

Schedule 'A'

Community Improvement Plan City of Thunder Bay – Strategic Core Areas

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1.0 Plan Background

1.1 Introduction

In January 2021, the Council of the City of Thunder Bay, revised this plan in an effort to provide financial support for property owners who experienced operational challenges as a result of the COVID-19 pandemic. Specifically, new grants offering financial incentives were added to support continued investment, adaptive re-use, and improvement of existing buildings located within core areas.

Since 1997 the City of Thunder Bay has promoted downtown revitalization through Community Improvement Plans (CIP). Financial incentive programs established by the Plans have assisted property owners with the costs associated with rehabilitating and renovating their properties and buildings. Over the years the City has contributed over 1 million dollars through grants and loans provided by the various CIP programs, toward improving private properties and assisting businesses in the core areas.

Section 28 of the Planning Act allows municipalities with provisions in their official plans relating to community improvement, to designate by by-law a Community Improvement Project Area, and to prepare a Community Improvement Plan. The Planning Act also allows for the establishment of programs which empower the City to offer incentives for development in these areas, and provides the legislative basis and context for the implementation of these programs.

The City of Thunder Bay introduced its first Downtown Community Improvement Plan in 1997, followed by an updated Plan in 2004, which remained in place until December 31st, 2014. With the expiry of that Plan came the opportunity to reflect on the successes of the programs it enabled, and to consider modifications that will promote continued revitalization efforts in the future.

This new Community Improvement Plan for Thunder Bay's Strategic Core Areas will focus on growth and intensification and will form part of the City's Revitalization Strategy. In keeping with the Growth Plan for Northern Ontario (2011), it recognizes Thunder Bay's downtowns as strategic core areas where revitalization and intensification efforts will be focused to promote vibrant, walkable, mixed-use districts.

The health of a downtown is a reflection of the overall well-being of a city. It is for this reason the Downtown Cores must be revitalized and restored to their full potential and serve as community nodes for work, shopping and living as they were in past years.

To succeed, the Downtowns must transition into mixed-use neighbourhoods where living, working, and leisure activities and uses are all intertwined in the urban fabric of the area. Uses and activities that are beyond the "9 to 5" must be encouraged to bring and keep people in the downtowns during the day and evenings.

The hallmark of any successful downtown is a healthy, stable residential population that has a variety of household sizes and income levels. To this end, new, higher density residential must be encouraged to create vibrant downtown areas. A healthy residential population animates the streets and sidewalks with activity and creates a critical market for the existing and new downtown businesses and services. Residential development is essential for the long-term success of the Downtowns. However, it is also important for the business community to stay relevant and sustainable in order to serve the demands of the downtown neighbourhoods and the community as a whole.

The success of the business community will serve many larger objectives. First, the commercial businesses will be a key source of goods and services for the downtown populations, the City and the region. Second, expanded or new commercial establishments will generate economic activity that will sustain and create jobs in the Downtowns and increase commercial assessment values for the City. Third, thriving commercial downtowns will foster the ability to support neighbourhoods where one can live and work within close proximity, reducing the need to utilize an automobile for employment purposes.

To spur both residential and commercial development, it is vital to cultivate a “sense of place” where the Downtowns create a unique feeling for those experiencing the area. Elements that encourage the use of the public realm must be supported to ensure that the Downtowns become vibrant and safe environments and places that allow people of all ages and abilities to gather and socialize.

This Community Improvement Plan is meant to stimulate revitalization within the downtowns and encourage renewal.

The financial incentive programs contemplated by this Plan are streamlined to improve administrative processes and to reduce the out of pocket costs of development in the Downtowns. It is intended that the programs will stimulate private sector community improvement activities relating to lands and buildings within the designated community improvement project areas. These improvements are intended to strengthen the economic and social viability of the Downtowns by encouraging continued investment.

The adoption of this Community Improvement Plan by Council represents a strong indication by Council to the community-at-large, that the future health and vitality of the Downtowns is important to the City as a whole, and that these areas deserve special attention.

This Community Improvement Plan will be administered by the City's Development & Emergency Services Department or designate, with assistance provided by various other Departments and Divisions. Administration of the plan is not limited to, and includes the processing, evaluation, and doling of grant approvals. This Plan will be in effect until December 31, 2027.

1.2 Policy Framework

Planning Act

Section 28 of the Planning Act allows municipalities with provisions in their official plans relating to community improvement to designate by by-law a Community Improvement Project Area. Once this is done, a municipality may prepare a Community Improvement Plan for the Community Improvement Project Area. Through this Community Improvement Plan, the City may engage in the following activities:

- a) Acquire, hold, clear, grade or otherwise prepare land for community improvement (subsection 28(3));
- b) Construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the Community Improvement Plan (subsection 28(6));
- c) (Sell, lease, or otherwise dispose of any land and buildings acquired or held by it in conformity with the Community Improvement Plan (subsection 28(6)); and
- d) Make grants or loans to the registered owners, assessed owners and tenants of lands and buildings within the Community Improvement Project Area (subsection 28(7)).

This Community Improvement Plan has been developed in accordance with Section 28 of the Planning Act, R.S.O. 1990, as amended. The core areas were designated as Community Improvement Project Areas, by By-law 142-1997, on June 23, 1997. The Simpson Street Business Improvement Area was designated a Community Improvement Project Area, by By-law 233-2003, on September 23, 2003. And the Westfort Business Area was designated as a Community Improvement Project Area by By-law 70-2016 on June 20, 2016. A public meeting of Council to consider this Community Improvement Plan was held on June 20, 2016, notice of which was published in The Chronicle-Journal on May 28, 2016.

Growth Plan for Northern Ontario

The 2011 Growth Plan for Northern Ontario, prepared under the Places to Grow Act, 2005, is a comprehensive plan to co-ordinate economic development, infrastructure investment, labour, and land use in a way that recognizes the interconnectedness of the North's people, communities, and environment. The Plan provides a strategic framework for decision-making and investment planning to promote economic prosperity, environmental stewardship and sustainable communities.

The Plan recognizes Thunder Bay as an economic hub in the North and identifies its strategic core areas as a priority for long-term revitalization, intensification and investment.

The programs introduced in this Community Improvement Plan support the Growth Plan's vision for Thunder Bay's strategic core areas by providing financial support to those making investments in Thunder Bay's downtowns and business areas.

City of Thunder Bay Strategic Plan

The 2019-2022 Strategic Plan guides the decisions and actions of City Council and Administration. The Plan is structured around five priorities – Growth and Prosperity; Community safety and well-being; Cost effective and quality services to citizens; financial sustainability to provide and maintain service and infrastructure levels, Environmental stewardship.

As described within the strategy toward meeting those priorities, growth and renewal are presented as key elements, to enhance social infrastructure, strengthen our economy, and revitalize cores.

The plan sets out to revitalize the downtown cores in partnership with stakeholders, with a special focus on strategic investments. Investing in programs through a Community Improvement Plan is a key strategy.

This Community Improvement Plan supports the City of Thunder Bay's strategic goals and will focus both private and public investment on revitalization efforts.

Official Plan and Zoning By-law

The City of Thunder Bay Official Plan contains Community Improvement policies (see Appendix A), which encourage activities, both public and private, to maintain, rehabilitate and redevelop the existing physical environment to accommodate the social and economic priorities of the community. This Community Improvement Plan has been developed in conformity with these policies.

The majority of the land area subject to this Community Improvement Plan is comprised of lands designated "Strategic Core", "Community Commercial", and "Service Commercial" as shown on Schedule "E", Commercial areas, of the Official Plan.

Lands designated as "Strategic Core" in the Official Plan encompass the City's two traditional downtown cores and adjacent areas considered appropriate for the possible expansion of core area functions. It is intended that these two areas will continue to provide a full range of commercial, institutional, recreational, and residential uses. Generally, these areas shall function as places of symbolic and physical interest for all residents and visitors to the City, and as focal points for entertainment, social and cultural pursuits. The traditional downtown core areas are viewed as significant assets, important to the City as a whole.

The vision for land uses for the Strategic Cores are described within Part 10, Commercial Areas of the City of Thunder Bay Official Plan. It is intended that these areas provide a full range of amenities accessible to residents and visitors,

including vibrant streetscapes, shopping, business, entertainment, housing, transportation connections, and educational, health, social, and cultural services. These areas are viewed as significant assets, important to the City as a whole, and shall function as identifiable, walkable, mixed-use districts of symbolic and physical interest.

In recognition of the evolving role of the north core downtown, the area is to be targeted for appropriate public and private initiatives which reinforce the general office uses, service-related uses and tourism functions that enhance this area's orientation to the Lake Superior waterfront or otherwise enhance the area's commercial activities.

In recognition of the evolving role of the south core downtown, the area is to be targeted for appropriate public and private initiatives which reinforce the government and general office uses, service-related uses and tourism functions that enhance this area's orientation to the Kaministiquia River or otherwise enhance the area's commercial activities.

These same evolving roles are very much reflected in the Simpson Street area where there is a strong connection to the south core downtown. And in the Westfort business area where a variety of pedestrian friendly businesses service the adjacent residential neighbourhood. In 2019, the designation of the Westfort Business Area was expanded slightly to include properties to the east, as part of those within the Community Designation. Updates to the CIP in 2020, have included the expansion as presented in the Official Plan.

Lands within these areas are currently zoned as follows:

- Commercial: "C5" - Central Business District Zone, "C1" – Urban Village Zone, "MU1" – Mixed Use Zone One, "MU2" – Mixed Use Zone 2, "NC3" - Neighbourhood Centre Three Zone
- Residential: "R2" - Residential Zone Two
- Other: "OS" - Open Space Zone, "IN2" – Medium Industrial Zone

The "C5" - Central Business District Zone, which applies to the majority of the Project Area is the most permissive zoning category in the City. A wide range of land uses are permitted and the applicable regulations allow for the maximum development of the lands, by maximizing lot coverage and providing relief with respect to parking and landscaped requirements.

Urban Design and Landscape Guidelines

Thunder Bay's Urban Design and Landscape Guidelines identify the north and south cores as important areas that help to define the City as a whole. The Guidelines' performance standards guide development in both the public and private realm, and in terms of specific land uses. They promote high quality redevelopment and provide direction with respect to site, building, heritage and transit-supportive design.

This Community Improvement Plan will support the continued development of a sustainable urban framework that includes the core areas as a natural foundation.

Image Route Guidelines

Image Routes, identified as corridors prioritized for improvements in both their appearance and functional role, are located within the north and south core areas. The City's Image Route Guidelines recommend a series of key design improvements to enhance the overall experience of users, promote consistency and explore the unique theme of each Image Route. Prioritizing public infrastructure investment in these routes, and specifically in the core areas, demonstrates the City's commitment to improving the quality and function of these corridors. This Community Improvement Plan will support the enhancement of these routes by promoting continued development and improvement of adjacent lands and green spaces.

Community Safety and Crime Prevention Strategy

In 2010 the Thunder Bay Crime Prevention Council was established, and a Community Safety and Crime Prevention Strategy developed to respond to Thunder Bay's unique circumstances, and to promote a collaborative, community-based approach to reduce and prevent crime in the City. Community ownership and interaction is identified as a key strategic direction. Over the last five years, the Crime Prevention Council has been engaged in numerous activities focused on community based solutions.

In September 2014, a Crime Prevention Through Environmental Design (CPTED) assessment was conducted within the South Core neighbourhood. The resulting report identified existing positive safety features in the neighbourhood, specific safety and security deficiencies and concerns, results of a Citizen Survey on safety perceptions, and recommendations to improve public safety. Thunder Bay City Council approved the Report as a guiding document for neighbourhood improvements in the South Core, and also approved the creation of a South Core Public Safety Task Force. The purpose of the Task Force is to prioritize and implement the report recommendations.

This Community Improvement Plan will support the actions of the Task Force by providing financial assistance to property owners engaged in efforts to improve the safety of their properties and businesses through design and rehabilitation.

1.3 Project Areas

The project areas are located within land use designations considered appropriate in the selection of Community Improvement Project Areas as per the policies of Part 11 of the Official Plan (see Appendix A).

The project areas of this Community Improvement Plan comprise the two downtown core areas of the City, the lands along Simpson Street within the Simpson Street Business Improvement Area and lands along Frederica Street in

the Westfort Business Area. The boundaries of this Community Improvement Plan are shown on Figures 1, 2, and 3 and generally correspond with the boundaries of lands designated "Downtown Core" and "Community Commercial" on Schedule 'E', Commercial Areas, of the City of Thunder Bay Official Plan.

The project areas satisfy one or more of the following selection criteria in accordance with Part 11 of the Official Plan:

- a) the condition and adequacy of municipal infrastructure or services;
- b) the condition and adequacy of municipal recreational services and facilities such as parks, arenas or community centres;
- c) the condition and appearance of buildings or structures which require upgrading, rehabilitation or redevelopment;
- d) the presence of and potential for major open space areas with facilities that serve the entire community;
- e) the presence of residential, commercial, industrial or institutional areas which require streetscape and/or facade improvement;
- f) the existence of, or potential for the establishment of, Business Improvement Areas;
- g) the presence of vacant lots and/or commercial buildings;
- h) the condition and adequacy of off-street parking facilities;
- i) the need for transportation improvements or traffic realignment;
- j) the presence of designated Heritage Conservation Districts and/or designated Heritage Buildings;
- k) the presence of incompatible land uses;
- l) the presence of soil contamination; and/or,
- m) opportunity to improve community safety

The project areas comprise a broad range of land uses including retail, office, residential, institutional, open space, and industrial. A main objective of the Official Plan is to strengthen the role of these downtown areas through the integration of the existing retail and service commercial uses with other uses such as housing, social services, recreational opportunities, cultural activities and events, and government uses.

Recently some changes in land use activity have occurred in the project areas, the most noticeable occurring in the north core project area where continued redevelopment of properties has occurred since the development of Prince Arthur's Landing. Within the south core project area, the development of a new

Consolidated Courthouse and a new District Social Services Administration building has increased the level of activity in the area.

The Downtowns continue to accommodate a wide variety of services and functions. These areas remain the centres for municipal administration, offices, institutions, and religious and fraternal groups and organizations. And are also important places for new community services and the focus of efforts to increase opportunities for residential development.

1.4 Public Consultation

In the fall of 2013 and spring of 2014, prior to the expiration of the previous Downtown Core Areas Community Improvement Plan, the City of Thunder Bay undertook a survey and interviewed program participants to gather feedback from the business community, and to research possibilities for future incentive programs. The programs developed as part of this Strategic Core Areas Community Improvement Plan are, in part, in response to the feedback and suggestions provided through the surveys and interviews.

Also in 2013, the City participated in a research project led by the Canadian Urban Institute that studied the value of investing in northern downtowns. Case studies of Thunder Bay, North Bay, Sault Ste. Marie, Timmins and Sudbury were conducted and included a survey that measured what citizens of these five communities value about their downtowns. Thunder Bay's participation rate in the survey was ten times that of other communities, which speaks to the importance Thunder Bay citizens place on their downtowns, and to the promotion activities of the BIAs and other downtown groups. An important legacy from the project is a dedicated website designed to facilitate continued collaboration. The platform allows the five cities to share updates on progress as well as access evolving data about other Canadian downtowns.

Between January and April 2016 stakeholder consultations were held with representatives of the Simpson St BIA, Fort William Business District BIA, Waterfront District BIA, Bay-Algoma Business Association, and Westfort Business Association including presentations at the Annual General Meetings of both the Waterfront District and Fort William Business District BIAs.

A draft of the Community Improvement Plan was circulated to the Ministry of Municipal Affairs and Housing in early January for their review and comment. In its response, the Ministry congratulates the City of Thunder Bay for its long Core Area CIP history and its continued commitment to revitalization and financial assistance.

A public meeting of Council to consider this Community Improvement Plan was held on June 20, 2016, notice of which was published in The Chronicle-Journal on May 28, 2016.

In 2020, revisions to the Plan were contemplated through stakeholder consultations, which occurred during the summer, by the Thunder Bay Community Economic Development Corporation (CEDC). In September 2020, a

report was presented to Council that provided recommendations to build upon the existing programs by adding three new incentive programs.

A draft of the revised Community Improvement Plan was circulated to the Ministry of Municipal Affairs and Housing in November for their review and comment.

A public meeting of Council to consider the revised Community Improvement Plan was held on December 14, 2020, notice of which was published in The Chronicle-Journal on November 21, 2020.

2.0 Community Improvement Plan Strategy

2.1 Goals and Objectives

One of the issues facing the Downtowns is commercial vacancies. Many buildings within the Downtown core areas are being underutilized and are in need of redevelopment or re-use. This Community Improvement Plan aims to encourage new development and provide incentives for property owners to restore the condition of these once vibrant buildings. The restoration of buildings within the core areas will create a catalyst for new development and will help address the issue of declining assessment values in the Downtowns.

The goals of this Community Improvement Plan echo the City of Thunder Bay's Strategic Plan, which identifies revitalized downtowns and business areas as important to a prosperous and more diversified economy, in addition to furthering community safety and well-being. Similarly, it shares common goals with the Official Plan, which recognizes that initiatives in community improvement contribute significantly towards strengthening the local tax base, economic development, job creation, and the economic viability of the business community.

A specific goal of this Plan is to allow the Downtowns to remain commercially viable for new businesses and to serve as competitive commercial areas, in light of big box development elsewhere in the community. The Downtown areas have the opportunity to thrive commercially by providing a marketplace shopping "experience". They are places where urban design balances between natural and built heritage. Both core areas have the ability to accommodate new development and each possess a unique retail ambience that appeals as a destination for both residents and visitors to the city.

Another aim is to foster a greater mix of higher density residential development. The purpose of residential units within the core areas is to stabilize the neighbourhood population and encourage more pedestrian traffic. Additionally, residents within the Downtowns will serve as a primary customer base for businesses within the areas. A more dense population within the downtowns will boost the economy and increase the rate of investment within these areas.

The objectives of this Plan are to:

- Focus redevelopment, infill and mixed-use opportunities in the core area,
- Establish a vibrant and safe atmosphere by encouraging new investment in residential development, business retention and business start-ups,
- Maintain and improve public space, streetscapes and pedestrian linkages,
- Increase affordable housing opportunities,
- Support the maintenance and protection of historic buildings,
- Encourage the redevelopment of land and buildings to achieve densities that support, safety, transit use and active transportation, and
- Encourage investment in the core areas by providing financial support to those developing, upgrading, redeveloping and rehabilitating buildings.

2.2. Planning and Building Fee Grant Program

The intent of this program is to stimulate investment by property owners or tenants of commercial or mixed use buildings in the Project Areas through the provision of a grant to those who wish to invest. The grant would apply to most municipal fees for planning applications (Official Plan and Zoning By-law Amendments, Minor Variances, Consents to Sever, Site Plan Control and Development Agreements, Plans of Subdivision/ Condominium) and to building permit applications.

Assistance will be in the form of a grant that has the effect of waiving 100% of the fee for a planning application and rebating the 100% of the fee for a building permit, up to a maximum of \$10,000 dollars. Fees will be reimbursed upon the conclusion of a planning application and/or the final inspection of the work related to a building permit.

This program will not apply to any performance or maintenance guarantees (ie. letters of credit) posted by the proponent, required professional studies, service connections, or to expenses including deposits incurred by the applicant because of the City's participation at the Local Planning Appeal Tribunal (LPAT) or Court proceedings. The cost of any required newspaper notices will also not be included.

Eligibility

To qualify, property owners or tenants must satisfy the following conditions:

- The property must be located within the boundaries of one of the Project Areas of this Plan;

- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- Grant is not intended for single detached dwellings;
- This program may be used in combination with any other Community Improvement Program provided that the total amount of assistance provided does not exceed the value of work done, or \$25,000 dollars whichever is lower;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided at the outset and upon project completion;
- All fees shall be paid in full at the application stage. Once the work is completed to the satisfaction of the City and building permit is finalized or a planning decision is rendered, the fees shall be refunded to the applicant;
- Applications to the Planning and Building Fee Grant Program, Conversion Grant Programs and Façade Improvement Grant, can be combined and applied for on multiple occasions during the lifetime of the program, provided that total value of all approved grants does not exceed the individual grant cap or overall combined maximum of \$25,000 dollars;
- Grant eligibility shall be based on the allocation of funds to the CIP by Thunder Bay City Council. Applications will be dealt with on a “first come, first served” basis;
- The application deadline will be established dependent on the allocation of budget funding;
- If conditionally approved for a grant, the applicant shall have one month from the conditional approval date to obtain a building permit (if required). If a building permit is not obtained within one month, the conditional approval is rescinded.

2.3 Tax Grant Rebate Program (Legacy Program)

The Tax Grant Rebate Program will provide financial relief to property owners who undertake revitalization projects. This program is intended to foster private rehabilitation efforts in the Downtowns, with minimum cost to the City.

This municipal assistance program will provide grants to property owners who rehabilitate their properties to an extent that results in a property value increase as determined by MPAC. The amount of the grant would be determined based upon the incremental municipal taxes resulting from the valuation change. The

total amount of the grant would not exceed the value of the work done. For this reason, the total value of the work done, plus the amount of the municipal taxes paid prior to, and after the rehabilitation, are required. "Municipal taxes" under this program refers to only the municipal general portion of municipal taxes and would not include education taxes, or urban/special service area taxes or any other taxes or amounts levied. Business taxes are not intended to be included in the calculation of this program.

The grant amount for this program would equal 100% of the increased municipal taxes attributed strictly to the valuation change in each year of the program. It is recommended that any development that results in new residential uses be eligible for a rebate for a term of up to 10 years. All other uses would be eligible to receive a rebate for a term of up to 5 years. Following the 5 or 10 year rebate period, the property owner will be required to pay the full amount of the taxes with no rebate.

This program is very similar to the program that was in effect under the previous Core Areas Community Improvement Plan. The advantage to this Program from a financing perspective is that the taxes are rebated once they have been paid by the owner. The disadvantage however, is that the program is cumbersome to administer. Not only do the incremental taxes need to be calculated each year, for up to 10 years, the annual budget needs to be adjusted to account for the assessment growth that is not actually being realized. While past participants of this program appreciated the annual rebates, it was noted that an upfront grant to help offset the costs of construction, or a waiving of the taxes owed would have been preferred.

The Tax Grant Rebate Program will commence upon Council's support for funding in the 2017 budget and incremental increases in municipal taxes may be rebated to owners for a period of five years. Property owners who create new residential units within the Project Area may be rebated for a period of 10 years. Owners of properties participating in this grant program who apply in any year of the program, will be eligible for 5 or 10 years of rebates from the date of reassessment. The grant amount for this program would equal 100% of the increased municipal taxes in each year of the program. After five or 10 years of rebates, the property owner will be required to pay the full amount of the taxes with no rebate.

At the time of a building permit application, a property owner may register their intent to participate in the Tax Grant Rebate Program by filing an application and providing information with respect to the current tax assessment and the anticipated cost of the works to be undertaken. Since the value of construction, rehabilitation, or redevelopment to be undertaken is established and used to determine the cost of a building permit, it is an appropriate "trigger" for establishing participation in the program and the value of work. As indicated above, the total value of the rebate will not exceed the value of the work done.

If the works undertaken result in a reassessment of the property, it is the responsibility of the applicant to provide a copy of the supplementary tax bill to

the Planning Services Division within 6 months of its receipt. The difference between the general portion of the municipal taxes prior to the works being undertaken, and the general portion of municipal taxes after the completion of the works, will be the amount eligible for a rebate under this program. The incremental increase will be calculated as percentage calculation at the sole discretion of the City. The percentage established will be used to establish the eligible amount of rebate in subsequent years of the program. Only the general portion of the municipal taxes attributed to the incremental increase will be rebated. Changes in tax classifications will not be considered in establishing the eligible amount of rebate. The program will not exempt property owners from an increase in municipal taxes due to a general tax rate increase or a change in assessment for any other reason after the property has been improved, except by reason of an assessment appeal.

Eligibility

- To qualify, property owners or tenants must satisfy the following conditions:
- Any property owner seeking consideration for a grant under this Program shall submit a Program Application form including a copy of a current tax bill to the City's Development & Emergency Services Department at the time of making an application for a Building Permit. Applications received by June 30th will be considered for rebate in the following year. Applications received after June 30th will be considered for rebate 2 years hence;
- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- If the property is under an assessment appeal, the application will not be accepted until the appeal is resolved;
- The subject property shall not be in a position of tax arrears at the time of the application unless an alternate payment plan arrangement or agreement is in place, subject to approval of the Finance Department;
- Approved grants are applicable to the registered owner.
- The property must be located within the boundaries of one of the Project Areas of this Plan;
- The property shall be rehabilitated such that the amount of the work undertaken is sufficient to result in a re-assessment of the property;

- The total value of the grant provided under this program shall not exceed the value of the work done;
- The construction, rehabilitation or redevelopment shall be undertaken pursuant to a building permit and constructed in accordance with the Ontario Building Code and applicable zoning requirements, and shall conform to any applicable design guidelines or site plan control applying to the property;
- In the case of new buildings on vacant or cleared sites within the downtown cores, to determine the pre-development assessment base for these projects, the assessment shall be based upon the property as it existed on the date of submission of the application;
- If a property to be rehabilitated is designated under the Ontario Heritage Act, the improvements shall not compromise the reasons for designation. In such cases, the building permit application will be circulated to the City's Heritage Advisory Committee (H.A.C.) for review and comment;
- If the property is demolished before the grant period elapses, the grants shall be forfeited and repaid to the City. If a participating property is sold before the grant period elapses, all future grants shall cease. If the building is destroyed by fire or other act of God before the grant period elapses, all future grants shall cease;
- This program may be used in combination with any other Community Improvement Program provided that the total amount of assistance provided does not exceed the value of work done.

2.4 Construction Assistance Grant Program (Legacy Program)

As an alternative to the Tax Grant Rebate Program described above, this Grant Program will provide financial relief to property owners who undertake revitalization projects in a one-time grant equal to 4% of the value of construction for residential uses and 10% of the value of construction for all other uses. Rather than rebating taxes over a 5 or 10 year period, this Program would offer relief upon completion and inspection to the developer and would require minimal administrative effort to deliver the program. To finance the program dedicated funds will have to be included in the annual budget. It is suggested that the Program apply to projects that represent a minimum investment of \$10,000 up to a maximum of \$1,000,000 with a maximum grant being \$100,000.

To establish the proposed grant value, the amount of reassessment within the project areas over the last 5 years was reviewed and compared to the value of construction. The amount of rebate eligible under the 10 year Tax Grant Rebate Program was also used as a comparator. The proposed formula of 4% of the value of construction for residential properties equates to approximately the same value as 10 years of incremental tax rebates. Similarly, the proposed formula of 10% of the value of construction for commercial properties equates to

approximately the same value as 5 years of incremental tax rebates. The benefit of this Program is that it would be relatively simple to administrate and it would provide applicants with funds to help offset the costs of construction more quickly than the Tax Grant Rebate Program.

The Construction Assistance Grant Program will commence following Council approval of a budget to fund the Program. Grants may be paid once construction is complete and an occupancy permit has been issued. Property owners who create new residential units within the Project Area may be eligible for 4% of the value of construction and 10% of the value of construction for all other uses.

It is not intended that the Construction Assistance Grant Program would be activated in the same year as the Conversion Grant Programs described below.

Eligibility

To qualify, property owners or tenants must satisfy the following conditions:

- At the time of a building permit application, a property owner or tenant may register their intent to participate in the Grant Program by filing an application and providing information with respect to the anticipated cost of the works to be undertaken. Since the value of construction, rehabilitation, or redevelopment to be undertaken is established and used to determine the cost of a building permit, it is an appropriate "trigger" for establishing participation in the program and the value of work. Applications received by June 30th will be considered for a Grant in the following year. Applications received after June 30th will be considered for a Grant two years hence;
- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- The amount of the investment must be a minimum of \$10,000. Grants will be considered for up to a maximum of \$ 1 million worth of investment;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided;
- The property must be located within the boundaries of one of the Project Areas of this Plan;
- The project must conform to any applicable requirements of the Ontario Building Code, Zoning By-law, Urban Design Guidelines, and Site Plan Control;
- The construction, rehabilitation or redevelopment shall be undertaken pursuant to a building permit and constructed in accordance with the Ontario Building Code and applicable zoning requirements, and shall

conform to any applicable design guidelines or site plan control applying to the property;

- Any property owner seeking consideration for a grant under this Program shall submit a Program Application form including a copy of a current tax bill to the City's Planning Services Division;
- The subject property shall not be in a position of tax arrears at the time of the application unless an alternate payment plan arrangement or agreement is in place.

2.5 Commercial Conversion Grant – Main Floor (New Program)

The purpose of the commercial conversion grant is to encourage the redevelopment of existing main floor space to a commercial use. Although other uses such as residential may be permitted on the main floor of a subject location, the objective of this grant is to stimulate the revitalization of properties located within the project areas for uses that contribute to the economic vitality of these areas. This grant could also be used to provide financial support to rehabilitate vacant commercial properties into viable commercial uses for prospective tenants.

The grant provides 50% of the cost of renovating and converting main floor residential to a commercial use up to a maximum of \$10,000 dollars. The grant may be used for rental or ownership units. Eligible costs include improvements related to accessibility in accordance with the Accessibility for Ontarians with Disabilities Act (AODA).

Eligibility

To qualify, property owners or tenants must satisfy the following conditions:

- An application form must be submitted together with a copy of a current tax bill to the City's Development & Emergency Services Department;
- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided at the outset and upon project completion;
- The property must be located within the boundaries of one of the Project Areas of this Plan;
- The project must conform to any applicable requirements of the Ontario Building Code, Zoning By-law, Urban Design Guidelines, and Site Plan Control;

- Approval of applications must be received prior to the commencement of any work related to the requested grant;
- Applicants must demonstrate how their project proposal promotes the re-use of buildings to provide for a competitive location for commercial activity. The focus of this grant is to transform interior spaces to attract long term commercial tenants;
- If a property to be rehabilitated is designated under the Ontario Heritage Act, the improvements shall not compromise the reasons for designation. In such cases, the CIP Grant Application will be circulated to the City's Heritage Advisory Committee (H.A.C.) for review and comment;
- Applications must be accompanied by a minimum of two estimates from arms-length contractors capable of completing the proposed work that corresponds to the application. In the absence of paid labour, two quotes for materials and equipment are required. Funding shall be based on the lowest estimate/ quote;
- Eligible costs shall include materials, equipment and contracted labour to complete the proposed improvements. Labour provided by the owner/tenant is not an eligible cost;
- The subject property shall not be in a position of tax arrears at the time of the application unless an alternate payment plan arrangement or agreement is in place subject to the approval of the Finance Department;
- Upon project completion, and once all invoices have been paid, an applicant must provide a detailed summary of costs, together with proof of payment in order to receive reimbursement equal to or less than the grant that was approved at the outset of the work. Any costs above initial estimate subject to approval;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided;
- The project must conform to any applicable requirements of the Ontario Building Code, Zoning By-law, Urban Design Guidelines, and Site Plan Control;
- Applications to the Planning and Building Fee Grant Program, Conversion Grant Programs and Façade Improvement Grant, can be combined and applied for on multiple occasions during the lifetime of the program, provided that total value of all approved grants does not exceed the individual grant cap or overall combined maximum of \$25,000;

- Grant eligibility shall be based on the allocation of funds to the CIP by Thunder Bay City Council. Applications will be dealt with on a “first come, first served” basis;
- The application deadline will be established dependent on the allocation of budget funding;
- If conditionally approved for a grant, the applicant shall have one month from the conditional approval date to obtain a building permit (if required). If a building permit is not obtained within one month, the conditional approval is rescinded.

2.6 Residential/Office Conversion – 2nd floor (New Program)

The residential/office conversion grant is intended to encourage property owners to create new second storey or higher, residential dwelling units within the project areas through new development. Eligibility is contingent on the use of the main floor being commercial. This grant could also be used to provide financial support to rehabilitate vacant units into viable residential/office uses for prospective tenants.

The grant will cover 50% of the cost of renovating and converting second floor or higher units to residential or office use up to a maximum of \$10,000 dollars.

Eligibility

To qualify, property owners or tenants must satisfy the following conditions:

- An application form must be submitted together with a copy of a current tax bill to the City's Development & Emergency Services Department;
- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- Approval of applications must be received prior to the commencement of any work related to the requested grant;
- Applicants must demonstrate how their project proposal promotes the re-use of buildings to provide for a competitive location for residential/ office activity. The focus of this grant is to transform interior spaces to attract long term residential/ office tenants;
- If a property to be rehabilitated is designated under the Ontario Heritage Act, the improvements shall not compromise the reasons for designation. In such cases, the CIP Grant Application will be circulated to the City's Heritage Advisory Committee (H.A.C.) for review and comment;
- Applications must be accompanied by a minimum of two estimates from arms-length contractors capable of completing the proposed work that

corresponds to the application. In the absence of paid labour, two quotes for materials and equipment are required. Funding shall be based on the lowest estimate/quote;

- Eligible costs shall include materials, equipment and contracted labour to complete the proposed improvements. Labour provided by the owner/tenant is not an eligible cost;
- The subject property shall not be in a position of tax arrears at the time of the application unless an alternate payment plan arrangement or agreement is in place subject to the approval of the Finance Department;
- Upon project completion, and once all invoices have been paid, an applicant must provide a detailed summary of costs, together with proof of payment in order to receive reimbursement equal to or less than the grant that was approved at the outset of the work. Any costs above initial estimate subject to approval;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided at the outset and upon project completion;
- The property must be located within the boundaries of one of the Project Areas of this Plan;
- The project must conform to any applicable requirements of the Ontario Building Code, Zoning By-law, Urban Design Guidelines, and Site Plan Control;
- Applications to the Planning and Building Fee Grant Program, Conversion Grant Programs and Façade Improvement Grant, can be combined and applied for on multiple occasions during the lifetime of the program, provided that total value of all approved grants does not exceed the individual grant cap or overall combined maximum of \$25,000 dollars;
- Grant eligibility shall be based on the allocation of funds to the CIP by Thunder Bay City Council. Applications will be dealt with on a “first come, first served” basis;
- The application deadline will be established dependent on the allocation of budget funding;
- If conditionally approved for a grant, the applicant shall have one month from the conditional approval date to obtain a building permit (if required). If a building permit is not obtained within one month, the conditional approval is rescinded.

2.7 Commercial Façade Improvement Grant

The commercial façade improvement grant is intended to provide a grant to owners or tenants who rehabilitate and improve façades of buildings within the project area, works may include lighting, awnings, and other features that contribute to an increase in property value, represent an improvement to the building, and the public realm. The purpose of the grant is to achieve aesthetic improvement to the streetscape while respecting the character of the street and historical features of the building. Examples of eligible façade improvements include but are not limited to: masonry cleaning, restoration, installation of storefront awnings/signs, redesign of storefronts including installation of siding or stucco, replacement or repair of cornices, parapets and other architectural features.

The grant will provide 50% of the cost of improvements to the façade of commercial storefront buildings up to a maximum of \$10,000 dollars.

Eligibility

To qualify, property owners must satisfy the following conditions:

- An application form must be submitted together with a copy of a current tax bill to the City's Development & Emergency Services Department;
- The applicant must be either a registered property owner, assessed property owner or a tenant of a property to whom the owner has assigned consent to receive assistance under the CIP;
- Approval of applications must be received prior to the commencement of any work related to the requested grant;
- Applicants are required to provide a conceptual drawing from a design professional demonstrating all proposed improvements including materials, colours, lighting, etc.
- If a property to be rehabilitated is designated under the Ontario Heritage Act, the improvements shall not compromise the reasons for designation. In such cases, the CIP Grant Application will be circulated to the City's Heritage Advisory Committee (H.A.C.) for review and comment;
- Applications must be accompanied by a minimum of two estimates from arms-length contractors capable of completing the proposed work that corresponds to the application. In the absence of paid labour, two quotes for materials and equipment are required. Funding shall be based on the lowest estimate/quote;
- Eligible costs shall include materials, equipment and contracted labour to complete the proposed improvements. Labour provided by the owner/tenant is not an eligible cost;

- Architectural features including awnings are not permitted to encroach on City property unless a licence agreement and insurance is in place subject to the approval of the Realty Services Division;
- The subject property shall not be in a position of tax arrears at the time of the application unless an alternate payment plan arrangement or agreement is in place subject to the approval of the Finance Department;
- Upon project completion, and once all invoices have been paid, an applicant must provide a detailed summary of costs, together with proof of payment in order to receive reimbursement equal to or less than the grant that was approved at the outset of the work. Any costs above initial estimate subject to approval;
- For the purpose of monitoring the success of the CIP program and promotion, before and after photos of interior and/or exterior improvements shall be provided at the outset and upon project completion;
- The property must be located within the boundaries of one of the Project Areas of this Plan;
- The project must conform to any applicable requirements of the Ontario Building Code, zoning, design guidelines, and site plan control;
- Program is not intended for residential properties, with the exception of mixed use buildings;
- General maintenance including painting, window or door replacement is not an eligible cost unless part of a comprehensive façade improvement project;
- Intended for exterior front finishing. If a building also has side or rear exposure and abuts two or more public roads or travelled laneways, further evaluation and eligibility for funding of a second façade may be considered;
- Applications will be required to demonstrate how the proposal achieves aesthetic improvement, by providing sufficient information to understand the proposed improvements and anticipated visual outcome. Photos that clearly depict the existing condition must be provided;
- Applications to the Planning and Building Fee Grant Program, Conversion Grant Programs and Façade Improvement Grant, can be combined and applied for on multiple occasions during the lifetime of the program, provided that total value of all approved grants does not exceed the individual grant cap or overall combined maximum of \$25,000 dollars;

- Grant eligibility shall be based on the allocation of funds to the CIP by Thunder Bay City Council. Applications will be dealt with on a “first come, first served” basis;
- The application deadline will be established dependent on the allocation of budget funding;
- If conditionally approved for a grant, the applicant shall have one month from the conditional approval date to obtain a building permit (if required). If a building permit is not obtained within one month, the conditional approval is rescinded.

3.0 Implementation

Grants made to applicants under the programs described in this Community Improvement Plan, shall not exceed the costs incurred by the owners associated with their projects.

The details of the programs, together with the eligibility criteria, though outlined generally in this Plan, will be set out specifically in the applications and procedures to be administered by the City.

Funding to support the Programs described in this Community Improvement Plan shall be subject to an annual budget approved by City Council.

From time to time, the City may review and amend any of the terms of the programs described in this Community Improvement Plan without amendment to the plan.

New funding programs, criteria changes, or Project Area boundary adjustments will require a formal amendment to this Plan in accordance with subsection 28(5) of the Planning Act, requiring notice of a public meeting of Council and adoption by Council.

4.0 Marketing

The Programs introduced in this Community Improvement Plan will be promoted by the Planning and Building Services Divisions, on the City’s website and through the Business Improvement Areas in the north and south cores. The Community Economic Development Corporation will also be used to promote the programs. Opportunities to share information about the Programs through the Real Estate Board and other organizations will also be explored.

5.0 Monitoring

In order to monitor the success of the Community Improvement Plan, the following data will be collected and reviewed annually to determine if the

Programs are achieving the desired results and to evaluate whether Program adjustments are required.

- Enquiries to the program, construction to be undertaken and whether the project was eligible
- Number of projects that resulted in an increase in municipal assessment;
- Gross floor area of residential space and number of residential dwelling units created;
- Gross floor area of industrial or commercial space rehabilitated or constructed;
- Land area remediated and/or redeveloped; and
- Total value of investment; public vs. private investment; capital works, facilities investment;
- Number of previously vacant spaces tenanted;
- Number of new business startups;
- Number of historic properties restored.

6.0 Conclusion

This Community Improvement Plan will provide the legislative basis and context for the programs, which have been identified to foster revitalization in the downtown core areas, the Simpson Street Business Improvement Area, and the Westfort Business Area. The goals and objectives seek to advance the community's vision for the Downtown areas and the financial incentives introduced are designed to stimulate and leverage private sector investment in the Downtowns.

Issues outside the purview of this plan, but supportive of further revitalization in the core areas, such as amendments to the Zoning By-law, parking management and supply, land use compatibility, and image enhancement, have been and will continue to be examined.

Figure 1. North Project Area

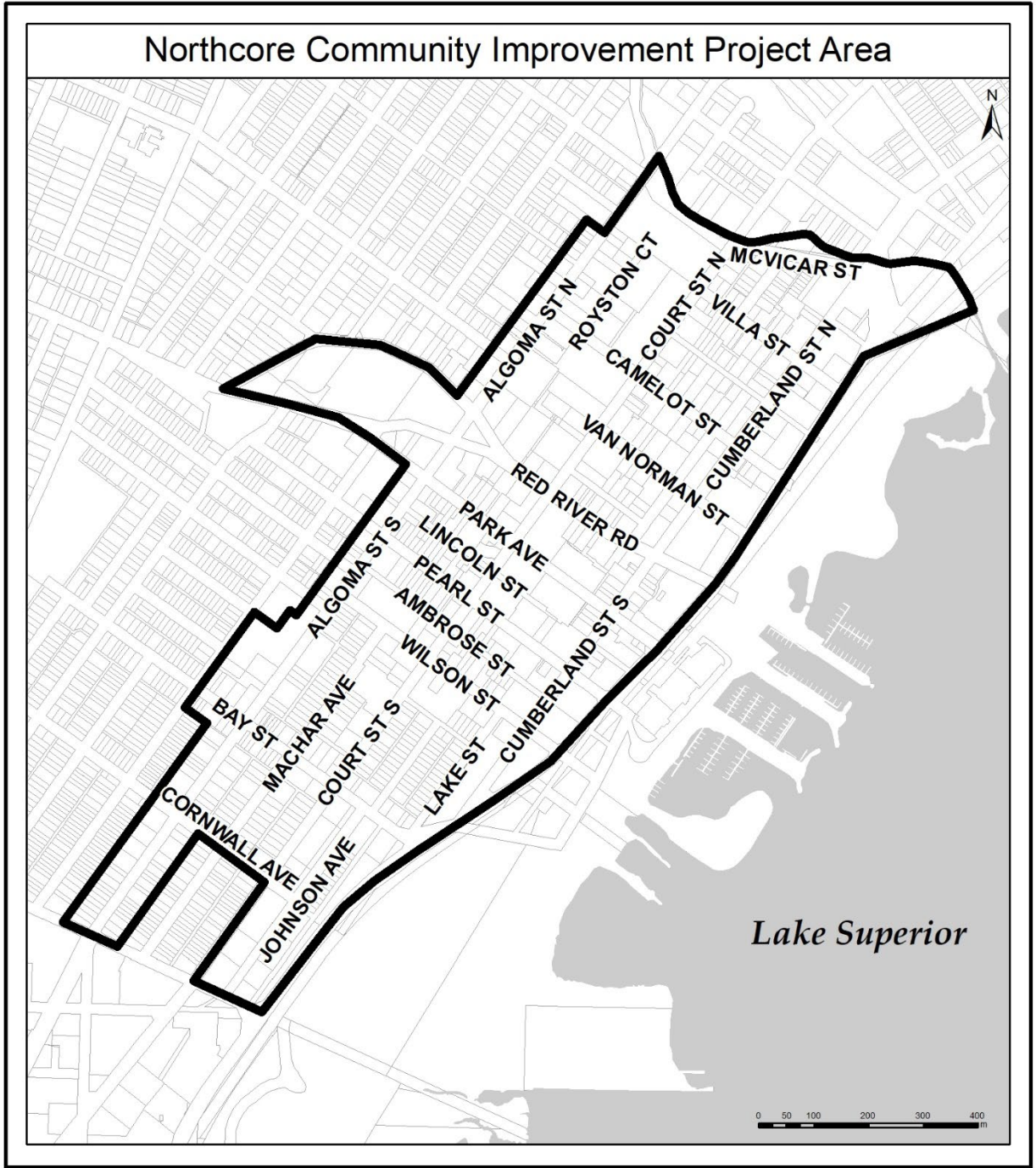


Figure 2. South Project Area

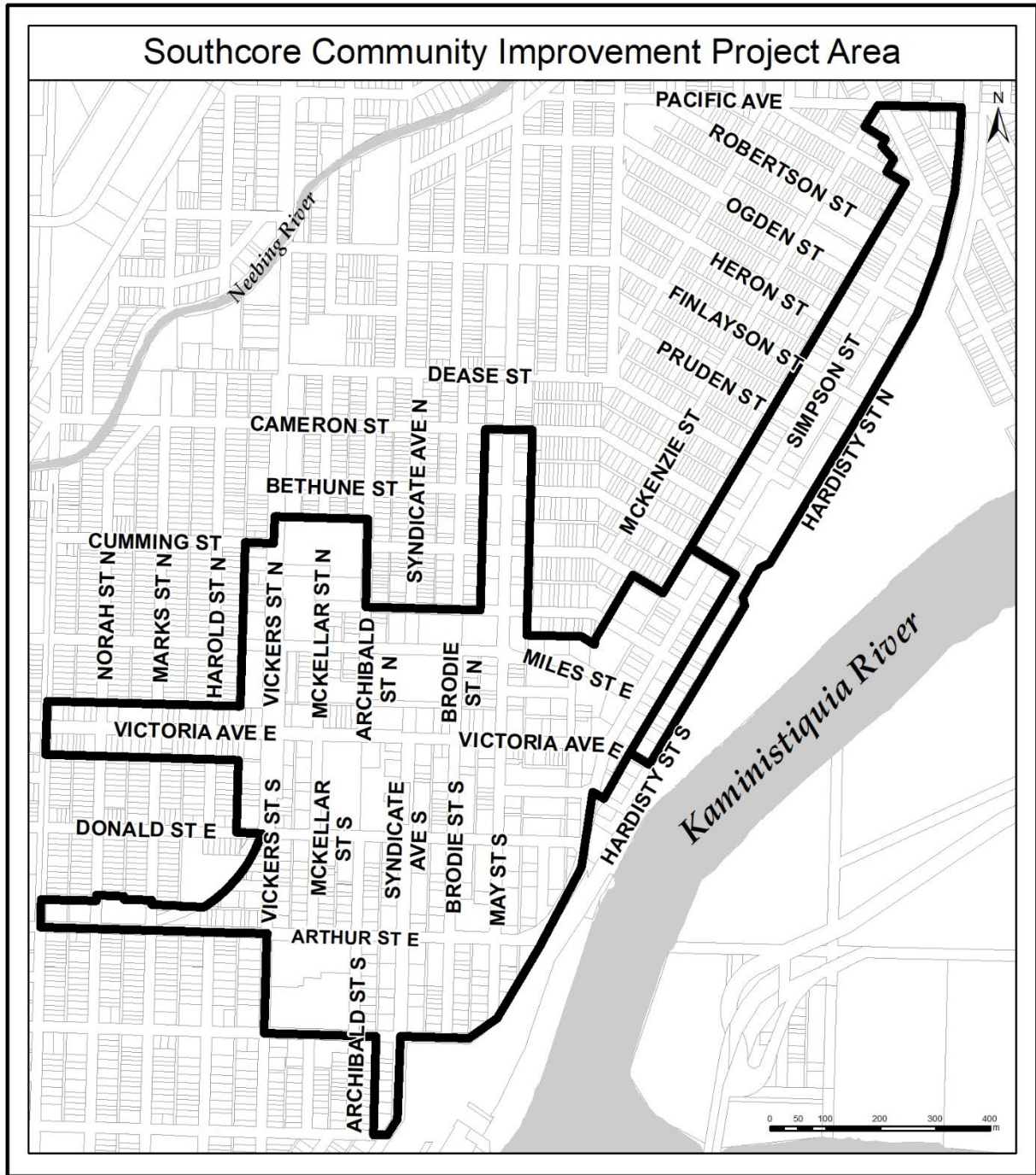


Figure 3. Westfort Project Area

