



Staff Report

Report Title: Downtown Improvement Program

Prepared By: Taralyn Cronin, Business & Economic Officer

Department: BED

Date: Feb. 26, 2021

Report Number: BED-2021-02-8

File Number:

F05 BUD21

Attachments:

Recommendation:

That the Township of Huron-Kinloss Council hereby receives for information Report Number BED-2021-02-8 prepared by Taralyn Cronin, Business and Economic Officer; AND approves moving forward with the continuation of the Downtown Improvement Program by allocating \$100,000 in funding as detailed in the report.

Background:

In 2017, Council approved the Downtown Improvement Program and allocated \$100,000 from the Community Wellbeing Reserve Fund to the Program to be used over a four year period (\$25,000 per year). With these funds, we were able to offer commercial property owners and business owners within our Community Improvement Program (CIP) Area, the following grants:

- Façade Improvement
- Storefront Signage and Awning
- Community Energy Efficiency
- Infrastructure Works and Accessibility

These grants, with the exception of Infrastructure and Accessibility, provide 50% of project costs up to \$3,000 for façade (\$4,000 for projects over \$10,000) and energy efficiency improvements and \$1,000 for signage improvements. The Infrastructure Works and Accessibility Grant is a Tax Increment Equivalent Grant (TIEG) program. Successful applicants are provided with tax assistance equal to, or all of, the property tax increase based on the reassessed value once the project is completed (must result in a minimum \$100,000 increase in the assessed value of the property). The grant is awarded in annual installments over 5 years up to a maximum of \$15,000 per property.

When Bruce County's Spruce the Bruce Program is open, which is usually February to October depending on available funds, we partner with them on the façade and signage improvement grants. By doing so, applicants only need to contribute one third of projects costs and more funds are available to them.

In 2020, Council approved an additional \$50,000 in funding from the Community Wellbeing Reserve Fund towards the Program; \$20,000 towards a new Building Improvement/Structural Grant and \$30,000 towards the continuation of the Downtown Improvement Program. In addition to the Building Improvement/Structural Grant, we introduced a Marketing Grant in 2020; both grants were developed based on the current needs of commercial property owners and downtown business owners. The Building Improvement/Structural Grant provides 50% of project costs up to \$20,000 and \$2,500 for the Marketing Grant.

Discussion:

Since the inception of the Downtown Improvement Program, we have financially supported a total of 34 projects in our downtown cores of Lucknow and Ripley. This includes 11 façade improvements, 10 signage improvements, 9 energy efficiency upgrades, 2 infrastructure works/accessibility projects, and 2 building improvement projects. Last year was the Program's most successful year to date with 16 projects being approved. This is in part due to the County's economic recovery initiative, and reducing or eliminating the applicants' financial contribution requirements.

The Downtown Improvement Program has encouraged investment in our downtown cores. We have seen incredible transformations in our downtowns over the past four years. These projects have helped to beautify our downtowns and make them more welcoming to visitors. Some of the projects we have supported have created more useable commercial space, safer buildings and improved building accessibility and energy efficiency.

We would like to continue this Program for another four years. We are requesting that Council allocate \$100,000 to the Program, \$25,000 a year, over the four-year period. This funding, along with leftover Program funds from last year, will allow us to offer the Building Improvement/Structural Grant for at least one more year, and the other grants for four years.

Financial Impacts:

\$100,000 from the Community Well-Being Reserve Fund will be allocated to the Downtown Improvement Program.

Strategic Alignment / Link:

The information provided in this report is consistent with and in keeping with the Municipality's Vision & Mission. The recommendations contribute to our goals in achieving a prosperous community.

Respectfully Submitted By:

Taralyn Cronin, Business and Economic Officer

Approved By:

Mary Rose Walden, Chief Administrative Officer