



Staff Report for Council Meeting

Date of Meeting: February 22, 2023

Report Number: SRPI.23.025

Department: Planning and Infrastructure

Division: Policy Planning

Subject: **SRPI.23.025 Request for Approval – Richmond Hill Office Development and Village Revitalization Community Improvement Plan Update (CIP-22-002)**

Purpose:

The purpose of this report is to request Council's approval of updates to the Richmond Hill Office Development and Village Revitalization Community Improvement Plan (CIP).

Recommendation(s):

- a) That Staff Report SRPI.23.025 be received;
- b) That Council approve the extension of the CIP for another five years to 2027;
- c) That Council approve the amendments to the CIP as noted in Appendix A (Draft Amendment 1 to CIP), and
- d) That Council and Staff promote the updated CIP, to the Richmond Hill business community.

Contact Person:

Megan Cobbold, Senior Planner – Policy; Phone Number: 905-747-6309

Report Approval:

Submitted by: Kelvin Kwan, Commissioner of Planning and Infrastructure

Approved by: Darlene Joslin, City Manager

All reports are electronically reviewed and/or approved by the Division Director, Treasurer (as required), City Solicitor (as required), Commissioner, and City Manager. Details of the reports approval are attached.

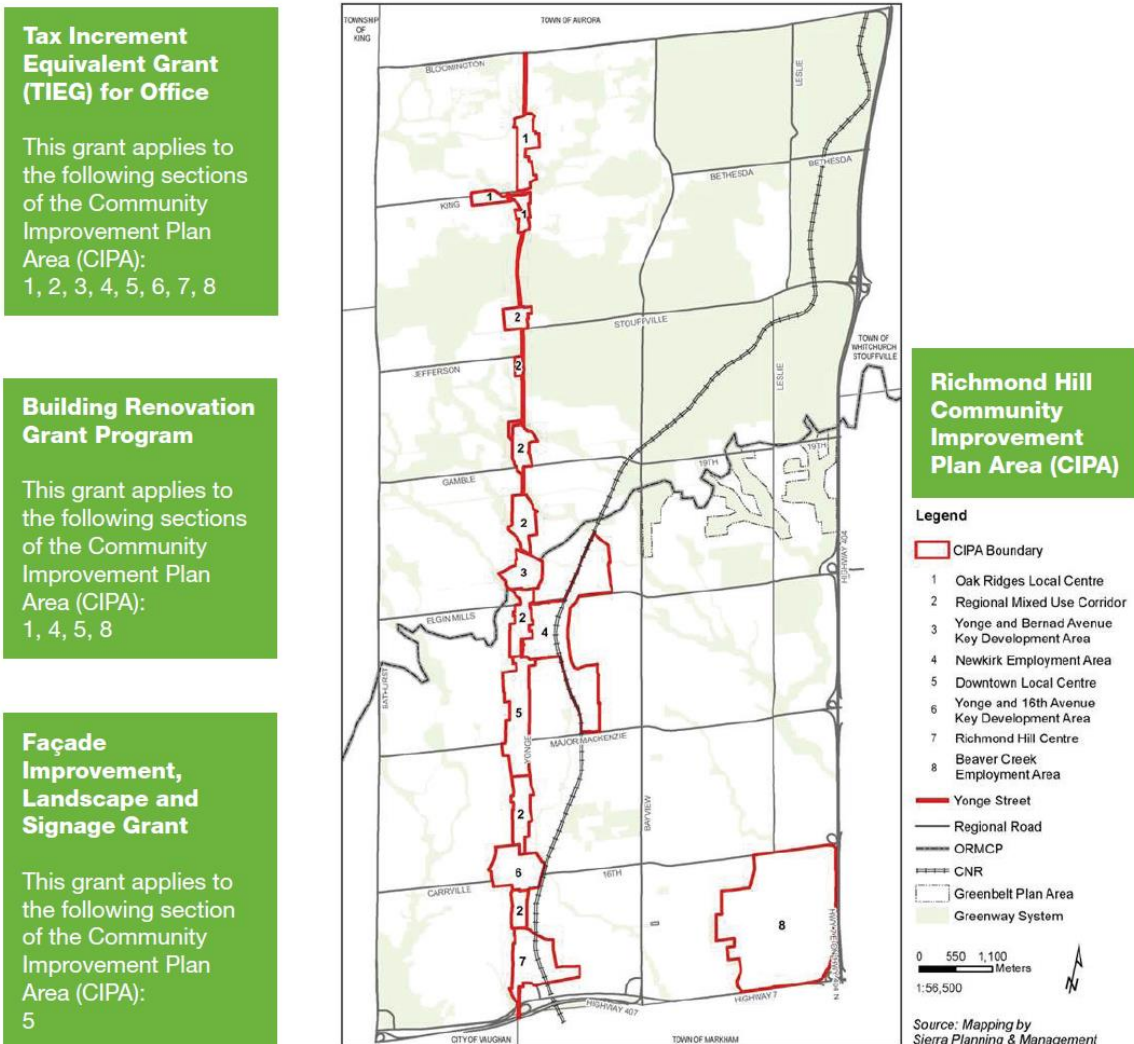
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Background:

The Richmond Hill Office Development and Village Revitalization Community Improvement Plan (CIP) (presently titled The Richmond Hill Office Development and Downtown Local Centre Community Improvement Plan) was approved by Council in February 2018, for a period of five years. As explained in staff report SRPI.23.004, this CIP offers three programs:

- 1) a tax increment equivalent grant program;
- 2) building renovation grant program; and
- 3) a façade, landscaping, and signage improvement grant program.

The locational applicability of these three grant programs is noted in the map below.



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As noted at the Council Public Meeting held on January 18, 2023, and per the direction of Council provided in April 2022, staff have undertaken a review of the CIP, which included consultation with staff, the business industry and the general public, to extend and update the CIP for another five years, given its success over the last five years.

Success to date resulting in Private Investment in the Village

Building on the data provided in staff report SRPI.22.050 with updated figures, since the CIP Grant Program was initiated, twenty-six (26) CIP applications have been submitted to the City from land owners and tenants. The majority of applications were for Façade and Signage Improvement Grants, and a few were for Landscaping and the Building Renovations Grants. We did not receive any applications for the Tax Increment Equivalent Grant (TIEG).

Each application was reviewed by staff to ensure that they met eligibility requirements. Consequently, among the twenty-six (26) applications, there were ten (10) successful applications that were approved by City Council or their delegated authority and were comprised of 27 different grants. Of those ten (10), eight (8) of the applications have been fully granted.

An overview of the approved project costs is provided in **Table 1**. As noted in the table, the Provincial and Municipal investments in the approved ten (10) projects are approximately \$517,800, whereas the private investments are \$1,010,892. If we compare the public investments against the private investments, **for every public dollar (\$1) spent, there were almost two private dollars (\$2) invested.**

No applications were approved in 2018. This is largely owing to the fact that following Council approval of the CIP, staff required time to prepare promotional and administrative materials such as application forms, agreements, and user friendly guidance material, and applications were still in their review period.

In 2019, the CIP program was enhanced by twinning it with funding from the Province's Mainstreet Grant funding, which resulted in a surge of applications seeking to benefit by grants that could be up to 90% of eligible costs. With all of the Mainstreet funding allocated and the onset of the pandemic, however, uptake has slowed.

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Table 1: APPROVED CIP PROJECTS TABLE

Grant Approval Year	Grant Type(s)	Address	Public Investment Committed	Total Private Investment	Total Investment (Actual)	Proportion of public investment
2018	none					
2019	Facade	10220 Yonge	\$18,450	\$2,050	\$20,500	90%
	Façade, Sign	10216 Yonge	\$20,880	\$2,320	\$23,200	90%
	Sign	10211 Yonge	\$4,500	\$2,506	\$7,006	64%
	Façade, Sign	10094-10096 Yonge	\$49,500	\$57,556	\$107,056	46%
	Façade, Sign, Building Renovation	10156-10158 Yonge	\$144,000	\$530,479	\$674,479	21%
	Facade, Sign	10067 Yonge	\$47,970	\$14,795	\$62,765	76%
2020	Façade, Sign	10210-10212 Yonge	\$72,000	\$176,826	\$248,826	29%
2021	Façade, Sign, Building Renovation	10144, 10146, 10148 Yonge Street	\$72,500	\$167,500	\$240,000	30%
	Façade, Sign	10157 & 10165 Yonge Street	\$63,000	\$18,360	\$81,360	77%
2022	Façade	22 Richmond Street	\$25,000	\$38,500	\$63,500	39%
TOTAL Approved Grants' Value			\$517,800	\$1,010,892	\$1,528,692	34%
2019 Approved Grants' Value			\$285,300	\$609,706	\$895,006	32%
2020 Approved Grants' Value			\$72,000	\$176,826	\$248,826	29%
2021 Approved Grants' Value			\$135,500	\$185,860	\$321,360	42%
2022 Approved Grants' Value			\$25,000	\$38,500	\$63,500	39%

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CIP Updates

Appendix A to this staff report provides the detailed proposed amendments to the CIP and **Appendix B** to this staff report provides the consolidation of those amendments into the updated CIP. The proposed updates include changes to: expiry date of the CIP, funding amounts, eligibility, changes requiring Council approval, and minor technical updates.

Extension of the CIP Program

The recommended amendment to the CIP would extend the program for another five years. As noted in Staff Report SRPI.22.050, although staff recognize that the present demand for office space has subsided, staff is optimistic that in a post-COVID era, there will be a demand to return to in-person office spaces and also an emphasis on shared spaces where people can “work from neighbourhood”, as described in the Official Plan Update Key Directions Report. The reason for the extension is to be able to continue to offer all three grant programs to support the Village Local Centre revitalization and the creation of new office spaces along the Yonge Street Centres and Corridors, and the two business parks. As demonstrated in the initial duration of the grant programs, public investment in private business has resulted in twice the investment from those businesses and spinoff benefits for surrounding businesses and residents in Richmond Hill.

Proposed Funding Amounts:

Increased Building Renovation Grant Amount

The recommended amendment to the CIP would increase the Building Renovation Grant to a maximum of \$100,000 from the previous \$50,000. The reason for the increase is to better account for the cost of these types of projects, as the past projects approved to date have involved costs much greater than \$100,000. A \$100,000 grant would mean that the applicant would need to undertake renovations that would cost a minimum of \$200,000 in eligible building renovation projects. The \$100,000 grant would therefore be a much better incentive to undertake a renovation project to create new office development in the Village, Oak Ridges Local Centre, and the Beaver Creek and Newkirk Business Parks. The minimum funding amount of \$10,000 is not proposed to be changed in order to continue to offer the opportunity for smaller projects to still be eligible.

Increased Landscaping Grant Amount

The recommended amendment to the CIP would increase landscaping maximum grants to \$5,000 for single frontages and \$10,000 for multiple frontages. Based on the grant applications we have approved to date, staff note that there have not been any approved grants for landscaping projects. This may be due to the lower funding available for these types of grants where the current maximum for a single frontage is \$2,500, and \$5,000 for multiple frontages. Staff received feedback from the City’s Infrastructure Delivery Division in the Planning and Infrastructure Department, and were advised that the current maximums are not sufficient to support notable landscape

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improvements. An applicant would need to undertake landscape projects that are a minimum of \$10,000 or \$20,000 to receive the maximum funding amounts. The minimum funding amount of \$2,000 is not proposed to be changed in order to continue to offer the opportunity for smaller landscaping projects to be eligible.

Proposed Eligibility:

The following updates are recommended in terms of clarifying eligibility criteria to provide more information to applicants:

Eligible Costs

Currently, the description of the Landscaping grant in the CIP does not provide specific examples of the types of projects that would be considered eligible costs for this grant. To better assist applicants, this section is recommended to be revised to provide examples of eligible costs specific to each grant for the Façade Improvement, Landscaping, and Signage grant program.

Program-Specific Eligibility Criteria

Currently, the CIP states that the heritage buildings included in the City of Richmond Hill Inventory of Cultural Heritage Resources are eligible for the building renovation grant. A change is proposed to clarify that eligible projects can include the adaptive reuse of these types of buildings for office or other non-residential uses.

Signage Grant Program Structure

Currently, the CIP provides funding amounts for signage grants on a per property basis. It is recommended the CIP be updated to clarify that signage grant amounts are per business unit, not per property. This change will help provide more funding opportunities for properties in the Village that contain more than one business and typically have multiple business signs.

Retroactivity of Funding

Currently, the CIP states that at no time will financial support be provided on a retroactive basis to projects where eligible costs have been incurred prior to the adoption of the CIP by Council. Since the adoption of the CIP occurred back in 2018, it is recommended that this be updated to clarify that projects must wait for Council approval of their grant application (i.e. from the time Council approves the recommendations of the grant application staff report) before commencing work/incurred eligible costs. This update will help ensure that funding will be available to the applicant once the project is completed and that staff will be able to review proposals and provide feedback beforehand in case revisions are needed.

Proposed CIP Changes Requiring Council Approval:

Currently section 7.4 of the CIP outlines certain changes to the CIP that would require a formal amendment to the Plan requiring Council approval, as follows:

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- a) A significant change to the boundary of the geographic area subject to the CIP;
- b) The addition of new programs of financial assistance operationalized within this CIP;
- c) An extension to the approved term (duration) of the CIP;
- d) A significant, order of magnitude increase in the maximum amount of financial assistance offered as part of the guidelines for funding contained in this plan; and
- e) A significant change in the eligibility criteria for access to program support under the CIP.

It is recommended that item “a)” be updated by clarifying that changes to program boundaries to align with an Official Plan amendment or BIA by-law amendment would not require Council approval. As the City is currently in the process of updating the Official Plan, new land use designations along with any mapping and/or name changes may be a result and therefore may differ from what is identified in the CIP. The applicable areas and mapping in the CIP should be consistent with the Official Plan. Similarly, if the BIA by-law is amended, the boundary in the CIP should align with the corresponding boundary in the BIA by-law for consistency. Therefore, this recommended change is intended to eliminate an otherwise redundant process.

Proposed Additional Minor Technical Updates:

The following additional minor technical changes are also recommended as part of this update:

- a. Revising the word “Town” to “City”;
- b. Using consistent grant and program names for the Façade, Landscaping, and Signage Improvement grant program throughout the document;
- c. Revising references to “Downtown” and “Downtown Local Centre” and its related Secondary Plan to “Village” and/or “Village Local Centre”;
- d. Updating references to *Ontario Heritage Act* and website links;
- e. Replacing references to the “linked system of courtyards” to more generically apply to laneways and side yards of properties that are accessible to the general public;
- f. Name of CIP changed from “Richmond Hill Office Development and Downtown Local Centre Community Improvement Plan” to “Richmond Hill Office Development and Village Revitalization Community Improvement Plan”; and
- g. Moving information from the CIP’s Appendix A into section 4 of the CIP.

Public Engagement

Staff report SRPI.23.004 provided an overview of the City’s efforts to engage the public and stakeholders in the update process for the CIP. Notice of the proposed changes to the CIP and the City’s intention to have a public meeting to discuss proposed changes was issued on December 22, 2022. (A copy of the notice is provided in Appendix C.) A similar notice was sent to prescribed bodies, including the Ministry of Municipal Affairs and Housing who did not have any significant concerns and provided additional

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comments to assist with implementation of the CIP. Staff have not received any additional feedback from the public since the copy of the draft updated CIP became available to the public on December 22, 2022 or at the Council Public Meeting held on January 18, 2023.

Financial/Staffing/Other Implications:

The recommended changes to the CIP include extending the CIP for another 5 years. On April 27 2022, Council approved in principle this extension and an annual Operating Budget of \$250,000 to implement the Plan. Formal approval of this operating budget will occur through Council's annual operating budget approval process.

Next Steps:

Should Council approve the recommendations of this report and the associated by-law; notice of this decision will be sent to prescribed bodies and anyone who requested a copy of the notice of decision through our Clerk's Office. Following the 20-day appeal period, staff will prepare updated CIP grant application forms and an updated guide and make them available on the City's website for new grant applications. In addition, Staff recommend undertaking another promotional campaign once the updated CIP is in effect, to bring awareness of the grant programs to the business community and the recent changes to it.

Relationship to Council's Strategic Priorities 2020-2022:

The CIP Façade, Landscaping, and Signage Improvement and Building Renovation Grant Programs implement Council's fiscal responsibility priority. As noted in SRPI.22.050, over the last 3 years, public investments in private business has resulted in twice the investment from those businesses and spinoff benefits for surrounding businesses and residents in Richmond Hill as the improvements in the Village Local Centre have created a more vibrant area – despite temporary closures resulting from COVID precautions.

Climate Change Considerations:

The CIP grant programs can contribute to climate change mitigation by providing funding for different types of projects that could help conserve energy (e.g. replacing windows, new lighting, etc.). Also, the creation of new office space for employment within the City may contribute to reducing transportation emissions through shorter commute lengths for Richmond Hill residents.

Conclusion:

The Richmond Hill Office Development and Village Revitalization CIP grant programs have incentivized private investment in the Village through façade and signage improvements as well as new office creation. Staff recommend approving the updated CIP which includes changes to the CIP's duration to 2027, increased funding amounts for the Building Renovation grant maximum to \$100,000 and Landscaping grant

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maximums to \$5,000 (for one frontage) and \$10,000 (for more than one frontage), and additional clarifications and minor technical changes.

Attachments:

The following attached documents may include scanned images of appendices, maps and photographs. All attachments have been reviewed and made accessible. If you require an alternative format please call the contact person listed in this document.

- Appendix A: Draft Amendment 1 to CIP
- Appendix B: Draft Updated CIP
- Appendix C: Notice of Public Meeting

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Report Approval Details

Document Title:	SRPI.23.025 - Community Improvement Plan Update.docx
Attachments:	- SRPI.23.025 - Appendix A - Draft Amendment 1 to CIP - AODA.pdf - SRPI.23.025 - Appendix B - Draft Updated CIP - AODA.pdf - SRPI.23.025 - Appendix C - Notice of Public Meeting - AODA.pdf
Final Approval Date:	Feb 2, 2023

This report and all of its attachments were approved and signed as outlined below:

Maria Flores - Feb 1, 2023 - 1:48 PM

Kelvin Kwan - Feb 1, 2023 - 1:50 PM

Darlene Joslin - Feb 2, 2023 - 7:54 PM