

LUNDY'S LANE COMMUNITY IMPROVEMENT PLAN

TAX INCREMENT-BASED GRANT



PLANNING & DEVELOPMENT

BUSINESS DEVELOPMENT

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APPLICATION GUIDE





LUNDY'S LANE COMMUNITY IMPROVEMENT PLAN APPLICATION PACKAGE

TAX INCREMENT-BASED GRANT

- ❖ General Program Guide
- ❖ Required documents
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March 2018

This incentive program document is also on the City's Website at www.niagarafalls.ca under Community Improvement Plans.

General Program Guide

All of the financial incentive programs contained in the Lundy's Lane CIP are subject to the following general program requirements specified under each program. The general and program specific requirements contained in the Lundy's Lane CIP are not necessarily exhaustive and the City reserves the right to include other requirements and conditions as deemed necessary on a property specific basis:

- a) An application for any financial incentive program contained in the CIP must be submitted to the City prior to the commencement of any works to which the financial incentive program will apply and prior to application for building permit;
- b) If the applicant is not the owner of the property, the applicant must provide written consent from the owner of the property to make the application;
- c) An application for any financial incentive program contained in the CIP must include plans, estimates, contracts, reports and other details as required by the City to satisfy the City with respect to costs of the project and conformity of the project with the CIP;
- d) Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff, who will then make a recommendation to City Council or Council's designate. The application is subject to approval by City Council or Council's designate. As a condition of application approval, the applicant must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the grant/loan. This Agreement is also subject to approval by City Council or Council's designate.
- e) Where other sources of government and/or non-profit organization funding (Federal, Provincial, Municipal, CMHC, Federation of Canadian Municipalities, etc...) that can be applied against the eligible costs are anticipated or have been secured, these must be declared as part of the Application. Accordingly, the grant may be reduced on a pro-rated basis;
- f) The City reserves the right to audit the cost of any and all works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- g) The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant;
- h) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved grant and/or loan, and require repayment of the approved grant. Grant money approved for a project shall not be held in a reserve stated beyond the defined dates of the agreement;
- i) The City may discontinue any of the programs at any time, but applicants with approved grants will still receive said grant, subject to meeting the general and program specific requirements;

- j) All proposed works approved under the financial incentive programs and associated improvements to buildings and/or land shall conform to all municipal by-laws, policies, procedures, standards and guidelines;
- k) All works completed must comply with the description of the works as provided in the application form and contained in the program agreement, with any amendments as approved by the City;
- l) Existing and proposed land uses must be in conformity with applicable Official Plan(s), Zoning By-law and other planning requirements and approvals at both the local and regional level;
- m) All improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals;
- n) The size and placement of existing signage, including rooftop signs and billboards, will be taken into consideration on a case-by-case basis by the City when determining eligibility to apply for and receive any of the financial incentive programs contained in the Plan. The City may require conformity to the Sign By-law and/or removal of existing signage as a condition of approval of any of the financial programs contained in the Plan;
- o) Approval of an application for any of the financial incentive programs contained in the Plan will be based on compatibility of the proposed use with the Lundy's Lane Urban Design Guidelines, and any other guidelines applicable to the Lundy's Lane Community Improvement Project Area;
- p) When required by the City, outstanding work orders, and/or orders or requests to comply, and/or other charges from the City must be satisfactorily addressed prior to grant approval/payment;
- q) Property taxes must be in good standing at the time of program application and throughout the entire length of the grant commitment;
- r) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City; and
- s) The Tax Increment-Based Grant cannot be combined with any other grant program under the Lundy's Lane CIP.

Required Documents

REQUIRED DOCUMENT	TAX INCREMENT-BASED GRANT	COMMERCIAL FAÇADE, LANDSCAPING AND PROPERTY IMPROVEMENT GRANT PROGRAM	ADAPTIVE REUSE & MOTEL REVITALIZATION GRANT
Application applied for	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporate - Incorporation documents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Financial - Current bank(s) and financial institutions			
Details of primary construction lending	<input type="checkbox"/>		
Details of any secondary sources of government funding, e.g. federal, provincial, municipal, municipal heritage committee, CMHC, etc.	<input type="checkbox"/>		
Two detailed estimates of project construction costs prepared by bona fide contractors	<input type="checkbox"/> (only 1 required for this program)	<input type="checkbox"/>	<input type="checkbox"/>
Project rental rates and/or sale prices per unit and per square feet	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Any leases currently in place		<input type="checkbox"/>	<input type="checkbox"/>
Letter(s) of intent to Lease		<input type="checkbox"/>	<input type="checkbox"/>
Projected expenses or actual if available		<input type="checkbox"/>	<input type="checkbox"/>
Estimated assessed value upon completion	<input type="checkbox"/>		
Property/Parcel - Proof of ownership	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Site plan or survey	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Architectural drawings/design plans showing building, proposed building, façade and property improvements and/or interior layout drawings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Breakdown of other uses, e.g. commercial, institutional, etc.	<input type="checkbox"/>		
Contracts in place	<input type="checkbox"/>		
Written authorization from property owner to apply for grant	<input type="checkbox"/> (only owners can apply for this program)	<input type="checkbox"/>	<input type="checkbox"/>
Picture of existing façade and areas of building (interior and exterior) to be restored/improved		<input type="checkbox"/>	<input type="checkbox"/>

Grant Application Guide

1 Program Description

To provide an economic catalyst for rehabilitating, redeveloping or developing buildings and properties by providing a financial incentive that reduces the large tax increase that can result when a property is rehabilitated, redeveloped or developed and to provide assistance in securing project financing. Only those projects that result in an increase in property assessment and property taxes will be eligible for funding under this program.

All alterations/improvements made to buildings and properties shall be made pursuant to a building permit, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals.

2 Who can apply?

Owners of properties within the Lundy's Lane Community Improvement Project Area may apply. The City retains the right and absolute discretion to reject an application received from a person or corporation which in the opinion of the City or its professional advisers, does not possess the experience, financial, technical, personnel or other resources that may be required to carry out the obligations that the applicant proposes to assume under the terms of its application and loan agreement.

3 How does the program work?

The program is structured as a "pay-as-you go" program. The owner is expected to initially pay for the entire cost of the rehabilitation/revitalization project. Then, as the municipality receives the increased property taxes that result from the project, the City will reimburse the owner in the form of an annual grant. The grant is payable for up to 10 years after project completion or once the costs of the rehabilitation/revitalization project have been repaid to the owner, whichever comes first. The grant is equivalent to up to 80% of the increased municipal property taxes in years 1 to 5, 60% in years 6 and 7, 40% in year 8, and 20% in years 9 and 10. In no case will the total amount of the grant payments provided in this program exceed the cost of the rehabilitation/revitalization project that resulted in the reassessment.

4 What types of properties and projects are eligible for funding?

Existing commercial, residential and mixed use buildings, vacant properties and parking lots are eligible. This program only applies to certain types of eligible projects, as outlined in detail in the Lundy's Lane CIP. This includes:

- Redeveloping the property for mixed uses, including costs associated with demolition, site planning/preparation as well as construction. Mixed uses are considered to consist of mixed use buildings (ground floor commercial and residential uses above) or development consisting of

commercial/institutional uses in the front portion of the lot (facing Lundy's Lane) with residential uses in the rear portion of the lot;

- Converting an existing building to other uses, inclusive of the conversion of an existing building to a mixed use building; conversion of a commercial use to a different commercial use; and conversion of upper storey space to residential units, provided the ground floor space is already occupied by active commercial uses, such as retail, restaurants, personal service shops and similar uses. Eligible costs for these types of projects may relate to exterior and interior renovations, building additions and site works; and
- Streetscape improvements, such as sidewalk improvements, lighting, permanent benches or other similar pedestrian amenities, in association with the projects above may be considered eligible on a case by case basis.

Additionally, projects must be in compliance with the Lundy's Lane CIP Urban Design Guidelines. Further, please note that the Lundy's Lane CIP requires that proposed improvements must consist of a minimum of \$10,000 in eligible works/costs to be considered eligible.

5 What conditions must be met to be eligible for a grant?

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

- Applications must be made in writing (see attached for Application Form);
- The City may require submission of a Business Plan, with said Plan to the City's satisfaction;
- The property shall be redeveloped such that the amount of work undertaken is sufficient to at a minimum result in an increase in assessed value of the property by the Municipal Property Assessment Corporation (MPAC);
- The property owner will be required to submit an estimate of the total cost of the rehabilitation/revitalization works prepared by a bona fide contractor;
- The applicant may be required to submit professional architectural/design drawings which shall be in conformity with any City issued urban design guidelines, heritage guidelines, façade design guidelines and sign by-laws;
- The property owner may be required to submit other supporting documents as specified by the City (see the Required Documents list contained in this program guide);
- If the building receiving a grant is demolished, the remainder of the monies to be paid out under the grant shall be forfeited and the City reserves the right to require repayment of grant payments already made.

6 Is there a fee to apply?

No.

7 When will the grant funds be advanced?

The first grant payment will be advanced once:

- a) a grant agreement has been signed and executed;
- b) the project is complete;
- c) the property has been reassessed by the Municipal Property Assessment Corporation (MPAC);
- d) Municipal property taxes have been levied based on the new assessment value;
- e) Municipal property taxes have been paid in full for at least one year after municipal property taxes have been levied based on the new assessment value; and
- f) all assessment appeals have been resolved.

8 Can the grant be retained by the approved applicant if the property is sold?

Yes, subject to approval by the City.

9 Can the grant be assigned to a new property owner if the property is sold?

Yes, subject to approval by the City.

10 What are the default provisions

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

- taxes are more than one year in arrears;
- the building is demolished or any of the heritage features are altered in any way that would compromise the reason for designation;
- the owner declares bankruptcy;
- the owner uses the grant for improvement works that are not eligible;
- the owner fails to maintain the improvements as required in the Grant Agreement; and,
- the owner is in default of any of the provisions of the Grant Agreement.

11 How do I apply for a grant?

- a) Arrange a pre-application meeting with staff in order to determine program eligibility, proposed scope of work, project timing, etc...
- b) If authorized to apply for a grant, complete an application form and ensure that your application includes all of the documents checked off in the required documents list.

12 What happens next?

- Applications and supporting documentation are reviewed by staff.
- Staff may request clarification or additional supporting documentation.
- Staff will perform an initial site visit(s) and inspection(s) of the property (if necessary).
- An estimate of the post-project assessed value is calculated based on information provided by the applicant.

- The estimated post-project assessed value is used to calculate the estimated grant and estimated duration of the grant. A recommendation on the grant application is made by staff and forwarded to City Council.
- If your application is approved, the Grant Agreement is then executed and may be registered on title by the City. A copy of the agreement is also returned to you.
- Construction of the approved works may now commence, subject to issuance of a building permit(s).
- Once the rehabilitation/revitalization project is complete and the property has been reassessed by the Municipal Property Assessment Corporation, the City will check to see that the property is not in tax arrears, and then use the new assessed value to calculate the actual municipal tax increment and the grant amount.
- The City will send a new property tax bill to the owner.
- Once payment of property taxes has been received in full for one year by the City, the City will issue payment of the grant in the form of a cheque in the amount specified as per the calculation of the actual grant.

For further information on this program, please contact the Planning, Building and Development Services Department at (905) 356-7521 ext. 4238.

Application Form

1 General Information and Instructions

1. Before filling out this application form, please read the attached Program Guide and arrange for a pre-application meeting with staff. The Program Guide describes the purpose, basic terms and conditions of the Tax Increment-Based Grant Program.
2. If an agent is acting for the property owner, please ensure that the required authorization is completed and signed by the owner as provided in Section 6 below.
3. If you find insufficient space on this form to respond to questions, please provide additional information on a separate page and attach to your completed application form.
4. Please attach to the application, cost estimates for all eligible rehabilitation and redevelopment work and supporting documentation, i.e., one actual written cost estimate from a licensed contractor for the site rehabilitation and redevelopment works.
5. Please ensure that the application form is complete and that all required signatures have been supplied.
6. Please print (black or blue ink) or type the information requested on the application form.
7. You may deliver your application in person or send it by mail to:

City of Niagara Falls
Planning and Development Division
City of Niagara Falls
4310 Queen Street
P.O. Box 1023
Niagara Falls, ON L2E 6X5

For further information on this program, please contact the Planning, Building and Development Services Department at 905-356-7521, ext. 4238.

Tax Increment-Based Grant Application

Application No. _____

(Office Use Only)

(Please Print)

2 Applicant Information

Name of Applicant _____

Mailing Address of Applicant _____

Telephone Number _____

Fax Number _____

E-mail _____

Registered Property Owner *(if the Applicant is not the property owner please fill in the following)*

Name of Registered Property Owner _____

Mailing Address of Property Owner _____

Telephone Number _____

Fax Number _____

E-mail _____

Agent Information *(if any)*

Name of Registered Property Owner _____

Mailing Address of Property Owner _____

Telephone Number _____

Fax Number _____

E-mail _____

Solicitor's Information *(if any)*

Name of Solicitor _____

Mailing Address of Solicitor _____

Telephone Number _____

Fax Number _____

E-mail _____

3 Property Information

Municipal address of property for which this application is being submitted

Assessment Roll Number _____

Legal Description of Property (Lot and Plan Numbers)

Existing Property Use

Is property designated under the Ontario Heritage Act? Yes No

Are there any outstanding work orders on this property? Yes No

Size of Property *(ha/acres)* _____

Existing Buildings on Property? Yes (if yes, specify building size below) No

Building 1 (m²/ft²) _____

Building 2 (m²/ft²) _____

Building 3 (m²/ft²) _____

(Please list all additional buildings on a separate sheet)

4 Project Tax Information

Current property taxes paid annually \$ _____

Is this property is tax arrears: Yes No

If yes, specify value of tax arrears \$ _____

Have tax arrears been cancelled (in whole or in part) n this property under any City program?

Yes No

5 Project Description

- i) **Please describe proposed rehabilitation/redevelopment/construction works (building size/type, number of stories, construction materials, etc...) to take place on the site that are eligible for the grant.** Include number of new residential units/sq.ft. to be constructed, commercial space to be constructed (sq.ft.), types of improvements to be constructed. Please describe the location and configuration of the land uses. (Please attach detailed architectural/design and/or construction drawings)

ii) Construction Cost Breakdown *(Please attach cost estimate prepared by a bona fide contractor for work to be performed)*

a) Total Construction Cost (estimate) \$ _____
b) Please provide details of primary construction lending *(if any)*

iii) Construction Schedule

Approximate Start Date of Demolition of Existing Buildings (month/year) _____

Approximate End Date of Demolition of Existing Buildings (month/year) _____

Approximate Start Date of Construction (month/year) _____

Approximate End Date of Construction (month/year) _____

6 Other Sources of Funds

Have you applied for or will you be obtaining any other sources of government funding? (includes Federal, Provincial, Municipal, Municipal heritage Committee, CMHC, etc.)

Yes No

If yes, please list other sources and amounts of government funding:

Program _____ \$ _____

Program _____ \$ _____

Credit check

The City of Niagara Falls reserves the right to conduct credit checks as it deem necessary. Please provide the following information:

Full name of Registered Property Owner _____

Current home address of Property Owner _____

7 Authorization

I, _____

am the owner of/applicant for the land that is subject of this application, and I hereby authorize my agent/solicitor _____

to make this application and to act on my behalf in regard to this application.

Dated at the (*City/Town of ...*) _____

this _____ (*day*) of _____ (*month*), _____ (*year*).

Name of Owner

Signature of Owner

If an agent is authorized in Section 6 above, all correspondence will be sent to the authorized agent. If no agent is authorized in Section 6 above, all correspondence will be sent to the Applicant

8 Sworn Declaration

I/WE HEREBY APPLY for a grant under this program.

I/WE HEREBY AGREE to abide by the terms and conditions of the grant program.

I/WE HEREBY CERTIFY to enter into a grant agreement with the City that specifies the terms and conditions of the grant.

I/WE HEREBY CERTIFY that the information contained in this application is true, correct and complete in every respect and may be verified by the City by such inquiry as it deems appropriate, including inspection of the property for which this application is being made.

I/WE HEREBY AGREE that if any statements or information in this application or submitted in support of this application are untrue, misleading or there is a material omission, the application may be rejected or not approved, or the grant may be delayed, reduced or cancelled.

I/WE HEREBY GRANT permission to the City, or its agents, to inspect my/our property that is subject of this application.

I/WE HEREBY AGREE that the grant may be delayed, reduced or cancelled if the work is not completed, not completed as approved, or if the contractors are not paid.

I/WE HEREBY AGREE the program for which application has been made herein is subject to cancellation and/or change at any time by the City in its sole discretion, subject to the terms and conditions specified in the Program. Participants in the program whose application has been approved and who have entered into a grant agreement with the City will continue to receive their grant, subject to their grant agreement.

I/WE HEREBY AGREE all grants will be calculated and awarded in the sole discretion of the City. Notwithstanding any representation by or on behalf of the City, or any statement contained in the program, no right to any grant arises until it has been duly authorized, subject to the applicant meeting the terms and conditions of the program and the grant agreement. The City is not responsible for any costs incurred by the Owner/Applicant in any way relating to the program, including, without limitation, costs incurred in anticipation of a grant.

Dated at the *(City/Town of...)* _____

this _____ *(day)* of _____ *(month)*, _____ *(year)*.

Name of Owner or Authorized Agent *(please print)*

Signature of Owner