

Town of Saugeen Shores

2018 Development Charges Program	
Department: Infrastructure & Development Services	Prepared By: Jay Pausner
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1. Background

Saugeen Shores Economic Development Strategic Plan details numerous actions that the Town can take to improve economic development within the Town, including preparing and implementing a Community Improvement Plan with the aim to attract affordable housing, manufacturing, nuclear support service businesses and hotel developments.

2. Program Description

i. Definitions

Affordable Housing, for the purpose of this program, shall mean:

- rental housing in which the monthly rent is at or below \$754 per month for a 1-bedroom apartment unit, or \$945 per month for a 2-bedroom apartment or townhouse unit (*Note: Average Market Rent in Bruce County. Source: Bruce County Housing Services*); or
- housing which is for sale at a price at or below \$300,000

Applicant means the registered owner, or their authorized agent, of lands and buildings within the Settlement Area.

CAO means the Chief Administrative Officer of the Town of Saugeen Shores

Community Improvement is as defined in accordance with its definition under the Planning Act.

Community Improvement Plan or **CIP** is the Economic Development Community Improvement Plan.

Development means the construction of a new building or structure on previously undeveloped land and which is required to pay Development Charges.

Development Charges or **DCs** means Development Charges as outlined in the Development Charges By-law.

Hotel means a business operated in one or more buildings used mainly for the purposes of catering to the needs of the travelling public by supplying food and/or furnishing sleeping accommodation of not less than ten (10) guest rooms.

Manufacturing means the use of any land, building or structure for the purpose of assembling, making, preparing, inspecting, ornamenting, finishing, treating, altering, repairing, storing or adapting for sale any goods, substance, article or thing, or any part thereof, and the storage of building or construction equipment and materials, as distinguished from the buying and selling of commodities and the supplying of personal services. Manufacturing may include warehousing as an ancillary use.

Nuclear Support Service Business means a business which has a contract with Bruce Power or a subcontract with a contractor of Bruce Power.

Redevelopment means the construction of a new building and/or the expansion or addition to an existing building or the demolition and construction of a new building on previously developed land and which is required to pay Development Charges.

Settlement Area is the Settlement Area of the Town of Saugeen Shores Official Plan.

ii. Intent

The intent of this program is to support the economic development of Saugeen Shores, by way of providing financial incentives to developments and redevelopments. By doing so the program serves to attract new businesses and entice expansions to existing businesses. The program also enables labour in the service industry in Saugeen Shores is able to find affordable housing in Saugeen Shores.

iii. Program Objectives

- a) To increase the supply of affordable housing while providing for nuclear support service businesses, manufacturing, population support service businesses and hotel developments or redevelopments in Saugeen Shores in accordance with the Economic Development Strategic Plan.
- b) To support landowners in their efforts to attract affordable housing, nuclear support service businesses, manufacturing, child care centres and hotel developments.
- c) To reduce the cost-burden on landowners for the increase in demand for capital infrastructure requirements necessary to support growth.

iv. Description

Applicants can receive credits up to 50% of the applicable Town Development Charges that would apply to their development or redevelopment. The credits would reduce the costs of development or redevelopment.

If approved, a developer would enter into an agreement with the Town which outlines the terms and conditions by which the developer may, at the time of building permit, receive the approved credits toward the payment of Development Charges.

v. Eligibility Requirements

Eligible Activities

- a) Affordable Housing developments or redevelopments which results in a net increase of 5 or more dwelling units and which can provide a letter of support from the Director of Human Services of the County of Bruce,
- b) Developments which provide for a secondary suite in a single detached dwelling at the time of building permit for a single detached dwelling
- c) Hotel development or redevelopments which result in a net increase of 50 rooms or more and meeting space of 60 m² or more.
- d) Manufacturing developments or redevelopments that result in a net increase of floor space of any amount greater than 0 m².
- e) Office developments or redevelopments resulting in a net increase of 2000 m² of office space with secured tenant(s) in Nuclear Support Service Business(es).
- f) Office and Warehousing developments or redevelopments resulting in a net increase of 4000 m² of gross building floor area with secured tenant(s) in Nuclear Support Service Business(es).
- g) Must be eligible for a building permit after January 2018 or have submitted a site plan application after January 1, 2018.

Area of Applicability

- a) The development or redevelopment must be located within the Settlement Area.

Servicing Requirements

- a) The development or redevelopment shall be connected to full municipal services, or will be connected at the time of occupancy, and be located on a year round maintained municipal, county or provincial highway

Limits of Assistance

- a) Grants-in-lieu will be to cover Development Charges up to 50% of the applicable Development Charges for the development or redevelopment up to a maximum of \$100,000 per project
- b) Where other sources of government and/or non-profit organization funding that can be applied have been secured, they must be declared as part of the Application.
- c) Grants-in-lieu are subject to the availability of funding.
- d) Grants-in-lieu are only permitted upon the execution of a Development Charges Agreement.

Timing of Activities

- a) Construction of developments and redevelopments are to be completed within two years of the date of the Development Charges Agreement is executed. If the development or redevelopment is not completed within two years the grant-in-lieu shall be rescinded or cancelled. Extensions beyond the two years are at the sole discretion of the CAO, or designate.

Other

- a) Properties and applicants obtaining an approval under this program remain eligible for funding under this program or future programs.
- b) The applicant is responsible for obtaining all other approvals, including other Town approvals, in accordance with those requirements and legislation.
- c) All proposed works and associated improvements to buildings and/or land shall conform to all municipal by-laws, policies, procedures, standards and guidelines. The applicant is strongly encouraged to have initial meetings/discussions with internal departments and external agencies where approvals may be required, early in the process, in order to understand what's involved before moving forward.
- d) Existing and proposed land uses must be in conformity with applicable Official Plan(s), Zoning By-law and other planning requirements and approvals at both the local and County level.
- e) All improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals.
- f) The Town retains the right and absolute discretion to reject an application under the program received from an applicant which, in the opinion of the CAO, or designate, does not possess the experience, financial, technical, personnel or other resources that may be required to carry out the obligations that the applicant proposes to assume under the terms of its application.
- g) The subject property shall not be in tax arrears.

- h) Properties obtaining a grant-in-lieu under this program shall permit the Town to erect signage indicating the projects participation in the Program.

3. Program Administration

The program is available until December 31, 2018. The number of projects supported each year will be restricted to the approved budget limit for the program. The following sections outline details of the application and approval process.

i. Application

ii. Pre-Consultation

- a) Applicants are required to meet with Town staff to discuss their development or redevelopment to determine eligibility and any other relevant matters.
- b) Town staff may require Applicants to provide supporting documentation, such as site plan drawings, building facades or other information to determine the scope and scale of development and general fit with Town standards or to demonstrate competence with development and redevelopment projects.
- c) Applicants must also be willing to discuss and provide, where necessary, justification for the grant-in-lieu to ensure the development or redevelopment proceeds in a responsible manner.
- d) Applicants must demonstrate financial need and that payment of Development Charges will significantly and negatively impact their ability to proceed with the development or redevelopment.
- e) General consent under pre-consultation does not imply that the proposed development or redevelopment will receive a grant-in-lieu under this program.

iii. Making an Application

Applicants must submit an application using the prescribed form and the provision of any supporting documentation required as a result of pre-consultation.

iv. Review of Applications

- a) Town staff will review applications on a first come-first serve basis.
- b) The Town will determine projects to receive a grant-in-lieu based on the information outlined in this Program and any applicable policies or by-laws (such as the Official Plan and Zoning By-law).
- c) If the number of eligible activities exceeds the budget limit, staff will inform which applicants are not eligible on this basis.
- d) The Town is not obligated in any way to approve applications up to the program budget limit.
- e) Town staff, officials or agents of the Town may inspect any property that is the subject of an application.

v. Approval

- a) Approval of any developments or redevelopments under this Program is at the discretion of the CAO, or designate, subject to the availability of funds, and the CAO, or designate, has the authority to enter into a Development Charges Agreement with an approved Applicant.
- b) The CAO may ask Council to consider any application to this Program.
- c) The CAO, or designate, may consult with whomever deemed appropriate to ensure the Program is implemented effectively, fairly and efficiently.
- d) The Applicant is required to enter into a Development Charges Agreement with the Town.
- e) The Development Charges Agreement does not come into effect until prior to a Building Permit being issued for a development or redevelopment.

vi. Exemption Timing

The awarded approval shall be provided by the Town and outlined in the Development Charges Agreement. The Applicant shall present the Development Charges Agreement at the time of receiving a building permit for the eligible building or structure and shall be credited for payment of the Development Charges for the amount contained in the Development Charges Agreement.

vii. Defaults

The grant-in-lieu may be cancelled or rescinded if:

- Property taxes are more than one year in arrears
- The applicant declares bankruptcy
- The applicant is in default of any of the provisions of any applicable site plan control agreement or other municipal agreement

If cancelled, the Development Charges shall be paid in full by the Applicant.

Default terms shall be outlined in the Development Charges Agreement.

4. Program Duration

i. Reporting to Council

The CAO, or designate, shall report to Council whenever an application is received. The CAO, or designate, shall also report to Council when a decision has been made with respect to any received application.

ii. Program Adjustments and Termination

Monitoring results may be used to improve future versions of this program by recommending adjustments to the eligibility requirements and the administration process. The Town may periodically review and adjust the terms and requirements of this program, or discontinue the program. Council shall approve any adjustments to this program.

iii. Budget

The budget limit for the duration of this program \$249,999. A minimum of 20% of the budget is to be allocated for affordable housing projects.

iv. Changes

This program is subject to change based on Council decision at any time.

v. Duration

This program is effective from January 1, 2018 to December 31, 2018, inclusive, unless otherwise terminated by Council at an earlier date. Applicants shall have submitted a complete application prior to December 31, 2018 to be eligible for this program.