



THE REGIONAL MUNICIPALITY OF NIAGARA SPECIAL COUNCIL ORDER OF BUSINESS

CL 16-2021

Tuesday, August 31, 2021

4:00 p.m.

Meeting will be held by electronic participation only

This electronic meeting can be viewed on Niagara Region's Website at:

<https://www.niagararegion.ca/government/council/>

Due to the efforts to contain the spread of COVID-19 the Council Chamber will not be open to the public to attend Council meetings until further notice. To view live stream meeting proceedings, please visit: [niagararegion.ca/government/council](https://www.niagararegion.ca/government/council/)

Pages

1. CALL TO ORDER
2. ADOPTION OF AGENDA
3. DISCLOSURES OF PECUNIARY INTEREST
4. CLOSED SESSION

4.1. CL-C 69-2021

A Matter concerning Personal Matters about an identifiable individual and Legal Advice subject to Solicitor-Client Privilege pursuant to s.239(2) of the Municipal Act, 2001 – Update regarding Recruitment of Chief Administrative Officer and Proposed Offer of Employment

To be provided at the meeting.

5. BUSINESS ARISING FROM CLOSED SESSION

6. CORRESPONDENCE

6.1. CL-C 70-2021

3 - 5

A memorandum from A.-M. Norio, Regional Clerk, dated August 31, 2021, respecting Committee of the Whole Minutes COTW 3-2021 and Debate on Minute Item 5.1 Report PDS 31-2021 Niagara Region Incentives Policy.

Recommended Action: Receive.

7. COMMITTEE REPORTS

7.1. Committee of the Whole

6 - 77

Minutes COTW 3-2021, Thursday, August 5, 2021

Consideration of these minutes was not completed at the Regional Council meeting held on August 26, 2021.

8. BY-LAWS

8.1. Bill 2021-70

78

A by-law to adopt, ratify and confirm the actions of Regional Council at its special meeting held on August 31, 2021.

9. ADJOURNMENT

If you require any accommodations for a disability in order to attend or participate in meetings or events, please contact the Accessibility Advisor at 905-980-6000 ext. 3252 (office), 289-929-8376 (cellphone) or accessibility@niagararegion.ca (email).

MEMORANDUM

CL-C 70-2021

Subject: Debate respecting Report PDS 31-2021 (Committee of the Whole Minutes COTW 3-2021, Minute Item 5.1)

Date: August 31, 2021

To: Regional Council

From: Ann-Marie Norio, Regional Clerk

Regional Council, at its meeting held on August 26, 2021, was debating Minute Item 5.1 of Committee of the Whole Minutes 3-2021 (Report PDS 31-2021 – Niagara Region Incentives Policy) when, due to the impending curfew, Council moved to deal with the time sensitive items that were on the agenda. Due to curfew being reached the meeting ended following completion of those time sensitive items, without an opportunity for Council to revisit and complete deliberation of this item.

The following outlines what was on the floor at the time debate was cut-off.

Moved by Councillor Ugolini
Seconded by Councillor Gibson

That Minutes COTW 3-2021 being the Open Session minutes of the Committee of the Whole meeting held on Thursday, August 5, 2021, **BE RECEIVED** and the recommendations contained therein **BE APPROVED**.

Minute Item 5.1 of Minutes COTW 3-2021 was lifted as follows:

That Report PDS 31-2021, dated August 5, 2021, respecting Niagara Region Incentives Policy, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED** with the following additions:
 - a) That the following existing program continue to be maintained:
 - i. SNIP – Smarter Niagara Incentive Program;

2. That staff **PROVIDE** sunset clause policies with reasonable expiration dates;
3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;
4. That staff **BE DIRECTED** to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy; and
5. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

An amendment to the above motion was moved by Councillor Foster and seconded by Councillor Darte as follows:

That the motion **BE AMENDED** to read as follows:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) which promotes ***Council's 4 priority areas for Niagara Region, namely Affordable Housing, Employment, Brownfield Remediation, and Public Realm***, **BE APPROVED** with the following additions:

a) That the current programs be maintained until October 1 2024;

b)that the SNIP (Smarter Niagara Incentive Program) be maintained with a maximum dollar figure available for grants that is determined during the annual budget process;

2. That staff **PROVIDE** sunset clause policies ***for currently approved programs*** that include reasonable expiration dates;
3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;
4. That staff **BE DIRECTED** to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy; and
5. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

The following friendly amendment (change to clause 1a) was accepted by the Chair and the mover and seconder of the motion so that the motion reads as follows:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) which promotes ***Council's 4 priority areas for Niagara Region, namely Affordable Housing, Employment, Brownfield Remediation, and Public Realm***, **BE APPROVED** with the following additions:

a) That the current Regional TIG and Smart Growth DC programs be maintained in municipal CIP districts until October 1, 2024 or until new programs are approved by Regional Council that further support municipal CIP Districts with criteria that supports residential intensification, employment enhancements and brownfield remediation;

b) That the SNIP (Smarter Niagara Incentive Program) be maintained with a maximum dollar figure available for grants that is determined during the annual budget process;

2. That staff **PROVIDE** sunset clause policies ***for currently approved programs*** that include reasonable expiration dates;

3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;

4. That staff **BE DIRECTED** to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy; and

5. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

As this item was on the floor at the close of the meeting due to curfew and Council has not rendered a decision to bring it to completion, the above motion will continue to be on the floor for Council to resume debate and consideration under Agenda Item 7.1 on the agenda for the Special Regional Council meeting being held on August 31, 2021.

Respectfully submitted and signed by

Ann-Marie Norio
Regional Clerk

Minute Item No. 5.1

PSD 31-2021

Niagara Region Incentives Policy

That Report PDS 31-2021, dated August 5, 2021, respecting Niagara Region Incentives Policy, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED** with the following additions:
 - a. That the following existing program continue to be maintained:
 - i. SNIP – Smarter Niagara Incentive Program
2. That staff **PROVIDE** sunset clause policies with reasonable expiration dates;
3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;
4. That staff **BE DIRECTED** to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy; and
5. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

**THE REGIONAL MUNICIPALITY OF NIAGARA
COMMITTEE OF THE WHOLE
MINUTES**

COTW 3-2021

Thursday, August 5, 2021

**Council Chamber / Video Conference
Regional Headquarters, Campbell West
1815 Sir Isaac Brock Way, Thorold, ON**

Committee Members Present in the Council Chamber: Bradley (Regional Chair), Insinna

Committee Members Present via Video Conference: Bellows, Butters, Bylsma, Campion, Chiocchio, Darte, Diodati, Disero, Easton, Edgar, Fertich, Foster, Gale, Gibson, Greenwood, Heit, Huson, Ip, Jordan, Nicholson, Redekop, Rigby, Sendzik, Ugulini, Vilella, Whalen, Witteveen, Zalepa

Absent/Regrets: Junkin, Steele

Staff Present in the Council Chamber: M. Bannerman, Program Manager, Grants and Incentives, H. Chamberlain, Director, Financial Management & Planning/Deputy Treasurer, C. Courteau, Associate Director, Water & Wastewater Integrated Systems, F. Fucile, Manager, Real Estate, S. Guglielmi, Technology Support Analyst, P. Hamilton, Program Financial Specialist, T. Harrison, Commissioner/Treasurer, Corporate Services, A.-M. Norio, Regional Clerk, M. Sergi, Commissioner, Planning and Development Services, R. Tripp, Acting Chief Administrative Officer, L. Vespi, Manager, Capital Projects, Water & Wastewater Engineering, B. Zvaniga, Interim Commissioner, Public Works

Staff Present via Video Conference: D. Barnhart, Executive Officer to the Regional Chair, D. Giles, Director, Community & Long Range Planning, Dr. M. M. Hirji, Acting Medical Officer of Health, L. Ferrell, Program Financial Specialist, R. Fleming, Senior Tax & Revenue Analyst, G. Spezza, Director, Economic Development

Others Present in the Council Chamber: Chris Hamel, Consultant Project Manager and President, GM BluePlan Engineering Ltd.

1. CALL TO ORDER

Regional Chair Bradley called the meeting to order at 6:31 p.m.

2. DISCLOSURES OF PECUNIARY INTEREST

There were no disclosures of pecuniary interest.

3. PRESENTATIONS

There were no presentations.

4. DELEGATIONS

4.1 Niagara Region Incentives Policy (Report PDS 31-2021 (Agenda Item 5.1))

4.1.1 David Jovanovic, Lundy's Lane BIA

David Jovanovic, appeared before Committee on behalf of the Lundy's Lane BIA as well as the BIAs of the Niagara Region, requesting Niagara Region reconsider the elimination of vital CIP incentive programs as they are the key driver to stimulate private sector investment that is vitally needed to make a destination vibrant and successful.

4.1.2 Eddy Pybus, Vice Chair of the Board & Chair, Economic Development, Niagara Falls Downtown Business Improvement Area

Eddy Pybus, Vice Chair of the Board & Chair, Economic Development, Niagara Falls Downtown Business Improvement Area, appeared before Committee requesting Niagara Region reconsider the elimination of CIP incentive programs.

4.1.3 Serge Carpino, Chair, Thorold BIA

The delegation request from Serge Carpino was withdrawn.

5. ITEMS FOR CONSIDERATION

5.1 PDS 31-2021

Niagara Region Incentives Policy

Marian Bannerman, Program Manager, Grants and Incentives, provided information respecting Incentive Review and Recommendations. Topics of the presentation included:

- Incentive Review Catalysts and Goals
- Regional Incentive Reviews
- Basis of Review and Recommendations
- Council Direction: Four Priority Areas
- Current Funding

- Incentive Funding Options
- Existing Incentives
- Affordable Housing
- Employment
- Brownfield Remediation
- Public Realm
- Programs Outside Review Direction
- Next Steps

Moved by Councillor Foster
Seconded by Councillor Diodati

That Report PDS 31-2021, dated August 5, 2021, respecting Niagara Region Incentives Policy, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED**; and
2. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

Moved by Councillor Diodati
Seconded by Councillor Campion

That the motion **BE AMENDED** to read as follows:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED with the following additions:**
 - a. That the following existing programs continue to be maintained:*
 - i. SNIP - Smarter Niagara Incentive Program*
 - ii. Smart Growth Regional Development Charge Program*
 - iii. TIG - Tax Increment Grant*
2. That staff **PROVIDE** sunset clause policies with reasonable expiration dates;
3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities; and

4. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

Moved by Councillor Sendzik
Seconded by Councillor Disero

That the amendment **BE FURTHER AMENDED** by adding the following clause:

That staff BE DIRECTED to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy.

Carried

The Regional Chair called the vote on the amendment as follows:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED with the following additions:**

a. That the following existing programs continue to be maintained:

i. SNIP - Smarter Niagara Incentive Program

ii. Smart Growth Regional Development Charge Program

iii. TIG - Tax Increment Grant

2. That staff PROVIDE sunset clause policies with reasonable expiration dates;

3. That staff formally REVIEW and REPORT to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;

4. That staff BE DIRECTED to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy.

A request was made to vote on each clause of the amendment separately.

The Regional Chair called the vote on the amendment to clause 1 as follows:

That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED with the following additions.**

Carried

The Regional Chair called the vote on clause 1.a) i. as follows:

a. That the following existing programs continue to be maintained:

i. SNIP - Smarter Niagara Incentive Program

Recorded Vote:

Yes (16): Bellows, Champion, Chiocchio, Dart, Diodati, Easton, Fertich, Gale, Greenwood, Nicholson, Redekop, Rigby, Sendzik, Ugolini, Villella, Whalen.

No (11): Butters, Bylsma, Disero, Edgar, Foster, Gibson, Heit, Huson, Insinna, Witteveen, Zalepa.

Carried

The Regional Chair called the vote on clause 1.a) ii. as follows:

a. That the following existing programs continue to be maintained:

ii. Smart Growth Regional Development Charge Program

Recorded Vote:

Yes (13): Bellows, Champion, Chiocchio, Dart, Diodati, Fertich, Gale, Greenwood, Nicholson, Redekop, Ugolini, Villella, Whalen.

No (14): Butters, Bylsma, Disero, Easton, Edgar, Foster, Gibson, Heit, Huson, Insinna, Rigby, Sendzik, Witteveen, Zalepa.

Defeated

The Regional Chair called the vote on clause 1.a) iii. as follows:

a. That the following existing programs continue to be maintained:

iii. TIG - Tax Increment Grant

Recorded Vote:

Yes (12): Bellows, Campion, Chiocchio, Diodati, Fertich, Gale, Greenwood, Nicholson, Rigby, Ugulini, Villella, Whalen.

No (15): Butters, Bylsma, Darte, Disero, Easton, Edgar, Foster, Gibson, Heit, Huson, Insinna, Redekop, Sendzik, Witteveen, Zalepa.

Defeated

The Regional Chair called the vote on clause 2 as follows:

2. That staff PROVIDE sunset clause policies with reasonable expiration dates.

Carried

The Regional Chair called the vote on clause 3 as follows:

3. That staff formally REVIEW and REPORT to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities.

Recorded Vote:

Yes: (25): Bellows, Butters, Campion, Chiocchio, Darte, Diodati, Disero, Easton, Edgar, Fertich, Foster, Gale, Gibson, Greenwood, Heit, Huson, Nicholson, Redekop, Rigby, Sendzik, Ugulini, Villella, Whalen, Witteveen, Zalepa.

No (2): Bylsma, Insinna.

Carried

The Regional Chair called the vote on clause 4 as follows:

4. That staff *BE DIRECTED* to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy.

Carried

The Regional Chair called the vote on the motion as amended as follows:

That Report PDS 31-2021, dated August 5, 2021, respecting Niagara Region Incentives Policy, **BE RECEIVED** and the following recommendations **BE APPROVED**:

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED** with the following additions:

a. That the following existing program continue to be maintained:

i. SNIP – Smarter Niagara Incentive Program

2. That staff **PROVIDE** sunset clause policies with reasonable expiration dates;

3. That staff formally **REVIEW** and **REPORT** to Regional Council prior to October 2024 on the effectiveness, challenges and any recommended changes to the Region's Incentive Programs, after consulting with the local area municipalities;

4. That staff **BE DIRECTED** to explore the inclusion of the Niagara Investment in Culture Program as part of the updated policy; and

5. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

A request was made to vote on clause 1.a) i. separately.

The Regional Chair called the vote on the balance of the motion.

Recorded Vote:

Yes (20): Bellows, Campion, Chiocchio, Darte, Diodati, Easton, Fertich, Foster, Gale, Greenwood, Heit, Nicholson, Redekop, Rigby, Sendzik, Ugulini, Villella, Whalen, Witteveen, Zalepa.

No (7): Butters, Bylsma, Disero, Edgar, Gibson, Huson, Insinna.

Carried

The Regional Chair called the vote on clause 1. a) i. as follows:

a. That the following existing program continue to be maintained:

i. SNIP – Smarter Niagara Incentive Program

Recorded Vote:

Yes (17): Bellows, Campion, Chiocchio, Dart, Diodati, Easton, Fertich, Gale, Greenwood, Nicholson, Redekop, Rigby, Sendzik, Ugolini, Villella, Whalen.

No (11): Butters, Bylsma, Disero, Edgar, Foster, Gibson, Heit, Huson, Insinna, Witteveen, Zalepa.

Carried

Councillor Information Request(s):

Investigate shoreline and flood mitigation programs. Councillor Sendzik.

Investigate options in consultation with the local area municipalities to rationalize the SNIP programs. Councillor Redekop.

Consider implementing a needs assessment for applicants to determine if the funding is actually required for a project or if the project would be completed regardless. Councillor Butters.

In consideration of the time, the Acting Chief Administrative Officer advised that the remaining agenda items could be brought forward to a future meeting.

Moved by Councillor Campion
Seconded by Councillor Witteveen

That this meeting **BE NOW ADJOURNED.**

Carried

8. NEXT MEETING

The next meeting is scheduled for Thursday, September 9, 2021 at 6:30 p.m.

9. **ADJOURNMENT**

The meeting adjourned at 11:35 p.m.

Jim Bradley
Regional Chair

Ann-Marie Norio
Regional Clerk

From: [PF-Mailbox-01](#)
To: [Norio, Ann-Marie](#); [Trennum, Matthew](#)
Subject: FW: Online Form - Request to Speak at a Standing Committee or Regional Council
Date: Thursday, July 29, 2021 2:51:36 PM

From: Niagara Region Website
Sent: Thursday, 29 July 2021 14:51:33 (UTC-05:00) Eastern Time (US & Canada)
To: Clerks
Subject: Online Form - Request to Speak at a Standing Committee or Regional Council

Request to Speak at a Standing Committee or Regional Council

To reply, copy the email address from below and put into 'To'. (if resident entered their email address)

Name

David Jovanovic

Address

[REDACTED]

City

Niagara Falls

Postal

L2E 2C3

Phone

9054018247

Email

david.jovanovic.llbia@gmail.com

Organization

Lundy's Lane BIA

standing committee

Committee of the Whole

Presentation Topic
Niagara Region Incentive Review

Presentation includes slides
No

Previously presented topic
No

Presentation Details
Reconsideration of elimination of Region's funding of several current CIP & Development Charges incentives. Files will be uploaded by August 3

Video Consent
Yes





August 3, 2021

Chair Jim Bradley & Members of Regional Council
1815 Sir Isaac Brock Way
PO Box 1042, Thorold, ON L2V 4T7
289-687-0799

Re: Niagara Region Incentive Review

Dear Chair Jim Bradley & Members of Regional Council,

It has come to our attention that the Niagara Region has undertaken a review of incentive programs, including various Community Improvement Plan (CIP) programs available to businesses within our Business Improvement Area (BIA).

The Lundy's Lane BIA is comprised of 250+ businesses and oversees the improvement, beautification, maintenance, marketing, promotion, and communication within our BIA boundary. Additionally, by working with local stakeholders, the LLBIA promotes the area as an attractive place for individuals to visit; and entrepreneurs to locate their businesses. Over the past six years, the Lundy's Lane BIA has rolled out several progressive initiatives including a comprehensive Streetscape Master Plan, Urban Design Guidelines, and the Lundy's Lane CIP which included a vital TIFF Incentive to spur new investment on the Lane. The LLBIA is also finalizing our exciting new rebranding campaign that will be rolled out in mid-September this year and will be integrated into the major public realm projects that will be occurring along the Lane in the 1-4 years. These projects will include the design of the much-needed Lundy's Lane OPG History Park at the hydro canal and Lundy's Lane (currently under review at the Region), the refurbishment of the OPG Canal Bridge and new trail heads which is slated for construction in 2022. In 2023 we are slated for the utility and complete road makeover of Lundy's Lane by the Region from Highland Ave to Montrose Rd, with the balance tentatively scheduled for 2024/25. When completed, the public realm on Lundy's Lane will be exciting, first class and this will all be through the joint efforts of the Lundy's Lane BIA, City of Niagara Falls and the Region of Niagara.

It is with great concern however, that we have learned about the potential elimination of the Region's participation in the CIP and DC incentive programs within our BIA. Programs such as the Smarter Niagara Incentive Program (SNIP), including façade and building

improvement and TIG programs; and the Smart Growth Regional DC Program are essential to the creation of a vibrant economic environment within the area. Having programs such as these creates an opportunity to stimulate additional private sector investment and redevelopment, ensuring Lundy's Lane, and Niagara in general, remains an attractive and competitive place to invest.

Council will remember that the Lundy's Lane CIP was brought to the Regional Council for final approval just as a moratorium was placed on regional participation in CIPs, even though the Region jointly financed the LLCIP viability study and supported the direction that our CIPs were going in. Since that time, the LLBIA has been proactive on enhancing our TIFF/TIG incentive package by adding a much-needed residential component to the LLBIA TIG. This amendment was made official by the Council of Niagara Falls on July 19, 2018. The driving force of our TIG program is not only commercial investment, but also to achieve our goal of significant residential intensification along the Lundy's Lane corridor. Much like other progressive communities, our Urban Design Guidelines are designed around adding retail and commercial at grade, to stimulate better pedestrian engagement at street level, with supporting residential development on top, and/or behind the retail component. All of this is designed to create a new sense of neighbourhood for Lundy's Lane. With deep properties, Lundy's Lane is the perfect location to achieve our goals, and the Region's goals, as Lundy's Lane is designated as an intensification corridor by the Province. The Lundy's Lane BIA has checked all the boxes of the Region's planning goals of creation of affordable housing, employment, and an engaging public realm.

The Lundy's Lane BIA strongly encourages the Niagara Region to reconsider the elimination of these vital CIP incentive programs as they are the key driver to stimulate private sector investment that is so vitally needed to make a destination vibrant and successful. Small business is the economic engine of Niagara, and with the hardships that this sector has had to endure during Covid, this is the time that the Region should be increasing CIP participation, not backing out of it.

The Lundy's Lane BIA thanks regional staff and council on all your assistance in supporting Lundy's Lane to become a shining beacon for Niagara, and a great place to live, work and do business. Collectively, we can make this work.

Sincerely,

David Jovanovic, Project Administrator
Lundy's Lane BIA
(905) 401-8247

Tish DiBellonia, Chair
Lundy's Lane BIA
(905)-371-8579



August 3, 2021

Chair Jim Bradley & Members of Regional Council
1815 Sir Isaac Brock Way
PO Box 1042, Thorold, ON L2V 4T7
289-687-0799

Re: Niagara Region Incentive Review

Dear Chair Jim Bradley & Members of Regional Council,

On behalf of the BIAs of the Niagara Region, we would like to commend Regional Staff and Council on your strong leadership during the pandemic. Small Business has been hit very hard and the guidance of Niagara Health, the Region, and our respective municipalities, has been critical in assisting our businesses and residents navigate these troubling and ever-changing times. Small Business is the heart and soul of our communities and is the key economic driver and employer of the Region and must be preserved.

Collectively, the 15+ BIAs of the Niagara Region represent several thousand businesses that oversee the improvement, beautification, maintenance, marketing, promotion, and communication within their respective BIA boundaries. Additionally, by working with local stakeholders, the BIAs promote their area as an attractive place for individuals to visit, live, work; and entrepreneurs to locate their businesses.

It is with great concern that we have learned about the potential elimination of the Region's participation in several of the CIP incentive programs within our respective BIA's. Programs such as the Smarter Niagara Incentive Program (SNIP), including façade and building improvement and TIG programs; and the Smart Growth Regional Development Charges DC) Program are **essential** to the creation of a vibrant economic environment within the area. Having programs such as these creates an opportunity to stimulate additional private sector investment and redevelopment, helping fulfil our mandate as a BIA, and ensure that Niagara remains an attractive and competitive place to invest.

While the BIAs applaud, champion, and fully support the need for new, creative 'Affordable Housing' and 'Public Realm' strategies and incentivization, **we can not lose sight of the fabric of our communities... our downtowns and business districts.**

We strongly encourage the Niagara Region (Council) to reconsider the elimination of our vital CIP and DC incentive programs as they are the key driver to stimulate the private sector investment that is so vitally needed to make a destination vibrant and successful. Small business is the economic engine of Niagara, and with the economic hardships that this sector has had to endure during the pandemic, this is the time that the Region should be increasing CIP participation and programming; not backing out of it. An example of this is the City of Toronto, through TABIA (Toronto Association of BIA's), has secured/pledged an additional \$12-18 million of CIP funding to further assist small businesses to weather the economic challenges of Covid-19 and keep their business districts alive and vibrant.

Upper-level government has a major role to play in sustaining and making small businesses more competitive. The Digital Main Street Initiative, that our BIA's have championed, operated through the Ontario BIA Association, has received a collective \$41 million in funding from the Provincial and Federal governments to assist small businesses to be more competitive in the digital realm of social media, websites, and online marketing. The benefits to small business when all levels of government are on board, with a common goal, is enormous. **Without your support, we will not achieve our potential.**

The BIAs of the Niagara Region look forward to working with Regional Staff and Council to maintain our current CIP's and develop incentivization programs that will promote affordable housing, residential intensification, beautification, and public realm enhancements. **Collectively, we can make Niagara a better place to live, work, do business, and attract new investment.**

Sincerely,

David Jovanovic, Project Administrator
Lundy's Lane BIA
(905) 401-8247

Rachel Braithwaite, Executive Director
Downtown St Catharine's BIA
(905) 685-8424

Stephanie Hicks, Executive Director
Downtown Bench Beamsville BIA
(905) 563-2799

Alexis Higgenbotham, Executive Director
Welland Downtown BIA
(905) 736-2884

Mary Lou Ambrose Little
Downtown Port Colborne & Stevensville BIA's
(905) 735-9245

Amanda Nicol-MacDonald, Executive Director
Downtown Niagara Falls BIA 289-251-9574.
(289) 251-9574

Rick Tisi, Chair
Main & Ferry – Historic Drummondville BIA
(905) 931-7046

Marsh Cappola,
Thorold BIA
(905) 680-7334

City of Niagara Falls		
	Downtown CIP	Downtown BIA
	<ul style="list-style-type: none"> - Residential Loan Program - Commercial Building and Façade Improvement Grant - Revitalization Grant Program (Tax Increment Grant) - Development Charges Exemption Program 	
	Historic Drummondville CIP	Historic Drummondville BIA
	<ul style="list-style-type: none"> - Residential Loan Program - Commercial Building and Façade Improvement Grant - Revitalization Grant Program (Tax Increment Grant) - Development Charges Exemption Program 	
	Lundy's Lane CIP	Lundy's Lane BIA
	<ul style="list-style-type: none"> - Commercial Façade, Landscaping, and Property Improvement Grant - Adaptive Reuse and Motel Revitalization Grant Program - Tax Increment Based Grant 	
City of St. Catharines		
	Community Improvement Plan (CIP2020) <i>Priority Areas Include: Downton, Queenston, Hartzel Road / Merriton, Western Hill, Oakdale-Moffat, Ontario-Carlton; plus additional intensification areas</i>	St. Catharines Downtown Association (priority area)
	<ul style="list-style-type: none"> - Tax Increment Finance Program (TIF) - Brownfield Tax Increment Finance Program (BTIF) - Brownfield Tax Assistance Program (BTA) - Façade Improvement Program (FIP) 	
Town of Fort Erie		
	Southend-Riverwalk CIP	-
	Stevensville CIP	-
	Ridgeway CIP	Ridgeway BIA
	Bridgeburg CIP	Bridgeburg Station BIA
City of Welland		
	Downtown and Health and Wellness Cluster CIP	Welland Downtown BIA
	<ul style="list-style-type: none"> - Urban Design Study Grant Program - Façade Improvement Grant - Building Improvement Grant - Residential Grant - Tax Increment Grant 	
City of Thorold		
	Downtown Thorold CIP	Thorold BIA
City of Port Colborne		
	Downtown Central Business District CIP <ul style="list-style-type: none"> - Urban Design Study Grant Program - Façade Improvement Grant - Residential Grant/Loan Program - Revitalization (Tax Increment) Grant - Planning and Building Fees Grant 	Downtown BIA
	Olde Humberstone CIP	Main Street BIA

Town of Lincoln		
	Beamsville Central Business District and The Ontario Street Commercial Area CIP	Downtown Bench Beamsville BIA
	Vineland Central Business District CIP	-
Town of Pelham		
	Downtown Fenwick CIP Downtown Fonthill CIP <ul style="list-style-type: none"> - Commercial Building Facade Improvement - Residential Intensification Grant - Revitalization Grant - Planning Fees Grant - Public Art Grant - Development Charge Exemption Program 	
Town of Grimsby		
	Downtown Grimsby Façade Improvement Grant	Grimsby Downtown Improvement Area

From: [PF-Mailbox-01](#)
To: [Norio, Ann-Marie](#); [Trennum, Matthew](#)
Subject: FW: Online Form - Request to Speak at a Standing Committee or Regional Council
Date: Tuesday, August 03, 2021 1:06:24 PM

From: Niagara Region Website
Sent: Tuesday, 03 August 2021 13:06:19 (UTC-05:00) Eastern Time (US & Canada)
To: Clerks
Subject: Online Form - Request to Speak at a Standing Committee or Regional Council

Request to Speak at a Standing Committee or Regional Council

To reply, copy the email address from below and put into 'To'. (if resident entered their email address)

Name

Eddy Pybus

Address

4605 Queen Street

City

Niagara Falls

Postal

L2E2L7

Phone

[REDACTED]

Email

vc@downtownniagarafalls.com

Organization

downtown niagara falls

standing committee

Regional Council

Presentation Topic
CIP Funding Recommendation

Presentation includes slides
No

Previously presented topic
No

Presentation Details
I would like to make some statements about the staff recommendation to cancel the Regional CIP funding

Video Consent
Yes



From: [PF-Mailbox-01](#)
To: [Norio, Ann-Marie](#); [Trennum, Matthew](#)
Subject: FW: Online Form - Request to Speak at a Standing Committee or Regional Council
Date: Tuesday, August 03, 2021 3:04:25 PM

From: Niagara Region Website
Sent: Tuesday, 03 August 2021 15:04:16 (UTC-05:00) Eastern Time (US & Canada)
To: Clerks
Subject: Online Form - Request to Speak at a Standing Committee or Regional Council

Request to Speak at a Standing Committee or Regional Council

To reply, copy the email address from below and put into 'To'. (if resident entered their email address)

Name

serge carpino

Address

12 Regent St

City

Thorold

Postal

L2V1T1

Phone

[REDACTED]

Email

serge.carpino@sympatico.ca

Organization

Thorold B.I.A.

standing committee

Regional Council

Presentation Topic
Regional Inventive Review

Presentation includes slides
No

Previously presented topic
No

Presentation Details
Supporting the maintaining of All Regional Incentives

Video Consent
Yes



Niagara Region Incentive Review and Recommendations

Regional Council Committee of the Whole

August 5, 2021

Incentive Review Catalysts and Goals

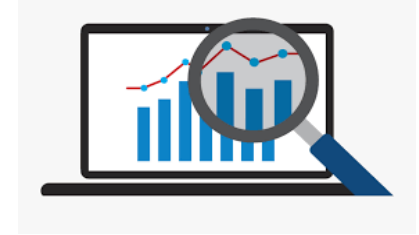
Increased Programs



Increased Cost



New Business Models



Incentive Review Goals

- Align with Regional priorities and responsibilities
- Address current and future needs
- Provide meaningful and measurable results
- Be sustainable, clear and accountable

Regional Incentive Review



Basis of Review and Recommendations

Council Direction

- Council Strategic Priorities
- Council direction on incentive reports

Research and Data

- Audits of Regional incentive programs – process and value-for-money
- Incentive program data and KPIs
- Review of comparator programs and best practices

Engagement

- Information: Meetings, presentations, webinar
- Feedback: Surveys of public, stakeholders, and local municipalities

Council Direction: Four Priority Areas



**Affordable
Housing**



Employment



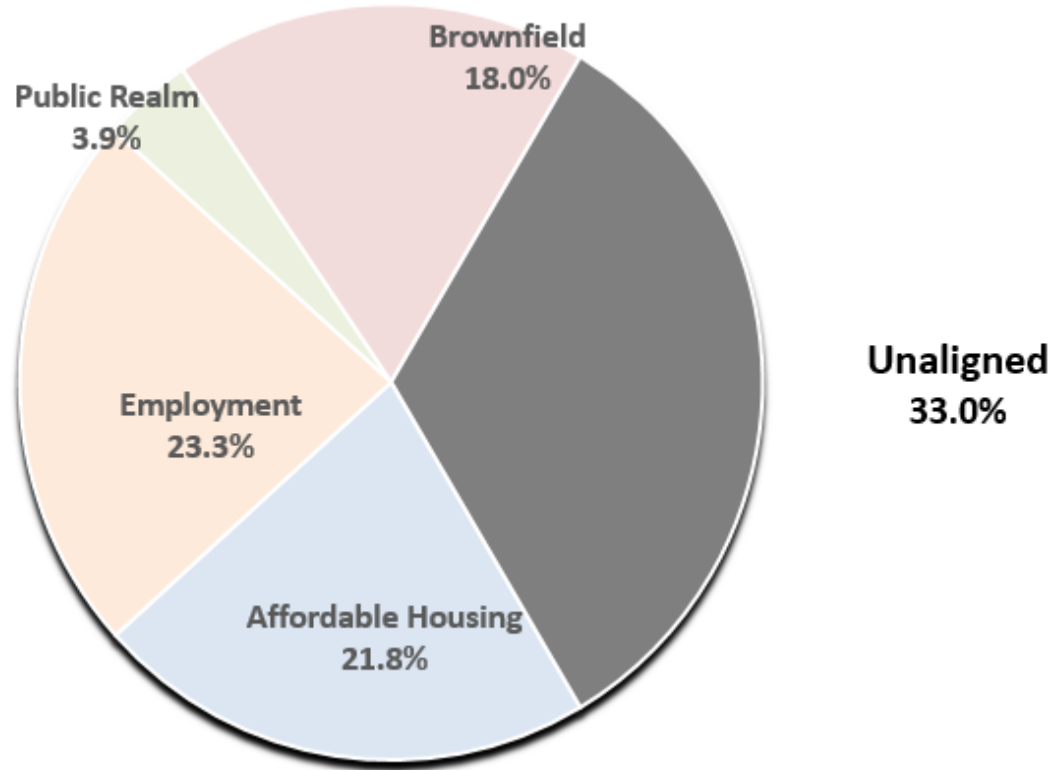
**Brownfield
Remediation**



Public Realm

Current Funding

2021 Incentive Budget (\$14M)



- Funding not fully aligned with Priority Areas or targeted distribution
- Budget pressures from existing programs/transitions and unlimited access to some incentive programs
- Future investment will be guided by:
 - Program performance over time
 - Key variables such as pandemic recovery, housing market, employment patterns
 - Provincial and federal funding

Incentive Funding Options

Repurpose Existing Grant Dollars	Federal/Provincial Governments	Increase Taxes
PROs		
<ul style="list-style-type: none"> no incremental tax impact 	<ul style="list-style-type: none"> minimizes incremental tax impact (often comes with cost sharing) 	<ul style="list-style-type: none"> funding available immediately
<ul style="list-style-type: none"> aligns discretionary budget dollars with Council Strategic Priorities 	<ul style="list-style-type: none"> offsets Provincial costs downloaded to Region (e.g., hospitals) 	<ul style="list-style-type: none"> can retain other program/grant spending
<ul style="list-style-type: none"> aligns our spending more with other municipalities' incentives 		<ul style="list-style-type: none"> can design sustainable programs targeted to priority areas
<ul style="list-style-type: none"> can create partnerships/leverage private sector investment 		<ul style="list-style-type: none"> can create partnerships/leverage private sector investment
CONs		
<ul style="list-style-type: none"> local priorities may continue to be uploaded to Region 	<ul style="list-style-type: none"> reactive, unpredictable, and tight time frames 	<ul style="list-style-type: none"> impact on residents including low income households
<ul style="list-style-type: none"> takes time to realize funding due to commitments and by-laws 	<ul style="list-style-type: none"> agenda may not align with Regional priorities 	<ul style="list-style-type: none"> tax increases further impact housing affordability

Existing Incentives are not **STRATEGIC**

They do not address Regional needs and priorities

- 80% of TIGs are for market residential development – ownership singles, townhouses, condos
- Less than half of 1% of TIG funding has been spent on affordable housing
- Almost half of Niagara renter households spend 30%+ of their income on shelter
- Niagara has a higher than average year-over-year increase in market rents and a lower than average turnover rate

Too many programs in too many areas

- Niagara Region has more incentive programs than others, yet fewer thresholds, caps, requirements
- 60% of residents do not support Regional spending on incentives outside areas of Regional responsibility, though the Region currently funds such programs
- 76% of residents do not want Region to fund enhancements to privately owned buildings

They have outgrown their original intent

- Growth means some incentives are no longer essential to secure development
- Smart Growth criteria are required, not incentivized, by other municipalities

Existing Incentives are not **SUSTAINABLE**

They are expensive and difficult to budget

- Forecast RDCs grants for 2022 is \$17 million, which may result in budget shortfall of \$10 million
- Regional costs of TIG incentives will double that of 2019 for the next 5-7 years
- In 2018 Regional DC grants were \$13 million, representing 27% of DC collections or almost 4% of the levy budget – and nearly 73% was unaligned with the priority areas
- Niagara provides a higher level of TIGs than those offered by most other municipalities

Their return on investment is not effective

- Individual projects resulted in payback periods in excess of 100 years
- Even if the full new construction assessment from 2018-20 was attributed to Regional incentives, the resulting tax revenues appear insufficient to offset their cost
- Regional DC grants are considered above standard based on annual expenditures compared to budget

Regional Incentives can be **SUCCESSFUL**

Niagara Region Incentives Policy will ...

- ✓ Ensure Regional incentives address Regional priorities
- ✓ Align incentive funding to identified needs and priority areas
- ✓ Relate grant amounts to policy and program goals
- ✓ Provide accountable and sustainable resourcing
- ✓ Enable a range of incentive types
- ✓ Create consistent, clear, coordinated policy and programs
- ✓ Measure results, monitor progress, report regularly

Affordable Housing



Over 26,000 households
in core housing need in
Niagara

Housing prices increased
26% in 2020, the largest
increase on record

Over 23,000 renters and
owners spend over 50% of
their income on housing

NRH waitlist for housing
for singles aged 16-54 is
7-18 years in Niagara

- ✓ Increase affordable and attainable rental supply
- ✓ Decrease NRH affordable housing wait times
- ✓ Maintain existing affordable housing stock

Affordable Housing

Affordable Housing is shelter that costs no more than 30% of before-tax household income

	Income Level	Max/month
Low Income	LESS THAN \$19,200	\$480
	\$19,201 - \$29,400	\$735
Moderate Income	\$29,401 - \$39,600	\$990
	\$39,601 - \$52,500	\$1,313
Medium Income	\$52,501 - \$68,100	\$1,703
	\$68,101 - \$83,900	\$2,098

It would cost over \$6B to eliminate core housing need affecting 13% of Niagara households

Households in core need are diverse, including young adults, families, seniors -- 98% with one income

Affordable Housing



Encourage affordable and attainable purpose-built rental housing

Program	Regional grant minimums/maximums	Key Parameters
<u>Partnership Housing Program</u> Suite of Incentives (e.g., grants, deferrals)	Determined on a case by case basis depending on funding/contributions available	Scoring criteria weighted to projects increasing purpose-built rental and creating affordable units for waitlist tenants at lower cost than Regional construction
<u>Affordable and Supportive Housing</u> Regional Development Charge Deferral	Up to 100% of Regional DCs deferred for eligible units as long as they remain affordable	Some units which move households off wait list may have DCs granted after specified time period
<u>Intensification Grant</u> Regional Development Charge Grant	100% of Regional DCs granted for eligible projects	Includes interior and exterior secondary suites as defined by provincial DC Act
<u>Residential Rental Grant</u> Regional Project Grant	Maximum \$40k/unit for up to two units Annual budget	Must remain affordable rental units for a minimum of 10 years
<u>Small Building Rental Grant</u> Regional Project Grant	Maximum grant of \$15k/unit for up to five units Annual budget	Must remain affordable rental units for a minimum of 10 years

Key Success Measures: number and type of affordable units created; households removed from waitlist; amount of incentive per unit

Affordable Housing



Encourage affordable new ownership and maintain existing affordable housing stock

Program	Regional grant minimums/maximums	Key Parameters
<u>Non-Profit Grant</u> Regional Development Charge Grant	Up to 100% of Regional DCs Annual budget (current \$150k)	Scoring criteria for projects based on alignment with Regional priorities
<u>NRH Home Ownership Downpayment Assistance</u> Forgivable Loan	Up to 5% of down payment Provincial funding	Must meet age, renter household, income and asset requirements
<u>NRH Niagara Renovates Homeownership</u> Forgivable Loan	Up to \$22k for eligible projects and up to \$5k in accessibility renovations Provincial funding	Must meet certain income and ownership requirements
<u>NRH Niagara Renovates Multi-residential</u> Forgivable Loan	Maximum \$10k/unit, maximum per building of \$25k-\$90k depending on number of units Provincial funding	Must have over two units, units must be at or below average market rent for 15 years
<u>NRH Non-Profit and Co-op Capital Repair Costs</u> Forgivable Loan	Federal/provincial funding Grant maximums dependent on funding	Must have agreements with Housing Services Ranked on criteria including urgency, ability to fund
<u>NRH Housing Provider Capital Loan Program</u> Loan and Grant	Annual program budget Grant maximums dependent on funding	Must have agreements with Housing Services Must be non-profit or co-op Ranked on criteria including urgency, ability to fund

Key Success Measures: number of units purchased or maintained; households removed from waitlist; amount of incentive per unit

Employment



Employment dropped about 15,000 and the labour force dropped by 10,000 in Niagara from 2016-20

Investment in industrial building construction experienced a significant decline of \$42.4 million or 40% from 2017-2020

Jobs in the targeted sectors are among the highest in economic impact in the Region

- ✓ Attract new businesses to Niagara
- ✓ Incentivize an average of 100 new full time jobs in Niagara over the next five years
- ✓ Expand the range of employment incentives while maintaining unique status of Gateway CIP

Employment

Attract jobs and businesses to Niagara



Program	Regional grant minimums/maximums	Key Parameters
<u>Gateway CIP Tax Increment Grant</u> Local and Regional Gateway CIP matching grant	Maximum 100% TIG for 10 years in Strategic Locations for Investment (five years outside SLIs)	With Local Municipalities, align Smart Growth criteria with industrial development Review of Strategic Locations for Investment
<u>Gateway CIP Regional DC Grant</u> Local and Regional Gateway CIP matching grant	Maximum \$1.5M per project	Local DC matching grant required
<u>Niagara Business Attraction Tax Increment Grant</u> Local CIP matching grant	Maximum of 75% of Gateway TIG calculation for five years	Project must be approved by LAM under a CIP
<u>Regional Employment Grant</u> Regional Development Charge Grant	1-10 full time positions created = 50% of RDCs 11-20 full time positions created = 75% of RDCs 21+ full time positions created = 100% of RDCs	Eligible employment sectors are Manufacturing (NAICS 31-33) and Professional, Scientific and Technical Services (NAICS 54, with some exceptions)
<u>50% Industrial Expansion Grant</u> Regional Development Charge Grant	100% of DCs on maximum of 50% of gross floor area prior to first enlargement	See maximum and minimums

Key Success Measures: number of jobs created; amount of grant provided; number of local partners; square feet added

Brownfield Remediation



There are at least five brownfield sites in Niagara estimated to have \$15M or more in remediation costs

The majority of Niagara brownfield sites are in the urban area → remediation supports employment, intensification, housing, reduced GHG emissions

Just five key Niagara brownfield sites represent over 500 acres that could be remediated and redeveloped

- ✓ Generate an average increase of 10 times the original assessment value on brownfield properties
- ✓ Approve two high impact BTIGs in the next five years
- ✓ Provide funding for remediation of at least 200 acres in the next five years



Brownfield

Clean up contaminated sites to prepare for development

Program	Regional grant minimums/maximums	Key Parameters
<u>Brownfield Tax Increment Grant Tier 1:</u> <u>Select Sites</u> (Local CIP)	80% or 100% with affordable housing 10 Years - fixed calculation Annual grant no greater than \$10M Minimum \$5M in remediation costs	For remediation costs only Eligible sites identified in collaboration with local municipalities Project must be approved by LAM under a CIP
<u>Brownfield Tax Increment Grant Tier 2</u> (Local CIP)	60% or 80% with affordable housing 10 Years - Fixed calculation Annual grant no greater than \$1M Minimum \$250k in remediation costs	For remediation costs only Project must be approved by LAM under a CIP
<u>Brownfield RDC Deferral</u> Regional Development Charge Deferral	100% of RDCs may be deferred until occupancy permit issued or five years from signing of agreement, whichever is first	May stack with BTIG

Key Success Measures: number of acres remediated; affordable housing units created; jobs created; assessment increase

Public Realm



Provincial requirements to support walkable communities, active transportation, and promote universal accessibility

Lost opportunity costs without coordination on service delivery for major capital projects

Niagara has an estimated vegetative cover of 27%

- ✓ Improve public realm including road, bike paths, sidewalk, trails and accessibility amenities in an average of six projects annually
- ✓ Plant at least 500 trees through PRIP in the next five years
- ✓ Achieve at least 10 of the following: public plaza enhancements, place-making and public art installations, gateway features

Public Realm



Improve accessibility, sustainability and attractiveness of public spaces on Regional roads in core areas

Program	Regional grant minimums/maximums	Key Parameters
<u>Public Realm Investment Program</u> Regional Matching Grant	\$25,000 minimum to \$150,000 maximum per grant Annual program budget (current \$350K)	Within or directly adjacent to a Regional Road right-of-way and areas of significant Regional investment in urban and core areas

Key Success Measures: Kilometres of roads/trails created or improved; number of trees planted; accessibility components installed; place-making features installed; public art installed

Programs Outside Review Direction

- Niagara Investment in Culture Program
- Waterfront Investment Program
- Heritage Tax Rebate Program
- Smart Growth Regional DC Program
- Brownfield Tax Assistance Program
- Façade and building improvement
- Heritage restoration
- Planning grant

Next Steps



Fall 2021

- Incentive Procedures to CLT for approval
- Stakeholder information sessions
- Consultation, coordination with LAMs on key program components and alignment
- Regional administrative updates
- Incentive funding through 2022 Budget process



2022

- Implementation of Niagara Region Incentives Policy
- Continued work and engagement on Regional DC Bylaw



Niagara Region Incentive Policy:

Strategic Sustainable Successful

Subject: Niagara Region Incentives Policy

Report to: Committee of the Whole

Report date: Thursday, August 5, 2021

Recommendations

1. That the Niagara Region Incentives Policy (Appendix 1 of Report PDS 31-2021) **BE APPROVED**; and
2. That Report PDS 31-2021 **BE CIRCULATED** to the Local Area Municipalities.

Key Facts

- The purpose of this report is to present a Niagara Region Incentives Policy which outlines Regional incentive programs aligned into the four Priority Areas identified by Council.
- In 2018, Regional Council endorsed the review of Regional incentive programs with the goals of having incentives align with Regional priorities and responsibilities, address current and future needs, provide meaningful and measurable results, and be sustainable, clear and accountable.
- In 2019, Council further directed staff to align Regional incentives into four priority areas: Affordable Housing, Employment, Brownfield Remediation, and Public Realm.
- The Regional incentive review has included both process and value-for-money audits of incentive programs; public, stakeholder and local municipal partner engagement; and research into comparator programs and best practices. An interdepartmental team of Regional staff has worked to align Regional incentives into the priority areas and provide recommendations for program and administrative improvements.
- The proposed Niagara Region Incentives Policy (Appendix 1) updates, aligns and consolidates the majority of Regional incentives in a single document, providing greater clarity, consistency and flexibility.

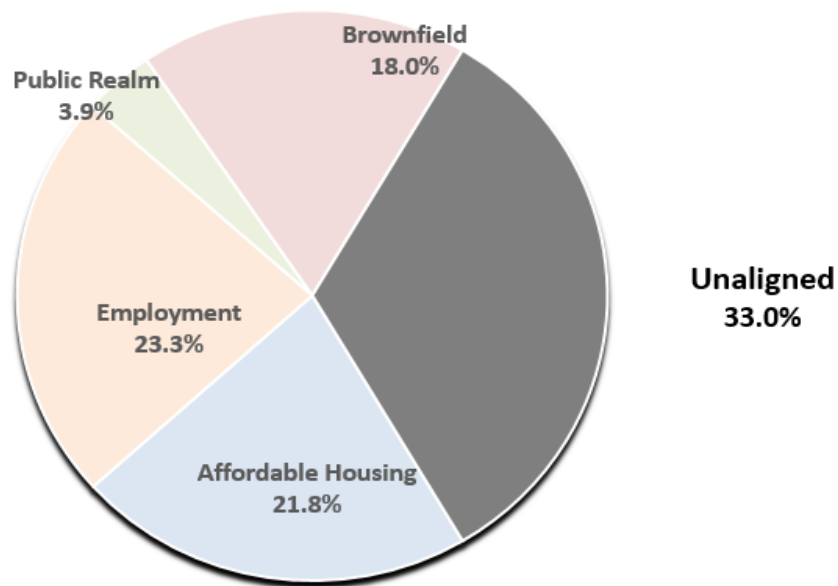
- If approved, it is recommended that the newly aligned incentive programs be implemented January 1, 2022, with the exception of incentive programs existing under the current Regional Development Charges Bylaw (98-2017), which will remain in effect until the expiration of that Bylaw on August 31, 2022.
- Additional improvements to incentive delivery include updating and expanding Regional incentive information online; instituting a one-window approach for applicants; improving collection of data and metrics; coordinating incentive reporting; and providing for regular incentive policy and procedure review.

Financial Considerations

Funding for Regional incentives will be addressed through the 2022 budget process. Though funding may be targeted differently, this review is not resulting in a request for an increase in total incentive funding levels in 2022. The 2022 budget will include a request to fund existing tax increment grant commitments through growth in alignment with the budget planning bylaw, and may require consideration of additional budget to address current Regional Development Charge (RDC) Bylaw grants including grants in 2017 brownfield transition agreements. A full leadership review of the staffing requirements to support grants and incentives is pending council endorsement of this report and a detailed review of individual program administration (occurring fall 2021). It is anticipated program support will be achieved through repurposing of existing roles and funding.

Incentives represent the largest discretionary item in the Niagara Region budget. As the KPMG Service Sustainability Review report notes, the other remaining discretionary programs in the Region's budget relate to community grants such hospital funding and Canada Summer Games, as well as Community Services grants and discretionary spending for social assistance grants and child care services. In 2021, Regional incentive spending was approximately \$14 million. The chart below illustrates Regional incentive spending in the 2021 budget.

Chart 1: Regional Incentive Spending by Priority Area in the 2021 Budget



Approximately 33% of current Regional incentive funding is not aligned in one of the four Priority Areas identified by Council. Furthermore, approximately one-third of the Region's incentive spending currently funds legacy commitments, such as tax increment grants and RDC grants. Spending for legacy commitments under existing programs is slated to increase in the next few years as grants which have Regional funding committed, particularly tax increment grants or grants provided under the RDC Bylaw expiring September 2022, are frequently not paid out until project completion several years after approval. The current suite of incentive programs are forecasted to create financial pressures in the coming years.

- Costs for Regional tax increment grant commitments will double 2019 levels over the next 5-7 years.
- There is an estimated \$17 million shortfall in the 2022 RDC grant budget as a result of legacy commitments through expiring programs and RDC transition agreements under the 2017 RDC by-law (see Appendix 3).

The recommendations of the incentive review would align Regional incentive spending into the four Priority Areas, ensuring investments drive the policy outcomes Council is trying to achieve. No increase in incentive spending is requested as a direct result of incentive program changes recommended in the attached policy; however, ongoing budget pressures relating to the current tax increment grant and RDC Bylaw commitments noted above will be addressed in the 2022 budget. It is important to note that there may be increasing budget pressures in future to sustain funding as some incentive programs have no caps, and fluctuate significantly in uptake year to year. Funding for incentive programs from provincial and federal governments may also vary considerably from year to year, which will continue to effect program budgets. It is requested that budget made available as legacy commitments expire be considered for reinvestment in the Priority Area programs and to support the costs of any program administration enhancements.

Future investment will be guided by program performance over time; key variables such as pandemic recovery, the housing market, and employment patterns; and provincial and federal funding opportunities.

Any additional funding for incentives would come through:

- Repurposing existing grant dollars, which has no incremental tax impact, enables alignment with Regional priorities but takes time to realize;
- Provincial or federal funding, which may minimize tax impact but is often unpredictable, reactive, unaligned with Regional priorities and time sensitive; and/or
- Increasing taxes, which makes funding available immediately and supports sustainable, targeted programs but has an impact on low income households and housing affordability.

Analysis

Catalysts, Goals and Direction of the Incentive Review

Times have changed, and Niagara has changed, significantly since the first Regional incentive programs began in 2002. The economic, social and growth climates are very different now, with the pandemic adding yet another layer of change. Incentive programs during this period have proliferated in number, variety and cost: Niagara Region now partners on over 150 different incentives programs. Regional incentives are the largest discretionary item in the Regional budget, amounting to \$14 million (3.5% of the tax levy) in 2021. Administrative and technological advances also mean

there are new ways to facilitate more efficient service and track program performance to better measure incentives' success.

In 2018 Regional Council endorsed a review of most incentive program delivered by Planning and Development Services, Corporate Services, and Economic Development. The goals of this review were to review current programs, and create Regional incentives that align with Regional priorities and responsibilities, address current and future needs, provide meaningful and measurable results, and ensure incentives are sustainable, clear and accountable. Further direction was provided by Council in 2019 when staff were directed to align Regional incentives into four Priority Areas: Affordable Housing, Employment in Key Sectors, Brownfield Remediation and Public Realm. Following this direction the review was expanded to include Regional incentives for affordable housing and related development charge incentives.

Key Review Components

(1) Audits and Research

In 2018 two audits of Regional incentives were undertaken: a process audit (Phase 1), which considered the efficiency and effectiveness of current incentive procedures, and a value-for-money audit (Phase 2), which evaluated performance, reviewed the working relationships between the Region and Local Municipalities, and benchmarked Regional incentive administration against similar municipalities. These audits produced interesting findings and identified the following opportunities for improvement:

Phase 1

- The Region has not developed an overall master agreement nor operating procedures/policies for the various grant and incentive programs
- Regional interests and priorities have not been sufficiently identified or communicated to support the evaluation and approval processes
- [There is] Inconsistent and insufficient post-award monitoring to validate application accuracy and measure overall program success

Phase 2

- The Region needs to consider program rationalization
- [There is a] Lack of master agreement or standard operating procedures

- [There are] Insufficient performance measures to report on program success and compliance
- The Region can provide greater value-added support to improve administrative efficiency and program success

The research and analysis included in the two audit reports has been supplemented by staff research and data analysis of incentive programs, and studies conducted by KPMG providing information on incentives in other municipalities and the performance and sustainability of Regional incentives. These data, coupled with input obtained through engagement, have shaped recommendations and Regional Incentive Policy.

(2) Engagement

Internal and external engagement has been conducted throughout the incentive review. Internally, Regional staff working with incentive programs were interviewed and program documents, data, processes and procedures were reviewed. There has also been communication and coordination with other Regional initiatives related to the identified Priority Areas, e.g., the Affordable Housing Steering Committee, the Regional Development Charge Task Force. In addition, several reports and presentations on incentives have come before Regional committees and Council since 2018, including most recently a Regional Council Information Session on incentives held July 22, 2021.

External engagement has included outreach to the public and program stakeholders, with a particular focus on Local Municipalities as the Region's largest incentive partners. These engagement milestones include:

2018: Interviews with each local municipality regarding incentive programs for the audits, and a written comment period following the second audit report

2019: Meeting with local municipal staff

2020: Meeting with local municipal staff and survey – programs and priority areas

2021: Public Webinar; Public (453 responses) and Stakeholder (73 responses) surveys; Meeting with local municipal staff; local municipal staff survey – proposed programs

Recommendations

Recommendations proposed through the Regional incentive review meet the goals of the incentive review, address the findings of the audits, and enhance incentive programs by:

- ✓ Communicating Regional priorities and aligning programs and policy with them
- ✓ Consolidating incentives into a single Niagara Region Incentives Policy to provide greater clarity around programs; flexibility to update policy and programs; consistency with other Regional policies and procedures; continuous improvement by ensuring regular program and policy review;
- ✓ Updating performance measures and maintaining databases and Council reporting tools to better measure and report program success;
- ✓ Improving customer service by instituting a one-window delivery system; and,
- ✓ Modernizing program information and processes by moving more incentive information and interaction online.

Information on the specific incentive programs recommended for each Priority Area is included in Appendix 2. Recommended programs meet Council's direction through:

- (1) Improving existing programs in the Priority Areas, e.g. the Affordable and Supportive Housing RDC Deferral (Affordable Housing), the Gateway Economic Zone and Centre Community Improvement Plan incentives (Employment), the Brownfield Tax Increment Grant program (Brownfield Remediation), and the Public Realm Improvement Program (Public Realm);
- (2) Targeting or repurposing existing programs to align with Council Priority Areas, e.g., the Non-profit RDC Grant, Residential Rental Grant and Small Building Rental Grant;
- (3) Updating programs to ensure their sustainability, e.g., the Employment RDC Grant and the Brownfield RDC Deferral; and,
- (4) Creating a program to ensure access by all Local Municipalities to Priority Area incentives, i.e. the Niagara Business Attraction Tax Increment Grant.

Implementation

If the Niagara Region Incentive Policy is approved, work will begin to implement aligned programs as of January 1, 2022. Exceptions to this implementation date are any RDC incentive programs currently included in the Regional Development Charge Bylaw (Bylaw 2017-98), which will expire on August 31, 2022. From January 1 – August 31,

2022, applicants will be able to apply under either the new Niagara Region Incentive Policy program or the existing RDC Bylaw program incentive program.

To support incentive partners and stakeholders, Regional staff will hold information sessions on the newly aligned Regional incentives (e.g., how they may coordinate with local programs, new processes and procedures) and consult with local municipalities on key program components to be updated for some incentive programs (e.g., employment incentives). Engagement for other initiatives such as the Regional Development Charge Bylaw will also continue in 2021-22 through the RDC Task Force.

Alternatives Reviewed

As this report provides recommendations requested by Council through the Regional incentive review no alternatives have been provided.

Relationship to Council Strategic Priorities

The recommendations in this report support the following 10 objectives in all four Council strategic priorities:

Priority 1: Supporting Businesses and Economic Growth

- Objective 1.1: Economic Growth and Development
- Objective 1.2: Support retention and development of skilled labour force
- Objective 1.3: Collaborative Approach to Business Growth and Retention
- Objective 1.4: Strategically Target Industry Sectors

Priority 2: Healthy and Vibrant Community

- Objective 2.1: Enhance Community Wellbeing
- Objective 2.3: Addressing Affordable Housing Needs

Priority 3: Responsible Growth and Infrastructure Planning

- Objective 3.2: Environmental sustainability and stewardship (14)

Priority 4: Sustainable and Engaging Government

- Objective 4.1: High quality, efficient and coordinated core services
- Objective 4.2: Enhanced Communication
- Objective 4.3: Fiscally Sustainable

Other Pertinent Reports

- PDS 42-2017 Overview of 2018 Incentive Review
- PDS-C 19-2018 ICOP Phase 1 Audit Report on Regional Incentive Review
- PDS-C 31-2018 ICOP Phase 2 Audit Report on Regional Incentive Review
- PDS-C 38-2018 Local Municipal Responses to Incentive Review Audit Report
- PDS 22-2019 Regional Incentives Financial Information
- PDS 34-2019 Grants and Incentives Review
- CSD 55-2020 Sustainability Review Final Report

Prepared by:

Marian Bannerman, PhD
Program Manager, Grants and
Incentives
Planning and Development Services

Recommended by:

Michelle Sergi, MCIP, RPP
Commissioner
Planning and Development Services

Submitted by:

Ron Tripp, P.Eng.

Acting Chief Administrative Officer

This report was prepared in consultation with the Regional Incentive Review team (Community Services: Donna Woiceshyn, Director, Niagara Housing Services, CEO of Niagara Regional Housing; Corporate Services: Todd Harrison, CPA, CMA, Commissioner of Corporate Services,/Treasurer; Helen Chamberlain, CPA, CA, Director, Financial Management and Planning/Deputy Treasurer; Robert Fleming, Senior Tax and Revenue Analyst; Lyndsey Ferrell, Program Financial Specialist; Economic Development: Valerie Kuhns, Associate Director; Ken Scholtens, Manager, Business Development and Expedited Services; Planning and Development Services: Doug Giles, BUS, MEP, Director, Community and Long-Term Planning; Marian Bannerman, Program Manager, Grants and Incentives), with input from Economic Development: George Spezza, Director; Planning and Development Services: Khaldoon Ahmad, Manager, Urban Design; Pat Busnello, Manager, Development Planning; Alex Tikky, Senior Planner.

Appendices

Appendix 1	Niagara Region Incentives Policy
Appendix 2	Realigned Niagara Region Incentive Programs
Appendix 3	RDCPT-C 7-2021 Development Charges Grant Expenditures under 2017 Regional Development Charges By-law

<i>Policy Category</i>	<i>Name of Policy</i>
Administrative	Niagara Region Incentives Policy

Page 1 of 9

Policy Owner	Planning and Development Services, Community and Long Range Planning, Director of Community and Long Range Planning
Approval Body	Regional Council
Approval Date	August 26, 2021
Effective Date	January 1, 2022
Review by Date	Within five years of effective date

1. Policy

This policy identifies Regional incentive programs aligning per Council direction with the Council Priority Areas of Affordable Housing, Employment, Brownfield Remediation and Public Realm, and outlines general objectives and parameters for these programs.

1.1. This policy pertains to the programs listed in [Appendix A: Regional Incentive Programs](#).

1.2. Incentives are provided in these priority areas with the following goals:

1.2.1. To increase the amount of affordable housing in Niagara, particularly the supply of purpose-built rental housing, and to maintain existing affordable rental housing stock;

1.2.2. To attract and retain new businesses and full-time jobs to Niagara;

1.2.3. To encourage the remediation of contaminated sites for better environmental, economic, health and safety and urban planning outcomes; and

1.2.4. To improve the accessibility, sustainability and attractiveness of public spaces on Regional roads in core areas, and coordinate investment and workplans for major capital projects in the public realm.

1.3. Eligibility, application, approval, documentation, reporting, tracking, monitoring and payment requirements and practices for these Regional incentive programs will be outlined in the Procedures related to this policy.

1.4. Incentives will be provided subject to budgetary availability.

1.5. For Regional incentive programs requiring applications, only complete, correct and conforming applications will be considered.

1.6. Payment of grant incentives is contingent on compliance with all program requirements.

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1.7. Key incentive program data and performance indicators will be collected, reviewed and reported on to demonstrate program effectiveness and accountability.

1.8. Clear, consistent information on Regional incentive programs will be provided to program partners and stakeholders.

2. Purpose

The purpose of this policy is to align Regional incentive programs with the four priority areas of Affordable Housing, Employment, Brownfield Remediation, and Public Realm identified by Regional Council, and to consolidate them under one policy.

3. Scope

Where incentives in this policy relate to mandatory Development Charge incentives, the incentives will continue until changed in the Development Charge Act. Where incentives in this policy relate to discretionary Regional Development Charge incentives, the incentives of Development Charge Bylaw 2017-98 will continue until the expiry of the bylaw on August 31, 2022.

No duplication of the following incentives is permitted:

- Affordable and Supportive Housing Regional Development Charge Deferral in this policy and the discretionary Affordable Housing Regional Development Charge Deferral, Section 11(f) of Bylaw 2017-98
- Employment Regional Development Charge Grant in this policy and the discretionary Industrial Regional Development Charge Grant, Section 17(c) of Bylaw 2017-98
- Brownfield Regional Development Charge Deferral in this policy and the discretionary Brownfield Regional Development Charge Grant, Section 14 of Bylaw 2017-98
- Intensification Regional Development Charge Grant in this policy and Intensification Regional Development Charge Grant, Section 16 of Bylaw 2017-98
- 50% Industrial Expansion Regional Development Charge Grant in this policy and 50% Industrial Expansion Regional Development Charge Grant, Section 17 (a) and (b) of Bylaw 2017-98

3.1. Roles and Responsibilities

3.1.1 Regional Council

Approves, by resolution, the Regional Incentives Policy and any updates as necessary every five years.

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Approves budget allocation to fund Regional incentive programs.

Approves in-year and year-end funding requirements of budget variances related to Regional incentive programs.

3.1.2 Corporate Leadership Team

Approves the Procedures related to this policy and any updates as necessary.

Provides budget recommendations to Council with respect to funding Regional incentive programs.

3.1.3 Commissioner, Planning and Development Services or Designate

Reviews and updates the Regional Incentives Policy as necessary every five years and submits any necessary changes for Council approval.

Creates necessary guiding strategies, supporting frameworks and procedures as required to administer this policy which may be amended from time to time.

Monitors compliance and adherence to this policy.

Develops and maintains appropriate tracking of Regional incentive programs covered under this policy and in related policies, programs or legislation, and reports on them annually to Regional Council.

Carries out the above tasks in coordination with Regional Commissioners, Directors, other Regional staff involved in administering these Regional incentive programs.

Provides recommendations to the Corporate Leadership Team with respect to incentive program funding.

3.1.4 Commissioner, Corporate Services or Designate

Coordinates with Commissioner of Planning and Development Services or designate in administration, tracking and reporting of incentive policies and programs outlined in this policy and in related policies, programs or legislation.

Oversees Regional Development Charge Bylaw updates and recommends revisions as required to Regional Incentives Policy and relevant programs should the Development Charges Act be revised.

Provides recommendations to the Corporate Leadership Team with respect to incentive program funding.

3.1.5 Director, Economic Development or Designate

Coordinates with Commissioner of Planning and Development Services or designate in administration, tracking and reporting of incentive policies and programs outlined in this policy and in related policies, programs or legislation.

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Provides recommendations to the Corporate Leadership Team with respect to incentive program funding.

3.1.6 Commissioner, Community Services or Designate

Coordinates with Commissioner of Planning and Development Services or designate in administration, tracking and reporting of incentive policies and programs outlined in this policy and in related policies, programs or legislation.

Provides recommendations to the Corporate Leadership Team with respect to incentive program funding.

3.1.7 Director, Housing Services/CEO, Niagara Regional Housing or Designate

Coordinates with Commissioner of Planning and Development Services or designate in administration, tracking and reporting of incentive policies and programs outlined in this policy and in related policies, programs or legislation.

Provides recommendations to the Corporate Leadership Team with respect to incentive program funding.

3.1.8 Director, Legal and Court Services or Designate

Ensures that all Regional incentive program agreements satisfy all legal requirements as outlined in appropriate legislation and appropriately mitigate legal exposure for Niagara Region.

4. References and Related Documents.

4.1. Legislation, By-Laws and/or Directives

- Planning Act, R.S.O. 1990, c. P.13
- Municipal Act, 2001, S.O. 2001, c. 25
- Development Charges Act, 1997, S.O. 1997
- Canada-Ontario Community Housing Initiative
- Ontario Priorities Housing Initiative
- ICP 97-2011
- ICP 33-2013
- ICP 118-2013
- PDS-C 3-2017
- By-law 2017-89
- By-law 2017-98
- CSD 34-2019
- COM-C 32-2020

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4.2. Procedures

Procedures for programs outlined in this policy organized by each of the four Priority Areas will be forthcoming.

5. Related Policies

- Regional Development Charges Deferral Payment Policy

6. Appendices

- [Appendix A: Regional Incentive Programs](#)

7. Document Control

The electronic version of this document is recognized as the only valid version.

Approval History

Approver(s)	Approved Date	Effective Date
Council		

Revision History

Revision No.	Date	Summary of Change(s)	Changed by

<i>Policy Category</i>	<i>Name of Policy</i>
<i>Administrative</i>	<i>Niagara Region Incentives Policy</i>

Appendix A: Regional Incentive Programs

Program	Program Description	Grant Type
AFFORDABLE HOUSING		
Partnership Housing Program	Partnerships with for- and non-profits to generate more purpose-built rental and move clients off the housing waitlist by using a suite of Regional incentives customized by project	Suite of Incentives (e.g., TIGs, DC grants and deferrals) for Affordable Housing Capital Development
Affordable and Supportive Housing RDC Deferral	A deferral of Regional DCs for affordable or supportive housing units in projects having an agreement with a Regional department or agency for as long as the units remain affordable	Regional Development Charge Deferral
Non-Profit RDC-based Grant	A grant for up to 100% of DCs payable for eligible non-profit developments	Regional Development Charge Grant
Intensification RDC Grant	A grant providing DC relief to secondary suites created within or on the property of residential dwellings as required in the DC Act and until no longer mandatory in the Act.	Regional Development Charge Grant
Residential Rental Grant	A grant for the creation of secondary suites within or on the property of a residence which remain at affordable rental levels for at least 10 years	Regional Project Grant
Small Building Rental Grant	A grant for the construction of up to five units, up to \$15k/unit, provided units remain at affordable rental levels for at least 10 years	Regional Project Grant

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NRH Welcome Home Niagara Home Ownership Program	A forgivable loan for downpayment assistance of 5% to a maximum of \$20,296 (purchase price not to exceed \$405,930), as amended from time to time, for renters at specific income levels purchasing a home	Forgivable Loan
NRH Niagara Renovates Homeownership	Forgivable loan over 10 years for repairs and accessibility modifications for low and moderate income households	Forgivable Loan
NRH Niagara Renovates Multi-residential	Forgivable loan over 15 years to fund repairs or provide accessibility for affordable units in multi-unit buildings	Forgivable Loan
NRH Non-Profit and Co-op Capital Repair Costs	Funding for capital repairs to non-profit and co-op housing providers having agreements with NRH	Forgivable Loan
NRH Housing Provider Capital Loan Program	Emergency loan program, with 25% forgivable over time, to support repairs to non-profit and co-op affordable housing providers having agreements with NRH	Loan and Grant
EMPLOYMENT		
Gateway CIP Tax Increment Grant	A matching tax increment grant for projects in the Gateway CIP area with eligible scores on economic and environmental criteria which result in increased assessment value	Tax Increment Grant (Local and Regional Gateway CIP)
Gateway CIP Regional DC Grant	A matching grant of Regional DCs payable for projects with exceptional scores (14+) on Gateway CIP criteria	Regional DC Grant (Local and Regional Gateway CIP)

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Niagara Employment Partnership TIG	A matching tax increment grant for projects approved under local CIPs with eligible scores on economic and environmental criteria resulting in increased assessment value	Tax Increment Grant (Local CIP)
Employment Regional DC-based Grant	A grant equal to a percentage of Regional DCs payable based on creation of full time jobs in manufacturing and professional, scientific and technical services sectors	Regional Development Charge Grant
50% Industrial Expansion RDC Grant	A grant equal to Regional DCs for enlargements to existing industrial buildings for up to 50% of original gross floor area as required in the DC Act and until no longer mandatory in the Act.	Regional Development Charge Grant
BROWNFIELD REMEDIATION		
Brownfield TIG Tier 1: Select Sites	A matching tax increment grant for remediation costs on major brownfield sites whose remediation will result in significant economic, environmental, social, and health benefits; increased benefit for projects with affordable housing	Tax Increment Grant (Local CIP)
Brownfield TIG Tier 2	A matching tax increment grant (for remediation costs of brownfield sites eligible through local CIPs; increased benefit for projects with affordable housing	Tax Increment Grant (Local CIP)
Brownfield Regional DC Deferral	A deferral of Regional DCs for eligible brownfield sites until an occupancy permit is issued or up to five years from signing of agreement	Regional Development Charge Deferral

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PUBLIC REALM		
Public Realm Investment Program	Matching grant for capital projects that provide public realm enhancements on Regional roads in core areas	Regional Matching Grant to Local Area Municipality

Appendix 2: Aligned Regional Incentive Programs

Program	Regional Program minimums/maximums	Key Parameters	Key Performance Indicators
AFFORDABLE HOUSING			
<u>Partnership Housing Program</u> Suite of Incentives (e.g., grants, deferrals)	Determined on a case by case basis depending on funding/contributions available	Scoring criteria weighted to projects increasing purpose-built rental and creating affordable units for waitlist tenants at lower cost than Regional construction	Number of affordable units created Number of households removed from NRH waitlist Amount of incentive per unit
<u>Affordable and Supportive Housing</u> Regional Development Charge Deferral	Up to 100% of Regional DCs deferred for eligible units as long as they remain affordable	Some units which move households off wait list may have DCs granted after specified time period	Number of affordable units created Number of households removed from NRH waitlist Amount of incentive per unit
<u>Non-Profit Grant</u> Regional Development Charge Grant	Up to 100% of Regional DCs Annual budget (current \$150k)	Scoring criteria for projects based on alignment with Regional priorities	Number of affordable units created Number of households removed from NRH waitlist Amount of incentive per unit
<u>Intensification Grant</u> Regional Development Charge Grant	100% of Regional DCs granted for eligible projects	Includes interior and exterior secondary suites as defined by provincial DC Act	Number and type of units rental created (affordable, attainable)
<u>Residential Rental Grant</u> Regional Project Grant	Maximum \$40k/unit for up to two units Annual budget	Must remain affordable rental units for a minimum of 10 years	Number and type of units rental created (affordable, attainable)
<u>Small Building Rental Grant</u> Regional Project Grant	Maximum grant of \$15k/unit for up to five units Annual budget	Must remain affordable rental units for a minimum of 10 years	Number and type of units rental created (affordable, attainable)
<u>NRH Home Ownership Downpayment Assistance</u> Forgivable Loan	Up to 5% of down payment Provincial funding	Must meet age, renter household, income and asset requirements	Number of affordable units purchased Number of households removed from NRH waitlist Amount of incentive per unit

<u>NRH Niagara Renovates Homeownership</u> Forgivable Loan	Up to \$22k for eligible projects and up to \$5k in accessibility renovations Provincial funding	Must meet certain income and ownership requirements	Number of affordable units maintained through repair, accessible accommodation Amount of incentive per unit
<u>NRH Niagara Renovates Multi-residential</u> Forgivable Loan	Maximum \$10k/unit, maximum per building of \$25k-\$90k depending on number of units Provincial funding	Must have over two units, units must be at or below average market rent for 15 years	Number of affordable units maintained through repair, accessible accommodation Amount of incentive per unit
<u>NRH Non-Profit and Co-op Capital Repair Costs</u> Forgivable Loan	Federal/provincial funding Grant maximums dependent on funding	Must have agreements with Housing Services Ranked on criteria including urgency, ability to fund	Number of affordable units maintained Amount of incentive per unit
<u>NRH Housing Provider Capital Loan Program</u> Loan and Grant	Annual program budget Grant maximums dependent on funding	Must have agreements with Housing Services Must be non-profit or co-op Ranked on criteria including urgency, ability to fund	Number of affordable units maintained Amount of incentive per unit
EMPLOYMENT			
<u>Gateway CIP Tax Increment Grant</u> Local and Regional Gateway CIP matching grant	Maximum 100% TIG for 10 years in Strategic Locations for Investment (five years outside SLIs)	With Local Municipalities, align Smart Growth criteria with industrial development Review of Strategic Locations for Investment	Number of jobs created Amount of grant provided
<u>Gateway CIP Regional DC Grant</u> Local and Regional Gateway CIP matching grant	Maximum \$1.5M per project	Local DC matching grant required	Number of jobs created Amount of grant provided

<u>Niagara Business Attraction Tax Increment Grant</u> Local CIP matching grant	Maximum of 75% of Gateway TIG calculation for five years	Project must be approved by LAM under a CIP	Number of jobs created Number of Local Municipal matching programs
<u>Regional Employment Grant</u> Regional Development Charge Grant	1-10 full time positions created = 50% of RDCs 11-20 full time positions created = 75% of RDCs 21+ full time positions created = 100% of RDCs	Eligible employment sectors are Manufacturing (NAICS 31-33) and Professional, Scientific and Technical Services (NAICS 54, with some exceptions)	Number of jobs created Employment sectors of new jobs
<u>50% Industrial Expansion Grant</u> Regional Development Charge Grant	100% of DCs on maximum of 50% of gross floor area prior to first enlargement	See maximum and minimums	Number of jobs created Square feet added
BROWNFIELD			
<u>Brownfield Tax Increment Grant Tier 1: Select Sites</u> (Local CIP)	80% or 100% with affordable housing 10 Years - fixed calculation Annual grant no greater than \$10M Minimum \$5M in remediation costs	For remediation costs only Eligible sites identified in collaboration with local municipalities Project must be approved by LAM under a CIP	Acres remediated in urban area Affordable housing units created Number of jobs created Increase in assessment value
<u>Brownfield Tax Increment Grant Tier 2</u> (Local CIP)	60% or 80% with affordable housing 10 Years - Fixed calculation Annual grant no greater than \$1M Minimum \$250k in remediation costs	For remediation costs only Project must be approved by LAM under a CIP	Acres remediated in urban area Affordable housing units created Number of jobs created Increase in assessment value
<u>Brownfield RDC Deferral</u> Regional Development Charge Deferral	100% of RDCs may be deferred until occupancy permit issued or five years from signing of agreement, whichever is first	May stack with BTIG	Acres remediated in urban area Affordable housing units created Number of jobs created Increase in assessment value

PUBLIC REALM			
<u>Public Realm Investment Program</u> Regional Matching Grant	\$25,000 minimum to \$150,000 maximum per grant Annual program budget (current \$350K)	Within or directly adjacent to a Regional Road right-of-way and areas of significant Regional investment in urban and core areas	Kms of roads/trails created or improved Number of trees planted Accessibility components installed Amount of place-making features and public art installed

MEMORANDUM

RDCPTF-C 7-2021

Subject: Development Charges Grant Expenditures under 2017 Regional Development Charges By-law

Date: July 29, 2021

To: Regional Development Charge Policy Task Force

From: Rob Fleming, Senior Tax & Revenue Analyst

The intent of this memo is to provide the task force with context regarding Regional development charge (DC) grants that are currently contained within the 2017 DC By-law. Included as Appendix 1 to this memo is a summary of DC grants provided each full year since the By-law's inception in 2017 forecasted out to year-end 2021. The 2018 to 2020 values represent actuals for that year while 2021 represents a forecast to year-end based on current trends.

As can be noted in the Appendix, DC grants represents a significant component of the annual DC collections and the Region's annual general tax levy. The DC Act specifies that DC collection deficits as a result of DC grants cannot be made up from future DC collections therefore the Region funds the DC grants from the annual tax levy in order to keep the DC reserves whole. As such, a percentage calculation has also been provided in the Appendix which compares the annual grants for the year to that year's annual general tax levy amount. Year 2018 represents the most significant grant year for the Region which resulted in \$13M in DC grant awards based on the provisions of the 2017 DC By-law. This \$13M represented nearly 30% of total DC collections and nearly 4% of the Region's general tax levy for the year.

On July 22, 2021, Region staff held a workshop with Regional Council to provide an overview of the Regional Incentive Review Team's recommendations on future incentive programs which included programs related to DCs. The Team's recommendations were based on the Council approved Incentive Pillars of: brownfield redevelopment, employment in key sectors, affordable housing and public realm. As can be noted in the Appendix, many of the Region current discretionary DC grant programs are not directly tied to the Council approved Incentive Pillars which is the primary reason for Incentive Review recommending that many of the current

discretionary grants not continue beyond the current DC By-law. In 2018, for example, 73% of the \$13M in awarded grants did not relate to an approved incentive pillar. The focus will be to create discretionary DC grant programs which are aligned with the previously established incentive pillars and that are outside of a DC By-law in separate policies in order to ensure that these future programs can be adaptable, flexible and more successful in advancing Council objectives.

Respectfully submitted and signed by

Rob Fleming, MBA
Senior Tax & Revenue Analyst

Appendix 1 - Regional Development Charge Grant Awarded under 2017 RDC By-law

Appendix 1 – Regional Development Charge Grant Awarded under 2017 RDC By-law (\$000)

Grant Program*	2018	2019	2020	2021 Forecast**
Phase-In Grant (D)	3,704	2,672	0	0
Brownfield (D)	324	1,766	0	63
Smart Growth (D)	366	23	174	137
Long-Term Care (D)	0	410	0	0
Affordable Housing (D)	1,142	0	706	0
Parking Garage (D)	0	0	188	0
Agricultural (D)	5,381	179	0	0
Place of Worship (D)	0	384	0	0
Non-Profit (D)	144	150	150	150
Industrial & Gateway (D)	1,054	782	317	1.163
Hotels/Motels (D)	275	1,582	7	3
Other (D)	42	169	102	0
50% Industrial Expansion (M)	486	218	279	0
Residential Intensification (M)	93	39	0	0
Board of Education	36	0	0	0
Forecast to Year-End				4,448
Total DC Grants	13,047	8,372	1,925	5,964
Annual Budget	4,238	5,289	6,868	7,868
Annual Variance	(8,809)	(3,083)	4,943	1,904
Total DC Grants as % of DC Collections	27%	18%	5%	15%
Total DC Grants as % of Tax Levy	3.8%	2.3%	0.5%	1.5%
% Unaligned with Council Grant Pillars	73%	41%	24%	

* RDC grants and collections based on actual results for 2018 to 2020. Data is not included for 2017 as the RDC By-law was only in effect from September 1 to December 31, 2017.

** Actual grants and collections to June 30, 2021 with forecast to December 31, 2021.

(D) – Discretionary DC Grants; (M) – Mandatory DC Grants

THE REGIONAL MUNICIPALITY OF NIAGARA

BY-LAW NO. < >

A BY-LAW TO ADOPT, RATIFY AND CONFIRM THE ACTIONS OF
REGIONAL COUNCIL AT ITS SPECIAL MEETING
HELD AUGUST 31, 2021

WHEREAS subsection 5 (3) of the Municipal Act, S.O. 2001, Ch. 25, as amended, provides that, except if otherwise authorized, the powers of Regional Council shall be exercised by by-law; and,

WHEREAS it is deemed desirable and expedient that the actions of Regional Council as herein set forth be adopted, ratified and confirmed by by-law.

NOW THEREFORE the Council of The Regional Municipality of Niagara enacts as follows:

1. That the actions of the Regional Council at its special meeting held August 31, 2021, including all resolutions or motions approved, are hereby adopted, ratified and confirmed as if they were expressly embodied in this by-law.
2. That the above-mentioned actions shall not include:
 - a) Any actions required by law to be taken by resolution; or
 - b) Any actions for which prior Ontario Land Tribunal approval is required, until such approval is obtained.
3. That the Chair and proper officials of The Regional Municipality of Niagara are hereby authorized and directed to do all things necessary to give effect to the above-mentioned actions and to obtain approvals where required.
4. That unless otherwise provided, the Chair and Clerk are hereby authorized and directed to execute and the Clerk to affix the seal of The Regional Municipality of Niagara to all documents necessary to give effect to the above-mentioned actions.
5. That this by-law shall come into force and effect on the day upon which it is passed.

THE REGIONAL MUNICIPALITY OF NIAGARA

James Bradley, Regional Chair

Ann-Marie Norio, Regional Clerk

Passed: < >