

<b>5. INTEGRATED ORLÉANS COMMUNITY IMPROVEMENT PLAN PLAN D'AMÉLIORATIONS COMMUNAUTAIRES INTÉGRÉ D'ORLÉANS</b>
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**COMMITTEE RECOMMENDATIONS**

That Council:

1. Repeal By-laws No. 2009–40 and 2009–41 to terminate the St. Joseph Boulevard Community Improvement Plan;
2. Repeal By-laws No. 2013-292 and 2013-293 to terminate the Orléans Community Improvement Plan;
3. Approve and adopt a By-law to designate the area shown in Document 1 as the Integrated Orléans Community Improvement Plan Project Area;
4. Approve and adopt a By-law for the Integrated Orléans Community Improvement Plan as set out in Document 2.

**RECOMMANDATIONS DU COMITÉ**

Que le Conseil :

1. abroge les Règlements municipaux n<sup>os</sup> 2009-40 et 2009-41 pour mettre fin au Plan d'améliorations communautaires du boulevard St-Joseph;
2. abroge les Règlements municipaux n<sup>os</sup> 2013-292 et 2013-293 pour mettre fin au Plan d'améliorations communautaires d'Orléans;
3. approuve et adopte un règlement municipal visant à désigner la zone indiquée dans le document 1 comme secteur de projet du Plan d'améliorations communautaires intégré d'Orléans; et
4. approuve et adopte un règlement municipal concernant le Plan d'améliorations communautaires intégré d'Orléans comme l'indique le document 2.

DOCUMENTATION/DOCUMENTATION

1. Director's report, Economic Development and Long Range Planning/  
Infrastructure and Economic Development Department, dated June 22,  
2021 (ACS2021-PIE-EDP-0030 )

Rapport du Directeur Développement économique et Planification à long  
terme / Direction générale de la planification, de l'infrastructure et du  
développement économique, daté le 22 juin 2021, (ACS2021-PIE-EDP-  
0030 )

2. Extract of draft Minutes, Finance and Economic Development Committee,  
6 July 2021.

Extrait de l'ébauche du procès-verbal, Comité des finances et du  
développement économique, le 6 juillet 2021.

**Report to  
Rapport au:**

**Finance and Economic Development Committee  
Comité des finances et du développement économique  
6 July 2021 / 6 juillet 2021**

**and Council  
et au Conseil  
21 July 2021 / 21 juillet 2021**

**Submitted on June 22, 2021  
Soumis le 22 juin 2021**

**Submitted by  
Soumis par:  
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Director Economic Development and Long Range Planning/ Infrastructure and  
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**Ward: ORLÉANS (1)**

**Ward: CUMBERLAND (19)**

**Ward: INNES (2)**

**File Number: ACS2021-PIE-EDP-0030**

**SUBJECT: Integrated Orléans Community Improvement Plan**

**OBJET: Plan d'améliorations communautaires intégré d'Orléans**

## **REPORT RECOMMENDATIONS**

**That the Finance and Economic Development Committee recommend Council:**

- 1. Repeal By-laws No. 2009–40 and 2009–41 to terminate the St. Joseph Boulevard Community Improvement Plan;**
- 2. Repeal By-laws No. 2013-292 and 2013-293 to terminate the Orléans Community Improvement Plan;**
- 3. Approve and adopt a By-law to designate the area shown in Document 1 as the Integrated Orléans Community Improvement Plan Project Area;**
- 4. Approve and adopt a By-law for the Integrated Orléans Community Improvement Plan as set out in Document 2.**

## **RECOMMANDATIONS DU RAPPORT**

**Que le Comité des finances et du développement économique recommande au Conseil :**

- 1. d'abroger les Règlements municipaux n<sup>os</sup> 2009-40 et 2009-41 pour mettre fin au Plan d'améliorations communautaires du boulevard St-Joseph;**
- 2. d'abroger les Règlements municipaux n<sup>os</sup> 2013-292 et 2013-293 pour mettre fin au Plan d'améliorations communautaires d'Orléans;**
- 3. d'approuver et d'adopter un règlement municipal visant à désigner la zone indiquée dans le document 1 comme secteur de projet du Plan d'améliorations communautaires intégré d'Orléans; et**
- 4. d'approuver et d'adopter un règlement municipal concernant le Plan d'améliorations communautaires intégré d'Orléans comme l'indique le document 2.**

## **EXECUTIVE SUMMARY**

This report recommends Repealing By-laws No. 2009-40 and 2009-41 to terminate the St. Joseph Boulevard Community Improvement Plan; repealing By-laws No. 2013-292 and 2013-293 to terminate the Orléans Community Improvement Plan; and enacting by-laws to designate an area in Orléans as the Integrated Orléans Community Improvement Plan Area and associated Community Improvement Plan Program.

## **Assumptions and Analysis**

The Orléans economy and the prosperity of its residents continues to be shaped by global economic and social trends, including the recent devastating effects of the global pandemic and associated business closures and job losses. There is a need to build, reinforce and reshape City programs to meet global and local challenges in ways that capitalize on solid programs that have proven successful but also lever the beneficial impact of an expanded Light Rail Transit system.

Establishing a single Orléans CIP would combine successful elements of both existing CIPs, the Orléans CIP and the St. Joseph Blvd CIP, and build on these programs with new incentives to capitalize on fresh opportunities anticipated as a result of the soon-to-be realized LRT.

The report sets out the steps required to integrate all Orléans related Community Improvement Plans (CIP) into one single CIP for Orléans. This plan would remove redundancies and provide for a more efficient CIP for Orléans. The Integrated Orléans CIP would continue to address job creation needs and urban design goals that have been encouraged through the existing CIP programs, but the new CIP would also encourage rehabilitation of lands and buildings and stimulate new development on sites in Transit Oriented Development areas. The new CIP would incentivize property owners to create pedestrian friendly streets by providing sidewalk-oriented active uses on the ground floors of redevelopment projects.

## **Program Details**

The Program includes three distinct program elements, designed to stimulate and support growth in specific areas as follows:

- **St. Joseph Boulevard Main Street Program**

To stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program encourages buildings to be constructed adjacent to the street and supports a more vibrant “main street” experience. The program also promotes land use intensification, supports the establishment of mixed-use development, and improves site and built-form aesthetics.

- **Employment Creation Incentive Program**

To stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program also promotes land use intensification and supports the establishment of mixed-use development.

- **Pedestrian Friendly Streets Program**

To foster vibrant activity and breathe new life along the area's main streets and pedestrian/cyclist thoroughfares including those streets that provide access to the four new LRT stations. To encourage development along streets that is conducive to walking, cycling, browsing, and lingering and represent an efficient way to explore the goods and services available in the area and present a wide variety of sidewalk-oriented uses.

Staff will conduct an annual review of the program, monitoring: number of applications, the number of completed developments, the number of affordable housing units, the number of new jobs anticipated, and the overall impact to municipal taxes created as a result of the CIP.

**Public Consultation/Input**

Consultation for this report consisted of: a virtual meeting with the Heart of Orléans BIA Board of Directors on 21 April 2021; a virtual meeting with developers known to have development property in the Orléans area; a virtual Community Information Session on 2 June 2021, and discussions with the Ministry of Municipal Affairs and Housing.

**RÉSUMÉ**

Le présent rapport recommande l'abrogation des règlements n<sup>os</sup> 2009-40 et 2009-41 pour mettre fin au Plan d'améliorations communautaires du boulevard St-Joseph; l'abrogation des règlements n<sup>os</sup> 2013-292 et 2013-293 pour mettre fin au Plan d'améliorations communautaires d'Orléans; et l'adoption de règlements pour désigner un secteur d'Orléans comme secteur visé par le Plan intégré d'améliorations communautaires d'Orléans et le programme de plans d'améliorations communautaires connexe.

**Hypothèses et analyse**

L'économie d'Orléans et la prospérité de ses résidents continuent d'être façonnées par les tendances économiques et sociales mondiales, comme les récents effets dévastateurs de la pandémie et les fermetures d'entreprises et pertes d'emplois qui en ont découlé. Il faut créer de nouveaux programmes municipaux et renforcer ou

réimaginer ceux qui existent pour s'attaquer aux enjeux mondiaux et locaux en tirant profit de programmes solides dont le succès a été prouvé, mais aussi des retombées positives du réseau élargi de train léger.

L'établissement d'un seul plan d'améliorations communautaires (PAC) à Orléans permettrait de combiner les éléments fructueux des deux PAC actuels, soit celui d'Orléans et celui du boulevard St-Joseph, et d'y ajouter de nouveaux incitatifs pour saisir les occasions qui naîtront de la mise en service du train léger.

Le rapport présente les étapes nécessaires pour réunir tous les PAC liés à Orléans en un seul. Cette démarche permettrait d'éliminer les redondances et de doter Orléans d'un PAC plus efficace. Le Plan intégré d'améliorations communautaires d'Orléans continuerait de répondre aux besoins en matière de création d'emplois et de contribuer aux objectifs de design urbain mis de l'avant par les programmes de PAC existants, mais il favoriserait également la réhabilitation de terrains et d'immeubles et stimulerait de nouveaux aménagements dans les zones d'aménagement axé sur le transport en commun. Le nouveau PAC inciterait les propriétaires à créer des rues conviviales pour les piétons en prévoyant des utilisations actives en bordure de trottoir aux rez-de-chaussée dans le cadre de projets de réaménagement.

### **Description du programme**

Le programme comprend trois éléments distincts, conçus pour stimuler et soutenir la croissance dans certains secteurs :

- **Programme de revitalisation des rues principales appliqué au boulevard St-Joseph**

Le programme vise à créer des emplois dans le secteur et à générer des investissements privés destinés à la rénovation et au réaménagement de propriétés. Insufflant du dynamisme à l'expérience de « rue principale », il favorise la construction de bâtiments en bordure de rue, la densification de l'utilisation du sol et une urbanisation diversifiée. En outre, il contribue à l'embellissement des sites et des formes bâties.

- **Programme de stimulation de l'emploi**

Le programme vise à créer des emplois dans le secteur et à générer des investissements privés destinés à la rénovation et au réaménagement de propriétés. Il favorise aussi la densification de l'utilisation du sol et une urbanisation diversifiée.

- **Programme sur l'aménagement de rues piétonnières**

Le programme vise à redonner de la vitalité et à insuffler une énergie nouvelle aux rues principales et aux voies piétonnes et cyclables du secteur, y compris les rues qui permettront d'accéder aux quatre nouvelles stations du train léger. Il favorise aussi des aménagements le long des rues qui invitent à la marche, au vélo, au magasinage et à la détente, représentent une manière efficace de découvrir les biens et les services offerts dans le secteur et présentent un large éventail d'utilisations en bordure de trottoir.

Le personnel effectuera une évaluation annuelle du programme et surveillera le nombre de demandes, d'aménagements terminés, de logements abordables et de nouveaux emplois prévus, ainsi que les répercussions générales sur les taxes municipales engendrées par le PAC.

**Consultation publique/commentaires**

Les consultations suivantes ont eu lieu dans le cadre du présent rapport : réunion virtuelle avec le conseil d'administration de la ZAC du Cœur d'Orléans le 21 avril 2021; réunion virtuelle avec des promoteurs qui ont des propriétés devant être aménagées à Orléans; séance d'information communautaire virtuelle le 2 juin 2021; et discussions avec le ministère des Affaires municipales et du Logement.

**BACKGROUND AND LEGISLATIVE CONTEXT**

The *Municipal Act, 2001* restricts Ontario municipalities from granting bonuses or incentives to private enterprises or individuals, directly or indirectly. An exception to this general rule is provided through Part IV Section 28 of the *Planning Act*. Section 28 permits municipalities, where there are provisions in its Official Plan relating to community improvement, to designate through a By-law, a "Community Improvement Project Area" and subsequently provide for the preparation of a "Community Improvement Plan". An important economic development tool, community improvement planning provides a means of planning and financing activities that relate to the effective use, reuse or restoration of lands, buildings and infrastructure.

Through a Community Improvement Plan, municipalities can:

- Focus public attention on local priorities and specific municipal initiatives;
- Target areas in transition or in need of repair, rehabilitation and redevelopment;
- Facilitate and encourage community change in a coordinated manner; and



- Stimulate private sector investment through municipal incentive-based programs.

Section 5.2.5 of the City of Ottawa Official Plan contemplates the preparation of Community Improvement Plans for designated Community Improvement Plan Project Areas.

On 14 November 2012, Council approved the “Economic Development Strategy Implementation Plan Update” (link to report [ACS2012-CMR-OCM-0015](#)) as presented by Economic Development and Innovation Services (EDI). This report outlined EDI’s work plan for 2013. Item 11 on the work plan – entitled “Community Improvement Plans” (CIP) – directed EDI to explore the strategic use of CIPs for economic development.

### **Provincial Policy Statement**

The Provincial Policy Statement (PPS), issued under Section 3 of the *Planning Act*, guides municipalities as planning decisions are made. The *Planning Act* requires that municipal decisions in respect of the exercise of any authority that affects a planning matter “shall be consistent with” the PPS.

The PPS supports long-term economic prosperity. For example, Section 1.7 b) of the PPS states, “long-term economic prosperity should be supported by optimizing the long-term availability and use of land, resources, infrastructure, and public service facilities.” The Integrated Orléans CIP seeks to attract private sector investment in redevelopment projects that optimize available land while promoting job creation.

The PPS also supports Smart Growth through urban growth management. For example, Section 1.1.3.3 of the PPS states “planning authorities shall identify and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.”

Other policies in the PPS (Sections 1.1.1 a), 1.1.1 g), and 1.6.2) support the management of growth to achieve efficient development and land use patterns that sustain financial well-being over the long-term. The development and redevelopment of employment properties in Orléans has a role to play in supporting the economic and social health of the community. Section 1.4.3 establishes a need to provide for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market.

In 2013, Council approved two pilot CIPs to demonstrate how this tool could be used for economic benefit. One of these, the Orléans CIP (link to report [ACS2013-CMR-OCM-0003](#)) aims to stimulate the creation of net new employment in Orléans. The program offers incentives in the form of Tax Increment Equivalent Grants, which enable the City to reimburse property owners a percentage of the property tax increase directly attributable to improvements to the property for a fixed period following project completion.

The City of Ottawa's updated economic development strategy for 2015-2018, "Partnerships for Innovation" (link to report [ACS2015-CMR-OCM-0006](#)), adopted by City Council on 13 May 2015 notes:

"Financial incentives and municipal programs that support businesses, contribute to making a city an attractive place for business investment and expansion. When companies are considering expanding or relocating operations, one of their many deciding factors includes the availability of incentive programs."

The approved strategy directs Economic Development to explore expanding the CIP program to add new urban renewal CIPs as a method of stimulating private investment in commercial neighbourhoods where commercial renewal has been sluggish.

There are two existing CIPs in the east-end of Ottawa: the Orléans CIP and the St. Joseph Boulevard CIP:

1. The Orléans CIP was approved by Council in September 2013, as described above. On 15 July 2020, Council amended the By-law to extend the Orléans CIP from 11 September 2018 to 10 September 2023, inclusive by Motion No 37/20 ([link to Motion](#)). The principal goal of the Orléans CIP is to attract knowledge-based employers to the area and accelerate the creation of new jobs.

Three applications have been approved by Council since 2013 with 10-year cumulative grants available to a maximum of \$2,575,600. Two projects have been completed. Construction has not commenced on the third project.

2. The St. Joseph Boulevard CIP was approved by City Council on 28 January 2009, ([link to staff report](#)), with the purpose of bolstering the economic viability of the St. Joseph Boulevard area by stimulating the development and redevelopment of privately held property, encouraging land use intensification

and the provision of affordable housing, supporting the establishment of mixed-use development, and improving site and built-form aesthetics to align with the 2003 St. Joseph Boulevard Corridor Study as approved by Council.

Seven applications have been approved by Council since 2009 with 10-year cumulative grants available to a maximum of \$1,889,173. All seven projects have been completed.

This report proposes enacting a single new integrated CIP to remove redundancies and provide a more efficient CIP for Orleans, and seeks to establish the requisite By-laws and policies to designate the area shown in Document 1 as the Integrated Orléans Community Improvement Plan Project Area and establish the Integrated Orléans Community Improvement Plan as described in Document 2.

## **DISCUSSION**

Construction of Stage 2 of the Confederation Line (LRT) is well underway with the east extension from Blair Station to Trim Road scheduled for completion in 2024. The higher densities near stations and the anticipated increase in transit ridership is expected to provide new opportunities for private investment in property revitalization in Orléans with associated employment increases as envisioned in the proposed Integrated Orléans CIP. Increased pedestrian and cycling traffic to and from transit stops to employment and homes will provide new opportunities for a variety of new sidewalk-oriented businesses.

The Orléans economy and the prosperity of its residents continues to be shaped by global economic and social trends, including the recent devastating effects of the global pandemic and associated business closures and job losses. There is a need to build, reinforce and reshape City programs to meet global and local challenges in ways that capitalize on programs that have proven successful and can also leverage the beneficial impact of an expanded LRT system.

Negative business trends in several sectors as a result of the COVID-19 pandemic, point to a need to take a fresh approach on how the City can best assist Orléans residents and businesses to recover and prosper.

Now is the time to establish a new Integrated Orléans CIP which would combine the successful elements of both existing CIPs and build on these programs with new incentives to capitalize on fresh opportunities anticipated as a result of LRT.

## **Goals and Objectives**

The proposed Integrated Orléans CIP would combine successful elements of both existing CIPs, the Orléans CIP and the St. Joseph Blvd CIP, eliminate redundancies and overlap between the two programs and provide tools to reinvigorate Orléans properties, businesses and main streets.

The Integrated Orléans CIP would continue to address job creation needs and urban design goals that have been encouraged through the existing CIP programs, but the new CIP would also encourage rehabilitation of lands and buildings and stimulate new development on sites in Transit Oriented Development areas. The new CIP would incentivize property owners to create pedestrian friendly streets by providing sidewalk-oriented active uses on the ground floors of redevelopment projects.

### **Program Details**

The Program is designed to stimulate private sector investment resulting in growth in local industries, businesses, and tourism and includes three distinct program elements, designed to stimulate and support growth in specific areas as follows:

#### **Integrated Orléans CIP Incentive Program**

<b>Program Elements</b>	<b>St. Joseph Blvd. Main Street Program</b>	<b>Employment Creation Program</b>	<b>Pedestrian Friendly Streets Program</b>
<b>Main Objectives</b>	Buildings constructed adjacent to street, supporting vibrant “main street” and encouraging affordable housing	Stimulate private investment in property renewal that creates 20+ new jobs	Breathe new life to main streets and pedestrian/cyclist routes including access to the four new LRT stations.
<b>Previous Program</b>	St. Joseph Blvd. CIP	Orléans CIP	New
<b>Grant Type</b>	Tax Increment Equivalent Grant (TIEG)	Tax Increment Equivalent Grant (TIEG)	Tax Increment Equivalent Grant (TIEG)
<b>% of Tax Increment</b>	Basic: 70% Affordable Housing: 85%	75%	15%

Maximum Grant	Basic: 70% of eligible costs or \$1,000,000 Affordable Housing: 85% of eligible costs or \$1,000,000	50% of eligible costs or \$5,000,000	lesser of \$50 per sq. ft. of ground floor or \$250,000
Changes from existing CIPs	1. Project Feasibility Study Grant discontinued 2. Grants under \$250,000 require Council approval 3. Planning Fee grant now funded from tax increment 4. Revolving fund discontinued	Change from 15 knowledge based jobs to 20 full time jobs	

**- St. Joseph Boulevard Main Street Program**

The goal of the St. Joseph Boulevard Main Street Program is to stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program encourages buildings to be constructed adjacent to the street and supports a more vibrant “main street” experience. The program also promotes land use intensification, supports the establishment of mixed-use development, and improves site and built-form aesthetics.

The City will reimburse successful applicants for a portion of Building permit Fees, Planning Fees and as Development Incentives in the form of an annual Tax Increment Equivalent Grant (TIEG) up to a combined cumulative maximum grant over up to 10 years of seventy per cent (70%) of the municipal tax increment for the property resulting from the redevelopment project or one million dollars (\$1,000,000) maximum, whichever is lower. The grant is paid annually following post-construction property reassessment by the Municipal Property Assessment Corporation (MPAC) and payment of property taxes in the new amount.

This benefit would increase to eighty-five per cent (85%) of the municipal tax increment for the property or one million dollars (\$1,000,000) maximum, whichever is lower, if three or more additional (new construction or repurposed) affordable rental housing units are constructed.

- **Employment Creation Incentive Program**

The goal of the Employment Creation Incentive Program is to stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program also promotes land use intensification and supports the establishment of mixed-use development.

The City will reimburse successful applicants for properties located in the Integrated Orléans CIP Program Area in the form of an annual Tax TIEG, where the project will result in twenty (20) or more net new jobs. The grant will be equal to seventy-five per cent (75%) of the municipal tax increment for the property directly attributable to the redevelopment up to a combined maximum cumulative grant over up to 10 years of fifty per cent (50%) of eligible construction costs or five million dollars (\$5,000,000) maximum, whichever is lower.

- **Pedestrian Friendly Streets Program**

A key objective of the Pedestrian Friendly Streets Program is to foster vibrant activity and breathe new life along the area's main streets and pedestrian/cyclist thoroughfares including those streets that provide access to the four new LRT stations. Healthy streets should be conducive to walking, cycling, browsing, and lingering and represent an efficient way to explore the goods and services available in the area. These streets must be highly walkable and present a wide variety of sidewalk-oriented uses

The City will reimburse successful applicants for redevelopment projects located in the Integrated Orléans CIP area in the form of an annual TIEG where all ground floor rental space is exclusively comprised of active uses. The grant will be equal to equal to fifteen per cent (15%) of the municipal tax increment for the entire building directly attributable to the redevelopment, to a maximum of the lesser of fifty dollars (\$50) per square foot of ground floor area; or two hundred and fifty thousand dollars (\$250,000).

The grant is paid annually for up to 10 years, or until the maximum amount is achieved following post-construction property reassessment by the Municipal Property Assessment Corporation (MPAC) and payment of property taxes in the new amount.

Applicants may only apply for one Integrated Orléans CIP Program element per redevelopment project. However, Integrated Orléans CIP grants may be combined with

other CIP programs, including the brownfields CIP provided that the total grant and grant commitments from all CIPs shall not exceed the maximum cumulative total specified in Integrated Orléans CIP element applied for.

Staff will conduct an annual review of the program, monitoring: number of applications, the number of completed developments, the number of affordable housing units, the number of new jobs anticipated, and the overall impact to municipal taxes created as a result of the CIP.

### **RURAL IMPLICATIONS**

There are no rural implications associated with this report.

### **CONSULTATION**

**Heart of Orléans BIA Board of Directors:** The BIA Board of Directors provided feedback and suggestions in a virtual meeting with City staff on 21 April 2021. Participants were very supportive of the proposed new CIP. There was consensus amongst the participants that the St. Joseph Blvd. boundary be extended westward (beyond the former St. Joseph Blvd. CIP boundary) a few blocks to Youville Drive to include several sites with tired or run-down businesses.

Staff responded to an inquiry whether the new CIP program would be offered to tenant businesses by explaining how the program provided the incentive to property owners who upgrade their buildings.

Several attendees had questions and suggestions about how the BIA could help the City promote the new CIP program once enacted, and also help to get the word out about the upcoming virtual public meeting. The Executive Director asked that the BIA continue to be included in ongoing discussions regarding the new CIP and assist with the upcoming virtual public meeting. One participant enquired about affordable housing as part of the program and also acknowledged the presence of other City programs to support this goal.

**Developer Meeting:** A virtual Community Information Session was held on 19 May 2021 with developers known to have development property in the Orléans area. Seven developers were present at the meeting and provided their feedback and ideas. It was noted that greater density was likely to occur as a result of the soon to be completed LRT, but not everyone wants to live in a high-rise building. A participant suggested that the Friendly Streets Program component of the new CIP could be used for buildings other than high-rise. There was also a suggestion that something be added to the new

CIP to promote affordable housing. There was general consensus that with land values rising so quickly, a program like the proposed CIP is very much needed.

**Public Meeting:** A virtual Community Information Session was held on 2 June 2021 (via Zoom) to provide an opportunity for property owners, stakeholders and the broader community to provide feedback on the proposed CIP.

During the Community Information Session, staff presented an overview of the proposed Integrated Orléans CIP, highlighting what a CIP is and is not, and providing details of the three incentive programs within the proposed new CIP.

Generally, participants were supportive of integrating the two existing CIPs. Several people were concerned that the CIP would encourage too many high-rise buildings on St. Joseph Blvd. It was explained that the proposed CIP would not change existing zoning and active ground floor use incentives would only apply where high-rise development is permitted.

Concerns were also raised about Leda clay present in many Orléans areas, especially along St. Joseph Blvd: “would developments stimulated by the CIP cause destabilization of the soil, leading to landslides?” Technical staff were present to explain site plan control processes.

Concerns were raised that the CIP failed to provide for improved cyclist routes, especially North/South. Planning staff were on hand to discuss the Orléans Corridor Study and future secondary plan and notes this comment for inclusion in that work.

## **COMMENTS BY THE WARD COUNCILLORS**

Councillor Dudas provided the following comments:

“I am very happy to see that the Integrated Orléans Community Improvement Plan is coming before Committee and Council. I would like to take this opportunity to thank staff for all their hard work, as well as the many members of the business community, the Heart of Orléans BIA, and residents, who shared their thoughts on this very important plan.

Orléans has had two successful CIPs the St. Joseph Boulevard CIP, and the Orléans CIP and this program will integrate them into a single new integrated CIP to remove redundancies and provide a more efficient CIP for Orléans.

The Integrated Orléans CIP will offer new tools for Orléans businesses and main streets, such as the St. Joseph Boulevard Main Street Program and the Employment



Creation Incentive Program. These programs will help to revitalize St. Joseph Boulevard and build Orléans back better, as we emerge from the pandemic.

As work on the LRT continues to extend eastward and is expected to be completed their work in 2024, now is the perfect time to build up density, bring much needed private investment to Orléans, and foster vibrancy and activity along the main streets with pedestrian/cyclist thoroughfares through the Pedestrian Friendly Streets Program.

Overall, the Integrated Orléans CIP will help to provide the much-needed investment, revitalization and pedestrian and cyclist infrastructure that Orleans desperately needs and I am happy to support this report.”

Councillor Luloff provided the following comments:

“The Integrated Orléans Community Improvement Plan (CIP) is part of a larger economic development effort being made to transform Orléans in order to maximise the benefits of Stage 2 LRT.

I have been an ardent supporter of intensification and revitalization in my ward. In addition to supporting this Integrated Community Improvement Plan, I spearheaded the expansion of the Secondary Plan Study for Orléans last year, known now as the Orléans Economic Corridor Study.

My vision for Orléans is to see a concentration of affordable housing options and revitalized businesses close to transit.

This Community Improvement Plan will incentivise knowledge-based employment, as well as other, unrelated outcomes, that are important to our community, including increasing our housing and especially our affordable housing stock. We desperately need to increase our rental capacity in Orléans, with a special focus on affordable rentals. The CIP provides generous financial incentives to achieve these goals and to improve storefronts, making our buildings a more attractive place for new and existing businesses.

St. Joseph Boulevard, once the marquis shopping district of Orléans, has become tired and requires major investment. At this time, it is not an attractive place to walk or bike to, with very few connections to the surrounding neighbourhood. Together with the Orléans Economic Corridor Study, this revitalization opportunity will provide openings for landowners to improve the face of their properties and contribute to increasing rental stock here in Orléans.

I think the criteria for applying to this program needs to be strong and I look forward to seeing the applicants meet these standards.

I believe that this effort will be extremely important for Orléans as Stage 2 LRT presents us with a once-in-a-lifetime opportunity to build our community and our economy. I want a better neighbourhood where we can live, work and play and I want to make sure the industry and the market is able to get us there. I will continue to work very hard to support this vision through the Economic Corridor Study and the Community Improvement Plan. I am excited to see the implementation of these combined strategies.”

Councillor Kitts provided the following comments:

“For as long as I can remember, our east end community has spoken to the critical need to bring more economic development to Orléans. A Community Improvement Plan (CIP), is one of the few tools municipalities can use to stimulate private sector investment and to target areas that require revitalization.

Thus far, the east end’s pilot CIP programs have been under-utilized, and I welcome the opportunity to explore their shortcomings and address redundancies in this integrated approach. I am in support of the new Integrated Orléans Community Improvement Plan as being a more efficient and useful tool in attracting much needed economic growth and housing diversity in Orléans and Ward 19.

The construction of Stage 2 of the Confederation Line to Trim Rd, will be a catalyst in our community’s development plan—increasing densities near stations, stimulating active transportation opportunities and the creation of pedestrian-friendly streets. We must seize the parallel opportunity to secure long-term economic vitality in the east end and capitalize on this transformational period in Orléans’ history.”

## **LEGAL IMPLICATIONS**

There are no legal implications associated with implementing the report recommendations.

## **RISK MANAGEMENT IMPLICATIONS**

There are no risk management implications to implementing the recommendations of this report.

## ASSET MANAGEMENT IMPLICATIONS

The recommendations documented in this report are consistent with the City's [Comprehensive Asset Management \(CAM\) Program](#) objectives. The implementation of the Comprehensive Asset Management program enables the City to effectively manage existing and new infrastructure to maximize benefits, reduce risk, and provide safe and reliable levels of service to community users. This is done in a socially, culturally, environmentally, and economically conscious manner.

## FINANCIAL IMPLICATIONS

This report integrates two existing programs previously approved by Council and introduces a new program for Pedestrian Friendly Streets. It is not possible to provide projections on the financial implications of these programs at this time. However, as described in Document 2, each application will be subject to approval by Council and the financial analysis and implications will be provided at that time.

Operating pressures associated with approved Integrated Orléans CIP grants will be brought forward through the budget process in the anticipated year(s) of payout and funded through the incremental taxes that will be generated from the community improvements.

## ACCESSIBILITY IMPACTS

Staff will ensure that any applicable accessibility standards are adhered to during the execution of the projects and initiatives identified in this report. This will involve consulting with the appropriate staff within the City.

## TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- **Economic Growth & Diversification:** Encourage economic growth and diversification by supporting business investment and expansion, talent attraction and retention, and branding Ottawa as a place to be.
- **Thriving Communities:** Promote safety, culture, social and physical well-being for our residents.

## SUPPORTING DOCUMENTATION

Document 1 Integrated Orléans Community Improvement Plan Project Area

Document 2 Integrated Orléans Community Improvement Plan Program

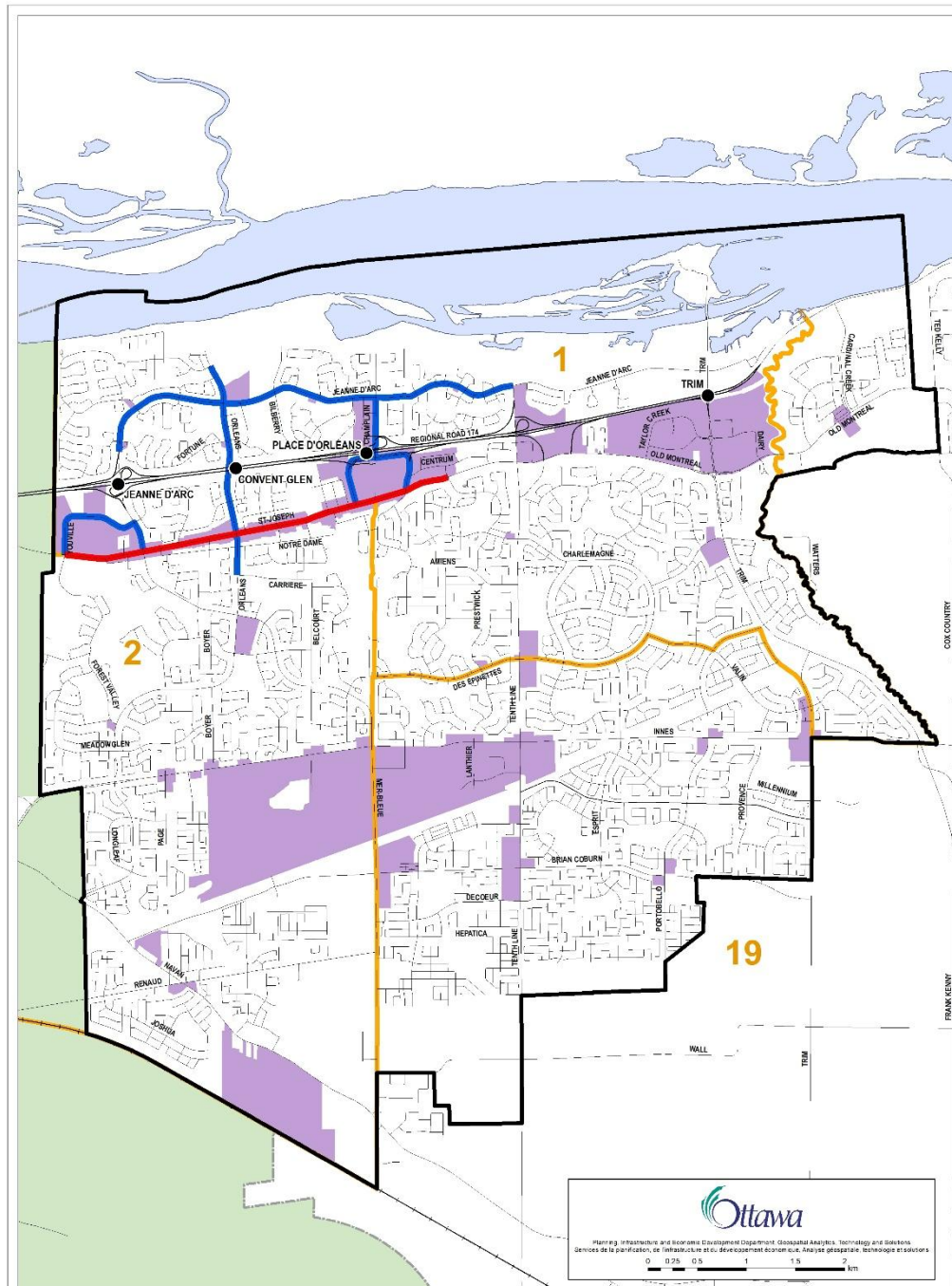
**DISPOSITION**

Legal Services Branch to prepare the requisite by-laws to designate the Integrated Orléans Community Improvement Plan Project Area, and for adoption of the Integrated Orléans Community Improvement Plan in accordance with Section 28(4) of the *Planning Act* and place the aforementioned by-laws on the Orders of the Day.








Economic Development and Long-Range Planning Service to implement the Integrated Orléans Community Improvement Plan.

Economic Development and Long-Range Planning Service and Financial Services to prepare an annual Integrated Orléans CIP grant monitoring report to Council.

Document 1 – Integrated Orléans Community Improvement Plan Project Area



Proposed Integrated Orléans Community Improvement Area /  
Plan d'amélioration communautaires intégrée d'Orléans proposé

- |   |  |   |  |
|---|--|---|--|
|  | Proposed Orléans Community Improvement Area /<br>Plan d'améliorations communautaires (PAC) d'Orléans proposé |  | St. Joseph Boulevard Main Street Program /<br>Programme de la rue principale du boulevard Saint-Joseph |
|  | Future O-Train Stations / Futures stations de l'O-Train  |  | Pedestrian Friendly Streets Program /<br>Programme amical pour les rues piétonnes et cyclistes         |
|  | Wards / Quartiers  |  | Properties with commercial zoning /<br>Propriétés avec zonage commercial                               |
|  | Greenbelt / Ceinture de verdure  |   |  |



## Document 2 – Integrated Orléans Community Improvement Plan

### 1. Background and Legislative Context

Located near the Ottawa River in the eastern region of Ottawa, Orléans is a growing community filled with prehistoric sites, museums, art galleries, beaches, parks and gardens. Orléans is part of three municipal wards; Orléans, Innes, and Cumberland. These three wards are home to a population of approximately 145,000 people (June 2020 estimate) who enjoy a mix of rural and urban lifestyles, essential municipal services, positive population growth, natural heritage and excellent health care facilities, including a new health hub, scheduled to officially open on 24 June 2021, and much more.

During much of Orléans history, it was a predominately rural area with mainly francophone residents. Urbanization began in the 1960's when Queenswood Heights was constructed and since then, the area has grown significantly. Although some commercial development has occurred, local employment opportunities vary and many Orléans residents work downtown and use transit to commute.

Construction of Stage 2 of the Confederation Line (LRT) is well underway with the east extension from Blair Station to Trim Road scheduled for completion in 2024. The higher densities near stations and the anticipated increase in transit ridership is expected to provide new opportunities for private investment in property revitalization in Orléans with associated employment increases as envisioned in the proposed Integrated Orléans CIP.

The *Municipal Act, 2001* restricts Ontario municipalities from granting bonuses or incentives to private enterprises or individuals, directly or indirectly. An exception to this general rule is provided in Part IV Section 28 of the *Planning Act*. Section 28 allows municipalities, where there are provisions in its Official Plan relating to community improvement, to designate through a By-law, a “Community Improvement Project Area” and subsequently provide for the preparation of a “Community Improvement Plan”. An important economic development tool, community improvement planning provides a means of planning and financing activities that relate to the effective use, reuse or restoration of lands, buildings and infrastructure.

Through a Community Improvement Plan, municipalities can:

- Focus public attention on local priorities and specific municipal initiatives;
  - Target areas in transition or in need of repair, rehabilitation and redevelopment;
  - Facilitate and encourage community change in a coordinated manner; and
  - Stimulate private sector investment through municipal incentive-based programs.
- Section 5.2.5 of the City of Ottawa Official Plan contemplates the preparation of Community Improvement Plans for designated Community Improvement Plan Project Areas.
  - On 14 November 2012, Council approved the “Economic Development Strategy Implementation Plan Update” (link to report [ACS2012-CMR-OCM-0015](#)) as presented by Economic Development and Innovation Services (EDI). This report outlined EDI’s work plan for 2013. Item 11 on the work plan – entitled “Community Improvement Plans” (CIP) – directed EDI to explore the strategic use of CIPs for economic development.

- **Provincial Policy Statement**

The Provincial Policy Statement (PPS), issued under Section 3 of the *Planning Act*, guides municipalities as planning decisions are made. The *Planning Act* requires that municipal decisions in respect of the exercise of any authority that affects a planning matter “shall be consistent with” the PPS.

The PPS supports long-term economic prosperity. For example, Section 1.7 b) of the PPS states, “long-term economic prosperity should be supported by optimizing the long-term availability and use of land, resources, infrastructure, and public service facilities.” The Integrated Orléans CIP seeks to attract private sector investment in redevelopment projects that optimize available land while promoting job creation.

The PPS also supports Smart Growth through urban growth management. For example, Section 1.1.3.3 of the PPS states “planning authorities shall identify and promote opportunities for intensification and redevelopment where this can be accommodated taking into account existing building stock or areas, including brownfield sites, and the availability of suitable existing or planned infrastructure and public service facilities required to accommodate projected needs.”

Other policies in the PPS (Sections 1.1.1 a), 1.1.1 g), and 1.6.2) support the management of growth to achieve efficient development and land use patterns that sustain financial well-being over the long-term. The development and redevelopment of employment properties in Orléans has a role to play in supporting the economic and social health of the community. Section 1.4.3 establishes a need to provide for an appropriate range and mix of housing options and densities to meet projected market-based and affordable housing needs of current and future residents of the regional market.

On 14 November 2012, Council approved the “Economic Development Strategy Implementation Plan Update” (link to report [ACS2012-CMR-OCM-0015](#)) as presented by Economic Development and Innovation Services (EDI). This report outlined EDI’s work plan for 2013. Item 11 on the work plan – entitled “Community Improvement Plans” (CIP) – directed EDI to explore the strategic use of CIPs for economic development.

In 2013, Council approved two pilot CIPs to demonstrate how this tool could be used for economic benefit. One of these, the Orléans CIP (link to report [ACS2013-CMR-OCM-0003](#)) aims to stimulate the creation of net new employment in Orléans. The program offers incentives in the form of Tax Increment Equivalent Grants, which enable the City to reimburse property owners a percentage of the property tax increase directly attributable to improvements to the property for a fixed period following project completion.

The City of Ottawa’s updated economic development strategy for 2015-2018, “Partnerships for Innovation” (link to report [ACS2015-CMR-OCM-0006](#)), adopted by City Council on 13 May 2015 notes:

“Financial incentives and municipal programs that support businesses, contribute to making a city an attractive place for business investment and expansion. When companies are considering expanding or relocating operations, one of their many deciding factors includes the availability of incentive programs.”

The approved strategy directs Economic Development to explore expanding the CIP program to add new urban renewal CIPs as a method of stimulating private investment in commercial neighbourhoods where commercial renewal has been sluggish.

There are two existing CIPs in the east-end of Ottawa: the Orléans CIP and the St. Joseph Boulevard CIP:



1. The Orléans CIP was approved by Council in September 2013, as described above. On 15 July 2020, Council amended the By-law to extend the Orléans CIP from 11 September 2018 to 10 September 2023, inclusive by Motion No 37/20 ([link to Motion](#)). The principal goal of the Orléans CIP is to attract knowledge-based employers to the area and accelerate the creation of new jobs.

Three applications have been approved by Council since 2013 with 10-year cumulative grants available to a maximum of \$2,575,600. Two projects have been completed. Construction has not commenced on the third project.

The St. Joseph Boulevard CIP was approved by City Council on 28 January 2009, ([link to staff report](#)), with the purpose of bolstering the economic viability of the St. Joseph Boulevard area by stimulating the development and redevelopment of privately held property, encouraging land use intensification and the provision of affordable housing, supporting the establishment of mixed-use development, and improving site and built-form aesthetics to align with the 2003 St. Joseph Boulevard Corridor Study as approved by Council.

Seven applications have been approved by Council since 2009 with 10-year cumulative grants available to a maximum of \$1,971,881. All seven projects have been completed.

The Orléans economy and the prosperity of its residents continues to be shaped by global economic and social trends, including the recent devastating effects of the global pandemic and associated business closures and job losses. There is a need to build, reinforce and reshape City programs to meet global and local challenges in ways that capitalize on solid programs that have proven successful but also lever the beneficial impact of an expanded Light Rail system.

Now is the time to establish a new single Orléans CIP which would combine successful elements of both existing CIPs, the Orléans CIP and the St. Joseph Blvd CIP, and build on these programs with new incentives to capitalize on fresh opportunities anticipated as a result of the soon-to-be realized LRT.

The intent of the proposed Integrated Orléans CIP is to provide key revitalization and improvement strategies for the Orléans area to stimulate and support growth in local industries, businesses, and tourism. The program would offer incentives for property owners to upgrade and enhance existing structures and encourage infill and mixed-use development. In addition, the program will leverage the opportunities anticipated as a

result of the LRT extension by encouraging the rehabilitation of lands and buildings and/or stimulating new development on previously occupied sites.

This broadening of commercial activity would create new opportunities for Orléans residents to work and shop within their own community. The CIP would promote the substantial revitalization of the community and foster renewed prosperity.

## **2. Program Rationale**

A distinctive difference in character exists between the diverse office, industrial and commercial areas in Orléans. The older urban "arterial commercial" identity of St. Joseph Boulevard with its many strip malls and street/storefronts is much different than the "big box" experience along Innes Road. Other areas support industrial and/or office uses or personal services, convenience shopping and community errands. These districts represent critical employment nodes where Orléans residents can find jobs as well as locations for necessary amenities and services.

With this potential in mind and wishing to deliver new revitalization and improvement strategies for the Orléans area, the proposed CIP defines specific revitalization goals and objectives for three (3) distinct segments in Orléans to achieve objectives unique to each area. The new CIP will build on existing and previous programs to capitalize on revitalization efforts already underway.

## **3. Integrated Orléans CIP Development Incentive Programs**

The intent of the Development Incentive Grant Program is to encourage the rehabilitation of lands and buildings and/or stimulate new development on sites previously occupied. The Development Incentive Grant Program would also encourage infill and mixed-use development, and assist in achieving improved building architecture, site design and site landscaping in the area. These benefits would be encouraged by offering a financial incentive in the form of an annual grant funded from incremental property tax assessments and the corresponding increased contribution to tax revenues.

The Development Incentive Grant Program must be for redevelopment (not greenfield development) of properties located within the defined boundaries of the Integrated Orléans Community Improvement Plan Project Area.

The Development Incentive Grant Program is designed to stimulate and support growth in local industries, businesses, and tourism. The program includes three distinct program elements, designed to stimulate and support growth in specific areas as follows (See Sections 3.2, 3.3, and 3.4 below):

- St. Joseph Boulevard Main Street Program;
- Employment Creation Incentive Program; and
- Pedestrian Friendly Streets Program.

Each of these program elements has its own unique objectives and financial incentives.

Applicants may only apply for one (1) Integrated Orléans CIP Program element per redevelopment project. However, Integrated Orléans CIP grants may be combined with other CIP programs, including the brownfields CIP provided that the total grant and grant commitments from all CIPs shall not exceed:

- For applications to the St. Joseph Boulevard Main Street Program (Section 3.3 below) seventy per cent (70%) of eligible construction costs, or one million dollars (\$1,000,000) maximum; or eighty-five per cent (85%) of eligible construction costs or one million dollars (\$1,000,000) maximum, if three or more new affordable rental housing units are constructed;
- For applications to the Employment Creation Incentive Program (Section 3.4 below) seventy five per cent (75%) of the municipal tax increment for the property directly attributable to the redevelopment up to a combined maximum grant of the lesser of fifty per cent (50%) of eligible construction costs or five million dollars (\$5,000,000) maximum;
- For applications to the Pedestrian Friendly Streets Program (Section 3.5 below) the lesser of fifty dollars (\$50) per square foot of ground floor area or two hundred and fifty thousand dollars (\$250,000) maximum.

City Council may discontinue any of the programs at any time but applicants with approved grants will continue to receive grant payments subject to meeting the general and program specific requirements.

### **3.1. General Provisions**

All submissions under the Integrated Orléans CIP Development Incentive Grant Program shall be subject to the following General Provisions;

- 3.1.1. All submissions under the Integrated Orléans CIP Development Incentive Grant Program must be for redevelopment (not greenfield development) of properties located within the defined boundaries of the Integrated Orléans Community Improvement Plan Project Area as illustrated in Document 1;
- 3.1.2. The property must be located in the Integrated Orléans CIP Project Area;
- 3.1.3. The City is not responsible for any costs incurred by an applicant in relation to any of the programs, including without limitation, costs incurred in anticipation of a grant;
- 3.1.4. The proposed project work includes one or more of the following;
  - 3.1.4.1 An addition of building space to an existing building;
  - 3.1.4.2 Construction of a new building, where a previous building has been located;
  - 3.1.4.3 Interior fit-up;
  - 3.1.4.4 Significant alterations to an existing building resulting in improved marketability of the rental premises and a corresponding increase in assessed value;
  - 3.1.4.5 Addition or conversion of space related to the construction of affordable housing units;
  - 3.1.4.6 Exterior façade improvement facing a public road right-of-way; and
  - 3.1.4.7 Site works including landscaping and signage.
- 3.1.5. The improvements made to buildings and/or land shall be made pursuant to a building permit where required, and/or other

required permits, and be constructed in accordance with the Ontario Building Code where applicable;

- 3.1.6. All proposed works approved under the incentive programs and associated improvements to buildings and/or land shall conform to all relevant codes, policies, procedures, standards and guidelines, including applicable municipal by-laws, Official Plan policies and zoning requirements and approvals;
- 3.1.7. To be eligible for payment of a grant under the Integrated Orléans CIP, the amount of work undertaken on the property and/or buildings shall result in a minimum increase of fifty thousand dollars (\$50,000) in the assessed value of the property as determined through post-construction reassessment by the Municipal Property Assessment Corporation (MPAC);
- 3.1.8. City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City;
- 3.1.9. Candidate properties would be reviewed in detail, based on best knowledge of current trends and history to ensure that an incentive is, in fact, required to stimulate development. The applicant is required to provide a rationale clearly demonstrating that the project would not otherwise proceed in the absence of the incentive and that the project meets a need in the community for urban renewal and/or job creation appropriate to the local labour market or goods/services provision to the local consumer or business market;
- 3.1.10. The owner's financial account with the City is in good standing (including taxes, water, fines and all other accounts due);
- 3.1.11. Outstanding work orders, and/or orders or requests to comply, and/or other charges from the City (including tax arrears) must be satisfactorily addressed prior to any grant payment being issued at any time;

- 3.1.12. If an applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the City may delay, reduce or cancel the approved grant;
- 3.1.13. Grants are provided in the form of Tax Increment Equivalent Grant (TIEG). The TIEG is a grant or rebate to property owners to offset a portion of the property tax increase the owners will face as a result of the redevelopment. The TIEG is payable in instalments, over up to a 10-year period and is based wholly upon the property assessment change due to redevelopment changes and not the regular change in the tax rate set by Council;
- 3.1.14. If the post-construction assessment is appealed by any party for a property and/or buildings subject of an approved grant application and the post-appeal assessment is reduced, the City will recalculate payments made to the Applicant that were based on the higher assessment and corresponding municipal tax increment and any overpayment amount shall be repaid to the City by the Owner;
- 3.1.15. The incentive programs are available to all properties within the Integrated Orléans Community Improvement Plan Project Area subject to fulfilment of grant program requirements. Any property owner in the CIP Project Area is eligible to apply for the incentive programs. If all or part of a property is sold within a grant eligibility period, grant payments will continue to be made to the Owner that signed the original grant agreement;
- 3.1.16. The City may however, at its discretion, transfer all or part of a grant amount to a new property owner subject to the new owner entering into an agreement (where applicable) with the City that fulfills the requirements of the original agreement, plus any new requirements. Grants awarded under any incentive program for a particular property are not transferable to another property. New agreements are subject to the approval of the General Manager, Planning Infrastructure and Economic Development and/or Council;
- 3.1.17. Ineligible Uses

One of the primary purposes of the Integrated Orléans CIP is to attract new businesses to locate in Orléans and to encourage existing businesses to expand resulting in an increase in the number of jobs. Uses that would not result in an increase in quality jobs and/or do not contribute to community economic vitality would not be eligible for the incentive funding of this program. Excluded uses would include, but may not be limited to:

- a) Bingo parlour or other gaming facilities;
- b) Adult entertainment services/products;
- c) Body rub establishment;
- d) Corrections facility / Corrections residence; and
- e) Payday Loan establishment;

3.1.18. Stand-alone internal building upgrades and maintenance costs in existing building space do not qualify for the incentive grant programs in this CIP;

3.1.19. Where the CIP Project Area boundary does not follow a property boundary (i.e. only a portion of the property abutting the public road is included), only that portion of the property and building(s) within the CIP boundary may qualify for incentive programs. Coordinated development proposals that include abutting properties under the same or separate ownership are permitted to apply only for one grant in this CIP (i.e. more than one application for the same type of grant on abutting properties that comprise a coordinated development is not permitted);

3.1.20. Generally, the City will provide grant payments under this CIP only after applicable permits have been issued, construction is complete and the property has received final inspection approval by the City, the property has been reassessed by MPAC demonstrating that the minimum required increase in assessment has been achieved and, following reassessment, the property owner has paid the first year property taxes in full.

### 3.2. Application and Approval Process

All applications to the Integrated Orléans CIP shall be subject to the following application and approval requirements:

#### **Applications:**

- 3.2.1. Applicants are required to complete the application form. Applicants are strongly encouraged to pre-consult with City staff prior to submitting;
- 3.2.2. Applicants are required to submit supporting documentation such as specifications of the proposed project including plans, drawings, photographs of the existing building, past photos or drawings;
- 3.2.3. The applicant shall be required to include as part of any Integrated Orléans Road CIP TIEG grant application an independent tax study by a qualified consultant, having an AACI designation (Accredited Appraiser Canadian Institute) or an AIMA (Associate) or MIMA (Accredited) designation from the Institute of Municipal Assessors, which provides an estimate of the property assessment increment following redevelopment;
- 3.2.4. Applicants are required to obtain all necessary building, road cut, encroachment or other work permits;
- 3.2.5. Applications may be circulated to any internal municipal departments for review and comment;
- 3.2.6. Staff will also consider the following criteria when reviewing applications:
  - The property must be wholly within the CIP Project Area;
  - Total project value;
  - Anticipated uplift in assessed value of the property and expected increase in the municipal portion of Property Taxes;



- Does the property require repair, rehabilitation, redevelopment, restoration and/or adaptive reuse of existing buildings;
- Will the project improve site and built-form aesthetics;
- Will the project improve the look of the street and neighbourhood;
- Will the project provide an attractive, safe and pedestrian friendly environment;
- Does the project provide affordable housing units;
- Will the project increase the number of quality jobs and boost the local economy;
- Does the development progress the property towards its highest and best use; and

3.2.7. The Orléans Integrated CIP grant programs do not support projects on a retroactive basis. To clarify, funding is only available for projects where no work has commenced, and no expenses have been incurred in connection with the project.

**Approval:**

3.2.8. If the application meets all relevant criteria, staff will recommend approval of the application to:

- Applications to the St. Joseph Boulevard Main Street Program (Section 3.3 below) will be considered at the Finance and Economic Development Committee and are subject to approval by City Council.
- For applications to the Employment Creation Incentive Program (Section 3.4 below), grants will be considered at the Finance and Economic Development Committee and are subject to approval by City Council.
- In the case of applications to the Pedestrian Friendly Streets Program (Section 3.5 below), grants will be considered at the Finance and Economic Development Committee and are subject to approval by City Council; and

3.2.9. A staff report will be prepared detailing the specifics of all applications and containing the staff analysis and recommendation.

**Integrated Orléans CIP Development Incentive Programs**

The Orléans Integrated CIP Development Incentive Grant Program consists of three distinct and separate programs:

**3.3. St. Joseph Boulevard Main Street Program**

The goal of the St. Joseph Boulevard Main Street Program is to stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program encourages buildings to be constructed adjacent to the street and supports a more vibrant “main street” experience. The program also promotes land use intensification, supports the establishment of mixed-use development, and improves site and built-form aesthetics.

Other goals include:

- To reinforce the St. Joseph Boulevard area as a central focus for the community;
- To strengthen the St. Joseph Boulevard area as a live / work / play destination;
- To encourage a range of higher-density housing types including affordable housing units;
- To provide employment opportunities through intensification of commercial and office uses;
- To encourage infill and mixed-use development;
- To assist in achieving improved building architecture, site design and site landscaping;
- To provide for an attractive, safe and pedestrian friendly environment; and
- To encourage and assist in environmentally friendly design including energy efficiency.

#### 3.3.1. Program Eligibility

3.3.1.1. The project must be a redevelopment or replacement of an existing building and is not a greenfield development;

3.3.1.2. The amount of redevelopment work undertaken on the property and/or buildings shall result in a minimum increase of fifty thousand dollars (\$50,000) in the assessed value of the property as determined through post-construction reassessment by the Municipal Property Assessment Corporation (MPAC); and

3.3.1.3. The property is located in the Integrated Orléans Community Improvement Plan Project Area, in the portion of St. Joseph Boulevard between Youville Drive and Prestone Drive, as illustrated with a red shaded line in Document 1.

#### 3.3.2. Other City Housing Programs

Applicants are encouraged to work with the City's Housing Services Branch to learn about the City's Housing policies and programs at [Family and Social Services – Housing](#) to explore any available affordable housing incentives.

Any cost or expense covered or reimbursed by Housing Services is not eligible for an Integrated Orléans CIP grant.

### 3.3.3. Planning Fee Grant

The City will reimburse successful applicants in the form of a grant equivalent to twenty-five per cent (25%) of the City fees for initial applications made under the *Planning Act* (after applicable multi-application reductions) including for example, Official Plan amendments, Zoning By-law amendments, Site Plan approval, Plans of Condominium and Committee of Adjustment applications. The Planning Fee Grant program will be funded from the municipal tax increment.

### 3.3.4. Development Incentive Grant

The annual grant available under the Development Incentive Grant Program is based on the municipal tax increment amount. The applicant will initially pay for the entire cost of development. After the City receives payment of the incremental property taxes that result from the project, the City will reimburse the applicant

The City will reimburse successful applicants in the form of an annual Tax Increment Equivalent Grant (TIEG) equal to seventy per cent (70%) of the municipal tax increment for the property resulting from the project up to a combined maximum grant of seventy per cent (70%) of eligible construction costs or one million dollars (\$1,000,000) maximum, whichever is lower. The grant is paid annually following post-construction property reassessment by the Municipal Property Assessment Corporation (MPAC) and payment of property taxes in the new amount.

This benefit would increase to eighty-five per cent (85%) of eligible costs and a maximum grant total percentage eighty-five

per cent (85%) or one million dollars (\$1,000,000) maximum, whichever is lower, if three or more additional (new construction or repurposed) affordable rental housing units are constructed.

To be eligible to receive payment of an increased grant amount as a result of the provision of three or more new affordable housing units, affordability will be determined in accordance with the City of Ottawa Official Plan and shall be based on the actual sale price or rental cost of the units as may be applicable.

Affordable: means

- a) In the case of ownership housing, the least expensive of:
  1. Housing for which the purchase price results in annual accommodation costs which do not exceed 30 per cent of gross annual household income for low and moderate income households; or
  2. Housing for which the purchase price is at least 10 per cent below the average purchase price of a resale unit in the regional market area;
- b) In the case of rental housing, the least expensive of:
  1. A unit for which the rent does not exceed 30 per cent of gross annual household income for low and moderate income households; or
  2. A unit for which the rent is at or below the average market rent of a unit in the regional market area.

#### 3.3.5. Building Permit Fee Grant

The City will reimburse the successful applicants in the form of a grant equivalent to thirty per cent (30%) of the building permit fee or forty per cent (40%) of the building permit fee if the project includes 3 or more affordable rental housing units.

#### 3.3.6. Maximum Total Cumulative Grant

The incentive grants contained in the St. Joseph Boulevard Main Street Program are a framework of programs that will assist in achieving the goals outlined in Section 3.2. The incentive programs can be used individually or together by an applicant, but the total of all grants provided in respect of the subject lands and buildings of an applicant under the programs contained in this CIP, combined with any Brownfields CIP programs, shall not exceed 70% of the eligible costs of on / off site development of said lands and buildings, excluding all taxes (85% if three or more new affordable rental housing units are constructed) to a total maximum combined grant per property owner / property of one million dollars (\$1,000,000), whichever is lower.

### **3.4. Employment Creation Incentive Program**

The goal of the Employment Creation Incentive Program is to stimulate private investment in property renewal and redevelopment and to attract new employment to the area. The program also promotes land use intensification and supports the establishment of mixed-use development.

The CIP will provide financial incentives for eligible commercial property owners within the designated CIP Project Area.

#### **3.4.1. Program Eligibility**

- 3.4.1.1. The project must be a redevelopment or replacement of an existing building and is not a greenfield development;
- 3.4.1.2. The amount of redevelopment work undertaken on the property and/or buildings shall result in a minimum increase of fifty thousand dollars (\$50,000) in the assessed value of the property as determined through post-construction reassessment by the Municipal Property Assessment Corporation (MPAC);
- 3.4.1.3. The property is located in the Integrated Orléans Community Improvement Plan Project Area; and

3.4.1.4. Eligible renewal and redevelopment projects must generate a minimum of twenty (20) new permanent full-time jobs. Added jobs must be the result of new companies to the area and/or expansions of existing companies. A relocation of existing employment will not satisfy program criteria.

#### 3.4.2. Development Incentive Grant

An annual grant available under the Development Incentive Grant Program will be based on the municipal tax increment amount. The applicant will initially pay for the entire cost of development. After the City receives payment of the incremental property taxes that result from the project, the City will reimburse the applicant.

The City will reimburse successful applicants for properties located in the Integrated Orléans CIP Program Area in the form of an annual Tax Increment Equivalent Grant (TIEG). The grant will be equal to seventy-five per cent (75%) of the municipal tax increment for the property directly attributable to the redevelopment up to a combined maximum grant of fifty per cent (50%) of eligible construction costs or five million dollars (\$5,000,000) maximum, whichever is lower.

The grant is paid annually following post-construction property reassessment by the Municipal Property Assessment Corporation (MPAC) and payment of property taxes in the new amount.

### 3.5. Pedestrian Friendly Streets Program

A key objective of the Integrated Orléans CIP Pedestrian Friendly Streets Program is to foster vibrant activity and breathe new life along the area's main streets and pedestrian/cyclist thoroughfares including those streets that provide access to the four new LRT stations.

Healthy streets should be conducive to walking, cycling, browsing, and lingering and represent an efficient way to explore the goods and services available in the area. These streets must be highly walkable

and present a wide variety of sidewalk-oriented uses. Newly constructed streets built under the City's "Complete Streets" policy offer safe paths for biking or walking, but to ensure healthy vibrant streets, it will be necessary to enhance the experience along the route.

There are examples of underused and/or vacant properties located in many of Orléans traditional business areas. Staff completed a study this year of approximately 525 commercially zoned properties in Orléans to explore possible opportunities for redevelopment. Of the properties in the study group, approximately 177 were thought to represent good prospects for redevelopment. This list does not represent the only opportunities for redevelopment in Orléans, but it raises a concern that developers could take advantage of this under-utilized urban space by building housing on former retail sites, an acceleration of an existing trend. Such conversions could materially dilute a desirable mix of vibrant businesses and community assets along the street.

Main streets in Orléans would be greatly enhanced if redevelopment projects feature sidewalk-oriented ground floor active uses, accessible via pedestrian-friendly sidewalks and cycle tracks.

Ideally, storefronts would have large windows to display merchandise and forward-facing entrances that welcome shoppers into the store. Currently in Orléans many properties consist of smaller strip shopping centres with extensive parking lots between the sidewalk and businesses.

Similarly, developers of the many new high-rise residential properties that are anticipated in Transit Oriented Development zones, near LRT stations might prefer to construct buildings where the principal use extends from the top floor to the ground floor with nothing of interest to non-residents on the ground floor.

With a view to creating healthier main streets with friendly pedestrian/cyclist thoroughfares and to encourage an eclectic mix of businesses in Orléans, the Orléans CIP Pedestrian Friendly Streets Program will provide an incentive for property owners, when redeveloping, to consider orienting their buildings to face the street and include only active uses on the ground floor along the sidewalk.



The objective is to achieve a continuity of active uses along the sidewalks and cyclist tracks.

### 3.5.1. Program Eligibility

3.5.1.1. The project must be a redevelopment or replacement of an existing building and is not a greenfield development;

3.5.1.2. The amount of redevelopment work undertaken on the property and/or buildings shall result in a minimum increase of two hundred fifty thousand dollars (\$250,000) in the assessed value of the property as determined through post-construction reassessment by the Municipal Property Assessment Corporation (MPAC);

3.5.1.3. The property is located in the Integrated Orléans Community Improvement Plan Project Area;

3.5.1.4. Eligible redevelopment projects will be for properties having four (4) or more floors; and

3.5.1.5. All ground floor rental space in the redeveloped property must be exclusively comprised of sidewalk-oriented ground floor active uses. Active uses shall promote a vibrant pedestrian environment on the ground floor and may include, but not be limited to shops, small businesses, markets, cafes, arts workshops, retail establishments, restaurants, catering establishments, bars and brewpubs, art and craft studios, performance space, wineries, and personal service establishments.

### 3.5.2. Development Incentive Grant

The annual grant available under the Development Incentive Grant Program is based on the municipal tax increment amount. The applicant will initially pay for the entire cost of development. After the City receives payment of the incremental property taxes that result from the project, the City will reimburse the applicant

The City will reimburse successful applicants for properties located in the Integrated Orléans Program area in the form of an annual Tax Increment Equivalent Grant (TIEG) where all ground floor rental space is exclusively comprised of active uses. The grant will be equal to equal to fifteen per cent (15%) of the municipal tax increment for the entire building directly attributable to the redevelopment, to a maximum of:

- The lesser of fifty dollars (\$50) per square foot of ground floor area; or
- Two hundred and fifty thousand dollars (\$250,000).

The grant is paid annually for up to 10 years, or until the maximum amount is achieved following post-construction property reassessment by the Municipal Property Assessment Corporation (MPAC) and payment of property taxes in the new amount.

#### **4. Program Duration and Limits**

The amount of time required from concept to completion for a typical redevelopment project is anywhere from a few months to several years, depending on factors such as the area of the development project, the complexity of the project, and the availability of resources to complete the work. Projects may take three to five years to be ready to make an application for a CIP grant.

The *Ontario Planning Act* sets no legal time limit for completing a Community Improvement Plan. Accordingly, it is proposed that the Integrated Orléans Community Improvement Plan program be open for 10 years following Council approval and adoption of the required by-laws, subject to an annual Integrated Orléans CIP grant monitoring report to Council.

#### **5. Integrated Orléans CIP Monitoring Plan**

Staff will conduct an annual review of the program, monitoring: number of applications, the number of completed developments, the number of affordable housing units, the number of new jobs anticipated, and the overall impact to Municipal taxes created as a result of the CIP.