

CITY OF ST. THOMAS

COMMUNITY IMPROVEMENT PLAN

AMENDMENT NO. 1

PREPARED BY

CITY OF ST. THOMAS PLANNING DEPARTMENT

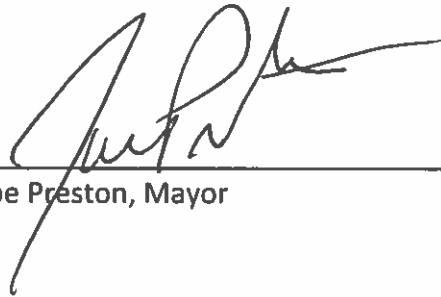
THE CITY OF ST. THOMAS

BY-LAW NO. 131-2022

The Council of the Corporation of the City of St. Thomas, pursuant to Section 28 of the Planning Act, R.S.O. 1990, as amended, hereby enacts as follows:

1. That Community Improvement Plan Amendment No. 1 to the City of St. Thomas Community Improvement Plan, being the attached Explanatory Text, is hereby adopted.
2. This By-law shall come into force and take effect on the day of the final passing thereof.

Enacted and passed this 11th day of October, 2022.



Joe Preston, Mayor

Maria Konefal, City Clerk

TABLE OF CONTENTS

STATEMENT OF COMPONENTS

PART A - PREAMBLE TO AMENDMENT NO. 1

- 1) Location
- 2) Purpose
- 3) Basis

PART B - THE AMENDMENT

- 1) Introductory Statement
- 2) Details of the Amendment
- 3) Implementation and Interpretation

PART C - THE APPENDICES

Appendix I:	Location Plan
Appendix II:	Staff Planning Report

STATEMENT OF COMPONENTS

- PART A - THE PREAMBLE -** does not constitute part of this Amendment.
- PART B - THE AMENDMENT -** consisting of the following text and map, designated Schedule "I", constitute Amendment No. 1 to the City of St. Thomas Community Improvement Plan.
- PART C - THE APPENDICES -** do not constitute part of this Amendment. The appendices (I and II) contain the background data and technical justification with this Amendment.

I, Lou Pompilii, Director of Planning and Building Services of the Corporation of the City of St. Thomas, do hereby certify that the following (Part B) is a true copy of Community Improvement Plan Amendment No. 1 as adopted by the Council of the Corporation of the City of St. Thomas (By-law No. 131-2022).



Lou Pompilii
Director of Planning & Building Services

PART A - PREAMBLE

1. LOCATION

The property affected by this amendment is municipally known as 1029 Talbot Street and may be described as Part of Lot 6 Concession 9 Yarmouth, Parts 3, 4, 5 & 6, 11R10793, Together with an Easement as in E439668; Together with an easement over Part 1, 11R10471 as in CT178410; Subject to an Easement as in CT178411; Subject to an Easement over Part 3, 11R10793 as in CT200891; City of St. Thomas.

The location of the subject lands is shown in heavy solid lines on the Location Plan found in Appendix I to this Amendment.

2. PURPOSE

The applicant is proposing an exception to the policies to add a portion of the subject lands to the Primary CIPA. The subject lands are adjacent to the Primary CIPA, and Section 5 of the Community Improvement Plan states that *'Properties that are immediately adjacent to the Primary CIPA may be considered by the City to be within the Primary CIPA on a case-by-case basis, subject to these properties meeting the key community improvement needs of the CIP.'*

3. BASIS

The basis of this amendment is as follows:

- The applicant has filed an application to request an exception to the Community Improvement Plan policies. The application is related to a portion of the property located at the northeast corner of Talbot Street and First Avenue.
- The subject lands are located within the Secondary Community Improvement Plan Area (CIPA) and are not eligible for incentives under the current CIP. Notwithstanding, the subject site is adjacent to the Primary CIPA boundary, and as such, meets the criteria for Council consideration for inclusion within the Primary CIPA by way of an amendment to add the site as an exception to the CIP.
- The proposed project at 1029 Talbot Street consists of up to two, 14-storey apartment buildings containing approximately 300 residential units and a full level of underground parking. The first phase consists of a single 14-storey building with 162 units that will consist of one- and two-bedroom units, with a full level of underground parking.
- The applicant has requested a site-specific amendment to the Plan to be considered within the Primary CIPA and has requested funding under the Tax Increment Grant Program (TIGP) and the Development Charges Grant Program (DCGP) for Tower 1. The

exception is for the entire area that occupies the 2-towers, however, the TIGP and DCGP request applies only to Tower 1 at this time.

- The purpose of the Tax Increment Grant Program is to encourage and support rehabilitation, redevelopment, infill, and intensification projects by providing a financial incentive that reduces the property tax increase that can result from these various types of development.
- Municipalities can use a CIP (Section 28 of the Planning Act) to offer a reduction in development charges in the form of a grant equivalent to part or all of the development charge normally payable. Development charges will be paid in full by the applicant at the time development charges are normally paid, e.g., building permit issuance. The City would then pay the Development Charge Grant to the applicant only once the eligible and approved project is complete, final building sections have taken place, an occupancy permit has been issued (as applicable), all delicacies have been addressed, and all program and grant agreement requirements have been met the City's satisfaction.

PART B – THE AMENDMENT

1. INTRODUCTORY STATEMENT

All of this part of the document entitled “Part B- the Amendment” constitutes Amendment No. 1 to the City of St. Thomas Community Improvement Plan.

2. DETAILS OF THE AMENDMENT

The Community Improvement Plan is amended as follows:

Item 1:

The area shown on the attached Figure 1, St. Thomas Community Improvement Project Area, numbered “1”, and enclosed in heavy solid lines is subject to the amendment contained in Item 2.

Item 2:

A portion of 1029 Talbot Street is being added as an exception to the Primary Community Improvement Plan Area as shown on the attached Location Plan in Appendix 1 to this amendment. The application is subject to the following conditions:

- (a) applicant/owner entering into appropriate agreements with the City of St. Thomas to secure a minimum of 5-units in Tower 1 as “affordable units” as defined within the Community Improvement Plan, and that the Tax Increment Grant Program be restricted to a five-year period, notwithstanding the inclusion of affordable housing units;
- (b) a maximum total grant of up to \$ 2 million under the Tax Increment Grant Program for Tower 1 be established, in recognition of the uncertainty in valuing the future assessment rate (tax revenue) from this development);
- (c) a 50% Development Charge grant rebate be provided for Tower 1, to be repaid over a 10-year period.

3. IMPLEMENTATION AND INTERPRETATION

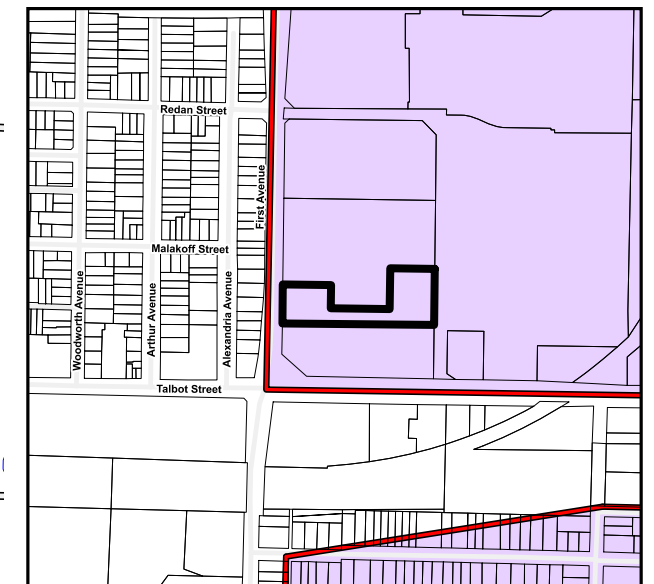
The implementation and interpretation of this Amendment shall be in accordance with the respective policies of the City of St. Thomas Community Improvement Plan.

COMMUNITY IMPROVEMENT PROJECT AREA

COMMUNITY IMPROVEMENT

-  City Wide - CIPA
(Community Improvement Area)
-  Primary - CIPA
(Community Improvement Area)
-  Downtown
-  Old St Thomas
-  Downtown Heritage
Conservation District
-  Secondary - CIPA
(Community Improvement Area)

CIP Amendment #1
Exception to add lands to
Primary CIPA



Legend

-  Water Course
-  Water Body



Prepared by the St. Thomas
Planning and Building Services
Department

Metres
0 400 800 1200
10/03/2022

PART C - THE APPENDICES

Appendix I: Location Plan

Appendix II: Staff Planning Reports

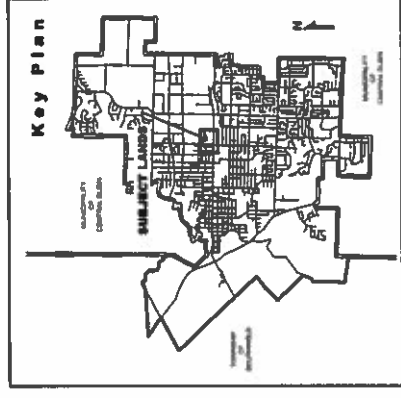
APPENDIX I

LOCATION PLAN

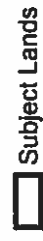
APPENDIX I

Community Improvement Plan Amendment #1

LOCATION PLAN



LEGEND:



Note: 2020 Aerial Photography

1004/0002



APPENDIX II

STAFF PLANNING REPORTS

Directed to:	Mayor Joe Preston and Members of City Council	Date Authored: May 30, 2022 Meeting Date: June 6, 2022
Department:	Planning & Building Services Department	Attachment -Site Plan Drawing -Draft CIP Application Form -Cover Letter -Presentation -Applicants Potential Tax Revenue Calculation
Prepared By:	Lou Pompili, Director of Planning and Building Services	
Subject:	Amendment to Community Improvement Plan – Exception to Add a Portion of 1029 Talbot Street to the Primary CIPA	

Recommendation:

THAT: Report PD-24-2022 relating to a Community Improvement Plan Application by Canadian Commercial (T2) Inc. for 1029 Talbot Street be received for information, and further,

THAT: Council authorize staff to prepare a site-specific draft amendment to the Community Improvement Plan to consider adding a portion of 1029 Talbot Street as part of the Primary CIPA; and further

THAT: Council approve the requested amendment and exception to the CIP, with conditions that include:

- applicant / owner entering into appropriate agreements with the City of St. Thomas to secure a minimum of 4-units in Tower 1 as “affordable units” as defined within the CIP, and that the Tax Increment Grant Program be restricted to a five-year period, notwithstanding the inclusion of affordable housing units.
- a maximum total grant of \$ 1.5 million under the TIGP for Tower 1 be established, in recognition of the uncertainty in valuing the future assessment rate (tax revenue) from this development).

Background:

A CIP application was received from Canadian Commercial (T2) Inc., on behalf of 1029 Talbot Street. The application relates to a portion of the property located at the northeast corner of Talbot Street & First Avenue. The subject site is located to the north of the commercial lands currently under development by the same owner. The subject lands are located within the Secondary Community Improvement Plan Area (CIPA) and are not eligible for incentives under the current CIP. Notwithstanding, the subject site is located adjacent to the Primary CIPA boundary, and as such, meets the criteria for Council consideration for inclusion within the Primary CIPA by way of an amendment to the CIP to add the site as an exception to the CIP.

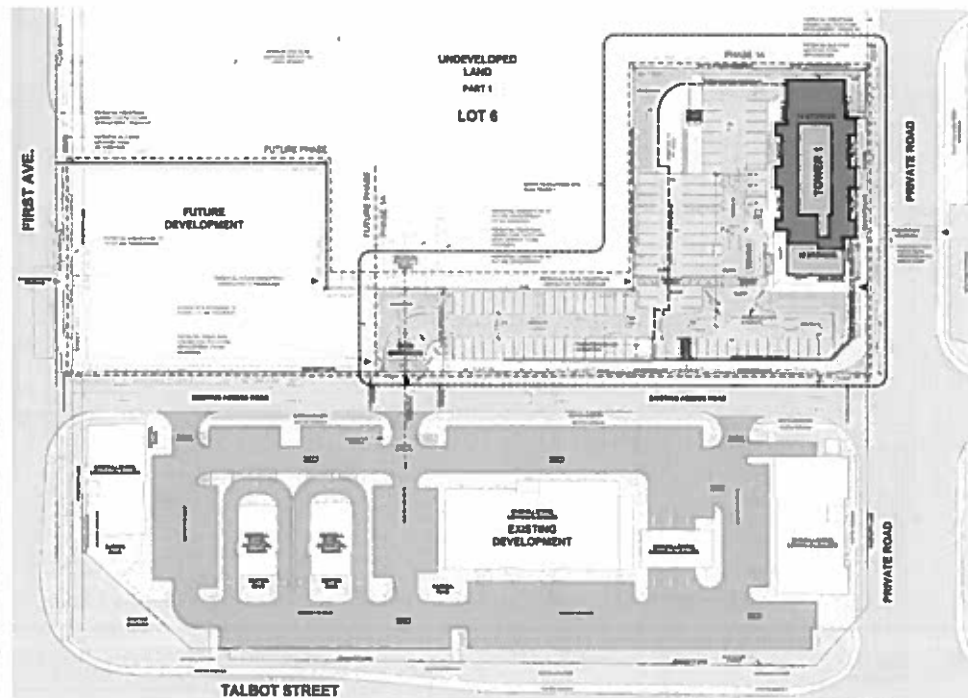


7 **Proposed Residential Development Seeking CIP Approval**

The proposed project at 1029 Talbot Street consists of up to two, 14-storey apartment buildings containing approximately 300 residential units and a full level of underground parking (see attached Schedules). The Site Plan Control Committee met on March 15, 2022, to review the first phase (Tower 1) and approved the application, subject to conditions. The first phase consists of a single 14-storey building with 162 units that will consist of one- and two-bedroom units, with a full level of underground parking.

The subject property is adjacent to the Primary CIPA. Section 5 of the Community Improvement Plan states that *'Properties that are immediately adjacent to the Primary CIPA may be considered by the City to be within the Primary CIPA on a case-by-case basis, subject to these properties meeting the key community improvement needs of the CIP.'*

The Owner has requested a site-specific amendment to the Plan to be considered within the Primary CIPA and has requested funding under the Tax Increment Grant Program only for Tower 1. The exception is for the entire area that occupies the 2-towers, however, the TIGP request applies only to Tower 1 at this time.



Criteria for Considering Exceptions to the Existing Community Improvement Plan Area (CIPA)

The boundary of the Primary CIPA was established by City staff and the CIP Project Team with the intention of capturing the key development areas, including the Downtown, associated Sub-Areas, as well as commercial properties south and east of Ross Street that were considered in need of community improvement. The CIP Project Team and City Staff were also aware that several properties located just outside and adjacent to the Primary CIPA could also need community improvement incentives and could potentially benefit in this regard from one or more of the incentive programs contained in the CIP. Accordingly, with the intention of providing flexibility for inclusion of these properties within the Primary CIPA, it was determined that the new St. Thomas CIP should include text generally stating that *"properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case-by-case basis, subject to these properties meeting the key community improvement needs of the CIP."* It is also important to note that any approval by Council to add adjacent lands to the Primary CIPA for inclusion does not warrant an alteration to the map boundary of the designated CIPA or sub-areas contained within the designated CIP.

The CIP therefore provides flexibility for Council to consider including properties outside of the Primary CIPA to be included within the Primary CIPA on a case-by-case basis, provided that the following criteria is met:

- The property/properties are immediately adjacent to the Primary CIPA
- the key community improvement needs of the CIP are met.

What are the Key Community Improvement Needs of the CIP?

Through the latest amendments to the City's CIP, the *Key Community Improvement Needs* of the CIP can be summarized as follows:

- projects that include the conservation, restoration, and maintenance of heritage buildings.
- the promotion of affordable housing across the city; and,
- promotion of development and redevelopment (including brownfield redevelopment) in employment areas.

Tax Increment Grant Program

The current CIP provides Council with nine (9) different incentives that can be used to facilitate developments that adhere to the CIP goals. The applicant has requested to participate in only one (1) of the programs, that being the Tax Increment Grant Program. The purpose of the Tax Increment Grant Program is to encourage and support rehabilitation, redevelopment, infill, and intensification projects by providing a financial incentive that reduces the property tax increase that can result from these various types of development. The program provides for an annual tax increment grant equal to 100% of the increase in the municipal portion of property taxes generated by completion of an eligible project where the project creates an increase in assessment, and therefore an increase in property taxes. If approved, the tax increment grant would be paid by the City on a pay-as-you-go basis for up to 5 years.

Under this incentive program, the approved applicant would first construct and complete the approved project. The City would then pay the grant annually once:

- a) The eligible project is complete;
- b) Final building inspections have taken place;
- c) An occupancy permit has been issued (as applicable);
- d) All deficiencies have been addressed;
- e) All program and grant agreement requirements have been met to the City's satisfaction;
- f) The property has been reassessed by the Municipal Property Assessment Corporation (MPAC); and,
- g) The new property taxes have been paid in full for the year.

The City may establish a maximum total grant that can be paid under this program per application / property / project.

Potential Cost Implication of a Tax Increment Grant Program

The Tax Increment Grant Program (TIGP) is a CIP tool that provides incentive to proponents of development by foregoing the increase in property tax as a result of the new development, for a period of up to five (5) years. The current property tax rates (prior to development completion) continue to be paid and the owners do not pay the increase in property taxes from year one (1) through five (5) post completion / occupancy. After the fifth (5th) year, the property taxes are payable at the full assessed rate at that time and in perpetuity. Although there are no direct costs to the Municipality through this program, the realization of potential assessment to assist with the overall tax rate throughout the five (5) year period is deferred / forgiven. This is what the cost would be to the Municipality. This program is currently being implemented with the Alma College (Moore Street) redevelopment and the Seasons Retirement Facility on Ross Street. Both existing development sites are located within the Primary CIPA and availed themselves of other Incentive programs through the CIP.

The applicants targeted timeline for completion of Tower 1 is 2024. It is difficult for Staff to know what the future full annual assessment / tax rate will be in years one through five, post completion and occupancy. The applicant has suggested that the annual tax revenue will likely be above \$400,000. Staff are of the opinion that this is a low estimate and prefer to estimate annual tax revenue at approximately \$700,000 per tower (based on an estimate of \$40 million assessment).

Options for Council Consideration

1. Approve the requested amendment to the CIP and add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period for Tower 1, noting that this request does not address the key CIP needs as identified in the revised CIP. (Potential forgiven tax revenue – approximately \$3.5 million Tower 1)
2. Refuse the requested amendment to the CIP to add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period.

3. Approve the requested amendment to the CIP and add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period for Tower 1, subject to any or all of the following conditions:
 - a. That prior to occupancy, the applicant / owner enters into appropriate agreements with the City of St. Thomas to secure a minimum of 4-units in Towers 1 as "affordable units" as defined within the CIP, and that the Tax Increment Grant Program be restricted to a five-year period, notwithstanding the inclusion of affordable housing units.
 - b. That Council establish a maximum total grant that can be paid under the TIGP for this particular application at 1029 Talbot (Tower 1) at \$1.5 million for Tower 1.

As an alternative to establishing a maximum total grant, as noted in 3 (b), Council can also consider an alternative structure for repayment offered through the Tax Increment Grant Program that would incrementally increase the tax repayment over the five-year period for Tower 1, in the following manner. (Potential forgiven tax revenue – approximately \$2.1 million Tower 1)

- i. Year 1 – existing tax rate, 0% of tax increase
- ii. Year 2 – existing tax rate, plus 20% of tax increase
- iii. Year 3 – existing tax rate, plus 40% of tax increase
- iv. Year 4 – existing tax rate, plus 60% of tax increase
- v. Year 5 – existing tax rate, plus 80% of tax increase
- vi. Year 6 and perpetuity – 100% of tax increase

Recommendation:

The CIP is a discretionary tool of Council to help promote and encourage new growth, investment as well as refurbishment and maintenance of heritage resources in the City. To this end, Council has the flexibility and discretion to apply the CIP program and any of its components as it deems appropriate.

The subject request has merit based on the site being located immediately adjacent to the Primary CIPA, however the proposed 2-tower residential apartments do not appear to address any of the specific community improvement needs (affordable housing / brownfield redevelopment of employment lands) identified within the CIP. The proposed development will provide benefit to the City by adding 300 plus needed rental housing units, in a building form that will contribute to diversifying the housing choices in the community. The subject site is also at a key location within the City, on lands that are undergoing a significant transformation from its the past industrial/brownfield use, (Former Timken lands), located at the gateway into the City's downtown and heritage conservation district, at a major intersection and within a planned mixed-use residential / commercial area.

Staff recommend that Council consider granting the requested amendment and exception to the CIP, with appropriate conditions as noted above that, secure the inclusion of affordable units within Tower 1 and also establishes a maximum total grant under the TIGP for Tower 1, in recognition of the uncertainty in valuing the future assessment rate (tax revenue from this development).

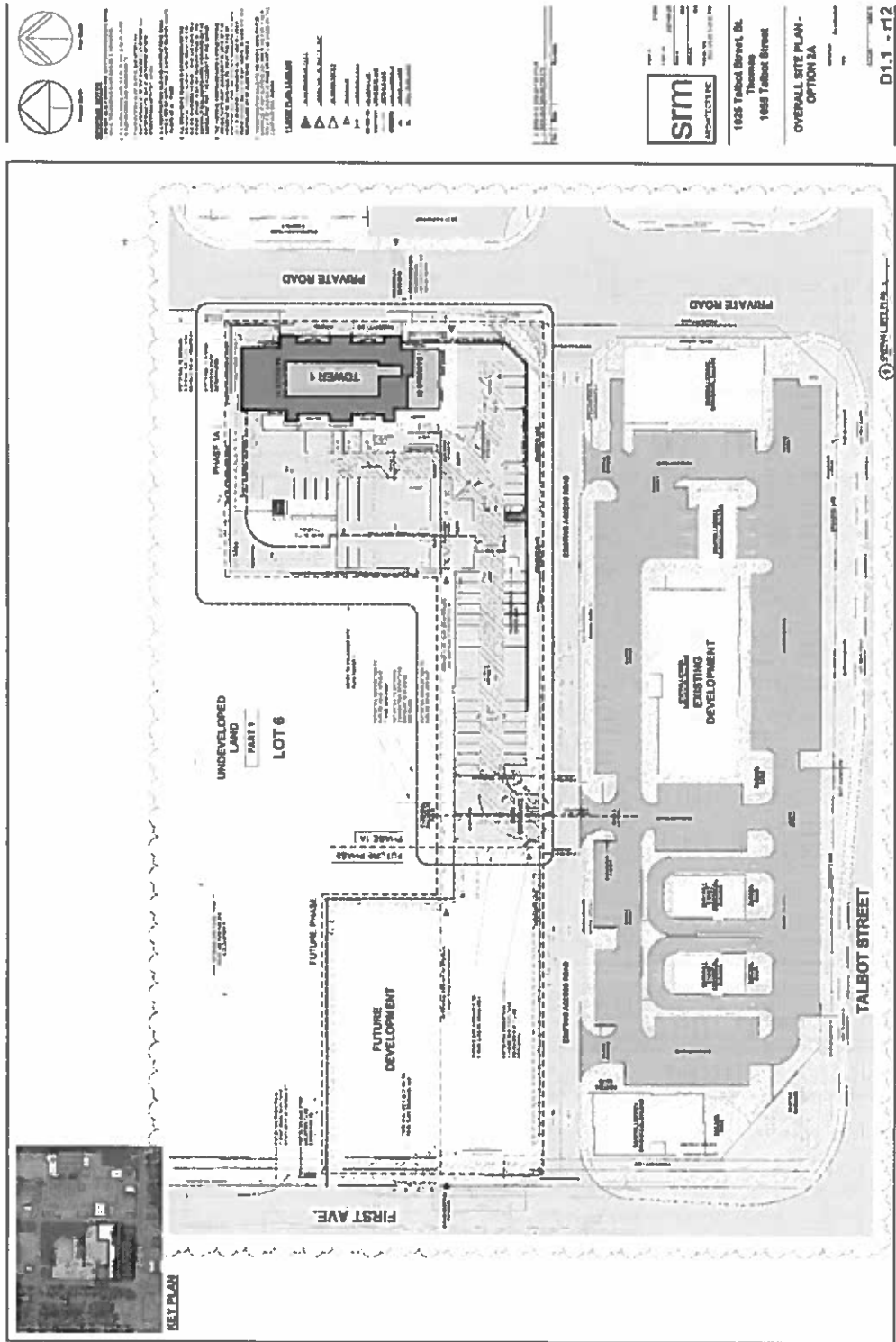
Respectfully,



Lou Pompili, MPA, RPP
Director of Planning and Building Services

Reviewed By: 
Treasury

Approved By: 
City Manager





PLANNING & BUILDING SERVICES DEPARTMENT

t. (519) 633.2560 f. (519) 633.6581

ceenney@stthomas.ca

545 Talbot Street

St. Thomas, Ontario, N5P 3V7

**FINANCIAL INCENTIVES PROGRAM
ST. THOMAS COMMUNITY IMPROVEMENT PLAN
APPLICATION FORM**

OFFICE USE: Date Application Received: _____ File Number: _____

INSTRUCTIONS

- If the space provided is insufficient to respond to the question, please provide additional information on a separate page, clearly marked as to the subject question, and attached to the application form.
- Please attach financial quotes, drawings or other required information as appropriate.
- We recommend that the applicant keep a copy of the application form for your own records.
- To ensure that the application is readable, please fill out online or print in ink.
- Please ensure that the application has been signed by the property owner or authorized agent and commissioned.

OWNER/APPLICANT

1. Property Owner

Name: Canadian Commercial (T2) Inc.Address: 484 Waterloo Street, London, ONPostal Code: N6B 2P6Phone: 519-281-7808

Fax: _____

Email: lee@canadiancommercial.ca

2. Agent/Applicant

Name: _____

Company: _____

Address: _____

Postal Code: _____ Phone: _____ Fax: _____

Email: _____

Who is the primary contact?

☒ Registered Owner ☒ Applicant/Agent

*Note: Unless otherwise requested all communications will be sent to the Applicant.

*Please indicate the method of communication you would like to be contacted by.

☒ Phone☐ Email☐ Fax☐ Mail

SUBJECT PROPERTY

1. Municipal Address:
1025 Talbot Street

 2. Legal Description:
See attached

 3. Brief Description of Current Use:
vacant former industrial lands

 4. Are property taxes for the subject property in arrears? ☐ Yes ☒ No
 5. Are there any outstanding orders registered against the subject property? ☐ Yes ☒ No
 6. Are there any outstanding violations under the Fire Code? ☐ Yes ☒ No
 7. Have grants previously been received from the City for the subject property? ☐ Yes ☒ No
- If yes, please describe, including total amounts of grants:

PROGRAM CHECKLIST

Please place a check next to the program(s) that you are applying for:

- ☐ Heritage Design Grant Program
- ☐ Heritage Façade and Building Improvement Program
- ☐ Residential Program
- ☐ Development Charge Grant Program
- ☒ Tax Increment Grant Program
- ☐ Parkland Dedication Grant Program
- ☐ Planning and Building Fees Grant Program
- ☐ Heritage Tax Relief Grant Program
- ☐ Environmental Site Assessment Grant Program

Please fill out the following sections with regards to the program(s) you are applying for. If additional space is required, please attach the information on a separate sheet.

DESCRIPTION OF PROPOSED RESIDENTIAL IMPROVEMENT PROJECT (IF APPLYING FOR RESIDENTIAL)

The proposed project consists of up to two, fourteen story apartment buildings containing approximately 300 residential units. At present, a site plan approval application has been submitted and recieved conditional approval for a phased project with a single fourteen story apartment building. The apartment building will feature 162 units that will consist of one and two bedroom units. The building will have a variety of amenities including a fitness room, a party room and storage lockers. The project will also feature a full underground level of parking consisting of approximately 83 parking spots. Award winning architects, SRM Architects from Waterloo have designed the building to a high level of design featuring articulations in the facade including balconies for all units, a podium feature and a building step back at the thirteenth floor. The project will feature pedestrian and vehicular connections to the retail projects that surround it and it will truly be a mixed use development. The project will add much needed rental housing stock to the City of St. Thomas. The Tax Incentive Grant Program will allow the project to be economically viable and proceed as designed.

GENERAL APPLICATION QUESTIONS

1. Is your property a designated heritage building? ☐ Yes ☒ No
2. Is your property listed by the local Municipal Heritage Committee as a building of historic or architectural value? ☐ Yes ☒ No
3. Is your property located within the Downtown St. Thomas Heritage Conservation District? ☐ Yes ☒ No
4. What is the current status of the building? ☐ Vacant
☐ Occupied
☐ Underutilized

If other, please explain: Vacant brownfield land

5. Are you converting and/or rehabilitating this space? ☐ Yes ☐ No
- If yes: a) are you creating new residential units? ☒ Yes ☐ No
b) are you rehabilitating vacant residential units? ☐ Yes ☒ No
c) are you bringing occupied residential units up to code? ☐ Yes ☒ No
6. Are you intensifying and/or redeveloping this space? ☒ Yes ☐ No
- If yes: a) are you creating new residential units through the addition of new building space? ☒ Yes ☐ No
b) are you demolishing existing building(s) to create a new building with new residential units? ☐ Yes ☐ No

How many residential units are being added? 162 in Phase 1

7. Are you adding commercial space? ☐ Yes ☒ No

If yes, please provide the square footage

8. Please specify the financial incentives you are interested in if applying for the following programs:

a) Residential Program

☐ Grant ☐ Loan ☐ Both

b) Façade Improvement Program

☐ Grant ☐ Loan ☐ Both

Community Improvement Program
Revised - June 2021

9. If you are applying for the Façade Improvement Program, please specify what part of the building you are making improvements on? (Note: side and rear façade improvements are eligible only if the public view of the building is significant)

Front Façade ☐

Side Façade ☐

Rear Façade ☐

10. Please specify what CIP area your property is located within.

Adjacent to the general CIP area and site may be added on a case by case basis.

11. Estimated total construction cost for the residential project:

\$50,000,000 Phase 1

12. Estimated total construction cost for the façade improvement:

13. Estimated total design and other profession costs:

\$750,000

(Note: You will be given estimates for funding on grants and loans based on the above estimates. The final calculations of grants and loans will be based on the building permit value for construction costs and actual receipts for design and professional costs.)

14. Have you made an application for a Building Permit ☐ Yes ☒ No
pertaining to the work being proposed?

AUTHORIZATION OF OWNER

If the applicant is not the owner of the subject lands, please complete the owner authorization concerning personal information as set out below.

I, _____, am the owner of the subject lands, and I authorize
 _____, to act on our behalf as the agent for the submissions required
 for all matters relating to the subject lands, and to provide any of my personal information that will be
 included in this application or collected during the planning process.

 Date

 Signature of Owner

AFFIDAVIT OR SWORN DECLARATION

I, Lee Greenwood of London in the province of Ontario,
 name of applicant City

make oath and say (or solemnly declare) that the information provided by the applicant in this application is accurate, and that the information contained in the documents that accompany this application is accurate.

Sworn (or declared) before me at the _____ on this _____ day of _____, 20____
 City Day Month Year



 Signature of Owner or Authorized Agent

 Date

 Signature of Commissioner of Oaths, etc.

 Date

Cover Letter

April 11, 2022

Attention: Lou Pompili
 Director, Planning & Building Services
 City of St. Thomas

Re: Community Improvement Plan Application for 1025 Talbot Street, St. Thomas, ON

Dear Mr. Pompili:

As you are aware we have recently filed an application under the Community Improvement Plan ("CIP") for the development of an apartment building at 1025 Talbot Street East, St. Thomas, ON. This letter serves to provide a summary of the rationale for inclusion of the property.

The property at 1025 Talbot Street qualifies for the CIP as it is immediately adjacent to the CIP boundary and Council has authority to include such properties on a case-by-case as it sees fit, with having regard for proposal meeting the key community improvement needs of the CIP. The CIP itself is an evolving document and program. It was first enacted in 2003 and has been amended in 2015, 2018, 2019 & 2021. The objectives of all these documents must be reviewed in determining eligibility for inclusion in the CIP. Attached to this letter please find additional details in presentation format detailing the specific goals and objectives of the CIP throughout the various iterations. It should be noted above all else that the original 2003 CIP stated the following as its object:

"Address issues and opportunities such as heritage preservation, reuse of railway lands and related assets and residential intensification"

The CIP provides Council nine (9) "tools" to facilitate development that adhere to the CIP goals. Our request seeks to participate in only one (1) program, the Tax Increment Grant Program ("TIGP"). This program has no direct, "out of pocket" costs to the City of St. Thomas and provides a significant development incentive by foregoing the increased property taxes for five (5) years. After year five (5) the property taxes are payable at the full increased rate. It should be further noted that the proposed apartment building will at year six (6) provide a substantially increased property tax base than other permitted uses on the property. Further details on this tax calculation are also attached for your consideration.

We understand you and your staff will be preparing a report to be presented to Council in the near future. We believe residential intensification adhering to the objectives and policies of the Official Plan, the regulations of the Zoning By-Law, and overall guidance of the Provincial Policy Statement fits the criteria of the CIP and specifically the TIGP. The two presentations attached to this letter provide additional support for this proposition. We look forward to a positive staff report and ultimately working with staff and council to complete this positive development.

Regards,



Lee Greenwood
 President
 Canadian Commercial (Talbot) Inc.



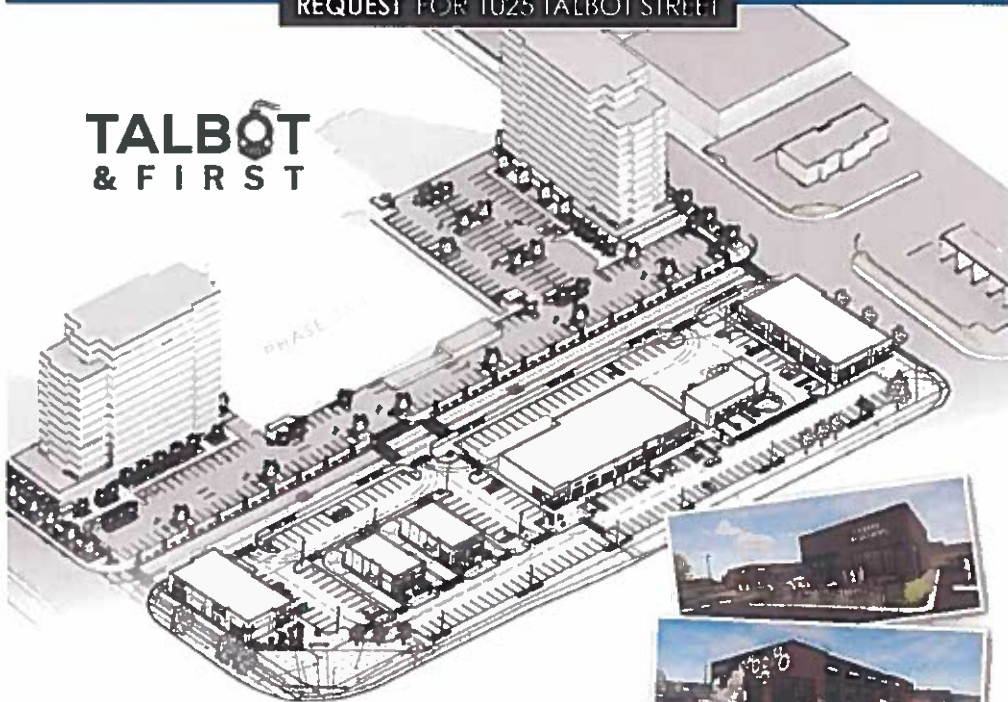
484 WATERLOO STREET • LONDON ON • N6B 2P8
 PHONE 519 672 7490 • FAX 519 672 5012
 WEBSITE WWW.CANADIANCOMMERCIAL.CA



COMMUNITY IMPROVEMENT PLAN

REQUEST FOR 1025 TALBOT STREET

**TALBOT
& FIRST**



CANADIAN
COMMERCIAL
DEVELOPMENT

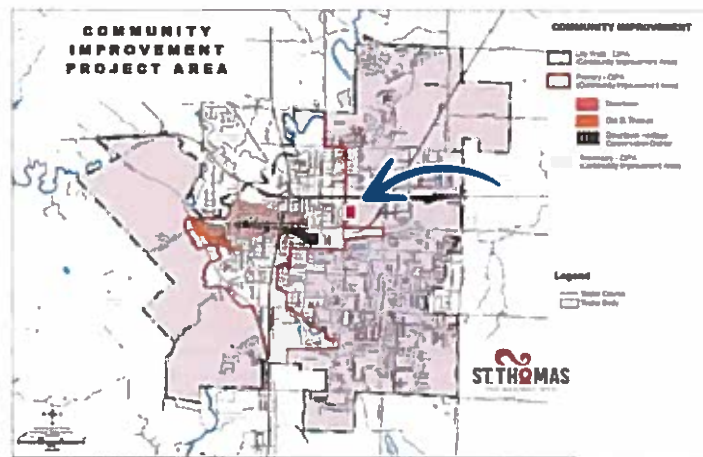
Fast Forward
Ventures Inc.



COMMUNITY IMPROVEMENT PLAN

WE ARE SEEKING TO BE INCLUDED BY COUNCIL INTO THE COMMUNITY IMPROVEMENT PLAN.

- Established in 2003 to:
"address issues and opportunities such as heritage preservation, reuse of railway lands and related assets and **RESIDENTIAL INTENSIFICATION**"
- Updated in 2015, 2018 & 2019 built on the original 2003 document
- Purpose of the 2003 plan include "tourism, heritage preservation, reuse of railway lands and related assets, brownfield sites and **RESIDENTIAL INTENSIFICATION**"
- Section 3.3 identifies that the CIP can be used to help achieve the goals of the Official Plan, specifically "to enhance the overall quality of life and well-being and businesses within the older residential neighbourhoods and older commercial areas of the City" as is this site.
- Section 3.3.e) also identifies "conversion of older industrial areas."
- Section 4 of the May 2021 "St. Thomas Community Improvement Plan" denotes that "key community improvement needs which have more recently emerged as desirable policy planning goals and can be addressed by program additions to the existing CIP."

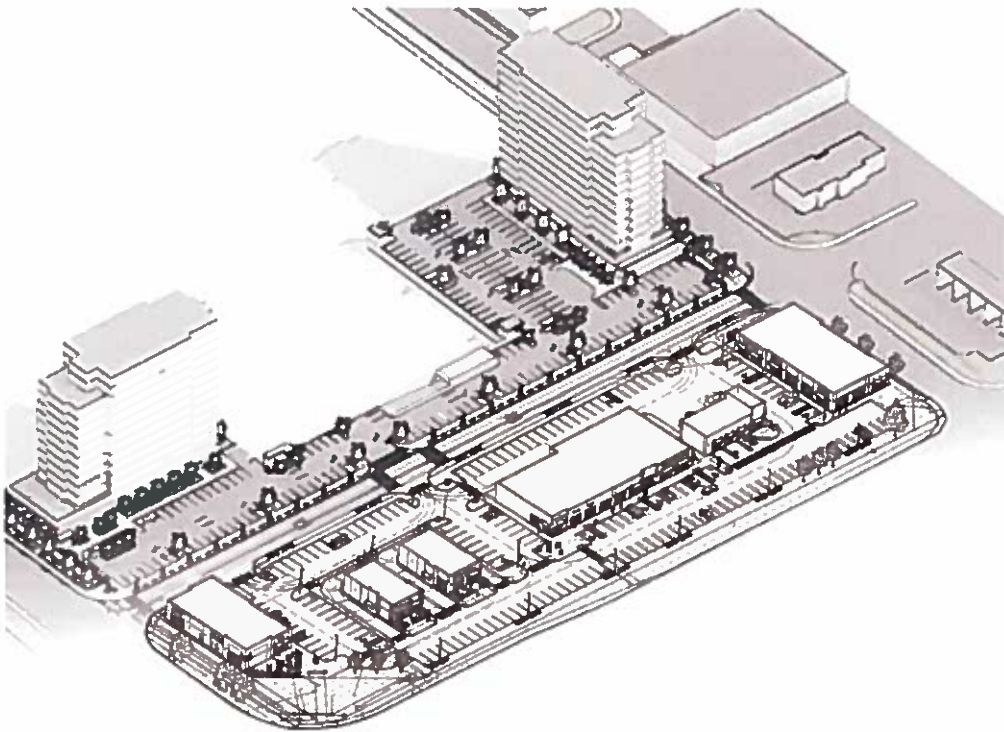


TOOLS AVAILABLE TO THE CITY**THAT APPLY TO TALBOT & FIRST**

- Property Tax Increment Equivalent Grant Program, specifically the tax grant program that is no expense to the City.

COUNCILS AUTHORITY TO USE THE CIP

- The incentive programs contained in this CIP can be considered as a "toolkit" because once the CIP is adopted and approved, the incentive programs in the CIP can be activated by Council, one or more at a time, based on Council approval of the implementation of each program, subject to the availability of funding".
- "Furthermore, the incentive programs can also be used individually or together by an applicant as the programs apply to that applicant's particular development, just like the tools in a toolbox"
- This allows Council to have the flexibility to apply CIP programs as it deems appropriate.



LOCATION AND QUALIFICATION

OF TALBOT & FIRST

- The proposed site located at the northeast corner of Talbot Street & First Avenue is truly a Main and Main opportunity.
- The eligibility of the site stems from its location: "properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case by case basis, subject to these properties meeting the key community improvement needs of the CIP".
- Project adheres to:
 1. Provincial Policy Statement
 2. City of St. Thomas Official Plan
 3. Zoning By-Law
 4. Urban Design Brief for the site
- Helps achieve the goal of residential intensification and conversion of employment lands.

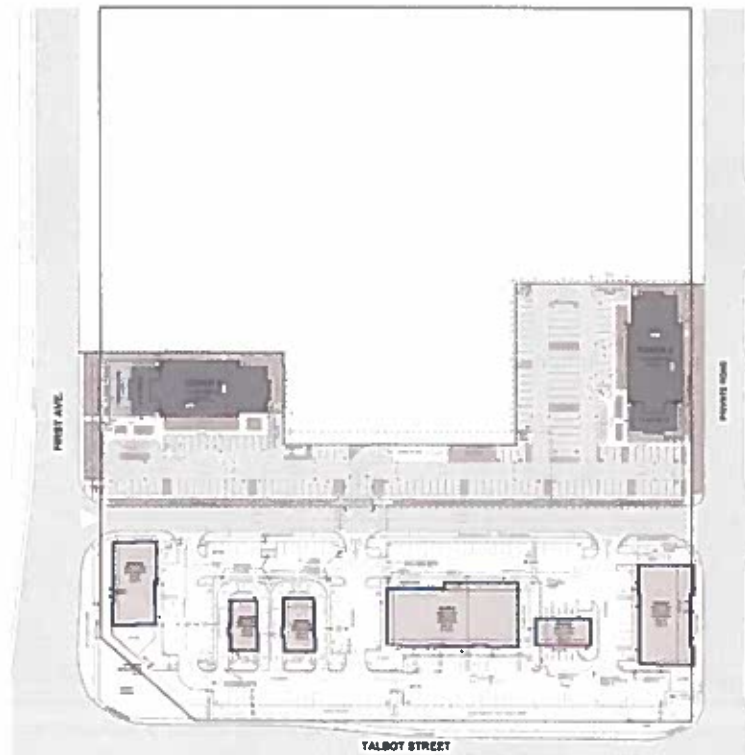


CASE STUDY OF SUCCESS**ALMA COLLEGE**

- Using the Development Charge Rebate and the Property Tax tool the City successfully encouraged the most prominent development in St. Thomas in decades.

CASE STUDY OF TALBOT & FIRST

- Gateway location – premier location within the City and Elgin County, highest traffic counts, most flexible zoning
- Mixed use property – plan for the property adheres to the OP and zoning by-law
- Potential to implement a smart and unique vision on a 13 acre property



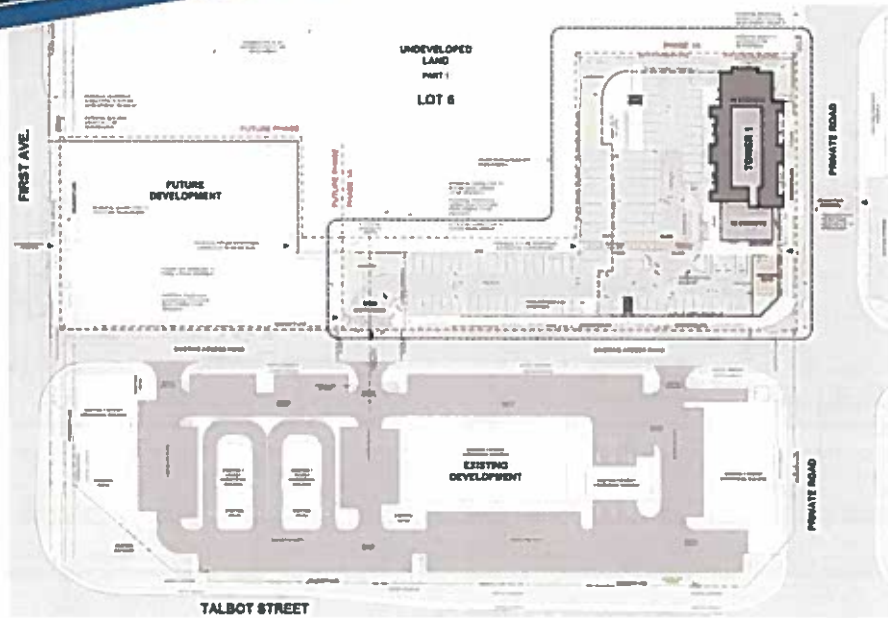
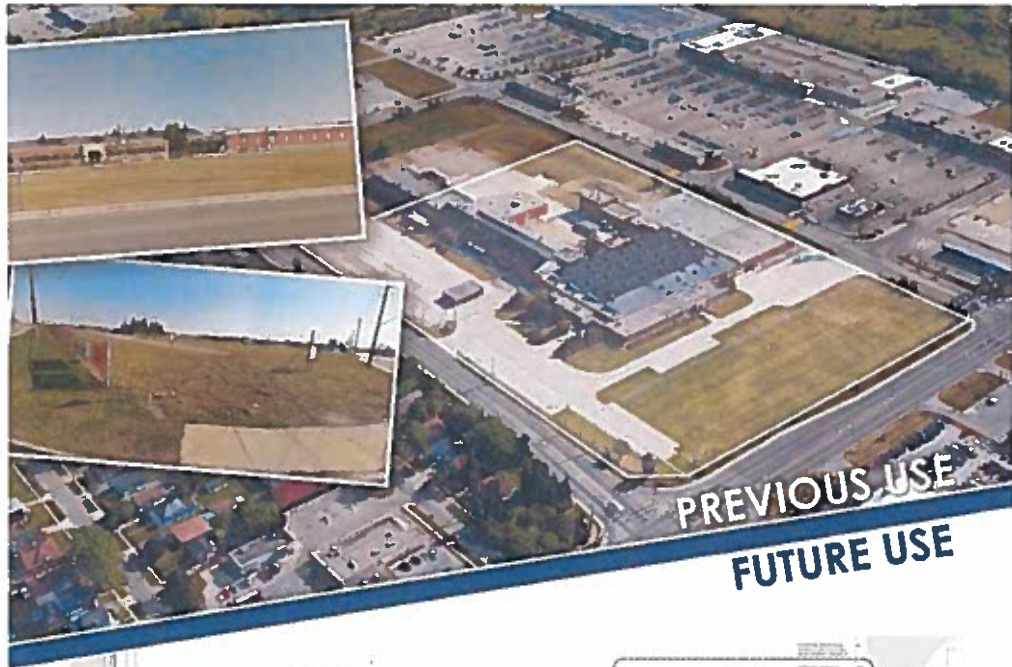
ASK & RATIONALE

- The Tools that we ask the City to use have been in the Toolbox since 2003 and rarely have they been used
- This is an opportunity to make a once in a generation commitment to the most important location in the City of St. Thomas
- Note the description in the 2021 CIP document: *"To encourage and support rehabilitation, redevelopment, infill and intensification projects by providing a financial incentive that reduces property tax increases that can result from these various types of development. This incentive is also designed to assist in securing project financing"*
- From 2003, *"the CIP is the vehicle for focusing and stimulating community improvement efforts"*
- There is no better project than the one presented to you today

REQUEST FOR

TAX INCREMENT GRANT PROGRAM

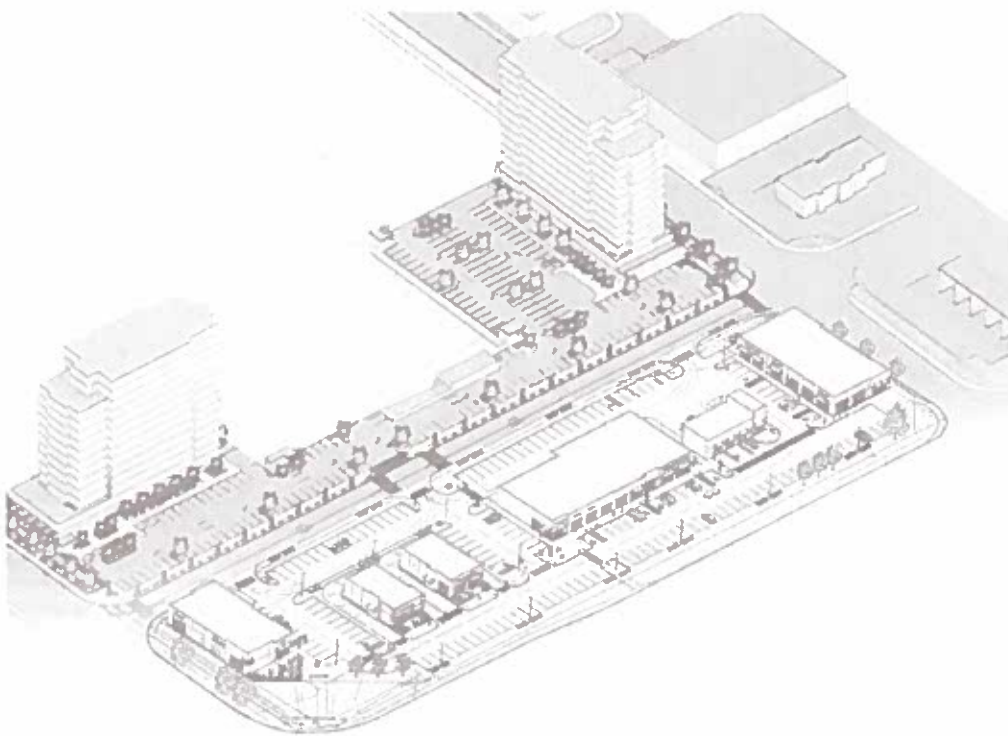
 CANADIAN
COMMERCIAL
DEVELOPMENT**Fast Forward**
Ventures Inc.



TAX INCREMENT GRANT PROGRAM

We are seeking support of Council to be included in the Tax Increment Grant Program ("TIGP").

- Council has the authority to authorize the TIGP through the Community Improvement Plan ("CIP") established in 2003 and modified in 2015, 2018 & 2019.
- A formal application has been provided to staff as required by the CIP.



LOCATION AND QUALIFICATION

OF TALBOT & FIRST

- The proposed site located at the northeast corner of Talbot Street & First Avenue is truly a Main and Main opportunity.
- The eligibility of the site stems from its location: "properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case by case basis, subject to these properties meeting the key community improvement needs of the CIP".
- Project adheres to:
 1. Provincial Policy Statement
 2. City of St. Thomas Official Plan
 3. Zoning By-Law
 4. Urban Design Brief for the site
- Helps achieve the goal of residential intensification, beautification, and conversion of brownfield lands.



ABOUT THE TIGP

→ From the 2019 Update to the CIP:

"To encourage and support rehabilitation, redevelopment, infill and intensification projects by providing a financial incentive that reduces the property tax increase that can result from various types of development. This incentive is also designed to assist in securing project financing."

→ The TIGP does not place any "out of pocket costs" on the City of St. Thomas.

→ Current property taxes are maintained, but the Applicant does not pay the increase to the property taxes for a period of time.

→ The City of St. Thomas would see the full taxes including increases commence in Year 6 after completion of the project.



RATIONALE FOR REQUEST

1. The project plan contemplates a 14 storey apartment building with a full level of Underground Parking
2. The project plan adheres to the site specific Zoning By-Law and the site specific Urban Design Guidelines
3. The costs associated with the Underground Parking Structure are **exceptional**
 - a. \$75,000.00 to \$100,000.00 estimated costs of each Underground Parking Space
 - b. Underground Parking Structure contains 83 parking spaces
 - c. Estimated costs of Underground Parking Structure is: \$6,225,000.0 to \$8,300,000.00
4. Keep the project as apartment rental housing as opposed to a condominium project.
A priority of provincial policy to increase rental apartment units.



PROJECT OPTIONS

1. Reduce residential density to a 6 story building and no Underground Parking Structure
– all surface parking
2. Maintain project plan with 14 stories and Underground Parking Structure
– WITH COUNCIL SUPPORT TO PARTICIPATE IN THE TGIP

TIMELINE

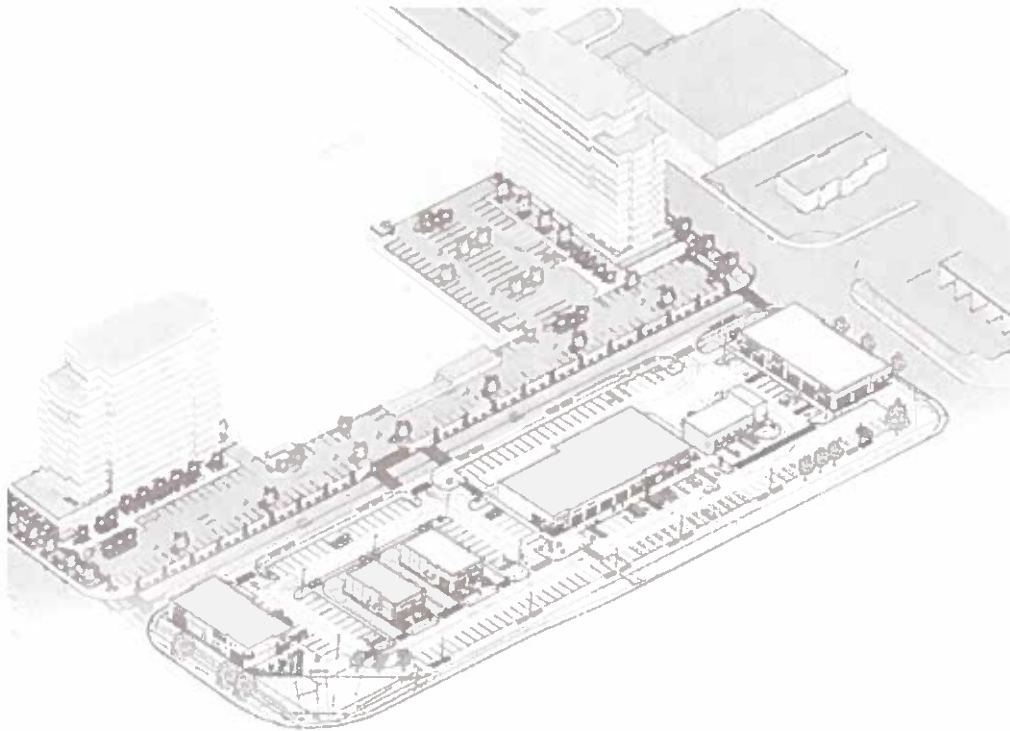


ADDITIONAL CONSIDERATIONS

1. The property was previously a Brownfield and has been remediated with **no public funds**.
2. The property has an **extremely high water table** adding to the cost of the Underground Parking Structure.
3. Phase 1 (16 retail tenants) received no incentives and will added **approximately \$300,000 per year** in new property taxes.
4. Phase 1 paid full **Development Charges** and received no credits for the buildings previously on the property.
5. This one apartment building will provide greater than **\$400,000** in annual tax revenue indefinitely in year 6 and beyond.
6. Increase the likelihood that additional similar buildings can be feasible and built in the future; further increasing rental housing supply and substantial municipal tax revenues.

CONCLUSIONS

- We believe the CIP, and specifically the TIGP, are tools created by the City of St. Thomas to facilitate projects such as this.
- We ask that council authorize staff to complete the TIGP program for this project.



TAX REVENUE TABLE

REVENUE FOR PHASE 2 / TOWER 1
PARCEL SIZE: 2.64 ACRES

OPTION	DESCRIPTION OF OPTION	*ESTIMATED ANNUAL TAX REVENUE	ESTIMATED TOTAL MUNICIPAL TAX REVENUE OVER 10 YEARS BASED ON OUR PROPOSAL	ESTIMATED TOTAL MUNICIPAL TAX REVENUE OVER 20 YEARS BASED ON OUR PROPOSAL
1	Commercial Retail Boxes	\$97,000.00	\$970,000.00	\$1,940,000.00
2	1 Residential Tower (All Surface Parking)	\$350,000.00	\$1,750,000.00	\$5,250,000.00

* for simplicity estimates of annual tax increases have not been included in each option

ADDITIONAL DETAILS/ASSUMPTIONS FOR EACH OPTION

1	Commercial Retail "box stores" of approximately 15,000 SF in total with an estimated annual municipal tax of \$6.50/SF
2	Based on one 14 Storey Multiresidential apartment tower with approximately 162 units and a GFA of 137,000 SF

Directed to:	Mayor Joe Preston and Members of City Council	Date Authored: September 8 2022 Meeting Date: June 6, 2022 (Deferred) September 19, 2022 (Revised)
Department:	Planning & Building Services Department	Attachment -Site Plan Drawing -Draft CIP Application Form -Cover Letter -Presentation -Applicants Potential Tax Revenue Calculation
Prepared By:	Lou Pompilii, Director of Planning and Building Services	
Subject:	Amendment to Community Improvement Plan – Exception to Add a Portion of 1029 Talbot Street to the Primary CIPA	

Recommendation:

THAT: Report PD-24-2022 relating to a Community Improvement Plan Application by Canadian Commercial (T2) Inc. for 1029 Talbot Street be received for information, and further,

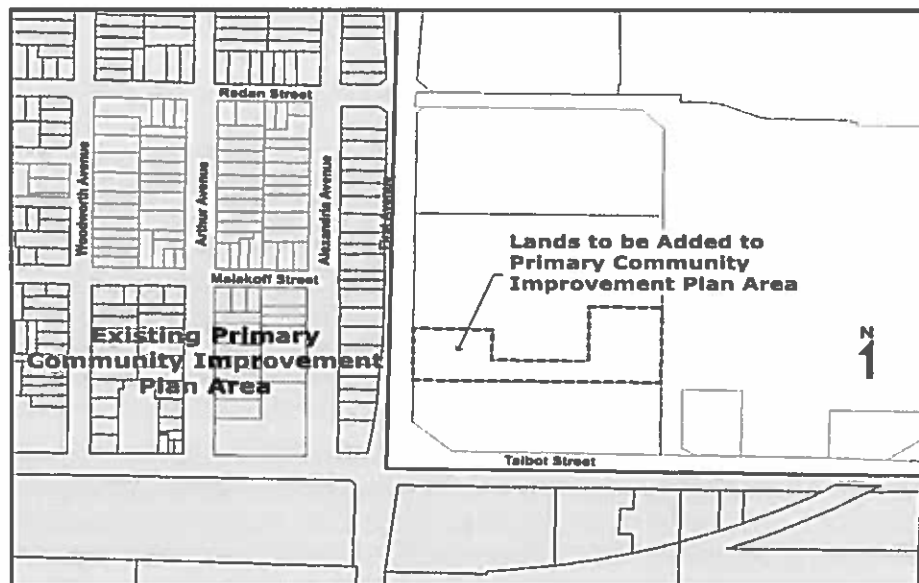
THAT: Council authorize staff to prepare a site-specific draft amendment to the Community Improvement Plan to consider adding a portion of 1029 Talbot Street as part of the Primary CIPA; and further

THAT: Council approve the requested amendment and exception to the CIP, with conditions that include:

- applicant / owner entering into appropriate agreements with the City of St. Thomas to secure a minimum of 5-units in Tower 1 as “affordable units” as defined within the CIP, and that the Tax Increment Grant Program be restricted to a five-year period, notwithstanding the inclusion of affordable housing units.
- a maximum total grant of up to \$ 2 million under the TIGP for Tower 1 be established, in recognition of the uncertainty in valuing the future assessment rate (tax revenue) from this development).
- a 50% Development Charge grant rebate be provided for Tower 1, to be repaid over a 10-year period.

Background:

A CIP application was received from Canadian Commercial (T2) Inc., on behalf of 1029 Talbot Street. The application relates to a portion of the property located at the northeast corner of Talbot Street & First Avenue. The subject site is located to the north of the commercial lands currently under development by the same owner. The subject lands are located within the Secondary Community Improvement Plan Area (CIPA) and are not eligible for incentives under the current CIP. Notwithstanding, the subject site is located adjacent to the Primary CIPA boundary, and as such, meets the criteria for Council consideration for inclusion within the Primary CIPA by way of an amendment to the CIP to add the site as an exception to the CIP.

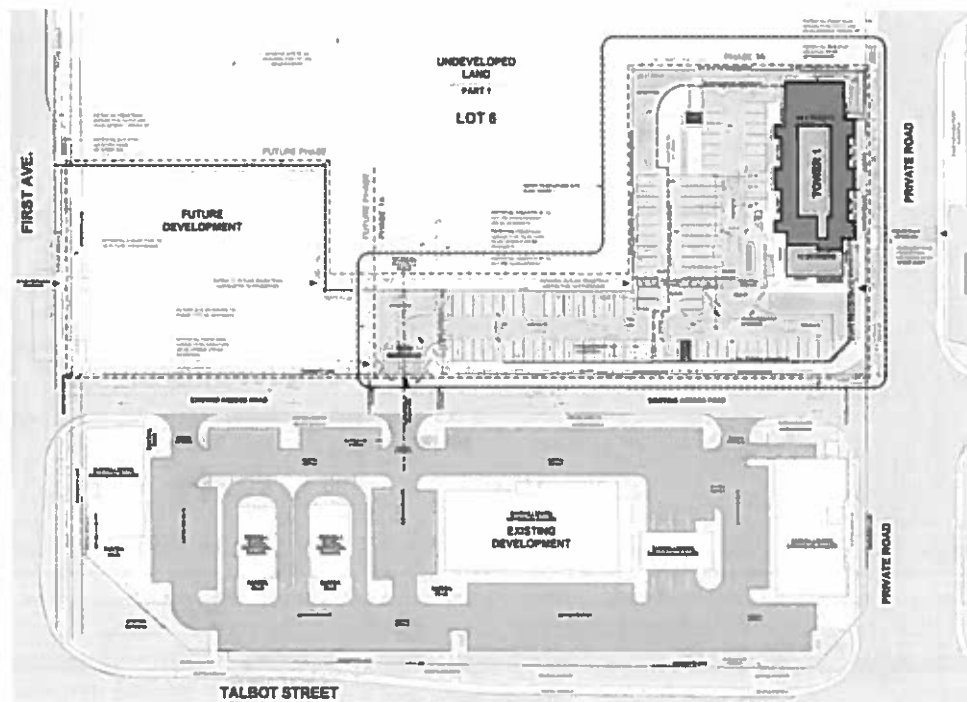


Proposed Residential Development Seeking CIP Approval

The proposed project at 1029 Talbot Street consists of up to two, 14-storey apartment buildings containing approximately 300 residential units and a full level of underground parking (see attached Schedules). The Site Plan Control Committee met on March 15, 2022, to review the first phase (Tower 1) and approved the application, subject to conditions. The first phase consists of a single 14-storey building with 162 units that will consist of one- and two-bedroom units, with a full level of underground parking.

The subject property is adjacent to the Primary CIPA. Section 5 of the Community Improvement Plan states that *'Properties that are immediately adjacent to the Primary CIPA may be considered by the City to be within the Primary CIPA on a case-by-case basis, subject to these properties meeting the key community improvement needs of the CIP.'*

The Owner has requested a site-specific amendment to the Plan to be considered within the Primary CIPA and has requested funding under the Tax Increment Grant Program (TIGP) and the Development Charges Grant Program (DCGP) for Tower 1. The exception is for the entire area that occupies the 2-towers, however, the TIGP and DCGP request applies only to Tower 1 at this time.



Criteria for Considering Exceptions to the Existing Community Improvement Plan Area (CIPA)

The boundary of the Primary CIPA was established by City staff and the CIP Project Team with the intention of capturing the key development areas, including the Downtown, associated Sub-Areas, as well as commercial properties south and east of Ross Street that were considered in need of community improvement. The CIP Project Team and City Staff were also aware that several properties located just outside and adjacent to the Primary CIPA could also need community improvement incentives and could potentially benefit in this regard from one or more of the incentive programs contained in the CIP. Accordingly, with the intention of providing flexibility for inclusion of these properties within the Primary CIPA, it was determined that the new St. Thomas CIP should include text generally stating that *"properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case-by-case basis, subject to these properties meeting the key community improvement needs of the CIP."* It is also important to note that any approval by Council to add adjacent lands to the Primary CIPA for inclusion does not warrant an alteration to the map boundary of the designated CIPA or sub-areas contained within the designated CIP.

The CIP therefore provides flexibility for Council to consider including properties outside of the Primary CIPA to be included within the Primary CIPA on a case-by-case basis, provided that the following criteria is met:

- The property/properties are immediately adjacent to the Primary CIPA

- the key community improvement needs of the CIP are met.

What are the Key Community Improvement Needs of the CIP?

Through the latest amendments to the City's CIP, the *Key Community Improvement Needs* of the CIP can be summarized as follows:

- projects that include the conservation, restoration, and maintenance of heritage buildings.
- the promotion of affordable housing across the city; and,
- promotion of development and redevelopment (including brownfield redevelopment) in employment areas.

Tax Increment Grant Program

The current CIP provides Council with nine (9) different incentives that can be used to facilitate developments that adhere to the CIP goals. The applicant has requested to participate in only one (1) of the programs, that being the Tax Increment Grant Program. The purpose of the Tax Increment Grant Program is to encourage and support rehabilitation, redevelopment, infill, and intensification projects by providing a financial incentive that reduces the property tax increase that can result from these various types of development. The program provides for an annual tax increment grant equal to 100% of the increase in the municipal portion of property taxes generated by completion of an eligible project where the project creates an increase in assessment, and therefore an increase in property taxes. If approved, the tax increment grant would be paid by the City on a pay-as-you-go basis for up to 5 years.

Under this incentive program, the approved applicant would first construct and complete the approved project. The City would then pay the grant annually once:

- a) The eligible project is complete.
- b) Final building inspections have taken place.
- c) An occupancy permit has been issued (as applicable).
- d) All deficiencies have been addressed.
- e) All program and grant agreement requirements have been met to the City's satisfaction.
- f) The property has been reassessed by the Municipal Property Assessment Corporation (MPAC), and,
- g) The new property taxes have been paid in full for the year.

The City may establish a maximum total grant that can be paid under this program per application / property / project.

Potential Cost Implication of a Tax Increment Grant Program

The Tax Increment Grant Program (TIGP) is a CIP tool that provides incentive to proponents of development by foregoing the increase in property tax as a result of the new development, for a period of up to five (5) years. The current property tax rates (prior to development completion) continue to be paid and the owners do not pay the increase in property taxes from year one (1) through five (5) post completion / occupancy. After the fifth (5th) year, the property taxes are payable at the full assessed rate at that time and in perpetuity. Although there are no direct costs to the Municipality through this program, the realization of potential assessment to assist with the overall tax rate throughout the five (5) year period is deferred / forgiven. This is what the cost would be to the Municipality. This program is currently being implemented with the Alma College (Moore Street) redevelopment and the Seasons Retirement Facility on Ross Street. Both existing development sites are located within the Primary CIPA and availed themselves of other Incentive programs through the CIP.

The applicants targeted timeline for completion of Tower 1 is 2024/2025. It is difficult for Staff to know what the future full annual assessment / tax rate will be in years one through five, post completion and occupancy. The applicant has retained a private consultant to provide some preliminary valuations and estimates of assessment and annual tax revenue for a completed development. The consultant's variations range from a low current value assessment (CVA) tax rate of approximately \$324,724, a mid-range CVA tax rate of approximately \$433,415 and a high-range CVA tax rate of approximately \$559,060. Under the TIGP, the deferred/forgiven tax revenue over a 5-year period, under the 3 various scenarios would be approximately: \$1,623,620 (low), \$2,167,075 (mid) and \$2,795,300 (high).

Development Charge Grant Program

Municipalities can use a CIP (Section 28 of the Planning Act) to offer a reduction in development charges in the form of a grant equivalent to part or all of the development charge normally payable.

This program will provide a grant equal to up to 100% of the City Development Charges paid on an eligible project, as determined by Council on a case-by-case basis. Development charges will be paid in full by an

applicant for this program at the time development charges are normally paid, e.g., building permit issuance. The City would then pay the Development Charge Grant to the applicant only once:

- i) The eligible and approved project is complete.
- ii) Final building inspections have taken place.
- iii) An occupancy permit has been issued (as applicable).
- iv) All deficiencies have been addressed, and,
- v) All program and grant agreement requirements have been met to the City's satisfaction.

Potential Cost Implication of a Development Charge Grant Program

It is estimated that Development Charges for this project will be calculated as follows:

109 1-bedroom apartment units (\$6,007)	\$662,393
53 2-bedroom apartment units (\$9,488)	<u>\$502,864</u>
Total DC to be paid	\$1,165,257

Fifty percent (50%) CIP Grant to be repaid over a 10-year period under this scenario would be \$582,628.50.

The Development Charge Grant to be rebated per year over the 10-year period would be \$58,262.85.

Staff note that this program and rate of 50% for Development Charge Grant Program is currently being implemented with the Alma College (Moore Street) redevelopment and the Seasons Retirement Facility on Ross Street. Both existing development sites are located within the Primary CIPA and availed themselves of other incentive programs through the CIP.

Options for Council Consideration

1. Approve the requested amendment to the CIP and add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period for Tower 1, noting that this request does not address the key CIP needs as identified in the revised CIP. (Potential forgiven tax revenue – approximately \$2.8 million Tower 1)
2. Refuse the requested amendment to the CIP to add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period.
3. Approve the requested amendment to the CIP and add this site as an exception to the CIP, as being considered to fall within the Primary CIPA and being restricted to availing itself to the Tax Increment Grant Program only of the CIP for a five-year period for Tower 1, subject to any or all the following conditions:
 - a. That prior to occupancy, the applicant / owner enters into appropriate agreements with the City of St. Thomas to secure a minimum of 5-units in Towers 1 as "affordable units" as defined within the CIP, and that the Tax Increment Grant Program be restricted to a five-year period, notwithstanding the inclusion of affordable housing units.
 - b. That Council establish a maximum total grant that can be paid under the TIGP for this particular application at 1029 Talbot (Tower 1) at up to \$2 million for Tower 1.
 - c. That Council establish a maximum total grant under the Development Charge Grant Program of 50% to be repaid over a 10-year period.

Recommendation:

The CIP is a discretionary tool of Council to help promote and encourage new growth, investment as well as refurbishment and maintenance of heritage resources in the City. To this end, Council has the flexibility and discretion to apply the CIP program and any of its components as it deems appropriate.

The subject request has merit based on the site being located immediately adjacent to the Primary CIPA, however the proposed 2-tower residential apartments do not appear to address any of the specific community improvement needs (affordable housing / brownfield redevelopment of employment lands) identified within the CIP. The proposed development will provide benefit to the City by adding 300 plus needed rental housing units, in a building form that will contribute to diversifying the housing choices in the community. The subject site is also at a key location within the City, on lands that are undergoing a significant transformation from its past industrial/brownfield use, (Former Timken lands), located at the gateway into the City's downtown and heritage conservation district, at a major intersection and within a planned mixed-use residential / commercial area.

Staff recommend that Council consider granting the requested amendment and exception to the CIP, with

appropriate conditions as noted above that, secure the inclusion of affordable units within Tower 1 and also establishes a maximum total grant under the TIGP for Tower 1, in recognition of the uncertainty in valuing the future assessment rate (tax revenue from this development) as well as a 50% DCGP rebate to be repaid over a 10-year period.

Respectfully,

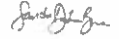


Lou Pompili, MPA, RPP
Director of Planning and Building Services

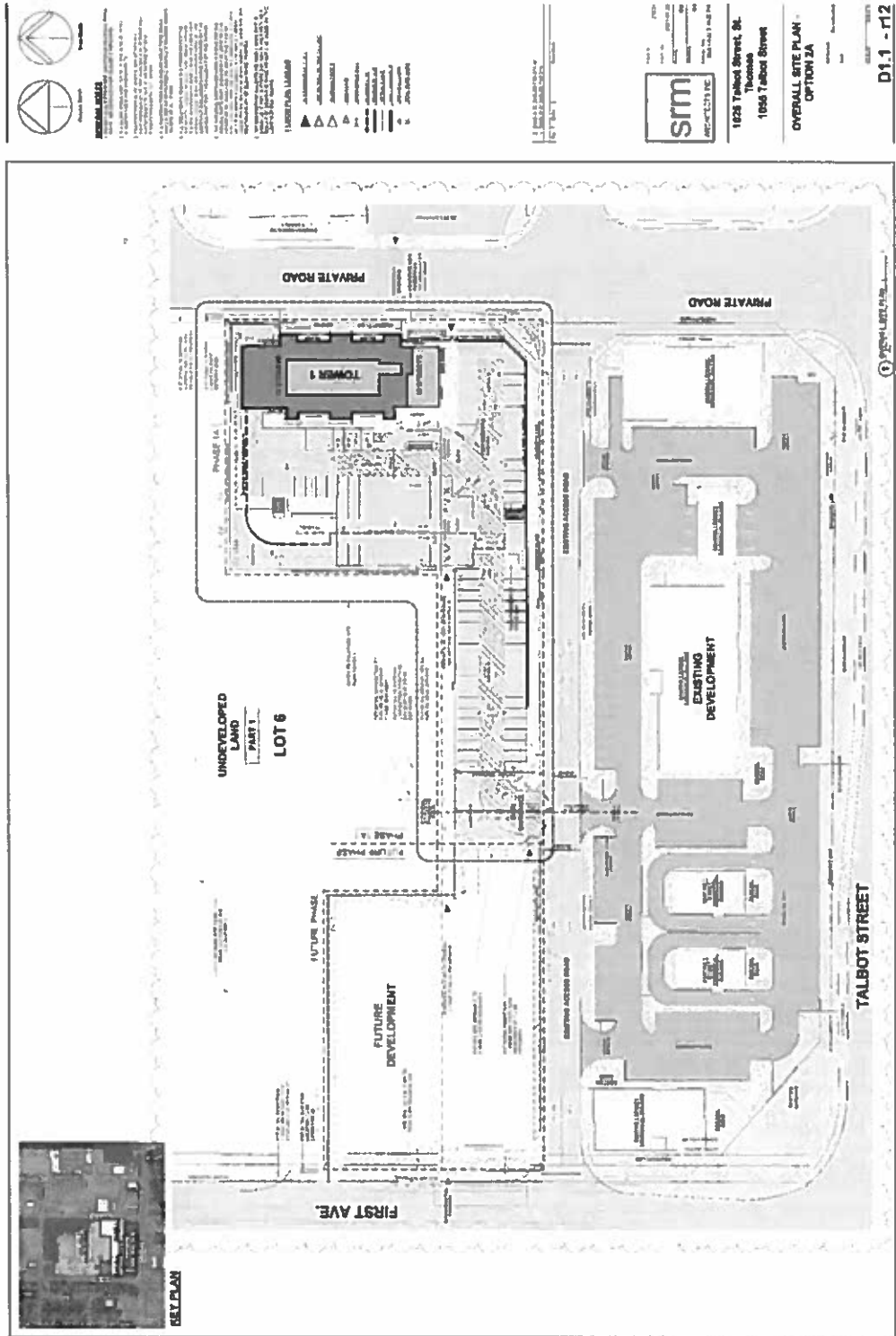
Reviewed By:


Treasury

Approved By:


City Manager

- 3 -





**FINANCIAL INCENTIVES PROGRAM
ST. THOMAS COMMUNITY IMPROVEMENT PLAN
APPLICATION FORM**

OFFICE USE: Date Application Received: _____ File Number: _____

INSTRUCTIONS

- If the space provided is insufficient to respond to the question, please provide additional information on a separate page, clearly marked as to the subject question, and attached to the application form.
- Please attach financial quotes, drawings or other required information as appropriate.
- We recommend that the applicant keep a copy of the application form for your own records.
- To ensure that the application is readable, please fill out online or print in ink.
- Please ensure that the application has been signed by the property owner or authorized agent and commissioned.

OWNER/APPLICANT

1. Property Owner

Name: Canadian Commercial (T2) Inc.

Address: 484 Waterloo Street, London, ON

Postal Code: N6B 2P6

Phone: 519-281-7808

Fax: _____

Email: Lee@canadiancommercial.ca

2. Agent/Applicant

Name: _____

Company: _____

Address: _____

Postal Code: _____ Phone: _____ Fax: _____

Email: _____

Who is the primary contact?

☒ Registered Owner ☒ Applicant/Agent

*Note: Unless otherwise requested all communications will be sent to the Applicant.

*Please indicate the method of communication you would like to be contacted by.

☒ Phone

☐ Email

☐ Fax

☐ Mail

SUBJECT PROPERTY

1. Municipal Address:
1025 Talbot Street

2. Legal Description:
See attached

3. Brief Description of Current Use:
vacant former industrial lands

4. Are property taxes for the subject property in arrears? ☐ Yes ☒ No
5. Are there any outstanding orders registered against the subject property? ☐ Yes ☒ No
6. Are there any outstanding violations under the Fire Code? ☐ Yes ☒ No
7. Have grants previously been received from the City for the subject property? ☐ Yes ☒ No

If yes, please describe, including total amounts of grants:

PROGRAM CHECKLIST

Please place a check next to the program(s) that you are applying for:

- ☐ Heritage Design Grant Program
- ☐ Heritage Façade and Building Improvement Program
- ☐ Residential Program
- ☐ Development Charge Grant Program
- ☒ Tax Increment Grant Program
- ☐ Parkland Dedication Grant Program
- ☐ Planning and Building Fees Grant Program
- ☐ Heritage Tax Relief Grant Program
- ☐ Environmental Site Assessment Grant Program

Please fill out the following sections with regards to the program(s) you are applying for. If additional space is required, please attach the information on a separate sheet.

DESCRIPTION OF PROPOSED RESIDENTIAL IMPROVEMENT PROJECT (IF APPLYING FOR RESIDENTIAL)

The proposed project consists of up to two, fourteen story apartment buildings containing approximately 300 residential units. At present, a site plan approval application has been submitted and recieved conditional approval for a phased project with a single fourteen story apartment building. The apartment building will feature 162 units that will consist of one and two bedroom units. The building will have a variety of amenities including a fitness room, a party room and storage lockers. The project will also feature a full underground level of parking consisting of approximately 83 parking spots. Award winning architects, SRM Architects from Waterloo have designed the building to a high level of design featuring articulations in the facade including balconies for all units, a podium feature and a building step back at the thirteenth floor. The project will feature pedestrian and vehicular connections to the retail projects that surround it and it will truly be a mixed use development. The project will add much needed rental housing stock to the City of St. Thomas. The Tax Incentive Grant Program will allow the project to be economically viable and proceed as designed.

GENERAL APPLICATION QUESTIONS

1. Is your property a designated heritage building? ☐ Yes ☒ No
2. Is your property listed by the local Municipal Heritage Committee as a building of historic or architectural value? ☐ Yes ☒ No
3. Is your property located within the Downtown St. Thomas Heritage Conservation District? ☐ Yes ☒ No
4. What is the current status of the building? ☐ Vacant
☐ Occupied
☐ Underutilized

If other, please explain: Vacant brownfield land

5. Are you converting and/or rehabilitating this space? ☐ Yes ☐ No
- If yes: a) are you creating new residential units? ☒ Yes ☐ No
b) are you rehabilitating vacant residential units? ☐ Yes ☒ No
c) are you bringing occupied residential units up to code? ☐ Yes ☒ No
6. Are you intensifying and/or redeveloping this space? ☒ Yes ☐ No
- If yes: a) are you creating new residential units through the addition of new building space? ☒ Yes ☐ No
b) are you demolishing existing building(s) to create a new building with new residential units? ☐ Yes ☐ No

How many residential units are being added? 162 in Phase 1

7. Are you adding commercial space? ☐ Yes ☒ No

If yes, please provide the square footage

8. Please specify the financial incentives you are interested in if applying for the following programs:

a) Residential Program

☐ Grant ☐ Loan ☐ Both

b) Façade Improvement Program

☐ Grant ☐ Loan ☐ Both

9. If you are applying for the Façade Improvement Program, please specify what part of the building you are making improvements on? (Note: side and rear façade improvements are eligible only if the public view of the building is significant)

Front Façade ☐

Side Façade ☐

Rear Façade ☐

10. Please specify what CIP area your property is located within.

Adjacent to the general CIP area and site may be added on a case by case basis.

11. Estimated total construction cost for the residential project:

\$50,000,000 Phase 1

12. Estimated total construction cost for the façade improvement:

13. Estimated total design and other profession costs:

\$750,000

(Note: You will be given estimates for funding on grants and loans based on the above estimates. The final calculations of grants and loans will be based on the building permit value for construction costs and actual receipts for design and professional costs.)

14. Have you made an application for a Building Permit ☐ Yes ☒ No
pertaining to the work being proposed?

AUTHORIZATION OF OWNER

If the applicant is not the owner of the subject lands, please complete the owner authorization concerning personal information as set out below.

I, _____, am the owner of the subject lands, and I authorize
_____, to act on our behalf as the agent for the submissions required
for all matters relating to the subject lands, and to provide any of my personal information that will be
included in this application or collected during the planning process.

Date Signature of Owner

AFFIDAVIT OR SWORN DECLARATION

I, Lee Greenwood of London in the province of Ontario,
name of applicant City

make oath and say (or solemnly declare) that the information provided by the applicant in this application
is accurate, and that the information contained in the documents that accompany this application is
accurate.

Sworn (or declared) before me at the _____ on this _____ day of _____, 20_____
City Day Month Year


Signature of Owner or Authorized Agent

Date

Signature of Commissioner of Oaths, etc.

Date

Cover Letter

April 11, 2022

Attention: Lou Pompili
Director, Planning & Building Services
City of St. Thomas

Re: Community Improvement Plan Application for 1025 Talbot Street, St. Thomas, ON

Dear Mr. Pompili:

As you are aware we have recently filed an application under the Community Improvement Plan ("CIP") for the development of an apartment building at 1025 Talbot Street East, St. Thomas, ON. This letter serves to provide a summary of the rationale for inclusion of the property.

The property at 1025 Talbot Street qualifies for the CIP as it is immediately adjacent to the CIP boundary and Council has authority to include such properties on a case-by-case as it sees fit, with having regard for proposal meeting the key community improvement needs of the CIP. The CIP itself is an evolving document and program. It was first enacted in 2003 and has been amended in 2015, 2018, 2019 & 2021. The objectives of all these documents must be reviewed in determining eligibility for inclusion in the CIP. Attached to this letter please find additional details in presentation format detailing the specific goals and objectives of the CIP throughout the various iterations. It should be noted above all else that the original 2003 CIP stated the following as its object:

"Address issues and opportunities such as heritage preservation, reuse of railway lands and related assets and residential intensification"

The CIP provides Council nine (9) "tools" to facilitate development that adhere to the CIP goals. Our request seeks to participate in only one (1) program, the Tax Increment Grant Program ("TIGP"). This program has no direct, "out of pocket" costs to the City of St. Thomas and provides a significant development incentive by foregoing the increased property taxes for five (5) years. After year five (5) the property taxes are payable at the full increased rate. It should be further noted that the proposed apartment building will at year six (6) provide a substantially increased property tax base than other permitted uses on the property. Further details on this tax calculation are also attached for your consideration.

We understand you and your staff will be preparing a report to be presented to Council in the near future. We believe residential intensification adhering to the objectives and policies of the Official Plan, the regulations of the Zoning By-Law, and overall guidance of the Provincial Policy Statement fits the criteria of the CIP and specifically the TIGP. The two presentations attached to this letter provide additional support for this proposition. We look forward to a positive staff report and ultimately working with staff and council to complete this positive development.

Regards,



Lee Greenwood
President
Canadian Commercial (Talbot) Inc.



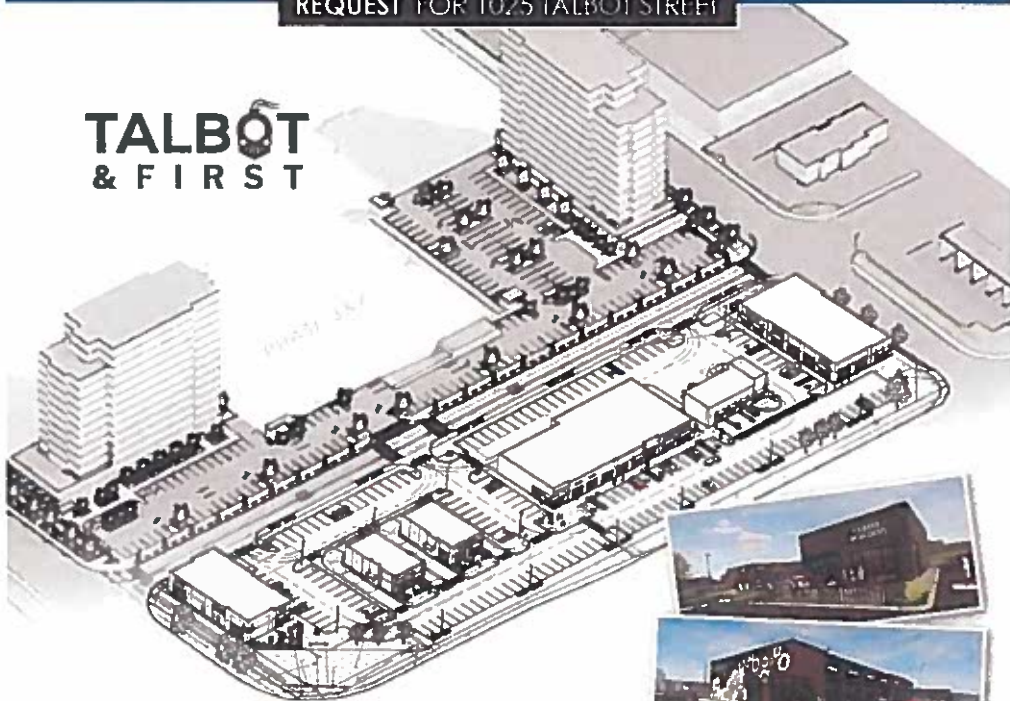
435 WATERLOO STREET • LONDON ON • N6B 3P9
PHONE: 519 672 7410 • FAX: 519 672 1012
WEBSITE: WWW.CANADIANCOMMERCIAL.CA



COMMUNITY IMPROVEMENT PLAN

REQUEST FOR 1025 TALBOT STREET

**TALBOT
& FIRST**



 CANADIAN
COMMERCIAL
DEVELOPMENT

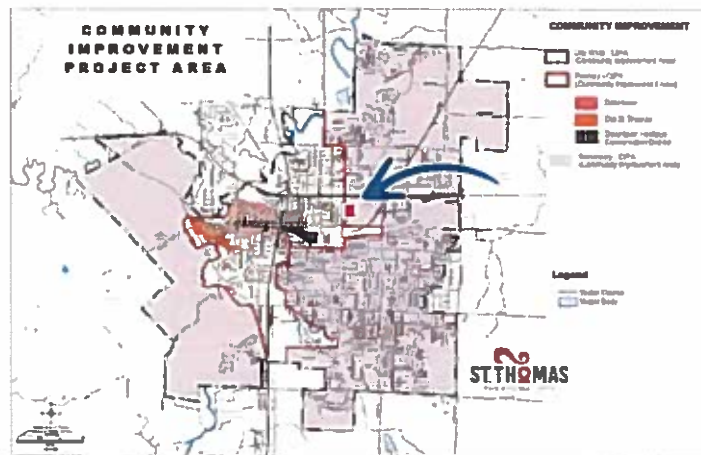
Fast Forward
Ventures Inc.



COMMUNITY IMPROVEMENT PLAN

WE ARE SEEKING TO BE INCLUDED BY COUNCIL INTO THE COMMUNITY IMPROVEMENT PLAN.

- Established in 2003 to:
"address issues and opportunities such as heritage preservation, reuse of railway lands and related assets and **RESIDENTIAL INTENSIFICATION**"
- Updated in 2015, 2018 & 2019 built on the original 2003 document
- Purpose of the 2003 plan include "tourism, heritage preservation, reuse of railway lands and related assets, brownfield sites and **RESIDENTIAL INTENSIFICATION**"
- Section 3.3 Identifies that the CIP can be used to help achieve the goals of the Official Plan, specifically "to enhance the overall quality of life and well-being and businesses within the older residential neighbourhoods and older commercial areas of the City" as is this site.
- Section 3.3.e) also identifies "conversion of older industrial areas."
- Section 4 of the May 2021 "St. Thomas Community Improvement Plan" denotes that "key community improvement needs which have more recently emerged as desirable policy planning goals and can be addressed by program additions to the existing CIP."



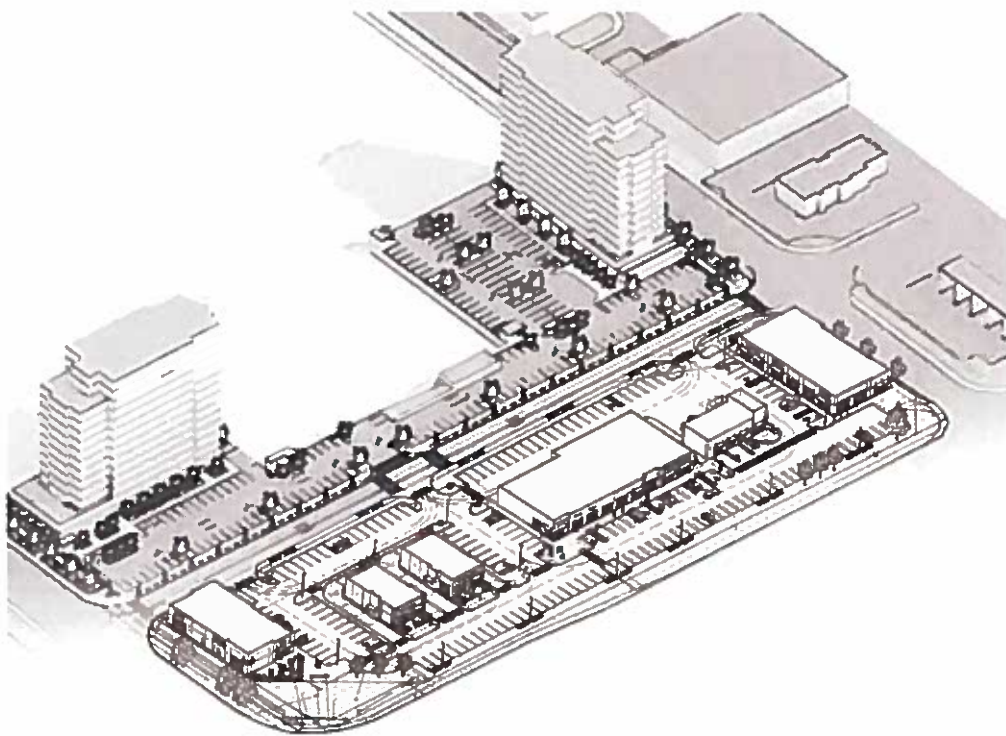
TOOLS AVAILABLE TO THE CITY

THAT APPLY TO TALBOT & FIRST

- Property Tax Increment Equivalent Grant Program, specifically the tax grant program that is no expense to the City.

COUNCILS AUTHORITY TO USE THE CIP

- The incentive programs contained in this CIP can be considered as a "toolkit" because once the CIP is adopted and approved, the incentive programs in the CIP can be activated by Council, one or more at a time, based on Council approval of the implementation of each program, subject to the availability of funding".
- "Furthermore, the incentive programs can also be used individually or together by an applicant as the programs apply to that applicant's particular development, just like the tools in a toolbox"
- This allows Council to have the flexibility to apply CIP programs as it deems appropriate.



LOCATION AND QUALIFICATION

OF TALBOT & FIRST

- The proposed site located at the northeast corner of Talbot Street & First Avenue is truly a Main and Main opportunity.
- The eligibility of the site stems from its location: "properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case by case basis, subject to these properties meeting the key community improvement needs of the CIP".
- Project adheres to:
 1. Provincial Policy Statement
 2. City of St. Thomas Official Plan
 3. Zoning By-Law
 4. Urban Design Brief for the site
- Helps achieve the goal of residential intensification and conversion of employment lands.



CASE STUDY OF SUCCESS

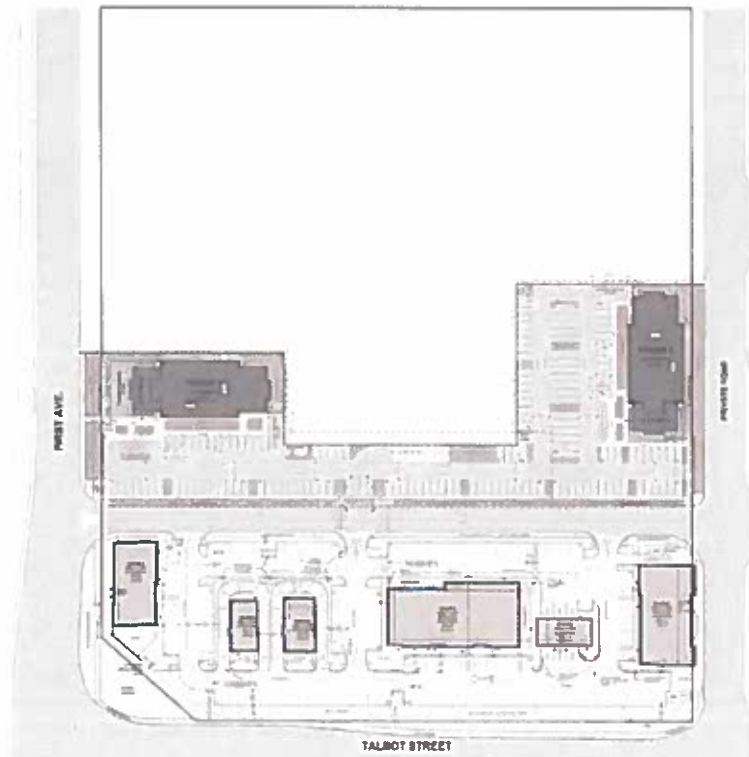
ALMA COLLEGE

- Using the Development Charge Rebate and the Property Tax tool the City successfully encouraged the most prominent development in St. Thomas in decades.

CASE STUDY

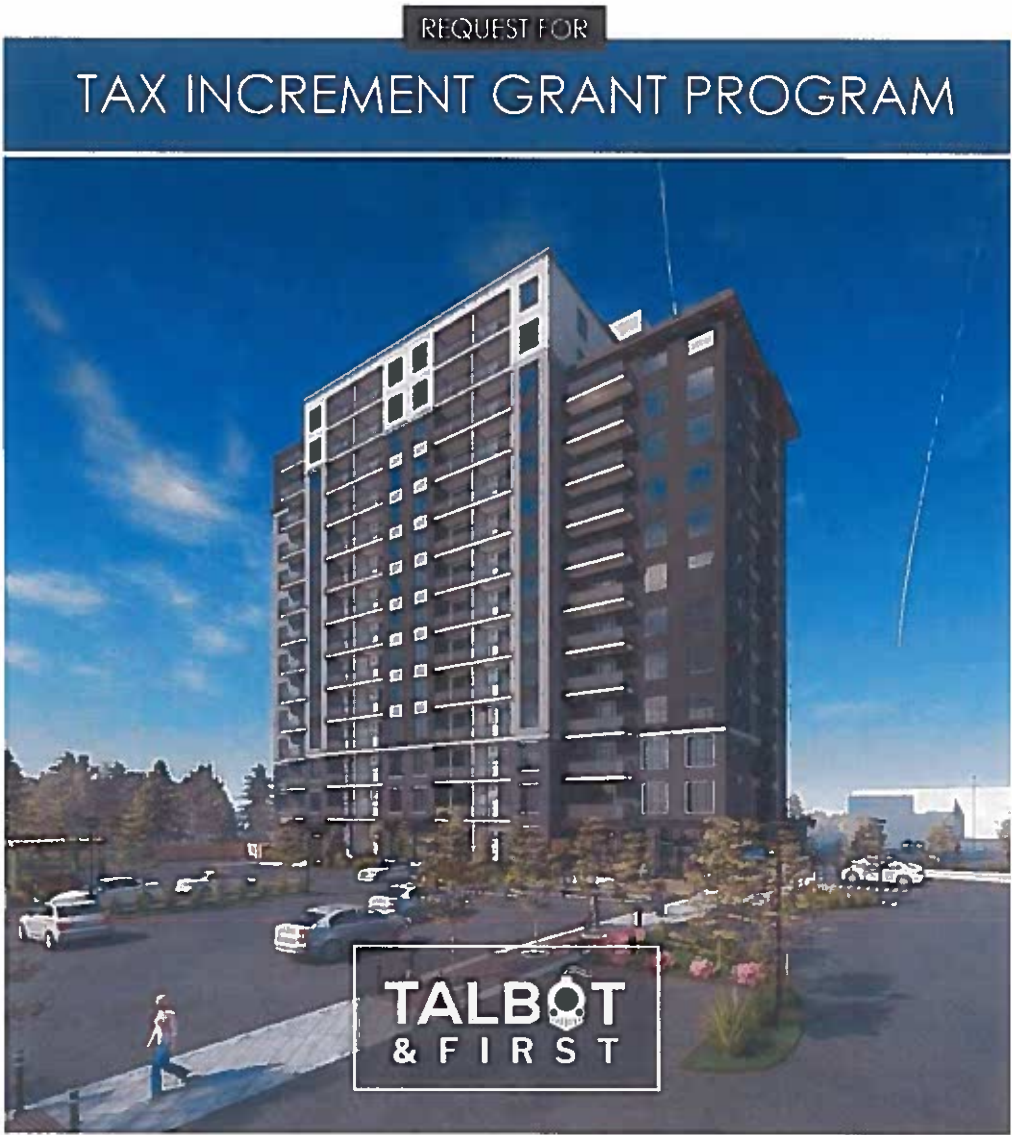
OF TALBOT & FIRST

- Gateway location – premier location within the City and Elgin County, highest traffic counts, most flexible zoning
- Mixed use property – plan for the property adheres to the OP and zoning by-law
- Potential to implement a smart and unique vision on a 13 acre property



ASK & RATIONALE

- The Tools that we ask the City to use have been in the Toolbox since 2003 and rarely have they been used
- This is an opportunity to make a once in a generation commitment to the most important location in the City of St. Thomas
- Note the description in the 2021 CIP document: *"To encourage and support rehabilitation, redevelopment, infill and intensification projects by providing a financial incentive that reduces property tax increases that can result from these various types of development. This incentive is also designed to assist in securing project financing"*
- From 2003, *"the CIP is the vehicle for focusing and stimulating community improvement efforts"*
- There is not better project than the one presented to you today

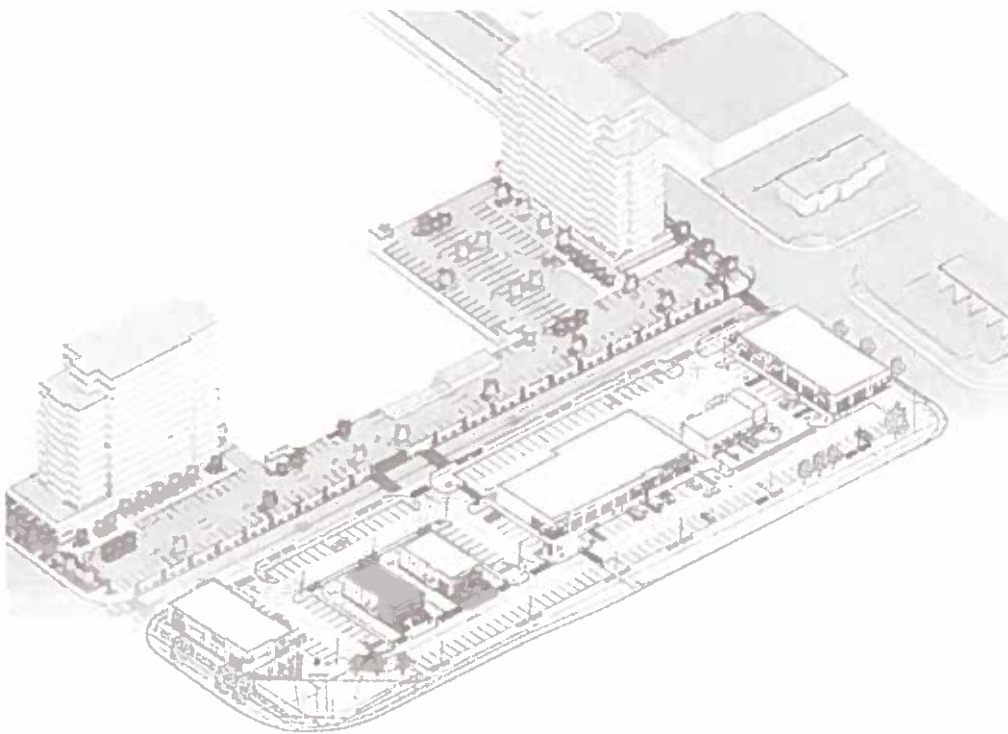


Fast Forward
Ventures Inc.

TAX INCREMENT GRANT PROGRAM

We are seeking support of Council to be included in the Tax Increment Grant Program ("TIGP").

- Council has the authority to authorize the TIGP through the Community Improvement Plan ("CIP") established in 2003 and modified in 2015, 2018 & 2019.
- A formal application has been provided to staff as required by the CIP.



LOCATION AND QUALIFICATION

OF TALBOT & FIRST

- The proposed site located at the northeast corner of Talbot Street & First Avenue is truly a Main and Main opportunity.
- The eligibility of the site stems from its location: "properties that are immediately adjacent to the CIPA may be considered by the City to be within the CIPA on a case by case basis, subject to these properties meeting the key community improvement needs of the CIP".
- Project adheres to:
 1. Provincial Policy Statement
 2. City of St. Thomas Official Plan
 3. Zoning By-Law
 4. Urban Design Brief for the site
- Helps achieve the goal of residential intensification, beautification, and conversion of brownfield lands.



ABOUT THE TIGP

→ From the 2019 Update to the CIP:

"To encourage and support rehabilitation, redevelopment, infill and intensification projects by providing a financial incentive that reduces the property tax increase that can result from various types of development. This incentive is also designed to assist in securing project financing."

→ The TIGP does not place any "out of pocket costs" on the City of St. Thomas.

→ Current property taxes are maintained, but the Applicant does not pay the increase to the property taxes for a period of time.

→ The City of St. Thomas would see the full taxes including increases commence in Year 6 after completion of the project.



RATIONALE FOR REQUEST

1. The project plan contemplates a 14 storey apartment building with a full level of Underground Parking
2. The project plan adheres to the site specific Zoning By-Law and the site specific Urban Design Guidelines
3. The costs associated with the Underground Parking Structure are exceptional
 - a. \$75,000.00 to \$100,000.00 estimated costs of each Underground Parking Space
 - b. Underground Parking Structure contains 83 parking spaces
 - c. Estimated costs of Underground Parking Structure is: \$6,225,000.0 to \$8,300,000.00
4. Keep the project as apartment rental housing as opposed to a condominium project.
A priority of provincial policy to increase rental apartment units.



PROJECT OPTIONS

1. Reduce residential density to a 6 story building and no Underground Parking Structure
– all surface parking
2. Maintain project plan with 14 stories and Underground Parking Structure
– WITH COUNCIL SUPPORT TO PARTICIPATE IN THE TGIP

TIMELINE

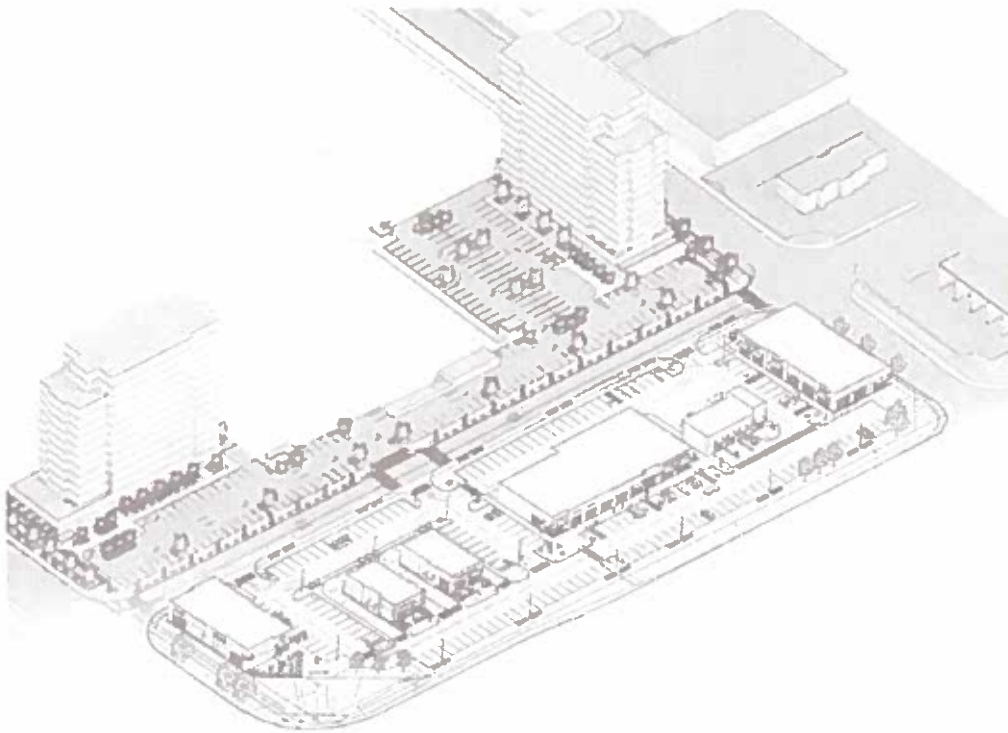


ADDITIONAL CONSIDERATIONS

1. The property was previously a Brownfield and has been remediated with **no public funds**.
2. The property has an **extremely high water table** adding to the cost of the Underground Parking Structure.
3. Phase 1 (16 retail tenants) received no Incentives and will added **approximately \$300,000 per year** in new property taxes.
4. Phase 1 paid full **full Development Charges** and received no credits for the buildings previously on the property.
5. This one apartment building will provide greater than **\$400,000** in annual tax revenue indefinitely in year 6 and beyond.
6. Increase the likelihood that additional similar buildings can be feasible and built in the future; further increasing rental housing supply and substantial municipal tax revenues.

CONCLUSIONS

- We believe the CIP, and specifically the TIGP, are tools created by the City of St. Thomas to facilitate projects such as this.
- We ask that council authorize staff to complete the TIGP program for this project.



Fast Forward
Ventures Inc.

TAX REVENUE TABLE

REVENUE FOR PHASE 2 / TOWER 1
PARCEL SIZE: 2.64 ACRES

OPTION	DESCRIPTION OF OPTION	*ESTIMATED ANNUAL TAX REVENUE	ESTIMATED TOTAL MUNICIPAL TAX REVENUE OVER 10 YEARS BASED ON OUR PROPOSAL	ESTIMATED TOTAL MUNICIPAL TAX REVENUE OVER 20 YEARS BASED ON OUR PROPOSAL
1	Commercial Retail Boxes	\$97,000.00	\$970,000.00	\$1,940,000.00
2	1 Residential Tower (All Surface Parking)	\$350,000.00	\$1,750,000.00	\$5,250,000.00

* For simplicity estimates of annual tax increases have not been included in each option

ADDITIONAL DETAILS/ASSUMPTIONS FOR EACH OPTION

1	Commercial Retail "box stores" of approximately 15,000 SF in total with an estimated annual municipal tax of \$6.50/SF
2	Based on one 14 Storey Multifiresidential apartment tower with approximately 162 units and a GFA of 137,000 SF