



Town of Hanover Community Improvement Plan

1 | INTRODUCTION

Hanover is connected and Open for Business.

As one of 2 Primary Settlement Areas in Grey County, Hanover prides itself on being a progressive and vibrant hub for services surrounded by a rural landscape. Hanover attracts creative minds to volunteer, participate and work, open small businesses, and build lives in our community.

Steady growth over the past two decades has led to a growing population and a diverse economic base. Based on its rich history, values are shifting from an old economy to a town with a growing cultural and creative industry and a new generation of engaged residents and leaders of all ages.

With a growing interest in the digital workforce, Hanover is a well-positioned Gig community that allows people the freedom to unplug from large urban areas and gives them an opportunity for an ideal work-life balance.

Exceptional recreational, cultural, entertainment, educational and employment opportunities all contribute to a fantastic quality of life. A celebrated craft brewery, a vibrant downtown showcasing a renowned bakery, and an array of attractions, dining options, shopping and amenities, including a youth training centre, supplement that experience. Hanover's Entertainment District provides distractions that include the newly redeveloped Playtime Casino, live harness racing, and lots of family-friendly events and activities at the P&H Centre.

Discover more Hanover where creative individuals can grow their opportunities, where small businesses can thrive, and where our youth are engaged and supported to build their dreams in the region that they grew up in.

1.2 | LEGISLATIVE BASIS

Under normal circumstances, Section 106(1) of the *Municipal Act*, c.M.45 prohibits municipalities from assisting, either directly or indirectly, any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose. However, an exception is made in Section 106(3) for municipalities exercising powers under Section 28(6) or (7) of the *Planning Act*. Section 28 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 (CIP) for the community improvement project area. It is the Town of Hanover's intention, through adoption and with appropriate approvals of the CIP, to avail itself of said waiver of prohibited housing provisions available under the *Municipal Act* and the *Planning Act*.

According to Section 28(1) of the *Planning Act*, a "community improvement project area" is defined as "*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 reason.*"

For the purposes of carrying out a CIP, a municipality may engage in the following activities within the community improvement project area:

- acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3));

- construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (Section 28(6));
- sell, lease or otherwise dispose of any land acquired or held by it in conformity with the community improvement plan (Section 28(6)); and
- make grants or loans to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the community improvement plan (Section 28(7)).

1.3 | PURPOSE OF THE COMMUNITY IMPROVEMENT PLAN

The lands designated on Schedule 'A', Community Improvement Project Area Boundaries, of By-law # 3133-20 (the 'Designation' By-law) form the target for the Town of Hanover's CIP programs (see Schedule A). Hanover intends to realize its economic development vision of being 'Open for Business', while ensuring our goal of creating a progressive and evolving framework for long-term prosperity. This CIP program is meant to enable and boost development momentum not only for Hanover, but across the region by offering targeted incentives across the Hanover settlement area.

Along with facilitating the revitalization and improvement of the Town of Hanover, the CIP program will provide a menu of incentives to promote and support the following types of priority development and revitalization projects (in line with many of the priorities outlined at the County of Grey level), including:

- Increasing attainable housing stock, including secondary suites, multi-unit housing, purpose built rental housing, rooming house developments and apartment dormitory style developments;
- Promoting the redevelopment and/or conversion of brownfield, vacant, and grey field properties;
- Supporting downtown revitalization of store fronts, publicly used frontages, and streetscapes;
- Supporting the adaptive re-use and improvements of commercial, industrial and institutional buildings;
- Assisting new business startup for interior leasehold or accessibility improvements for commercial space or live/work space;
- Encouraging upgrades and investment in destination infrastructure, and promoting intensification in targeted areas (as per the results of the Town of Hanover's 2019 Local Growth Management Strategy – Scoped Comprehensive Review);
- Enhancing public/private partnerships to clean-up and/or rehabilitate priority and municipally-owned and acquired sites; and
- Assisting the business community in job creation.

Revitalization and improvement refer, in a broad sense, to activities that contribute to the economic development, beautification, quality of life, aesthetic improvements, environmental sustainability, and the creation of a sense of place. Examples of activities that contribute towards long-term revitalization include:

- The improvement and beautification of buildings, façades and properties;
- The adaptive reuse and restoration of notable properties and structures;
- Improvement of community infrastructure, open spaces and pedestrian networks;
- The remediation and redevelopment or reuse of environmentally contaminated properties (brownfields);
- The sensitive and appropriate redevelopment of underutilized properties, or development of existing properties;
- Providing opportunities for affordable/attainable housing;
- Improvements of buildings to enhance accessibility for persons with disabilities; and
- Promotion of economic development and business growth.

The revitalization and improvement of the community will take many different forms and will require the participation of the Municipality, the public, and various stakeholders.

This CIP establishes a set of financial incentive programs aimed at encouraging private investment to undertake many of the above-noted activities. Eligible projects are listed for each incentive program, along with details regarding the value of the financial incentive and how it is being calculated. The ultimate goal is to redevelop lands that do not currently contribute to the Town's tax base and have the criteria to become a tax paying project and contribute to the Town's future growth. The CIP recognizes that improvements achieved through the various Municipal initiatives can serve as catalysts for further private investment and are therefore critical to an overall revitalization strategy.

1.4 | APPLICATION OF THE COMMUNITY IMPROVEMENT PLAN

This CIP applies to the geographic area designated by a by-law of the Municipality as the Community Improvement Project Area (the "Project Area"). Activities under this CIP can only take place within the designated Project Area. Council may choose to modify the Project Area By-law by passing an amending by-law.

Generally, the purpose of this CIP is to promote the revitalization of the Municipality as a whole. Revitalization means different things to different neighbourhoods and areas of the community. In the downtown, for example, revitalization will take place in the form of façade improvements, adaptive reuse of notable buildings, improvements to main levels and upper storeys, brownfield remediation, streetscaping, parking, accessibility and other improvements. In other commercial areas, revitalization may be better focused on improved landscaping, parking and redevelopment opportunities, as well as improvements to encourage walkability, for instance.

1.5 | ESTABLISHING PRIORITY

The provision of assistance under any program shall generally be administered on a first come, first served basis, to the limit of available funding in any given year. Due to market uncertainties and the impact they have on the Municipality's revenues in any given year, the Municipality reserves the right to suspend, at any time and without formal notice or amendment to the CIP, participation in any active program on an interim basis pending approval of the next annual budget. Given the Municipality's desire to accommodate all eligible participants wishing to partake of the incentives offered under the CIP in any given year, an annual cap on the disbursements that the Municipality can issue under the CIP has not been instituted. However, due to the limited funds available in any given year (the amount of which varies from year-to-year according to market vagaries) and the inability to predict the level of participation, the Municipality may suspend further participation in any program(s) if, over the course of a given year, the number of applications and/or the magnitude of the projects proposed for the CIP exceed available funds for that year.

In such instances, applications approved up to the point of program suspension will continue to proceed unhindered, and receive disbursements (where applicable) in the normal fashion. Applications which have been received but not yet approved at the point of program suspension will continue to be processed toward approval/refusal of the application in the standard manner, and if approved, will be put in a queuing sequence with priority being established in the order that the applications were received. Any applications submitted after the point of program suspension will not be accepted until the next annual budget is approved by the Municipality. Applications which have been approved but suspended in the queue will be reactivated upon approval of the next annual budget, with the newly available CIP funding being allocated in order of the queuing sequence.

1.6 | PRIORITY SITES

Within the Project Area, a number of specific sites have been targeted to receive priority treatment in the event that multiple competing applications seek to take advantage of the limited financial resources available. Consequently, while applications are generally administered on a first come, first served basis (with priority being established in the order that applications are received), any application received involving one of the targeted sites shall receive first priority in the queue.

The preliminary priority target sites consist of the following (as seen on Schedule 'B'):

- (A) The brownfield lands east of Walmart known as 1200/1300 10th Street;
- (B) The lands formally known as the old JDSS high school on 7th Street;
- (C) The lands known as 233 10th Street;
- (D) The former Casino building on 7th Avenue;
- (E) The brownfield lands known as 979 7th Avenue;
- (F) The vacant lands known as 741 24th Avenue;
- (G) The vacant lands known as 645/649 10th Street;
- (H) The downtown property known as 315 10th Street;
- (I) The old Dickie's building known as 611 10th Avenue;
- (J) The vacant lands located at the corner of 14th Street and 24th Avenue.

1.7 | NULLIFICATION OF PROGRAM APPLICATIONS

The Municipality reserves the right to nullify any program application(s) which has been approved but which does not result in any building activity within 6 months of the issuance of an associated building permit.

1.8 | PARTICIPATION IN MULTIPLE PROGRAMS

Provided all eligibility criteria and conditions are met for any particular program, participation in any given program does not preclude the proponent from being eligible to participate in other programs offered under the CIP.

1.9 | PROGRAM DETAILS

Specific details, including; description, funding, eligibility requirements, and administrative procedures, are outlined for each of the CIP programs outlined in Sections 3 - 6. The parameters, terms and conditions of any CIP program may be changed, altered, amended or modified by the Town of Hanover without the necessity of an amendment to this CIP if they are minor in nature. Minor amendments consist of the following:

- changes to parameters identifying who is eligible to receive grants or loans, subject to the provisions of Section 28(7) of the Planning Act;
- decreases to percentages/ratios regulating the size of grants as a proportion of taxes, fees, or development charges otherwise owing;
- changes to the type of works considered by the Municipality as elements contributing to the cost of rehabilitating lands and buildings, above and beyond the work indicated on the building permit application;
- removal of "tax arrears" or "outstanding liens" as conditions precluding program eligibility;
- changes to the duration of programs;
- changes to values/amounts specified in eligibility criteria dealing with site development area and/or gross floor area requirements;
- the addition or removal of "priority sites" within the Project Area, as shown on Schedule 'B' of the CIP.

All other amendments to the rules, parameters and programs contained in the CIP shall require the approval of Council. The addition or increase in value of a grant or loan program shall likewise require an amendment to this CIP; however, the Municipality may discontinue any program without requiring an amendment to this CIP.

2 | IMPLEMENTATION

Council or its designated approval authority will oversee the implementation of this CIP while day-to-day tasks associated with implementation will be coordinated by the CIP Administrator. This section outlines how the CIP is to be implemented and administered.

2.1 | DEFINITIONS

To assist in the interpretation of this CIP, the following defines some of the terms used in this CIP:

Administrator or Plan Administrator means Municipal staff member(s) assigned by Council, who are primarily responsible for ensuring that the responsibilities of the Plan Administrator, as set out herein, are fulfilled.

Affordable/Attainable Housing can be defined as housing which accounts for no more than 30% of a household's gross income. Affordable/attainable housing is housing that gives a household the ability to enter the local housing market before graduating to successively higher levels of housing within the market. Implicit in this definition of attainability is the idea that a range of housing options (type, size, tenure, cost) exist in the local market, allowing households at various income levels to find and secure suitable housing as their needs or means change.

Applicant, unless otherwise indicated, means a registered owner, assessed owner or tenant of lands and buildings within the Project Area who has a right to apply for one or more financial incentive(s) in accordance with the policies of this CIP.

Approval Authority means the body responsible for approving or denying financial incentive applications. By default, the approval authority is Council. However, Council may designate an approval authority in accordance with the policies of this CIP.

Brownfield means a site that is under-developed or was previously developed and may be contaminated. They are usually, but not exclusively, former industrial or commercial properties that may be underutilized, derelict or vacant.

Certificate of Property Use means a certificate issued in accordance with Section 168.6 of the *Environmental Protection Act*. The Certificate of Property Use may outline actions or restrictions on use or construction in relation to managing adverse effects of contaminants, as outlined in a risk assessment.

Community Improvement unless otherwise specified, is as defined in accordance with its definition under Section 28 of the *Planning Act*.

Community Improvement Plan or CIP unless otherwise specified, is defined in accordance with its meaning under Section 28 of the *Planning Act*.

Community Improvement Project Area unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.

Community Improvement Works refer to the activities undertaken in accordance with the policies of this Plan, including activities that may be funded by the financial incentives.

Council means the Council of the Town of Hanover.

Development Period means a period that begins when the Rehabilitation Period ends and concludes on the earlier of a) the end date specified in the municipal property tax assistance bylaw or b) when the property tax assistance is equal to the eligible remediation costs, as per section 365.1 of the *Municipal Act*, 2001.

Eligible Applicant means an applicant (as defined above) who meets all the general and program specific requirements of the financial incentive programs and prepares and submits an application for a grant or loan that is in accordance with the specific requirements of the program, as outlined in this CIP. The Plan Administrator reserves the right to determine whether an applicant is eligible for the financial incentive programs.

Greenfield Property means a vacant property that has no prior history of development, or an agricultural use that has not been developed or redeveloped for urban uses. In determining whether a property is considered a greenfield, the Approval Authority, in consultation with the Plan Administrator, shall have sole discretion.

Greyfields are underutilized properties that have been affected by development, but not to the extent required to be considered a brownfield site. Unlike brownfield sites, greyfield sites have not endured significant environmental damage. An example of a greyfield would be a property containing an abandoned restaurant.

Gross Floor Area means, for a dwelling, the total area of the storeys exclusive of basements, cellars, attic, garages, sunrooms, unenclosed verandas or porches; and for a building other than a dwelling, the total area of all the floors contained within the outside walls of the building. Only that floor area having a clear height to the ceiling of at least 2.25 metres may be used to calculate floor area.

Heritage and/or Notable, when used as an adjective, means historic and significant with respect to cultural heritage value or interest.

Mixed Use means a combination of a mix of commercial uses (retail, restaurant, office) along with apartment dwellings located either in the upper storey(s) or the rear of the same building.

Municipality means the Town of Hanover.

Qualified Person is a person as defined by Section 168.1 of the *Environmental Protection Act*, Ontario Regulation 153/04 (as amended by Ontario Regulation 66/08) who meets the qualifications to be a qualified person for the purpose of:

- a) Conducting or supervising a Phase I environmental site assessment;
- b) Conducting or supervising a Phase II environmental site assessment; and
- c) Completing the certifications that must be completed by a qualified person in a record of site condition in respect of a property.

A qualified person is considered to meet the qualifications to be a qualified person if:

- a) The person holds a licence, limited licence or temporary licence under the *Professional Engineers Act*; or
- b) The person holds a certificate of registration under the *Professional Geoscientists Act* and is a practicing member, temporary member or limited member of the Association of Professional Geoscientists of Ontario.

Record of Site Condition means the record of site condition prepared and filed in accordance with Section 168.4 of the *Environmental Protection Act*.

Risk Assessment means an assessment of risks prepared and filed in accordance with Section 168.4 of the *Environmental Protection Act*.

Rehabilitation Period means the period starting from the date a municipal property tax assistance bylaw is passed to the earlier of a) eighteen months, b) the date a Record of Site Condition is filed, or c) when the property tax assistance is equal to the eligible remediation costs (as defined) under Section 168.4 of the *Environmental Protection Act*.

Vacant land is land that does not contain any permanent structures and is not environmentally damaged.

2.2 | INTERPRETATION

Ultimately, the CIP will be interpreted at the sole discretion of Council or the designated approval authority in consultation with Plan Administrator. In some cases, as provided herein, interpretation and discretion may rest with the Plan Administrator.

2.3 | IMPLEMENTATION PERIOD

It is anticipated that this CIP will be implemented over a 10-year period. Council may adjust this implementation period as it deems appropriate or necessary, subject to funding, as approved by Council.

Once Council is satisfied that the CIP has been carried out, Council may choose to dissolve the community improvement project by by-law which renders the CIP inoperative.

2.4 | ADMINISTRATION OF PROGRAM

2.4.1 | Designation of Plan Administrator

Upon implementation of this CIP, Council will designate a member of Municipal staff to be the Plan Administrator. An alternate Plan Administrator should also be designated in the event that the primary Plan Administrator becomes unavailable.

2.4.2 | Designation of Approval Authority

By default, Council will be the approval authority, making decisions on financial applications. Council may choose to delegate this authority to a committee of its choosing by by-law in consideration of recommendation by staff. The Plan Administrator may be included as a member of this committee or function as a coordinator for the committee.

2.4.3 | Submission of Applications for Financial Incentives

Applications for financial incentives will be submitted and processed by the Plan Administrator. It will be their responsibility to ensure that this process is carried out in a timely manner.

2.4.4 | Approval of Applications for Financial Incentives

Decisions on financial incentive Applications and Agreements will be made by Council. Should an application be refused, all applicants will be given an opportunity to request that Council reconsider its decision, as applicable. Where Council has designated approval authority to a committee, an applicant will be given an opportunity to appeal a refusal for Council consideration.

2.5 | BUDGETING FOR THE INCENTIVE PROGRAMS

2.5.1 | Annual Budget for Financial Incentive Programs

Council will establish an annual overall budget for financial incentive programs and may allocate all or a portion of the funds to individual programs based on the monitoring process outlined in this document and based on annual priorities.

2.5.2 | Changes to Funding Levels

In accordance with the monitoring process outlined in this document, Council will determine changes if the funding and incentive levels are necessary or warranted to

ensure that the CIP functions properly considering the Municipality's financial circumstances. Any change to the funding for the financial incentive programs of this CIP will be made at the sole discretion of Council, without an amendment to this CIP.

2.5.3 | Funding Sources

The Municipality shall identify, explore and pursue external funding sources where possible to support the incentive programs, including Provincial funding sources as may be made available from time to time, and Provincial or County participation in the financial incentives, where possible.

2.6 | GENERAL ELIGIBILITY REQUIREMENTS FOR INCENTIVE PROGRAMS

The following General Eligibility Requirements are applicable to all incentive programs and must be met in order for an applicant to be considered eligible for any of the financial incentive programs. The General Eligibility Requirements must be read by the applicant in association with program specific eligibility requirements and program details. General Eligibility Requirements include:

2.6.1 | Timing of Community Improvement Works

In order to be eligible for any incentive program contained within the CIP, an application form must be submitted to the Municipality (accepted and processed by the Plan Administrator) prior to commencing any community improvement works. Complete applications must be submitted and approved prior to application for planning approval and/or building permit, as may be required, and prior to commencing community improvement works.

2.6.2 | Only Property Owners or Tenants with Consent

Eligible applicants must be either the owner of the property, an agent for the owner of the property, or the tenant of a property to whom the owner has provided written consent for the application. Should ownership change hands prior to the approval of an application or while works are being undertaken, the tenant shall advise the Municipality and obtain the new owner's authorization.

2.6.3 | Financial Incentives Not Available to Greenfield Properties

In no case shall a greenfield property, as defined in this CIP, be eligible for financial incentive programs unless it is for residential home construction or job creation.

2.6.4 | No Outstanding Property Tax Arrears

The property owner must not have outstanding tax property arrears and must be in good standing regarding taxation at the time of application and through the duration of the incentive benefit period, as identified within the CIP.

2.6.5 | Number of Applicants Per Property

There are no specific restrictions on the number of applications that may be submitted by a property owner or tenant in relation to a specific property. The intent of providing this flexibility is to allow applicants to phase in components of their projects over time, should it be necessary. However, the Administrator may reject an application where it is

of the opinion that the proposed works have already been undertaken as part of a previously approved application.

2.6.6 | Complete Financial Incentive Application and Supporting Materials

In order to be eligible, all incentive program applications must include completed application forms and supporting materials such as detailed work plans, cost estimate(s) and contracts, applicable reports, and any additional information as required by the Municipality.

2.6.7 | Project in Accordance with Municipal By-laws, Etc.

Community improvement works associated with an incentive program application must be in accordance with all Municipal by-laws, policies, procedures, standards and guidelines in order to be approved.

2.6.8 | Project in Conformity with the Official Plan and Zoning Bylaw

Existing and proposed land uses must be in conformity with the policies and standards provided by the Municipality's Official Plan, and in accordance with applicable regulations, such as the Zoning By-law, and all other planning documents.

2.6.9 | Project in Accordance with Planning Approvals and Building Permits

Community improvement works associated with an incentive program application must be undertaken pursuant to application for planning approval and/or building permit, and any additional required permits, and in accordance with the Ontario Building Code and all applicable planning policies and standards.

2.6.10 | Conformity with Design Criteria

The proposed exterior design of buildings, including signage associated with an incentive program application, must be considered by the Municipality as consistent with the Municipality's desired goals for appearance/character of the Municipality, and any design guidelines adopted by the Municipality in the future, as applicable. The Plan Administrator will consider details of exterior design proposed by each application when determining eligibility for incentive programs of the CIP.

2.6.11 | Completed Works to be Consistent with Approved Application

Community improvement works undertaken and completed that are associated with an approved incentive program application must be consistent with the project description contained in the application form and supporting materials, and with the program agreement. Should the works not be consistent with the original project description to the satisfaction of the Plan Administrator, the Municipality may delay, reduce or cancel the approved incentive program benefits, and may require repayment of any of the incentive program benefits, at the discretion of the Municipality.

2.6.12 | Combination and Value of Incentives

The incentive programs made available under the CIP may be used individually or may be combined, subject to the exceptions outlined within the specific program details and eligibility criteria in the CIP.

The total of all incentive benefits (including grants and reimbursements) provided to each applicant for each community improvement proposal for a building or lands must not exceed the project's costs related to the planning, or re-planning, design or redesign, re-subdivision, clearance, development or redevelopment, and/or reconstruction and rehabilitation associated with the application.

2.6.13 | Not Maintenance or Life Cycle Replacements

Eligible projects are generally only considered to include improvements over existing features. The incentive programs are not intended to cover life cycle replacements or maintenance activities. Exceptions may be considered for original features of notable historic/heritage buildings.

2.6.14 | Grants to be a Maximum 50% of the Eligible Costs

In no case shall the total amounts of all grants be greater than 50% of the calculated eligible costs of the project(s).

2.6.15 | Minimum Grant of \$500

Should a grant have a value of less than \$500, the approval authority has the sole discretion to reject the application on the basis that the project is too minor and the administrative costs too high to be worth processing the grant.

2.7 | GENERAL PROCESS AND SUBMISSION REQUIREMENTS FOR INCENTIVE PROGRAMS

In order to be eligible for any of the incentive programs, applicants must submit a complete application in accordance with the General Process and Submission Requirements outlined below. A complete application will include:

- Completed application form(s); and
- Supporting materials such as plans, cost estimate(s) and contracts, applicable reports, and any additional information required by the Plan Administrator and/or Council or its designated approval authority.

General process and submission requirements include the following:

2.7.1 | Municipality Not Responsible for Applicant's Costs

The Municipality is not responsible for any costs incurred by the Applicant during the application process, including costs associated with preparing the materials which are required by the Municipality as part of a complete application.

2.7.2 | Application Prior to Commencement of Works

An application must be submitted to the Municipality prior to commencing any community improvement works directly associated with this program. Should an application be submitted following the commencement of community improvement works, the application will be rejected upon receipt.

2.7.3 | Applicant to Declare Other Funding

All sources of additional funding or incentives must be declared at the time of submission. The Plan Administrator is entitled to make recommendations for incentive reductions based upon any declared funding or incentive.

2.7.4 | Administrator's Application Review

The Plan Administrator will initially evaluate all applications and supporting materials and offer a recommendation to Council or its designated approval authority who will then make a decision on the applicant.

2.7.5 | Financial Incentive Agreement

Should the application be approved by Council or its designated approval authority, a Financial Incentive Agreement will be required, which will outline the terms, duration, default, and any other provisions of the incentive program.

2.7.6 | Additional Information May be Required

Should the Plan Administrator, or Council or its designated approval authority require additional information, plans, studies, or any additional works related to the proposed project and incentive program application, the requested information and/or works must be adequately provided and/or undertaken prior to approval of the application.

2.7.7 | Project Audit at the Cost of the Applicant

Upon approval and/or completion of community improvement works, the Municipality, under direction of the Plan Administrator, reserves the right to audit the costs associated with any of the works described by the approved application for financial incentive(s). Audits will be undertaken at the expense of the applicant.

2.7.8 | Inspection of Completed Project

Upon approval and/or completion of community improvement works, the Municipality reserves the right to inspect any properties/buildings that are associated with an incentive program application offered within this Plan. Inspections would be carried out by the Plan Administrator.

2.7.9 | Failure to Meet Requirements

Should the applicant fall into default of the General Eligibility Requirements, or fail to meet the detailed requirements of each of the incentive programs, the financial incentive program agreement, or any other requirements of the Municipality, the Municipality, under the direction of the Plan Administrator, may delay, reduce or cancel the approved incentive program benefits and may require repayment of any of the incentive program benefits, at the discretion of the Plan Administrator in consultation with Council or its designated approval authority.

2.7.10 | Discontinuation of Funding

The Municipality may discontinue funding any of the incentive programs at any time; however, all applicants with approved incentive program benefits will continue to receive the benefits in accordance with the terms outlined in this Plan, subject to fulfilling any

requirements and agreements and subject to available funding as approved by Council or its designated approval authority.

2.7.11 | Cancellation of Grant due to Failure to Initiate the Project

Any program commitments may be cancelled if work does not commence within six months of the approval of an application, or in accordance with an agreement with the Municipality.

2.8 | APPLICATION PROCESS FOR INCENTIVE PROGRAMS

2.8.1 | Application Process

This CIP is to be administered by a “first come, first served” process. However, Council may choose to change the process in consideration of a recommendation of staff and/or a Committee of Council. Council has the discretion to modify the approval process for applications at any time. The general process types are outlined as follows:

First Come, First Served: In a first come, first served application process, the Municipality accepts grant applications throughout the year, provided funding is still available. Applications are processed and decided upon in the order in which they are received. When funding is exhausted, the Municipality will close the application process until funding becomes available.

Intake Window: In an intake window application process, the Municipality may establish a set timeframe in which it will accept applications. All applications will be reviewed and decided upon at a meeting of Council or the delegated approval authority. During this process, funding may become exhausted. Accordingly, there may be a need to prioritize which approved applications will receive funding. Council or the designated authority will have the sole discretion to determine how the applications may be prioritized for funding (in consideration of the Plan Administrator’s recommendations). In no order, applications may be prioritized on a basis of:

- Consultation with the applicants to determine if any applicants are accepting of application deferral until funding becomes available;
- Whether properties are designated or listed as being of historical interest;
- The value of the grant being sought (i.e., a large application may be deferred to permit many smaller improvements to benefit a larger number of property owners);
- Whether the project or property is considered to carry great importance and significance (e.g., highly visible corner lots); and/or
- Other criteria as may be determined by Council or its designated approval authority.

2.8.2 | Application Process Changes

Council may direct changes to the application process without amending this CIP. Changes should be considered as part of the annual monitoring and evaluation of the CIP and in consideration of the recommendations provided by staff, the Review Panel and/or a Committee of Council.

2.8.3 | Pre-Application Consultation and Application Submission

- Applicants are required to arrange and participate in a pre-application consultation meeting with the Plan Administrator, in order to discuss and confirm application requirements, program eligibility, proposed scope of work, project timing, supporting documentation requirements, etc.

- The applicant will be required to submit a completed application, which will include all the required application forms, in addition to any supporting documentation, as required by the Plan Administrator or by Council or its designated approval authority.
- Supporting documentation may include, but is not limited to, the following materials:
 - Photographs of the existing building condition or property;
 - Historical photographs and/or drawings;
 - A site plan and/or professional design study/architectural drawings;
 - Specification of the proposed works, including a work plan for the improvements and construction drawings; and/or
 - At least one cost estimate for eligible work, preferably provided by local licensed contractors or consultants. Multiple quotes are preferred; however, if only one quote is provided, it will be evaluated using construction industry reference tools to help validate the proposed costs are within reason for the project.
- Once all the required forms and supporting materials are received, the Plan Administrator will undertake a preliminary screening of the proposal and application.
- Based on the application and proposal, the results of the preliminary screening, the Plan Administrator may perform an initial site visit and inspection of the building/property, as necessary. The Plan Administrator will inform the applicant of the approximate time for the site visit and inspection. The applicant will accompany the inspector during the inspection, if possible, and will inform the inspector of any potential safety hazards on the site.
- If the application clearly does not meet the program requirements, the application will not be accepted.
- If the application meets the program requirements, the application will be accepted. By accepting an application for any of the financial incentive programs, the Plan Administrator does not guarantee program approval.

2.8.4 | Application Review and Evaluation

- I. Once an application has been accepted by the Plan Administrator, information related to the applicant, application, and proposal information will be entered into the Municipality's database in order to track the application details, progress and results. This will be an on-going task throughout the remainder of the application process as this information will need to be updated as the application is processed.
- II. Applications and supporting documentation will be considered by the Plan Administrator against the incentive program eligibility requirements (including both general and specific requirements). Based on the proposal, application, and fulfillment of eligibility requirements, the Plan Administrator will determine if the proposal and application will be considered eligible. Based on eligibility, a recommendation report will be prepared by the Plan Administrator. The report may recommend approval of the application or refusal of the application.
- III. Should the Plan Administrator recommend approval of the application, a financial incentive agreement will be prepared by the Plan Administrator. If applicable, the financial incentive agreement will be forwarded to the applicant to be dated and signed.
- IV. Once the financial incentive agreement has been reviewed by all parties and returned to the Municipality, the application, recommendation report, and agreement will be forwarded to Council or its designated approval authority to initiate the approval process. Should the application be approved, the Plan Administrator will ensure that all parties sign the agreement prior to the commencement of any approved works. If the agreement is not signed by all

parties, the Municipality does not guarantee program approval.

2.8.5 | Application Approval

- If the Plan Administrator has recommended that the application be refused, the Recommendation Report will be provided to Council or its designated approval authority for a decision. Where a designated approval authority has refused the application, the applicant may re-submit the application for reconsideration, provided the applicant has made consideration of the designated approval authority's reasons for refusal. If Council or its designated approval authority determines that the application should be approved, the process continues.
- Alternatively, if the Plan Administrator has recommended that the application be approved, the Recommendation Report and signed agreement will be forwarded to Council or the designated approval authority for consideration. If the application is approved, the process continues with the next step. If the application is refused, the applicant may re-submit the application for reconsideration provided the applicant has made consideration of the reasons for refusal.
- If Council or its designated approval authority approves the application, the Agreement will be executed by the signing and dating of the agreements by Municipal officials. A copy of the signed and dated Financial Incentive Agreement will be provided to the applicant.

2.8.6 | Completion of Works and Payment

- The applicant may commence improvement works once the CIP application has been submitted to the Municipality, however in doing so, explicitly understands and acknowledges (in writing) that the Municipality will not be held liable or responsible for any costs incurred if the project is not approved;
- Payment of the financial incentive, as per the Agreement, will be provided upon successful completion of the approved works.
- Prior to the issuance of the financial incentive, the applicant may be required to provide the Plan Administrator with final supporting documentation, which may include but is not limited to:
 - Photographic evidence of the completed works satisfactory to the Municipality;
 - Other documentation proving completion of the project;
 - Invoices for all eligible work done, indicating the total amount paid for eligible works;
 - Proof of payment to contractors, in full; and
 - Presentation of the terms of a loan and/or proof of approval of a loan provided by a financial institution, as it may be applicable in relation to the interest rebate programs contained in this CIP.
- Final Site Inspection (if required): the Plan Administrator may perform a final site visit and inspection of the building/property (as necessary) in order to ensure that the project has been completed in accordance with the Financial Incentive Program Agreement.
- Assurance of Conformity to the Program Requirements and Financial Incentive Agreement: prior to issuance of the financial incentive payment, the Plan Administrator will ensure that all program requirements and details of the Financial Incentive Agreement have been met.
- If Applicant has Defaulted on the Agreement: the Plan Administrator will take appropriate remedies as specified in the agreement if the applicant defaults on the Agreement.
- Payment of Grant: if all the program requirements and agreement requirements have been met to the Plan Administrator's satisfaction in accordance with the

decision of Council or its designated approval authority, the Plan Administrator will issue payment of the approved grant in accordance with the general and specific program eligibility requirements, and the Agreement.

2.9 | TIMELINE FOR APPLICATION REVIEW AND DECISION

This Plan recognizes that the success and uptake of the financial incentive programs will depend in part on the expedience of the application and review process. As a guide, and subject to the availability of staff resources, the Plan Administrator will accept and review applications for funding in consideration of the following timeline:

- The Plan Administrator should be available to meet with a potential applicant for a pre-consultation meeting within then (10) business days of being requested to meet by a potential applicant, or as soon as is reasonably possible.
- The Plan Administrator should review an application for financial incentives and notify the applicant of its completeness within ten (10) business days of receiving the application, or sooner, if possible.
- Upon receipt of the application, the Plan Administrator should prepare a recommendation. If applicable based on the recommendation, the Plan Administrator will prepare an agreement and forward it to the applicant within twenty-five (25) business days of receiving the application.
- The total time between receipt of a complete application for funding and the meeting to consider the application should not exceed thirty-five (35) business days.
- The execution of the agreement should occur within ten (10) business days of the application approval. Should the application be approved, payment of the grant should occur within thirty (30) business days of completion of the project. The applicant is responsible for notifying the Municipality of the completion of the project and may be required to provide proof of its completion.
- The timelines identified above are for guideline purposes only and are not intended to be construed as deadlines. Timelines will vary depending on the availability of staff and resources and the nature of the application received.

3.0 | COMMUNITY IMPROVEMENT PLAN – PROGRAM PARAMETERS

The private sector needs to be engaged in community improvement to revitalize the Municipality. While Municipal leadership programs may help address public lands, improvements to private property would need to be initiated by property owners and tenants. Financial incentives are established to help stimulate private investment in buildings and properties.

The following set of financial incentive programs are established by this Plan.

[3.1 | FAÇADE, BUILDING AND SIGNAGE IMPROVEMENT GRANT](#)

[3.2 | PROPERTY, LANDSCAPING AND PARKING AREA IMPROVEMENT GRANT](#)

[3.3 | ACCESSIBILITY IMPROVEMENT GRANT](#)

[3.4 | PLANNING AND BUILDING PERMIT FEE GRANTS](#)

[3.5 | STARTUP SPACE LEASEHOLD IMPROVEMENT GRANT](#)

[3.6 | VACANT BUILDING CONVERSION/EXPANSION GRANT](#)

[3.7 | SECONDARY SUITE DEVELOPMENT CHARGE GRANT](#)

[3.8 | TAX INCREMENT FINANCING](#)

[3.9 | MUNICIPAL PROPERTY ACQUISITION, INVESTMENT AND PARTNERSHIP PROGRAM](#)

3.1 | FAÇADE, BUILDING AND SIGNAGE IMPROVEMENT GRANT

3.1.1 | PURPOSE

The façade, building and signage improvement grant is intended to encourage the rehabilitation, repair and/or improvement of buildings and facades on the part of property owners and tenants, along with the improvement and installation of pedestrian-scaled, attractive signage. The eligibility criteria ensures that these improvements are consistent with the goals and objectives of the CIP. Improvements must be attractive, make use of notable or high-quality materials, and must be consistent with the Town of Hanover's character. These improvements will benefit the aesthetics of streetscapes, encourage better maintenance of private properties, enhance the activity of the street, promote walkability and encourage conservation of notable properties.

3.1.2 | Eligible Costs

- Repair, replacement or restoration of façade masonry, brickwork, and/or architectural detailing, including vintage woodwork and trim;
- Repair, replacement or installation of awnings and canopies;
- Repair, replacement, improvement or installation of signage on building facades including signage lighting;
- Painting, cleaning or other similar treatments to improve facades or enhance their durability over the long term, provided these activities are:
 - Part of a larger improvement project (i.e., associated with other eligible costs listed in the program); and/or
 - Considered to be essential to the restoration of a building listed by the Municipality as being of notable or historical interest.
- Painting or installation of murals or similar wall art (side and rear facades only);
- Costs associated with professional architectural services in association with the design of the above eligible projects; or
- Any combination of the above.

3.1.3 | Program Details

- The maximum amount for a façade or building improvement is \$15,000 or 37.5% of the eligible costs, whichever is less.
- 100% of the eligible costs, up to a maximum of \$1,500, may be applied for the inclusion of public art works, such as murals and sculptures.
- The maximum grant for signage improvement is \$2,500 or 50% of the eligible costs, whichever is less.
- The maximum grant for professional architectural services shall not exceed 15% of the grant that is calculated for eligible construction costs.
- The grant may be combined with other grant programs, with the exception of the Tax Increment Financing program.

3.1.4 | Payment of Grant

- The grant will be paid as a single payment upon completion of the improvements, to the satisfaction of the Plan's Administrator.

3.1.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and

modifications being proposed. Where required, this shall be accompanied by a building permit.

- Improvements shall comply with any and all design guidelines as may be implemented by the Municipality.
- Where a property is listed by the Municipality as being of notable historical interest, applicants may be required to submit historical research and documentation on the subject property in support of the grant application. The Municipality may be able to supplement this information based on its own information and records.
- Only commercial, mixed-use, industrial or agricultural properties (as defined in Section 2) are eligible for this grant. For clarity, single detached dwellings and other residences are not eligible for this grant.

3.2 | PROPERTY, LANDSCAPING AND PARKING AREA IMPROVEMENT GRANT

3.2.1 | Purpose

This grant is intended to encourage property owners and tenants to improve their property, including landscaping, parking areas, pedestrian connections, sidewalk cafes/patios and other improvements. The eligibility criteria ensure that these improvements are consistent with the goals and objectives of this CIP.

3.2.2 | Eligible Costs

- Professional landscaping and/or installation of alternative ground cover treatments, such as xeriscaping (native plants);
- Re-sodding, provided it is a component of a larger landscaping improvement project (i.e., associated with other eligible projects in this program);
- Repair, replacement and improvements to driveways and parking areas in rear or side yards, such as permeable surfaces, decorative surfaces, or installation of landscaping in front yard or side yard parking areas;
- Installation or improvement of a permanent sidewalk café or patio that is located at the edge of a sidewalk (for clarity, an outdoor sitting area that is not directly adjacent to the sidewalk or which is located on municipal property is not eligible, and a temporary sidewalk café or temporary/moveable components of a sidewalk café are not eligible);
- Installation or improvement of pedestrian walkways;
- Tree planting;
- Installation of benches or permanent planters;
- Services of a professional landscape architect to design the features noted above; or
- Any combination of the above.

3.2.3 | Program Details

- The maximum amount of the grant is \$7,500 or 50% of the eligible costs, whichever is less.
- The maximum grant for professional architectural services shall not exceed 15% of the grant that is calculated for eligible construction costs.
- The grant may be combined with other grant programs with the exception of the Tax Increment Financing program.

3.2.4 | Payment of Grant

- The grant will be paid as a single payment upon completion of the improvements, to the satisfaction of the Plan's Administrator.

3.2.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- Proposals shall comply with any identified design criteria, along with any and all design guidelines as may be implemented by the Municipality in the future.

- Where a property is designed under the *Ontario Heritage Act* or listed by the Municipality as being of notable historical interest, applicants may be required to submit historical research and documentation on the subject property in support of the grant application. The Municipality may be able to supplement this information based on its own information and records.
- Only commercial, mixed-use, industrial or agricultural properties (as defined in Section 2) are eligible for this grant. For clarity, single detached dwellings and other residences are not eligible for this grant.

3.3 | ACCESSIBILITY IMPROVEMENT GRANT

3.3.1 | Purpose

The accessibility improvement grant is intended to promote improvements to properties, including access ramps, entryway widening, as well as levelling or repairs to pathways and stairs. It is intended that any improvements incented under this grant program will exceed the requirements on the Ontario Building Code. The grant will contribute to the accessibility and walkability of the Municipality.

3.3.2 | Eligible Costs

- Installation of new automatic doors;
- Installation of new wheelchair access ramps;
- Widening of public entryways;
- Levelling or repairs to pathways/accesses and stairs;
- Installation of a new elevator; and
- Any combination of the above improvements.

3.3.3 | Program Details

- The maximum amount of the grant is \$7,500 or 50% of the eligible costs, whichever is less.
- The grant may be combined with other grant programs with the exception of the Tax Increment Financing program.

3.3.4 | Payment of Grant

- The grant will be paid as a single payment upon completion of the improvements, to the satisfaction of the Plan's Administrator.

3.3.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as the AODA (Accessibility for Ontarians Disability Act) and any other applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- Improvements shall comply with any identified design criteria, along with any and all design guidelines as may be implemented by the Municipality in the future.
- Only commercial, mixed-use, industrial or agricultural properties (as defined in Section 2) are eligible for this grant. For clarity, single detached dwellings and other residences are not eligible for this grant.
- Accessibility improvements shall be above and beyond the requirements of the Ontario Building Code, as applicable to the property.

3.4 | PLANNING AND BUILDING PERMIT FEE GRANT

3.4.1 | Purpose

Application and permit fees imposed by the Municipality may present barriers to investment and redevelopment in the Municipality. This program is intended to encourage sensitive, attractive and desirable infill development and redevelopment by reducing the costs involved with making improvements to private property.

3.4.2 | Eligible Costs

- Redevelopment of a property for commercial, industrial, office or a mix of uses;
- Major additions to a commercial, industrial or mixed-use property, involving an increase of at least 25% of the existing gross floor area;
- Infrastructure work including the improvement or reconstruction of existing on-site public infrastructure (water services, sanitary and storm sewers);
- Conversion of upper-storey space in a mixed-use or commercial building to residential units;
- Professional services by an engineer, architect, or professional planner;
- Any combination of the above; and
- In general, any projects that are eligible for other incentives outlined in this CIP will also be eligible for the Planning and Building Fee Grant if the applicant is required to obtain planning approvals or a building permit.

3.4.3 | Program Details

- **Planning Fee Grant:** A grant to a maximum of \$2,500 is available to cover the cost of minor variance applications, zoning by-law amendment applications or site plan applications. The grant may equal 100% of the Municipality's fees, provided it does not exceed \$2,500. Further, the grant cannot exceed 50% of the eligible costs listed above.
- Any planning applications may also be eligible for an equivalent grant to offset the County planning fee, subject to County approval.
- **Building Permit Fee Grant:** A grant to a maximum of 75% of the Municipality's fees is available to cover the cost of building permit fees or demolition permit fees. Further, subject to Council approval, the grant cannot exceed 50% of the eligible costs listed above.

3.4.4 | Payment of Grant

- The grant is paid after the works are completed, to the satisfaction of the Plan Administrator, or in accordance with the Site Plan Agreement. This includes full payment of any applicable planning and building permit fees to the maximum amount in the grant. The grant is intended to act as a rebate for these fees.
- For affordable housing developments, the grant will be paid based on the proportion of units that are affordable within the overall development. For example, if 50% of the proposed units are deemed to be affordable, then 50% of the grant will be provided.
- The planning fee and building permit fee grants may be combined with other grant programs.

3.4.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission

of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.

- Proposals shall comply with any identified design, along with any and all design guidelines as may be implemented by the Municipality in the future.

3.5 | Startup Space Leasehold Improvement Grant

3.5.1 | Purpose

To assist new businesses and start-up companies set up shop by providing grants to property owners and tenants for the financing of permanent interior leasehold improvements or accessibility improvements for commercial space or live/workspace to increase the marketability of property and rental units.

3.5.2 | Eligible Costs

- Installation, change, repair and/or restoration of partitions, rooms;
- Installation, repair, or re-installation of plumbing, heating, HVAC, electrical, fixtures, cable, telephone, fibre, and other service-specific installations;
- Change, repair, re-installation of flooring, ceiling, walls, fixed cabinets, and other structurally permanent elements;
- Painting, repainting, or re-facing of interior platforms, walls, and any surfaces;
- Install, repair, or restoration of masonry, brickwork or wood;
- Install, replace, repair, or restoration of other architectural features;
- Install, replacement or repair of windows;
- Entrance-way modifications that improve the appearance and/or access to the commercial unit(s);
- Redesign and reconstruction of the front of building;
- Machinery and equipment if bolted to the floor;
- Demolition or removal of fixtures, structural and non-conforming or hazardous materials;
- Installation of appropriate new interior signage or improvements to existing signage;
- Installation or repair of interior lighting;
- Restoration of historic features; or,
- Implementation of accessibility improvements, up to *Accessibility for Ontarians Disability Act*.

3.5.3 | Program Details

- Subject to Council approval, the maximum amount of the grant is \$7,500 or 50% of the eligible costs, whichever is less.
- This grant may be combined with other CIP elements, except for the Tax Increment Equivalent Grant.

3.5.4 | Payment of the Grant

- The grant will be paid as a single payment upon completion of the improvements, to the satisfaction of the Plan's Administrator.

3.5.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include a pre-application meeting with the Administrator, as well as submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed.
- Owners of commercial buildings and lessees are eligible to apply (proof of lease agreement must be provided).
- Applications must satisfy design policies where applicable.

3.6 I Vacant Building Conversion/Expansion Grant

3.6.1 I Purpose

To assist in the small-scale conversion of existing vacant space into new commercial, secondary uses, agriculture-related uses, mixed-use, and other eligible uses.

3.6.2 I Eligible Costs

- Conversion of vacant building space into new commercial, mixed-use, secondary uses, agriculture-related uses, and other eligible uses:
- Upper story space conversion into residential units;
- Conversion of existing ground floor commercial space to better suit new commercial use;
- Expansion of existing eligible uses to increase the gross floor area;
- Eligible costs include any services of a professional engineer, architect, or planner to design and implement the project;
- Conversion of an existing vacant floor space into a rental dwelling unit;
- Conversion of an existing unused barn into commercial space; or,
- Conversion of an existing storefront into a more suited commercial space - from retail to restaurant (must be proven to be more beneficial to the community).

3.6.3 I Program Details

- Subject to Council approval, the maximum amount of the grant is \$7,500 or 50% of the eligible costs, whichever is less.
- This grant may be combined with other CIP elements, except for the Tax Increment Equivalent Grant.

3.6.4 I Payment of Grant

- The grant will be paid as a single payment upon completion of the improvements, to the satisfaction of the Municipality.

3.6.5 I Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include a pre-application meeting with the Administrator, as well as submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed.

3.7 | SECONDARY SUITE BUILDING PERMIT/PLANNING APPLICATION FEE GRANT

3.7.1 | Purpose

To assist property owners with financing the cost of the development process by providing an exemption grant in the amount of applicable local Building Permit/Planning Application Fee charges to encourage secondary units across the Municipality.

3.7.2 | Eligible Costs

- Development of a portion of an existing residential, commercial, or agricultural property for use as a secondary suite;
- Development or redevelopment of an existing residential or agricultural outbuilding for use as a secondary suite;
- The unit(s) may be required to meet established affordability and accessibility criteria to quality; and
- In general, any projects that are eligible for other incentives outlined in this Plan will also be eligible for the Building Permit and Planning Application Fee Grant if the applicant is required to obtain planning approvals or a building permit.

3.7.3 | Program Details

- A grant to cover the permit and application fees associated with the development of secondary suites. The grant may equal up to 100% of the Municipality's permit and application fees.
- Grey County may also provide a grant and/or exception for County development charges, subject to the County's Development Charge by-law. Permit and application fees could be waived or reduced in accordance with the municipal CIP at the County level, provided the proposed Community Improvement Projects that have been approved under a local municipal CIP align with the County CIP program.

3.7.4 | Payment of Grant

- The grant is paid after the works are completed, to the satisfaction of the Plan Administrator. This includes full payment of any applicable planning and building permit fees to the maximum amount in the grant. The grant is intended to act as a rebate for these fees.
- This grant shall not be combined with the Tax Increment Finance program.

3.7.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- Proposals shall comply with the design criteria outlined in Section 2, along with any and all design guidelines as may be implemented by the Municipality in the future.

3.8 | TAX INCREMENT EQUIVALENT GRANT

3.8.1 | Purpose

The Tax Increment Equivalent Grant is intended to encourage desirable and attractive infill development and redevelopment in the Municipality. To ensure that the redevelopment is in the Municipality's best interest, the design of the project will need to comply with the Plan's design principles, as described in the eligibility criteria.

3.8.2 | Eligible Costs

- Redevelopment of a property for commercial, industrial, value-added agriculture, office or a mix of uses;
- Adaptive reuse of a property to suit a new commercial, industrial, value-added agriculture, office or a mix of uses;
- Major additions to a commercial, industry, value-added agriculture, office or a mixed-use property, involving an increase of at least 25% of the exiting gross floor area;
- Infrastructure work including the improvement or reconstruction of existing on-site public infrastructure as may be required to service a proposed commercial, industrial, value-added agriculture, office or mixed-use development (water services, sanitary and storm sewers);
- Conversion of upper-storey space in a mixed use, commercial or value-added agriculture to residential units, or major renovations or improvements to upper-storey residential space;
- Streetscaping improvements required as part of a proposed development;
- Energy efficiency improvements;
- Professional services by an engineer, architect, or professional planner; or
- Any combination of the above.

3.8.3 | Program Details

- The Tax Increment Equivalent Grant is offered to eligible property owners only where the property assessment increases as a result of redevelopment or major improvement, and there is a subsequent increase in municipal property taxes.
- The Tax Increment Equivalent Grant would provide a grant to pay a portion of the Municipal property taxes attributed to the increase in the property assessment over a 5-year period. This essentially would phase in property tax increases relating to re-assessments resulting from property improvements.
- Subject to Council approval, grants will be equal to a percentage of the municipal property tax increase resulting from the improvements and will be paid to the owner each year for a maximum of 5 years. The percentage of property tax increment grant the Municipality may cover in any one year is at the sole discretion of the Municipality, with the understanding that by year 5, the amount will be reduced until it reaches 0%. For instance, in year one, the amount of the grant may equal up to 80% of the tax increment. In subsequent years, the amount shall decrease by 20% until it reaches 0%, over a 5-year period (maximum).
- The total amount of all tax increment equivalent grants shall not exceed 50% of the total eligible costs of the improvements. For example, if the eligible costs for improvements is \$50,000, the tax increment equivalent grant shall not exceed a total of \$25,000 over the 5 year period.
- Applications may also be eligible for tax assistance from the County to cover the County tax portion, subject to County approval.

3.8.4 | Payment of Grant

- The Tax Increment Equivalent Grant is paid after the improvements are completed to the satisfaction of the Plan Administrator and after the property

owner's taxes are fully paid. In subsequent years, the annual grant is recalculated and paid after taxes are fully paid.

3.8.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- Proposals shall comply with the design criteria outlined in Section 2, along with any and all design guidelines as may be implemented by the Municipality in the future.
- At its sole discretion, the Municipality may require the applicant to submit a business plan, prepared to the satisfaction of the Municipality, in relation to an application for the Tax Increment Equivalent Grant.
- To be eligible for the Tax Increment Equivalent Grant the property shall be improved such that the amount of work undertaken is sufficient to result in an increase in the assessed value of the property.
- In order to determine the suitability of the Tax Increment Equivalent Grant, prior to applying for the program, eligible applicants may be required to estimate the total potential value of the tax increment, based on current assessment values and anticipated investment.
- If the total value of the Tax Increment Equivalent Grant is significantly less than the applicant's estimate value, at the sole discretion of the Municipality, the applicant may be given the opportunity to withdraw their application for Tax Increment Equivalent Grant program and apply for one or more of the other incentive programs in this Plan as may be applicable to the project.
- Should an eligible applicant be approved for the Tax Increment Equivalent Grant, and if the subject property is sold, in whole or in part, before the original grant period lapses, the original owner may not be entitled to receive the remaining grant payment, in accordance with the terms of the program agreement. The payments are also non-transferrable to the new owner unless specifically stipulated as part of the Agreement executed between the owner and the Municipality.

3.9 | MUNICIPAL PROPERTY ACQUISITION, INVESTMENT AND PARTNERSHIP PROGRAM

3.9.1 | Purpose

The *Municipal Property Acquisition, Investment and Partnership Program* is a general program of Municipal property acquisition, investment and involvement in public/private partnerships to clean-up and/or rehabilitate properties in the Community Improvement Project Area. Property acquisition under this program may be pursued by the Municipality either through the marketplace, as a regular real-estate transaction, or through the Municipality exercising its powers under Section 28 of the Planning Act and other relevant acts and regulations.

Any lands that the Municipality acquires under the *Municipal Property Acquisition, Investment and Partnership Program* may subsequently be conveyed by the Municipality (including the sale of lands at below market value), if the sale of the land assists the Municipality in achieving any of its goals with respect to the CIP.

3.9.2 | Program Funding

Funding for this program shall be obtained from two sources:

- allocating 20% of the value of building permit fees collected for all new residential and office/commercial construction in the Community Improvement Project Area pertaining to properties participating in the *Building Permit and Planning Application Fee Grant*;
- other direct municipal contributions, at Council's discretion.

For the comprehensive development of lands on Priority Sites identified under Section 1, the owner will be granted back up to 75% of the building permit fees collected under the Building Permit and Planning Application Fee Grant Program, in accordance with criteria within Section 2 of this Plan.

For all other sites, the property owner is granted back up to 50% of building permit fees collected under the *Building Permit and Planning Application Fee Grant Program*, and the Municipality will allocate the balance of the value of the building permit fee(s).

These monies shall be obtained from the Investing in Hanover Fund. As funds accrue in this account, the Municipality can use these funds to rehabilitate properties (including roads) that it already owns, acquire key strategic parcels (either for public purposes or for conveyance at an appropriate time), undertake capital projects which support the goals and objectives of this CIP, and/or participate in public/private partnerships to rehabilitate publicly or privately held land in the Community Improvement Project Area.

Grants from this fund may also be issued, at Council's discretion, to provide assistance to any other level of government for any purpose which supports the goals and objectives of this CIP.

The Investing in Hanover Fund will function as a revolving fund with any profits from rehabilitation deposited back into the fund.

3.9.3 | Program Duration

This program will commence on the day following the date of final approval of the CIP by the Town of Hanover. When the *Rehabilitation Grant Program* ends with the last grant payment paid out possibly as late as December 31, 2030, the Municipal Property Acquisition, Investment and Partnership Program will also end.

3.9.4 | Eligibility Criteria

Unlike other programs contained in the CIP, the *Municipal Property Acquisition, Investment and Partnership Program* is a program developed to facilitate direct

participation by the Municipality as an active player in rehabilitation projects. Consequently, private landowners/developers are unable to make direct application to participate in this program. Participation in this program is limited to the Municipality itself, unless by invitation of or agreement with the Municipality, a landowner/developer enters into a partnership arrangement with the Municipality. In the case of a partnership arrangement, participation by the landowner/developer in terms of the program is indirect in nature, with the Municipality playing the lead role through exercising its powers under Section 28 of the Planning Act.

Given that direct participation is limited to the Municipality, no eligibility criteria are required (the Municipality cannot disqualify itself). The rehabilitation projects chosen to benefit from the *Municipal Property Acquisition, Investment and Partnership Program* shall be at the sole discretion of the Municipality. However, the *Municipal Property Acquisition, Investment and Partnership Program* may only be used by the Municipality for purposes within the Community Improvement Project Area which contribute to achieving the goals of the CIP.

3.9.5 | Payment of Grant

The Corporate Services Department will administer the Investing in Hanover Fund, in consultation with other departments and divisions as necessary. The Municipality may then draw on this account to acquire property or rehabilitate property it already owns, or to participate in public/private partnerships to rehabilitate or improve publicly or privately held land, but said properties must be in the Community Improvement Project Area, which contributes to achieving the goals of the CIP.

Authority under this program would be exercised in order that rehabilitation of land or buildings may occur in conformity with this CIP, subject to Council approval. All activities under the *Municipal Property Acquisition, Investment and Partnership Program*, and all expenditures from the Investing in Hanover Fund, shall be subject to Council approval. At such time as there are sufficient funds in the Investing in Hanover Fund, an additional report may be prepared and forwarded to Council, to provide further details with respect to the implementation of this program.

4 | BROWNFIELD INCENTIVE PROGRAMS

The brownfield incentive programs are intended to assist in recapturing the social and economic value of brownfield properties. Financial incentives are established to help stimulate private investment for undertaking the rehabilitation and redevelopment of such properties. Remediation of these sites is desirable to improve the environmental and aesthetics aspects of our community. Further, brownfield remediation provides opportunities for intensification and offers environmental benefits.

The following brownfield incentive programs are established by this Plan.

[4.1 | ENVIRONMENTAL STUDY GRANT](#)

[4.2 | BROWNFIELD PROPERTY TAX ASSISTANCE PROGRAM](#)

4.1 | ENVIRONMENTAL STUDY GRANT PROGRAM

4.1.1. | Purpose

The risks and costs associated with brownfield rehabilitation are often key barriers to the rehabilitation and redevelopment of brownfield properties. Additionally, the lack of information on specific properties, and the reluctance of property owners to undertake and fund environmental studies, inhibits interest in addressing these properties. The Environmental Study Grant Program will promote the completion of studies with respect to environmental conditions of properties by owners that otherwise may not occur due to cost premiums associated with these assessments. The Town of Hanover will benefit from the undertaking of environmental studies since it will bring about detailed information regarding the potential remediation costs of brownfield properties within the Municipality.

4.1.2 | Eligible Costs

- Phase II Environmental Site Assessment (ESA):
- Phase III ESA;
- Remedial Work Plan; and/or
- Risk Assessment Plan.

4.1.3 | Program Details

- Grants for the completion of Phase II Environmental Site Assessment (ESA), a Phase III ESA, Remedial Work Plan, and/or a Risk Assessment Plan may be provided to eligible applicants for a total of 50% of the cost to complete the study (or studies) to a maximum of \$5,000 per property.

4.1.4 | Payment of Grant

- Grants will be provided to the property owner following the submission and acceptance of the final completed study by the Municipality.
- Grants are provided on a one-time basis to each eligible applicant for each approved project.
- The environmental study grant may be combined with some other grant programs with the exception of the Tax Increment Equivalent Grant.

4.1.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- To be eligible for the Environmental Study Grant Program, a Phase 1 ESA must be completed and submitted to the Municipality in order to demonstrate that site contamination is likely.
- All environmental studies must be completed by a “qualified person” as defined in Section 2.
- Any studies prepared with an Environmental Study Grant may become the property of the Town of Hanover, at the discretion of the Municipality.

4.2 | BROWNFIELD PROPERTY TAX ASSISTANCE PROGRAM

4.2.1 | Purpose

Offering property tax assistance to owners of brownfield properties will encourage the cleanup and redevelopment of these properties and contribute to achieving the goals of this CIP. In accordance with Section 365.1 of the *Municipal Act*, the Municipality may defer or cancel all or a portion of municipal property taxes during the period in which the brownfield site is being cleaned up or redeveloped (the rehabilitation period and development period, as defined in the *Municipal Act*). The Municipality may also apply to the Minister of Finance, on behalf of the property owner, to have the education portion of the property taxes deferred or cancelled.

4.2.2 | Eligible Costs

Eligible costs related to reducing the concentration of contaminants on, in, or under the subject 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*. Eligible costs include:

- Phase III Environmental Site Assessments (ESAs and Risk Assessment Plans (except where such a cost has been included as part of an issued Environmental Study Grant));
- Environmental remediation costs, including 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*;
- Costs related to complying with any certificate of property use issued under Section 168.6 of the *Environmental Protection Act*;
- The costs of preparing a Record of Site Condition;
- Placing clean fill and related grading;
- Installing environmental and/or engineering controls or works as specified in the Phase III ESA and/or Risk Assessment Plan;
- Monitoring, maintaining and operating environmental and engineering controls/works as specified in the Phase III ESA and/or Risk Assessment Plan; and
- Environmental insurance premiums.

4.2.3 | Program Details

- **Municipal Property Tax Assistance:** The Municipality may pass by-laws to provide a deferral or cancellation of all or a part of the municipal property taxes on a brownfield site during the Rehabilitation Period and Development Period, as defined in Section 365.1(1) of the *Municipal Act*. The total value of the property tax assistance will not exceed the total eligible costs, which are defined in the eligibility requirements above. The level and duration of the property tax assistance will be considered on a case-by-case basis. Prior to passing the by-law approving the property tax assistance, the Municipality will be required to notify the Ministry of Finance. Within 30 days of passing the by-law, the Municipality will also be required to notify the Minister of Municipal Affairs and Housing and the Minister of Finance.
- **Provincial Tax Assistance:** The Municipality may apply for Provincial Tax Assistance, on behalf of the owner, to cancel or freeze all or a portion of the education portion of property taxes. The application will need to be approved by the Minister of Finance and may be subject to a different timeline than the approved Municipal Tax Assistance. The Municipality must be offering municipal property tax assistance in order for the owner to be eligible for Provincial tax assistance.
- The brownfield property tax assistance program may be combined with some other grant programs with the exception of the Tax Increment Equivalent Grant.

- Applications may also be eligible for tax assistance from the County to cover the County tax portion, subject to County approval.

4.2.4 | Payment of Grant

Municipal Property Tax Assistance: The municipal portion of the property tax assistance is limited to the Rehabilitation period and Development Period of the project. The municipal portion of the property tax assistance will be undertaken in accordance with the provisions of Section 365.1(1) of the *Municipal Act* and may start at the beginning of the Rehabilitation Period and run for a period specified by Council in a by-law, but shall not extend beyond the time periods outlined in Section 365.1(1) of the *Municipal Act*, which is the earlier of a) eighteen months, and b) the date a Record of Site Condition is filed, or c) when the total amount of property tax assistance is equal to the eligible remediation costs (as defined above). The Development Period begins when the Rehabilitation Period ends and concludes on the earlier of a) the end date specified in the by-law or b) when the property tax assistance is equal to the eligible remediation costs. The duration of property tax assistance may consist of both the Rehabilitation Period and the Development Period, subject to the limitations for each period as described above. The implementing by-law is to specify whether the property tax assistance will occur during the Rehabilitation Period, the Development Period, or both.

Provincial Tax Assistance: The exemption may commence at the start of the Rehabilitation Period and continue through the Development Period for a maximum time period as defined in the implementing by-law, and subject to program and termination requirements established by Section 365.1(1) of the *Municipal Act*. The education portion of the property tax assistance may be delivered on a different timetable from the municipal portion for the given property. The conditions imposed by the Minister of Finance for the education portion of the property tax assistance under Section 365.1 of the *Municipal Act* may differ from those outlined in this CIP.

4.2.5 | Eligibility Criteria

- A property must have had a Phase II Environmental Assessment undertaken which concluded that action is required to remediate this site.
- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).
- Application submission shall be in accordance with the application submission requirements under Section 2. For clarity, this shall typically include submission of a site plan or drawings to demonstrate the intended improvements and modifications being proposed. Where required, this shall be accompanied by a building permit.
- Successful applicants may also be eligible for other financial incentive programs, provided that the total value of incentives does not exceed the total eligible cost of rehabilitating the land and buildings.
- At its sole discretion, the Municipality may require preparation of a business plan or feasibility study as a condition of approving tax assistance.
- Application of Provincial tax assistance shall be at the sole discretion of the Municipality. Initially, the Municipality may wish to seek Provincial tax assistance on behalf of the owner on a “pilot project” basis only and may discontinue such applications in the future. Should the Municipality choose not to apply for Provincial tax assistance such a decision shall not require an amendment to this CIP.

5 | SURPLUS LAND and BUILDINGS

5.1 | Purpose

Lands and buildings that are declared surplus by Council to the needs of the Town of Hanover will be offered through a Request for Proposal (RFP) process. Surplus lands and/or buildings owned by the County may also be offered, from time to time, if approved by County Council.

5.2 | Eligible Costs

- Affordable housing proposals will be given top priority.
- Land and buildings may be awarded at a reduced cost or possibly no cost.

5.3 | Program Details

- Proposals submitted will be assessed based on the criteria identified in the RFP.
- The proposal that best meets or exceeds the criteria identified in the RFP will be awarded the land or building at a reduced rate or possibly at no cost.

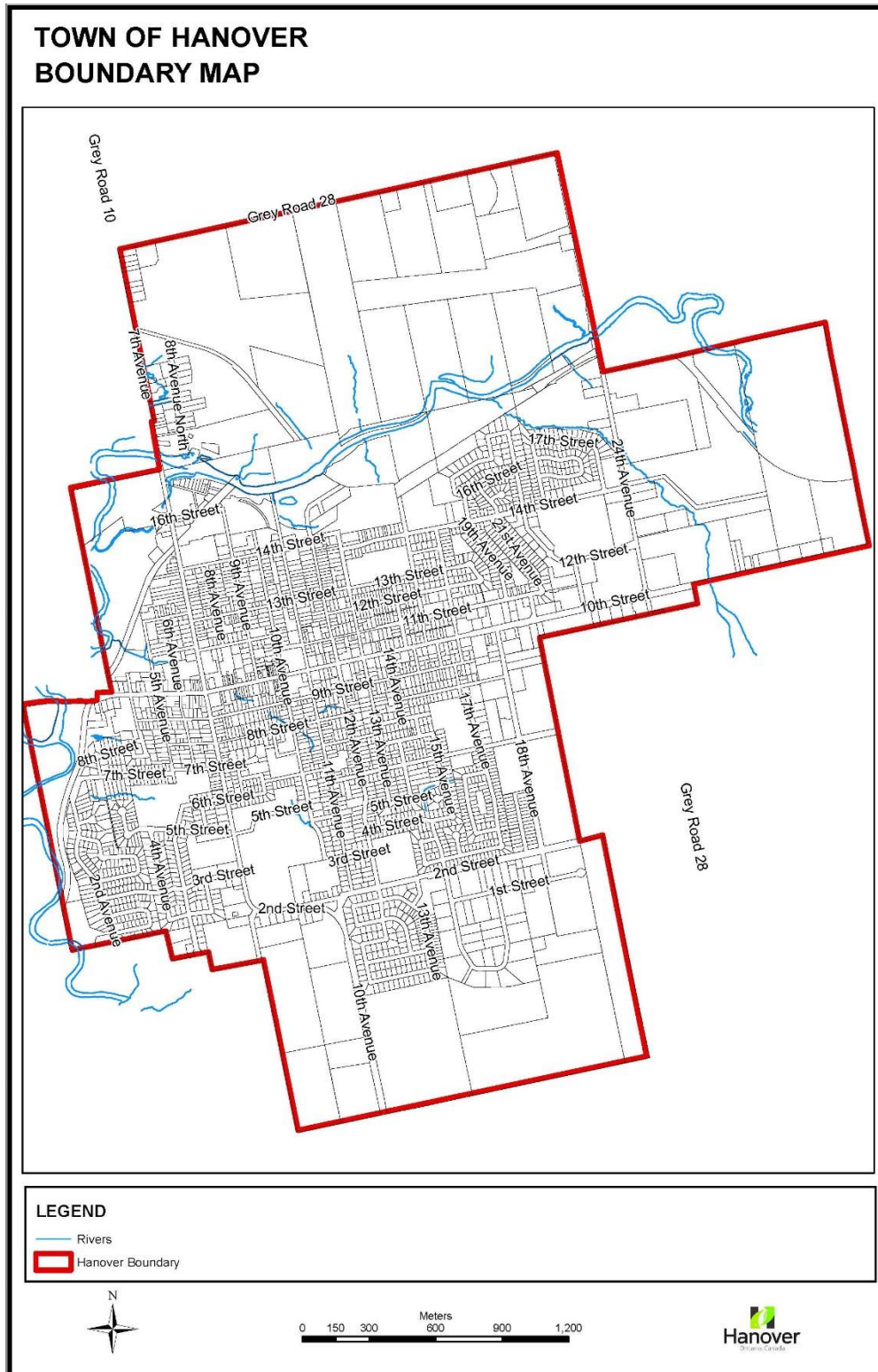
5.4 | Payment of Grant

- The land or building will be awarded based on the submissions received as part of the RFP process.

5.5 | Eligibility Criteria

- All general eligibility criteria outlined in Section 2 apply. For clarity, this shall mean that the project must comply with all Municipal by-laws, policies, standards, guidelines and Official Plan and zoning, as well as any applicable Provincial, Federal or government agency requirements (e.g., conservation authority).

SCHEDULE A – AREA BOUNDARIES FOR THE COMMUNITY IMPROVEMENT PROJECT AREA



SCHEDULE B – PRIORITY SITES FOR THE TOWN OF HANOVER COMMUNITY IMPROVEMENT PLAN

