

TOWN OF

COBOURG

Tannery District Community Improvement Plan



SEPTEMBER 2009

THE CORPORATION of the TOWN OF COBOURG

BY-LAW NUMBER _____

BEING A BY-LAW TO ESTABLISH A TANNERY DISTRICT COMMUNITY IMPROVEMENT PROJECT AREA AND ADOPT A COMMUNITY IMPROVEMENT PLAN FOR THE PROJECT AREA

The Council of the Town of Cobourg, in accordance with the provisions of Section 28 of the Planning Act, hereby enacts as follows:

1. The area on Map 1 attached to and forming part of this By-law is designated as a Community Improvement Project Area within the meaning of section 28 of the *Planning Act*.
2. The Tannery District Community Improvement Plan attached hereto as Schedule "A" is hereby adopted.
3. That Clerk is hereby authorized and directed to make the necessary application to the Minister of Municipal Affairs and Housing for approval of the aforementioned Community Improvement Plan.

READ a first and second time this __th day of_____, 2009.

READ a third time and passed this __th day of_____, 2009.

Mayor

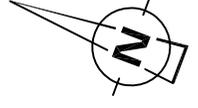
Clerk

MAP 1

By-law No. _____
Tannery District Community
Improvement Plan

Legend

Community Improvement
Project Area



September 2009

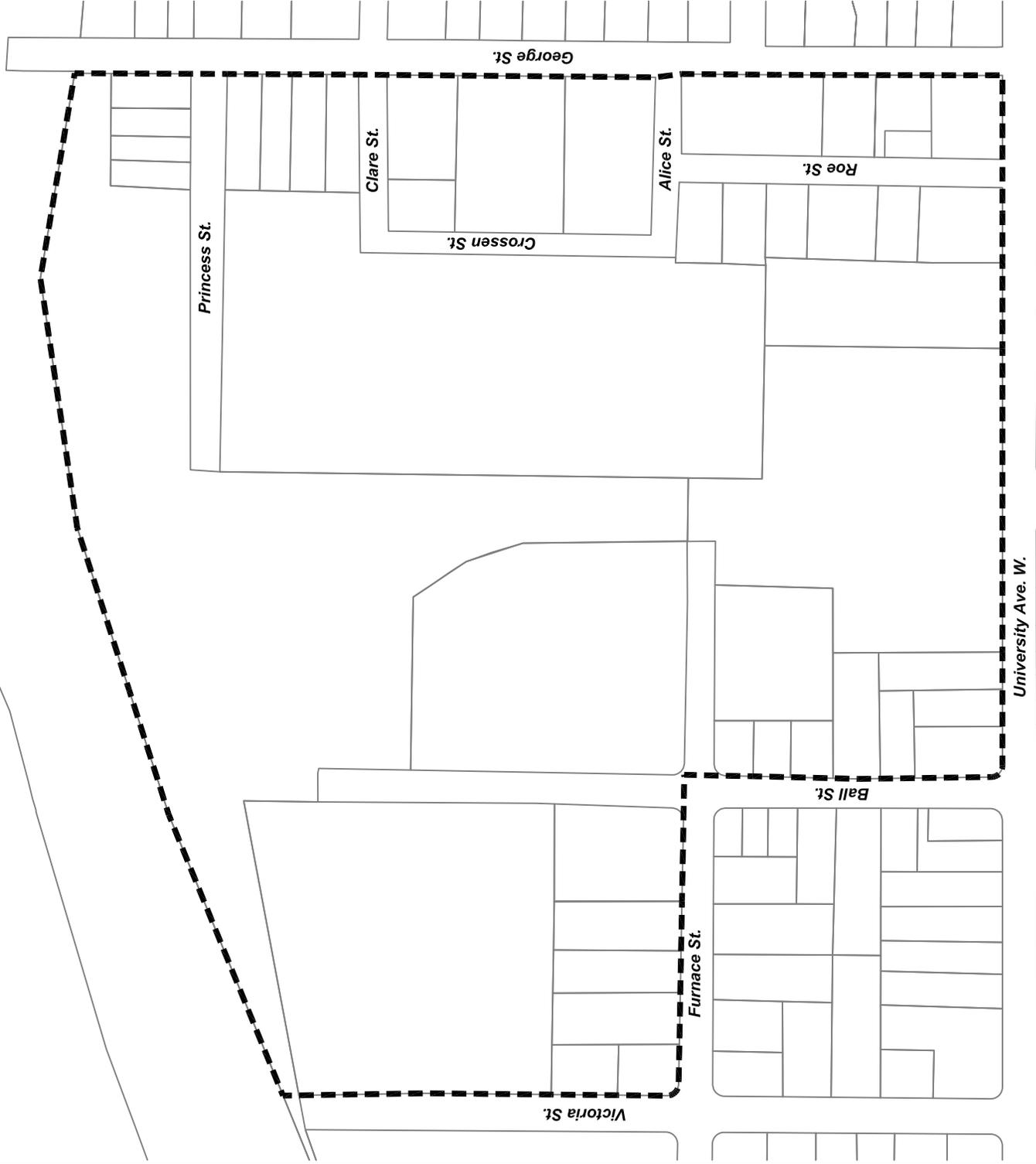


Table of Contents

Statement of Components	
The Preamble.....	1
1. Purpose.....	1
2. Community Improvement Project Area Boundaries.....	1
3. Background/Public Benefit Rationale	2
4. Community Improvement Plan Preparation	3
The Community Improvement Plan.....	4
5. Legislative Authority and Policy Basis	4
6. Goals and Objectives	6
7. Community Improvement Programs.....	7
8. Implementation and Interpretation	18

SCHEDULE "A" TO BY-LAW NO.

STATEMENT OF COMPONENTS

SECTIONS 1-4 - THE PREAMBLE provides the basis for the selection of the Tannery District Community Improvement Project Area and the development of the Tannery District Community Improvement Plan, and does not constitute part of the Community Improvement Plan.

SECTION 5-8 - THE COMMUNITY IMPROVEMENT PLAN constitutes the Tannery District Community Improvement Plan.

THE APPENDICES are attached for reference only and are not part of the Tannery District Community Improvement Plan.

The Preamble

1. Purpose

Tannery District is one of Cobourg's older industrial districts, and it includes the Tannery property, one of its most significant brownfield sites and adjacent residential lands which have the potential to be impacted by the industrial development. The Tannery District Community Improvement Plan (CIP) provides a number of financial incentive programs for this Community Improvement Project Area which has been established in accordance with the provisions of section 28 of the *Planning Act*. The CIP, together with a number of other programs being undertaken by the Town of Cobourg and key stakeholders, is intended to stimulate development/redevelopment in the Tannery District. The promotion of intensification and redevelopment in this area is in accordance with the directions in the Provincial Policy Statement and Growth Plan for the Greater Golden Horseshoe, as well as the Town's Official Plan.

2. Community Improvement Project Area Boundaries

The Tannery District Community Improvement Project Area includes a mix of uses, but with the majority consisting of existing industrial development and vacant, former industrial lands. There is also one major commercial site, as well as some low and medium density residential uses. The boundaries, established through By-law No. ____, are described as follows and shown on Map 1 to the By-law and this Plan:

- i) North - Canadian National and St. Lawrence and Hudson Railway Corridor;
- ii) East - George St.;
- iii) South - University Ave. W.; and,
- iv) West - Ball St., Furnace St. and Victoria St.

The Town's Official Plan has included the Tannery District as part of the "Olde Town Residential Community Improvement Area" for many years. This area is identified as a Community Improvement Area as set out in Section 5.6.3.2 of the Plan because it:

".....contains numerous land use conflicts, exhibits a high level of deficiencies in terms of municipal services and amenities, includes flood susceptible areas as well as man-made hazards, and contains under-utilized buildings and housing in need of substantial repairs and improvements."

However, a detailed evaluation of the need to develop a community improvement plan for this specific portion of the area was carried out through the Tannery District Community Improvement Area Study as outlined in the Background Report, July 2009.

3. Background/Public Benefit Rationale

The Town of Cobourg has recognized the need for the improvement of the Tannery District for some time. Initially, this was reflected by its inclusion in the Olde Town Community Improvement Area in the Town's Official Plan. However, the Town's commitment is also reflected in specific actions it has taken to clean up the Tannery site itself, as well as adjacent lands, despite the fact that it remains in private ownership, including:

- i) Commissioning a Phase I Environmental Site Assessment of the Tannery site in 2003;
- ii) Commissioning a subsurface investigation adjacent to the Tannery site in 2003;
- iii) Securing the Tannery site, clearing out the buildings, demolishing the buildings and removal of the scrap and rubble; and,
- iv) Submission of an application to the Northumberland Community Future Development Corporation (NCFDC) in June 2009 for a grant to hold a design charrette to explore planning and design features to maximize the environmental sustainability of future development in the district.

Additional initiatives include the Tannery District Community Improvement Plan Study which explores how a community improvement plan can be used to assist in the redevelopment of the Tannery District. The study concluded, as outlined in the Background Report, July 2009, that there are significant benefits for both the Town, and owners and tenants, which can be gained through the establishment of a community improvement plan, and recommended the preparation of a plan for the entire District. This conclusion was supported by the results of the public input.

The report provides a detailed discussion of the issues which could benefit from the establishment of a community improvement plan. Most significantly, a plan would provide the Town with a range of tools which could be used to encourage remediation of industrial and commercial sites, and possibly also some of the residential lands in the area. A plan could also contribute to improvements in the servicing deficiencies in the area. Potential tools to achieve these objectives include:

- i) grants or loans to pay for the necessary environmental studies to initiate the redevelopment process;
- ii) cancellation of property taxes for property owners who undertake rehabilitation of contaminated lands during the rehabilitation and development periods; and,
- iii) payment of a grant, following redevelopment which results in an increase in assessment, which equals some portion of the increase in property taxes for a period of time.

In addition, the CIP would allow for the payment of grants or loans for all existing development which would contribute to improvements to the interior and exterior of the buildings. Finally, the CIP would provide a vehicle to access any available upper level government (County, Provincial and Federal) and private funding opportunities and/or public/private partnerships so that infrastructure, streetscape and building improvement opportunities can be leveraged and advanced consistent with the overall objectives of the Community Improvement Plan.

4. Community Improvement Plan Preparation

The Tannery District Community Improvement Plan as contained in Sections 5-8 of this document has been prepared in accordance with the provisions of the *Planning Act*. It also reflects the results of a Background Report, July 2009. In addition, stakeholder input was obtained through meetings at key points with the Town's Planning Advisory Committee which includes a range of citizen representation. Finally, a statutory public meeting was held on August 24, 2009 in accordance with the requirements of the Planning Act. The results of this meeting, together with written submissions, were considered in finalizing the Community Improvement Plan.

The Community Improvement Plan

5. Legislative Authority and Policy Basis

5.1 Municipal Act

Section 106(1) of the *Municipal Act, 2001* prohibits “bonusing”, the provision by a municipality of any assistance directly or indirectly to any manufacturing business or other industrial or commercial enterprise. However, Section 106(3) of the *Municipal Act, 2001* exempts municipalities exercising powers under Section 28 (6) or (7) of the *Planning Act* or Section 365.1 of the *Municipal Act, 2001*. The Town of Cobourg intends to utilize this exception as the legislative basis for financial assistance programs offered through this Tannery District Community Improvement Plan.

5.2 Planning Act

Under Section 28(1) of the *Planning Act*, a “community improvement project area” is defined as a municipality or area in a municipality, the community improvement of which, in the opinion of the municipal council, is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings; or for any other environmental, social or community economic development reason.

Once a community improvement project area has been designated by by-law, the municipality may then prepare a “community improvement plan” for the community improvement project area. Upon adoption of the plan the municipality may then:

- i) acquire, hold, clear, grade or otherwise prepare land for community improvement;
- ii) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan;
- iii) sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the community improvement plan; and,
- iv) make grants or loans to the registered owners, assessed owners, tenants, or their assignees, of land and buildings within the community improvement project area for the purpose of carrying out the community improvement plan including eligible costs related to environmental site assessment and remediation.

However, Section 28 (7.3) states that the total of the grants and loans under subsections (7) and (7.2) and the tax assistance as defined in section 365.1 of the *Municipal Act, 2001*, with respect to land and buildings shall not exceed the cost of rehabilitating the land and buildings. This Plan outlines the programs which the Town intends to implement within the Tannery District Community Improvement Project Area. These programs include eligibility criteria that ensure conformity with Section 28 (7.3).

5.3 Town of Cobourg Official Plan

The Town of Cobourg most recent Official Plan update was adopted by Council in 1999 and approved by the Ontario Municipal Board in 2001. The Plan anticipates a planning horizon for a period extending through to the year 2018. The Plan is undergoing review with completion anticipated early in 2010. The Review process will reflect the directions in the Provincial Growth Plan, as well as other Provincial initiatives.

The Plan currently designates the majority of the lands in the Study Area as “Employment Area”. The exceptions are the car dealership on University Ave. and the industrial site to the east of it which are designated “District Commercial Area”. The remaining lands, including the industrial site at the northwest corner of Furnace St. and Ball St., are designated “Residential Area” .

Section 3.10 sets out the policies of the Employment Area. A full range of employment and related uses are permitted.

The District Commercial policies in Section 3.9 permit a range of commercial uses. In addition, institutional, light industrial and office uses are permitted. Residential uses are also permitted in accordance with the Residential or High Density Residential Area policies in Sections 3.4 and 3.5 of the Plan. Residential uses are subject to a zoning by-law amendment, provided that the site is an adequate size to allow buffering to adjacent commercial areas, and linkages can be provided to adjacent residential areas.

The policies for the Residential Area designation in Section 3.4 permit a range of low and medium density residential uses including low rise apartments and stacked townhouses. However, applications for development in established residential areas are to be evaluated based on their ability to generally maintain the structure and character of the surrounding residential area.

Other general policies which should be noted include:

- Section 6.5.1 Rail Service - recognizes the importance of rail service for both passengers and freight;
- Section 7, Municipal Servicing and Staging Strategy – only permits new development and/or redevelopment where the water and sewer systems have adequate capacity to service such development and/or redevelopment or if there will not be a detrimental effect on the storm drainage system;
- Section 7.5, Development Staging Policies – indicates that “Development will be managed to efficiently use land, resources, infrastructure and public service facilities and to avoid unnecessary and/or uneconomic expansion of infrastructure. In particular, infilling and intensification are encouraged where

lands are designated for the proposed use and full municipal services are available, provided such development is in conformity with all other relevant policies of this Plan.”;

- Sections 8.3 v) and)vi and 8.4 vii) – requires for sites adjacent to a railway appropriate measures to mitigate noise and vibration effects and appropriate safety measures such as setbacks, berms and fencing; and,
- Section 8.3 xi)/8.4 vi – requires an applicant to demonstrate that on-site soil quality is suitable for the proposed use, and where potential site contamination is identified, the Town will require Phase I and Phase II assessments and a Record of Site Condition as deemed appropriate.

In addition, the Community Improvement policies of Section 5.6 of the Official Plan are also applicable. These policies:

- i) provide a general description of what is meant by community improvement;
- ii) establish criteria for the selection of community improvement areas;
- iii) identify specific community improvement areas;
- iv) establish the requirements for the identification of additional community improvement areas;
- v) set out the approach to implementation and phasing..

Finally, it should be noted that the residential area adjacent to George St. forms part of the George St. Heritage Conservation District.

6. Goals and Objectives

The Town’s Community Vision, Principles and Objectives in Section 2 of the Official Plan are applicable to the Tannery District Community Improvement Plan, as are the following goal and specific objectives which are based on the Community Improvement Plan Background Study.

6.1 Goal

The Town of Cobourg shall endeavour to maintain, rehabilitate and redevelop the existing physical environment of the Tannery District by both public and private means to increase assessment and job creation; improve the environment; and use existing services more effectively.

6.2 Objectives

The Town of Cobourg shall:

- i) Promote private investment in the “clean up” of any sites which are environmentally contaminated, including any off-site impacts.

- ii) Promote private investment in the general upgrading of existing buildings and property in a manner compatible with the overall community interest.
- iii) Utilize to the maximum extent possible, not only federal and provincial funding, but also funding from the County, other agency and private sources, as well as public/private partnerships to support improvements in the Project Area including the “clean up” of environmental contamination and improvements to infrastructure, the streetscape, buildings and utilities and services; and,
- iv) Implement improvements to the physical facilities and services in a planned and efficient use of municipal capital expenditures.

The Tannery District CIP Boundary, Map 1 attached, illustrates the boundaries of the Tannery District Community Improvement Plan area. The programs listed in Section 7 can only be advanced on properties or buildings within the Plan area as shown on Map 1. Any revisions to the Plan boundaries will require an Amendment to the Tannery District CIP.

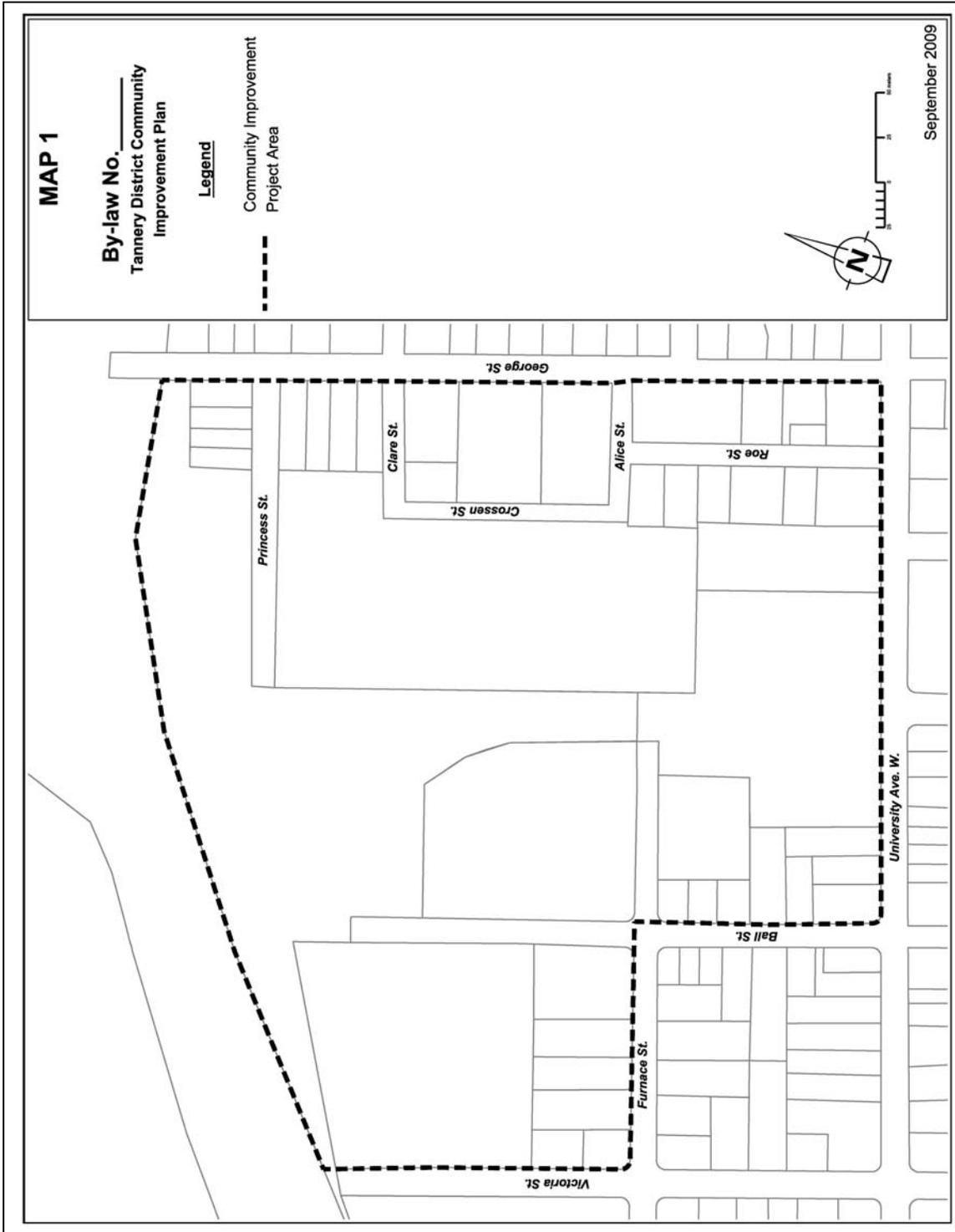
7. Community Improvement Programs

In order to implement the Goal and Objectives for the Community Improvement Plan, the Town will offer the following financial incentive programs in the Tannery District Community Improvement Project Area:

- i) Environmental Study Grant;
- ii) Brownfields Property Tax Cancellation Program;
- iii) Redevelopment/Rehabilitation Grant Program;
- iv) Building, and Façade Improvement Loan Program; and,
- v) Fee Grant Program.

These incentive programs are directed at the private sector and are designed to encourage private sector investment, redevelopment and construction activity in the Tannery District. These programs will be augmented and complemented by a range of municipal activities. In addition, the Town will through the Alternative Funding Program under this Plan, facilitate access to alternative funding or public/private partnerships for improvements in the Project Area as set out in Section 7.7

Cobourg Tannery District
Community Improvement Plan



Sections 7.1, 7.2, 7.3, 7.4, 7.5 and 7.6 describe each incentive program and requirements specific to the particular program. Section 7.8 describes general administrative requirements applicable to all the incentive programs. An eligible landowner or tenant may be awarded financial assistance or qualify for incentives in more than one program in support of a development, redevelopment or enhancement project. In accordance with Section 28(7.3) of the Planning Act, the total of the grants and loans provided shall not exceed the eligible cost of the community improvement plan with respect to those lands, buildings and tax assistance. Further, the Town of Cobourg may, at its discretion, extend or discontinue any program when and as it deems appropriate.

7.1 Environmental Study Grant Program

- i) Purpose
The Town of Cobourg may provide for a grant to pay for part of the cost of the environmental studies required to initiate the redevelopment process.
- ii) Terms of Program
 - The grant is based on 50% of the actual cost of the eligible study to a maximum of \$10,000 for each individual study.
 - A maximum of two environmental study grants will be given to any property.
 - The applicant will permit the Town to notify other parties interested in the Tannery District of the existence of the environmental study. However, the Town will not release the study without the written consent of the applicant.
 - Eligible Studies include:
 - Phase I and II Environmental Site Assessments; and,
 - Remedial work plans and risk assessments.
- iii) Procedures
 - Grant Application
The applicant is required to submit to the Director of Planning and Development, the completed Environmental Study Grant Application Form prior to commencing work on the environmental study for which the grant is being requested.
 - Conditions of Grant Approval
As a condition of grant approval, the Town will require the submission of a copy of the study work plan, the qualifications of the consultant and other details required to satisfy the Town with respect to the costs of the project, and the quality and extent of the work involved.

- Payment of Grant
The grant will be paid when the final study has been submitted to the Town.

7.2 Brownfields Property Tax Cancellation Program

- i) Purpose
The Town of Cobourg may cancel property taxes for property owners who undertake the rehabilitation of contaminated lands where the necessity for site remediation is confirmed through a Phase II Environmental Site Assessment. The Town may also apply to the County for similar tax assistance, and the Province for matching education property tax assistance. The Program will consist of a “Rehabilitation Period” and a “Development Period” as defined in Section 36.5.1 of the *Municipal Act*. The tax assistance from the County and the Province may be delivered on a different schedule than the assistance provided by the Town.
- ii) Terms of Program – Rehabilitation Period
All or a portion of the Town’s, the County’s and the Educational property taxes may be cancelled during the rehabilitation period which will end with the earliest of any one of the following three scenarios:
 - 18 months after the assistance began;
 - when the Record of Site Condition is filed with the Environmental Site Registry; or,
 - when the tax assistance equals the remediation costs.
- iii) Terms of Program – Development Period
All or a portion of the Town’s, the County’s and the Educational property taxes may be cancelled during the applicable development period. The development period commences after the rehabilitation period ends. The development period will end with the earliest of any one of the following two scenarios:
 - when the final inspection is carried out by the Town; or,
 - 18 months after the development period began.
- iv) Procedures
 - Application
The applicant is required to submit to the Director of Planning and Development, the completed Brownfields Property Tax Cancellation Application Form prior to the commencement of rehabilitation and the submission of an application for a building permit. The application shall include the Phase II Environmental Site Assessment, any related remedial work plans and risk assessments, as well as development plans, estimates, contracts and other details required to

satisfy the Town with respect to the nature and costs of the project, and its conformity with the Community Improvement Plan.

- **Conditions of Approval**
As a condition of approval, the Town may require submission of a Business Plan and/or professional design/architectural drawings which conform to the Town's urban design guidelines and other policies. In addition, the Town may require the applicant to post security and meet specific insurance terms and, all works must comply with the description of the works in the application. The applicant shall also agree to file a Record of Site Condition with the Environmental Site Registry. Finally, approval shall require adoption of a By-law by Town of Cobourg Council.

- **Provincial and County Tax Assistance**
The Minister of Finance may approve matching tax assistance on the education portion of the property tax. The Minister of Finance must approve a draft by-law that includes the deferral or cancellation of the education portion of the property taxes before it is adopted by Town Council. The by-law must include the start date, the duration of the tax cancellation period, as well as the amount of Town, County and Provincial taxes to be cancelled, inclusive of any adjustments for previously paid tax installments. A resolution of County Council is required in order to cancel the County portion of the tax bill. A copy of the resolution is to be attached to the by-law adopted by Town of Cobourg Council.

- **Cancellation of Tax Assistance**
Notwithstanding any other conditions, the tax assistance could be terminated if:
 - the eligible property is severed, subdivided, sold or conveyed at any time after the owner makes an application for tax assistance; or,
 - the owner of the eligible property fails to meet any legal requirement that applies to the owner of the property in connection with municipal or matching property tax assistance.

7.3 Redevelopment/Rehabilitation Grant Program

- i) **Purpose**
The Town of Cobourg may provide, for redevelopment and rehabilitation sites deemed by the Town to increase property assessment by a minimum of 20%, and which support the objectives of the Community Improvement Plan, a share of the incremental taxes in the form of a grant. This program

will commence for sites approved for the Brownfields Tax Cancellation Program after that program ends.

ii) Terms of Program

- The annual grant will be paid annually once the eligible project is complete with the final building inspection having been carried out by the Town, the property has been reassessed, and when the new property taxes have been paid;
- The grant would be provided on a declining rate basis for a ten year period based on a schedule established by the Town, with a grant generally equal to 80% of the incremental taxes for the redeveloped property in Year 1. Year 1 is defined as the first full calendar year in which taxes are paid after the project has been completed and re-assessed;
- The grant represents a percentage of increased taxes payable to the Town resulting from improvements, as such the total value of the work completed as indicated on the building permit application, and the amount of municipal taxes paid prior to, and after the redevelopment/rehabilitation will have to be calculated by the Town as a basis for determining the amount of the grant, using a methodology established by the Town. The amount of the total grant shall not exceed the value of the work completed;
- The Town will only pay an annual grant based on the Town portion of the property tax collected for the year;
- The annual grant is based upon changes in property taxes as a result of construction and improvement, not based upon occupancy or changes in occupancy or general re-assessments, changes in tax legislation, increases in the tax rate or other factors which may affect the tax rate; and,
- If the property is sold, in whole or in part, before the grant period lapses, the subsequent owner is not entitled to future grant payments.

iii) Procedures

- **Grant Application**
The applicant is required to submit to the Director of Planning and Development, the completed Redevelopment/Rehabilitation Grant Application Form prior to, or at the time of, building permit application. The application shall include a copy of the Building Permit application including plans, estimates, contracts and other details required to satisfy the Town with respect to the costs of the project, and the work expected to result in the increased assessment, and its conformity with the Community Improvement Plan.
- **Conditions of Grant Approval**
As a condition of grant approval, the Town may require submission of a Business Plan and/or professional design/architectural drawings

which conform to the Town's urban design guidelines and other policies. In addition, the Town may require the applicant to post security and meet specific insurance terms and, all works must comply with the description of the works in the application. Finally, the applicant shall ensure that a post improvement assessment of the property is undertaken and submitted to the Town.

- Payment of Grant
The payment of the grant shall not take place until:
 - The agreement with the Town is signed;
 - The owner provides proof the development is complete;
 - Town staff inspect the project;
 - Town staff are satisfied with the documentation submitted;
 - The property has been revalued by MPAC and post project Town taxes have been levied based on the new assessment;
 - The owner has paid the taxes in full for at least one year the project is complete; and,
 - any assessment appeals are resolved.

The grant payment may then be calculated as the difference between post-project Town taxes and pre-project Town taxes multiplied by the applicable grant rate that year.

7.4 Building and Façade Improvement Loan Program

- i) Purpose
The Town may provide a building and façade improvement no-interest loan, for maintenance and improvement works for buildings and structures located in the Tannery District Community Improvement Project Area.
- ii) Terms of the Program
The loan will match the amount spent by the applicant toward the cost of the works up to a maximum of \$15,000 per property. This program shall apply to a full range of exterior and interior improvements for all properties in the project area including residential lands, and may include, but is not limited to, loans for the conversion of vacant or underutilized space to employment generating uses, incorporating barrier free entry into a building, the upgrading of buildings and structures to Building Code and improvements to building facades. The loan program shall be for a ten year term. The loan may be repaid at any time with a 25% loan forgiveness, if repaid within three years. Where a property is located in the George St. Heritage Conservation District, the proposed improvements must satisfy the Town's General Heritage Conservation District Guidelines and, where required, have an approved heritage permit from the Town.
- iii) Procedures
 - Loan Application

The applicant is required to submit to the Director of Planning and Development, the completed Building, and Façade Improvement Loan Application Form prior to the commencement of any works and prior to submission of any building permit application. The cost estimate shall be supported by a minimum of two estimates from qualified contractors. The application shall include plans, estimates, contracts and other details required to satisfy the Town with respect to the costs of the project, and its conformity with the Community Improvement Plan.

- **Conditions of Loan Approval**
As a condition of loan approval, the Town may require submission of a professional design/architectural drawings which conform to the Town's urban design guidelines and other policies. In addition, the Town may require the applicant to post security and meet specific insurance terms and, all works must comply with the description of the works in the application. If the higher of the two estimates is proposed to be used, than the loan shall be provided based on the average cost of the two estimates. If the lower of the two estimates is the successful bidder, the loan shall be provided on the basis of the lowest estimate.

- **Provision of Loan**
The loan will be advanced to the applicant upon execution of the loan agreement, completion of the works, inspection of the work and receipt of the invoices. Generally progress payments shall not be made.

7.5 Fee Grant Program

- i) **Purpose and Terms of Program**
The Town may provide a one time grant, equivalent to the amount of any or all of the following Town fees to promote development within the Tannery District Community Improvement Project Area:
 - Development Charges;
 - Building Permit Fees;
 - Planning Application Fees; and,
 - Cash-in-lieu of Parkland.

- ii) **Procedures**
 - **Grant Application**
The applicant is required to submit to the Director of Planning and Development, the completed Fee Grant Loan Application Form prior to the commencement of a planning application and/or any works as applicable.

- **Conditions of Approval**
As a condition of grant approval, the Town may require submission of a professional design/architectural drawings which conform to the Town's urban design guidelines and other policies, or other information which demonstrates how the project conforms to the Community Improvement Plan.
- **Provision of Grant**
The grant will be provided for approved projects upon payment of the appropriate fee once all the related approvals have been given for the project.

7.6 Residential Loan Program

- i) **Purpose**
The Town may provide a no-interest loan, to promote the construction of affordable housing units in the Tannery District Community Improvement Project Area. Affordable housing shall be defined as:

- in the case of ownership housing the least expensive of housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low and moderate income households; or housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market place; or
- in the case of rental housing, the least expensive of a unit for which the rent does not exceed 30 percent of gross annual household income for low and moderate income households; or a unit for which the rent is at or below average market rent of a unit in the regional market place.

Low and moderate income households means in the case of ownership housing, households with incomes in the lowest 60 percent of the income distribution in the regional market area; or in the case of rental housing, households with incomes in the lowest 60 percent of the income distribution for renter households for the regional market area.

The regional market area refers to the County of Northumberland.

- ii) **Terms of the Program**
The loan will be provided on the basis of \$20 per square foot of habitable floor space created to a maximum of \$20,000 per unit. The loan shall be repayable for rental units in equal monthly payments over five years with 15% of the loan repayable every year and a lump sum payment of the outstanding funds at the end of the five year period. Where an ownership unit is involved, upon the sale of a unit, the loan for the unit will be due in full.

iii) Procedures

- Loan Application

The applicant is required to submit to the Director of Planning and Development, the completed Residential Loan Application Form prior to the commencement of any works and prior to submission of any building permit application. The application shall include plans, estimates, contracts and other details required to satisfy the Town with respect to the costs of the project, and its conformity with the Community Improvement Plan. In particular, the Town will require financial information, specification of the proposed works, including number and size of proposed units, and estimated project construction costs and other related information which demonstrates that the units for which the loan is requested will be affordable units as defined by the Town.

- Conditions of Loan Approval

As a condition of loan approval, the Town may require submission of a professional design/architectural drawings which conform to the Town's urban design guidelines and other policies. In addition, the Town may require the applicant to post security and meet specific insurance terms and, all works must comply with the description of the works in the application.

- Provision of Loan

The loan will be advanced to the applicant upon execution of the loan agreement, completion of the works, inspection of the work and receipt of the invoices.

7.7 Alternative Funding Program

i) Purpose and Terms of Program

The Town shall explore opportunities for funding from the Federal, Provincial and County governments, other agencies or the private sector, including public/private partnerships, which will assist in implementing the Goal and Objectives of the Community Improvement Plan. The focus will be on the use of funding for:

- Improvements to infrastructure;
- Streetscape improvements;
- Building improvements; and,
- Relocating, upgrading and/or enhancement of utilities and services such as hydro-electricity generation/distribution, burying or relocation of overhead wires/services, telecommunications system, heating/cooling systems and similar initiatives.

Council will assess and consider financial participation in the Program if it is a requirement for eligibility.

- ii) Procedures
 - **Town Initiated Projects**
The Town will, a minimum of once a year, review available information concerning grants, loans and other funding opportunities for projects which will assist in the achievement of the Goal and Objectives of the Community Improvement Plan. Where such funding is identified, the matter will be presented to Council for consideration and direction. If the initiative is supported by Council, the necessary application will be submitted as required.
 - **Private Projects**
As part of the review process, the Town will also identify funding that may be available to the private sector for specific projects or as part of a general program. The Town will establish procedures for advising potential eligible parties in the Project Area of the funding, and will assist in the completion of applications, or other related administrative assistance.

7.8 General Administration Provisions applicable to Incentive Programs

The provision of any grant or loan as described in Sections 7.1, 7.2, 7.3, 7.4, 7.5 and 7.6 is subject to the following general administration provisions:

- i) Owners, tenants and assignees of properties within the Tannery District Community Improvement Project Area are eligible to apply for funding under the loan and grant programs, and owners and assignees of properties are eligible to apply for funding under the Property Tax Cancellation and Redevelopment/Rehabilitation Grant Programs. Applications may be made on a “first come first served basis” to the limit of the available funding, provided all eligibility criteria and conditions are met for each program. Where applicable, tenants of properties may apply for funding with the written consent of the property owner.
- ii) The programs will not be retroactively applied to developments where building permits were issued prior to the commencement of the program.
- iii) All applicants shall be required to have a pre-consultation meeting with Town staff prior to filing their applications, to determine factors such as program eligibility, scope of work and project timing.
- iv) Where other sources of government funding and/or non-profit organization funding to be applied against the eligible costs is anticipated or has been secured, these must be declared as part of the application and the loan/grant may be reduced on a pro-rated basis.

- v) All arrangements for financial incentives under the program shall be to the satisfaction of the Treasurer for the Town. All applicants who are approved will be required to enter into an agreement with the Town approved by Council or its designate. Actual costs may be subject to independent audit, at the expense of the property owner.
- vi) Property taxes shall be in good standing at the time of application and throughout the length of any loan or grant commitment.
- vii) All proposed development shall conform to the Official Plan and Zoning By-law and other planning requirements. There shall be no outstanding work orders issued by the Town against the property. In addition, all improvements shall be made pursuant to a building permit, and constructed in accordance with the Ontario Building Code where required.
- viii) The Town of Cobourg may, at its discretion, and without further amendment to the Community Improvement Plan, extend or discontinue any program when and as it deems appropriate. Notwithstanding this, participants in various programs prior to their closing may continue to receive approved grants after the closing of the program as determined through individual agreements with the Town and subject to available funding approved by the Town.
- ix) Final decisions with respect to applications and the allocation of funds shall be made by Town Council, unless Council delegates its authority to Town staff. If Council delegates its authority, then an applicant shall be afforded the opportunity to appeal a staff decision to Council. The general administration of the programs shall be the responsibility of the Department of Planning and Development.
- x) The Town will develop a handbook and/or set of guidelines for each incentive program that are intended to assist with interpretation and administration of the Plan by applicants and Town Staff.

8. Implementation and Interpretation

8.1 Funding

This Community Improvement Plan will be administered by the Town of Cobourg. All programs will be funded by the Town based on a budget established by Council. Each year the funding allocation for the Tannery District CIP will be evaluated and assessed by Council through the deliberations of the Town's Operating and Capital Budget program.

8.2 Monitoring

The Town shall conduct a review of the Community Improvement Plan programs a minimum of every five years with respect to their effectiveness.

8.3 Amendments

Amendments to the Community Improvement Plan shall be required for:

- i) boundary adjustments; and,
- ii) the addition of new programs.

8.4 Interpretation

This Plan has been prepared in conformity with the Town of Cobourg Official Plan. It shall be referred to as the “Tannery District Community Improvement Plan”. The Tannery District Community Improvement Plan consists of Sections 5-8 of this document.