

DOWNTOWN DEVELOPMENT GRANTS

Date Issued: May 24, 2012, R153-22

Mandated by: City Council

Current Revision: May 24, 2022

Cross Reference:

- FIN-015-A Downtown Development Grants Procedure
- FIN-018-C Tangible Capital Assets Policy

Next Review: January 1, 2027

Responsibility: City Manager

1. PURPOSE

- 1.1 The purpose of this Policy is to establish the Downtown Multi-Unit Residential Incentive Grant Program (the “Program”) in order to:
- a) Encourage owners of lands to invest in new development and/or redevelopment of their properties for Residential Uses within Mixed-Use Development or Multi-Unit Development, by providing, in an impartial manner, Incentive Grants for eligible property owners.

2. POLICY

- 2.1 The City is committed to encouraging the addition of Residential Uses within Mixed Use Development and Multi-Unit Development for the purpose of revitalizing the downtown area. The Program will contribute to the overall economic well-being and stability of the city’s downtown area, and will help to develop and maintain safe and viable communities by increasing the number of Residential Uses and residential density within the downtown area.
- 2.2 To this end, Council has established a Multi-Unit Residential Incentive Grant for eligible Projects, upon project completion, to encourage the construction of new Residential Uses within the city’s downtown area.

3. APPLICATION OF POLICY

- 3.1 This Program applies to all lands located within the Program Boundary.
- 3.2 This Program becomes effective upon approval by Council.

- 3.3 All Program funding is subject to Council approval and all applications for Incentive Grants shall be subject to availability of funding as approved by Council.

4. DEFINITIONS

- 4.1 *Applicant* – means the person who applies for an Incentive Grant;
- 4.2 *City* – means the municipal corporation of the City of Fort Saskatchewan.
- 4.3 *City Manager* – means the Chief Administrative Officer (“CAO”) for the City as appointed by Council, including the CAO’s delegate.
- 4.4 *Council* – means the municipal Council of the City of Fort Saskatchewan.
- 4.5 *Development Authority* – means a Development Authority established pursuant to the Act and the City’s Land Use Bylaw.
- 4.6 *Dwelling or Dwelling Unit* – shall have the same meaning as it does within the City’s Land Use Bylaw.
- 4.7 *Eligible Capital Costs* – means the lower of the actual total capital costs incurred to build the Project, or the estimated cost to the Applicant to build the Project as outlined in a submitted application. Capital costs shall be limited to any new expenditures on labour, engineering, materials or other costs associated with the construction, but shall not include the costs of any improvements and equipment that existed on the land before construction commenced on the land itself, maintenance costs, or other non-capital costs such as legal/regulatory/permitting fees.
- 4.8 *Incentive Grant* – means a financial payment granted through the Program.
- 4.9 *Multi-Unit Development* – shall have the same meaning as it does within the City’s Land-Use Bylaw.
- 4.10 *Mixed-Use Development* – shall have the same meaning as it does within the City’s Land-Use Bylaw.
- 4.11 *Program* – means the Downtown Multi-Unit Residential Incentive Grant Program.
- 4.12 *Program Agreement* – means a contract between an Applicant and the City that sets out the terms and conditions of an Incentive Grant, and which must be entered into upon the approval of an application.
- 4.13 *Program Boundary* – means the area described in Schedule “A”.
- 4.14 *Program Review Officer* – means a City a staff member representing the Economic Development Department on the Review Committee, as appointed by the City Manager.

- 4.15 *Project* – means a Mixed-Use Development or Multi-Use Development that complies with, and is subject to the Program.
- 4.16 *Property* – means a parcel of land described in a Certificate of Title and contained within defined lot lines.
- 4.17 *Residential Use* – means lands, buildings or structures or portions thereof used, or designed or intended for use as a home or residence of one or more individuals.
- 4.18 *Review Committee* – means the committee selected by the Program Review Officer which is responsible for evaluating applications received under the Program. The Review Committee makes recommendations regarding the Program.
- 4.19 *Safety Codes Officer* – shall have the same meaning as it does within the Safety Codes Act, RSA 2000 c. S-1, as amended or repealed and replaced from time to time.

5. GUIDING PRINCIPLES

- 5.1 In no way shall Incentive Grants received from the City be seen as an endorsement of products, services, or ideas of any Applicant.
- 5.2 The provision of Incentive Grants is based on objective evaluation of applications submitted.
- 5.3 If there is an insufficient amount of Incentive Grant funding available and there are 2 or more Projects that meet the eligibility criteria, priority will be given to those Projects whose complete application was received first.
- 5.4 Every effort shall be taken to maintain the transparency and integrity of the Program. These efforts include but are not limited to:
- a) Records of decisions and discussions of the Program Review Officer/Review Committee are to be maintained; and
 - b) Information on Incentive Grants awarded may be published on the City's website and reported in the tri-annual financial report. This information may include details such as:
 - i) Amount of Incentive Grant approved;
 - ii) Recipient of the Incentive Grant;
 - iii) Total estimated Project cost;
 - iv) Nature and scope of the Project;
 - v) Expected impacts/benefits to the community; and

- vi) Actual amount of Incentive Grant provided at Project completion.

6. ELIGIBILITY CRITERIA

6.1 To be eligible to receive an Incentive Grant, the following eligibility criteria must be met:

a. Requirements for the Project:

- i. Be a new construction;
- ii. No work may be commenced prior to entry into a Program Agreement. Any work completed prior to entry into a Program Agreement is not eligible;
- iii. Be completed in a timely manner in accordance with the terms of the Program Agreement;
- iv. Contain a Residential Use that comprises of at least 50% of the total square footage of a building or structure, and be either of the following:
 - A. A Mixed-Use Development that creates a minimum of three (3) Dwelling Units located above commercial use occupancy on the ground floor of the building, through either new construction or through conversion of an existing building from an alternate use other than Multi-Unit Residential Development or Mixed-Use Development; or
 - B. A Multi-Unit Residential Development that creates a minimum of six (6) new Dwelling Units and is at least two (2) storeys through either new construction or through conversion of an existing building from an alternate use other than Multi-Unit Residential Development Mixed Use Development.
- v. Compliance with all applicable requirements of the City's Land-Use Bylaw, and other applicable legislation, codes, standards, and bylaws.

b. Requirements for a Property subject to a Project:

- i. Be located within the defined Program Boundary;
- ii. Not be in arrears or have amounts owing with regards to property tax, utilities, or other fees owed to the City;
- iii. Not be owned by a government or religious institution;
- iv. Not be going through foreclosure; and

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- v. Not be under a land use enforcement order in accordance with the Municipal Government Act (the “MGA”), in violation of any development agreement, permit, or the Safety Codes Act prior to application and/or at any time during the term of the Program Agreement.
- c. Requirements for the Applicant:
- i. Be the registered owner of the Property subject to the Project, or their agent;
 - ii. Must not be in arrears or have amounts owing with respect to property taxes, utilities, or other fees towards the City;
 - iii. Not be in bankruptcy;
 - iv. Not be under a land use enforcement order in accordance with the MGA, in violation of a development agreement, permit, or the Safety Codes Act prior to application and/or at any time during the term of the Program Agreement; and
 - v. Follow the procedure set-out in the Downtown Multi-Unit Residential Incentive Grants Procedure.
- 6.2 Only Eligible Capital Costs incurred after a Program Agreement has been entered into will be eligible for an Incentive Grant.
- 6.3 An Incentive Grant will only be provided if all of the eligibility criteria have been satisfied and the Project, Applicant, and Property subject to the Project otherwise comply with the Program.
- 6.4 An Incentive Grant will not be provided at the time of Project completion, if the Applicant is in arrears on taxes, utilities, fines, or other amounts owed to the City.
- 6.5 An Incentive Grant will only be provided once the following conditions have been met:
- a. Construction of the Project is complete;
 - b. Occupancy has been authorized by a qualified Safety Codes Officer; and
 - c. All conditions of any document authorizing development, excluding those of a continuing nature, have been fulfilled to the satisfaction of appropriate authority.
- 6.6 Each Property is eligible for the Program only once.
- 6.7 Properties and Applicants in receipt of a Brownfield Tax Exemption issued pursuant to Bylaw C15-22 are not eligible for the Program.

7. RESPONSIBILITIES

7.1 The City Manager, or their designate shall:

- a. Delegate a Program Review Officer;
- b. Execute Program Agreements between the City and Applicants;
- c. Establish procedures for the implementation of this Policy that are consistent with the terms of this Policy; and
- d. Establish timelines during which applications can be submitted.

7.2 The Review Committee shall:

- a. Review and and evaluate applications for Incentive Grants in an objective manner;
- b. seek additional information when necessary to make an informed decision on an application;
- c. conduct Project inspections, as necessary;
- d. establish the terms of each Program Agreement;
- e. recommend to the City Manager any changes to the procedures for administering the Program, as needed;
- f. evaluate the Incentive Grants annually and make recommendations to the City Manager regarding their continuation, cessation, and/or ongoing implementation; and
- g. meet every 2 months or as needed.

7.3 The Program Review Officer shall:

- a. Serve as the City's primary contact for the receipt of applications; evaluate applications for completeness;
- b. prepare reports on applications to the Review Committee;
- c. maintain records of decisions and discussions of the Review Committee;
- d. execute, oversee, and administer the requirements of the Program Agreements;
- e. prepare appropriate schedules and documentation pursuant to this Policy and associated Procedures;

- f. conduct Project inspections as necessary;
- g. issue a written acknowledgment of receipt of an application;
- h. consult with Applicants on application requirements;
- i. consult with other employees or agents of the City, other government agencies, or persons, as necessary;
- j. call meetings of the Review Committee; and
- k. issue letters of approval, a letters of approval with conditions, or letters of refusal, with reasons.

7.4 The Applicant shall:

- a. Provide all documentation required for the application, and requested by the Program Officer or Review Committee;
- b. adhere to the stipulations and conditions of a Program Agreement;
- c. obtain all necessary permits and licences;
- d. provide all necessary reports and documentation at the Completion Date to ensure compliance with the Program and Program Agreement;
- e. ensure the Project is complete by the Completion Date stated within the Project Agreement;
- f. ensure general upkeep and maintenance of a property subject to a Project pursuant to the City's Community Standards Bylaw; and
- g. not submit documentation that is false, incomplete, incorrect or misleading.

8. APPLICATION REVIEW AND GRANTING OF INCENTIVE

8.1 Applications are reviewed by the Review Committee. The Review Committee shall consist of representatives from the following departments:

- a. Economic Development;
- b. Planning and Development;
- c. Financial Services;
- d. Legislative Services; and

- e. Any other department representation deemed necessary.
- 8.2 Incentive Grants are allocated at the discretion of the Review Committee, based on the maximum amount under the Program, available funds, as well as the scope and nature of the Project.
- 8.3 The maximum amount available for an Incentive Grant, per Property is:
- a. 3% of Eligible Capital Costs.
- 8.4 Eligible Capital Costs include:
- a. Professional fees including but not limited to: Architectural, engineering, and or project design fees;
 - b. Project construction costs including, but not limited to:
 - i. site preparation;
 - ii. demolition;
 - iii. landscaping costs;
 - iv. construction materials and equipment;
 - v. construction labour; and
 - vi. fixtures, fittings, and appliances.
 - c. Additional costs required to create spaces that are accommodating to persons with disabilities;
 - d. Costs associated with creating a space designed for the public good including but not limited to a plaza or park accessible to the public, a public art installation, etc.
- 8.5 Ineligible costs include, but are not limited to:
- a. Non-permanent fixtures, interior window coverings, or non-permanent home furnishings;
 - b. Personal property or equipment;
 - c. Soft costs including, but not limited to, interest, insurance, legal fees, accounting fees, security fees, property taxes;

- d. Costs related to marketing the Project including, but not limited to, photography, staging, signage, digital or print marketing materials, or non-permanent promotional signage.
- e. Costs incurred prior to the Application Date; and
- f. Any improvements require to correct Building Code, Fire Code, or Property Standards orders.

9. ADDITIONAL TERMS

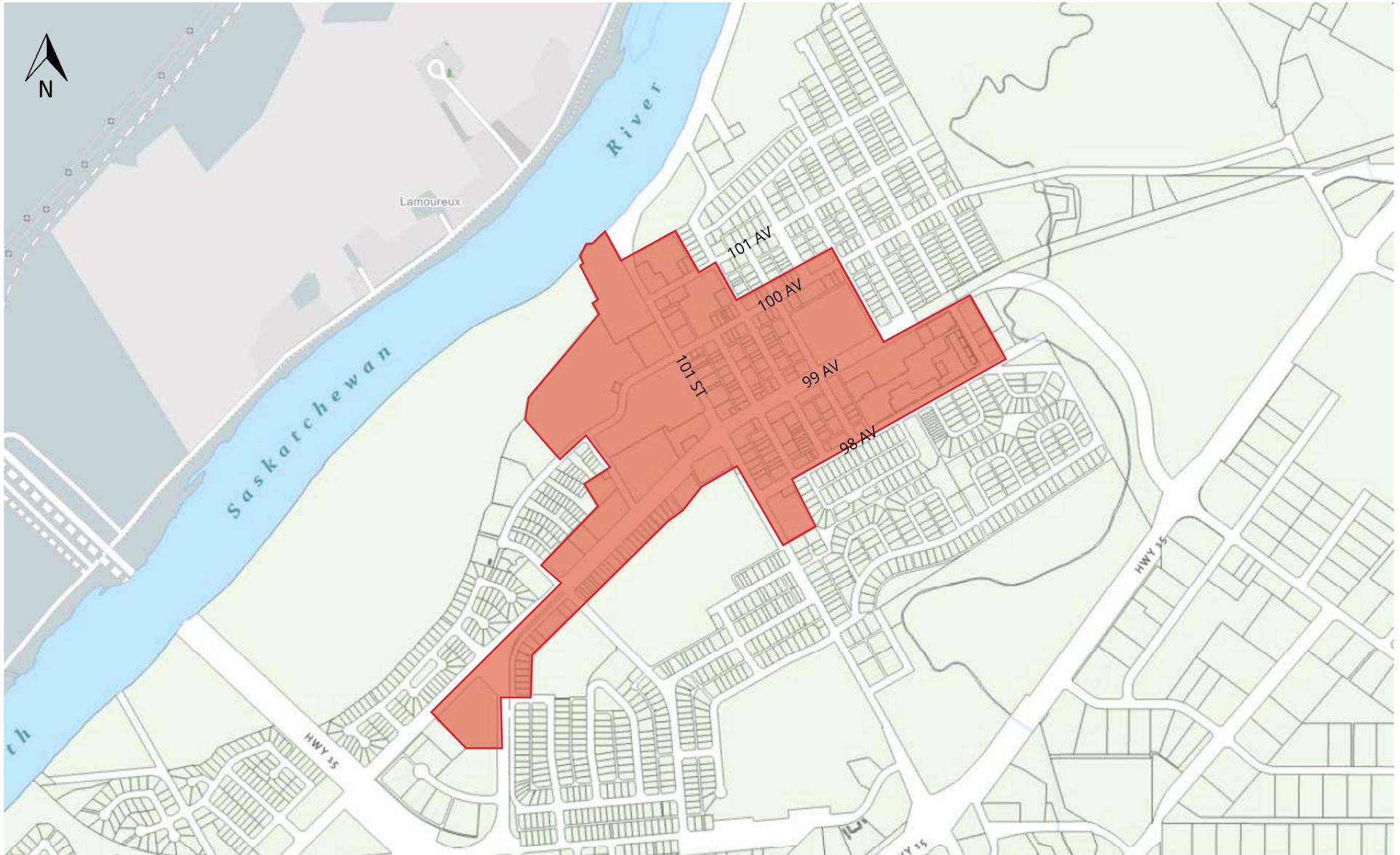
- 9.1 All efforts shall be taken to reduce risk to the City. These efforts include but are not limited to:
 - a. Successful Applicants will be required to enter into, and abide by, a binding Program Agreement;
 - b. Incentive Grants will only be provided as a reimbursement at the completion of the Project, and only after the Applicant has submitted sufficient documentation to verify that all of the conditions of the Incentive Grant have been met to the satisfaction of the Review Committee;
 - c. Incentive Grants will not exceed the maximum of the Incentive Grant allocations;
 - d. Applicants must demonstrate, to the satisfaction of the Review Committee, that they have the resources necessary to complete the Project as outlined in an application;
 - e. The City may, at their discretion, audit the documentation submitted by the Applicant to verify that conditions of the Incentive Grant have been met. The cost of which will be the responsibility of the Applicant;
 - f. Applicants who are found to be in violation of a Program Agreement may be prohibited from applying for any City program for a period of 15 years;
 - g. Applicants found to have falsified documents and/or reports, or submit information that is false or misleading, shall immediately reimburse the City any funds received from an Incentive Grant.



Schedule 'A'

Downtown Development Incentive Program
Program Boundary and Eligible Areas

Last Updated: 03.14.2022



DOWNTOWN DEVELOPMENT GRANTS

Date Issued: May 24, 2022

Mandated by: City Council

Current Revision: May 24, 2022

Cross Reference:

- FIN-015-C Downtown Multi-Unit Residential Incentive Grants Policy
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1. PURPOSE

- 1.1 To set out the process to administer the Program, as referenced in FIN-015-C Downtown Development Grants Policy. The Incentive Grant Program has been created in order to encourage owners of lands to invest in new development and/or redevelopment of their properties for Residential Uses within Mixed-Use Development or Multi-Unit Development, by providing, in an impartial manner, Incentive Grants for eligible property owners.

2. DEFINITIONS

This Procedure adopts all defined terms within the City's Downtown Development Incentive Policy (FIN-015-C), as amended from time to time. In addition to the definitions contained within the associated Policy, the following terms shall mean:

- 2.1 *Incentive Grant Application Date* – means the date on which a complete application is acknowledged as received by the Program Review Officer.
- 2.2 *Completion Date* – means the date on which all work on the Project must be completed, to the satisfaction of the Review Committee.
- 2.3 *Project Inspection* – means an inspection by the Project Review Officer, the Review Committee, and/or appropriate City staff to determine an Applicant's qualification for the Program, review project progress, to evaluate a completed project with respect to the Program Agreement, or for any other purpose related to the Program.

3. PROCEDURE

3.1 APPLICATION REQUIREMENTS

- 3.1.1 Applications submitted under the Program must include the following components:
 - a) A completed application form, as established by the Program Review Officer;

- b) A detailed explanation, written and graphic, of the Project to be undertaken;
 - c) A site plan of the Property subject to the proposed Project that indicates the location of all existing and proposed structures and their context;
 - d) A complete description of the Project including the proposed uses and number of residential units;
 - e) Estimated Eligible Capital Costs, detailing eligible expenses the Applicant will be seeking to submit for an Incentive Grant;
 - f) Proof of means confirming financial ability to complete the proposed Project. Such proof may include a grant confirmation, bank statement or letter from lender or other funding source;
 - g) Drawings that show the proposed design. Construction drawings are acceptable;
 - h) A current Land Title Certificate and, if the Property owner is a corporation, a Corporate Registry Search of the corporate owner; and
 - i) A valid development permit and valid building permit, if applicable.
- 3.1.2 Applicants must submit a non-refundable application fee in the amount of \$1,500 (Canadian dollars) or in accordance with the City's Fees and Charges Bylaw, if an application fee is therein set.
- 3.1.3 In conjunction with, or prior to, submitting an application, the Applicant should review the application requirements and consult the Program Review Officer regarding the application process, requirements, criteria, rules of eligibility, Project design, and other relevant details of the proposed Project. If requested, a consultation with additional members of the Review Committee and appropriate City staff may be considered.

3.2 APPLICATION PROCESS AND REVIEW

- 3.2.1 Applicants must submit an application to the Program Review Officer. The Program Review Officer has the discretion to reject an application that is incomplete or ineligible.
- 3.2.2 Applications will be accepted on a rolling basis.
- 3.2.3 The Program Review Officer will consider all applications and may consult with, obtain information from, and verify information with other employees or agents of the City, other governments, government agencies, or persons. If the application is deemed complete, the Program Review Officer will call a review

meeting with the Review Committee.

- 3.2.4 Notwithstanding any other provision in this Procedure, the Program Review Officer may require any additional information that, in the discretion of the Program Review Officer, is necessary to complete the application.
- 3.2.5 Once the Program Review Officer is satisfied with the completeness of an application, the Program Review Officer will provide written acknowledgement of receipt of the application and the Application Date to the Applicant.
- 3.2.6 At the will of the Review Committee, questions and clarification requests may be directed back to the Applicant in writing, or a meeting to discuss the proposed Project may be called.
- 3.2.7 Prior to making a decision on an application, the Program Review Officer, Review Committee, and/or appropriate City staff may require access to the Property subject to the proposed Project to conduct a Project Inspection.
- 3.2.8 The Review Committee will determine the eligibility of a Project, and the amount of an Incentive Grant depending on the nature and scope of the Project, in accordance with the Program.
- 3.2.9 Once the Review Committee has reviewed an application and conducted any required additional inquiries, inspections, and discussions, the Review Committee will submit a decision on the proposed Project to the City Manager who will direct the Program Review Officer to either:
- a) issue a letter of approval;
 - b) issue a letter of approval with conditions; or
 - c) issue a letter of refusal, with reasons for the refusal.
- 3.2.10 Approvals are based on the Project meeting the Eligibility Criteria, but are subject to available Incentive Grant funding.
- 3.2.11 If a Project has been issued a letter of approval or a letter of approval with conditions, the Applicant shall be required to enter into a Program Agreement with the City. A signed copy of the Program Agreement must be received by the City within thirty (30) working days of the issuance of a letter of approval or letter of approval with conditions.
- 3.2.12 Eligible Capital Costs related to the Project incurred prior to the date of the issuance of a letter of approval or letter of approval with conditions will not be eligible for the Incentive Grant. Eligible Capital Costs related to the Project incurred after the Application Date, but before the Program Agreement is executed may be considered eligible at the discretion of the Program Review Committee.

- 3.2.13 The Review Committee meets every 2 months or as required.
- 3.2.14 There is no method of appeal for a decision of the Review Committee or the Program Review Officer.
- 3.2.15 The delivery of an Incentive Grant is subject to the terms of the Program Agreement.
- 3.2.16 Submitting an application does not commit the City to enter into a Program Agreement.
- 3.2.17 The acceptance of an application does not constitute approval, or that a Program Agreement will actually be entered into by the City.

3.3 CONSTRUCTION PROCESS

- 3.3.1 All Projects must be completed in a timely manner. The required Program Agreement will allow a maximum of twenty-four (24) months for Project completion from the time of the letter of approval. When/if it can be demonstrated that circumstances clearly beyond the Applicant's control prohibited completion of the Project within twenty-four (24) months, the Program will respect any extensions granted through the building permit process. Failure to complete the Project in a timely manner may result in cancellation of a Program Agreement, at the discretion of the Review Committee.
- 3.3.2 The Applicant shall be responsible for securing all the required permits for the Project from the City.
- 3.3.3 To be eligible for an Incentive Grant, all contractors performing work on the Project must be licensed by the Province of Alberta and possess a valid Business License issued by the City. They must also carry all required insurances.
- 3.3.4 Final determination of the qualification of a Project for an Incentive Grant is not made until the construction is complete and a review has been undertaken to assess the Project against the Applicant's previously approved application.