



CITY OF KENORA

Former Mill Site Community Improvement Plan

FINAL

Council Adoption
March 14, 2017



NORTH AMERICA'S
Premier
BOATING DESTINATION



**COUNCIL ADOPTION
MARCH 14, 2017**

**CITY OF KENORA
FORMER MILL SITE
COMMUNITY IMPROVEMENT PLAN**

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CITY OF KENORA

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1.0 INTRODUCTION

The City of Kenora adopted a Community Improvement Plan (CIP) for the Former Mill Site in June, 2011. MMM Group, a WSP company was retained by the City in December, 2016 to update the CIP. The purpose of this update is to expand the CIP Project Area, add housing incentive grants, and include updated policy and regulatory changes since the CIP was originally adopted in 2011.

1.1 What is a Community Improvement Plan?

A Community Improvement Plan (CIP) is a planning tool under Section 28 of the Planning Act. CIPs also include financial incentives which are legislated under Section 365.1 of the Municipal Act. CIPs provide the planning and economic development framework for municipalities to respond to local needs, priorities and circumstances for CIP areas.

CIP areas must be established in municipal Official Plans and delineated on Official Plan Schedules and/or through policy in order for municipalities to initiate community improvement planning activities. CIP project areas can cover large areas of a municipality, such as a neighbourhood, or can apply to specific areas. CIPs can provide several benefits for a community:

- Stimulate private sector investment in targeted areas through grants and loans from the City;
- Promote revitalization and place-making to attract tourism, business investment and economic development opportunities;
- Develop affordable housing;
- Promote brownfield cleanup and redevelopment;
- Enhance streetscapes and building façades; and
- Effectively use community infrastructure.

In addition to implementing municipal programs and financial incentives, CIPs often contain strategies for marketing the programs to the public and monitoring progress.

1.2 What is the Former Mill Site CIP?

Section 8.2.1 of the City of Kenora Official Plan (2015) allows any land use designation to be designated as a Community Improvement Project Area. This CIP focuses on redevelopment of the former Mill Site. A number of financial incentives are established by the CIP to encourage redevelopment. However, since the CIP's adoption in June, 2011, redevelopment has not yet occurred. The purpose of this update is to expand the CIP Project Area and add housing incentive grants to further encourage redevelopment.



1.3 What are Brownfields?

A “brownfield” is typically an abandoned, idle, underutilized, derelict, or vacant commercial or industrial property and/or building in built-up urban areas with a potential for redevelopment. Brownfield sites typically pose environmental, social and economic concerns for a community, but also present an opportunity for revitalization of the surrounding area. As many sites are located within the existing urban fabric and enjoy good visibility, access, and servicing, redevelopment of brownfield sites represents a sustainable form of development.

Brownfield redevelopment has many community benefits including:

- Job creation;
- Increased tax revenue;
- Attract new employers/business, and therefore jobs for the community and potential newcomers;
- Redevelopment;
- Optimize use of existing and available municipal infrastructure (i.e. municipal water, sewer, roads); and
- Improved site aesthetics.

The 2014 Provincial Policy Statement directs municipalities to explore opportunities to redevelop brownfield sites as a means to improve environmental conditions and achieve intensification goals.

1.4 What is Affordable Housing?

Ensuring an appropriate housing stock fulfills a fundamental human need and represents a critical ingredient for community success. Providing access to adequate, suitable, and affordable housing is a solid foundation on which to build socially, culturally, and economically strong communities. The City of Kenora’s Affordable Housing Report (2014) identified difficulties in the City accessing secure housing that is adequate and affordable, particularly seniors and young people entering the housing market.

Providing affordable housing in a community generates several benefits, including:

- Provision of a foundation for securing employment;
- A boost in economic competitiveness;
- Provision of appropriate shelter conducive to raising families;
- Improvements in individual and public health outcomes; and
- Increased social inclusion.



A principal goal of the CIP is to increase the supply of affordable rental and ownership accommodation. In addition to benefiting current residents, providing housing units will also support the City's efforts to attract newcomers to Kenora.

2.0 REGULATORY POLICY FRAMEWORK

Community improvement planning is intended to provide opportunities for municipalities to develop financial incentives that can be offered to the private sector for development projects that will provide broader community benefits. The 2014 Provincial Policy Statement, Municipal Act, and Planning Act each include provisions that work together to enable municipalities to direct financial incentives towards specific improvement projects. The following section summarizes the policy framework and enabling legislation for the allocation of municipal funds to support and encourage private community improvement projects.

2.1 Municipal Act, Section 106

The Municipal Act provides rules to regulate the provision of financial or other similar incentives to private business operations, a practice known as "bonusing". The purpose of the regulation is to ensure public finances are accounted for and distributed in a transparent manner. Section 106 of the Municipal Act prohibits municipalities from assisting "...directly or indirectly any manufacturing business other industrial or commercial enterprise through the granting of bonuses for that purpose" (Section 106(1)).

Such prohibited actions include:

- a) "giving or lending any property of the municipality, including money;
- b) guaranteeing borrowing;
- c) leasing or selling any property of the municipality at below fair market value; or
- d) giving a total or partial exemption from any levy, charge or fee."

2.2 Planning Act, Section 28

Section 28 of the Planning Act provides the enabling legislation for a municipality to implement a Community Improvement Plan. Community improvement is defined as "the planning or re-planning, design or redesign, re-subdivision, clearance, development or redevelopment, reconstruction and rehabilitation, or any of them, of a community improvement project area, and the provision of such residential, commercial, industrial, public, recreational, institutional, religious, charitable, or other uses, buildings, works improvements or facilities, or spaces therefore, as may be appropriate or necessary" (Section 28(1)).



In order to create a Community Improvement Plan and allocate funds accordingly, a municipality must identify a community improvement project area which is defined as “a municipality or an area within a municipality, the community improvement of which in the opinion of the Council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason” (Section 28(1)).

Once a community improvement project area is defined in the Official Plan and through by-law, a municipality may prepare and implement a Community Improvement Plan. Through the Planning Act a municipality may:

- a) acquire, grade, clear, hold or otherwise prepare the land for community improvement (Section 28(3));
- b) construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the CIP (Section 28(6a));
- c) sell, lease or otherwise dispose of any land acquired or held by it in the community improvement project area to any person or governmental authority for use in conformity with the CIP (Section 28(6b)); and
- d) Make grants or loans, in conformity with the CIP, to registered owners, assessed owners and tenants of lands and buildings.

Section 7.1 identifies costs eligible for CIP financing including: “costs related to the environmental site assessment, environmental remediation, development, redevelopment, construction and reconstruction of lands and buildings for rehabilitation purposes or for the provision of energy efficient uses, buildings, structures, works, improvements or facilities”.

2.3 Municipal Act, Section 365.1

Financial tools to encourage redevelopment can be implemented through Section 365.1 of the Municipal Act. This exception allows municipalities to provide municipal property tax relief to landowners seeking to redevelop property. The tax relief includes a freeze of a portion or all of the taxes levied against a property for a period of time. The municipality can apply for an equivalent freeze in the provincial educational portion of the property taxes. The Section 365.1 exception provisions must operate with Section 28 of the Planning Act which is the section of the Act related to community improvement planning. The rationale for this form of tax relief is that an improved property will lead to an increased tax assessment, in turn providing future increased tax revenue while at the same time remediating and/or redeveloping deteriorated sites.



2.4 Provincial Policy Statement, 2014

The Provincial Policy Statement (PPS), issued under Section 3 of the Planning Act, provides policy direction to ensure growth and development occurs in a sustainable manner respecting the Province's environmental, social, and economic resources. The Planning Act includes strong wording to ensure planning authorities' decision making "shall be consistent with" policy directions set forth within the PPS.

The PPS specifically acknowledges the need to provide an appropriate range of housing types and the importance of affordable housing to communities (Section 1.4). The document envisions efficient and sustainable land use patterns across the province that includes a mix of housing, including affordable housing (Vision). Provision of a range of housing choices, including affordable housing, is a critical component of healthy, livable, and safe communities (Section 1.1.1(b)).

The PPS also highlights the importance of remediating brownfields, stating that "Long-term economic prosperity should be supported by promoting the redevelopment of brownfield sites" (Section 1.7.1(e)). These sites are specifically identified as strategic locations for intensification and redevelopment (Section 1.1.3.3). The PPS defines brownfield sites as "undeveloped or previously developed properties that may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict, or vacant."

2.5 Growth Plan for Northern Ontario, 2011

The Growth Plan for Northern Ontario was prepared under the Places to Grow Act, 2005, and was released in March, 2011. This Growth Plan recognizes the interconnected contribution of people, communities, infrastructure and the environment to a successful and sustainable economy. As such, the Growth Plan is a plan for:

- Economic development;
- Infrastructure investment;
- Labour market; and
- Land use.

Section 2.2 of the Growth Plan is dedicated to economic development and includes several policies for existing and emerging priority economic sectors. Policy 2.2.2 states that the Province will focus economic development in a variety of sectors, such as: forestry and value-added forestry-related industries, advanced manufacturing, arts, culture and creative industries, renewable energy and services; and tourism.

Some of the economic development strategies provided in Policy 2.2.3 are as follows:



- Grow and retain existing competitive businesses and diversification into value-added business opportunities;
- Attract investment;
- Strengthen networks and collaboration among businesses, industry, education and research sectors, economic development organizations and northern communities;
- Respond to labour market needs and opportunities through training, education, and entrepreneurship.

In the Northern Growth Plan, affordable housing is included under the term “community infrastructure.” Section 9 of the Plan defines community infrastructure as “lands, buildings, and structures that support the quality of life for people and communities by providing public services for health, education, recreation, socio-cultural activities, security and safety, and affordable housing.” Section 5.1 identifies community infrastructure as a key building block for economic growth, along with transportation, education, health, energy, water, wastewater, and information and communications technology infrastructure. The Plan also states that infrastructure planning and investment should be coordinated with land-use planning processes.

2.6 City of Kenora Economic Development Plan, 2012

The City’s Economic Development Plan was updated in 2012 to reflect changing realities and priorities since 2006 including the City’s desire to become North America’s Premier Boating Destination.

The primary goals of the Plan are to facilitate:

- Job retention;
- Increased tax assessment; and
- Population retention and attraction.

To achieve these goals, the Plan contains several action items across a range of areas, including:

- Actions for Business Attraction
 - Work with internal city teams and external business attraction teams on business attraction site visits and opportunities
 - Work with existing and emerging value-added businesses to eliminate barriers to their growth and development
 - Assist the private sector in obtaining funding subsidies, as available;
 - Use current mechanisms to attract immigrants
- Action for Local Business Retention and Expansion Strategy

- Work in partnership with local business organizations to support and strengthen local businesses
- Action for Tourism Development and Marketing
 - Promote initiatives in marketing, product development, hospitality, training and awareness, as well as special events
- Actions for Infrastructure and Product Development
 - Develop and promote public amenities for tourists and residents
 - Identify current and potential magnet attractions

2.7 Kenora Affordable Housing Report, 2014

The generally accepted definition of affordable housing used by Canada Mortgage and Housing Corporation (CMHC) and the Ontario Ministry of Municipal Affairs is: "Affordable housing consists of housing options combined with shelter costs that do not exceed more than 30% of a household's gross annual income." This is the ideal that the City will strive to meet for benefit of its citizens.

Figure 1 illustrates the range of housing types and tenures, and to which types "affordable housing" applies.

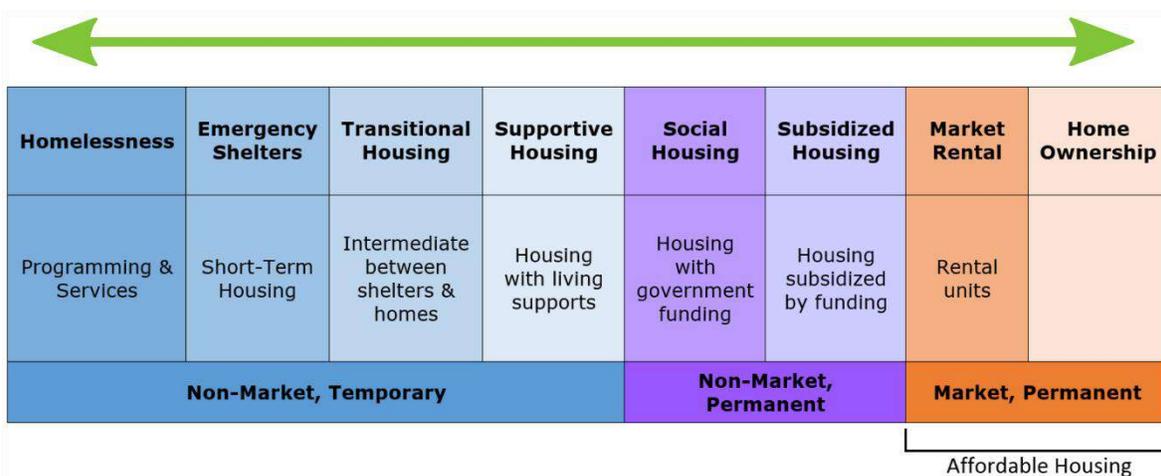


Figure 1: The Housing Continuum

The Kenora Affordable Housing Report was accepted by City Council in July, 2014. The report, prepared by the City's Economic Development Department, assesses the current housing stock in Kenora and recommends actions to increase the supply of affordable shelter for residents. Measures include: permitting a greater diversity of housing types across neighbourhoods; incentivizing development of affordable housing; providing municipal land

for the development of affordable housing; seeking funding from other levels of government for further study; and cooperating and collaborating with housing providers and non-profits.

The City's Affordable Housing Report identifies needs and provides a foundation for action. Affordable housing encompasses both home ownership and market rentals. In moving towards the ideal for housing affordability, for the purposes of the Former Mill Site CIP, the definition for affordable housing will be housing that costs 80% of average market price or below.¹ For home ownership, average market price calculations will be determined through analysis of the local real estate market for comparable units. For rental units, affordability will be defined "as having rents for the project that are at, or below, 80% of CMHC Average Market Rent (AMR) at the time of occupancy."² This definition parallels the Affordable Housing Initiative's Rental Component funding formula which sets the guideline for building subsidization to developers. This market-based definition will encourage the development of an array of affordable housing options that will serve varying degrees of need.

In February, 2017, the City released a 2017 State of Housing Report which builds upon the 2014 Affordable Housing Study with updated demographic and economic data, information on housing developments completed and underway, and an analysis of current affordability trends in Kenora's housing. The analysis resulted in three main findings:

- Kenora's lack of multi-residential stock creates challenges for those with low to moderate incomes, especially given the growing prevalence of lone-parent households and ageing demographics;
- High rental rates, high housing prices, and long waiting lists for subsidized housing create a risk of homelessness for low income households; and
- Kenora's existing housing stock is ageing resulting in higher energy costs and repairs that affect affordability.

2.8 City of Kenora Multi-Year Accessibility Plan, 2014

The City of Kenora Multi-Year Accessibility Plan outlines the City's strategy to identify, prevent and remove accessibility barriers, and meet its requirements under Integrated Accessibility Standards Regulation and the Accessibility for Ontarians with Disabilities Act (2005). The plan covers Information and Communications Standards, Employment Standards, Transportation Standards, and Design of Public Spaces Standards (Accessibility Standards For the Built Environment). In addition, it establishes a compliance framework and a monitoring strategy.

¹ Investment in Affordable Housing for Ontario Program Guidelines, Rental Housing Component 2011 page 17, Province of Ontario

² Investment in Affordable Housing for Ontario Program Guidelines, Rental Housing Component 2011 page 22, Province of Ontario



2.9 City of Kenora Official Plan, 2015

The City of Kenora Official Plan, adopted by Council on May 19, 2015 and approved by MMA on November 5, 2015, sets out a vision and guiding principles and objectives for the City to the year 2031. Section 2.1 of the Official Plan states that:

“The City of Kenora shall be an inclusive, sustainable, four-season lifestyle community with a healthy economy that welcomes all and respects the Aboriginal peoples and traditions so that generations can thrive, prosper, and contribute to the meaningful lives.”

The City of Kenora supports brownfield redevelopment, specifically for the CIP Project Area as demonstrated through some of the Official Plan’s guiding principles.

The first principle identified in Section 2.2.1 of the Official Plan is that:

“Kenora shall promote sustainable development to enhance the quality of life for present and future generations.”

This is achieved through the promotion of compact development by using land efficiently and existing infrastructure; and to support infill and intensification in built up areas where services exist; and to provide opportunities for the adaptive re-use of former industrial areas and brownfield sites where the industrial use is no longer viable.

Principle 2 in Section 2.2.2 is that: **“Kenora shall support the protection and integrity of the natural environment as valued by the community.”**

A key implementing objective is to encourage energy efficient buildings and development in order to minimize negative impacts to air quality and climate change.

Principle 3 in Section 2.2.3 establishes the City’s support for affordable housing:

“Kenora shall support the location of affordable housing in an integrated manner within new or existing development.”

This principle guides the supporting objective "to provide a mix and range of housing types that shall meet the physical and financial needs of all current and future residents, in particular the aging population and new entrants to the housing market, with the goal of providing a timely response to housing needs associated with a diversified economy."

Principle 4 in Section 2.2.4 expresses municipal support for a diversified economy: **“Kenora shall maintain and seek opportunities for a strong, diversified economy that**

provides a wide range of employment opportunities for its residents, including youth to withstand global market conditions and provide financial stability.”

The implementing objectives include:

- to support existing business and to attract a diverse range of new employment opportunities for new and existing residents;
- to attract new post-secondary educational facilities to stimulate new investment and training in a range of employment sectors;
- to continue fostering partnerships with First Nations, Métis, and Grand Council Treaty #3 to identify economic development and other opportunities;
- to develop the City as a centre of excellence for telecommunications, health care, industry, trade, commerce, tourism and services throughout Northwestern Ontario, western Canada and Midwestern United States; and
- to ensure that there are sufficient municipally serviced lands for the expansion of industrial development that may expand and diversify the City’s economy.

Section 2.2.6 refers to the principle of Complete Communities. In order to encourage new development and provide for a mix of uses, one of the objectives is to

“to provide opportunities for the redevelopment of the former Abitibi Mill site with employment uses”

Principle 7 in Section 2.2.7 identifies neighbourhood design as an important component of the City’s vision:

“Kenora shall promote a desirable built form in any development or re-development.”

Implementing objectives for this Principle include:

- to promote built form that may address the needs of present and future generations (i.e. live, work, play);
- to ensure that all aspects (e.g. buildings, streetscapes, landscapes) contribute to everyday living in a positive manner; and
- to encourage place making in any development through the implementation of public art and public spaces.

Section 2.2.8 introduces the multi-modal transportation system that recognizes the need to develop and promote an efficient and safe multi-mode transportation system for all users. Lastly, Section 2.2.9 recognizes the community and Aboriginal engagement principle that promotes inclusivity of all peoples to participate and collaborate in achieving the City’s vision.



The majority of the site is designated **Industrial Development Area**. The general purpose of this designation as described in Section 4.5 of the Official Plan, is intended to identify employment areas where major industry and related enterprises are encouraged to locate. The policies recognize that the former Mill Site provides an opportunity for adaptive re-use and an opportunity for mixed-uses.

The permitted uses in Industrial Development Areas include large commercial uses, special purpose retail uses which require large land parcels due to their size and parking requirements, and which could not be located in other commercial areas of the City; industrial uses including manufacturing, processing and service operations which are conducted primarily indoors with minimal outdoor storage; light industrial uses which are entirely contained within a building, except for accessory vehicle parking and limited outdoor storage and do not emit noticeable or noxious noise, dust, or air emissions. Outdoor storage shall be limited in size through the Zoning By-law, but outdoor display of finished products is permitted. Residential development shall not be permitted in conjunction with industrial development unless Council is satisfied that the residential component is a necessary component of the industrial use such as a caretaker's residence.

The eastern edge of the former Mill Site and the western portion of the former Clarifier Site are designated **Residential Development Area**. Residential and all housing types, commercial, retail, and institutional uses such as schools, places of worship, are permitted. Section 4.2.2 establishes policies for the Residential Development Area which include encouraging residential subdivisions containing a variety of housing forms, and requiring affordable housing and contiguous development.

The eastern portion of the former Clarifier Site is designated **Commercial Development Area**. This land use designation primarily serves vehicular traffic; permitted uses include automobile service stations and sales agencies, building supply outlets, motels, hotels, restaurants, garden centres, tourist establishments, and shopping centres. Accessory and subordinate manufacturing uses are permitted. Residential uses are permitted on a limited basis.

A small section of the former Clarifier Site along Veterans Drive is designated **Rural Area**. Permitted uses for this area include small-scale commercial and industrial use, open space, a range of agricultural uses, and limited residential uses.

In addition, there is an existing rail spur which is designated **Railyard**. The Railyard policies in Section 4.7 of the Official Plan require specific studies and conformity to Official Plan policies, for any proposed residential development or other sensitive land uses between 300 and 1000 m of a rail yard.



The former Mill Site is also subject to the **Future Development Area – Special Policy Overlay**. The policies of Section 5.4 - Future Development Area apply to this CIP and essentially state that Future Development Areas shall be subject to the preparation of a concept plan prior to development. The concept plan will illustrate land uses, proposed densities, pedestrian and vehicular movements, open space, municipal services, traffic impact, as well as other elements as identified by the City. If the concept plan proposes a change in land use, amendments to the Official Plan and Zoning By-law will be required prior to development.

As noted, the former Mill Site is designated a Community Improvement Plan area in Section 8.2 of the Official Plan which establishes policies to guide the preparation of CIPs in Kenora. Section 8.2.1(a) lists specific objectives of CIPs:

- To upgrade and maintain all essential municipal services and community facilities;
- To ensure that community improvement projects are carried out within the built up areas of the City;
- To ensure the maintenance of the existing building stock;
- To encourage the preservation, rehabilitation, renewal and reuse of heritage resources, including heritage buildings;
- To encourage and incentivize construction of affordable housing;
- To encourage private sector investment and the strengthening of the economic base; and
- To enhance the visual appearance of CIP areas.

Section 8.2.1(b) states that any land use designation in the Official Plan may be designated as a CIP Project Area, based on the following criteria:

- That there is evidence of a need to improve municipal services such as roads, sidewalks, street lighting, parking, sanitary and storm sewers, water supply, parks and recreation, community facilities, waterfront areas or streetscaping. Improvements may apply to some or all of the above services.
- That the phasing of improvements is within the financial capability of the local municipality.
- That a significant number of buildings in an area show signs of deterioration and need of repair.
- That improvement to the visual appearance or aesthetics be required.
- That improvement shall have a significant impact on strengthening the economic base of the community.

Section 8.2.1(c) establishes that a Community Improvement Project Area may be designated by by-law. As such, no change to Schedule "A" Land Use Designations in the Official Plan is

required to implement the CIP. For convenience and clarity, CIP Project Areas will be illustrated on a new Schedule "C" in the Official Plan.

Figure 2 illustrates the Official Plan designations of the former Mill Site.

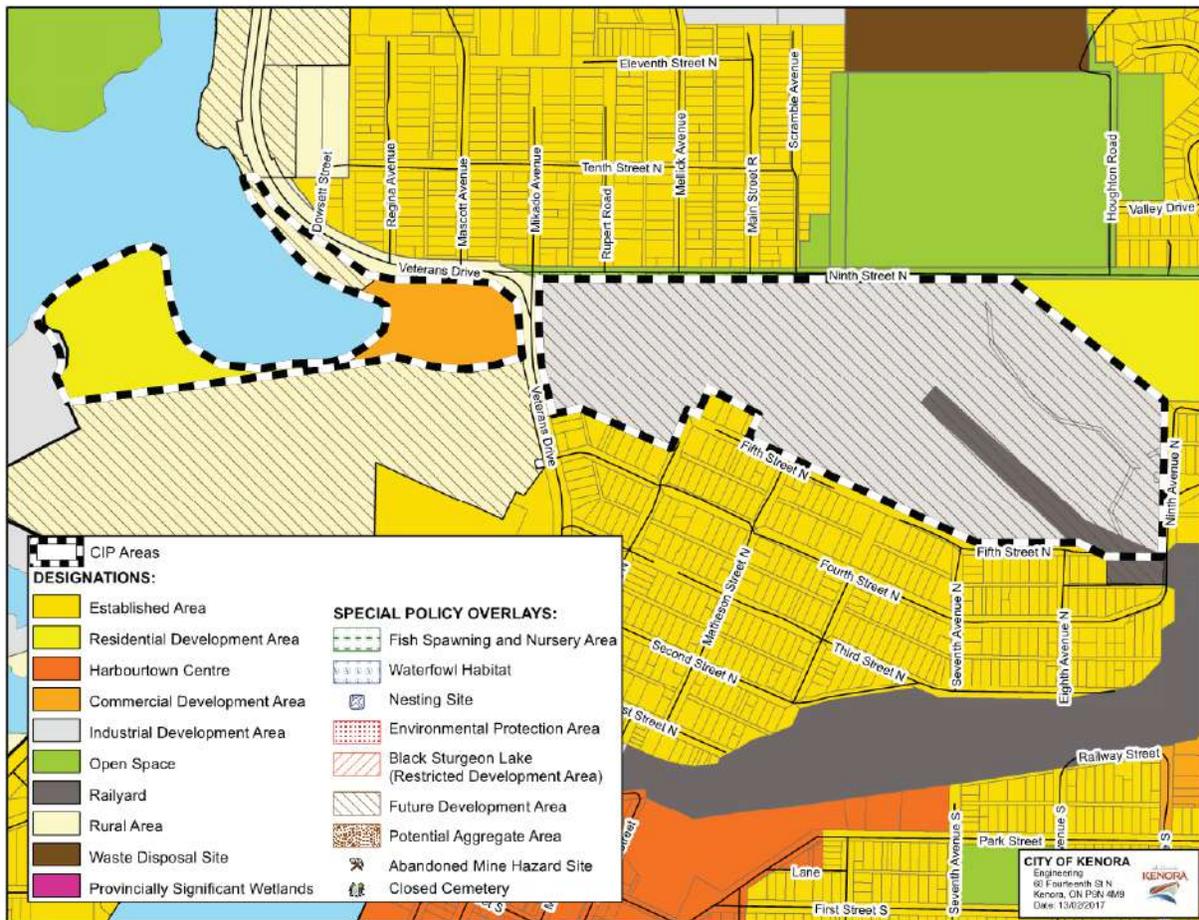


Figure 2 - Official Plan Designations

2.10 City of Kenora Zoning By-law, 2015

The City of Kenora Zoning By-law was adopted by Council in 2015 and is in full force and effect. **Figure 3** shows the zoning in the vicinity of the former Mill Site. The underlying zoning for the Former Mill Site and Former Clarifier Site is **Heavy Industrial (MH)**. A wide range of industrial uses, some complementary commercial and service-oriented uses are also permitted.

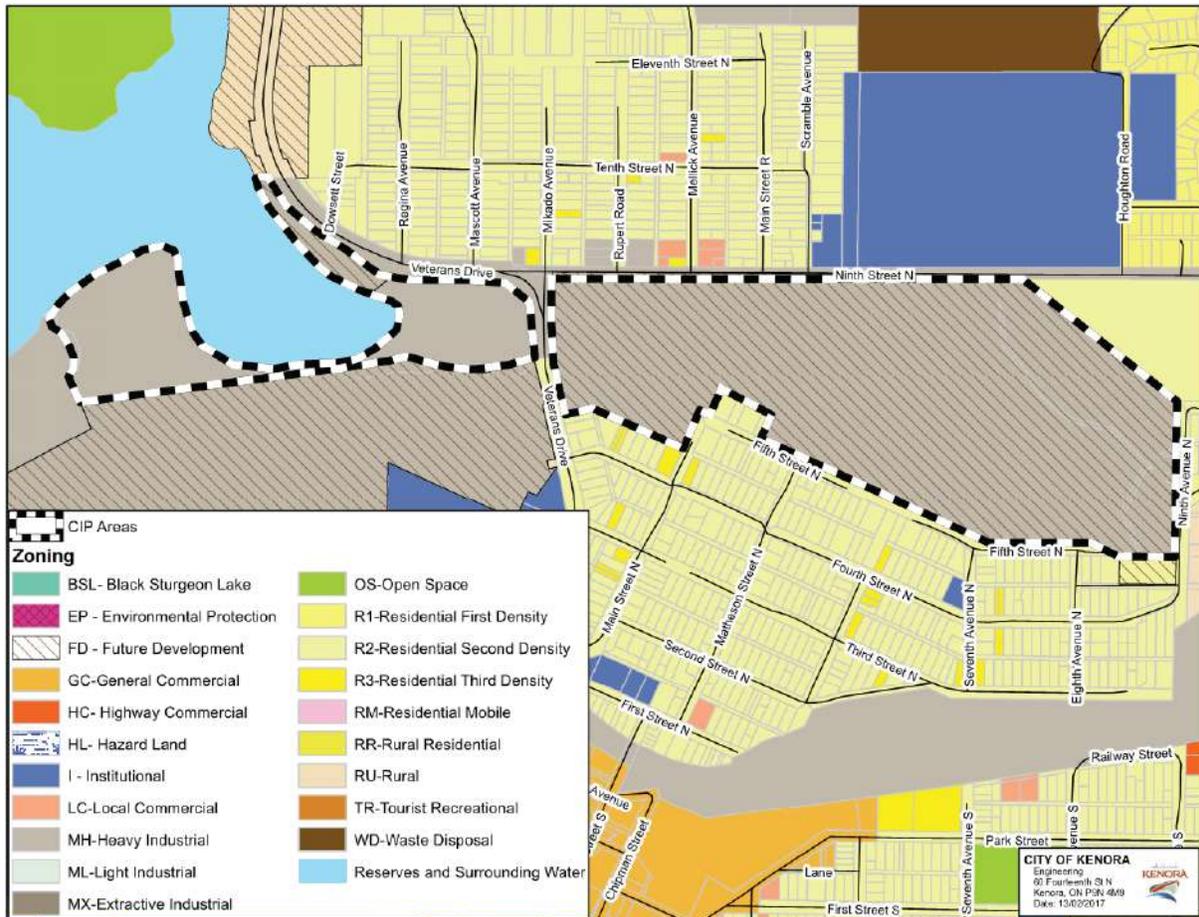


Figure 3 - Zoning By-law Designations

2.11 Kenora Community Safety and Well-Being Plan, 2015

The Kenora Community Safety and Well-Being Plan was endorsed by Council in April 2016. The Plan provides a framework supported by strategic priorities to fulfill the vision of a



transformed community that is healthier and a safer place to live. The Plan supports and encourages both economic development and community revitalization.

2.12 City of Kenora Vision 20/20 Strategic Plan, 2016

In July 2014 (updated August 2016), City of Kenora Council adopted a Strategic Plan that establishes goals and corporate actions to guide future decision-making in the municipality. The Plan identifies several key priorities and translates the top three (3) into goals. Each goal has a set of corresponding actions, including several that relate to the Former Mill Site CIP:

- Goal #1: Develop Our Economy
 - Action 1-3: The City will foster and support entrepreneurial business development for start-ups and young entrepreneurs.
 - Action 1-4: The City will promote Kenora to external investment audiences in specific sectors that provide the most promise for job growth and economic diversification.
 - Action 1-9: The City will promote and leverage its recreation and leisure amenities as a means to support local economic activity, tourism and to strengthen community ties with our regional neighbors.
- Goal #2: Strengthen Our Foundations
 - Action 2-4: The City will act as the catalyst for continuous improvements to the public realm.
 - Action 2-6: The City will support the development of a diverse range of housing types with an emphasis on affordable options for families, seniors and individuals in need of transitional and emergency housing.
 - Action 2-7: The City will encourage and support the development of vacant and transitional lands for uses that support our vision.
 - Action 2-9: They City will support continuous improvements to recreation and leisure amenities, particularly those that support the quality of life.
- Goal #3: Focus on Our People
 - Action 3-1: The City will review and implement as appropriate the recommendations as contained within the City's organizational review and approved by Council.
 - Action 3-2: The City will implement the directions and actions as outlined within the Human Resource Management (HRM) Strategy.
 - Action 3-3: The City will ensure that customer service excellence is understood and ingrained in the culture and fabric of our organization. The City will commit to a citizen-first approach to maintaining relations with the public. (This will be delivered to all Staff across the organization)



- Action 3-4: The City will embrace the importance of empowering Staff to make decisions that consistently demonstrate our commitment to making prompt, efficient and courteous customer service to our residents.
- Action 3-6: The City will leverage the power of peer-to-peer knowledge transfer through mentoring to ensure the continuity of institutional skills and know-how.

2.13 Kenora Age-Friendly Strategic Plan, 2016

The Kenora Age-Friendly Strategic Plan (2016) identifies opportunities for Kenora to become a more age-friendly city in the future. The Plan focuses on the World Health Organization's eight age-friendly topic areas: Outdoor Spaces and Buildings, Transportation, Housing, Respect and Social Inclusion, Social Participation, Communication and Information, Civic Participation and Enjoyment, and Community Support and Health Services. The Plan identifies Kenora's strengths, barriers, and opportunities for each topic area. With respect to housing, the Plan identified a lack of accessible housing, social housing, and affordable housing. Various opportunities to improve the lack of housing are proposed including financial incentives and the development of a Housing Strategy.

3.0 VISION AND GOALS OF THE FORMER MILL SITE CIP

3.1 Community Improvement Plan Project Area

The CIP project area is the land that was formerly used by the mill. The site is located in the heart of the City of Kenora and is approximately 33 ha (81 acres). The site is legally described as the east part of PLAN 33 BLK 3 MAIN MILL LANDS LESS PCLS 39184 PT CL 40136 PCL 40137 PCL 41043. There is no assigned municipal address.

The site is bounded by Ninth Street N. to the north, Fifth Street N to the south, Ninth Avenue N. to the east, and Veterans Drive to the west. The site's main vehicular access is off Ninth Street N. and a railway access from the southeast of the property.

The property is surrounded on three sides (north, south and east) by primarily residential uses consisting of largely single-detached units dating back some 100 years. The City's Lake of the Woods Cemetery also exists to the north of the site. Veterans Drive, is a 2-lane arterial roadway that abuts the site on the west. There are also institutional uses, along Veterans Drive to the south west of the site. West of Veterans Drive, is vacant land which surrounds Rideout Bay. The site is on full municipal water and sewer.

The primary road access to the site is from Ninth Street North. The existing railway spur provides rail access to the southeast of the site.



There are currently three (3) vacant buildings on the site. These buildings may remain or could be demolished, depending on the future use of the land.

3.2 Existing Conditions Analysis

The site is located north of Lakeview Drive and the Canadian Pacific Railway (CPR). It is surrounded, to the north, south and east primarily by residential development, consisting of 100-year old single-detached houses. There are some commercial uses to the north along Ninth Street North.

Institutional uses exist to the north, which is home to the Lake of the Woods Cemetery, Evergreen Public School and the Kenora Armoury exists to the east. In addition, a community rink is located to the east of the site. The St. Nicholas Ukrainian Catholic Church is also located to the east of the site.

The CPR corridor is further south as is the downtown area known as the Harbourn Town Centre.

As a result of the mill closure, the site has been vacant since approximately 2006. The site is located in the heart of the established area north of Lakeview Drive and the CPR corridor. This CIP provides an opportunity to fill in this "gap" and revitalize the community.

Figure 4 illustrates the former CIP Project Area as approved in 2011. The 2017 update to the CIP expands the CIP Project Area, as illustrated in **Figure 5**.



Figure 4 - Former CIP Project Area



Figure 5: Current CIP Project Area

3.3 Community and Key Stakeholder Engagement

In order to ensure the CIP was developed in a manner that responds to and reflects the needs of the community, the City hosted engagement opportunities throughout the process from 2010-2011. A community engagement program was implemented that sought input from key stakeholders, the community, and local Indigenous peoples. City elected officials and staff, business owners, the Kenora community, and local Indigenous peoples were invited to attend multiple engagement sessions to provide input to direct the development of the CIP. The sessions allowed participants to learn about CIPs and the community benefits they provide, to discuss a vision for the former Mill Site, and to learn about financial incentive programs.

In preparing the 2017 update to the CIP, the City distributed a survey to members of the Kenora & District Chamber of Commerce (KDCC), Kenora Construction Association (KCA), Harbourtown BIZ, and other property owners and business operators in Harbourtown Centre. Individuals were also invited to complete the survey on the City of Kenora’s website. Thirty two (32) survey responses were received. Respondents indicated several reasons for establishing their business in Kenora including the community feeling, business opportunities (often related to tourism), family connections, and the location. The majority of respondents identified the need for additional housing in Kenora and believed that implementing residential grants would facilitate the creation of housing. Respondents identified housing for seniors and retirement communities as key opportunities for future residential investment. An important finding was that half of the property owners and business operators surveyed were not aware



of any of the existing CIPs in Kenora indicating an opportunity for marketing and education. A full survey analysis can be found in Appendix A.

3.4 Vision

During the CIP consultation process in 2011, members of the City staff, elected councilors, and key members of the community and business leaders participated in a Visioning Workshop. The workshop produced the following vision statement for the community:

To create jobs for local residents and area First Nations, and provide business opportunities to use local resources by revitalizing the site in an aesthetically pleasing manner.

For the 2017 CIP update, the vision was expanded to reflect the added residential grants:

To create jobs and affordable housing for local residents and local Indigenous peoples, and provide business opportunities to use local resources by revitalizing the site in an aesthetically pleasing manner.

3.5 Goals/Objectives

The following goals/objectives shall apply to the CIP project area:

- To respect and be compatible with the surrounding area and land uses.
- To provide a good cross-section of employment and training opportunities for the Kenora community and Indigenous peoples.
- To foster sustainable development by using land, local resources, and infrastructure efficiently.
- To provide a main entrance to the site from Ninth Street North.
- To integrate the site with the surrounding community by a transportation corridor through the site for all modes of transportation.
- To create and maximize a strong set of financial incentives for private sector redevelopment.
- To rebrand the site name and create a new community identity/placemaking.
- To develop a marketing and communication strategy that is carried out through the implementation of this CIP.
- To promote the use of green technologies and a zero carbon footprint. Encourage development of affordable housing

Figure 6 illustrate potential improvements to the former Mill Site through implementation of this CIP's goals, objectives and the incentive programs.



Figure 6 - Mellick Avenue and 9 Street North now (top image) and after improvements funded in part by CIP grants (below)

4.0 FINANCIAL INCENTIVE PROGRAMS

4.1 Introduction

A comprehensive set of financial incentive programs has been established in order to achieve the goals of this CIP and ultimately the redevelopment of the brownfield site. The incentive programs contained within this CIP were developed based on discussions with staff, City Council, the landowner, and the community, as well as a review of best practices used by other municipalities.

The financial incentive programs described in this section have been developed specifically for the former Mill Site and are directed at encouraging private sector redevelopment and construction activity on the site. These incentive programs can be used individually or together by the landowner/applicant. For each of the financial incentive programs listed, the purpose, description, and eligibility requirements are set out in the following section. It is important to note that these municipal financial incentive programs can be augmented with other federal and provincial programs.

4.2 General Program Requirements

All of the financial incentive programs contained in this CIP are subject to the following general requirements, as well as the individual requirements specified under each program. The general and program-specific requirements contained in this CIP are not necessarily exhaustive and the City reserves the right to include other requirements and conditions as deemed necessary:

- a) An application for any financial incentive program contained in this CIP must be submitted to the City prior to the commencement of any works to which the financial incentive program applies and prior to an application for a building permit;
- b) If the applicant is not the owner of the property, the applicant must provide written consent from the owner of the property to make the application;
- c) An application for any financial incentive program contained in this CIP must include plans, estimates, contracts, reports and other details, as required by the City, to satisfy the City with respect to project costs and conformity to this CIP, as well as all municipal by-laws, policies, procedures, standards and guidelines, including application Official Plan, Zoning By-law, and Site Plan requirements and approvals;
- d) City Staff will review applications and supporting materials for all CIP programs. Staff will evaluate applications against program eligibility requirements and approve



applications and a recommendation to City Council or Council's designate. The application is subject to approval by City Council or Council's designate;

- e) As a condition of application approval, the applicant may be required to enter into an agreement with the City. The Agreement will specify the terms, duration, and default provisions of the incentive to be provided;
- f) Where other sources of government and/or non-profit organization funding (Federal, Provincial, etc.) that can be applied against the eligible costs are anticipated or have been secured, these must be declared as part of the application. Accordingly, the grant may be reduced on a pro-rated basis and in no case should the total grant amounts received exceed the eligible cost of the improvements to that property;
- g) The City reserves the right to audit the cost of any and all works that have been approved under any of the financial incentive programs, at the expense of the applicant;
- h) The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including and without limitation, costs incurred in anticipation of a tax assistance and/or grant payment;
- i) If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved tax assistance and/or grant payment and require repayment of the approved tax assistance and/or grant;
- j) The City may discontinue any of the programs contained in this CIP at any time, but applicants with approved tax assistance and/or grant payments will still receive said payment, subject to meeting the general and program specific requirements;
- k) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City;
- l) Eligible applicants can apply for one, more, or all of the incentive programs contained in this CIP, but no two programs may be used to pay for the same eligible cost. Also, the total of all tax assistance and grants provided in respect of the subject property for which an applicant is making application under the programs contained in this CIP shall not exceed the eligible cost of the improvements to that property;



- m) The City can consider initiating one or all of the programs retroactively;
- n) The subject property shall not be in arrears of any municipal taxes, area rates or other charges;
- o) All expenses that are eligible for the incentive programs contained herein must be paid in full and the amount of the incentive will be reimbursed as a grant to the applicant. Grants will only be paid out when the work has been completed and paid invoices are submitted to the City;
- p) Outstanding work orders from the City’s Fire Department must be addressed prior to grant approval;
- q) Generally the payments of grants will occur once the work has been completed as outlined in the agreement to the satisfaction of City Staff;
- r) The subject property must be located in the CIP Project Area; and,
- s) Applications for financial incentives shall be in accordance with the eligibility criteria indicated for each individual incentive program (Section 4.3) as well as the general policies and requirements for submitting applications as outlined in Section 5.0 of this Plan.

4.3 Former Mill Site CIP Incentive Programs

The following incentive programs have been established and developed specific to the CIP project area. This CIP contains four (4) Assistance Programs and four (4) potential Grant Programs. **Table 1** provides a summary of the CIP Incentive Programs.

Table 1 - Summary of CIP Incentive Programs

Program	Summary Details
Tax Increment-Based (or Equivalent)	Property tax break based on varying percentages over 5 years
Brownfields Redevelopment Tax Assistance	<p>Cancellation of the municipal property tax increase for up to 3 years.</p> <p>Cancellation of the education property tax increase for up to 3 years.</p>



Program	Summary Details
Leadership in Energy & Environmental Design (LEED®) Tax Assistance	Assistance based on a percentage up to 100% of the assessed value for the first year only based on the level of LEED® certification achieved for new buildings.
Application and Permit Fees Assistance	Waiving of fees equivalent to 100% of the planning and building permit application fees paid by the applicant, to a maximum of \$5,000.
Accessibility Grant	A grant of 50% to a maximum of \$2,500 is available to assist property owners or tenants or assignees to encourage accessibility to the existing buildings.
Industrial Building Improvement Grant	Grant equivalent to 50% of the cost of eligible interior and exterior building and maintenance improvement works to industrial buildings up to a maximum grant per building of \$20,000.
Residential Grant	A grant of up to \$4,000 per new residential dwelling unit created, to a maximum of \$40,000, for a development of 4 or more units.
Seniors Housing Study Grant	A grant of 50% to a maximum of \$5,000 of eligible project costs for studies to support a new seniors housing development of 4 or more units.

4.3.1 Tax Increment-Based (or Equivalent) Program

Purpose: This financial tool allows municipalities to provide a grant equal to the full amount, or a portion of the amount of the property tax increase after the property is redeveloped, while not eroding the tax base.

Description: The tax increment financing tool is enabled through Section 28 of the Planning Act. This Program allows the City to reduce any increases in tax revenues that result from new development in the CIP area. It is important to note that the total amount of the



reduction will be limited to the amount that the taxes increase or in other words by the amount of the reassessment of the properties.

“Municipal taxes” under this Program refers only to the general portion of the total taxes paid, and will not include education taxes levied.

Note that the Tax Increment-based Program is budgeted separately from the general CIP budget.

Eligibility Requirements: Property owner(s) within the CIP project area are eligible to apply for funding under this program, subject to meeting the General Program Requirements and funding availability as approved City Council and the Minister of Finance, and the following requirements:

- a) Both the pre-construction and post-construction property assessment are established and certified;
- b) The cost of the environmental clean-up is identified and certified;
- c) The difference between the “pre-construction” taxes and “post-construction” taxes (municipal portion) is calculated and this difference will be the portion eligible for a full or partial tax increment based grant to off-set site assessment and remediation costs. This grant is available for a set time period set out in an agreement between the City and the land owner of five (5) years from the date of the Plan’s approval.
- d) As the project is built there is an increase in assessment and property tax revenues for that property.
- e) The landowner /tenant would pay a pre-determined percentage of the property taxes on an annual basis until year five of the Program. After five years, the property taxes must be paid in full or on an annual basis. The percentage of incremental municipal-incremental taxes the landowner/tenant will be expected to pay is as follows:

Year	Percentage	Year	Percentage
2017	0%	2020	60%
2018	20%	2021	80%
2019	40%	2022	100% (i.e. full taxes)



For example, if a landowner/tenant became eligible in 2019, then they would start at 0%, but only be eligible for the program until its completion at the end of 2021.

Note that applications under this program require the approval of both Council and the Minister of Finance.

4.3.2 Brownfields Redevelopment Tax Assistance Program

Purpose: The purpose of the Brownfields Redevelopment Tax Assistance Program is to encourage remediation and rehabilitation of brownfield sites by providing a property tax freeze on a site that is undergoing remediation and development. The Program is intended to assist with the cost payments associated with environmental remediation. This program applies to properties requiring environmental remediation and/or risk assessment/management.

In addition, a municipality offering property tax assistance can apply to the province for the matching education property tax assistance to increase the amount of assistance available. This is a program of the Ministry of Finance and administered by the Ministry of Municipal Affairs.

Note that the Brownfields Redevelopment Tax Assistance Program is budgeted separately from the general CIP budget.

Description: The legislative authority for this Program is established in Section 365.1 (2) and (3) of the Municipal Act, 2001 which allows municipalities to pass a by-law providing tax assistance to an eligible property in the form of a freeze or cancellation of part or all of the taxes levied on the property for municipal and education purposes during the "rehabilitation period" and the "development period" of the property as defined in Section 365.1 of the Municipal Act, 2001.

"Eligible property" means a property for which a phase two environmental site assessment has been conducted,

(a) that is included under Section 28 of the Planning Act in a community improvement project area for which a community improvement plan is in effect containing provisions in respect of tax assistance under this section, and

(b) that, as of the date the phase two environmental site assessment was completed, did not meet the standards that must be met under subparagraph 4 i of subsection 168.4 (1) of the Environmental Protection Act to permit a record of site condition to be filed under that subsection in the Environmental Site Registry;



“Development period” means, with respect to an eligible property, the period of time starting on the date the rehabilitation period ends and ending on the earlier of,

- (a) the date specified in the by-law made under subsection (2), or
- (b) the date that the tax assistance provided for the property equals the sum of,
 - (i) the cost of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition to be filed in the Environmental Site Registry under section 168.4 of the Environmental Protection Act, and
 - (ii) the cost of complying with any certificate of property use issued under section 168.6 of the Environmental Protection Act.

“Rehabilitation period” means, with respect to an eligible property, the period of time starting on the date on which the by-law under subsection (2) providing tax assistance for the property is passed and ending on the earliest of,

- (a) the date that is 18 months after the date that the tax assistance begins to be provided,
- (b) the date that a record of site condition for the property is filed in the Environmental Site Registry under section 168.4 of the Environmental Protection Act, and
- (c) the date that the tax assistance provided for the property equals the sum of,
 - (i) the cost of any action taken to reduce the concentration of contaminants on, in or under the property to permit a record of site condition to be filed in the Environmental Site Registry under section 168.4 of the Environmental Protection Act, and
 - (ii) the cost of complying with any certificate of property use issued under section 168.6 of the Environmental Protection Act;

Eligible costs are the costs associated with any action to reduce the concentration of contaminants on, in or under the property to permit a Record of Site Condition to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act. This includes the cost of:

- Environmental remediation, include the cost of prepare a RSC;
- Placing clean fill and grading;
- Demolition costs;
- Costs of rehabilitating building contamination for projects involving re-use of existing structures;
- Environmental insurance premiums.



In no case will the total amount of tax assistance provided under the BRTAP exceed the total of these eligible costs.

The BRTAP will cease:

1. When the total tax assistance provided equals the total eligible costs as specified above; or
2. After five (5) years for the municipal portion of taxes, and after such time period as is approved by the Minister of Finance for the education portion of taxes; whichever comes first.

The property will be subject to passing of a by-law by the City that authorizes the provision of the tax assistance. This by-law will contain conditions required by the City as well as conditions required by the Minister of Finance. In order for the by-law to apply to education property taxes, before it is passed by the City, the by-law must be approved in writing by the Minister of Finance.

Review and evaluation of an application and supporting materials against program eligibility requirements will be done by City staff who will then make a recommendation to City Council or Council's designate. The application is subject to approval by City Council or Council's designate. As a condition of approval of an application for Tax Assistance, the property owner must enter into an agreement with the City. This Agreement will specify the terms, duration and default provisions of the tax assistance. This Agreement is also subject to approval by City Council or Council's designate.

Matching education property tax assistance for eligible properties under the **provincial Brownfields Financial Tax Incentive Program (BFTIP)**, or through any other replacement programs administered by the Province, is subject to approval of the Minister of Finance on a case by case basis, may be provided on a different schedule from the tax assistance provided by the City, and may be subject to additional conditions.

If a property that has been approved for brownfields tax assistance is severed, subdivided, sold or conveyed prior to the end of the tax assistance period specified above, both the education property tax assistance and the municipal property tax assistance will automatically end.

The Program will commence on or after the date of approval of this CIP by Council and will be offered for an initial period of five (5) years, subject to the availability of funding as approved by City Council and the Minister of Finance.



Eligibility Requirements: Property owner(s) within the CIP project area are eligible to apply for funding under this program, subject to meeting the General Program Requirements and funding availability as approved City Council and the Minister of Finance, and the following requirements:

- a) An application must be submitted to the City prior to the commencement of any remediation works to which the tax assistance will apply;
- b) The application must be accompanied by a Phase II ESA prepared by a qualified person that shows that the property does not meet the standards under subparagraph 4i of Section 168.4(1) of the Environmental Protection Act to permit a Record of Site Condition (RSC) for the proposed use to be filed in the Environmental Site Registry;
- c) The application must be accompanied by a Phase II ESA, Remedial Work Plan or Risk Assessment prepared by a qualified person that contains:
 - i) an estimate of the cost of actions that will be required to reduce the concentration of contaminants on, in or under the property to permit a record of site condition (RSC) for the proposed use to be filed in the Environmental Site Registry under Section 168.4 of the Environmental Protection Act; and
 - ii) a work plan and budget for said environmental remediation and/or risk management actions;
- d) As a condition of the application, the City may require the applicant to submit a Business Plan for redevelopment of the property, with said Plan to the City's satisfaction;
- e) The total value of the tax assistance provided under this program shall not exceed total eligible costs. This includes the eligible costs of:
 - ii) environmental remediation, including the cost of preparing a RSC;
 - iii) placing clean fill and grading;
 - iv) installing environmental and/or engineering controls/ works as specified in the Remedial Work Plan and/or Risk Assessment;
 - v) monitoring, maintaining and operating environmental and engineering controls/works, as specified in the Remedial Work Plan and/or Risk Assessment; and
 - vi) environmental insurance premiums.
- f) All BFTIP applications and agreements must be approved by Council.



- g) Should the owner of the property default on any of the conditions in the by-law, the tax assistance provided (plus interest) will become payable to the City of Kenora and the Province.
- h) The owner shall file in the Environmental Site Registry a RSC for the property signed by a qualified person, and the owner shall submit to the City proof that the RSC has been acknowledged by the Ministry of Environment and Climate Change (MOECC).

4.3.3 Leadership in Energy & Environmental Design (LEED®) Certification Tax Assistance Program

Purpose: To encourage energy-efficient buildings and sustainable development.

Description: Property owners or tenants that construct new building(s) designed and built using strategies intended to improve performance in metrics such as energy savings, water efficiency, CO₂ emissions reduction, improved indoor environmental quality, and stewardship of resources and sensitivity to their impacts.

Eligibility Requirements: A percentage of the assessed value of new LEED® building is available to property owners or tenants or assignees to encourage and promote green buildings and sustainable development, based on the level of LEED® certification as follows:

- a) A percentage of the incremental assessed value for the first year only of new buildings that achieve some level of LEED® certification as follows:

LEED®	Percentage
Certified	25%
Silver	50%
Gold	75%
Platinum	100%

4.3.4 Application and Permit Fees Assistance Program

Purpose: The purpose of this incentive program is to waive any associated planning approval and building permit fees for the landowner/developer.

Description: Although this incentive is not under Section 28 of the Planning Act, the waiving of building permit fees is permitted under Section 7 of the Ontario Building Code Act.

Eligibility Requirements: Property owner or business is undertaking redevelopment to lands and/or buildings in the CIP project area in accordance with this Plan, the City will provide a grant equivalent to the cost of the City’s planning application and building permit fees for approved projects in accordance with Section 69 of the Planning Act and the City’s Tariff of Fees By-law.

The applicant would be responsible for all mapping and registration costs for agreements and plans where applicable.

All grants for planning application fees and building permit fees will be equal to 100% of the application fees paid by the applicant, to a maximum of \$5,000.

4.3.5 Accessibility Grant Program

Purpose: To improve the accessibility to existing buildings in accordance with the Accessibility for Ontarians with Disabilities Act, 2005.

Description: Property owner or businesses within the CIP project area is eligible to apply for funding to renovate existing buildings to make them accessible according to the Accessibility for Ontarians with Disabilities Act, 2005. Examples include customized portable ramps such as the one illustrated in **Figure 7**.



Figure 7 - Customized portable ramps are a simple method to improve accessibility

Eligibility Requirements: A grant of 50% to a maximum of \$2,500 is available to assist property owners or tenants or assignees to encourage accessibility to the existing buildings.

4.3.6 Industrial Building Improvement Grant Program

Purpose: To promote the maintenance and physical improvement of existing industrial buildings and properties in order to improve the attractiveness of the project area and provide safe and usable space.

Description: This program will provide a grant equivalent to 50% of the cost of eligible interior and exterior building and maintenance improvement works to industrial buildings up to a maximum grant per building of \$20,000.



Eligibility Requirements: Applicants are eligible to apply for funding under this program, subject to meeting the General Program requirements, the following program requirements, and subject to the availability of funding as approved by City Council:

a) The following types of building maintenance and improvement works on industrial buildings are considered eligible for a grant under this program:

- i) entrance modifications to provide barrier-free accessibility;
- ii) installation/upgrading of fire protection systems;
- iii) structural repairs to walls, ceilings, floors and foundations;
- iv) replacement of existing hot water systems with recognized energy efficient systems;
- v) repair/replacement of windows and doors with ENERGY STAR® products;
- vi) required improvements to heating and ventilation systems with ENERGY STAR® systems;
- vii) installation of small-scale renewable energy generation systems which are not subject to approval under the Green Energy Act;
- viii) other similar repairs/improvements related to health and safety issues, as may be approved; and
- ix) implementation of a green roof, which will mean a roofing system that is partially (at least 20% of the roof area) or completely covered with vegetation in order to absorb rainwater and to provide insulation.

4.3.7 Residential Grant

Purpose: To encourage landowners to create new residential dwelling units in order to facilitate re-development of the site.

Description: A grant of up to \$4,000 per new residential dwelling unit created, to a maximum of \$40,000, for a development of 4 or more units. The Residential Grant may be used for rental or ownership units.

Eligibility Requirements: The City may require the application to submit impact studies such as traffic studies, sun/shadow studies, or other studies. The following types of projects are considered eligible for a grant under this program:



- Conversion of excess industrial, commercial and/or vacant space in existing buildings to one or more net residential units; and
- New construction of residential units.

4.3.8 Seniors Housing Study Grant

Purpose: Funding is available to encourage development of new housing for the City's seniors population. The incentive is focused on new projects, rather than the renovation of existing dwellings. However, funding for conversions could also be considered on a case-by-case basis if the units are accessible (in tandem with the Accessibility Grant, where applicable).

Description: A onetime grant of 50% to a maximum of \$5,000 of eligible project costs for studies to support a new senior's housing development of 4 or more units in the CIP area. Examples of studies could include hydrogeological and terrain analyses, environmental reports and / or Record of Site Condition, architectural drawings, and Business Plans.

Eligibility Requirements: Eligible projects must be specifically designed and marketed for occupancy by low- and moderate-income seniors.

4.3.9 Other Government Incentive Programs

Through FedNor, the Kenora Community Futures Development Corporation (CFCD) is a non-profit organization funded by the Federal Government that provides a variety of programs and services to support community economic development and small business growth. The **Lake of the Woods Business Incentive Corporation** offers a wide range of services including access to capital.

In addition, the **Northern Ontario Heritage Fund Corporation Infrastructure and Community Development Program** provides funding to northern communities to improve infrastructure as a means to create economic development in the north. Eligible projects are not required to have a heritage component.

Eligible projects include:

- Essential and strategic community infrastructure necessary for job creation in the North.
- Eligible infrastructure projects include but are not limited to: industrial parks, winter road projects, waterfront development, community facilities for economic development purposes (e.g. call centres).
- Eligible community development projects include but are not limited to: identifying sectoral research projects, small capital projects, and development opportunities which contribute to overall NOHFC objectives and create direct jobs.
- Other projects considered necessary to further an economic goal or improve the quality of life in Northern Ontario.



Furthermore, the Ministry of Northern Development and Mines has the **Northern Communities Investment Readiness, GO North Investor Program**, promotes and supports a strong attraction environment to Northern Ontario. The Program assists northern communities to develop the tools and capability to attract, receive, and explore investment opportunities.

5.0 Implementation Strategy

Prior to submitting an application, all applicants will be required to have a pre-application consultation meeting with City Staff to evaluate the project's eligibility to access the financial programs. At this meeting the applicant should present the details of the work to be completed, an estimate of the associated costs to complete the work, a timeline for completion, and plans or drawings illustrating the details of the project. Subsequent to the meeting, City Staff will provide comments with respect to whether the project (or which components of the work) meet the objectives of the CIP and which incentive programs could be accessed. If a project is determined to be eligible, an application will be accepted by City Staff. It should be noted that acceptance of the application does not necessarily mean program approval.

Application submission materials will generally include a detailed work plan and estimated costs to complete the eligible work. However, at the discretion of City Staff, additional submission materials may be required to assist in the review of the application. Applications that are determined to meet the objectives of the CIP will be recommended for approval by City Staff. A recommending report will be prepared by City Staff and submitted to the Council's designate for review and approval. Funding for the CIP grant programs and individual grant applications is allocated solely at Council's discretion. Upon approval of an agreement will be enacted between the City and the applicant outlining the nature of the works to be completed and the details of the financial incentive and timeframe. Generally the payments of grants will occur once the work has been completed as outlined in the agreement to the satisfaction of City Staff. **Figure 8** illustrates the administrative steps involved in accessing the CIP program.

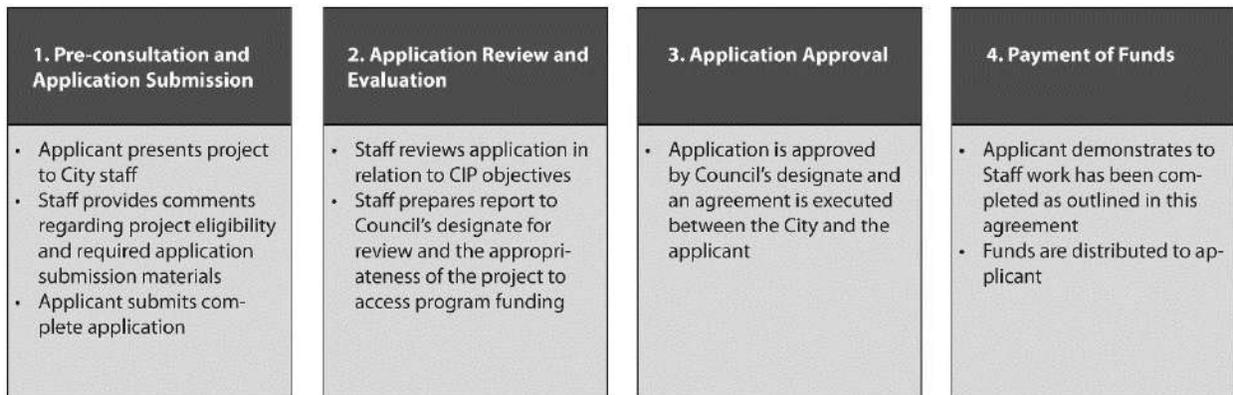


Figure 8 - Community Improvement Plan Administrative Process

6.0 Marketing Strategy

Communicating this CIP is fundamental to a Marketing Strategy that is targeted to investors and business owners both locally and further afield. The Marketing Strategy should be prepared by the City immediately following Council adoption of this CIP. The following paragraphs provide some suggestions or ideas that the City may wish to consider in the development of the CIP Marketing Strategy.

City's Website + Social Media

The City may prepare a short video highlighting the key features of the City, such as its strategic location, natural environment, key services, etc., followed by an explanation of the CIP, the vision, and the financial incentive programs that are available for private sector reinvestment. This video may be linked to other partner websites, such as the Chamber of Commerce, and through social media feeds such as Facebook, Twitter and YouTube.

Printed Material

Newsletters and/or brochures that will provide an overview of this CIP and the incentive programs that are available may be developed by the City and be circulated to all property owners and tenants within the designated Community Improvement Project Area. Brochures and newsletters may also be displayed and provided by the City at its municipal office, on the City's website, Chamber of Commerce, and at any other locations as deemed appropriate by City staff.



Annual Reporting

The results of the Monitoring and Evaluation Program could be communicated through newsletters and information sheets to promote the achievements of this Plan and to highlight case studies.

Launch Party

The City may conduct a physical or virtual launch party leading up to the launch of available funding through the CIP. Included in this will be a social media presence and the availability of City staff and elected officials to answer questions related to the CIP.

Stakeholder Meetings

The City staff and elected may wish to offer meetings and presentations to stakeholders on the available programs through the CIP.

Celebrate Success

Recognition of successful projects should be celebrated and used in promotional material.

7.0 Monitoring Program

This CIP is intended to provide a proactive approach to the redevelopment of the former Mill Site into an industrial park supported with incentives and initiatives for a green and sustainable development. The site, strategically located in the City of Kenora provides a real opportunity for: job retention; increased tax assessment; population retention and attraction. As such the success of the program will be measured by the adoption of the programs by the property owner(s) and businesses locating to the site. In order to best meet the needs of potential program participants, the CIP is a flexible document responding to the needs of the participants and changing market conditions. Accordingly, a monitoring program is essential to receive feedback and refine elements of the Plan that would best achieve the objectives of the CIP. The following list provides qualitative and quantitative measures the City should track to monitor the effectiveness of the program and provide a basis for future amendments.

- Jobs created/maintained.
- Monitor the number of approved applications by financial program type.
- Monitor the number of unsuccessful applications and determine the reason for project ineligibility.
- Monitor the total value of funding allocated by financial program type.
- Monitor the additional square footage of industrial/commercial spaces created through the programs.

- Monitor the increase in municipal property taxes based on improvement to properties accessing the programs.
- Encourage program participants to submit comments based on their experiences accessing program funding.
- Monitor the improvement of the visual appearance of the community as result of projects accessing the funding programs.
- Number of residential units created; and
- Average market rent data to ensure the City's housing affordable housing objectives are being met.

Based on information from these monitoring procedures, required revisions to the CIP may become evident over time. Refinements to the Plan can occur without amendment to the Plan; however, the Ministry of Municipal Affairs is to be consulted regarding proposed changes to the Plan.

7.1 Review of the CIP

This CIP and the programs contained within it will be valid for ten (10) years (2027) from the date of Council adoption (2017). City of Kenora Staff will have an opportunity to conduct a review of this plan after five (5) years, and may bring forward a recommendation to Council on whether the CIP requires amendments or an extension of the timeframe. The option for renewal of this CIP will be included as a corporate issue for the next term of Council.

8.0 Amendments to the CIP

Over time, it may be necessary to amend or adjust this CIP as the community revitalizes. Revisions may also be necessary to address issues with the incentive programs, which may become evident as the programs are implemented. This CIP permits adjustments; however, certain adjustments may require an amendment to this CIP in accordance with Section 28(5) of the Planning Act.

The following adjustments to the CIP require an amendment under Section 28(5):

- Change to the Community Improvement Project Area;
 - This requires a by-law passed by Council.
- Extension of the Plan beyond the intended 10 year planning horizon;
- Addition of a new financial incentive program or complete removal of a financial incentive program;
- Changes to the types of eligible projects or addition of a new eligible project;
- Changes to eligibility criteria; and
- Changes to value or calculation of grant.



Minor administrative changes may be permitted without an amendment.

The following adjustments do not require an amendment under Section 28(5):

- Dissolution of the Community Improvement Project Area (i.e., Plan becomes inoperative);
 - Requires a by-law passed by Council, once Council is satisfied this Plan has been carried out.
- Changes to the amount of annual funding provided for incentive programs (total or program specific);
- Changes to the funding or prioritization of the City-initiated programs;
- Discontinuation of funding for one or more incentive programs; and,
- Delegation of administration/approval of the financial incentives to a committee or an individual or a return of the responsibilities to Council.
- Delegation generally requires a by-law, subject to Section 23.1 of the Municipal Act.

9.0 Conclusion

This CIP is a comprehensive framework specifically designed for the community of Kenora and area's Indigenous people to improve and provide job creation and economic development to the City. This Plan reflects the vision of Council and the community for the community improvement project area. The Plan establishes a vision, goals and objectives for site redevelopment. It is anticipated that this Plan will provide a tool to stimulate private investment in redevelopment efforts on a key piece of property in the City.

The approval of this Plan will provide the legislative basis and context for the comprehensive set of financial programs herein.



Former Mill Site Community Improvement Plan

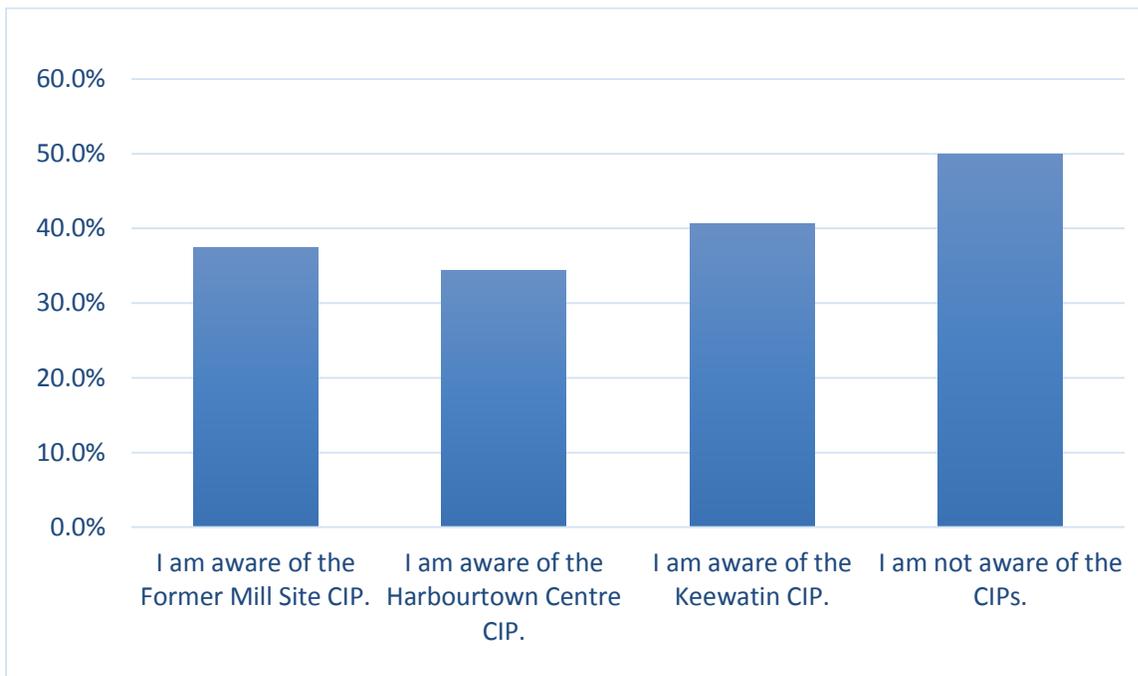
Council Adoption March 14, 2017

Appendix A 2017 Community Engagement

Appendix A: 2017 Community Engagement

In preparing the 2017 update to the CIP, the City distributed a survey to members of the Kenora & District Chamber of Commerce (KDCC), Kenora Construction Association (KCA), Harbourtown BIZ, and other property owners and business operators in Harbourtown Center. Individuals were also invited to complete the survey on the City of Kenora’s website. Thirty two (32) survey responses were received. The following provides a summary and analysis of each question. To obtain complete survey responses, please contact Devon McCloskey, City Planner by phone (807-467-2059) or email (dmccloskey@kenora.ca).

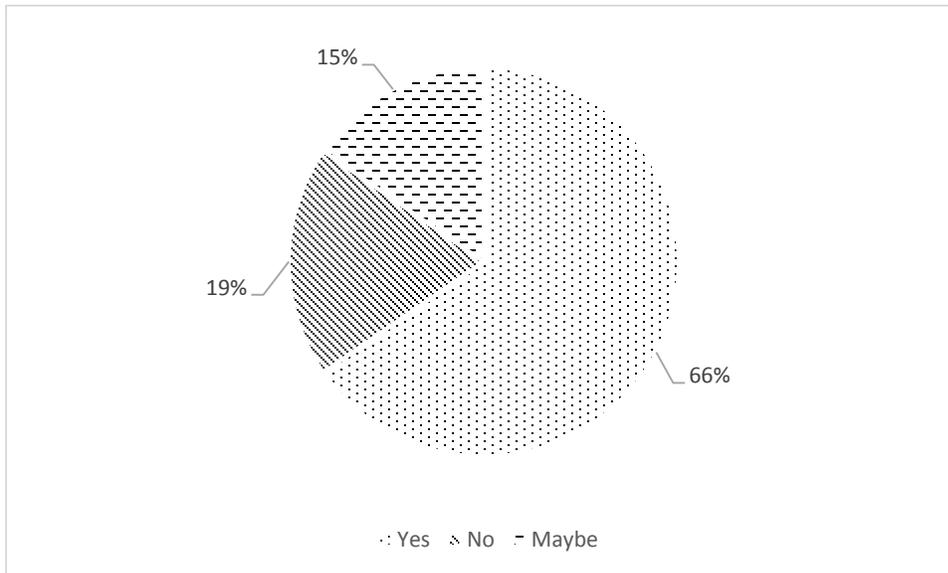
Q1: Are you aware of the City’s Community Improvement Programs (CIP)? The City currently has three CIPs: the Former Mill Site CIP (2011), the Harbourtown Centre CIP (2012), and the Keewatin CIP (2015).



Q2 & Q3 Have you submitted an application under an existing CIP? If so, what type of grant?

One respondent of the 32 had submitted an application. The individual applied for a signage grant.

Q4: Would an Affordable Living Grant help facilitate creation of housing in Harbourtown and the Former Mill Site?



66% of respondents believed that such a grant would be beneficial while 19% did not and 15% were undecided. One respondent believed the former Mill Site should be reserved for a new hospital. Other respondents commented on the current unaffordability of housing in Kenora.

Q5: How many years has your business existed in Kenora?

Average: 19 years

Median: 8 years

Businesses were split into two groups: those that had existed for 8 years or less and those that had existed for more than 25 years. Of the 32 responses, only 2 businesses were between 8 and 25 years old.

Q6: Why did you choose to establish your business in Kenora?

A majority of respondents said that they established their business in Kenora because they were **long-time residents** or had **family connections**. Many residents also indicated that **business opportunities** drew them to the City, sometimes related to tourism. Other notable answers were the **community feeling** in Kenora and the **location**.



Q7: What are the key challenges for businesses in Kenora?

Many respondents mentioned **taxes** being too high. Other major themes were **lack of qualified labour** and **high servicing costs**. Three respondents mentioned **homelessness**.

Q8: What kind of incentives do you think the City could offer to alleviate the challenges identified in Question 7?

Responses to this question had three major themes: **lower taxes, lower servicing costs, and create more housing**. Specific suggestions included winter subsidies on certain taxes/rates to help businesses during the tourism off season and improved highway signage directing people to downtown Kenora.

Q9: What are the key challenges for housing development in Kenora?

Responses to this question had three major themes: **high construction costs, lack of affordable and serviced land available, and challenging regulatory environment** (building inspection, building code, fire code, and other requirements).

Q10: What kind of incentives do you think the City could offer to alleviate the challenges identified in Question 9?

Responses to this question were variable. Some key themes are listed below:

- Provide serviced land for sale (Industrial park on Jones Road was given as an example)
- Lower taxes
- Assistance for developers to navigate the system to obtain required approvals, including more City staff
- Financial incentives (cash per residential unit, incentives for interior building improvements, funding to offset cost of servicing land)
- Better publication of existing grants

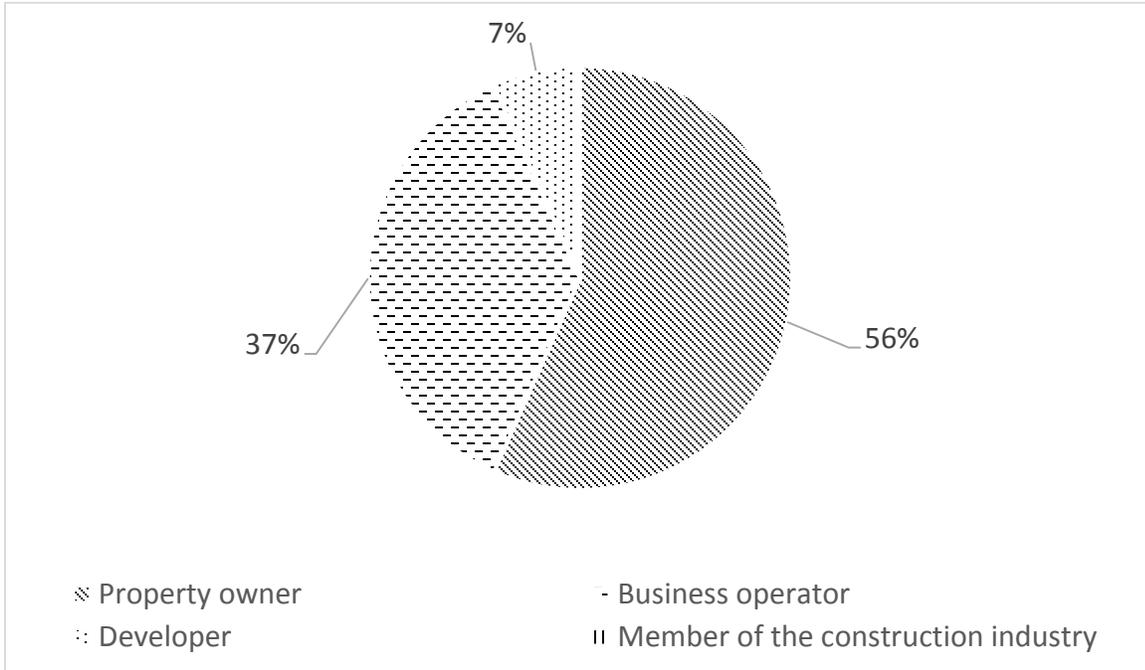
Q11: What are the key opportunities for housing development in Kenora?

Many respondents identified **housing for seniors** and **retirement communities** as potential opportunities.

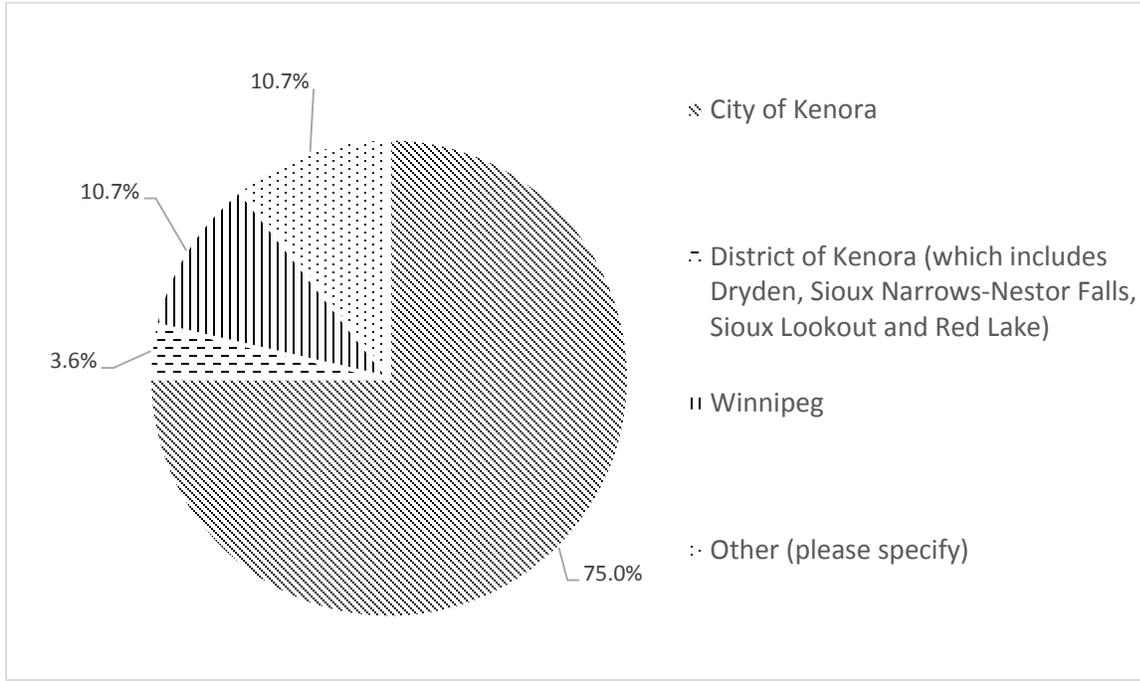
Q12: What kind of incentives do you think the City could offer to capitalize on the opportunities identified in Question 11?

Some respondents expressed a desire for **expanded financial housing incentives** including tax incentives and cash contributions per unit. Other suggestions included **reductions or rebates for servicing or permits**.

Q13: Respondent demographics



Q14: Head office location



Three respondents selected "Other":

- Toronto (2)
- Chatham, ON