
Memorandum

PDS–C 11-2024

Subject: Inventory of Current Regional Grant and Incentive Programs

Date: March 6, 2024

To: Planning and Economic Development Committee

From: Khaldoon Ahmad, Manager Urban Design

The purpose of this memorandum is to provide an inventory of current regional grant and incentive programs. Niagara Region offers a range of grant and incentive programs through Niagara Region's Incentive Policy (NRIP). These programs are aimed at supporting priorities by incenting types of development that Regional Council has considered to be important.

Following a multi-year review, Council approved the NRIP in 2021. The purpose of the NRIP is to align Regional incentive programs within four priority areas identified by Regional Council: Affordable Housing, Employment, Brownfield Remediation, and Public Realm. Through the alignment, the programs were consolidated within one policy that governs implementation of the programs.

When Council approved the new Policy, it also extended the Smarter Niagara Incentive Program Tax Increment Grant (SNIP TIG) program and the Smart Growth Program to expire on October 1, 2024.

Staff is preparing a report to Regional Council on the effectiveness and challenges of the current suite of the grants and incentives in the NRIP. The incentive review report will be brought to Regional Council in September 2024. The review is underway and will include consultation with the following groups:

- Local Area CAOs
- Local Area Community Improvement Plan Coordinators
- Local Area Treasurers
- Local Area Planners
- Economic Development Offices
- Chief Building Officials
- Niagara Industrial Association
- and others.

Staff has assembled a list of incentive programs. The list includes programs that are expiring in October of 2024 and the current programs that fall within the NRIP.

A glossary of key terms is provided at the end of this memorandum to define and explain the unique terminology of grants and incentives.

Expiring Programs: Will expire October 1st of 2024.

SMARTER NIAGARA INCENTIVE PROGRAM (SNIP)

Expiring Programs	Program Description	Grant Type
SNIP “simple grants” <ul style="list-style-type: none"> • Building and Façade Improvement • Heritage Restoration • Environmental Assessment Study • Residential • Planning (CIP/Secondary Plans) • Brownfield Tax Assistance Program • Agricultural Feasibility Study • Agricultural Tax Increment Grant 	Deadline to invoice Niagara Region 1 October 2024 Expires 1 October 2024	Local CIP grant
SNIP Property Rehabilitation and Revitalization Tax Increment Grant (SNIP TIG)	Expires 1 October 2024	Local CIP Tax Increment Grant
Smart Growth Regional Development Charge Reduction (RDC)	Expires 1 October 2024	Regional Development Charge Grant

NIAGARA REGION INCENTIVE POLICY – (NRIP)

The programs within the NRIP fall into 4 priority areas, also known as the 4 Pillars, which include Affordable Housing, Employment, Brownfield Remediation, and Public Realm.

AFFORDABLE HOUSING

Program Name	Program Description	Incentive Type
Partnership Housing Program	Partnerships with for-profit and non-profit providers 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 Affordable Rental Housing RDC Deferral	A deferral of 50-100% of Regional DCs depending on the level of affordability for affordable rental housing units with CMHC funding for as long as the units remain affordable as defined.	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	Regional Development Charge Grant

Program Name	Program Description	Incentive Type
	Act and until no longer mandatory in the Act.	
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
Welcome Home Niagara Home Ownership Program	A forgivable loan for down payment 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
Niagara Renovates Homeownership	Forgivable loan over 10 years for repairs and accessibility modifications for low and moderate income households.	Forgivable Loan
Niagara Renovates Multi-residential	Forgivable loan over 15 years to fund repairs or provide accessibility for affordable units in multi-unit buildings.	Forgivable Loan
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

Program Name	Program Description	Incentive Type
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

Program Name	Program Description	Incentive Type
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 RDC-based Grant	A matching grant of Regional DCs payable for projects with scores (14+) on Gateway CIP criteria.	Regional DC Grant (Local and Regional Gateway CIP)
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)
Industrial Use RDC-based Grant	A grant equal to 100% of Regional DCs for new or expanded industrial developments meeting the definition of Industrial Use	Regional Development Charge Grant

Program Name	Program Description	Incentive Type
Employment Regional DC-based Grant NOTE: This program inaccessible for duration of Industrial RDC 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

Program Name	Program Description	Incentive Type
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)

Program Name	Program Description	Incentive Type
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
Large-scale Brownfield Regional DC Grant	A grant equal to Regional DCs for projects meeting the definition of brownfield, over 10 hectares in size, and in a Secondary Plan area or area subject to a Secondary Plan process as of August 25, 2022.	Regional Development Charge Grant

PUBLIC REALM

Program Name	Program Description	Incentive Type
Public Realm Investment Program	Matching grant for capital projects for public realm enhancements on Regional roads in core areas.	Regional Matching Grant to Local Area Municipality Only

GLOSSARY OF KEY TERMS

Type	Description
Brownfield	Is undeveloped land that now requires remediation or cleanup before the land can be converted to a more sensitive use such as residential or mixed use. These lands may be contaminated in ways that requires cleaning up of the land and the removal or remediation of the soils. Incenting the costs for cleanup ensures that these lands are repurposed for more appropriate uses for the particular area.

Type	Description
CIP (Community Improvement Area)	Under the Ontario Planning Act, municipalities can create CIPs in order to direct municipal funding for incentives, grants, and other programs. CIPs are typically defined by geographic boundaries that are included into municipal official plans and may have planning policies pertaining to these areas.
CMHC	Canadian Mortgage and Housing Corporation responsible for administering the National Housing Act, with the mandate to improve housing by living conditions in the country.
DC (Development Charges)	Development Charges are set by municipalities under the Development Charges Act and are intended to fund growth. The Act defines what charges municipalities can collect to support new development. Development Charges are collected at the building permit stage.
Deferral	As in RDC Deferral: A deferral of the RDC means that the charge is not collected at the building permit stage but rather deferred to a later stage of construction such as Occupancy. A Deferral is an incentive because it reduces the upfront costs of development. Costs are back ended to a stage when the development has collected sales or is up and running.
Forgivable Loan	Is a type of loan in which some (or all) of the amount can be forgiven or deferred if the borrower meets certain conditions. Since the loan balance is waived when the requirements are met, it is often considered a grant with conditions rather than a loan.
Gateway CIP	The Niagara Gateway Economic Zone and Centre Community Improvement Plan (Gateway CIP) provides projects with property tax reductions of between 40%-100% for periods of 5 or 10 years in the municipalities of Welland, Port Colborne, Niagara Falls, Fort Erie, and Thorold.
Grant	A grant is a sum of fund that is given and not recouped.
TIG (Tax Increment Grant)	Is a grant that is deducted annually over a set period of time between 5 and 10 years. The amount of the grant is the difference between the pre-development tax assessment value and the post-development tax assessment value.
RDC	These are development charges that are collected by the Region.

Type	Description
(Regional Development Charges)	
RDC Grant	The associated RDC is collected at the building permit stage then refunded after occupancy.

Respectfully submitted and signed by

Khaldoon Ahmad
Manager of Urban Design