

THE CORPORATION OF THE TOWNSHIP OF CENTRE WELLINGTON

BY-LAW NO. 2016-xx

A By-law to adopt Amendment No. 1 to the Urban Centre Community Improvement Plan for the Township of Centre Wellington.

The Council of the Corporation of the Township of Centre Wellington, pursuant to the provisions of the Planning Act, R.S.O. 1990, as amended, does hereby enact as follows:

1. THAT Amendment Number 1 to the Urban Centre Community Improvement Plan, consisting of the attached explanatory text, is hereby adopted.
2. THAT this By-law shall come into force and take effect on the day of the final passing thereof.

READ A FIRST AND SECOND TIME THIS 12th DAY OF DECEMBER 2016.

Mayor

Clerk

READ A THIRD TIME AND PASSED THIS 12th DAY OF DECEMBER 2016.

Mayor

Clerk

***AMENDMENT NO. 1 TO THE URBAN CENTRE COMMUNITY
IMPROVEMENT PLAN FOR THE TOWNSHIP OF CENTRE
WELLINGTON***

PART A - BASIS

1.0 Purpose

The purpose of this amendment is to:

- (i) Amend the Township of Centre Wellington 'Urban Centre Community Improvement Plan (CIP)' to allow for participation by the County of Wellington in the Tax Increment Equivalent Grant Program; and
- (ii) Specify the parameters for participation, such as grant programs, funding levels, and review/approval of applications, and agreement execution.

2.0 Location

The proposed amendment applies to all lands within the 'Urban Centre Community Improvement Project Area' as described by Section 3.1 and shown on Appendix A and B to the CIP.

3.0 Background

On March 30, 2015, the Township of Centre Wellington adopted the 'Urban Centre Community Improvement Plan'. Section 3.3.2.1 of the CIP states "the Township may explore the possibility for participation from Wellington County in the Urban Centre Community Improvement Plan", and outlines next steps for determining how and when the County may participate. Section 3.3.2.1 also notes that "once it is determined that the County will participate in the Urban Centre CIP, and the extent of the involvement in any of the financial incentives, an amendment to the financial incentives in Section 3.4 of this Plan will be required."

According to Section 28(7.2) of the Planning Act, with respect to upper-tier participation in CIPs, "the council of an upper-tier municipality may make grants or loans to the council of a lower-tier municipality and the council of a lower-tier municipality may make grants or loans to the council of the upper-tier municipality, for the purpose of carrying out a community improvement plan that has come into effect, on such terms as to security and otherwise as the council considers appropriate, but only if the official plan of the municipality making the grant or loan contains provisions relating to the making of such grants or loans."

On January 28, 2016, Wellington County adopted Official Plan Amendment No. 96, which incorporated provisions that enable the County to make grants or loans to local municipalities to assist in the implementation of Community Improvement Plans, in accordance with the Planning Act.

Furthermore, in March 2016, Wellington County Council determined that it may participate in the Township of Centre Wellington's Tax Increment Equivalent Grant Program. In

addition the goals and parameters for participation, such as grant programs, funding levels, and review/approval of applications, and agreement execution, were also determined. These parameters form the basis of this amendment.

PART B – THE AMENDMENT

The Township of Centre Wellington ‘Urban Centre Community Improvement Plan’ is hereby amended by:

1. **Section 2.2.2 Enabling Official Plan Policies** is amended by adding the following:

However, it is noted that since the preparation of the 2014 Discussion Paper, the Wellington County Official Plan has been amended through Official Plan Amendment Number 96 to update County policies on community improvement. As a result, the Official Plan now includes provisions that enable the County to make grants or loans to local municipalities to assist in the implementation of Community Improvement Plans.

2. **Section 3.3.2 Initiatives** is amended by deleting the following, and renumbering accordingly:
 1. Strategy for County Participation
3. **Section 3.3.2.1 Strategy for County Participation** is deleted in its entirety and the following subsections are renumbered accordingly.
4. **Section 3.4 Financial Incentives** is amended by adding the following, and renumbering accordingly:

3.4.3 County Participation in Financial Incentives

At the time of preparing this CIP, County participation in financial incentive programs (in accordance with the Planning Act) was identified as a high priority. In January 2016 (as noted earlier), County Council approved Official Plan Amendment Number 96, which enables the County to make grants or loans to local municipalities to assist in the implementation of Community Improvement Plans.

Furthermore, in March 2016, Wellington County Council determined that it may participate in the Tax Increment Equivalent Grant Program for successful Level Two incentive applicants, subject to County goals and priorities, and the availability of resources in any given year. On this basis, parameters for Wellington County’s participation in the Tax Increment Equivalent Grant Program are set out in Section 3.4.4.5 of this Plan, in accordance with the County’s goals for participation in CIPs.

Notwithstanding the parameters identified in Section 3.4.4.5, the Corporation of the County of Wellington reserves the right to:

- Conduct a preliminary pilot study for County participation in the Tax Increment Equivalent Grant, in order to evaluate feasibility, time, cost, and effect of County participation in this program;
- Determine on an annual basis whether County participation in the Tax Increment Equivalent Grant Program will be in effect for that year, subject to the subject to County goals and priorities, and the availability of resources; and
- Discontinue or cancel County participation in the Tax Increment Equivalent Grant Program at any time.

Actual payment of the County portion of the Tax Increment Equivalent Grant to an approved applicant will be the responsibility of the Township of Centre Wellington. Funding from Wellington County will be provided to the Township and not directly to an approved applicant.

In addition, where it has been determined that the County will participate in an approved Tax Increment Equivalent Grant application, a Financial Assistance Agreement will be prepared and executed between the Township of Centre Wellington and Wellington County.

The County may identify an annual budget for participation in the Tax Increment Equivalent Grant program.

All of the general eligibility criteria, application process conditions, and application requirements of this Plan shall apply.

5. Section 3.4.3.4 Tax Increment Equivalent Grant is amended by:

- a. Adding the following, after the subsection entitled 'Eligibility':

County Participation:

Subject to County goals and priorities, and the availability of resources, the Corporation of the County of Wellington may participate in the Township's Tax Increment Equivalent Grant Program. On an annual basis, and in accordance with the provisions in Section 3.4.3 of this Plan, Wellington County will make a determination as to whether or not it will participate during term of this CIP.

When it has been determined that Wellington County will participate in the Tax Increment Equivalent Grant Program in any given year, the County will contribute to Tax Increment Equivalent Grant applications approved by the Township of Centre Wellington for that year.

Grants will be provided for eligible costs (as identified above) for up to a five year term, with grants amounting to 100% of the County portion of incremental taxes in year 1, dropping by 20% each year until taxes return to the full amount in the sixth year.

Eligible projects may include those involving the "substantial" conversion,

redevelopment, and/or intensification of underutilized sites for commercial and employment (industrial) uses only.

All other eligibility criteria as set out in this Plan shall apply.

- b. Deleting the subsection entitled 'Payment', and replacing it with the following:

Payment:

Grants may be provided in accordance with a Financial Assistance Agreement made between the Township and the owner(s) upon successful completion of the approved project, to the satisfaction of the Township, and payment of the full reassessed value of Municipal taxes.

Where applicable, the County portion of the grant shall be provided in accordance with a Financial Assistance Agreement made between the Township and the County upon successful completion of the approved project, to the satisfaction of the Township and the County, and payment of the full reassessed value of County taxes.

Grants will be paid annually by the Township for a period of up to ten years, and by the County for a period of up to five years, or until the total eligible costs of the improvements is reached, whichever comes first.

Where applicable, the County portion of the grant shall be provided to the Township and not directly to an approved applicant.

If a property is sold, in whole or in part, before the grant period lapses, the original owner is not entitled to receive the remaining grant payments. However, if a grant agreement is registered on the title of the subject property, the new owner may be entitled to receive the remaining grant payments.

- 6. **Section 4.2.2 Community Improvement Implementation Committee** is amended by adding the following:

In accordance with Section 3.4.3, Wellington County may determine on an annual basis whether or not it will participate in the Tax Increment Equivalent Grant program. Where it is determined that County will participate in this program in any given year, staff from Wellington County will be included on the Community Improvement Implementation Committee to review applications for the Tax Increment Equivalent Grant Program only.

- 7. The **Glossary** is amended by adding:

County means the Corporation of the County of Wellington.

Implementation and Interpretation

The implementation and interpretation of the Amendment shall be in accordance with the relevant policies of the Urban Centre Community Improvement Plan of the Township of Centre Wellington.