municipality is willing to address this is a direct reflection of the importance that is placed by the municipality in the development in question – in other words, it is a direct response to the problem identified that needs a CIP solution.

- Many municipalities are willing to provide both front-ended support in the form of minor grant funding for planning approvals, feasibility studies, environmental assessment as well as back-end funding in the form of tax increment grants;

- Fewer municipalities are willing to provide both large upfront grants in the form of DC equivalent grants and back-ended tax increment grants. However, this varies dramatically depending on the problem for which the CIP is attempting to solve (or opportunity that it is seeking to achieve). In the case of certain industrial CIPs, any and all funding through tax grants, tax cancellations, and DC grants (if not outright DC exemptions) are pursued to achieve the investment (or retain the investment).

- A number of municipalities are willing to consider the use of DC grants and tax increment grants on a partial basis so that the needs of the applicant and the fiscal impact to the municipality are managed more effectively.

Research Outcome: City of Guelph Funding Reserve Approach Represents Effective Financial Management

There has long been a debate regarding the use of tax increment funding. This is not restricted to CIPs. The notion of a tax increment is that the development yields an incremental increase in taxation. Tax increment funding is used in a range of areas including funding public infrastructure and facilities where the commercial development arising from such infrastructure is deemed to be a function of the initial investment in public capital. As such, the taxation generated can be applied to the costs of financing the public infrastructure. This approach is used for a variety of types of investment that require public funding infusion and include sport and entertainment centre, arenas, and more.

The notion of a tax increment for incentivized real estate development, building renovation or expansion is similar – that the development would not have occurred in the same manner, or in a timely manner , or would not have likely happened in the foreseeable future, if the incentive was not provided. In this way, the tax revenue is deemed to be found-revenue that otherwise would not have arisen and as such is a source of funding that can be provided to the project rather than absorbed into general revenues.

Although this is a simplification, it points to the policy that foregoing revenues is acceptable because of the longer-term benefits of the development. Some municipalities have placed restrictions on the amount of the increment which can be used as an incentive and there are a number of reasons for this, including the stepped approach of a declining amount of increment in the later years of a tax increment grant agreement.

We are not aware of any detailed assessment that has been undertaken as to the net fiscal impact of a tax increment grant – that is, the extent to which for a given period of time (say the period of the grant itself plus 5 years) there is a draw on municipal operational resources because of the existence of the development and hence a negative impact. Largely, the revenue is considered foregone revenue, justified on the basis that without the grant, the revenue would not have been created.

Another, perhaps more broadly agreeable, view is that the tax increment is a cost of doing business in order to achieve development on complicated sites and in non-market preferred areas. This is precisely the role of the CIP – to achieve adjustments in either the location, timing or form of development to meet the public interest.

The City of Guelph is in the minority of municipalities that have actually built reserves to fund tax increment grants rather than list the funding as simply foregone revenue. It is foregone for a period of time but does represent a cost to the municipality and therefore funding the tax increment from a built-up reserve represents effective financial management. Presumably, the costs of building the reserve are factored into the tax support requirements on an annual basis, thereby ensuring that the municipality is made whole in terms of operational costs associated with the ensuing development.

We do question therefore why the tax cancellation program under the brownfield plan is termed a "foregone revenue" program. While any education-portion taxes are foregone, these are not to the municipal account. However, the municipal taxes are generated as a result of development and therefore whether considered foregone or otherwise, the principle is exactly the same as for the tax increment grant programs. Accordingly, for consistency at least, tax cancellation should be part of the funding pot reserve. We recognize that tax cancellation under the Provincial BFTIP program (Brownfield Financial Tax Incentives Program) is limited in its extent of usefulness and does not have a significant take-up.

The benefits of budgeting the TIBG/CIP grant funds in a reserve include:

- Minimize the impact on the operating budget;
- Increased transparency;
- Improved financial reporting (liabilities); and
- Better financial control.

The next element of comprehensive planning is to build on the fact that the City has a reserve fund in place by gaining as much intel as possible on the applications that can take advantage of the funding. Accordingly, having a set intake period can assist with this. Refer to Section 2.3.3 below for further discussion.

2.3.3 Intake of Applications

Research Outcome: Guided Application and Intake Deadlines can offer Focus, but with limits

Of the case studies examined, a majority of municipalities allow intake for all CIP program applications on a continuous year-round basis (no defined intake periods). The City of Oshawa and the City of Waterloo do have defined semi-annual intake periods but only for their minor grant programs. Intakes occur semi-annually – one in the spring and one in the fall. Each intake period is approximately a 4 to 6-week window with a pre-requisite for applicants to attend a pre-application meeting with City staff. The purpose of these specified periods is to ease the administrative burden and required resources for application processing.

Above and beyond that, having specified period for receipt and evaluation enables a comprehensive evaluation approach to unfold, so that funds can be apportioned based on relative merit. Evaluation on a first-come-first-served approach is still based on merit of the application but this is made far easier by having an intake deadline so that all projects in a given period (e.g. once a year) can be clearly evaluated on an "apples to apples" basis.

There are however some drawbacks with this approach:

1. While administrative ease is important in a staff resource-constrained environment, so is the need to respond to investment opportunities. For the small-scale applications for façade improvement and building renovation grants there is no significant advantage to restricting intake to a limited number of times per year, other than administrative efficiency. Only if funds are highly limited for these programs does this approach offer a balanced solution.

2. Even if intake deadlines are put in place for any project that involves a major tax increment grant (or potentially a DC-related grant), this only benefits the City to the extent of potential applications in any one year. Because intake would have to be at a minimum once per year, it does not provide intel on applications that may be submitted in the following year or two which may potentially be better projects for such funding.

Where all of this leads is the clear realization that processes to achieve effective intel on future projects is as important to the adjudication of funding allocations as the submissions themselves. Only by investing staff time and placing the responsibility for full disclosure of plans on the part of land owners and their developer partners, can the funding envelope be effectively managed over the duration of a CIP.

It is therefore an important aspect of the CIP update to ensure materials and processes are in place to continue to work with the land owners and development community so that a strategic plan for the distribution of the CIP reserve can be more clearly demarcated. This is not easy, but it can serve as a basis to make decisions such that public funds are geared not only to projects that have the best potential benefit to the public interest but which are also timely and which do not have a degree of uncertainty attached to them that might result in significant delays and diminish the effectiveness of the CIP.

Research Outcome: TIGS not restricted to Intake Deadlines

When looking at the intake periods for Tax Increment / Increased Assessment Grant Programs, all municipalities reviewed continuously accepted applications - many of which are provided on a first-come, first-serve basis as long as the eligibility criteria was met and within the limits of available funding. Research found that this is typically done because intake dates may not be in line with the schedules of the major development projects and waiting for the intake period may not be feasible.

The Town of Ajax accepts applications for their TIEG at the same time as the developer's submission of site plan applications or other planning related application processes.

In those CIPs that we have drafted, we draw a distinction between approval in-principal for back-ended grants such as TIGS and final approval. This is necessary because approval can only be conditional until all of the required development has occurred and the timelines for such are in line with municipal expectations.

In view of this, it is possible to undertake an intake deadline approach to projects for major tax grants as a way to flesh out clearly what the timelines are for development as well as the expected funding draw from the reserve. This can be on the basis of applications for approval in principle with a requirement to meet stated conditions and timelines in order to maintain approval status.

2.3.4 Evaluation Methods and Criteria

Research Outcome: Program Support and Evaluation Should Increase Municipal Capacity to Manage Spending for the Best Projects – A move toward more pro-active plan management

Achieving the right mix of projects rests significantly on a strong and consistent evaluation process year to year as well as information as to the possibilities for other applications forthcoming in the current and next fiscal year (as discussed above).

Based on the research undertaken for this assignment, municipalities across the Greater Golden Horseshoe (GGH) employ a variety of methods for assessing and evaluating applications as well as the criteria upon which the decision is based. These have been summarized below.

Identifying Priority Sites within the CIP

The Town of Ajax Downtown CIP identifies priority development sites which take precedence over other applications in the queue. The targeted sites are / were primarily vacant lands within the Downtown CIP project area. The CIP has generated a total of 6 development proposals, which are currently all in different stages of the development process, 3 of which are on priority sites. These are being developed as medium to high density residential and mixed-use developments.

Competitive Scoring

The City of Oshawa and City of Mississauga administer the TIEG program grants on a scored case-by-case basis. In Mississauga's case, scoring enables the level of incentive to be tied to the quality of the development and the City's strategic objectives. The criteria is weighted in favour of projects that advance the vision of the Downtown21 Master Plan and are aligned with the City's Official Plan, Downtown Built Form Standards, and other City policy documents.

The City of Oshawa provides for a similar evaluation or ranking process, prioritizing the highest scoring applications to receive grants. Criteria is focused on the level of job creation, intensity of uses, benefits to the community, and project construction value.

This type of evaluation is objective and detailed, but it is based on taking applications as they come, and adjudicating based on a concept of project merit. This is made easier where the assumption is that the tax increment funds from each project are net new funds and are foregone as a result of the grant. **In the case of the City of Guelph where the specific reserve represents a cap of available tax increment funding, a more effective basis for determining**

<u>how to use that cap may be warranted.</u> Furthermore, an annual cap might be better viewed as a guideline and the potential to go above and below that line is warranted as long as the overall cap for the duration of the CIP is not overspent.

Other Scoring Methods

The City of Waterloo employs an evaluation matrix to determine the total level of funding granted to applicants for the Major Activity Program (Tax Increment Grant) associated with Employment Uses. This is determined based on the constructed project square footage, floor space ratio (FSR), whether it is a designated heritage resource, and/or whether it achieves LEED or other sustainable standards recognized by the City. As the achievements increase for the built project, the amount of grant funding and the duration of the grant increases.

For example, those projects that achieve a minimum floor area of 5,000 sq. ft. (465 sq. m), minimum FSR of 1.0, and have no designated heritage resource and no sustainability certification receive 80% of the municipal tax increment associated with employment uses over a 6-year period. Those projects that achieve a minimum floor area of 5,000 sq. ft. (465 sq. m), minimum FSR of 1.0, have designated heritage resource, and achieve sustainability certification receive 100% of municipal tax increment associated with employment uses over a 10-year period.

These methods are perhaps the best that can be established – an attempt to set clear outcomes that are policy-desirable and work to achieve these. Despite its understanding of the local development market, the municipality cannot fully predict the market and other dynamics that impact when projects come forward.

However, as part of this CIP update process, it is intended to assess language to help the City manage its funding commitments. This includes placing clear obligations on timing of construction initiation, scale of development, as well as phasing of development and the capacity of the City to revisit funding commitments annually for projects approved in principle but which have not moved forward based on agreed terms.

3 IMPLEMENTATION AND ELIGIBILITY FRAMEWORKS

3.1 Methods to Target Downtown Plan to Achieve Balance Between Commercial / Mixed-Use and Residential Projects

3.1.1 Guelph Downtown Applications to Date by Type of Land Use

The projects approved within the first five years of the CIP were focused on the residential market, set to create approximately 827 housing units. These projects included only 16,000 sq. ft. (1,486 sq. m) of total commercial space, mainly comprising retail and service space. This reflects market dynamics and policies through which the CIP should be viewed in order to effect a greater degree of commercial development. Our review is also considering whether the City should rework the CIP to focus on attracting employment and office uses to locate within the downtown core by phasing out the grants available for residential but retaining those available for commercial and office uses. As discussed in Section 2.0, the achievable form of commercial development in the Downtown should become a more prominent aspect of the implementation plan.

3.1.2 Applications in Progress / Prospective Applications

Select properties have been identified by the City to be targeted for redevelopment utilizing the Tax Increment Based Grant (TIBG) over the next 5- and 10-year periods. Those properties targeted by the City for the next 5 years (to 2022) are mostly mixed-use in nature, as summarized below. The locations of these properties are depicted on Exhibit 10.

Exhibit 8: Potential CIP Priorities within 5 Years (2018 to 2022)

			Development Potential			
Site	**Address**	**Land Use Designation (per DSP)**	**Residential Units**	**Commercial (sq. ft.)**	**Institutional (sq. ft.)**	**Projected Payment Start Date**
A	45 Yarmouth	Residential	75	5,000	-	2021
10	Baker	Mixed-Use	350	25,000	80,000	2025
13	Market Fresh[7]	Mixed-Use		25,000	-	2023
17	WCDSB (assumed office)	Mixed-Use		20,000	20,000	2025
27	Metalworks – Ph. 4	Mixed-Use	150	15,000	-	2024
35	NW Gordon / Wellington	Mixed-Use	80	10,000	-	2022
38	PetroCan Site	Mixed-Use	140	10,000	-	2023
46	71 Wyndham S	Mixed-Use	140	-	-	2022
		TOTALS	**935**	**110,000**	**100,000**	

Source: Sierra Planning and Management based on information provided by the City of Guelph.

[7] Current assumption with parking and re-opening second floor.

In terms of these prospective applications, the table below expresses the balance of uses in terms of gross floor area by assuming an average residential gross floor area per unit of 750 sq. ft. On this basis, over three quarters of the potential future development in the Downtown is residential in nature, with commercial at only 12% and institutional at 11%.

Exhibit 9: Potential CIP Priorities within 5 Years: Breakdown of Total GFA by Land Use

			Development Potential						
			Residential		Commercial		Institutional		
Site	Address	Land Use Designation (per DSP)	Est. GFA [8]	Est. % of Total GFA	sq. ft.	Est. % of Total GFA	sq. ft.	Est. % of Total GFA	Total Non-Residential GFA as % of Total
A	45 Yarmouth	Residential	56,250	91.84%	5,000	8.16%	-	0.00%	8.16%
10	Baker	Mixed-Use	262,500	71.43%	25,000	6.80%	80,000	21.77%	28.57%
13	Market Fresh[9]	Mixed-Use		0.00%	25,000	100.00%	-	0.00%	100.00%
17	WCDSB (assumed office)	Mixed-Use		0.00%	20,000	50.00%	20,000	50.00%	100.00%
27	Metalworks - Phase 4	Mixed-Use	112,500	88.24%	15,000	11.76%	-	0.00%	11.76%
35	Gordon / Wellington NW Corner	Mixed-Use	60,000	85.71%	10,000	14.29%	-	0.00%	14.29%
38	PetroCan Site	Mixed-Use	105,000	91.30%	10,000	8.70%	-	0.00%	8.70%
46	71 Wyndham S	Mixed-Use	105,000	100.00%	-	0.00%	-	0.00%	0.00%
		TOTALS	**701,250**	**76.95%**	**110,000**	**12.07%**	**100,000**	**10.97%**	

Source: Sierra Planning and Management based on information provided by the City of Guelph.

It should not be expected that residential will be reduced to a secondary role in downtown development and residential development both in downtown and in the shoulder areas for downtown is critical to the ongoing sustainability of a vibrant, walkable and safe downtown.

[8] Estimated at 750 sq. ft. (gross) per unit.

[9] Current assumption with parking, reopening second floor.

However, the question remains (from the outset), should the continued assistance for residential development in downtown be a CIP priority relative to other uses.

In answering this:

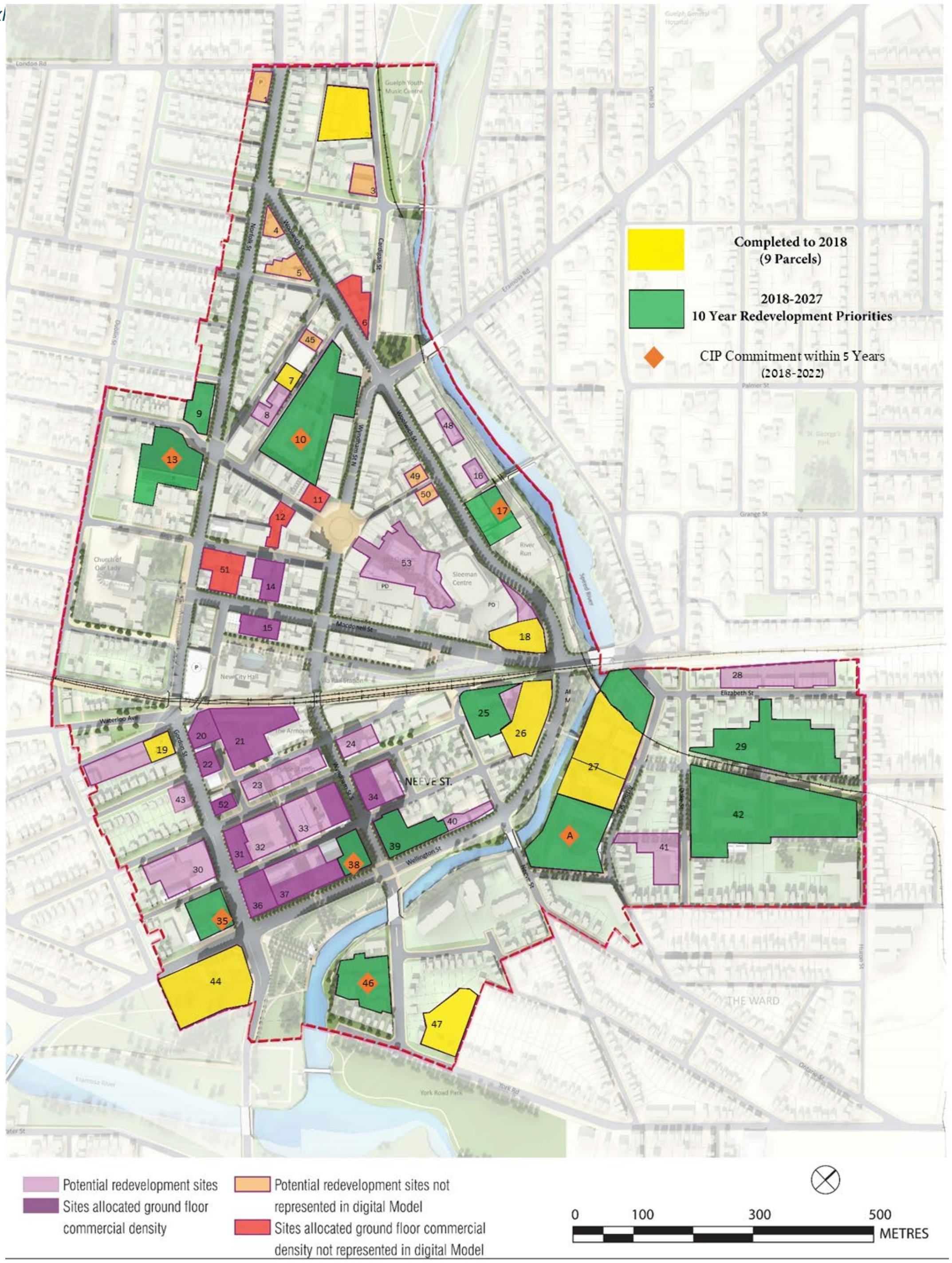
a) The first consideration is the application of all levels of planning policy – The GGH Growth Plan to the City Official Plan to the Secondary Plan for Downtown;

b) A second question is whether the downtown residential market requires assistance in the form of development incentives. This can be based on a review of the rates of downtown residential development relative to other parts of the City, the nature of development (as higher density again relative to other parts of the City), the average sale price of these units and the socio-economic profile of the resident base in and on the fringes of Downtown. On this basis does, does the residential market require assistance? While it is not within the scope of this document to assess the residential market, this should form part of the update process which follows;

c) Separate and apart from the health of the residential market, where there is a clear overlap between development that involves environmental remediation, brownfield development, heritage preservation and residential development (or any combination of those with residential development), there is a policy and economic development mandate to support residential development through the incentive programs.

Despite the potential need to continue to support residential development, the opportunity exists to increase the levels of assistance to specific forms of non-residential use as standalone developments and renovations/expansions as well as mixed-use projects. The level of assistance for non-residential development can be greater than for residential on a per sq. ft. basis. It can also be reviewed on an annual basis as required to ensure its effectiveness.

Exl



Source: Sierra Planning and Management based on Downtown Guelph Secondary Plan, 2016, and other information provided by the City of Guelph.

Note: Numbers on map correspond with those properties identified in Exhibits 8 and 9 above.

Using the 2018 Total Tax Rates for the City portion of property taxes, the anticipated development of the targeted properties identified above would result in a total tax increment value of $318 M. This translates into annual payments of nearly $2.1 M by the City for the issuance of the Tax Increment-Based Grant for the identified properties based on the development potential identified and using the applicable municipal tax rates for 2018. It should be noted that this does not assume the reality of gradual build-out of the projects over the 5-year period which will result in a gradually increasing amount of tax revenue in each of the years. It also assumes that the projects are built within 5 years.

Exhibit 11: Potential TIBG Annual Payments (Years 1 to 5)

	Residential Units	Commercial (sq. ft.)	Institutional (sq. ft.)	Public Parking (spaces)
TOTALS Year 1-5	935	110,000	100,000	800
Valuation Assumptions (per unit / sq. ft.)	$ 300,000	$ 160	$ -	$ 25,000
Estimated Property Value to base Tax Increment	$ 280,500,000	$ 17,600,000	$ -	$ 20,000,000
2018 Total City Tax Rate	1.001254%	1.842307%	n/a	1.842307%
City Tax Portion (2018)	**$ 1,404,259**	**$ 324,246**	**$ -**	**$ 368,461**
Potential TIBG 1-5 Years Annual Payments:		**$ 2,096,966**		

Source: Sierra Planning and Management based on data provided by City of Guelph

Note: Estimates are approximate and for analytical purposes only. Residential set at 50% increment, commercial and parking set at 100% increment, no taxes collected from institutional uses although Payment in Lieu (PIL) payments will provide additional revenue potential and can be addressed similarly to tax increments.

Limiting assumptions aside, the indication is that downtown prospective projects in the period to 2022 can account for a broad average of $2.1 million of City-only tax annually at some point going forward. However, this does assume only a 50% increment for residential. Nevertheless, it is helpful to demonstrate that:

1. Assuming construction and build-out is progressive per a 5 year schedule;

2. Delays in completing existing projects for which there is a commitment of TIBG dollars does not result in a shortfall of available funds as unspent annual allocations are carried forward; and

3. Assuming that residential support is reduced to 50% from the proposed current reduction (from 100% to 80%) of the increment, the level of potential draw is somewhat in excess of the amount allocated to the Downtown and Heritage funds from the total

TIBG reserve of $3.5 million. Currently, the Brownfield CIP is allocated up to half of the $3.5 million cap.

It is therefore important to address the extent to which there is likely to be overlap between these downtown projects and projects which may be eligible for Brownfield CIP support. The level of known overlap at this time is as follows:

Exhibit 12: Brownfield Sites Among Development Opportunities to 2022

Potential Brownfield Among Development Opportunities to 2022			
Site		**GFA**	**% of Total**
17	WCDSB	40,000	
27	Metalworks - Phase 4	127,500	
38	PetroCan Site	115,000	
	Total	**282,500**	**31%**
Unknown Brownfield Among Development Opportunities to 2022			
Site		**GFA**	**% of Total**
13	Market Fresh	25,000	
35	Gordon / Wellington NW Corner	70,000	
46	71 Wyndham S	105,000	
	Total	**200,000**	**22%**

Source: Sierra Planning and Management based on data provided by City of Guelph.

As a result, potentially one third to one half of the downtown projects may eventually qualify for brownfield support. In those instances, support will be co-ordinated effectively so that there is no duplication of assistance. The TIBG will be amended to reflect the additional eligibility for environmental remediation costs and tax cancellation assistance will be added if applicable and worthwhile based on BFTIP.

As a result, conceptually, and recognizing that brownfields exist across the City, the level of draw by the Downtown CIP for the TIBG could be reduced by a significant amount if the site investigation, remediation and LEED-related costs of the brownfield element of these projects funded through the Brownfield CIP account for most or all of the available tax increment.

What is clear from this assessment of basic metrics is that a better approach than creating a hardline of 50% of the annual $3.5 million cap allocated to brownfields, is to scrap that approach in favour of a more effective approach which recognizes the overlap.

4 APPLICATION OF RESEARCH TO A REVISION OF THE GUELPH DOWNTOWN CIP

4.1 Stakeholder Identification

The outcomes of the research presented in this report will be applied to the detailed review of the language and content of the Downtown CIP. There are a number of ideas presented and relevant communication and engagement with the stakeholders to this plan is important.

Stakeholders comprise two broad categories: (1) Internal, departmental stakeholders that reflect the multi-dimensional nature of any downtown regeneration project; and (2) external stakeholders in the business and residential communities.

Community improvement planning, particularly for downtown environments, requires a sympathetic policy and investment environment; that is, the policies and public infrastructure decisions other than the CIP itself need to work in the same direction – providing the best possible conditions for a holistic improvement to the public and private realms to occur, investment grow, and new population and employment added to the core.

Internal stakeholders comprise Planning and Building Services, Economic Development, Finance and Operations Departments and Divisions at a minimum.

External Stakeholders should include the following types:

- Property owners;
- Developers;
- Applicants under the CIPs;
- Commercial business owners;
- Major institutional land owners: religious, educations, health, government services;
- Merchants associations, property owners' associations, Chamber of Commerce; and
- Public at large.

4.2 Identifying Key Directional Changes to the Plan

There are a number of key directions for adjustment and redefinition of the Downtown Plan that are possible. The consulting team will work with the City to develop and test these various foci (as discussed in this report) and develop a priority list of changes that should be put forward in any engagement with stakeholders.

Confirmation of Programs and Recommended Changes

- Working with City staff, the consulting team will work through the required changes to the existing suite of programs based on the agreed directions arising from City staff consideration of this report. That can result in either retention, deletion, or adjustment of any programs.

- It should also be noted that the existing framework of programs can be left in place but changes in the focus of the plan achieved through developing a strategy for targets for more non-residential development and investment (as an example). These changes in focus can be achieved through revisions to:
    - Eligibility;
    - Relative levels of program support by type of use;
    - Approach and content of evaluation of applications; and
    - Achieving ever-greater concordance between the Downtown and Brownfield CIPs.

Funding Levels and Approach

- Discussion has centered on the TIBG elements of the program suite. In addition to that, consultation should address the value for money attached to each of the smaller programs.

- For example, we note that the Feasibility Grant Program has a low leverage ratio – this is to be expected but more importantly has this grant actually moved any projects further along toward completion. Though they are small budgets, a discussion should be had as to the value for money attached to this. It may be better to have a floating fund for assistance to projects that, as a result of efforts to undertake renovations or façade improvements, run into technical difficulty or design constraints that could benefit from a discretionary municipal fund to help cover the cost of professional assistance.

- We also note the views of the Ministry to limit accessibility to some grants to a maximum "over the duration of the CIP". We think that this is helpful language.

- With respect to the TIBG funding, the current approach is reasonable as a working annual cap. However, there is a further discussion to be had with regard to the distribution of the funds by Plan, as well as potentially by type of land use and/or form of development. It is reasonable to conclude that any reassignment of funding pots should always be a working allocation for guideline purposes – and more particularly, that the funding should have sufficient flexibility to respond to funding opportunities and timeliness of such to best impact the public interest. However, we recognize that based on current practice, the City prefers to have a recommended funding allocation of the available $3.4 million between the three tax increment-related programs. Accordingly, once the range of relevant changes to the Downtown Plan are further assessed and drafted into an updated plan, this will be accompanied by a more precise allocation. This will also include an identification of the amount from the Downtown allotment that will be used to fund the developers share of the downtown (off-site) infrastructure.

Streamlining the Plans

- The two plans operate effectively together as is. However, our next phase work to redraft the Downtown CIP is an opportunity to review concordance with both plans, ensure language is effectively the same between the two plans, and that the principles are similar in both plans. For example, the proposal that was approved in the Brownfield Plan update to streamline eligibility in the environmental study grants to 2 studies and a maximum of $30,000 for a **project/property** over the duration of the plan is a principle of clarity regarding access to funding by project and property that should be utilized in the Downtown Plan.

A role for Development Charge Equivalent Grants?

- At a minimum, the DC deferral program should apply to downtown.

- Consideration should be given to a DC equivalent grant under Section 28 provisions with respect to Downtown commercial office development and/or renovation and conversion, should the latter result in DC liability.

A lens on the Initial Questions as to Duration and Focus on the Downtown Plan Since its Inception in 2010

- The overlap between Brownfield and Downtown CIPs is important, reflective of the ongoing need for a multi-faceted approach to CIP development and operation in the Downtown core.

- Residential development in the Downtown can be expected to remain as a central plank in development plans, necessary to achieve required return on investment.

  The opportunity exists to influence the nature and scale of non-residential development in downtown to enhance the role of the core for employment and gathering purposes. This can be achieved by focusing both the levels of program support as well as promoting the form of development that best fits commercial development in a downtown context (mixed use).

- Consideration is worthwhile for a number of other measures of assistance to improve the feasibility of Downtown locations for investment. The Downtown Zoning By-Law has recently come into effect, with an essential driver for this being a downtown that is investment-ready.

  - Parking by-law exemptions if supported by market-tolerance for lower parking standards (including grants equivalent to parking cash in lieu costs). These may be in addition to existing exemptions provided by the zoning by-law. The consulting team will address the required specifics of this potential incentive through further discussion with the City to ensure alignment with the provisions and existing parking exemptions included in the Downtown Zoning By-Law.

- Parkland Cash in Lieu equivalent grants[10] (aligned with the provisions of the parkland dedication by-law).

- Consider increases in density for commercial as part of mixed-use zoning and do so not in a restrictive manner which reduces residential density. While the Downtown Zoning By-Law does not directly limit density, and generally permits heights established in the OP, this provision of a Downtown CIP would be to enable further density if it results in greater commercial use as part of mixed-use schemes.

- Avoid use of Section 37 bonusing payment requirements where this additional commercial density is achieved. In developing the draft CIP update regard should be had to the emerging guidelines being prepared by the City for the application of Section 37 provisions. In order to align CIP-based financial incentives with prospective Section 37 payments by developers, it may be necessary to ensure that incentives are not cancelled out by other effective charges, while, at the same time, enabling the increased density (per bullet point above).

- Allocate greater levels of heritage-related tax funding where this involves non-residential use and leverage any provincial and federal capital dollars. Also utilize any prescriptions under the Heritage Act for tax cancellation.

It is important to note that the cost of the Parkland Cash In Lieu equivalent grant and the DC equivalent grant, in particular, can be significant and the updated plan will include recommendations as to the amount to build into a reserve, how to build the reserve over what time period, and which types of applications should be prioritized and to what level of funding. We can confirm that these funding needs would, at present, be in excess of the TIBG funds although the final plan will establish a recommended balancing of all program funding needs.

[10] *Note: Parking and Parkland Cash In Lieu requirements can be funded from a CIP reserve for smaller projects which are not subject to TIBGs.*

4.3 Expected Timelines to Complete Updated Plan

The consulting team will work with the City to develop the timelines for the following actions:

1. Stakeholder meetings
2. Council update
3. Draft update to plan
4. Statutory Public Meeting
5. Revisions as necessary
6. Council approval.

Appendix A: Case Study Review

City of Vaughan Community Improvement Plan for Office Uses in Two Community Improvement Areas (Vaughan Metropolitan Centre (VMC) and the Weston Road & Highway 7 Primary Centre) (2015)

CIP Focus:	To accelerate office development in the VMC and primary centres by allowing for more competitive office market rents through alleviating certain financial barriers faced by landowners in developing office space.
Timeframe:	Five-year enactment period, with a target of 1.5 million square feet of office space developed. Program will conclude in December 2020 or earlier if all 1.5 million square feet of office space has qualified under the program.

Program Description	Eligibility	Amount/Funding
Development Charges Grant/Reduction to encourage the development of office uses by "freezing" the total applicable City-wide DCs at a discounted rate.	• The office component of any development must be 10,000 square metres or larger; • Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.	62% reduction in the City-wide DC rate applicable to office in the form of a rate "freeze". May be applied retroactively to development applications submitted on or after January 1, 2014.
Development Charge Deferral (VMC Only) is intended to match York Region's current DC deferral policy for high-rise office development.	• The office component of any development must be 10,000 square metres or larger; • Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.	Payments of City-wide DCs relating to qualifying office uses may be deferred for up to a maximum of eighteen (18) months.
Tax Increment Equivalent Grants is intended to provide financial assistance to eligible owners who undertake qualifying office developments in the Weston Road and Highway 7 CIPA.	• The office component of any development must be 10,000 square metres or larger; • Office development can be in multiple buildings to reach the 10,000 square metre requirement but must be part of the same site plan and/or building permit.	• Grant maximum of 70% of the Property Tax Increment for qualifying office uses on a declining basis of 7% per annum, over a 10-year period. • Amount is pro-rated to office portion of development.
Cash-in-Lieu of Parkland Exemption/Reduction will be provided for qualifying developments that provide office space.	• The office component of any development must be 10,000 square metres or larger; • Office development can be in multiple buildings to reach the 10,000 square metre requirement, but must be part of the same site plan and/or building permit; • For the mixed-use CIL of parkland incentive, the residential and office components must be part of the same site plan to qualify.	• 100% parkland exemption for office uses; and • A discount for high-density residential dwelling units of $4,400 per unit for every 70 square metres of office space developed will be applied to the CIL of Parkland rate in force.

CIP Funding Reserve Amount:	\$999,155 in 2016, included funds set aside for CIP projects. Total investment budget of \$17.5 M over a 15-year period.
CIP Performance:	As of February 2018, the City had received and was processing four CIP applications, that collectively totaled approximately 67,300 m² (724,400 ft²) of new office space, representing 48% of the targeted office space goal. The four applications will generate an estimated \$13.3 million in new property tax revenue over the next 10 years. Estimated revenue to be forgone is \$9.9 million from Cash-in-Lieu of Parkland and property taxes (over 10 years). The four applications under review in 2018 represent nearly 4,000 new jobs added to the VMC and Weston / Hwy 7 primary centre when completed. With raised awareness amongst VMC landowners (through the marketing initiatives identified below) the investment in major office space has led to a number of office tenants relocating to the VMC – including KPMG, Miller Thomson, GFL Environmental, Harley Davidson Canada and FM Global.
Intake Period:	Continuous - Applications are to be submitted as part of the site plan or plan of subdivision submission.
Notes:	The City has undertaken broad marketing efforts to create awareness of the CIP and office development opportunities targeting the real estate brokerage community, as well as business within Vaughan and the GTA. This was done through print media to all VMC landowners, information packages provided to business and real estate professionals, and by delivering presentations at brokerage offices and engaging sales representatives that provide site selection advice directly to their office user clients. Applicants are required to have a pre-application consultation meeting with municipal staff in order to determine program eligibility. The City also promotes non-CIP related incentives such as ensuring an expedited development approval process for office and mixed-use development process where office uses are deemed to be the prevalent uses, whereby the City provides a dedicated staff team to meet with the applicant, its tenant(s) and/or its consultants to ensure that the project is delivered as efficiently as possible. Additionally, the City offers podium parking incentives by excluding up to two storeys of above-grade parking (integrated into the buildings podium) from calculations of height and density for those buildings with a minimum of two storeys of below-grade parking.

City of Toronto City-Wide Community Improvement Plan (enabled in 2008, updated in 2018): Imagination, Manufacturing, Innovation and Technology (IMIT) Program

CIP / Program Focus:	Aimed at reducing the business costs associated with new construction and / or building expansion in targeted sectors, uses and areas across the City.
Timeframe:	No end date identified – continuous until goals have been achieved. Review of plan to occur at four-year intervals.

Program Description	Eligibility	Amount/Funding
IMIT Program provides tax incentives to encourage the renovation or construction of buildings in targeted sectors and brownfield remediation for targeted non-retail employment uses by way of development grants or property tax cancellation.	• Targeted sectors include biomedical operations, creative industries, financial services, information and communications technology, manufacturing, and tourism attractions. • Targeted uses include broadcasting, call centres, computer system design and services, convergence centres, corporate office / headquarters, film studio complex, food & beverage wholesaling, office building, incubators, information services and data processing, scientific research and development, software development, and transformative projects. • Construction value must be a minimum of $1 M (City Staff Report PG31.5 dated June 12, 2018 recommends the minimum be increased to $5 M), meet the City's green standards, be in an eligible location of the City. • Development must increase the amount of GFA for eligible uses by a minimum of 500 sq. ft. • Be a new build, expansion or substantial rehabilitation of an existing building.	• Grant of 60% of the property tax increment attributable to the eligible development over a 10-year period. • Incentive levels for construction of new buildings or substantial renovations of existing buildings within designated Employment Areas or Districts increase to 70% of the municipal tax increment for eligible commercial and industrial development over a 10-year period. This can be combined with the City's Brownfield Remediation Tax Assistance program which would result in a total incentive of 77% grant back on municipal level taxes.

CIP Funding Reserve Amount:	2018 operating budget includes $34 M for IMIT grant payments for 2018. This is expected to increase to $63 M for IMIT grants per annum once the approved and pending projects are on the assessment role. Current City commitments total $618 M over the tax increment period for the 42 projects identified below.
CIP Performance:	A total of 15 developments have been completed to date, are occupied (or partially occupied) and are receiving the IMIT grants. There are an additional 27 projects that have been approved and under construction. Office development within the expanded Financial District boundaries have been incentivized by the IMIT Program in the past. There is a continuing demand for office space to be located in the downtown core, and considering the financial viability of new construction, the Program is no longer considered necessary within this District of the City. Similarly, the Liberty (King-Liberty SmartTrack Station) and the Queen/Carlaw (East Harbour SmartTrack Station) zones are no longer eligible for IMIT Program incentives, as these areas have funding available for SmartTrack Tax Increment Financing incentives. The City determined that the combination of incentives was not required to achieve the vision for non-residential development over the planning period.
Intake Period:	Continuous intake period.
Notes:	City Staff Report PG31.5 recommends that a financial cap of $30 M total be placed on individual incentives approvals (excluding Transformative Projects and the BRTA portion). The City of Toronto offers a broad variety of additional incentives for businesses, which do not necessarily fall under a CIP. These include, but are not limited to: • Brownfield Remediation Tax Assistance; • Film & Television Tax Credits; • Financial Incentives for BIAs; • Greening your Business; • Heritage Property Tax Rebates; • Creative Co-Location Facilities Property Tax Subclass Designation; • Industrial Water Rate Program; • Property Tax Rebates for Charities; • Reducing Business Taxes; and • Sewer Surcharge Rebate Program, etc.

City of Hamilton Downtown and Community Renewal Community Improvement Plan (2016)

CIP Focus:	To stimulate private sector investment through development and redevelopment in core areas within the City's downtowns, commercial areas and mixed-use corridors.
Timeframe:	No end date identified for most of the CIP Programs, however there are a few exceptions: • Barton/Kenilworth Commercial Corridor Building Improvement Grant Program, which was introduced in June 2016, is scheduled to end December 31, 2018; • Barton/Kenilworth Tax Increment Grant Program, a pilot project, is also scheduled to end on December 31, 2018; and • GORE Building Improvement Grant Program, which was offered for a three-year period (ended in 2014).

Program Description	Eligibility	Amount/Funding
Multi-Residential Property Investment Program is intended to provide financial assistance for residential development projects including converting existing commercial space into multiple residential units, renovations to existing multiple dwelling units, or creation of new multiple dwelling on vacant land.	Multi-unit residential housing, including rental units. Student housing is eligible as long as it meets the definition of a dwelling unit as defined by the City. Hotels, including all-suite hotels, are not eligible. Additional incentives may be available if affordable housing is developed.	The maximum loan amount is 25% of the Cost to Construct Budget, up to a maximum loan amount per development of $4 M. Maximum loan term is five years and six months (0% interest for first five years, interest on principle for the last six months is payable). The maximum loan amount outstanding under the program to a single developer or related group will not exceed $10 M at one time.
Tax Increment Grant (TIG) Program is intended to provide an economic means for developing, redeveloping or renovating residential and/or commercial lands and buildings located in eligible priority areas.	All parking lots and vacant sites are eligible. Properties upon which commercial, residential or industrial buildings are cleared and demolished are eligible with the exception of designated heritage buildings.	Approved grants cannot go above 100% of the municipal realty tax increase during the first year, 80% in year two, 60% in year three, 40% in year four and 20% in year five (end of term).
Commercial Property Improvement Grant Program is intended to provide assistance for aesthetic improvement of commercial properties, including creating a barrier free environment.	Commercial properties eligible if: a new tenant / owner is occupying the property and applies for new signage; or property has been damaged due to fire, vandalism or natural disaster.	Maximum grants paid on matching basis (50/50%) to a maximum of $10,000 per property. Corner properties can receive up to $12,500.

Program Description	Eligibility	Amount/Funding
Commercial Corridor Housing Loan and Grant Program is intended to provide assistance for the converting existing built commercial into residential units, renovating existing residential, or constructing new units (by addition). The Program is also intended to provide assistance for the costs of creating new residential units on vacant land.	Development that includes: • Converting existing built commercial space into residential units, • Renovations to existing residential units, • Construction of new units via building additions, or Creating new residential units on vacant land.	The maximum loan amount is $20,000 per dwelling unit to a maximum of $600,000 per property (30 units). A minimum of 50% of the loan per unit must be spent on developing / renovating the unit. The remaining % can cover common elements of building (i.e. HVAC, roofing, etc.). Maximum loan term is five years and six months (0% interest for first five years, interest on principle for the last six months is payable).
Hamilton Heritage Property Grant Program assists in the development and re-use of heritage properties.	Work necessary to restore the building to structural soundness, work that conserves or enhances heritage elements / significant architectural features, reconstruction of storefronts, exterior painting in original colours, cleaning of masonry, among others.	Grants are offered up to a maximum of $150 K (not including $20 K for heritage reports / studies / assessments) per municipal address for eligible work. For projects valued at less than $40,000, the grant will be based on a maximum of 50% of the total cost.
Office Tenancy Assistance Program is intended to facilitate the increased attractiveness and marketability of the office stock, attract new office tenants and owner-occupied office uses from outside the City to reduce the office vacancy rate, and to enable existing businesses to expand.	Leasehold improvements made for a tenant establishing a new office location in the City of Hamilton, or for a tenant expanding /relocating within the City. Each application must involve increasing leasehold improvements by a minimum of 1,000 square feet of gross leasable office space.	Maximum loan amount is $450,000 per application for the term of lease (to a maximum of 5 years). Calculated at 90% of estimated eligible leasehold improvement costs, or an amount multiplied by the square footage of space based on terms of lease (i.e. 12 to 35 months - $10/sf, 36 to 47 months - $15/sf, 48 to 59 months - $20/sf, 60+ months - $25/sf).
Community Heritage Fund Loan Program is intended to stimulate the rejuvenation of designated heritage properties in the City.	Building must be designated under the Ontario Heritage Act.	City provides interest-free loans up to $50,000 for the restoration and conservation of heritage elements on designated properties. Maximum loan term is 10 years.
Planning and Building Fee Rebate Program assists to alleviate the property owner of some of the initial costs associated with development or redevelopment.	Eligible projects must support the revitalization of the corridors, be approved by the Committee, and have no appeals made to the Ontario Municipal Board (for Committee of Adjustment Minor Variance Appeals).	City provides a grant in the amount of the applicable fees. Includes Committee of Adjustment Minor Variance Approval and Site Plan Control Applications.

CIP Funding Reserve Amount:

$1,250,500 allocated in 2018 for Downtown and other City-wide initiatives (from operating levy). Additional funds were available for Brownfield Development ($250,000), Barton/Kenilworth Corridor-specific programs ($930,000). Similar allocation amounts were provided within the 2017 budget.

CIP Performance:

In 2017, development in Downtown Hamilton (Urban Growth Centre) was strong with 196 building permits issued equal to a construction value of $82.5 M. This is an increase from 2016 building permits which had a construction value of less than $60 M, but a decrease from 2015 which had the highest building permit construction value since 2002, at approximately $130 M. This includes residential and non-residential developments. The City typically sees a higher number of building permits and higher total construction values for non-residential development.

Development within the community downtowns (e.g. Binbrook, Dundas, etc.) saw a total of 53 building permits issued in 2017, equating to nearly $9 M in construction value.

The number of applications processed, or the program take-up, for each of the various programs is summarized below. This includes applications for all areas of the City as a total for each program type.

PROGRAM	2011	2012	2013	2014	2015	2016	2017
Multi-Residential Property Investment	2	4	2	1	3	0	2
Tax Increment Grant	2	8	8	10	9	7	8
Commercial Property Improvement Grant	34	55	84	116	59	79	87
Commercial Corridor Housing Loan and Grant	16	24	19	28	21	26	22
Hamilton Heritage Property Grant	2	2	8	22	15	11	22
Office Tenancy Assistance	1	1	1	2	5	1	5
Community Heritage Fund Loan			2	1	1	1	1
Planning and Building Fee Rebate						1	4
TOTAL APPLICATIONS	**57**	**94**	**124**	**180**	**113**	**126**	**151**

The TIG Program has resulted in an increase in municipal taxes of $5.6 M annually. Redeveloped properties help to increase the value and desirability of surrounding properties.

Intake Period:

Continuous - applications accepted year-round. Applicants may only apply once each calendar year.

Notes:

An additional program was available between 2012 and 2014 which focused on the revitalization of a specific area within the downtown core (fronting on King Street between James Street and Catharine Street). Between 2012 and 2014, 26 applications were submitted for the GORE Building Improvement Grant Program,

	which offered a matching grant for building improvements to a maximum of $50,000 per application. The City of Hamilton also has a separate CIP to promote the redevelopment of brownfields within the City and encourage productive economic land uses to occur on these lands (ERASE Community Improvement Plan). The City typically receives between 15 and 30 applications annually related to ERASE Incentive Programs.

City of Oshawa, Downtown Urban Growth Centre Community Improvement Plan (2016)

CIP Focus:	To encourage residential and non-residential development within the Urban Growth Centre and advance the Growth Plan for the Greater Golden Horseshoe to achieve a combined density of 200 persons/jobs per hectare by 2031.
Timeframe:	No end date identified for the CIP Programs. The City has the ability to discontinue any program within the CIP without requiring an amendment to the CIP.

Program Description	Eligibility	Amount/Funding
Increased Assessment Grant Program is intended to provide financial incentive for the rehabilitation, development and redevelopment of properties in the Urban Growth Centre CIPA by providing a maximum grant to pay a portion of City taxes attributable to the increased assessment over a nine-year period.	Available to all registered property owners within the Urban Growth Centre CIPA.	90% of property tax increase on the Municipal portion in Year 1 declining to 10% in Year 9.
Façade and Accessibility Improvement Grant Program is intended to assist property owners with the financing of building façade and accessibility improvements, in order to create a more interesting, appealing and accessible streetscape to attract more people and businesses to Downtown Oshawa.	All non-residential and mixed-use buildings are eligible. Residential apartments and block townhouses are also eligible.	Grants under this program may be provided for up to 50% of the construction costs to a maximum of $10,000 per municipal street address, storefront or commercial unit, whichever is less, subject to an overall maximum of $30,000 per property for a building with multiple street addresses, storefronts or commercial units.
Economic Stimulus Grant Program is intended to assist property owners with the financing of leasehold improvements and associated accessibility enhancements to ground floor or upper storey units. Leasehold improvements are alterations made to rental premises in order to customize a rental unit for the specific needs of a tenant, or to improve the overall quality of a unit.	All commercial buildings are eligible. Permanent interior leasehold improvements and accessibility enhancements are eligible. Some examples include: installation of telecommunication infrastructure; installation or repair of plumbing, heating, HVAC; installation, repair or restoration of masonry, brickwork or wood; installation, replacement or repair of other architectural features.	Grants under this program may be provided up to 50% of the construction and/or renovation costs to a maximum of $20,000 per eligible floor per municipal street address, whichever is less, where at least $40,000 in eligible leasehold improvement costs will be undertaken. No municipal street address shall receive more than a total of $20,000 per floor under this program within a five-year period.

CIP Funding Reserve Amount:	Staff indicated that there is an annual budget allocation for CIP grant funding within the annual budgeting process, however this was not disclosed.
CIP Performance:	Oshawa City Council has approved 2 applications for the Increased Assessment Grant. The first approved application was for a 9 storey, 185-unit purpose-built student residence, which had an initial tax amount of $3,238 per year which is anticipated to increase to $341,340 annually upon completion based on a post-development assessed value of $28 M. The second was for a 2-phase project consisting of (a) 12-storey, 239-unit apartment building with ground floor commercial space and (b) 18-storey, 370-unit condominium rental building with 5,000 sq. ft of ground floor commercial space. Phase 1 is complete and currently occupied. 25-30 grants have been approved by the City under the other grant programs (e.g. façade and accessibility, economic stimulus grant, etc.).
Intake Period:	Applications for the Increased Assessment Grant Program are accepted year-round on a first-come, first-serve basis to the limit of available funding. Applications for the other programs are accepted twice annually with deadlines on March 1st and September 1st. The funding available for the second intake period is dependent on the number of approved grants during the first intake period and availability of funding. Evaluation of applications is based on a number of criteria and evaluation factors, with specific factors identified for each program. Criteria is generally focused on location (within BIA, type of road), number of units being upgraded, the benefit to the community, and the overall construction value of the project (the higher the value, the more points received).
Notes:	The City also has a Conversion to Residential Grant Program to encourage the upgrading of upper floors above commercial frontages, and an Upgrade to Building, Fire and Electrical Safety Codes Grant Program to assist with the costs associated with bringing existing older buildings into compliance with Ontario Building and Fire Codes.

Town of Ajax Downtown Community Improvement Plan (2005)

CIP Focus:	To encourage and support the (re)development of lands in the Downtown core and supplement the Town's ability to take a lead role as a direct participant in Downtown improvement initiatives.
Timeframe:	20-year enactment period. Planned to end on December 31, 2025.

Program Description	Eligibility	Amount/Funding
Municipal Property Acquisition, Investment and Partnership Program to facilitate direct participation by the Town as an active player in Downtown rehabilitation projects.	Not Applicable. Property acquisition under this program may be pursued by the Town either through the marketplace, as a regular real-estate transaction, or through the Town exercising its powers under Section 28 of the Planning Act.	Allocation of 20% of building permit fees collected for all new residential and office/commercial construction in the Downtown CIPA pertaining to properties participating in the Planning and Development Fees Grant. Other direct municipal contributions, at Council's discretion.
Rehabilitation Grant Program to provide financial relief in the form of tax grants to property owners who undertake rehabilitation/improvement of their properties in the CIPA, which results in a re-valuation and tax increase on these properties.	Significant development proposals for identified Priority Sites including: • Mix of high-density residential uses and/or office uses, with ground floor retail uses at a minimum density of 2.5 FSI; • A minimum of 1,000 square metres GFA of new commercial/office.	Grant equal to 80% of the increase in the Town's portion of property taxes over 10 years. Grant value may not exceed the total value of improvement work.
Planning and Development Fees Grant Program to stimulate new investment in the Downtown CIPA through the provision of a grant to offset, in whole or in part, the cost of specific planning and development fees for residential and/or commercial/office (re)development.	Eligible costs: Official Plan Amendment; Zoning By-law Amendment; Minor Variance; Consent; Site Plan; Site Plan Amendment, etc.	Grant valued at 100% of applicable/eligible Planning fees. Grant of 80% of eligible Building Permit Fees for new residential and/or commercial/office construction (up to 100% for Priority Sites with significant development proposals).
Development Charge Exemption/Grant Program to encourage higher density, more intensive development in Ajax's Downtown area for all eligible residential and/or commercial/office (re)development proposals.	The program shall apply to new construction only or the adaptive re-use of an existing structure where the payment of development charges would normally apply.	• Full DC exemption for office development consisting of two or more storeys; • Full DC exemption for commercial development provided the retail/personal service component is in a non-residential mixed-use building having two or more storeys of offices, and the GFA of the retail/personal service component does not exceed that of the office component; or is part of the high-density mixed-use residential development.

CIP Funding Reserve Amount:	Reserve funds allocated to Downtown Improvements (e.g., streetscape improvements) between 2014-2018 totaled $405,000. A 2015 Development Reserve for Pat Bayly Square totaled $7,908,000.
CIP Performance:	The Downtown CIP has generated 6 development proposals, which are all at different stages within the development approvals process at present. Three of these are the priority sites identified within the CIP document, and are / have been developed as medium to high density residential and mixed-use developments, one of which is adjacent to the signature urban space – Pat Bayly Square (by Medallion). Town staff noted that the Town is struggling with the Development Charge Rebate Program as it puts a significant burden on the tax base.
Intake Period:	No designated intake periods. The Town accepts applications with submission of development proposals presented as part of the site plan applications or other planning related applications.
Notes:	Priority sites are identified within the CIP document, which take precedent in the queue over other applications. These primarily consist of vacant lands within the Downtown CIP project area. Staff indicated that they are experiencing a mix of residential and non-residential uses, which is the goal of the CIP – to create a vibrant downtown for residents to live, work and play. While not part of the Downtown CIP, the documents identifies other downtown assistance initiatives that provide additional relief to property owners who undertake (re)development projects within the Downtown. This includes: • *Reduced Parkland Dedication Requirements Program* for eligible residential development or redevelopment, where 5% of land area or appraised land value is accepted (rather than a higher requirement of one hectare or cash-in-lieu equivalent for every 300 dwelling units). The Town identifies that where the amount of parkland collected under the 5% formula is less than the actual amount of parkland proposed by the applicant, credit for over-dedication will not be issued. Rather, to conform to the intent of urban design policies within the OP, the Town has the ability to require developments to provide parkland beyond what is strictly required under the lesser formula of 5%. • *Exemption from Parking Requirements Program* reduces the number of on-site parking spaces required for improvement projects when located in areas of higher levels of transit usage exists or is planned. This program is considered by Town staff on a site-by-site basis.

Uptown Waterloo Community Improvement Plan (2015)

CIP Focus:	To encourage employment and affordable housing land uses within the uptown core.
Timeframe:	Limited to a five-year lifespan (to 2018).

Program Description	Eligibility	Amount/Funding
Study Grant Program to promote the preparation and submission to the City of high quality professional urban design studies, drawings and heritage assessments.	All urban design studies/drawings: • must be submitted to the City in electronic and hard copy format for the City's review, approval and retention; • must be to the satisfaction of the City and must meet the City's Urban Design Manual applicable to Uptown and any other City guidelines; • must be completed by a qualified professional as determined by the City of Waterloo.	Matching grant of up to $3,000 per property, based on 50% of the cost to prepare an urban design study and/or professional architectural/design drawings and/or Heritage Impact Assessment.
Fee Grant Program to facilitate re-urbanization projects through the provision of an additional financial incentive that will complement and augment the Minor Activity Program.	All planning and application fees must be associated with a project approved under the Minor Activity Grant/Loan Program, Commercial Building Improvement Program or Facade Improvement Program.	Grant equal to 100% of the fees paid on planning/development applications, building permits and sign permits to a maximum total grant of $10,000 per property/project.
Commercial Building Improvement Loan to support business retention by helping to fund interior renovations and maintenance.	Projects involving repair, renovation and/or redevelopment of up to 5,000 square feet of non-residential building floor area	Loan to be provided as an interest-free 5-year term loan and loan forgiveness is available for part of the loan.
Minor Activity Grant/Loan Program to facilitate interior building renovations and small building expansions that create additional floor space for affordable residential units or office employment uses.	Projects that involve expansions, conversions and/or new construction up to 5,000 sq. ft.	Grants or loans equal to an amount per square foot of floor space constructed or renovated, to a maximum amount per property.
Major Activity Grant Program to promote major redevelopment projects that create a substantial amount of employment or affordable housing land uses.	Repair, renovation, expansion or redevelopment of existing buildings where activity results in increase in assessment value and taxes on property.	Annual grant equal to a percentage of the increase in municipal property taxes for up to 10 years after project completion.

CIP Funding Reserve Amount:	Total budget is $2.77 M over the five-year period, allocated as follows: 2014 - $43,450, 2015 - $765,000, 2016 - $765,000, 2017 - $780,000, 2018 – $424,000. 2016 and 2018 capital budgets for the CIP reserve included additional funds from the BIA who increased the façade amounts available (i.e. from $10,000 to $15,000 to $20,000 to $30,000 per property).
CIP Performance:	Uptake in the CIP was slow at first due to LRT construction in the area but has become more popular - particularly the Façade Improvement Grant and Minor Activity Grant. The Minor Activity Grant, which allows property owners to renovate upper storeys for office employment uses saw considerable interest in 2017. A total of 12 applications were approved in 2016, with a total grant funding of $179,657, which equals an average of $3.20 private sector investment for every public dollar. 29 applications were approved in 2017 representing $1.66 million of construction value driven by $825,290 worth of CIP grants and loans. 2018 has seen 8 applications processed in the Spring intake period. The total number of applications for 2018 is not currently available, as applications made in the fall are still in process. The Commercial Building Improvement Loan program was scheduled to conclude in December 2017 however, due to increased interest throughout 2017 (City had a total of 8 applications for the CBIL program), the program was extended to December 2018. Over 50% of applicants in 2016 and 40% of applicants in 2017 applied for more than one CIP grant program. There have been no applications for the Major Activity Grant program to date.
Intake Period:	Two intake periods (Spring and Fall) annually typically a 4 to 6-week window with a requirement for a pre-application meeting with City staff to help expedite the process. This is not a competitive process as the CIP is only in effect for a five-year period (limited funding amount over the period), however applications are evaluated for completeness and eligibility. Benefits of limiting applications to the two intake periods, as identified by City staff, include: • Helps City to focus the required resources for the application administration process (focusing efforts during these periods rather than continually throughout the year). • Overall organization of applications – they are all at the same stage. • Helps in terms of promotion – easier to promote in focused periods rather than continually throughout year. Advertise through Uptown BIA organization, small business centre, as well as the City's traditional social media and print channels. Note: Applications for the Major Activity Grant Program are not restricted to the intake periods due to the fact that major development projects can vary in schedule and intake dates may not work with project progress.
Notes:	City staff noted that administration of the loan program (Commercial Building Improvement Loan) is difficult requiring additional administrative resources (Finance and other Departments are involved) over the loan period. The City also has a Parking Exemption Program which enable a minor parking requirement reduction with a Section 40 Parking Agreement.

City of Mississauga Downtown Community Improvement Plan (2017)

CIP Focus:	To stimulate investment in office development and create more employment opportunities in downtown Mississauga resulting in a total of 500,000 square feet of new office space.
Timeframe:	The CIP was approved by Council in 2017, appealed and came into effect in summer 2018. Active for a five-year period of enactment (to July 2022).

Program Description	Eligibility	Amount/Funding
Tax Increment Equivalent Grant (TIEG) is intended to promote office development by removing financial disincentives associated with increased property taxes.	New office developments.	In year 1 value of grant is 100% of increase in municipal property taxes due. Grant amount reduces by 10% per year over 10-year period.
Development Processing Fees Grant aims to improve feasibility of the developing office uses downtown by rebating the development application and building permit fees.	Office development projects with fees relating to Official Plan Amendments; rezoning; minor variances and consents; site plans, site plan amendments; plans of subdivision.	Limited to application fees charged by City and pro-rated to apply to office portion of development.
Municipally Funded Parking Program is intended to provide parking at reduced costs to office developers.	City may offer below market-value rate for rental or lease of parking facility or may engage in co-locating municipally owned parking within private office building development.	Assessed on a case by case basis and limited to capital budget approval by Council.
Municipal Property Acquisition and Disposition is intended to provide land at market or below market value for developments that include office.	City may elect to dispose of City-owned lands for the purpose of attracting new office building development. Program also available to public agencies and governments wishing to build offices.	Assessed on a case by case basis and limited to capital budget approval by Council.

CIP Funding Reserve Amount:	Not available at this time.
CIP Performance:	This is a relatively new initiative with the City still in the process of promoting the CIP to local landowners, and therefore performance metrics are not yet available. The City recommended that the Region of Peel provide incentives to enhance the City programs and promote office development in downtown Mississauga.
Intake Period:	Continuous / ongoing.
Notes:	Applications are evaluated on a case-by-case basis.

Town of Richmond Hill Community Improvement Plan (2018)

CIP Focus:	To encourage new office development and redevelopment by providing grants for properties located within the defined areas, to ensure a range of office space to businesses to provide more opportunities for local employment that supports intensification, and to allow businesses to better access the workforce living in the Town. Target 125,000 to 150,000 sq. ft. of office space annually within the Town's Centres, Corridors and older business parks.
Timeframe:	Five-year plan (enacted July 2018).

Program Description	Eligibility	Amount/Funding
Tax Increment Equivalent Grant (TIEG) for Office supports the development of new office space that is 1,600 square metres or greater within the Town's Centres, Corridors, and Business Parks through the return of portions of property taxes over a 10-year period.	Minimum of 1,600 sq. metres of new office space (stand-alone or mixed-use developments). In mixed-use developments, grant only applies to tax increment associated with office uses.	Maximum grant of 90% of annual municipal tax increment in Year 1, declining by 10% per year over maximum of 10 years. Maximum total grant is the lesser of a) total tax increment over the programs duration, or b) total eligible costs.
Building Renovation Grant provides grants of up to $50,000 for building renovations resulting in the creation of new office space within some of the Centres and Business Parks.	Conversion of existing commercial / industrial / residential space to office space is planned. Accessibility improvements within existing / new office space may be eligible. General tenant fit-ups are not supported.	Maximum grant of $50,000 and minimum of $10,000 per property. Grant provided on a matching funds basis, to a maximum of 50% of eligible costs.
Façade Improvement, Landscape and Signage Grant provides grants ranging in value from $1,000 to $32,500 for projects that contribute to the revitalization of the Downtown Local Centre, in particular the linked courtyard network.	Located within the Richmond Hill Downtown BIA and accommodates a non-residential use (can be multi-use, converted residential now being used (in part or whole) for commercial office use).	***Façade***: Matching grant up to 50% of eligible costs to a maximum of $15,000 per property (single façade); $25,000 (more than one façade). Minimum grant is $2,500 per property. ***Signage***: Matching grant up to 50% of eligible costs to a maximum of $2,500 per property. Minimum grant of $1,000 per property. Landscaping: Matching grant up to 50% of eligible costs to a maximum of $2,500 per property for single frontage; $5,000 for more than one frontage. Minimum grant of $2,000 per property.

CIP Funding Reserve Amount:	The initial funding allocation to fund the Building Renovation Grant and Façade, Landscape and Signage Improvement Grant was $510,000, provided at the beginning of the fiscal year. This allocation was deposited into a CIP reserve fund which will be 'topped-up' on an annual basis.
CIP Performance:	While this is a new initiative, Town staff indicated that there has only been interest in the Building Renovation Grant and the Facade, Landscape and Signage Grant, however nothing has been finalized as of yet. They have not had any interest in the TIEG Program to date.
Intake Period:	Continuous intake period. Additional funding was made available through the Ontario Main Street Revitalization Initiative for projects under the Building Renovation Grant and located within the Downtown Local Centre (must be completed by March 31, 2020).
Notes:	The Town has experienced slow growth in the development of office space and wanted to focus support for it within the designated Centres, Corridors and older business parks to help meet municipal employment targets. Facilitating the attraction, retention and development of office uses within the Yonge Street / Downtown Local Centre to support a live / work balance.

Sierra Planning and Management
advice • strategy • implementation

Provincial/Federal Consultation Alert							
Title	Ministry	Consultation Deadline	Summary	Proposed Form of Input	Rationale	Lead	Link to Ministry Website
Regulations for Recycling of Electrical and Electronic Equipment (EEE) and Batteries under the Resource Recovery and Circular Economy Act, 2016	Ministry of the Environment, Conservation and Parks	June 23, 2019 (Regulations posted for a 45-day consultation period.)	An EBR notice has been posted (019-0048) proposing regulations that will make producers of electronics and batteries environmentally accountable and financially responsible for the waste generated from products they supply into Ontario. The regulations will set requirements for collection, management and consumer education, as well as incenting waste reduction activities. The proposed regulations outline a number of requirements, including: • Establishing free collection networks • Achieving resource recovery targets • Educating consumers • Registering with and reporting to the Resource Productivity and Recovery Authority • Other requirements, including record keeping and third-party audits The key principles of the proposed regulation are: • Improve environmental outcomes • Ensuring economic growth • Ensuring consistency, and reducing costs and burden, while promoting innovation	Staff comments will be submitted on the online Environmental Registry (EBR) and provided to Council via the Information Package following the consultation deadline.	The City of Guelph currently allows residents to drop off EEE and batteries at the Waste Resource Innovation Centre for free. Our funding sources and service levels provided for these programs will be affected by the proposed changes.	Environmental Services - Solid Waste Resources	Environmental Registry

June 14, 2019

Sanjay Coelho
Environmental Policy Branch
40 St Clair Avenue West
Floor 10
Toronto, ON
M4V1M2
Canada

Dear Mr. Coelho,

RE: The City of Guelph's comments on Excess Soil Regulatory Proposal and Amendments to Record of Site Condition (Brownfields) Regulation (ERO Number 013-5000)

The City of Guelph (City) has reviewed the regulatory proposal and amendments posted on the Environmental Registry of Ontario (ERO) pertaining to the *Excess Soil Regulatory Proposal and Amendments to Record of Site Conditions (Brownfields) Regulation, ERO Number 013-5000)* and would like to provide the following comments:

A. Proposed Amendments to O. Reg. 153/04 (Brownfields)

Comment 1- Horizontal Severance, 22.1: *"A phase one or phase two environmental site assessment shall take into account every property at or below the ground surface that is above or below the phase one or phase two property."* Not sure, what this sentence is suggesting; perhaps an explanation would be helpful.

Comment 2- Standards deemed to be met, 49.1, 4: Assuming that this item is making reference to background soil concentrations of the Site or the Project Area be determined; it is recommended that the MECP develop a standard procedures and protocols (location, no. of samples etc.) to avoid back and forth between the MECP, QPs and municipalities.

Comment 3- Excess soil, phase one environmental site assessment, 55 (1), 2: Is this sentence implying that an RSC property that could accept excess soils has to complete sampling and analysis of soil and groundwater, as appropriate, albeit the RSC will be based on the phase one environmental site assessment?

Comment 4- Excess soil, phase two environmental site assessment, 55 (1), 1: What does *"…the same as or within the phase two property"* mean in this sentence?

City Hall
1 Carden St
Guelph, ON
Canada
N1H 3A1

T 519-822-1260
TTY 519-826-9771

guelph.ca

Comment 5- Requirements for excess soil, 31(1), 1: What does *"…the same as or within the phase two property"* mean in this sentence?

B. Proposed On-Site and Excess Soil Management Regulation

Comment 6- Interpretation: Since a *"temporary soil storage site"* will now be deemed a waste disposal site, which will likely require an ECA to construct and operate, can it be allowed to store sediments from SWM ponds (based on the quality of the sediment) with proper measures in place such as SWM pond, oil/grit of water separators, lined swales etc.?

Comment 7- Before removing soil from project area, 7 (6): The City for every infrastructure project completes a geotechnical-environmental investigation prior to going out to tender, so that the bidders are aware of the quantity and quality of soil and groundwater that could be encountered during the construction phase. Typically, the City and its contractors try to avoid stockpiling soils due to lack of storage space and/or to maintain traffic flow; so, it would be beneficial for the City's projects if the City is not made to stockpile and re-sample the soils but given the flexibility to use the pre-construction in-situ soil quality information instead for reuse or disposal purposes.

Comment 8- Before depositing specified excess soil, landfilling or dump, 11 (1) and 11 (4), 3: It appears that the "Excess Soil Management Regulation" is based on the assumptions that soil banks, reuse sites and/or temporary storage sites are in abundance, which is likely not the case. As such, putting too much restriction on avoiding taking excess soils to landfill can complicate the construction practises and work against the very intention of the regulation.

By quantity of excess soil in the load, is the regulation implying the "estimated" or "weighted" volume? To provide "weighted" soil volume is not feasible.

Comment 9- Operation of reuse site, 13, (2), 2: Is this sentence implying that phase I/one and phase II/two environmental assessments be completed for the receiving sites? If so, the regulation must clearly state that. It appears that regulation is not as stringent on the requirements for receiving or reuse sites.

Comment 10- Temporary soil storage site, exemption from ss.27, 40 and 41 of the Act, 17 (1), 3: As stated above in Comment 8 to limit the quantity of excess soil to 2,500 cubic meter can work against the intention of this regulation. Please note that a typical infrastructure reconstruction project (e.g. sewer upgrade/upsizing project) could easily generate more than 2,500 cubic meter of excess soil/fill. As such, it is suggested that quantity of soil storage at temporary storage site be increased to 20,000 cubic meter depending on the location and size of the site.

Thank you for the opportunity to comment on this ERO posting.

Sincerely,

Prasoon Adhikari, M.Sc., P. Eng., PMP, Environmental Engineer
Engineering and Transportation Services, Infrastructure, Development and Environmental Engineering

City of Guelph

519-822 -1260 extension 2946
Mobile 519-222-4308

prasoon.adhikari@guelph.ca

Huron - Kinloss

The Corporation of the Township of Huron-Kinloss

P.O. Box 130
21 Queen St.
Ripley, Ontario
N0G2R0

Phone: (519) 395-3735
Fax: (519) 395-4107

E-mail: info@huronkinloss.com
Website: http://www.huronkinloss.com

June 20, 2019

Sent VIA EMAIL

The Honourable Steve Clark
Minister of Municipal Affairs and Housing
minister.mah@ontario.ca

Dear Mr. Clark,

Re: Copy of Resolution #513

Please find below a copy of the resolution adopted by the Township of Huron-Kinloss Council at its June 17, 2019 session supporting the resolution brought forth by the Township of Archipelago, Town of Aurora, Grey County, Town of Grimsby, Town of Halton Hills, City of Markham and York Region.

Motion No: 513

Moved by: Lillian Abbott Seconded by: Jim Hanna

THAT the Township of Huron-Kinloss Council hereby support the resolutions from the Township of Archipelago, Town of Aurora, Grey County, Town of Grimsby, Town of Halton Hills, City of Markham and York Region in opposing Bill 108 More Homes, More Choice Act in its current state that will allow for an unelected, unaccountable body to make decisions on how communities can evolve and grow and that Bill 108 will affect 15 different Acts and will have negative consequences on community building and proper planning and call upon the Government of Ontario to halt the advancement of Bill 108 legislation and allow for consultation with Municipalities to ensure sound decision making for housing growth that meets local needs AND FURTHER directs staff to forward a copy of the resolution to the Minister of Municipal Affairs and to the municipalities to distribute as they see fit.

Carried.

Sincerely,

Emily Dance
Clerk

c.c All Ontario Municipalities

The Corporation of the Township of Huron-Kinloss
P.O. Box 130
21 Queen St.
Ripley, Ontario
N0G2R0
Phone: (519) 395-3735
Fax: (519) 395-4107
E-mail: info@huronkinloss.com
Website: http://www.huronkinloss.com

The Honourable Lisa MacLeod
Minister of Tourism, Culture and Sport
Hearst Block, 9th Floor
900 Bay Street
Toronto, Ontario M7A 2E1

June 21, 2019

Dear Ms. MacLeod,

Re: Copy of Resolution #512

Please find below a copy of the resolution adopted by the Township of Huron-Kinloss Council at its June 17, 2019 session supporting the resolution brought forth by the Town of Fort Frances, Town of Hanover, Township of Mulmur and the Township of Essa.

Motion No: 512

Moved by: Ed McGugan Seconded by: Lillian Abbott

THAT the Township of Huron-Kinloss Council hereby support the Town of Fort Frances, Town of Hanover, Township of Mulmur, and the Township of Essa in asking the Ontario Government to restore the funding to the Southern Ontario Library Service and Ontario Library Service North to at least the minimum 2018 funding level AND FURTHER directs staff to forward a copy of the resolution to the Minister of Tourism, Culture and Sport and to the municipalities to distribute as they see fit.

Carried.

Sincerely,

EDance

Emily Dance
Clerk

c.c All Ontario Municipalities

OFFICE OF THE MAYOR
CITY OF HAMILTON

June 14, 2019

The Honourable Christine Elliott, Deputy Premier and
Minister of Health and Long-Term Care
Hepburn Block, 10th Floor
80 Grosvenor Street
Toronto, ON M7A 1E9

Dear Minister Elliot,

At its May 22, 2019 meeting, Hamilton City Council discussed the changes being proposed for public health in Ontario and their potential effects. Before I convey the recommendations that arose from that discussion, I would like to commend you and your colleagues for your announcement on June 3rd that any changes to the provincial funding of public health will not affect the current fiscal year.

Hamilton's City Council recommends that any restructuring or modernization of local Public Health take into account the following principles:

- That its unique mandate to keep people and our communities healthy, prevent disease and reduce health inequities be maintained;

- That its focus on the core functions of public health, including population health assessment and surveillance, promotion of health and wellness, disease prevention, health protection and emergency management and response be continued;

- That sufficient funding and human resources to fulfill its unique mandate are ensured.

- That the focus for public health services be maintained at the community level to best serve residents and lead strategic community partnerships with municipalities, school boards, health care organizations, community agencies and residents;

- That there be local public health senior and medical leadership to provide advice on public health issues to municipal councils and participate in strategic community partnerships. The importance of this has been highlighted by the recent cluster of HIV among those using intravenous drugs in Hamilton;

.../2

- That local public health services be responsive and tailored to the health needs and priorities of each local community, including those of vulnerable groups or those with specific needs such as the indigenous community;

- That representation of municipalities on any board of health be proportionate to both their population and to the size of the financial contribution of that municipality to the Regional Public Health Entity;

- That any transition be carried out with attention to good change management, and while ensuring ongoing service delivery.

For decades Hamilton has enjoyed and benefited from the knowledge, skills and implementation of 'preventive maintenance' that our public health staff have provided which we know has resulted in our community avoiding many costly health 'breakdowns' that would have arisen otherwise! As we move forward we also look forward to working directly with you and collaborating with our provincial colleagues through the relevant partnerships, such as the Association of Municipalities of Ontario (AMO), the Association of Local Public Health Agencies (alPHa).

In closing, we believe consultation directly with local public health agencies, such as ours, is critical to developing the best local public health system as we move forward.

Sincerely,

Fred Eisenberger
Mayor

CC: Dr. Elizabeth Richardson, Medical Officer of Health, City of Hamilton

June 19, 2019

Sent via email

Re: Resolution - Free Menstrual Products at City Facilities

At its meeting held on June 10, 2019, St. Catharines City Council approved the following motion:

> WHEREAS people who menstruate need adequate and appropriate access to menstrual products so that they can experience their full health potential, maintain dignity and participate fully in community; and
>
> WHEREAS according to Plan Canada International study, one-third of Canadian women under the age of 25 struggled to afford menstrual products; and
>
> WHEREAS the inability to afford menstrual products is a health equity issue; and
>
> WHEREAS there is a need for low or no cost menstrual products; and
>
> WHEREAS menstruating is a natural bodily function, and access to menstrual products is as necessary as access to toilet paper; and
>
> WHEREAS universal access to menstrual products contributes to the normalization of menstruation and enhanced access in a dignified way; and
>
> WHEREAS other Canadian cities, including London and Sarnia are already piloting and/or assessing the feasibility of menstrual product access programs; and
>
> WHEREAS recreation centres and libraries service a large population, diverse in age and socioeconomic status; and
>
> WHEREAS public-facing City of St. Catharines facilities can be accessed by all members of the community at no cost;
>
> THEREFORE BE IT RESOLVED that the City of St. Catharines work towards providing free menstrual products (pads and tampons) in all public-facing municipally-run facilities in the following ways:

…/2

PO Box 3012, 50 Church St., St. Catharines, ON L2R 7C2
Tel: 905.688.5600 | TTY: 905.688.4889 | www.stcatharines.ca

1. That staff report back to Council outlining options and costs for a pilot project that would offer menstrual products in select recreation centres and library locations;
2. That the evaluation of the pilot project also include qualitative data from people using the products;
3. That the results of the pilot project inform the feasibility of expanding the provision of free menstrual products in all public-facing municipal buildings;
4. That if passed, the Clerk's Office notify all school boards and municipalities in Ontario of the City of St. Catharines' initiative and encourage them to do the same.

This resolution, passed by our Council on June 10, 2019, is being forwarded to you for your consideration and support. Please consider forwarding this to your local school board.

If you have any questions, please contact the Office of the City Clerk at extension 1524.

Bonnie Nistico-Dunk, City Clerk
Legal and Clerks Services, Office of the City Clerk
:em

Summer 2019
2nd Quarter

The INFORMANT

CRIME STOPPERS
GUELPH WELLINGTON
1-800-222-TIPS (8477)

CSGW 2018 AWARD WINNER

We did it again! CSGW was presented with six provincial awards at the 2019 Ontario Association of Crime Stoppers conference.

| *Above: Coordinator Leesa Keleher, Board Director Marlene Coughlin, and Program Coordinator Sarah Bowers -Peter* |

1. **Marla Moon Memorial Award of Excellence** (100,001 - 299,999 population category) 4th year in a row!
2. **Coordinator's Award** (open category) Recipient was our very own Program Coordinator - Sarah Bowers-Peter, who contributed to much of our success!
3. **Best Special Project** (100,001 - 299,999 population category) Received for CSGW 30th Anniversary Celebrations
4. **Outstanding Fundraising Event** (100,001 - 299,999 population category) Awarded for Bucket Sale in cooperation with Youngs Home Hardware
5. **Community Service Trophy** (open category) Recipient was Marty Young and Youngs Home Hardware for outstanding support of CSGW
6. **Online Excellence** (open category) 3rd consecutive year!

Congratulations!

| *Above: Canadian Crime Stoppers Association President Dave Forster and Program Coordinator Sarah Bowers-Peter* |

PROGRAM STATISTICS

Since inception from 1988 through May 2019

Total # of Tips	20,752
Arrests	1,550
Charges Laid	4,308
Narcotics Seized	$27,313,037
Property Recovered	$10,191,246
Authorized Rewards	$169,185

PAST EVENTS

MULCH SALES

THANK YOU TO OUR COMMUNITY!!! Our success is because of you. We raised a total of $4,734.79!

CSGW relies on the **MEDIA** to assist with promotion of our events and we wish to acknowledge their support.

Support also comes from **COMMUNITY BUSINESSES and ORGANIZATIONS** by way of promotion on their road signs, shared on social media, and word of mouth.

This year CSGW was able to offer **3** consecutive events - starting in Guelph, partnering for the first time with **JL's Home Hardware**, followed by Fergus with the support of **Alltreat Farms,** and ending in Mount Forest in partnership with **Youngs Home Hardware.**

Thank you to our **VOLUNTEERS** and **CUSTOMERS**!

GUELPH POLICE WEEK

CSGW would like to thank the community members who came out to the annual Guelph Police Open House on May 11th.

BELWOOD COTTAGERS ASSOCIATION

On June 1st CSGW representatives gave a talk about our program and the boat/motor program. Cottage cards were handed out to assist police in the event that property is stolen from a vacation property. Owners are invited to use the card to record the hull number and motor serial number as well as any other property of value that may be stolen. Having this information allows the Investigator to return property to the rightful owner in the event that it is recovered.

PRESENTATIONS

EPACT (Educate Parents and Children Together) presentations will once again be offered in September. Adults and youths can learn about online threats, human trafficking and how CSGW can put an end to these crimes, with your help. Book your fall presentation at **info@csgw.tips.**

UPCOMING EVENTS

WELLINGTON COUNTY/OPP PROPERTY AUCTION

The date is set for next week! **Thursday June 27th.** It will be held at the same location of Parr Auctions, 6866 Hwy 6 (6km north of Fergus). Viewing starts at 4pm. Auction starts at 5pm.

For a full list of items visit www.parrauctions.ca

CSGW t-shirts will also be available - $20 ea.

SHREDDING EVENT

GUELPH - **Saturday September 14th**
9am - 1:00pm

Our event is proudly supported by **SKYACK Inc.,** and will be held at a **NEW LOCATION** in their parking lot at **201 Woodlawn Road W.**

Community members are encouraged to bring their personal paper documents to be shredded by **Wasteco** secure shredding services. Help protect yourself against identity theft.

Check our website **www.csgw.tips** for further details closer to the date.

GOLF TOURNAMENT

For the first time, CSGW will be taking part in a golf tournament fundraiser at Pike Lake, shared with three other non-profits: **88.7 The River; Big Brother/Big Sisters of North Wellington and Get in Touch For Hutch**.

Mark the date of **Wednesday September 25th** held at **Pike Lake Golf** Course, 7km west of Mount Forest.

Check back to our website for more information on how you can get involved.