



The Corporation of the Town of Tecumseh

Planning & Building Services

To: Mayor and Members of Council

From: Brian Hillman, Director Planning & Building Services

Date to Council: February 9, 2021

Report Number: PBS-2021-03

Subject: Financial Incentive Program Grant Application
Tecumseh Road Main Street Community Improvement Plan
Skyline Real Estate Holdings Inc. (Skyline Apartments)
1200-1250 Southfield Drive
Development Charges Grant Program
OUR FILE: D18 CIPFIP - CIP-01/21

Recommendations

It is recommended:

That the Grant Application for the Tecumseh Road Main Street Community Improvement Plan (CIP) Financial Incentive Program, for the vacant property located at 1200-1250 Southfield Drive, immediately north of Southfield Park (Roll No. 374402000000382), **be deemed eligible and approved** for the Development Charges Grant Program in the amount of \$100,000 in relation to the construction of two four-storey, 71-unit apartment buildings proposed for the subject property, all of which is in accordance with Section 11.3 (5) of the CIP and with PBS-2021-03.

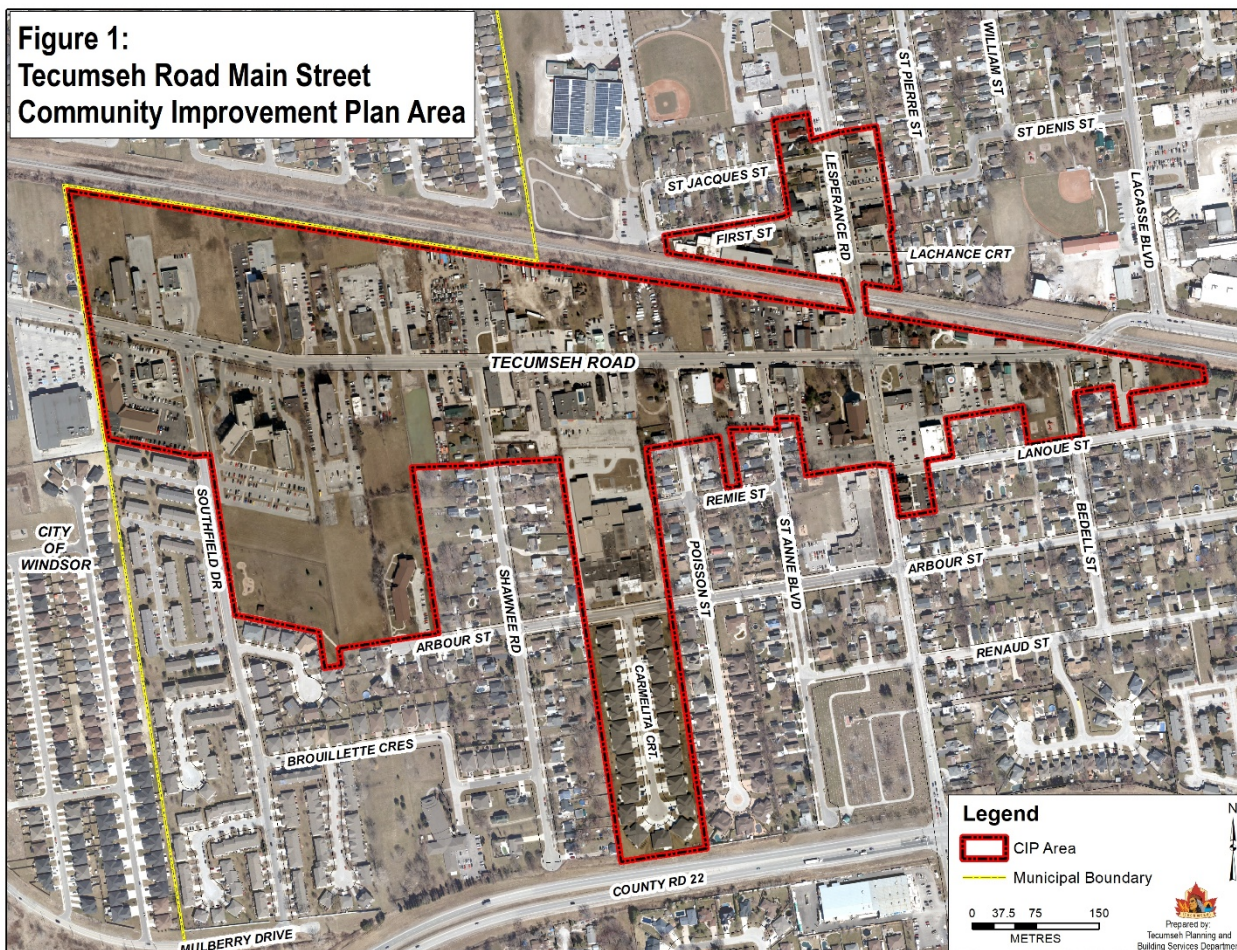
And that the construction timeline requirement for the proposed development be extended from one year to two years, in accordance with Section 11.3 (5) of the CIP and with PBS-2021-03.

Background

The Council-adopted Tecumseh Road Main Street Community Improvement Plan (CIP) applies to an area that represents the historical commercial core of the Town and comprises an approximate 1.2 kilometre corridor centred on Tecumseh Road from the VIA Railway on the east to the Town's border with the City of Windsor just beyond Southfield Drive on the west

(see CIP Area in Figure 1). The area encompasses 96 acres and approximately 115 properties with a mix of commercial and residential along with many tracts of underutilized land.

The CIP establishes a community developed vision and provides a means for planning and promoting development activities to more effectively and efficiently use lands, buildings, and facilities. Its goal is to bring about revitalization and encourage both private and public investment in the CIP Area. To help achieve this vision, the CIP provides for a range of financial incentive programs to registered Owners and tenants of land and buildings within the CIP Area. Attachment 1 contains a table that outlines the financial incentives available for lands in the CIP Area, subject to satisfying various criteria and rules.



Comments

Proposal

Over the past several months, Town Administration has been in discussions with the Owner of the vacant 1.71 hectare (4.22 acre) parcel of land situated on the east side of Southfield Drive (1200-1250 Southfield Drive), immediately north of Southfield Park (see Attachments 2 and 2A for location). The vacant subject property was the subject of planning applications in 2020 that introduced site-specific policies and regulations to permit the use of the property for two, four-storey apartment buildings. Approval of a site plan control agreement facilitating the proposed development is being requested concurrently with this CIP grant application by way of PBS-2021-02. Once the site plan is approved by Council, the Owner is proposing to commence construction of the aforementioned apartment buildings and associated parking, landscaping and on-site services (see Attachment 3). In addition, the Owner has also applied for approval of property tax relief based upon the incremental increase in the municipal portion of property tax through the Building and Property Improvement Grant (BPIG) Program of the CIP. The Building and Property Improvement Grant (BPIG) Program CIP application will be brought forward at an upcoming Council meeting.

Proposed Grant Details

Based on the foregoing, the Owner has submitted a Financial Incentive Program Grant Application seeking financial incentives under the Development Charges Grant Program for a total amount of \$100,000. The Development Charge Grant Program provides a rebate based on the total development charge in effect which, in the case of the subject development (142 two-bedroom apartment units), would total \$1,419,432. Although the development charges for the proposed development will exceed the requested \$100,000, this grant amount represents the maximum one-time grant for any single property within the CIP area.

To qualify for this grant, the development must meet the policies and design guidelines of the CIP. The subject grant application has been reviewed and evaluated against the requirements of the CIP and Town Administration has no concerns. Accordingly, it is recommended that it be deemed eligible and approved in accordance with Section 11.3 (5) of the CIP.

Next Steps

Upon Council approval, a letter from the Town to the Owner advising of Council's approval will represent a grant commitment. The CIP establishes the following with respect to the Development Charges Grant Program:

- i) the Owner will be required to pay the full amount of the building permit fees and the Development Charges at the issuance of the building permit for the proposed development;

- ii) the Owner will have a period of six months to start and one year to complete the proposed works from the date of Council approval. It should be noted, that based on the size and scale of the development, the associated site plan agreement for this development allows for a two-year completion date;
- iii) extensions will be considered on a case-by-case basis; and
- iv) an application may be cancelled if work does not commence within the six-month period or if the approved works are not completed within a one-year period from the date of Council approval. Based on the size and scale of the development, it is anticipated that a longer construction period of two years will be required. Accordingly, Administration recommends that the CIP construction timeline requirement be extended to two years for this development.

Upon completion, Administration will conduct a review of the work to ensure all requirements of the CIP have been complied with. Once it has been determined that the CIP requirements have been met, the Grant will be refunded back to the Owner.

Consultations

Financial Services

Financial Implications

The Tecumseh Road CIP provides for Support Programs and Incentives that can total up to \$417,000 per calendar year commencing in 2016. This is the sum of annual maximum limits per individual incentive program category within the CIP. Actual incentives available will depend on approved budget funding.

The 2021 budget includes CIP grant funding of \$200,000. An additional \$123,594 of uncommitted budget allocation from prior period budgets was carried forward, thus totalling \$323,594 in funds available for 2021. To date, this is the first application that has been brought forward for approval in 2021. Accordingly, the current available funding total is \$323,594.

Upon approval of the recommendation of this report, remaining available program funds for 2021 will be \$223,594 as referenced in the tables in Attachments 4A and 4B.

Link to Strategic Priorities

Applicable	2019-22 Strategic Priorities
<input checked="" type="checkbox"/>	Make the Town of Tecumseh an even better place to live, work and invest through a shared vision for our residents and newcomers.
<input checked="" type="checkbox"/>	Ensure that Tecumseh's current and future growth is built upon the principles of sustainability and strategic decision-making.
<input type="checkbox"/>	Integrate the principles of health and wellness into all of Tecumseh's plans and priorities.
<input checked="" type="checkbox"/>	Steward the Town's "continuous improvement" approach to municipal service delivery to residents and businesses.
<input type="checkbox"/>	Demonstrate the Town's leadership role in the community by promoting good governance and community engagement, by bringing together organizations serving the Town and the region to pursue common goals.

Communications

Not applicable ☒

Website ☐

Social Media ☐

News Release ☐

Local Newspaper ☐

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

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Reviewed by:

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Reviewed by:

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Reviewed by:

Brian Hillman, MA, MCIP, RPP
Director Planning & Building Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1	CIP Support Programs and Incentives Summary
2	Property Location in Relation to CIP Study Area
2A	Property Location, Detail View
3	Proposed Architectural Renderings
4A	CIP Incentives Financial Summary Chart No. 1
4B	CIP Incentives Financial Summary Chart No. 2