



Subject: Community Improvement Plan Application – 356 Tillson Avenue

Report Number: EDM 25-007

Department: Economic Development Department

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Monday, February 24, 2025

RECOMMENDATION

- A. THAT Council receives report titled EDM 25-007 Community Improvement Plan Application – 356 Tillson Avenue; and,

- B. THAT the 356 Tillson Avenue property tenant, Paws & Claws, be approved for funding through the Town’s Community Improvement Plan, related to interior renovations and accessibility improvement renovation costs as follows:
 - a. Accessibility Renovation Grant – Matching funds up to a maximum of \$3,000; and,

- C. THAT the 356 Tillson Avenue property be approved for the Tax Increment Grant Back Program of the Community Improvement Plan, related to enhancements of the property, at the General Level, which offers the following growth-related rebates:
 - a. Years 1 - 100% rebate of the Town’s portion of the incremental tax increase;
 - b. Year 2 - 80% rebate;
 - c. Year 3 - 60% rebate;
 - d. Year 4 - 40% rebate;
 - e. Year 5 - 20% rebate; and,with full property taxes being payable in year 6.

BACKGROUND

The tenant of the 356 Tillson Avenue property, Paws & Claws, has submitted an application to the Town for cost reimbursement in accordance with the Town’s Community Improvement Plan. The purpose of this report is to seek Council’s approval for the application, which will rebate accessibility improvement costs and the Town’s portion of any incremental tax increase. If approved, the funding will help support the establishment of a new veterinarian business, along with associated employment, in the Town of Tillsonburg.

DISCUSSION

The application submitted by Paws & Claws is for support under the following Community Improvement Plan programs:

Program	Comment
Accessibility Renovation Grant	Matching 50% rebate up to the maximum program amount of \$3,000 is being recommended
Building Permit Fee Rebate	Ineligible as the property is outside of the Central Area
Commercial Building Interior Renovation Program	Ineligible as the building was not vacant for a minimum of 6 months
Tax Increment Equivalent Grant Back Program	Recommended at the General Level

In reviewing this application, staff believe that it meets the primary intent of the Town’s Community Improvement Plan, which is:

“...to promote and encourage renewal, redevelopment and rehabilitation within the key areas of the Town requiring investment”

“provide a grant to improve accessibility to and of existing commercial buildings”

CONSULTATION

The Community Improvement Plan was updated in 2024 with extensive consultation and input from the Affordable and Attainable Housing Committee, the Economic Development Advisory Committee and the community. The application has been circulated to the Building, Planning and Finance Departments.

FINANCIAL IMPACT/FUNDING SOURCE

The 2025 Economic Development & Marketing budget contains \$40,000 in approved funding for the Community Improvement Plan with no rebates approved year to date. However, if the recommendation contained in report EDM 25-006 regarding the Community Improvement Plan application for 102 Tillson Avenue is approved, available funding will be reduced by \$8,000 leaving \$32,000 in funding for this and future applications. If the above recommendation approved, additional funding up to \$3,000 would be rebated from the remaining budget amount. Any approved property tax grant backs are refunded from the property tax payment (a tax write-off).

The Town’s Revenue Manager has advised that the existing commercial assessment is \$177,000, but that it is difficult to estimate how MPAC would value this type of interior improvement as a major factor in the overall assessment continues to be the age of the building and the total area renovated. Renovation costs today are much higher than the same costs as at the Jan 1, 2016 valuation date.

If MPAC were to value these improvements at \$150,000, the estimated tax rebates for the Town’s portion of the assessment increase would be:

<i>Improvement</i>	<i>2024 CT Tax Rate</i>	<i>2024 Taxes</i>
\$150,000	0.01650179	\$ 2,475.27

100%	80%	60%	40%	20%	
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$2,550	\$2,099	\$1,619	\$1,109	\$569	\$7,946

***3% Annual Tax Increase
Estimated**

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – The Town of Tillsonburg will accommodate and support sustainable growth

Strategic Direction – Continue to offer relevant, leading incentives for revitalization and diversification in the downtown and throughout Tillsonburg

Priority Project – *Not applicable*

ATTACHMENTS

Appendix A – Community Improvement Plan Application