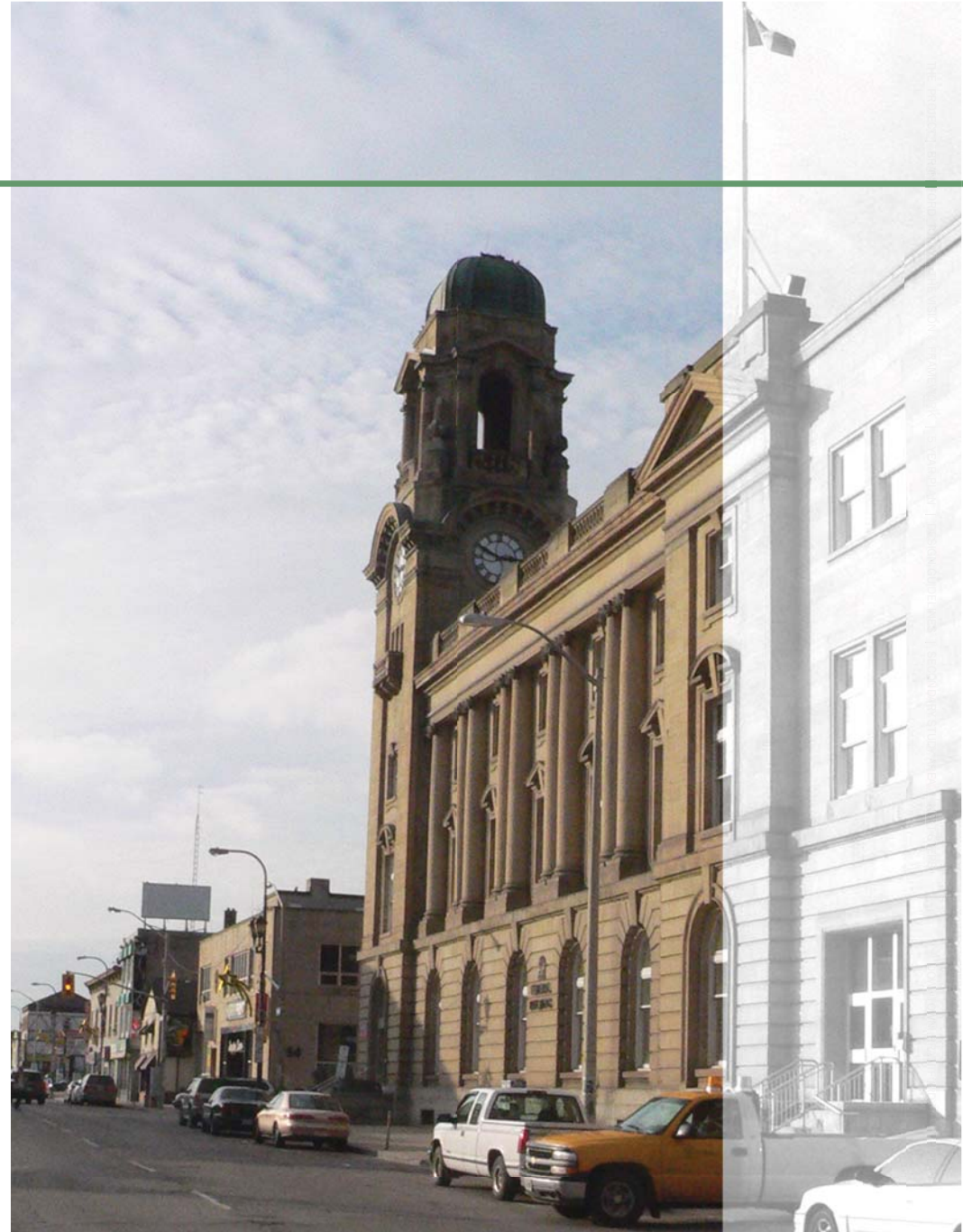




A Master Plan for Downtown Brantford

Appendix B: Market Study



Urban Strategies

**BRANTFORD DOWNTOWN MASTER PLAN
STRATEGIC ASSESSMENT OF SELECTED MARKET
OPPORTUNITIES**

APRIL 2008



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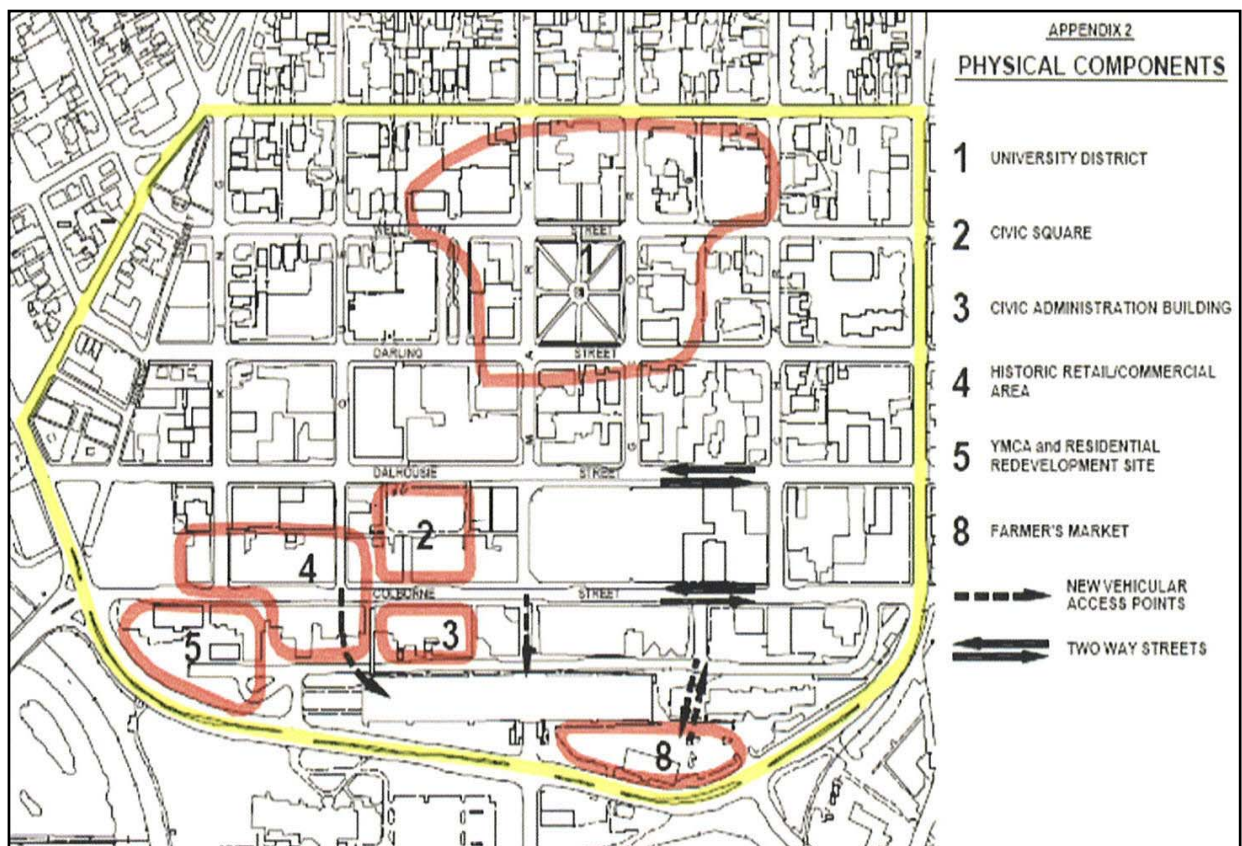
Appendix A. - Case studies from Ontario Communities

1. INTRODUCTION

This report presents a high-level review of selected market characteristics of Downtown Brantford to help guide the creation and implementation of the Downtown Master Plan. The review herein is directional and does not include projections of development by land use. By reviewing the recent history of development activity in Brantford, together with input provided by stakeholders in a series of interviews in late March 2007, the following is an overview of market constraints and opportunities which should inform the priorities and actions of the Downtown Strategy.

Downtown Brantford, for purposes of this assessment, includes the City of Brantford Downtown Community Improvement Plan Area and immediately adjacent areas. The boundaries of the Downtown Community Improvement Plan are equivalent to the Downtown Brantford Census Tract CT5430006.00 (Statistics Canada Census, 2006).

EXHIBIT 1: CITY OF BRANTFORD DOWNTOWN COMMUNITY IMPROVEMENT AREA



Source: City of Brantford



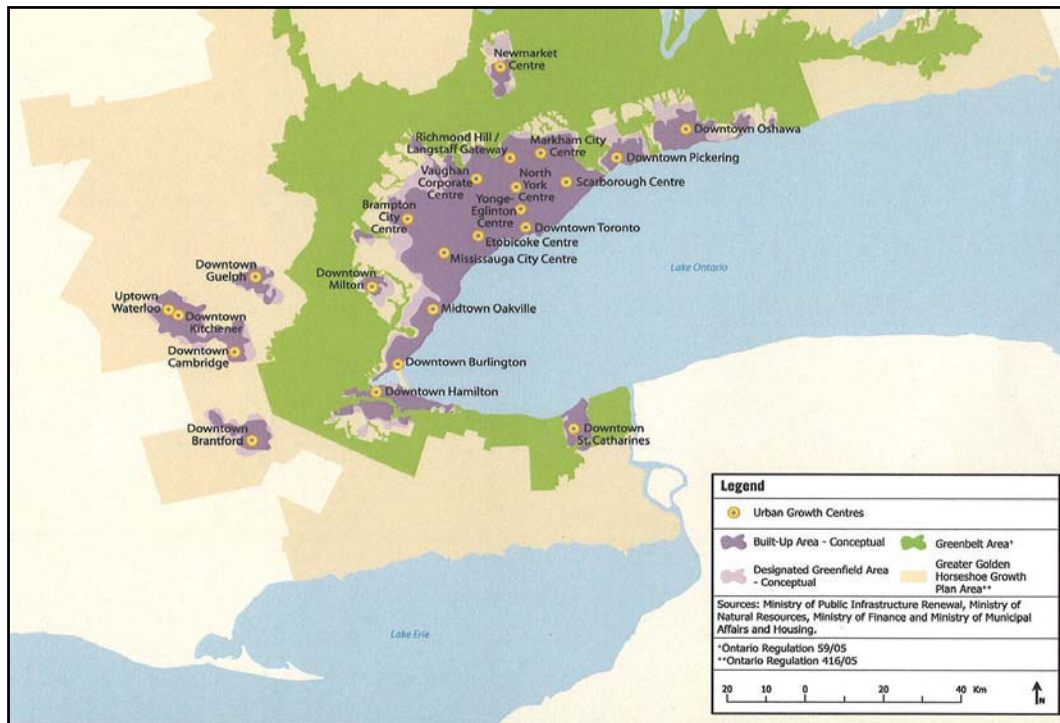
2. DOWNTOWN IN ITS CITY AND REGIONAL CONTEXT

2.1 Strategic Regional Location

The City of Brantford occupies a strategic location between the City of Hamilton and the City of London, with convenient access both to the Golden Horseshoe as well as markets in Southwest Ontario. The extension of Highway 403 has further enhanced the accessibility of this area both to employers and residents. Brantford is a mid-sized City of sufficient population to generate viable markets for a range of land uses including industrial, commercial retail, commercial office and a broad range of residential development.

Downtown Brantford is identified as an Urban Growth Centre within the *Growth Plan for the Greater Golden Horseshoe 2006*. Located beyond the Greenbelt, there is the potential for additional demand for land to be felt in communities such as Brantford as a result of potential future constraints in parts of the G.T.A. The extent to which this demand is realized in places such as Brantford, is a function of the existing supply of available employment and residential land in those communities surrounded by the Greenbelt, the supply of such lands and servicing capacity within Brantford itself, and the success of Growth Plan Intensification Policies. Based on conversations of City staff, we understand that there are no significant servicing or land supply issues in Downtown Brantford either for employment land or residential development.

EXHIBIT 2: URBAN GROWTH CENTRES



Source: *Growth Plan for the Greater Golden Horseshoe. 2006*

The Growth Plan stipulates population and employment growth targets on a combined basis for the County of Brant and City of Brantford. For these two municipalities, population targets are based on an increase of population from a base from 129,000 in 2001 to 173,000 in 2031. This target represents a compound annual growth of roughly 1% in each of the 30 years to 2031. The total annual compound growth rate for the Greater Golden Horseshoe is in the order of 1.3% per annum.

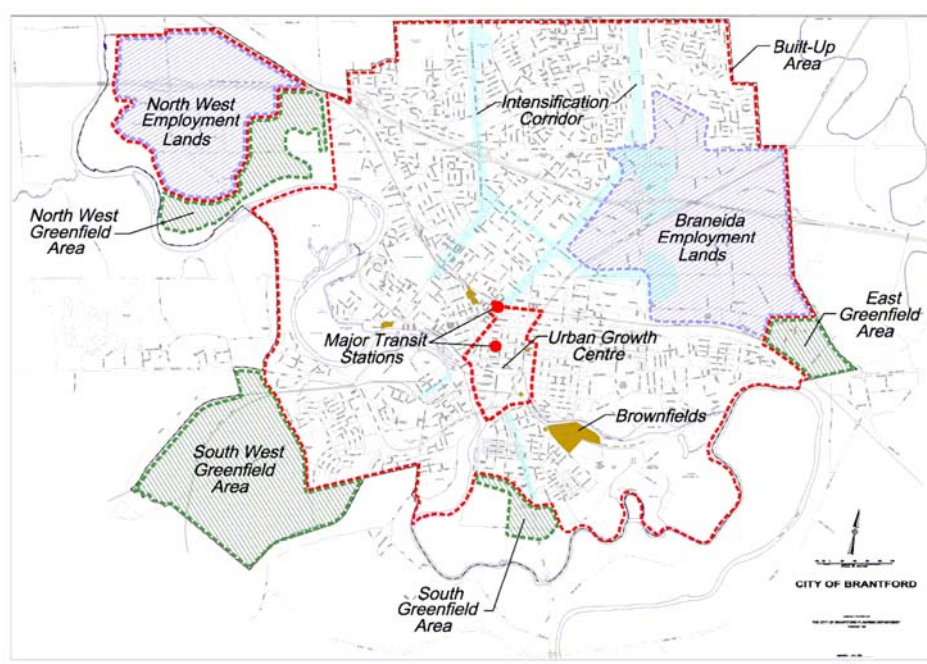
A recent growth management strategy developed by the Town will determine the final growth targets approved by the City.

Within the City of Brantford, the Growth Plan intensification target, to be achieved by 2031 or earlier, is a minimum gross density target of 150 residents and jobs combined in Downtown Brantford. Other Urban Growth Centres pursuing this scale of density increase include Downtown Barrie, Downtown Guelph, Peterborough and Downtown St. Catharines. As of 2001, the density in Downtown Brantford has in the order of 58 residents and jobs combined.

The impacts of the financial growth plan on Brantford will evolve over time. However, it should be noted that the plan is prescriptive and population estimates are policy-driven targets (based on an allocation of forecasted population growth to the GTAH and the Outer Ring countries).¹

Market support for intensification in Downtown Brantford is not currently as significant as demand in new growth areas of the City. However, under the Places to Grow Plan, 40% of all new residential growth is to be achieved through intensification of the existing built-up area. If pursued vigorously, this could suggest demand will focus, in part, on Downtown Brantford where residential redevelopment sites exist, together with sites available elsewhere within the existing built-up area including other areas with the defined Urban Growth Centre of the City.

EXHIBIT 3: APPLICATION OF THE PROVINCIAL PLACES TO GROW PLAN IN BRANTFORD



¹ 2007 Ministry of Finance projections for Brant County are marginally Lower (171,700 persons by 2031).

Recommendations

It is, therefore, recommended that the City undertake a review of available redevelopment opportunities in and around Downtown as part of a site marketing exercise to promote residential development downtown. Almost by definition, this should include recognition of how contaminated (Brownfield) sites can be redeveloped to meet intensification targets.

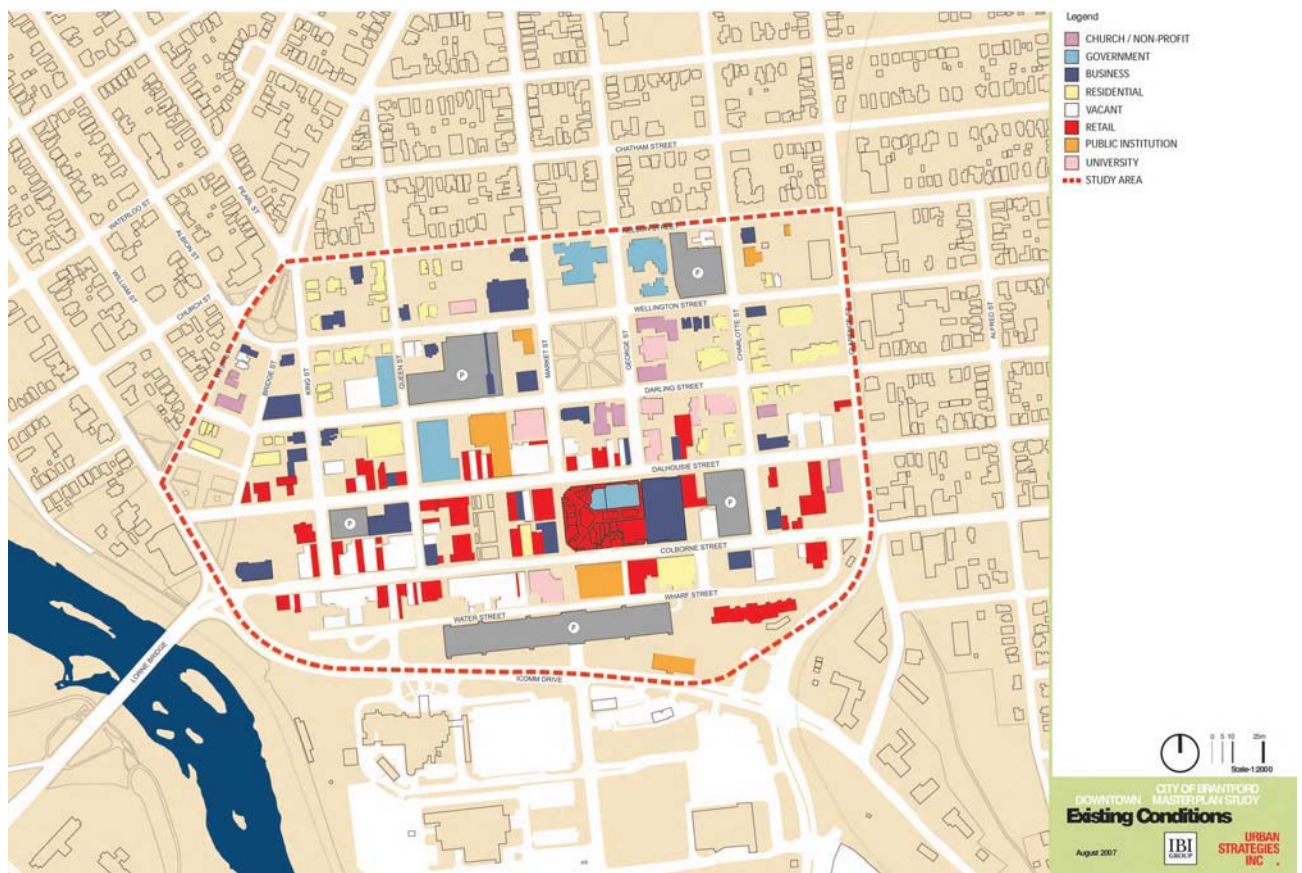
The City has significant existing residential supply, notably in the Southwest. These lands are permitted for development under the Places to Grow Plan, and as such, the downtown strategy must recognize that considerable choice will exist for residential development elsewhere in the City. A residential site marketing strategy conducted by the City, and engaging landowners, should form an essential element of this strategy. The overall Downtown Master Plan assists in identifying specific site opportunities, scales of potential development for each site, any development constraints including land assembly requirements, and the potential future role of the City in promoting residential redevelopment through its powers under Section 28 of the Planning Act. This could include acquisition, disposition, lease or a range of rehabilitation measures for lands in the Community Improvement Project Area.

3. MARKET CONSIDERATIONS BY LAND USE

3.1 Existing Land Use Conditions

A recent inventory of land uses undertaken by Urban Strategies illustrates the existing commercial, residential, and institutional land use character of Downtown.

EXHIBIT 4: EXISTING BUILDING USE



Office

The Downtown includes a range of land uses and several clearly defined districts. Commercial offices are housed in a range of buildings including purpose-built office accommodations as well as renovated houses.

As is typically the case for communities of this size, a business “transition” zone exists on the periphery of the Downtown and is often a viable and sustaining economic presence for the Downtown. In the context of Brantford, the low-density nature of this form of development creates an isolating experience which can be a detraction to further investment in employment growth in Downtown and on its periphery.

The job growths targets of the Provincial Growth Plan should be viewed as an opportunity to seek intensification for development on these properties surrounding the retail centre of Downtown.



Commercial / Retail

Commercial retail in Downtown Brantford is spread out on Colborne St., Dalhousie St. and to some extent Market Street. The areas shown as vacant are also properties zoned for commercial retail use. The retail environment Downtown caters to a range of markets including both traditional main street type retail properties with ground floor tenanted space, and new opportunities associated with Harmony Square redevelopment. Market Square is transforming into mixed retail/office use. The patchwork of retail, vacancies and underdeveloped lots along the three major streets in Downtown, creates a less than desirable advert for existing retail. The “thinning” of the retail environment prevents Downtown from defining itself as a destination and a different experience from the outlying retail nodes. It is important that Downtown provide a distinct experience and retail environment and a range of services which cater to a different market and those than that provided by the power centres and other retail nodes in Brantford. This market should include employees working in downtown, students, tourists and residents living close to the central core.



Residential

Residential land use is located on the periphery of the core of Downtown. Existing residential is generally located north of Dalhousie. The presence of the Grand River and nearby Lorne Park are attractions that could be used to promote the market for residential development.

3.1.1 PRELIMINARY HISTORICAL ASSESSMENT – SOUTH COLBORNE STREET

The revitalization of Colborne Street is seen as a key element of the Downtown Master Plan. Currently, there are several buildings on the south side of Colborne Street that are either vacant or in need of repair. Several stakeholders have suggested that some of these buildings be torn down, and replaced with new buildings. Accordingly, the purpose of this section is to provide some preliminary thoughts on the historical significance and value of these buildings.



Several reports completed previously have looked at the building fabric on Colborne Street in the context of Downtown heritage. The **South side of Colborne Street Task Force**, final report was completed in 1995 and made the following statements on future development options for Colborne Street:

- **Housing** - “Based on current land values in the study area, housing and alternative forms of housing development available in other sections of the City. New housing development will not occur within the study area...”
- **Private Sector, High-end Development** - “...the market opportunity for a significant private sector development in the Downtown, over the next decade is limited, this is also not an option that is worthwhile pursuing for the south side of Colborne Street.”
- **Major Block Renovation** - “... it is highly unlikely that ... major block renovation or restoration of existing building ... will occur within the study area.”

The **1992 Heritage Inventory** for the City of Brantford included the buildings along the south side of Colborne Street, from #35 to #171. The majority of the buildings are pre-Confederation and 140 years and older. Fifteen of the properties (35%) are of Architectural Significance while eight of the properties (20%) are Historically Significant.

Other observations made by IBI Group’s heritage consultant include the following:

- It is clear that the early economic (and by extension social/cultural history) of the community had its beginnings in this area and was linked to the former canal and Grand River located to the south and behind Colborne Street;
- Over half the buildings are highly rated as being either architecturally or historically significant;
- Twelve years ago, at the time of the South Side of Colborne Task Force, there was no market potential for any kind of development or redevelopment;
- Zoning for this area is the most liberal in the City, with 100% coverage, a maximum 8 storeys, no parking requirements etc;
- Over one-third of the properties are controlled directly or indirectly by a single individual;
- There is a proportionately high vacancy rate in the area;
- The small lot size and the 23’ grade difference between Colborne and Water Streets will require a premium to achieve wholesale redevelopment of the properties;
- The high vacancy rate and the deteriorated condition of many of the properties communicate a negative reaction, and accordingly the strategy must address the area in a comprehensive manner.

Without question, many of these existing conditions, found along the South Side of Colborne Street serve to generate discussion of aggressive redevelopment strategies. These strategies usually include demolition of all or substantial portions of the building stock. In the opinion of IBI Group, such strategies should be considered as a last resort. Without a clear statement of value and a

plan of action, based upon the principles of re-use and sustainability, that is supportable by the community, the historical and architectural heritage represented by these buildings are in danger of being lost.

Elements of this action plan, which will be further considered in the context of the overall Master Plan, could include the following:

- Develop a statement of value that clearly expresses the areas' significance to the community;
- Start a community history project for the area;
- Provide incentives such as tax breaks and Development Charge deferrals for building owners and developers;
- Seek a wide range of grants from senior levels of government for the purpose of re-investment in the historic fabric;
- Provide City rehabilitation grants, rebuild infrastructure, demonstrate re-investment commitment;
- Actively seek tenants and users for renovated buildings, look at land swaps with commercial users;
- Look at the potential to assemble individual properties into larger blocks, while also dealing with large, multi-property owners to facilitate land swaps with other City owned property that might be more easily developed by the private sector.
- Actively seek institutional users; perhaps building on the existing satellite college campuses, for example, training/apprenticeship programs, student housing and graduate offices could be located in renovated buildings on the street.
- Review the potential to relocate some municipal service offices, etc. to assembled properties;
- Consider the potential for a historic/interpretive project that would excavate and rebuild the canal, create a park, visitor centre, etc. that would connect Colborne Street to Water Street.

3.2 Commercial Retail

3.2.1 COMMERCIAL STRUCTURE OVERVIEW

There are principally four major retail nodes in the City of Brantford:

- The Lynden Road/Fairview Drive Retail Area which includes the following:
 - Lynden Park Mall
 - West Street/Lynden Road/Fairview Drive Commercial AreaThis a regional centre;
- Wayne Gretzky Parkwood/Henry Street Area (a new format retail node);
- King George Road Corridor (community-oriented retail)
 - Brantford Mall
- Core Commercial Area.

The evolution of the commercial retail environment to a non-hierarchical, nodal system, multiple formats and the pervasiveness of car-borne shopping, necessitates that Downtown establish a complimentary rather than competitive role within the retail hierarchy. A similar prognosis exists for a number of other small and medium sized cities that are characterized by declining downtown retail environments. The importance of creating destinations within Downtown, including tourism, access to community facilities, cultural and arts activities and other “people generators” is a policy which has been explored by Brantford and should continue to be developed as part of the overall Downtown Master Plan.

3.2.2 THREATS TO COMMERCIAL RETAIL SUSTAINABILITY

The retail environment in Downtown Brantford is relatively spread out over a number of major commercial streets. This, coupled with the significant vacancies in parts of Downtown, creates a negative image and constraint to the development of additional retail in Downtown. This is particularly the case for brand name retailers, many of whom are re-acquainting themselves with “main streets” and the introduction of downtown outlets.

Vacancy in Downtown Brantford is relatively high. A tabulation of vacant units indicates there is roughly an 18% overall vacancy rate. The highest numbers of vacant units are located on Colborne Street and Dalhousie Street with vacancy rates at 41% and 21% respectively. The southeast corner around Queen and Colborne Streets has the greatest concentration of vacant buildings.

EXHIBIT 5: VACANCY IN DOWNTOWN BRANTFORD (APRIL 2007 VIA OBSERVATIONAL SURVEY)

Streets	Vacant Units	Percentage of Vacancy on Street
Colborne Street	26	40.6%
Dalhousie Street	9	21.4%
Darling Street	2	6.9%
Wellington Street	0	0.0%
West Street	0	0.0%
King Street	2	12.5%
Queen Street	2	20.0%
Market Street	2	12.5%
George Street	0	0.0%
Charlotte Street	0	0.0%
Clarence Street	0	0.0%
Water Street	2	100.0%
Wharfe Street	0	0.0%
Bain Street	0	0.0%
Overall Summary	45	18.8%

Source: City of Brantford

Note: Numbers are approximates

*The vacancy of some of the retail stock, such as on Colborne Street, reflects not only the changing direction of the retail environment but also the poor condition and functional obsolescence of certain buildings. Consumer preference for parking adjacency to buildings, linked shopping trips, and existence of free parking in other areas of the City², create additional challenges which should be addressed within the strategy. As a result of these factors, it is recommended that the strategy give consideration to pursuing a long term goal of concentrating the retail geographically as well as targeting key sectors - personal and professional services, cultural and other uses to service an existing employment, and civic/tourism base. The retail mix should also cater to what is hopefully an emerging residential base, and should include a range of small medium scale supermarket, food and beverage retail. **Achieving a balanced retail mix is not an easy task and represents a long term proposition which will require the full input of the Business Improvement Association and property owners. The area of Colborne between King Street and Queen Street is promoted in the Downtown CIP as an historic retail/commercial area. A comprehensive mixed use strategy for this entire area of Colborne West of Market Street is required.***

3.2.3 RETAIL OPTIONS

The Official Plan calls for a supermarket to be developed in the core. Currently, the new Price Chopper Supermarket serves Downtown.

A review of information collected by the Business Improvement Association as part of the Business Retention and Expansion (BR&E) Study documents the number of stores by broad type of retail activity. Downtown is relatively well serviced by a range of retail and service activities that are expected for downtowns – including a significant number of professional service establishments (law firms, accountants, and other office activities)

² Presently on-street parking in the Downtown is free, but most off-street public parking is priced.

EXHIBIT 6: BIA BUSINESSES BY TYPE

Compressed Online Directory - Version 1	Number	Percentage
General Merchandise	15	9.2%
Apparel & Accessories	6	3.7%
Household Furniture & Furnishings	16	9.8%
Drugs & Cosmetics	1	0.6%
Semi-durables & Durables	4	2.5%
Automotive	1	0.6%
Food & Beverage	24	14.7%
Entertainment	6	3.7%
Services - Personal	9	5.5%
Services - Financial Institution	9	5.5%
Services - Medical	7	4.3%
Service - Other Professional	65	39.9%
Grand Total	163	100.0%

Note: excludes religious organizations, government & associations, social services, taxi/transit

Exhibit 6 excludes the Price Chopper, which is located outside of Downtown. Notwithstanding this exclusion, there are benefits to having additional supermarket activities (serving as an incentive to residential development and servicing residents in surrounding neighbourhoods) as well as a greater range of food and beverage establishments, which would create an identifiable role for Downtown Brantford and therefore Downtown Brantford versus other retail nodes. An expanded or relocated farmers market could be part of this strategy. For the restaurant sector, improve the attractiveness of Downtown and core of access is fundamental to growth in the sector.

3.2.4 PRACTICES IN OTHER JURISDICTIONS

For comparative purposes, IBI Group assessed the physical layout of retail within Downtown Brantford to other downtowns – the City of Kingston and the City of Sault Ste. Marie:

The City of Sault Ste. Marie

- The City of Sault Ste. Marie Downtown is similar to Brantford in respect of both its size – it is a relatively large Downtown with retail spread out on several major arteries – as well as the presence of a number of attractions such as the Civic Arena, Courthouse, Casino and Waterfront.
- The City of Sault Ste. Marie also has a series of barriers between Waterfront and the existing retail centered on Queen Street. There are also a number of retail storefront vacancies and vacant lots creating a patchwork of retail and unappealing streetscape in several specific locations.
- The Strategy to overcome these market challenges involves:
 - Concentrating retail on the principle retail artery (Queen St.);
 - Aesthetic streetscape enhancements;

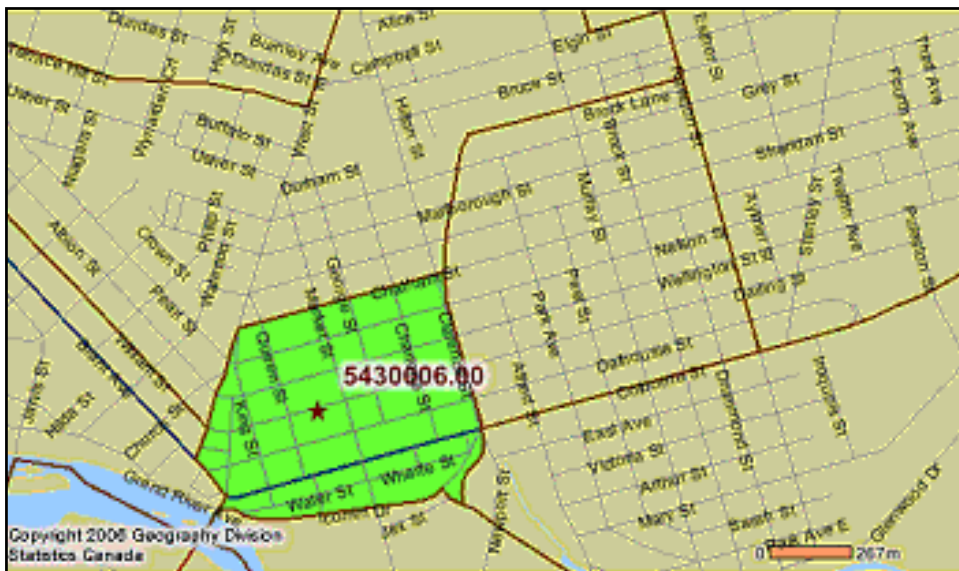
- Rear lot parking and laneways to retail storefronts, effective lighting and policing; and,
- Upper floor conversion to residential use. In Brantford, a clear market exists for rental housing such that conversion of upper floors is a viable proposition.

The City of Kingston

- By contrast, the City of Kingston has a more concentrated commercial retail environment, principally along Princess Street from Division Street in the northwest to King Street in the southeast. While retail exists on several other streets which insect Princess Street, the main focus of retail activity is along Princess Street, which includes the market and new community outdoor skating rink behind City Hall, close to the Waterfront. The City of Kingston has made a strong connection between it’s historic retail corridor along Princess Street and the waterfront. The City of Kingston recently completed a major redevelopment of their downtown market square, creating a very vibrant multi-use public space, and is currently constructing a new 5,000 seat arena and entertainment complex.

3.3 City Centre Residential

EXHIBIT 7: DOWNTOWN BRANTFORD CENSUS TRACT



Source: Statistics Canada

Downtown Brantford has a very low permanent resident base yet residential development should be an important factor in the land use strategy. For investment in Downtown to improve, residential development in Downtown, as well as in the remaining parts of the Places to Grow “Urban Growth Centre” of Brantford, is important. Between 2001 and 2006 the population has increased somewhat

(12%). There is essentially a minimal ownership market – based on 2001 data (2006 data is not available on tenure) – 96% of all private dwellings were rental.

EXHIBIT 8: DOWNTOWN CENSUS TRACT

Brantford Census Tracts (Downtown 2001)	0006.00 (543000600) 00010
Population, 2001 - 100% Data	1212
Total number of occupied private dwellings by structural type of dwelling - 100% Data	700
Owned	30
Rented	670

Brantford Census Tracts (Downtown 2006)*	0006.00 (543000600) 00010
Population, 2006 - 100% Data	1356
Total number of occupied private dwellings by structural type of dwelling - 100% Data	923
Occupied	764

Source: Statistics Canada, 2001 Census and 2006 Census

The issue for capturing potential market demand is in either accommodating additional demand for rental housing, or establishing high-density product which is attractive to the ownership market. There are numerous examples of the successful introduction of high-density condominium housing in downtown markets which have not previously experienced this type of development. The key requirement is to create:



A good example of recent mid-rise residential development along Water Street, Cornwall

- (a) a high quality product balanced against affordability; and
- (b) a setting which provides a distinct and alternative neighbourhood.

As one such example, the City of Cornwall successfully developed high-density condominium apartments in downtown, close to both the existing paper mill industrial area and international bridge, because of a direct access and viewscape to the St. Lawrence River Downtown. Other centres have documented similar experiences.

3.4 Housing Construction Trends

Housing construction data is not available for Downtown Brantford separately from the City of Brantford as a whole. However, housing construction data in the City can provide insights into potential trends and opportunities in the Downtown.

EXHIBIT 9: BRANTFORD HOUSING STARTS BY UNIT TYPE

For the Brantford Census Agglomeration (CA), between 1996 and 2006, just under 80% of all units constructed were single-detached houses. A further 18.8% were comprised of fee simple or condominium semi-attached or row units. Only 2.5% of starts over this 11-year period were apartment units.

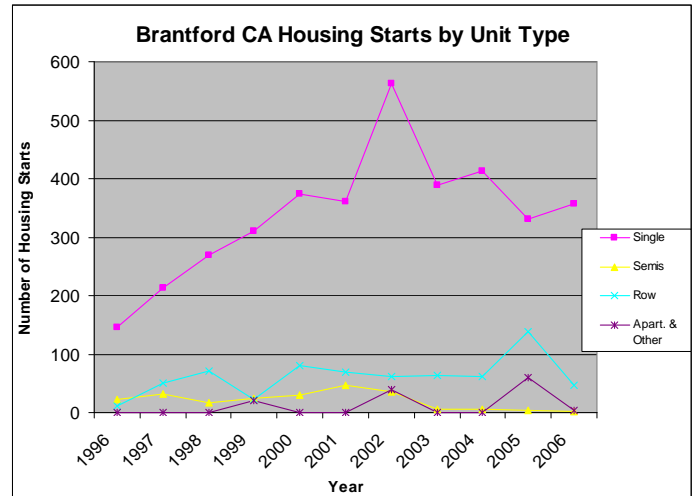
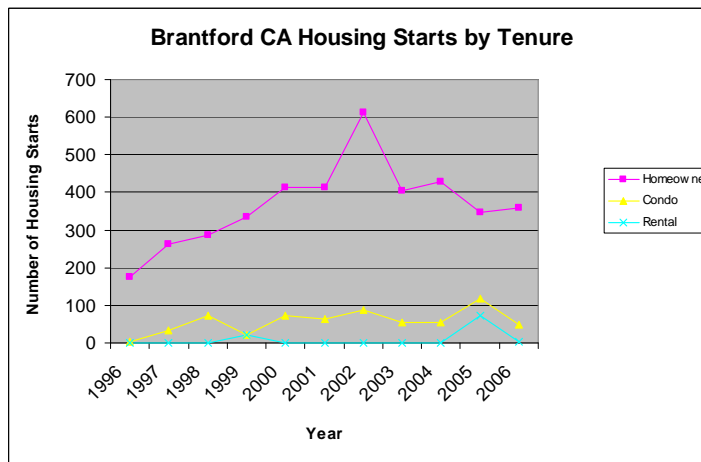


EXHIBIT 10: BRANTFORD HOUSING STARTS BY TENURE



The high-density product which has been developed to date, with the exception of a 40-unit development in 2002, is rental in nature. However, this fact should not dissuade the City from pursuing development of key sites in Downtown which could cater to ownership housing.

In terms of the condominium market, row housing is a more consistent product within the CA averaging over 12% of the overall market for new units since 1996. The challenge is to provide opportunities for creation of row housing which represents a medium density product, in close proximity to Downtown Brantford. Given the potential availability of sites in Downtown, infill housing based on the concept of townhouses or stacked townhouses offers market opportunity which should be pursued along side any strategic development involving ownership apartment development.

The promotion of high density housing can also speak to the changing demographics of the City. According to the City’s projections, the number of persons aged 50+ is forecast to increase from less than a quarter (23%) to close to a third (30%) of the population by 2031.³

³ City of Brantford – Official Plan Review Phase 1 Background Report, March 2006

3.4.1 DEMAND IS LIKELY, BUT AFFORDABILITY IS KEY

A challenge to redevelopment of urban sites in the City is the achievable price for the units in the context of both new and resale markets. IBI Group obtained available information from MLS for sales of both new and resale residential units in Brantford over the period since 2003-2007 (note MLS data for Brantford does not comprise 100% of the market). Based on this data the average price of units reflects the nature of Brantford as a market predominantly geared to ground-oriented, low-density housing. There is relatively little condominium product; that which does exist has a lower average price by comparison to similar developments in the larger markets of London and Hamilton. There is therefore a need for any strategy focusing on the potential for high density condominium development to recognize the challenges to achieving project viability from a financial feasibility perspective. We are confident, from a City-wide market demand perspective, that a demand will likely exist for condominium apartment units in both rental and ownerships tenure in the coming years as a result of both the limited existence of new product in that market, and the aging of the population in Brantford (a trend which is province-wide).

In order to improve the financial viability of residential development, the City's current policy objectives which involve strategic subsidization through the use of community improvement plans and financial incentive programs such as the Performance Grant, or other innovative approaches designed to reduce the land costs to the developer, should be considered by the City to maximize the potential for significant residential development in Downtown.

EXHIBIT 11: MULTIPLE LISTING SERVICES (MLS) RESIDENTIAL SALES DATA

Year	Detached	Duplexes	Rural Residential	Semi-Detached	Condominium
Average 2003-2007	274,255	247,450	640,475	134,949	148,967

Source: IBI Group based on MLS data

3.5 Office

The current office market offer in Downtown Brantford is typical of a medium sized City serving a regional market. In addition to municipal, provincial and federal office employment, this includes a range of business services meeting the needs of the principal employment, education and institutional activities in Downtown. Office functions also include those which serve the local and broader (City and region-wide) community such as medical, dental and specialist health services. The presence of a civic function in Downtown, as well as the provincial courthouse, the University and Federal Government offices, supports a range of professional services.

Existing office functions are housed in a variety of premises, ranging from purpose built commercial office buildings to converted residential properties and upper floor commercial office development on the principal retail streets. For office users which require modern, purpose-built space, with ample parking on-site, locations outside of the Downtown currently have a competitive advantage. However, Downtown remains the principal employment base and benefits from a range of existing support services, including transit and public parking. The potential to attract a moderate scale of additional office development to Downtown, potentially as part of mixed-use projects or infill, represents an option which should be supported in the implementation of this plan. Evidence of this potential demand is the gradual re-tenanting space within the central indoor mall to non-retail uses.

The potential for any office development in Downtown Brantford should focus on meeting the professional service needs of employers (business services), including legal services related to the Courthouse) as well as potential consumers that reside in either Downtown or in the neighbourhoods surrounding Downtown. There is unlikely to be any significant potential in the next few years for speculative office development of any significant scale.⁴

The BIA's online business directory lists a range of personal, financial, institutional, medical and other professional services which together form a significant proportion of total businesses contained in the online directory. Demand for additional office space is likely to be a function of growth either in employment or residential development in or around Downtown Brantford. Other factors of note include:

- Additional office space could also be built into mixed-use projects involving higher-density residential development, together with ground floor retail;
- The market for service-oriented offices, can include health related sectors (medical/dental) as well as professional services and will evolve as demand for activities in Downtown and in the periphery of Downtown continues;
- To the extent the City of Brantford operates as a regional hub for the County of Brant, demand can also be expected to be a function of growth in population and employment in the wider region. *In terms of planning for office development within the context of this strategy, we recommend that sites be identified which have the potential for a range of mixed-use development which could include smaller-scale office development;*
- *The opportunity for a stand-alone office development should not be discounted and implementation of this strategy should be open to a broad-based commercial zoning which enables flexibility in development of well-located sites in and around the Downtown. Speculative office development will require sites of significant size and access to sufficient on-site/adjacent parking; and*
- In the interests of maintaining Downtown as a business district for a range of office uses, the potential for conversion of existing residential properties to employment use in part or in whole, should be reviewed in the context of the prevailing official plan and zoning by-law. Ideally, demand for new office development will be concentrated within existing or new commercial properties; however, conversion of residential to office use should be considered on its merits.

3.6 Hotel/Convention

The Harmony Square development currently includes a hotel component. Beyond this, it is unlikely that a *full service* hotel will be developed in Downtown Brantford given the existing conditions in Downtown Brantford which (currently) mitigate significant tourism to Downtown itself. Notwithstanding this, statistics indicate that the hotel market in Hamilton and Brantford as a whole is experiencing relative strength compared to other centres in Southern Ontario.

⁴ Speculative Development related to the provision of new Class A office space which is geared to the general office market.

EXHIBIT 12: HOTEL ROOM OPERATION BY LOCATION

	Occupancy Percentage		Average Daily Rate		Revenue/Available Room	
	2006	2005	2006	2005	2006	2005
Southern Ontario	57.4%	55.9%	\$117.63	\$115.70	\$67.56	\$64.71
<i>London</i>	62.7%	61.9%	\$100.17	\$98.07	\$62.76	\$60.73
<i>Windsor</i>	52.8%	52.1%	\$103.88	\$100.44	\$54.85	\$52.30
<i>Kitchener/Waterloo/Cambridge/Guelph</i>	61.9%	61.5%	\$101.71	\$98.67	\$62.94	\$60.70
<i>Hamilton/Brantford</i>	64.3%	60.0%	\$96.85	\$95.33	\$62.32	\$57.16
<i>Niagara Falls</i>	58.8%	56.8%	\$143.50	\$141.79	\$84.43	\$80.52
<i>Other Niagara Falls Region</i>	47.7%	45.1%	\$92.55	\$89.95	\$44.14	\$40.58
<i>Other Southern Ontario</i>	47.7%	47.3%	\$99.23	\$97.32	\$47.31	\$46.05

Source: PFK Consulting

Outside of Niagara Falls, statistics for 2005 and 2006 suggest that Brantford and Hamilton are at the higher end of the range for RevPar⁵. The presence of the casino, the existence of the Civic Centre, the accessibility provided by ICOMM Drive are factors of note. However, proximity to Highway 403 will likely remain the main determinant of hotel development potential in the City for the foreseeable future. Hotel development in the near term is related to highway accessible/highway visible, which cater to both business demand as well as the tourists travelling through the area.

With regard to convention space, this represents a highly specialized market that is strictly defined in terms of its feasibility. Single purpose convention centres are generally limited to larger urban areas which capture sufficient shares of the convention and visitation market both nationally and beyond. In the case of medium sized and smaller centres, opportunities for convention space are often co-located with other major development projects or are part of other services including hotels, spectator arenas and banquet halls.

The former Eaton Market Square, with its large volume of space demizable in various configurations, has potential for commercial convention space as part of the ongoing restaging of the Market Square out of retail and into mixed retail/office use.

3.7 Leisure, Recreation and Special Purpose

The City of Brantford as a major landlord, developer and operator of community facilities and other infrastructure, has the potential to create a significant impact on Downtown through it's own investment and planning decisions. The benefits of planning for community infrastructure in Downtown are evident – community recreation facilities have the potential to generate regular use by members of the community on a weekly basis throughout the year. These facilities offer the potential for accommodating sports tourism and other activities (special interest group activities), which may generate visitors from outside of the community.

Based on discussions with the City of Brantford, there is currently little in the way of significant planned community facility investment for the Downtown. The Parks and Recreation Master Plan is of relatively recent data (2003), and the City is currently undertaking a Facilities Rationalization Study affecting a number of recreation and community facilities. The Brantford and District Civic

⁵ Revenue per available room

Centre is located close to Downtown (adjacent to the Casino). However, we understand that as a facility over 40 years old, it's long term retention is subject to scrutiny as part of the facilities rationalization process.

Based on our experience with recreation planning in a number of centres across Ontario, we would wish to reiterate that, from an economic development perspective, the accommodation of regional, city, and even community facilities within or close to downtown cores, potentially generates activities which helps sustain downtowns as destinations – often being destinations on weekends or after business hours. The importance of community facilities, including the existing Public Library, the Civic Centre and as well as any other recent investment in Downtown should be borne in mind during the implementation of this strategy. The inclusion within the new Harmony Square of a skating rink and garden represents one such benefit to Downtown by creating off-hours attractions to Downtown.

The matter of public access and effective linkages across and through Downtown between the major institutions, the riverfront and elsewhere, are dealt with as part of the overall Master Plan process. However, it is worth noting that, from a market opportunities assessment, effective linkages and urban design have very real consequences for the attractiveness and therefore level of investment potential in Downtown. The creation of more effective links between the riverfront and existing Downtown is of strategic importance to generate greater development potential in the west end of Downtown.

4. STRATEGIC RECOMMENDATIONS

1. *The “soft” sites identified by Urban Strategies include a number of sites on the periphery of the Downtown. These sites are suitable for redevelopment opportunities and can form the basis of a strategic marketing plan for their redevelopment.*
2. *The central area represents an important regional centre but its location some distance from the highway has left it at a competitive disadvantage compared to other commercial nodes in the City. Downtown therefore needs to present itself as a destination. The operation of the university and college programming in Downtown represents one such example of a new mandate for Downtown. Building on the critical mass within the City for a range of services, recognizing that part of the greenfield area for development includes the southwest part of the City, Downtown should be positioned to provide for complementary retail services involving the specialty retail, professional and personal services, entertainment, food and beverage, and as the residential base grows in Downtown, a range of convenience and other food retail.*
3. *Pursue medium density as well as higher density ownership residential on strategic sites.*
4. *Consideration can also extend to senior’s housing and rental accommodation, however, the economics of new build rental housing may not be evident in the short term with respect to a higher quality and larger scale rental development.*
5. *For the traditional commercial blocks along Colborne Street and Dalhousie Street, consideration for the potential for the conversion of upper floor to a range of rental housing accommodation should be actively pursued in line with existing policy goals of the City. The presence of the Casino, the student population base, the aging of the population, and the housing targets established by the Places to Grow Plan all suggest demand may grow for rental housing.*
6. *Achieving a balanced retail mix is a long-term proposition – and should involve engaging property owners and the BIA in establishing a specific strategy as a follow-on to the Downtown Master Plan.*
7. *The overall enhancement of Downtown is perhaps the most critical influence on investment potential. This involves aesthetic improvements and urban design enhancements, which are addressed through the Master Plan, as well as rebalancing the transportation system to reduce emphasis on vehicle movement while improving the pedestrian environment . Improving attractiveness is important for employers, tourists, and potential residents. The urban design framework itself will represent one of the most important influences on the economic viability of Downtown.*
8. *In pursuing the goals of the Places to Grow Plan and the new Official Plan policies which will conform to the provincial policies, the City will need to manage the identification and promotion of residential intensification sites in and around Downtown to ensure that Downtown and the areas surrounding it are given preferential treatment over the other areas of the Brantford Urban Growth Centre and the other opportunities for intensification within the built up area of the City.*
9. *The existing community infrastructure, such as the arena and the library, should be complemented to the extent possible by other public infrastructure developed downtown (for example, indoor swimming pool), and other quasi-public institutions such as the YMCA.*

10. *The City should consider the mix of potential incentives which can assist the development contemplated in the Master Plan and re-assess the use of incentives which has occurred to date in the City. The advantages of the Performance Grant mechanism suggest that this, together with other forms of assistance, may have a continued role of play in the implementation of the development vision for Downtown (Appendix A contains up-to-date examples of programs developed recently in other major urban communities).*

APPENDIX A

CASE STUDIES FROM ONTARIO COMMUNITIES

Summary of Financial Assistance Provided by Various Municipalities for *Brownfield Redevelopment*

Tax Increment Grant (TIG) Programs

Municipality	Title of Community Improvement Plan (CIP) Initiative	Title of Program	Duration of Grant (years)	Amount of Grant (i.e., Portion of Increase in Municipal Taxes)
Cambridge	Core Areas Revitalization Program*	Realty Tax Grant Program - Cancelled in 2004, phased out in 2006.	3	75% (yr. 1), 50% (yr. 2), 25% (yr. 3)
Cornwall	Brownfields CIP	Brownfields Redevelopment Grant (Tax Increment Grant)	10	80% (yrs. 1 & 2), 70% (yrs. 3 & 4), 60% (yrs. 5 and 6), 50% (yrs. 7 & 8), 40% (yrs. 9 & 10)
Hamilton	ERASE CIP (brownfield)	ERASE Redevelopment Grants	10	80%
Kitchener	The Kitchener EDGE Strategy	Brownfield Remediation Program - Tax Incremental Financing (TIF)	10	100%
Kingston	Community Improvement Plan - Brownfields Project Areas 1A & 1B	Rehabilitation Grant	10	80%
North Bay	Downtown CIP*	Tax Increment-Based Grant for the Rehabilitation or Redevelopment of Older Buildings and Under-Utilized Sites	9	50% (yrs. 1 to 5), 40% (yr. 6), 30% (yr. 7), 20% (yr. 8), 10% (yr. 9)
Ottawa	Brownfields Redevelopment CIP	Rehabilitation Grant Program	10	70%
Owen Sound	Downtown and Harbor CIP	Tax Incentive Program for Vacant Downtown and Former Industrial Sites	10	10% (yr. 1), 20% (yr. 2), 30% (yr. 3), 40% (yr. 4), 50% (yr. 5), 60% (yr. 6), 70% (yr. 7), 80% (yr. 8), 90% (yr. 9), 100% (yr. 10)
Sarnia	Brownfields CIP	Brownfields Tax Increment Based Grant Program	10	100%

Source: IBI Group based on research undertaken in 2006. For information purposes. Refer to municipal CIPS and/or planning departments for specific program details.

Notes: The City of Cambridge Core Areas Revitalization Program applies to the Downtown and brownfield sites. The City of North Bay Downtown CIP applies to the Downtown and the Waterfront and Railway Lands, which include brownfields.

Building and Planning Fee Exemption or Grant Programs

Municipality	Title of Community Improvement Plan (CIP) Initiative	Title of Program	Timing	Fees Eligible For Waiver or Amount of Grant
Cambridge	Core Areas Revitalization Program	Building Permit Fee Exemption	n/a	Building permit fees for all new developments.
Cornwall	Brownfields CIP	Municipal Planning/Development Fees Rebate Program	building permit, draft approval or occupancy*	Planning and development permit costs for brownfield projects.
Hamilton	ERASE CIP	ERASE Planning and Development Fee Rebates - discontinued in 2004		Application and permit fees for brownfield projects.
Kingston	Community Improvement Plan - Brownfields Project Areas 1A & 1B	Planning & Development Fees Grant	project completion	Planning application fees and demolition permits - not building permits.
Kitchener	The Kitchener EDGE Strategy - Downtown Financial Incentives Program	Rebates for Building Permit/Planning Fees	project completion	All demolition, building and planning related fees.
Ottawa	Brownfields Redevelopment CIP	Building Permit Fee Grant Program	project completion	Grant equivalent to 30% of building permit fees.
Sarnia	Brownfields CIP	Planning, Development and Building Fees Exemption Program	n/a	Application and permit fees for brownfield projects.

Source: IBI Group based on research undertaken in 2006. For information purposes. Refer to municipal CIPS and/or planning departments for specific program details.

Notes: Rebate for planning application fees paid once building permit is released, building permit fees paid once occupancy permit is released.

Summary of Environmental Site Assessment (ESA) Grant Programs Provided by Various Municipalities

Municipality	Title of Community Improvement Plan (CIP) Initiative	Title of Program	Timing	Amount of Grant
Cambridge	Core Areas Revitalization Program	Contaminated Sites Grant Program	completion of project (construction)	Up to 100% of restoration costs (e.g. studies, consultant fees), provided projects result in RSC and approval by the City. Maximum of \$1,500 per residential unit and/or \$10 per sq. m. of GFA.
Cornwall	Brownfields CIP	Cornwall ESA Grant	study completion	Up to 50% of the ESA study costs, or \$15,000 per study, whichever is less. Maximum of \$45,000 per applicant for all sites.
Kingston	Community Improvement Plan - Brownfields Project Areas 1A & 1B	Initial Study Grant	study completion	Matching grant up to 50% of the ESA study costs, or \$10,000 per study, whichever is less. Maximum of 2 studies per property, with a maximum of \$10,000 in total grants per applicant.
Hamilton	ERASE CIP	ERASE Environmental Study Grants	project completion	Matching grant up to 50% of ESA study costs, or \$15,000 per study, whichever is less. Maximum of 2 studies per property (\$20,000 maximum).
Ottawa	Brownfields Redevelopment CIP	Environmental Site Assessment Grant Program	project completion	Matching grant of up to 50% of the ESA study costs, or \$15,000 per study, whichever is less. Maximum of 2 studies per property/project, with a maximum total grant of \$25,000 per property.

Source: IBI Group based on research undertaken in 2006. For information purposes. Refer to municipal CIPS and/or planning departments for specific program details.

Summary of Financial Assistance Provided by Various Municipalities for Downtown Renewal/Revitalization

Tax Increment Grant (TIG) Programs

Municipality	Title of Community Improvement Plan (CIP) Initiative	Title of Program	Duration of Grant (years)	Amount of Grant (i.e. Portion of Increase in Municipal Taxes)
Cambridge	Core Areas Revitalization Program*	Realty Tax Grant Program - Cancelled in 2004, phased out in 2006.	3	75% (yr. 1), 50% (yr. 2), 25% (yr. 3)
Hamilton	Hamilton's Downtown and Community Improvement Plans	Enterprise Zone – Municipal Realty Incentive Grant Program	9	100% (first 5 yrs.), 80% (yr. 6), 60% (yr. 7), 40% (yr. 8), 20% (yr. 9)
Kitchener	The Kitchener EDGE Strategy	Downtown Financial Incentives Program	3	50% yearly
		Tax Rebate Program		40% of the municipal and school taxes. Max. 10 rebates per property.
		Adaptive Re-Use Tax Increment-Based (TIF) Grant	10	100% - Maximum of \$10,000 per residential unit or 5% of the eligible costs for office and commercial.
London	Main Street London - 'About Face' Program	Rehabilitation Grant Program	10	80% (yrs. 1 & 2), 70% (yr. 3), 60% (yr. 4), 50% (yr. 5), 40% (yr. 6), 30% (yr. 7), 20% (yr. 8), and 10% (yrs. 9 & 10).
North Bay	Downtown CIP*	Downtown Improvement Area (DIA) Tax Increment Based Grant	9	100% (yrs. 1 to 5), 80% (yr. 6), 60% (yr. 7), 40% (yr. 8), 20% (yr. 9)
		Tax Increment-Based Grant for the Rehabilitation or Redevelopment of Older Buildings and Under-Utilized Sites	9	50% (yrs. 1 to 5), 40% (yr. 6), 30% (yr. 7), 20% (yr. 8), 10% (yr. 9)
Owen Sound	Downtown Improvement Plan Structural/Façade Improvements	Tax Deferment Program	5	Phased-in tax increase resulting from façade and structural improvements. 20% (yr. 1), 40% (yr. 2), 60% (yr. 3), 80% (yr. 4), 100% (yr. 5)
			10 - larger projects	Phased-in tax increase resulting from façade and structural improvements. 10% (yr. 1), 20% (yr. 2), 30% (yr. 3), 40% (yr. 4), 50% (yr. 5), 60% (yr. 6), 70% (yr. 7), 80% (yr. 8), 90% (yr. 9), 100% (yr. 10)
Sarnia	Downtown CIP	Downtown Rehabilitation Grant Program (Heritage)	12	100% in years 1-10, 75% in year 11 and 50% in year 12
		Downtown Rehabilitation Grant Program (Non-Heritage)	10	100% in years 1-8, 75% in year 9 and 50% in year 10
Welland	Downtown Improvement Incentive Program	Property Rehabilitation and Redevelopment Tax Rebate Program	10	80% (yrs. 1 & 2), 70% (yrs. 3 & 4), 60% (yr. 5), 50% (yr. 6), 40% (yr. 7), 30% (yr. 8), 20% (yr. 9), 10% (yr. 10)

Source: IBI Group based on research undertaken in 2006. For information purposes. Refer to municipal CIPS and/or planning departments for specific program details.

Notes: The City of Cambridge Core Areas Revitalization Program applies to the Downtown and brownfield sites. The City of North Bay Downtown CIP applies to the Downtown and the Waterfront and Railway Lands, which include brownfields.

Summary of Building and Planning Fee Exemption or Grant Programs Provided by Various Municipalities

Municipality	Title of Community Improvement Plan (CIP) Initiative	Title of Program	Timing	Eligible Fees
North Bay	Downtown CIP	Rebates for Building Permit/Planning Fees	project completion	Building permit fee rebate up to maximum permit value of \$250,000. Maximum of 10 rebates per property.
Owen Sound	Downtown Improvement Plan Structural/Façade Improvements Downtown Owen Sound	Waving of City Building and Sign Permit Fees	n/a	Building and sign permit fees.
Welland	Downtown Improvement Incentive Program	Refund of Local Planning and Building Fees Program	project completion	100% refund for new residential rental projects. 50% refund for all other projects.

Source: IBI Group based on research undertaken in 2006. For information purposes. Refer to municipal CIPS and/or planning departments for specific program details.

Notes: Rebate for planning application fees paid once building permit is released, building permit fees paid once occupancy permit is released.

Downtown Community Improvement Plan

Town of Ajax, Ontario



Background

Originally farmland, the Town of Ajax was later transformed into industrial landscape partly by a largest defence industry and the opening of the Dowty Aerospace. Located in the GTA east, the Town is highly accessible with linkage to Highway 401 and Highway 407/Highway 7. Downtown Ajax is generally defined by Highway 401 to the north, Clemens Road to the south, Monarch Avenue to the west, and just east of Harwood Avenue South. The Town has identified downtown revitalization as a top priority, and in 2005, the Downtown Community Improvement Plan was developed to encourage and facilitate appropriate rehabilitation in Downtown.

Key Objectives of the Downtown Community Improvement Plan

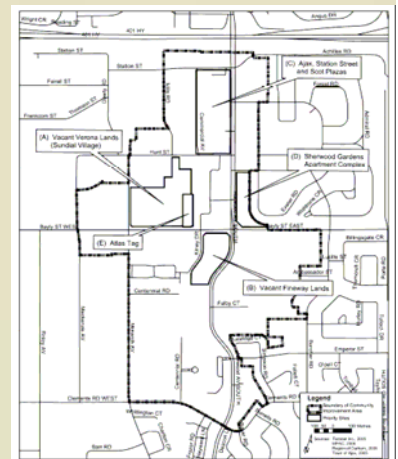
- Enhance the Downtown as a unique district, full of vibrancy, diversity, and economic viability
- Promote the redevelopment of the Downtown as a mixed-use, intensive, pedestrian-oriented, and transit supportive centre
- Stimulate investment and encourage redevelopment in the Downtown
- Increase development of diverse housing opportunities

MUNICIPAL PROPERTY ACQUISITION, INVESTMENT & PARTNERSHIP PROGRAM

- General program of Town property acquisition, investment and involvement in public/private partnerships to rehabilitate properties in the CIP area
- Property acquisition may be pursued via marketplace transaction, or through the powers stipulated under Section 28 of the *Planning Act*
- Private landowners/developers can enter into a partnership with the Town within this program, but the Town would play a lead role while the landowner/developer would participate indirectly
- Funding for this programs comes from the two other programs in the CIP: Rehabilitation Grant Program, and the Planning and Development Fees Grant Program, whereby 20% of the increased in property taxes and 20% of building permit fees are retained by the Town.

DEVELOPMENT CHARGE EXEMPTION/GRANT PROGRAM

- This program encourages higher density and more intensive development in the project area
- The grant can either be issued at the building permit issuance stage, or the owner/developer is expected to apply all development charges upfront with reimbursement issued upon final inspection of the completed project; decision is at the discretion of the Town
- Amount of grant issued depends on the type of development:
 - Full exemption is provided for developments of two or more storeys of office use in a building, retail/personal service component located in a non-residential mixed use building, commercial development located in a residential mixed use building, or high-density residential development
 - Medium-density residential development can receive grants up to 75% of the development charges



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Downtown Community Improvement Plan

Town of Ajax, Ontario

REHABILITATION GRANT PROGRAM

- This program provides financial assistance through tax grants for increased taxes as a result of rehabilitation/improvement of properties in the project area
- Structured as “pay-as-you-go” where owners pay the cost of the rehabilitation project upfront, and the Town reimburse the cost of improvements through annual tax grants
- Grants will be issued over a 10-year period, up to 80% of the increase in the Town’s portion of property taxes
- Eligibility includes a gross site development area in excess of 5.0 hectares and minimum of 11,000 s.m. of new commercial/office GFA
- Originally intended for the redevelopment of the Ajax Plaza, a municipal-owned site across from the Town Hall that was in excess of 5 hectares; several other sites also qualify under this size criteria
- Finance Department favoured limited eligibility (site in excess of 5.0 hectares) due to the complexity and amount of work required to administer the program

PLANNING & DEVELOPMENT FEES GRANT PROGRAM

- The program provides a grant to cover part or the full cost of planning and development fees for residential and/or commercial/office (re)development
- All applicable fees are paid at the application stage, but the Town will reimburse the owner for a portion or all of the application fees after final inspection of the completed project
- 100% of the application fees are reimbursed for applications such as official plan amendments, rezoning, site plans, plans of subdivision/condominiums, and demolition permits relating to residential and/or commercial/office redevelopment /rehabilitation
- 80% of the building permit fee is reimbursed to the owner/developer for new residential and/or commercial/office construction, while the remaining portion is retained by the Town to invest in the Municipal Property Acquisition, Investment and Partnership Program

EXEMPTIONS FROM PARKING REQUIREMENTS PROGRAM

- This program provides relief through the reduction in the number of parking spaces required for improvement projects in the Downtown
- Reduced parking standard for appropriate forms of development will be considered on a site-by-site basis

REDUCED PARKLAND DEDICATION REQUIREMENTS PROGRAM

- This program provides reduction in either land or cash-in-lieu requirements to medium and high density residential developments in the CIP area
- Parkland dedication requirements is either 5% of the land area or one hectare of parkland for every 300 dwelling units, whichever is more
- Both the Exemptions from Parking Requirements Program and the Reduced Parkland Dedication Requirements Program do not rely on Section 28 of the *Planning Act*, hence they are additions to the CIP Plan.

Owners may participate in more than one program, but the total amount of grants shall not exceed the cost of rehabilitation of the lands and buildings per owner or per individual property

Downtown Community Improvement Plan

Town of Ajax, Ontario



SUCCESS/IMPLEMENTATION

New Residential Development by Sundial Homes Ltd.

- First applicant under the Downtown Community Improvement Plan
- The company has proposed 400 apartment units and 304 townhouses, a park, and open space on a 19-acre site
- Development is currently underway, and the full benefits of the CIP to this project will be reported at project completion, likely in 2008
- During the CIP public consultation process, concerns were raised by the public regarding the impact future development and intensification could have on pedestrian comfort (e.g. shadows, wind, traffic and noise pollution)

OTHER PROGRAMS

Downtown Core Development and Design Study

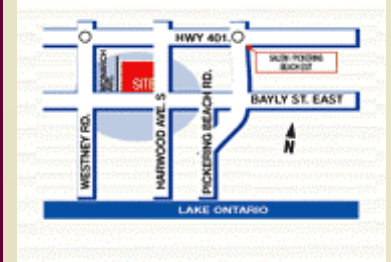
- The goals and objectives set in the study have been incorporated into the Town's Official Plan Amendment 20 regarding the Downtown Core
- The policies aim to create a vibrant and mixed use area with medium to high density residential uses
- Creation of an interconnected network of sidewalks and civic squares
- Focus of the Downtown will be generally between the intersections of Harwood Avenue/Bayly Street and Kitney Drive/Commercial Avenue/Bayly Street, with Harwood Avenue as the primary ceremonial route through Ajax
- Downtown will be promoted and developed as a node for local and regional transit
- Lands in strategic points will be developed to appropriate heights and densities, contributing to their role as gateways in Downtown

Streetscape Master Plan for the Downtown Area

- Project includes repaving sidewalk that would match Heritage Square and addition of gardens, rockery and trees
- Future improvements will include installation of street furniture, lighting and landscaping

Other new developments

- New 30,000 s.f. Central Library adjacent to the Town Hall
- New Civic Square is under construction



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Downtown Community Improvement Plan

Town of Ajax, Ontario

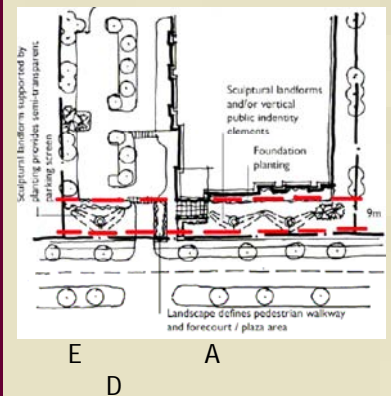


SUCCESS/IMPLEMENTATION (continued)

OTHER PROGRAMS

Comprehensive Planning & Urban Design of the General Employment Lands

- The westerly edge of the study area adjoins the Downtown Central Area
- The study will make recommendations that look at impediments to the implementation of the Downtown CIP and the Employment Area Urban Design Guidelines
- The study will examine compatibility of existing land uses in the study area with existing and future land uses in the Downtown
- The proposal was submitted in spring of 2007 and a consultant has been hired for the study
- Draft report is anticipated in early 2008



Oshawa Community Improvement Plans

City of Oshawa, Ontario

Background

The City of Oshawa has launched a number of initiatives in the past to stimulate urban renewal. As early as the 1980s, the City participated in the Ontario Neighbourhood Improvement Plan that was established by the Province to fund municipal improvement projects. Later, the City applied to the Program for Renewal, Improvement, Development and Economic Revitalization program for lands that are now generally known as the Central Business District and Simcoe Street South area. In 1996, the City prepared the Vision 2000: City Centre Plan, which provided a comprehensive revitalization strategy for the downtown.

Existing Oshawa Community Improvement Plans (CIP):

- South Simcoe Renaissance Community Improvement Plan
- Downtown Shoulder Area Renaissance Community Improvement Plan
- Central Business District Renaissance Community Improvement Plan
- Brownfields Renaissance Community Improvement Plan

SOUTH SIMCOE RENAISSANCE CIP (approved 2003)

Façade improvement loan program and streetscape improvement program aimed at encouraging private sector re-investment in the Simcoe Street South corridor

Façade Improvement Loan Program

- Helps owners with the financing of building façade improvements, up to a maximum of \$45,000 per building with multiple street addresses or \$15,000 per street address
- All loans, including value of mortgage, must not exceed 75% of the post-improvement value
- Provided at zero interest rate; if 75% of the loan is repaid within 3 years, the remainder of the loan is forgiven

Streetscape Improvement Program

- Provides street furniture and tree planting that improves the streetscape at the pedestrian scale

DOWNTOWN SHOULDER AREA RENAISSANCE CIP (approved 2006)

Development charge grant programs and building permit fee grant aimed at encouraging higher density development in the Downtown Shoulder Area

Development Charge Grant Program

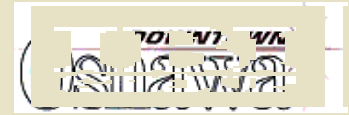
- Offsets up to 100% of applicable development charge for residential buildings of four storeys or higher, depending on number of performance measures met

Building Permit Fee Grant Program

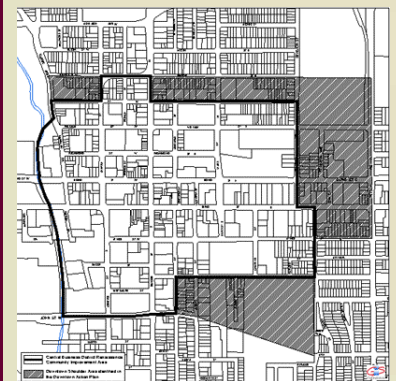
- Offsets 50% the applicable building permit fee for new residential units, up to \$50,000 per property

Places to Grow Grant Program

- Covers the applicable Region of Durham development charges payable for new residential buildings of four storeys or higher



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Oshawa Community Improvement Plans

City of Oshawa, Ontario



CENTRAL BUSINESS DISTRICT RENAISSANCE CIP (approved 2001)

Residential Development Charge Grant Program

- Covers part/all of the City residential development charge for eligible units
- In 2004, the Development Charges By-law 84-2004 exempted all development within this CIP area; hence, the program is currently non operational

Increased Assessment Grant Program

- Pays a portion of the City taxes for the rehabilitation and redevelopment of properties, which is attributable to the increased assessment over a 10-year period

Building Permit Fee Grant Program

- Offsets the amount of applicable building permit fees to a maximum of \$5,000 per building permit application

Parkland Dedication Fee Grant Program

- Offsets 100% of the applicable Parkland Dedication Fee

Façade Improvement Loan Program

- Helps owners with the financing of building façade improvements, up to a maximum of \$45,000 per building with multiple street addresses or \$15,000 per street address
- All loans, including value of the mortgage, must not exceed 75% of the post-improvement value

Upper Storey Conversion to Residential Loan Program

- Assists owners with the financing of building improvements, up to \$25,000/building
- All loans, including value of mortgage, must not exceed 75% of the post-improvement value

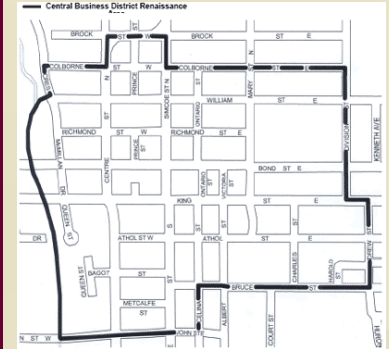
Upgrade to Building Code Loan Program

- Helps owners with the financing of building improvements to comply with the current Ontario Building Code, up to a maximum of \$25,000 per building
- All loans, including value of mortgage, must not exceed 75% of the post-improvement value

BROWNFIELDS RENAISSANCE COMMUNITY IMPROVEMENT PLAN

- Study grants, tax cancellations and redevelopment grants aimed at rehabilitation and reuse of contaminated lands
- This CIP was approved by the MMAH in May 2006

Applicants for all programs were considered on a first-come-first-serve basis



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Downtown Community Improvement Plans

City of Oshawa, Ontario

SUCCESS/IMPLEMENTATION

The launch of the Central Business District Renaissance CIP and the South Simcoe Renaissance CIP has generated significant interest from business owners and developers.

September 2006: the City received 21 applications and 11 committal letters for funding have been issued by the City, valued at nearly \$480,000

- Eight of the applicants completed their projects, with a total value estimated to be over \$270,000
- Two projects are ongoing (totalling over \$89,000); one project did not proceed (\$50,000)
- Of the ten completed projects, four applicants repaid 75% of their loans on time, and the remaining portion was forgiven
- Results for 2007 Renaissance CIPs, including the implementation of the Downtown Shoulder Renaissance CIP, is still to be determined

Council's Commitment to the Renaissance Community Improvement Reserve

- 2002: \$100,000 ▪2004: \$40,000
- 2003: \$100,000 ▪2005: \$40,000

(funds are net of any repayment from applicants which are later re-invested for other applications)

Other Downtown Accomplishments

Oshawa's Economic Development Team also assists with downtown revitalization. Some of their efforts include:

- Business Recruitment Campaign to draw the home furnishings business cluster to Downtown and fill vacancies
- Complimentary pocket sized brochure, "World Cuisine: Downtown Oshawa" features select downtown restaurants; the brochure was distributed to restaurants, City Hall, shops in Downtown and to attendants at the General Motors Centre
- Eight new restaurants and three new shops recently opened in the Downtown
- Downtown Ambassadors are student volunteers who welcome visitors to the General Motors Centre and provide information relating to the Downtown

Canvas Downtown: new condo development is underway in Downtown

- Two 4-storeys buildings will house a total of 130 apartment units, ranging from \$159,000 to \$200,000; construction of this 28-acres will start at year-end 2007
- Two additional smaller condo buildings will be added to the site, with expected completion in three years
- The property is zoned urban-commercial and will incorporate offices, boutiques, specialty grocery store, bar-restaurant, and convenience stores
- Community amenities are still to be determined, but they could include food banks, pregnancy help centre, and youth organizations



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City of Toronto BIA Support Program

City of Toronto, Ontario



Summary of Programs

- Streetscape Improvement Grants
- Community Festivals and Special Events Grants
- Commercial Research Grants
- Banner and Mural Grants
- Commercial Façade Improvement Grants

CAPITAL STREETScape IMPROVEMENT GRANTS

- Enhance the environment of the BIA, creating a welcoming realm while branding the business community
- Eligible for all BIAs
- 50/50 matched capital funding for streetscape improvements
- Also provides cost-share funding for surveying, inspection costs and preparation of professional working drawings
- Maximum annual cost-sharing request from an individual BIA is \$600,000
- The City is responsible for all purchasing & tendering associated with BIA capital cost-sharing projects
- E.g. decorative pedestrian lighting, kiosks, banners and murals, BIA theme signage, landscaping, fountains, street furniture

COMMUNITY FESTIVALS AND SPECIAL EVENTS GRANTS

- Community festivals and special events generates numerous local economic development benefits, draws volunteers and build organizational structures
- Eligible for BIAs, business associations, and community groups that display strong business participation
- Grants help plan, market and run festivals or special event aimed at benefiting the business area
- Grants help offset costs such a marketing, promotional initiatives, equipment rentals
- Maximum grant is up to 49% of the total budget, to a maximum of \$10,000

COMMERCIAL RESEARCH GRANTS

- Commercial research allows a business community to better understand their challenges and opportunities and to plan for strategic investments
- Eligible for BIA or business associations
- Grants provide up to 50% of eligible research and consultant assistance costs up to a maximum of \$10,000

City of Toronto BIA Support Program

City of Toronto, Ontario



BANNER AND MURAL GRANTS

- This program helps local businesses and community promote local theme and create commercial neighbourhood identity
- Banner and murals encourages local participation by residents, businesses, and other community representatives
- Eligible for business associations, community groups that display strong business participation
- One-time funding up to \$3,500 for decorative street banners or \$5,000 for murals in commercial or employment districts
- BIAs area eligible only for the mural portion of the program as banner funding is available on a year-to-year basis through the BIA Capital Streetscape Improvement Grant Program

COMMERCIAL FAÇADE IMPROVEMENT GRANTS

- Improved building façade shows pride in ownership and creates a more welcoming environment
- Eligible for private property owner in BIAs for improvements to commercial or industrial building facades
- BIAs have to be in operation for at least 5 years
- E.g. replacement or repairing of windows, doors, lighting, awnings, brickwork, signage, making the building entrance wheelchair accessible
- Half of the cost of eligible improvements to building façade is covered based on the lowest contractor estimate submitted with the application
- Minimum grant is \$2,500 with a maximum of \$10,000 for non-corner properties; corner property is eligible for a maximum grant of \$12,500
- Building must be located in an eligible Façade Improvement Program area - CIPs (currently under review by City)
- Only BIAs created in the past 2 years (2005-2007) don't have CIPs
- Based on first-come-first-serve bases
- In 2006, the City allocated \$788,000 to the Façade Improvement Grant Program, approximately 120 applications were approved

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



BACKGROUND

On January 1, 2001, the Towns of Ancaster, Dundas, and Flamborough, the Cities of Hamilton and Stoney Creek and the Township of Glanbrook were amalgamated and became the new City of Hamilton. The amalgamated City of Hamilton is located in the geographic centre of the 'Golden Horseshoe' and is roughly 45 minutes from both Toronto and Buffalo.

Since the early 1900's Hamilton has been an iron-and steel-producing city. It has easy access to limestone from the Niagara Escarpment, coal mined in Appalachia and iron ore mined from the Canadian Shield. Large manufacturing firms once dominated Hamilton, however due to a number of factors relating to global trends in manufacturing, such as technological innovation and production in lower wage countries, many of the City's industries closed down or relocated. As a result there are many vacant, idle, underutilized and abandoned industrial properties located throughout the City, particularly in the former Cities of Hamilton and Stoneycreek.

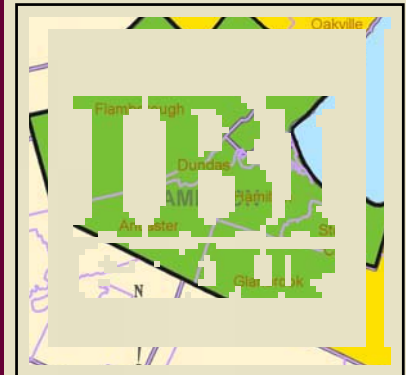
Employment in Hamilton dropped in the early 1990s with the closure or downsizing of several key industries. The City's downtown population declined and many retail and commercial buildings in the City's Downtown Business Improvement Areas (Downtown Hamilton, Dundas Downtown, King Street West, Main Street Esplanade, Waterdown, and Stoney Creek) were vacated.

In 2001, the City of Hamilton established a Downtown Renewal Division. The Renewal Division is responsible for many functions including, but not limited to:

- Promoting the rehabilitation and development of downtown properties;
- Implementing the Downtown Secondary Plan and the Downtown Transportation Master Plan; and
- Acting as a single source in City Hall for public and private sector downtown initiatives / developments / undertakings.

Over the past decade, numerous planning strategies and policies have been implemented by the City to revitalize Hamilton's downtown core:

- Growth Related Integrated Development Strategy (GRIDS) (2006)
- Downtown Hamilton Business Improvement Area (BIA) Community Improvement Plan (CIP) (2003);
- Hamilton Downtown Mobility Street Master Plan (2003);
- Hughson Street Project and Hughson Street Master Plan (2002);
- Restore the Core – a façade improvement project launched in the Core area;
- Environmental Remediation and Site Enhancement Plan (ERASE);
- Downtown Hamilton Secondary Plan (2001); and
- Downtown Transportation Master Plan (2001).



Vacant Commercial/Retail Buildings in Downtown Hamilton

Projected Population Growth Amongst Hamilton's Communities by 2031

Former Municipality	% Growth
Ancaster	18.22%
Dundas	-2.15%
Flanborough	20.09%
Glanbrook	97.58%
Hamilton	-3.56%
Stoney Creek	34.86%
Total	17.68%

Source: City of Hamilton



Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



DOWNTOWN/BIA INCENTIVE PROGRAMS

Enterprise Zone – Municipal Realty Incentive Grant Program

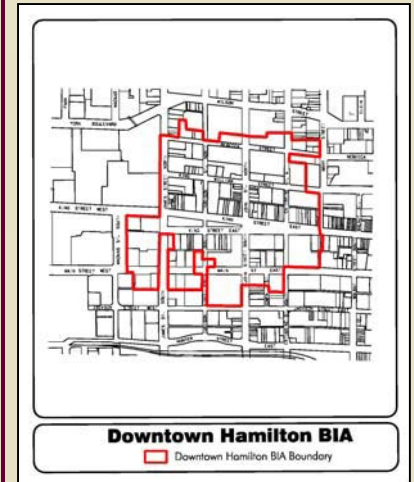
- A 5-year grant, not exceeding the increase in municipal realty taxes as a direct result of the development/redevelopment of the land and/or building.
- Grants are not to exceed 100% of the municipal realty tax increase during the first year, 80% in year 2, 60% in year 3, 40% in year 4 and 20% in year 5.
- Grants are not to exceed the costs of development /redevelopment.
- Applicants with existing buildings are required to have at least a 50% annualized commercial/residential vacancy rate.
- All parking lots and vacant sites are eligible (provided said vacant sites were existing as of July 1, 2001)

Hamilton Downtown Residential Loan Program

- This program assists with the costs of converting commercial space into apartments, renovations to bring existing apartments into compliance with the Property Standards By-law and Fire Code, or help create new residential units on vacant land.
- Loans are interest-free for a maximum of 5 years. The maximum loan amount is calculated on the basis of \$20 per sq. ft. of habitable floor space. Loan will be registered as a second mortgage.
- The principal is repayable in annual amounts of 10% of the original loan amount in 12 equal monthly payments. Payments will commence 1 year following completion of construction.

BIA Commercial Property Improvement Grant Program

- This program provides financial assistance for commercial property owners / authorized tenants within the existing 12 City-wide Business Improvement Areas.
- Grants are offered at \$400/linear sq. ft. of street frontage.
- Grant paid on a matching basis up to a maximum of \$25,000 for eligible work for corner properties.
- The owner must provide two (2) separate estimates of work from a licensed contractor. The grant is calculated based upon lowest estimate.
- Proposed improvements must be completed within 1 calendar year to be eligible for payment, with possibility of one year extension to be authorized by the Director of Downtown.



Hamilton Downtown Residential Loan Program over the past 5 years		
Constructed with Funding	448	Total of 1653 units with a construction value of over \$217 million
Constructed without Funding *	114	
Under Construction	101	
Pending Construction	990	
*Council agreed to loan, but in the end projects did not need City money.		

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



DOWNTOWN/BIA INCENTIVE PROGRAMS

BIA Commercial Property Improvement Grant Program (continued)

Eligible improvements:

- Replacement or repairing of storefronts and rears if an access to the business is utilized;
- Improvements and/or upgrades to doors, cornices and parapets;
- Addition of new lighting and upgrading of existing fixtures, on exterior of the façade and within the storefront area normally associated with the display area;
- Awning replacements and/or additions;
- Brick repairs and/or pointing; Painting and façade treatments; Installation or improvement of signage;
- Architectural or design fees may be eligible up to \$750 as part of the total grant awarded for completed construction;
- Interior improvements relating to display windows and entrance areas are eligible to an amount of \$2,500 of the total allotment.

Main Street Housing Loan and Grant Program

- Designed to stimulate residential development within Hamilton's Community Downtowns and BIAs; but properties within Downtown Hamilton Community Improvement Project Area are not eligible due to duplication of other similar programs.
- This program provides financial assistance for 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 program applies to 11 Community Improvement Project Areas.
- Maximum loan is \$10,000 per dwelling unit or \$100,000 per property.
- Grant portion of \$5,000 per application is allocated to professional fees only.
- Loan interest rate is at zero percent with maximum term of five years.
- Principle is repayable in annual amounts of 10% in 12 equal monthly payments of the original loan amount commencing one year following completion of construction.

Commercial Property Improvement Grant Program

Year	# of Applications	Total Cost of Construction	Total Grant	Grant as a % of Construction
2001	24	\$438,524	\$185,404	42.3%
2002	43	\$669,193	\$292,377	43.7%
2003	38	\$570,807	\$207,700	36.4%
2004	34	\$618,353	\$187,722	30.4%
2005				
Spring	14	\$212,744	\$86,108	40.5%
2005				
Fall	19	\$245,575	\$97,252	39.6%
Total	172	\$2,755,196	\$1,056,563	38.0%

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



ERASE COMMUNITY IMPROVEMENT PLAN (CIP)

In 1999 Hamilton City Council directed the preparation of a CIP to promote the clean-up and redevelopment of approximately 3,400 acres of older industrial lands in the vicinity of Hamilton Harbour. In 2001 the City released the CIP, entitled, "Environmental Remediation and Site Enhancement Plan" (the ERASE Plan). The ERASE CIP is a comprehensive set of programs designed to encourage and promote brownfield redevelopment in the older industrial area of the City. The plan provides financial incentives to clean up brownfields and replace them with productive economic land uses. Between 80% to 90% of the land within the CIP Project Area is designated in the Official Plan for industrial use and is zoned "Heavy Industrial". The ERASE Community Improvement Policy Area was expanded in 2005.

The aims of the ERASE Plan are to:

- (1) increase the property tax base and employment opportunities;
- (2) promote the use of existing infrastructure;
- (3) revitalize neighbourhoods; and
- (4) encourage environmental clean-up.

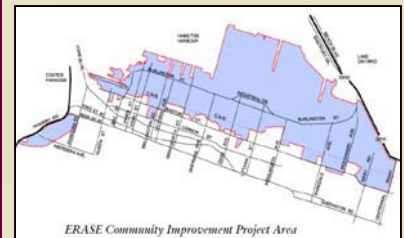
ERASE PROGRAMS

ERASE Planning and Development Fee Rebates

- This program provided a series of planning and development fee rebates for projects completed on remediate brownfield sites.
- This program was discontinued in 2004 because it had been sparingly used and was seen as playing a very minor role in inducing brownfield redevelopment in comparison to the Environmental Redevelopment Grant and Environmental Study Grant programs.
- The ERASE CIP also recommended that the City develop a program to reduce development charges for brownfield redevelopment projects.
- In 2004, as part of the City's review of its Development Charge By-law, the City approved the reduction of development charges on brownfield redevelopment projects by the eligible costs of remediation approved under the RGP program.

ERASE Study Grant Program (SGP)

- These area matching grants from the City that pay for up to half the costs of a Phase II and/or Remedial Action Plan.
- The maximum City contribution per study is \$15,000 to a maximum of two (2) studies per property, or \$20,000 per property or per project.



Original (2001) ERASE CIPA



Expanded ERASE CIPA

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



ERASE Redevelopment Grant Program (RGP)

- Redevelopment grants provide financial relief to property owners who undertake and complete brownfield redevelopment projects within the project area.
- Grants are only payable for brownfield properties where the redevelopment results in an increase in assessed value and property taxes.
- The grant equals 80% of the municipal portion of the increase in property taxes that results from the redevelopment, payable in the form of an annual tax rebate for up to 10 years. This tax rebate is paid after property taxes have been paid in full each year. The other 20% of the municipal tax increment is dedicated to the Municipal Acquisition and Partnership Program (MAPP).
- Eligible program costs include environmental remediation and risk assessments or remedial work plans not covered by the SGP, demolition and site preparation including construction/improvement of on-site public works.
- The grant can be assigned by the developer/owner and is transferable upon sale of the property, subject to City approval.

ERASE Tax Assistance Program (TAP)

- Tax assistance to a property in the form of a freeze or cancellation of part or all of the taxes levied on that property for municipal and school purposes during the rehabilitation (maximum 18 months from the date that tax assistance begins) and development period.
- TAP consists of two stages: In the first stage, taxes may be frozen. In the second stage, the developer will initially pay for the entire costs of the remediation and redevelopment project. The municipality may cancel a portion of the incremental property taxes that result from redevelopment.
- The TAP will continue for up three years, then the City may continue to offer tax assistance through the TAP or the RGP program.
- Under the TAP, 80% of increase in City and education portion of taxes resulting from remediation and rehabilitation of property will be cancelled; the remaining 20% of increased taxes will be dedicated to the ERASE Municipal Acquisition & Partnership Program (MAPP).
- Increase in real property taxes and education portion of real property taxes will be calculated as the difference between the base rate and the amount of real property and education taxes levied as a result of re-evaluation of MPAC following project completion.

Total amount of the grants provided under the SGP and the TAP should exceed the total cost of rehabilitating the land and buildings.

ERASE Development Charge Reduction Program (DCR)

- This program helps promote development in the Downtown Community Improvement Project Area via exemptions in commercial and residential development charges.
- Eligibility is the same as the RGP, except: it does not include costs for environmental remediation, nor Phase II and III ESAs or SSRAs.



Former Plasmat Industrial Site and Fire in 1997



Abandoned Industrial Site on Parkdale Avenue North

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



Municipal Property Acquisition and Partnerships Program (MAPP)

- The program targets key brownfield sites for municipal acquisition and/or partnerships with the private sector to clean up and redevelop these sites. Under the MAPP program, the City of Hamilton may:
 - Conduct environmental assessments;
 - Clean up and redevelop municipally owned brownfields;
 - Acquire and redevelop key privately owned brownfield sites;
 - Fund brownfield pilot projects to clean up and redevelop privately owned and publicly owned brownfield properties; and
 - Educate and inform the public about the importance of brownfield redevelopment.
- 20% of the municipal tax increment from the ERASE Redevelopment Grant Program is dedicated to MAPP. The MAPP program also allows the City to access funding from the Federation of Canadian Municipalities.

ERASE Marketing and Opportunities Program (MOP)

- Marketing includes one or more of the following: marketing brochure, City's website, application forms and guides on CDROM, presentation to property owners, development industry, real estate professionals, targeted mailing to property owners within the Project Area.

SUCCESS/IMPLEMENTATION

Enterprise Zone Municipal Realty Tax Incentive Grant Program

- A total of 20 applications have been received by the Downtown Renewal Division between 2002 and 2005.
- 18 of the projects have, or will be constructed, while 2 will not move forward.
- Total construction value of these 18 projects is approximately \$105,796,015.

Hamilton Downtown Residential Loan Program

- In 2005, 14 proposals were submitted for over 700 units at a total construction cost of almost \$117 million. Interest for the program has resulted in the \$20 million line of credit being fully subscribed.
- In 2004, 8 proposals were submitted and 5 were approved by Council for the construction of 250 plus units at a total construction cost of almost \$25 million.



The Hamilton Club Façade Improvement and Renovation



King Street East Stoney Creek CPIG Success



Hamilton Beach Lands - Before



Hamilton Beach - After

Hamilton's Downtown and Community Business Improvement Plans

City of Hamilton, Ontario



SUCCESS/IMPLEMENTATION CONT.

ERASE CIP Program

- In 2002, one year after its approval, the ERASE CIP saw the re-development of 11.3 acres of industrial property and the construction or refurbishing of 228,000 square feet of building space.
- In 2005, six approved projects were awarded approximately \$2.5 million in ERASE Redevelopment Grant funding. This will result in:
 - total construction expenditures in excess of \$63 million;
 - remediation and re-development of 27 acres of formerly vacant and under-utilized brownfields;
 - construction and refurbishment of over 300,000 square feet of industrial / commercial space;
 - construction of 93 new residential units;
 - 100 new full time jobs; and
 - an increase in long-term annual property tax revenues of approximately \$1,000,000.

- Examples of brownfield redevelopment projects in the City of Hamilton that have received ERASE funding include:

The Grand Connaught Redevelopment Group, who are undertaking a \$30 million renovation and redevelopment of the historic Royal Connaught Hotel, received approval for funding of \$229,500 under the MAPP.

An abandoned, vacant industrial building in Parkdale Avenue North redeveloped as a state-of-the art 186,000 sq. ft. industrial warehouse building. The building was used for steel storage. The City provided a \$1 million Redevelopment Grant over a maximum of 10 years. The grant leveraged a \$14 million project and increase the assessed value of the site by 5 times. The grant covered the costs of demolishing the old industrial building and replacing old sewer and water lines.

A former VIA station at Barton Street and James Street North was closed in 1992. It sat vacant for almost a decade. The original station was refurbished and is now used as a banquet and convention centre, referred to as Liuna Station. The Labourers' International Union of North America (LIUNA) and the City of Hamilton partnered in the redevelopment. The City provided an annual tax grant to support the heritage restoration components of the project.

- Interest in the revised ERASE CIP has been outstanding and the City of Hamilton anticipates at least 10 projects to apply for funding in 2006.



The Historic Royal Connaught Hotel



LIUNA Station

North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay, Ontario



BACKGROUND

The City of North Bay was established in the late 1800s with the development of the railways (CP, CN and the Temiskaming and Northern Railway) and its lumber and mining industries.

Over the past few decades, the City's Downtown has eroded as residents and businesses have moved away from the historic core to the suburbs. The Downtown's retail market has struggled to compete with suburban malls and big box retail. Building values have dropped and vacancies and Power of Sale transactions have increased. A 1999 study found a retail vacancy rate of 21% in the Downtown. In addition, as a result of several fires in the Downtown, a number of buildings along Main Street have not been redeveloped.

Since the early 1980s the City of North Bay has undertaken a variety of Downtown improvement projects and initiatives, including:

Downtown Revitalization Phase I - 1982/1983

- Reconstruction of five square block section in central business district.
- Installation of new sanitary and storm sewers, removal of existing above-ground hydro plant for placement underground and reconstruction of new sidewalks, boulevard areas and public space facilities.
- Total project cost \$3.5 million (City funded \$3.0 million and Province funded \$500,000).

Downtown Revitalization Project Phase II - 1986/1987

- Improvements to municipal parking, pedestrian access improvements and creation of Fraser Street Parkette.
- Total project cost \$900,000 (City funded \$400,000, Province funded \$400,000 and Downtown Improvement Area funded \$100,000).

Waterfront Redevelopment

- Since 1984 the City, with Federal and Provincial funding, has invested in a program to develop the Waterfront.
- Accomplishments include new parking areas, landscaping, the creation of a pedestrian walkway, construction of a 300 slip municipal marina and bandshell.

Downtown Improvement Area (DIA) Action Strategy for Downtown - 1999

- When a mall expansion was proposed, the Downtown Improvement Area (DIA) chose not to object, but to form a partnership to fund Downtown improvements.
- The DIA retained planning and market specialists to develop a marketing strategy. Development of the strategy began with a broad scale visioning exercise to develop goals and objectives for Downtown regeneration.
- Reinvestment workshops were held and an incentives discussion paper was prepared for consideration by Council.



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North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay, Ontario



Downtown Improvement Area (DIA) Action Strategy for Downtown Cont.

- The Strategy included 39 specific action items structured around eight key goals:
 1. Redefining Downtown's role;
 2. Improving promotion and image;
 3. Attracting new investment/reinvestment;
 4. Attracting more people Downtown;
 5. Creating a 24-hour Downtown;
 6. Connecting Downtown with the Waterfront;
 7. Improving Parking; and
 8. "Thinking outside the box".
- The Strategy resulted in the preparation of a CIP for Downtown North Bay.

North Bay Waterfront Redevelopment Strategy – 2002/2003

- In 1999 the City purchased 35 acres of CPR lands abutting the Downtown.
- The City originally approved a Conceptual Land Use Plan and Development Design Guidelines for the railway lands which divides the railway lands into four redevelopment parcels and a site for a proposed heritage-based entertainment/recreation development called "Canada's Passage North". The City gave careful consideration to the types of commercial and recreational activities it wanted for the railway lands. The community specifically did not want a Casino, big box retail, strip plazas, or shopping malls on the railway lands. This approach of building large-scale retail and entertainment uses, supported by significant provincial grants, was ultimately rejected.
- In 2002, the community group Community Waterfront Friends (CWF) and the City of North Bay commissioned IBI Group to undertake a community-led initiative to develop an alternative development framework. At its centre, this framework promoted the intensification of the Waterfront and Rail Lands in terms of their use for recreational purposes, including various ancillary services and uses. The essential objective was to confirm the role of the Waterfront and Rail Lands as recreational, acting as a destination, but not replicating, and thereby competing with, the retail core of the Downtown. The Strategy included the development of a phasing plan for the long-term renewal, an assessment of market viability and a detailed examination of financial feasibility and implementation options. On the periphery of the waterfront, contaminated lands were identified as being suitable for condominium residential development.
- In 2003 CWF and the City commissioned the North Bay Waterfront/Downtown Development Program Central Area Design Project.

Commercial Market Demand and Impact Analysis for North Bay Trade Area

- The City recently initiated a study to address development pressure in specific locations outside the Downtown and establish new commercial policies for the Official Plan.



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North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay, Ontario



DOWNTOWN COMMUNITY IMPROVEMENT PLAN (DCIP)

Purpose

In December 2002 Council approved the Downtown Community Improvement Plan (DCIP) and allocated funding of \$90,000 for grant programs (subsequently increased to \$190,000) for the year 2003 and allocated \$250,000 for the loan program (subsequently increased to \$350,000). The response to the DCIP was overwhelming in 2003, and Council allocated \$250,000 for grants and \$350,000 for loans in 2004. In 2005 another \$250,000 was allocated for grants.

The purpose of the DCIP is to create mechanisms to promote investment in the City's historic commercial area, thereby generating economic development and increased assessment. The City established a Working Group to oversee the preparation of the DCIP and the Working Group conducted a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of the Downtown. The following details some of the key issues and opportunities that were identified by the SWOT analysis:

Issues

- Financially fragile merchant base and store closures
- Mall expansion
- Lack of major hotel/conference centre or major retail anchor
- Poor directional, parking and information signage
- High commercial tax levels
- Vacant fire sites, growing vacancy rates and buildings for sale
- Under-utilized buildings
- Costs associated with redevelopment of upper floors of commercial properties

Opportunities

- City's history and many well-preserved heritage buildings, including CPR Station
- Existing infrastructure
- Good vehicular access
- Well-established services and several destination stores
- Location of Downtown near Waterfront and Rail Lands

Goals of DCIP

- Enhance the Downtown as a unique community and the Heart of the City.
- Promote continued development of the Downtown as the primary office, cultural, entertainment, recreational and administrative centre for the City.
- Strengthen the Downtown (e.g. vibrancy, diversity, economic viability) by stimulating investment and interest in redevelopment (i.e. retail, service, office and residential).
- Encourage and assist private property owners rehabilitate buildings.
- Preserve heritage resources and promote City's traditional/historic image.

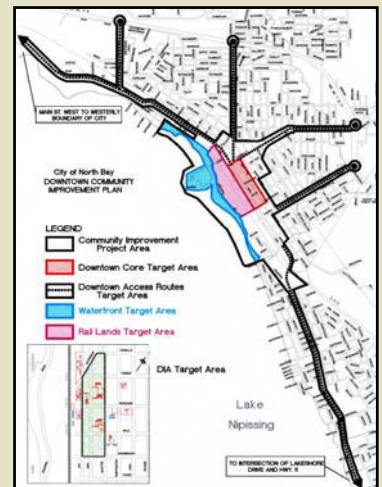


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North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay, Ontario



Selection of the CIP Project Area

A number of potential Community Improvement Project Areas were examined. The goal was to select a Project Area that would provide the greatest opportunity for implementation of a CIP that will have the greatest impact on the Downtown. The City considered the link between the Downtown and the Waterfront critical to the future of the Downtown.

A CIP Area was created to include a number of Target Areas (e.g. Downtown, Waterfront and Rail Lands) as well as the major arterials to permit signage and streetscape improvements to be made at the highway intersections and along the arterials leading Downtown. Some of the CIP programs may be applied to the whole CIP Project Area, while others are applied to specific Target Areas.

DOWNTOWN FINANCIAL INCENTIVE PROGRAMS

Rebates for Building Permit/Planning Fees

- Must be within DIA Target Area.
- All demolition, building and planning related fees will be refunded upon completion of development or renovation.
- Building permit fee rebate up to maximum permit value of \$250,000.

Exemption from Parking Requirements Program

- Exemption from or reduction in parking requirements where there are improvements and/or change in use to an existing building.
- New buildings and additions will be exempt from parking requirements to a maximum floor space limit of 1,500 sq. m.

Waiving of City and Regional Development Charges

- Projects within the DIA continue to be exempted from Development Charges.
- All conversions from residential to non-residential or non-residential to residential within the remainder of the CIP Project Area will continue to receive a credit against Development Charges.

Façade Improvement Grant Program

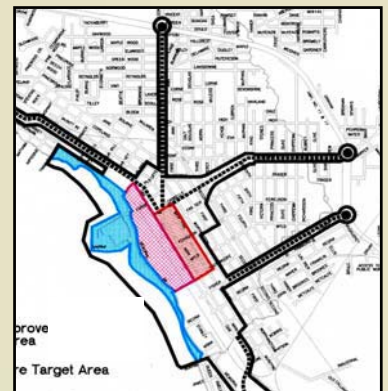
- Must be within DIA target area.
- Grants for 50% of the cost to improve a building's façade or signage to a maximum of \$15,000.
- Payment made upon completion of the work.
- Façade improvements and signs should maintain the historic character of the Downtown and design drawings must be approved by the City to access funds.

Feasibility Study Grant Program

- Must be within DIA target area.
- Grants up to \$5,000 for feasibility studies and building/renovations design.
- 50% of the grant will be provided following submission of the final completed study and 50% will be paid once the building is available for occupancy.



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North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay



DOWNTOWN FINANCIAL INCENTIVE PROGRAMS CONT.

Rehabilitation and Redevelopment Loan Program

- Must be within the DIA.
- Loans up to \$50,000 provided to property owners who undertake revitalization and rehabilitation that results in increased use, adaptive re-use or conversion of vacant space. The loan cannot exceed the value of the work done.
- Loans implemented over five year period.
- Loans are interest free for a maximum five year term.

Tax Increment Based Grant

- Eligible projects include rehabilitation or redevelopment of older buildings and underutilized sites in the DIA, Rail Lands and Waterfront Area.
- Grant equal to portion of increase in municipal taxes over a nine year period.
- Grant amount in DIA target area would equal 100% of increase in municipal portion of taxes in years 1 to 5, then 80% in year 6, 60% in year 7, 40% in year 8 and 20% in year nine.
- Grant amount in Rail Lands and Waterfront would equal 50% of increase in municipal portion of taxes in years 1 to 5, then 40% in year 6, 30% in year 7, 20% in year 8 and 10% in year nine.

ADDITIONAL PROGRAMS BEING CONSIDERED

- Way Finding Plan/System
- Review of Upper Storey Redevelopment Potential
- Business Retention and Expansion (BR&E) Program
- Development of a Business Retention and Expansion Program
- Provincial and Federal Heritage Building Programs

SUCCESS/IMPLEMENTATION

2003 Downtown CIP Program

- A total of 47 funding applications were submitted (22 applicants/47 applications) and 24 applications were approved.
- The total value of private sector investment estimated at \$1.1 Million (ratio of almost \$1 of City funding to \$6 spent by private sector).

2004 Downtown CIP Program

- A total of 52 funding applications were submitted:
 - 15 Feasibility Study Grant applications submitted and 11 approved for a total of \$50,000 (average grant amount per approved application \$3,330).
 - 19 Facade Improvement Grant applications submitted and 18 approved for a total of \$185,550 (average grant amount per approved application \$10,300).
 - 18 Building Rehabilitation and Redevelopment loan applications were submitted and 16 approved for a total of \$389,746 (average loan amount per approved application \$24,400).



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2003/2004 CIP Summary

- 99 Funding Applications Processed
- Total Grant Funding of \$440,000
- Total Loan Funding of \$700,000
- \$3.0 million in Estimated Private Sector Investment
- 14 New Businesses
- 9 Vacant Buildings Purchased for Revitalization/Re-use
- 200 Short-Term Jobs Created
- 100 Permanent Jobs Created

2003 & 2004 DCIP Program Costs

Costs	2003	2004
Grants	\$178,712	\$235,550
Legal	\$844	\$2,312
Lost Interest associated with Loans	\$1,422	\$6,779
	(not including loan funds)	
Administration	\$0	\$1,270
Building/ Planning Fee Rebates	\$3,000 (estimated)	\$3,000
Provision for Future Bad Debt	\$6,021 (remainder of funds)	\$1,089
TOTAL	\$190,000	\$250,000

North Bay Downtown Community Improvement Plan and Waterfront Plan

City of North Bay



SUCCESS/IMPLEMENTATION CONT.

- Investment ratio (private sector/public sector) is estimated to be 7:1 (excluding building, business and/or franchise purchases).
- A Downtown Symposium was held in September 2005. The Symposium brought municipal politicians, City staff and BIAs together to discuss the revitalization of Downtown areas throughout northern Ontario and to showcase the City of North Bay and the City's Downtown.

2005 Downtown CIP Program

- Details on the number of loans and grants approved in 2005 to be made available shortly by the City.

Initiatives Linked to the Waterfront Redevelopment Strategy and the Community Waterfront Friends (CWF)

- The approach proposed by the Community Waterfront Friends, and adopted by Council, has helped with Downtown renewal. The DCIP has resulted in significant take-up of loans and grant by businesses. Plans for creating recreation-based destinations on the rail lands, rather than new commercial venues, has provided long-term stability. However, the progress in realising the plans of the Community Waterfront Friends has been slow:
 - Plans for the redevelopment of contaminated sites for residential has not been undertaken as yet, in part because development costs are too high relative to the achievable market price;
 - An Environmental Assessment was undertaken as part of redevelopment plans for Marathon Beach;
 - Other plans, such as the renovation of the CP Rail station are progressing, contingent on funding availability; and
 - The City is progressing with plans for environmental clean up and disposition of several key sites on the commercial fringe of the Rail Lands.
- The City of North Bay partnered with the Heritage Railway and Carousel Co. to build a full-scale carousel on the Waterfront. A grant for \$166,000 was obtained from the Heritage Fund Grant to construct a building that houses the carousel and the City donated municipal-owned land adjacent to the Railway. Estimates that the development would attract between 50,000 and 100,000 patrons a year were surpassed. In 2003, the Carousel had over 138,000 riders and earned \$126,000 in revenue.

2004 Budget	\$250,000
Number of Applications	34
Total Funding Requested	\$223,000
23 Approved Applications	\$235,550

