

Community Improvement Plan Progress Report

Downtown, Allandale and Georgian College Neighbourhood



Planning Services Department

BACKGROUND

The City of Barrie has approved three Community Improvement Plans (CIP) offering Financial Incentives to encourage private sector investment in (re)development projects that support strategic objectives for defined areas throughout the municipality.

Two of these Plans, the Downtown Next Wave and Allandale CIPs are within the Urban Growth Centre identified in the Provincial Growth Plan as an area targeted for residential and commercial intensification. The primary objective of these two Plans is to encourage downtown revitalization. The third Plan covers an area surrounding Georgian College, one of the City's largest employers, and has as its primary objective encouraging private sector developments targeted at student housing.

The first Progress Report, prepared in November of 2009 captured a review of activity in the Next Wave and Allandale CIP areas since they had been in effect in 2004 and 2007 respectively.

This second annual report is intended to update Council and the public on the effectiveness of the Financial Incentives and their impact on achieving the vision and objectives of the Community Improvement Plans.

The following provides a brief description of the different incentive programs available in the three CIP's:

Forgivable Loans:

Forgivable Loans available in the Downtown Next Wave and Allandale CIPs include:

Facade Improvement Loans Adaptive Re-Use / Upgrade to Building Code Loans and Renovation Loans. These loans are for a maximum of \$25,000 or 50%, whichever is less, of the cost of the improvements. In addition, any of these loans can be coupled with a Signage or Artwork Loan to a maximum of \$5,000 or 50% of the cost, whichever is less.

Grants:

Grants available in the Downtown Next Wave, Allandale, and Georgian College CIP Areas include:

Application Fees Grant – 100% of any planning application fee for approved applications such as Official Plan Amendment, Rezoning, Site Plan and Committee of Adjustment applications.

Building Permit Fees Grant – 25% of the first \$25,000 of a building permit fees and 50% for any amount above \$25,000. A Hotel /Convention Centre is eligible for a grant of 100% of the Building permit fee in the Downtown Next Wave CIP Area.

Tax Increment Based Grant – this applies to properties where the improvements or redevelopment result in an increased assessment of \$100,000. The increment in municipal taxes as a result of the redevelopment is granted in decreasing percentages over a five year period starting at 100% in Year 1 and 2 and decreasing by 25% each year thereafter to year 5.

The Downtown Next Wave CIP Includes an enhanced Tax Increment Based Grant for Hotel/ Convention Centres with 100% of the Municipal Tax Increment being granted in years 1 to 4 and 50 % in year 5.

In addition, both the Allandale and Next Wave CIP Areas offer a Grant for Installing Energy Efficient Exterior Lighting to enhance safety in these CIP areas referred to as a **SLED Grant**.

The Director of Planning has **Delegated Approval Authority** for incentive applications of **\$100,000 or less**. This typically includes forgivable loans and smaller grants such as planning application or building permit fees. However, the Tax Increment Based Grant is more substantial and usually includes amounts of **over \$100,000** in value, which **require Council consideration**.

Council approves a total amount for the incentives covered under delegated approval, through its annual budgetary process, and the Loans and Grants are funded from a Reserve account.

VISION AND OBJECTIVES

Downtown Barrie: The Next Wave and Allandale CIPs

- To revitalize, intensify and strengthen residential, commercial, cultural and employment opportunities.
- To provide a safe vibrant pedestrian friendly environment.



- To provide an visually attractive and inviting environment.
- To enhance and reinforce linkages between the CIP areas and the lakeshore waterfront open space system.
- To enhance, improve, and restore the unique characteristics and historic assets within the respective areas.
- To reinforce the role of the downtown in providing amenities associated with a premier regional centre.

- To redevelop the Allandale Station as a signature site in the Barrie skyline.

Georgian College Neighbourhood

- To stimulate investment in intensified forms of residential accommodation suitable for a growing student population through the development or redevelopment of appropriate sites in proximity to the College area.



DOWNTOWN CIP RPROJECTS

There has been significant activity in the Downtown Community Improvement Areas with a number of projects ranging from façade improvements to adaptive re-use of buildings receiving approval for Financial Incentives.



DOWNTOWN CIP PROJECTS

MAJOR DOWNTOWN CIP PROJECTS

Three major projects which have contributed significantly to the goal of creating new jobs and increasing the resident population base in the City Centre as part of the City's downtown revitalization efforts are as follows:

Scotia Bank



Located on the site of the former Post Office building at the northwest corner of Collier and Owen Streets, the development of this major bank added **2176m²** of office and retail banking floor space and **75** new jobs in the downtown.

The total incentives granted, including a Tax Increment Based Grant ending in December of 2011, is approximately **\$350,000**.

In addition to the jobs and commercial floor space created by this project, the increased assessment as a result of this development is estimated at **\$3,000,000**.

U.N.T. Family Holdings Inc.

Located on the east side of Bayfield Street, south of Wellington, this residential development provides affordable housing within walking distance of the facilities and services of the downtown. The Project assists the City in achieving residential intensification within the Urban Growth Centre by providing **38** new rental residential units.

The total incentives granted, including a Tax Increment Based Grant to be paid over a five year period commencing in 2012 and ending in December of 2016, is approximately **\$200,000**.

In addition to assisting the City in achieving its intensification targets, the assessment increase as a result of this project is estimated at **\$3,500,000**.



DOWNTOWN CIP PROJECTS

The TD Bank and Parking Garage

Located on the south side of Collier Street, west of Owen Street, this project represents a public/private partnership consisting of a new major bank and municipally owned and operated parking garage. The development of this bank added **2,875m²** of Office and Retail banking floor space and an additional **150** jobs to the Downtown.

The total incentives granted, including a Tax Increment Based Grant to be paid over a 5 year period ending in December of 2011 will be around **\$300,000**.

In addition to the jobs and commercial floor space created by this project, the assessment increase as a result of this development is estimated at **\$6,000,000**.

The project also added **303** new parking spaces to the downtown, **294** of which are public parking spaces with the remainder being utilized by the Bank.



OTHER DOWNTOWN PROJECTS

In addition to these major projects, the financial incentive programs available in the Downtown and Allandale have contributed to a number of individual building improvements. These in turn have had spin-off benefits by encouraging other property owners to improve and maintain their properties.

Dunlop Street



Projects along Dunlop Street represent high profile improvements and include Samson's Hair Salon, Fitzzy's Crabshack, the Sanders Block, Gastro Cafe, the Running Room and Barrie Burger. These projects have all been undertaken under a forgivable loan program.



DOWNTOWN CIP PROJECTS



Downtown Projects off Dunlop Street

Less visible but equally important projects off Dunlop Street include adaptive re-use projects which converted houses to create additional retail and office space in the downtown. Examples include Sammy's Pita Place on Collier Street; CAL Accounting and Management Services and Kelly Mark Legal Services on Worsley Street; and Pawfection, a Dog Grooming establishment on Sophia Street. Another adaptive re-use project on Maple Street redeveloped a derelict vacated garage to a specialty store for skateboards and surfboards, Surf Paradise.

Ongoing Projects

There are a number of projects which are in various stages from initial approval to final completion. These include additional retail space fronting onto the waterfront and the Mews in the "Rainbowmakers" building; laneway façades, to improve safety and provide interesting and attractive laneways; a cinema façade; and the façade of the former Royal/King Edward Hotel located at 94 Dunlop Street.



ALLANDALE CIP PROJECTS

ALLANDALE CIP PROJECTS



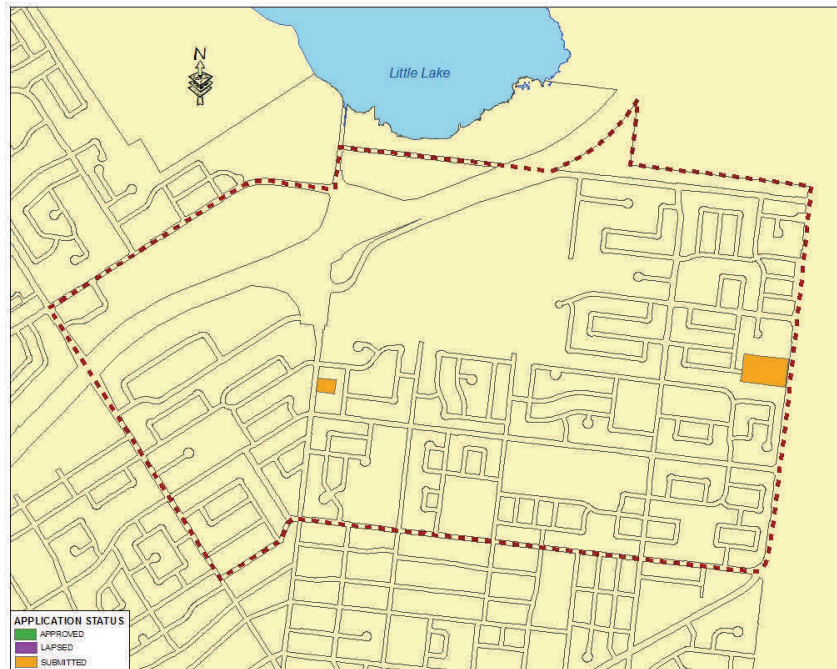
The Allandale CIP has generated fewer projects than the Downtown CIP, however activity in the area is increasing and will be further spurred by the redevelopment of the Allandale Train Station.

Existing projects in Allandale include renovation or façade projects for residential properties primarily funded under the forgivable loan programs. The Beaches Restaurant, formerly Shutters, on Bradford Street and Carriage House Picture Framing Store on Essa Road constitute two commercial projects in Allandale. These received contributions primarily from the forgivable renovation loan program, with supplemental funding from smaller grants, such as the planning application and building permit fee grants.



GEORGIAN COLLEGE NEIGHBOURHOOD CIP PROJECTS

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The Georgian College Neighbourhood CIP offers grants with the specific intent of encouraging the development of multi-unit student housing projects within a managed complex. The objective is to provide an alternative to rooming houses and second suites or basement apartments which are being used for student housing in the Georgian College Area.

A Student Housing Project is currently under construction at 363 Duckworth Street. This project consists of 32 units which will provide accommodation for approximately 128 residents within a managed complex. The developer specializes in student housing and has applied for Grants under the Georgian College incentive programs. The total amount applied for is estimated at over \$100,000 and will need to be considered by Council later this year.



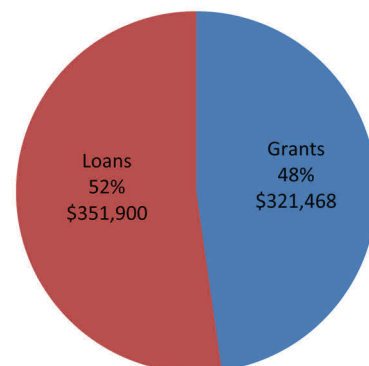
A multi-unit Student Housing development proposed on Penetanguishene Road has also applied for grants under the Georgian College incentive programs. This proposed project will be reviewed and considered when the design concept for the development is finalized.

SUMMARY OF FINANCIAL INCENTIVE PROGRAM FUNDING 2010-2011

LOANS AND GRANTS

In 2010 Council approved \$162,000 for a Tax Increment Based Grant for the U.N.T Family Holdings Inc. affordable housing project and \$223,800 for twelve forgivable loans covering 7 properties in the Downtown and Allandale areas. Two of these projects have been completed and work is ongoing on the remaining five. Funds are advanced to applicants when projects are complete and conditions have been satisfied. It is anticipated that the funds for the remaining projects will be paid through the course of 2011 when these projects are to be completed.

Although the overall dollar amount spent on loans vs. grants has been roughly equal, there have been more projects which have benefited from small forgivable loans (approximately 23) compared to projects which have received grants (approximately 3).



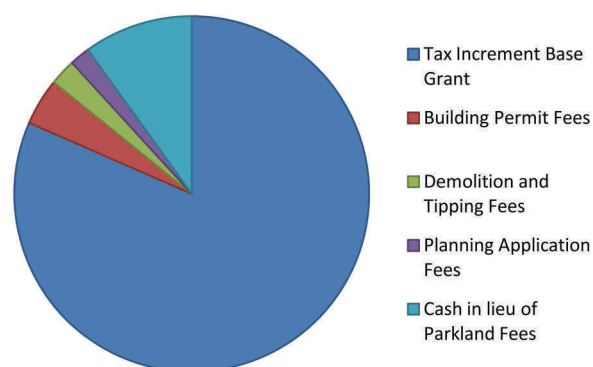
This general trend is consistent with the pattern of funding in the Downtown which has included the 3 major projects funded largely from the Tax Increment Based Grant program with numerous smaller projects completed under the Façade and Adaptive Re-use loan programs.

However, in the Allandale CIP area, a greater percentage of funds have been awarded through the forgivable loan programs than through the grant programs and these have been largely associated with planning and building permit application fees.

DOWNTOWN AND ALLANDALE CIP GRANT PROGRAM SUMMARY

Of the various grant programs available through the CIPs, the Tax Increment Grant program consumes the most significant share with approximately 80% of funding. The remaining funding is provided for rebates on Planning and Building Application fees, Demolition and Tipping fees and Cash-in-lieu of Parkland fees.

Tax Increment Based Grant	\$ 262,163
Building Permit Fees	\$ 13,703
Demolition and Tipping Fees*	\$ 7,679
Planning Application Fees	\$ 5,941
Cash in lieu of Parkland Fees*	\$ 32,000
TOTAL	\$ 321,486



* The Cash in lieu of Parkland Grant has been temporarily discontinued and the Demolition and Tipping Fees Grant now only applies to sites where demolition and cleanup are necessary as a result of accidental damage.

In 2010, Council also approved \$10,000 to provide financial incentives in the form of grants for Energy Efficient Lighting in the Downtown (SLED). To date the City has not received any applications under this new program.

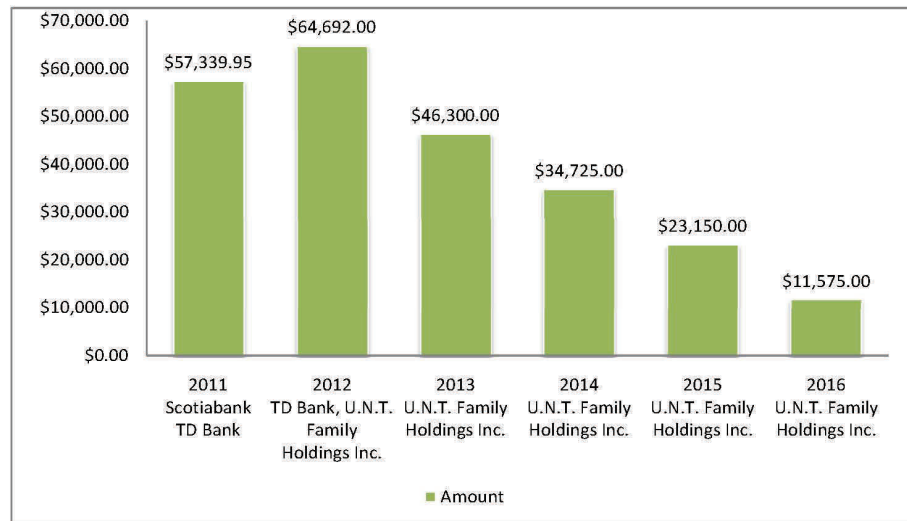
Planning Staff are promoting this program more aggressively through the summer of this year with assistance from the Communications and Inter Governmental Affairs Department.

SUMMARY OF FINANCIAL INCENTIVE PROGRAM FUNDING 2010-2011

Tax Increment Grant Program

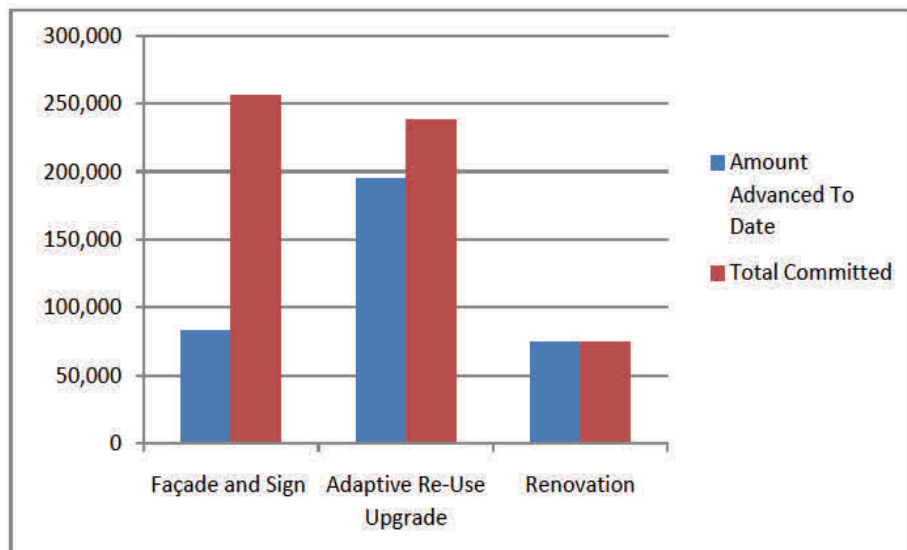
The Tax increment Grant program provides a tax grant to approved projects within the various CIPs on a sliding scale with a 25% decrease in the amount paid over a five year period. This program represents the most significant dollar values associated with the financial incentives programs. To date, approximately \$240,000 has been committed for this program with various projects at different stages in the five year window.

The graph on the right shows the total value of and the estimated payment schedule for approved Tax Increment Based Grants to the year 2016.



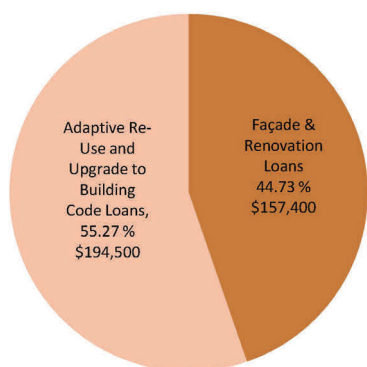
DOWNTOWN AND ALLANDALE CIP LOAN PROGRAM SUMMARY

The Façade Improvement program represents the majority of the forgivable loan applications although the actual dollar value of funds advanced to date is greater for the Adaptive Re-Use and Upgrade to Building Code programs. This is due to the fact that the typical cost of a façade improvement tends to be a lesser dollar value than that of the internal renovations typical of the other programs. Most of the forgivable loans approved in the summer of 2010 were for facades, however the majority of these approved façade projects are still under construction. It is anticipated that the committed funds for these projects will be advanced in 2011 once the projects are completed.



SUMMARY OF FINANCIAL INCENTIVE PROGRAM 2010-2011

As such, the Façade Improvement program represents the greatest value from a cost/benefit perspective since façade improvements provide highly visible and obvious evidence of improvements in the downtown than the internal improvements associated with the other programs and cost fewer dollars on average.



GEORGIAN COLLEGE NEIGHBOURHOOD CIP GRANTS



The Georgian College Neighbourhood CIP offers grants only, and one application totalling over \$100,000 has been received for 363 Duckworth Street which will be considered by Council this year.

CONCLUSION

From January 2005 to December 2010 the City has awarded almost **\$673,400** on **26** approved applications. An additional three approved projects have failed to satisfy the conditions of their approval and have lapsed. Seven applications have been declined because the projects failed to meet the objectives of the CIP's. There are approximately five applications in progress, and it is anticipated that work on these projects will be completed this year. In addition, several other expressions of intent have been submitted pending finalization of designs and receipt of costing estimates.

The incentive programs have resulted in the creation of additional jobs, residential intensification and the development of new commercial floor space. Approximately **8,200m²** of new commercial floor space, including banking facilities, professional offices, restaurants, retail space and personal services stores have been developed with assistance from the financial incentive programs. Residential intensification has been boosted with the addition of **34** new residential units. These projects draw people to the Downtown throughout the week and contribute to the health and vitality of the area.

Although there have been some business closures, such as Shutters Restaurant, an estimated **317** new jobs have been created in the area. The "Sanders Block" on Dunlop Street which was initially renovated as an adaptive re-use project for an Art Gallery and Music Studios, now houses a more intensive use, in the form of a Yoga Studio and Development Centre. This new use employs more staff and draws more people to the downtown on a regular basis than the previous uses.

The financial incentive programs provided in the Downtown, Allandale and Georgian College Neighborhood CIP's continue to have a positive effect on the areas they cover and have facilitated several of the downtown revitalization objectives as well as potential new student housing. The improvement of façades, introduction of new businesses and major (re) development projects will also have spin off benefits by attracting new businesses and stimulating others to improve and maintain their properties. The net assessment gained as a result of new projects is estimated to be in excess of **\$10 million**.

Several applications have been submitted this year, some of which have been approved, and will be completed over the course of this year and 2012. These projects will be reviewed in the 2011 Progress Report.



For more information about the se Financial Incentive Program;
Contact the City of Barrie Planning Services Department at:
705-739-4220

Or ,
View the City Web Site at :
*[www.barrie.ca/Doing Business/City Centre Revitalization/
Financial Incentives & Assistance](http://www.barrie.ca/Doing Business/City Centre Revitalization/Financial Incentives & Assistance)*
