

	Report Title	Community Improvement Plan Application – 83 Rolph St (Existing Building)
	Report No.	DCS 19-08
	Author	Cephas Panschow
	Meeting Type	Council Meeting
	Council Date	MAY 13, 2019
	Attachments	CIP Application

RECOMMENDATION

THAT Council receive Report DCS 19-08 Community Improvement Plan Application – 83 Rolph St (Existing Building);

AND THAT the approval granted in 2018 to the previous owner, including Accessibility, Permit Fee Grant Back and Tax Increment Equivalent Grant Back Program, be transferred to Oxford Lofts Inc.

EXECUTIVE SUMMARY

The purpose of this report is to seek Council approval to transfer the Community Improvement Plan approval previously granted to 2117846 Ontario Inc for the redevelopment of the former Rolph Street Public School property at 83 Rolph St. The previous owner was granted rebates for Accessibility, Building Permit fees and incremental property taxes at the Strategic Level of the Community Improvement Plan to support the conversion of the former elementary school building into a new residential apartment building with 43 units. The new owners propose to convert the school into 47 apartment units while maintaining the commitments made by the previous owner.

BACKGROUND

At their June 25, 2018 meeting, Council approved the following motion:

THAT Council receive Report DCS 18-27 Community Improvement Plan Application – 83 Rolph St;

AND THAT the 83 Rolph St property be approved for the Accessibility Renovation Grant, the Tax Increment Grant Back Program and the Permit Fee Grant Back Program of the Community Improvement Plan, related to enhancements of the property, at the Strategic Level, which offers the following growth related rebates:

- *Years 1 to 6 - 100% rebate of the incremental tax increase*
- *Year 7 - 80% rebate*
- *Year 8 - 60% rebate*
- *Year 9 - 40% rebate*
- *Year 10 - 20% rebate*
- *with full property taxes being payable in 2029;*

and,

- a 50% rebate of the building permit fees.

The current application is to update the existing Community Improvement Plan approval to acknowledge the building will be redeveloped under a new owner with a final design of 47 residential units (one of which will be a guest suite), which will likely be held legally as condominium units. The new plans will be maintaining the patio/BBQ areas, pet area, reading garden, wheel chair ramp, elevator and other accessibility upgrades. They are also planning to add a small fitness room, community gardening area, and a resident guest suite / games room. Further, they are redesigning the previous plans to maintain the heritage entrance, incorporate historical features, and reduce or eliminate street facing air conditioning units.

The new applicants have indicated that the proposed project will have the same strategic benefits as the former applicant but with several enhancements; namely:

- Additional Barrier Free accessible units created with ground level private entrances for a total of 8;
- More units have been created within the envelope for a total of 47 and with more legally conforming bedrooms;
- The building will be designed more energy efficient with the Savings by Design program with Union Gas and Sustainable Buildings Canada through leading edge energy modelling and design input on mechanical systems and building envelope considerations;
- The units will have individual heating and cooling that meets or exceeds the existing proposal but that also provide residents with control over their energy consumption and costs; and,
- The new design attempts to preserve and enhance the heritage facade beyond the previous application.

The project is scheduled to start in 2019 with completion in 2020.

The previous application was approved for Accessibility, Permit and Tax Increment grant backs and, if Council approves the transfer of approvals, these will be transferred to the new owner.

Program	Analysis
Accessibility Renovation Grant	Recommended for approval
Legal and Registration Grant	Not Recommended for approval as this grant is intended for properties that receive a façade grant
Permit Fee Grant Back	Recommended for approval
Tax Increment Equivalent Grant Back Program	Recommended for approval

In reviewing the new application, staff believe that it falls in the “Strategic Level” category of the program for the following reasons:

- 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”
- Will result in an increase in the number of people living in the downtown as well as provide another unique living opportunity within the Town.

Attracting new residents to the Town, and especially, new residents to the Downtown will help strengthen the overall community and contribute to the vitality of the downtown.

If approved, the property owner will be eligible for a 100% rebate of the increased taxes for the first six years with the rebate decreasing by 20% per year until full taxes are payable in year 11.

The base value for the property will be the assessed value determined by the Municipal Property Assessment Corporation based on the property transaction.

CONSULTATION/COMMUNICATION

The new Community Improvement Plan was developed through extensive consultation and input from the Development Committee and the community. There is no public consultation review process for the approved Community Improvement Plan, but the proposed development will be subject to public input through the standard Planning Approvals process.

The application has been circulated to the Finance, Building and Planning Departments with the following feedback received.

Department	Comment	Response
Building	Concerned about changing the development plan from apartments to condominium units due to reduced tax revenue. Suggest this be evaluated and compared to the original application.	Town staff have reviewed the application in conjunction with the proposed change from a multi-residential apartment building to a condominium building and are satisfied that the this can be accommodated as long as the initial tax class remains the same throughout the life of the rebates.
Finance	Concerned about tax implications of change	Town staff have reviewed the application in conjunction with the proposed change from a multi-residential apartment building to a condominium building and are satisfied that the this can be accommodated as long as the initial tax class remains the same throughout the life of the rebates
Planning	No comments	

FINANCIAL IMPACT/FUNDING SOURCE

To date, Council has approved the following Community Improvement Plan applications in 2019:

Address	Permit Fee (Estimated)	Rebate (Estimated)	Anticipated Budget Impact
165 Broadway	N/A	\$3,000	\$3,000

The approved 2019 Economic Development & Marketing Budget included \$20,000 in funding for the Community Improvement Plan. Based on the approved applications, there is approximately \$17,000 remaining in the 2019 budget.

However, this project will not be completed until 2020 so, if approved, it will have to be budgeted for in the 2020 budget.

The building permit fee for this project is estimated to be approximately \$70,000 and a 50% rebate could result in a rebate of \$35,000 plus \$3,000 for accessibility improvements for a total of \$38,000. If Council approves the transfer of the application, additional funding for the program will be required through the 2020 budget process.

It should be noted that, as the property is located with a Development Charge exempt area (the downtown), no Development Charges will be paid by the developer to the Town/County.

COMMUNITY STRATEGIC PLAN

Supporting this investment proposal touches on a number of the themes in the Community Strategic Plan, but it is especially pertinent to Theme 3.1 which identifies the goal of making Tillsonburg an attractive place to live for youth and young professionals (and also retirees). Downtowns are increasingly attractive for these demographics as they provide ease of access to services and amenities and supporting this project will offer enhanced opportunities in this regard. Further, higher density residential supports the Economic Development Strategy item to encourage higher density development in the Downtown core.

1. Excellence in Local Government

- Demonstrate strong leadership in Town initiatives
- Streamline communication and effectively collaborate within local government
- Demonstrate accountability

2. Economic Sustainability

- Support new and existing businesses and provide a variety of employment opportunities
- Provide diverse retail services in the downtown core
- Provide appropriate education and training opportunities in line with Tillsonburg's economy

3. Demographic Balance

- Make Tillsonburg an attractive place to live for youth and young professionals
- Provide opportunities for families to thrive
- Support the aging population and an active senior citizenship

4. Culture and Community

- Promote Tillsonburg as a unique and welcoming community
- Provide a variety of leisure and cultural opportunities to suit all interests
- Improve mobility and promote environmentally sustainable living

Report Approval Details

Document Title:	Report DCS 19-08 Community Improvement Plan Application - 83 Rolph St (Phase 1).docx
Attachments:	- Application-83_Rolph_St(Phase_1)F.pdf
Final Approval Date:	May 7, 2019

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

Dave Rushton - May 3, 2019 - 3:43 PM

**No Signature - Task assigned to David Calder was completed by workflow administrator
Donna Wilson**

David Calder - May 7, 2019 - 2:09 PM

Donna Wilson - May 7, 2019 - 2:18 PM