

Office of the Central Area

## CENTRAL AREA COMMUNITY IMPROVEMENT PLAN

### DEVELOPMENT CHARGES INCENTIVE PROGRAM

## **PROGRAM GUIDE**



July 2014

#### 1. **Program Description**

To provide an economic catalyst for new development projects, redevelopment projects, expansions, additions adaptive reuse or conversions to existing buildings in the Brampton Central Area Community Improvement Project Area by providing a financial incentive that pays part or all of the City portion of the development charge on behalf of the owner of the land who receives issuance of a building permit.

#### 2. Who can apply?

Only owners of properties within the Development Charges Incentive Program Boundary as shown as Appendix A that meet the program eligibility requirements may apply. The City retains the right and absolute discretion to reject an application received from a person or corporation which in the opinion of the City or its professional advisers, does not possess the experience, financial, technical, personnel or other resources that may be required to carry out the obligations that the applicant proposes to assume under the terms of its application and grant agreement.

#### 3. What are the program eligibility requirements?

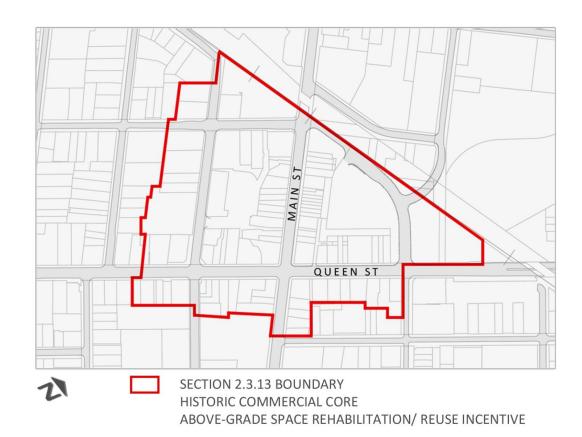
3.1 This program applies only to new development projects on vacant lots, redevelopment projects, expansions, additions, adaptive reuse or conversions to existing buildings within the Development Charges Incentive Program Boundary outlined on Appendix A attached to this Guide, and more particularly to the "Central Area Mixed Use", and "Medium-High/High Density Residential" land use designations prescribed by the Brampton Central Area Secondary Plans (The Downtown Brampton Secondary Plan (SP 7) and Queen Street Corridor Secondary Plan (SP 36)).

The program shall only apply to development within the following land use designations:

- a) In the "Central Area Mixed-Use" designation:
  - i) All **office** uses having a minimum building height of 3 storeys and subject to the limitations set out in Section c) below;
  - ii) All **hotels** having a minimum building height of 3 storeys and subject to the limitations set out Section c) below;
  - iii) **High density residential** uses having a minimum density of 98 units per hectare (40 units per gross acre);

- iv) **Entertainment** uses subject to the limitation set out in Section c) below; and,
- v) Mixed Use Developments having a minimum building height of 3 storeys, containing any two or more of the following uses: entertainment; retail/commercial (including hotel); office; residential. The non-residential component of eligible mixed-use buildings shall only be eligible for a financial incentive if it is located within the *"Central Area Mixed Use"* designation in the Downtown Brampton Secondary Plan (SP 7) and the Queen Street Corridor Secondary Plan (SP 36) west of Highway Number 410, and is subject to the limitations set out in Section c) below;
- b) In the "Medium-High /High Density Residential" designation in the Downtown Brampton Secondary Plan (Official Plan Amendment OP93-63):
  - i) Medium-High and High density apartment projects;
- c) Commercial space as identified in a) i, ii, iv and v above is eligible up to a maximum of 1,500 square metres per site, and to a maximum of 9,000 square metres in any given year.
- 3.2 The following are the eligibility requirements for the <u>Main Street North and</u> <u>Queen Street West Small Business Stimulus Policy</u>. Applications under this section have different requirements and follow a different process than standard applications to the DCIP:
  - a) The incentive shall apply only to existing or converted single or semidetached dwelling types in the following locations:
    - i) Lots within Special Policy Area 2 (Main Street North Special Policy Area) of the Downtown Brampton Secondary Plan
    - ii) Lots with frontage onto Queen Street West between George Street and McLaughlin Road and,
    - iii) The properties shall also be within the "Central Area Mixed Use" designation in the Downtown Brampton Secondary Plan.
  - b) The proposal shall have obtained all land use approvals for the proposed use.
  - c) The project shall provide on-site improvements such as: front yard landscaping or streetscape enhancements, appropriate signage improvements, and/or implementation of access management, to the satisfaction of the City.

- d) The incentive shall only apply to a conversion within an existing building or accessory building, or a building expansion consisting of a maximum gross floor area of 300 square metres. If the addition is greater than 300 square metres, full Development Charges are payable for the additional floor space above the limit.
- e) The incentive shall apply to a conversion from residential to commercial or mixed-use or from one commercial use to another commercial use where building permits are required and a Development Charge would be payable.
- f) The provisions of these Implementation Guidelines with respect to Scoring do not apply.
- g) Section 2.3.4 of the Implementation Guidelines do not apply
- Prior to approval, the applicant shall provide the Planning, Design and Development Department with written correspondence describing the project and requesting exemption from the City's Development Charge. Confirmation of exemption shall be provided by the City's Planning, Design and Development Department. A completed application form is required; however other application and process requirements under Section 3.0 do not apply.
- i) The property shall not be in tax arrears.
- j) If approved, the City of Brampton shall pay the City Development Charge on behalf of the Owner.
- k) If the project is not undertaken in accordance with the approvals received or is not brought to full completion, as determined by the City, the City Development Charge shall be immediately due and payable.
- I) The policies in this section shall apply when City Development Charges have been paid for eligible projects from January 1, 2009 and forward.
- m) The incentive is in effect until July 31, 2017.
- 3.3 The following are the eligibility requirements for the <u>Historic Commercial Core</u> <u>Above-Grade Space Rehabilitation/Reuse Incentive</u>. This program is intended to support conversions of upper floor space in the historic commercial core, where development charges are payable as a result of the change. Applications under this section have different requirements and follow a different process than standard applications to the DCIP:



#### a) The building shall be located within the area shown below:

- b) The incentive shall apply to a conversion from residential to commercial or mixed-use, from one commercial use to another commercial use, or from commercial to residential where building permits are required and a development charge would be payable.
- c) A maximum of 5 apartment units and 500 m2 of office/commercial space shall be supported per project. Full Development Charges are payable for converted space beyond the 5 units and/or 500m2 of office/commercial space.
- d) The project shall provide improvements to the façade of the building visible from the street (including improvements to building signage), to the satisfaction of the City.
- e) The proposal shall have obtained all land use approvals for the proposed use.
- f) The provisions of the Implementation Guidelines with respect to Scoring shall not apply.

- g) Section 2.3.4 of the Implementation Guidelines do not apply.
- h) Prior to approval, the applicant shall provide the Planning, Design and Development Department with written correspondence describing the project and requesting exemption from the City's Development Charge. Confirmation of exemption shall be provided by the City's Planning, Design and Development Department. A completed application form is required; however other application and process requirements under Section 3.0 do not apply.
- i) The property shall not be in tax arrears.
- j) If approved, the City of Brampton shall pay the City Development Charge on behalf of the Owner.
- k) If the project is not undertaken in accordance with the approvals received or is not brought to full completion, as determined by the City, the City Development Charge shall be immediately due and payable.
- I) The incentive is in effect until July 31, 2017.
- 3.4 The following are other program requirements. Please consult the Implementation Guidelines for complete details.
  - i) Applications must be made in writing (check the City website for the program application form or contact the City (see the contact information at the bottom of this Program Guide)).
  - ii) Upon application for site plan approval of the first phase of a multi-phase development, only that phase which receives site plan approval is eligible under this program.
  - iii) The applicant will be required to make application for site plan approval and submit a site plan and professional architectural/design drawings which shall be in conformity with any City issued urban design guidelines, heritage design guidelines, facade design guidelines and sign by-laws and any other City requirements.
  - iv) The property owner may be required to submit other supporting documents as specified by the City.
  - v) The applicant shall obtain all necessary development approvals in accordance with City requirements and applicable legislation.

- vi) The subject property shall not be in tax arrears. All applicable property taxes shall be paid prior to the remittance of any refund or payment of development charges enabled under this program.
- vii) All proposed works and associated improvements to buildings and/or land shall conform to all municipal by-laws, policies, procedures, standards and guidelines.
- viii) All works completed must comply with the description of the works as provided in the application form and contained in the program agreement, with any amendments as approved by the City.
- ix) Existing and proposed land uses must be in conformity with applicable Official Plan(s), Zoning By-law and other planning requirements and approvals at both the local and regional level.
- x) All improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals.
- xi) When required by the City, outstanding work orders, and/or orders or requests to comply, and/or other charges from the City must be satisfactorily addressed prior to City payment of the Development Charges Incentive.
- xii) City staff, officials, and/or agents of the City may inspect any property that is the subject of an application.

#### 4. What if I am receiving other sources of government funding?

If a project has accessed other public sector funding (Federal, Provincial, Municipal, CMHC, etc) that can be applied against the eligible costs are anticipated or have been secured, it is <u>not</u> eligible for this program.

#### 5. I am proposing Townhouses, am I eligible?

No, townhouse and low-density forms such as single and semi-detached dwellings are <u>not</u> eligible for this program.

#### 6. How does the Program work?

If your Development Charges Incentive Program application is approved by the City, you will be required to enter into a legal agreement with the City that

specifies the terms and conditions of the grant. City pays part or all of the owner's normal City development charge payable at the time of building permit issuance. The amount of the City development charge that will be paid by the City depends on how the project scores based on a number of evaluative criteria reflective of the City's Vision of the Central Area. The criteria scoring (attached as Appendix B) is weighted toward developments that are: located at major intermodal transit nodes, at key nodes, mixed use, transit-supportive, of high physical quality and design, and demonstrate innovation in concept.

In order to help ensure that the Development Charges Incentive is provided only to projects that will result in actual development, once your site plan is approved, you have a maximum of six (6) months to obtain a building permit or the Development Charges Incentive approval shall be at an end. If site plan approval is conditional upon approval of a zoning by-law by the Ontario Municipal Board, the six (6) month time limit will commence on the date the Ontario Municipal Board approves the zoning by-law.

#### 7. Is there a fee to apply?

No.

# 8. Can the Development Charges Incentive be retained by the approved applicant if the property is sold?

The City portion of the Development Charge is paid on behalf of the developer by the City. No funds go directly to the approved applicant. If no building permit is issued within the applicable timeframe, the project loses its funding allocation and any new owner must reapply and be subject to the terms and conditions of the program. The Incentive is not assigned to an owner, but to an actual development project.

## 9. Can the Development Charges Incentive be assigned to a new property owner if the property is sold?

No actual commitment is made by the City to any project until the agreement is signed. Any new owner would be subject to terms and conditions set out in the agreement by the City. Any default of the terms of the signed agreement would result in the loss in the approved Development Charges Incentive and a requirement for reapplication.

#### 10. What would result in a default under the Program?

The provisions are contained in the Development Charges Incentive Program Implementation Guidelines and the Development Charges Incentive Agreement. Payment of the Development Charges Incentive by the City on behalf of the Owner may be delayed, cancelled or the City, and the City may require payment of the then outstanding amount if:

- a) a Building Permit is not issued within 6 months of the date of Site Plan approval;
- b) the as-constructed works do not comply with the description of the works as provided in the Application Form and Required Documents;
- c) the works are not undertaken in conformity with the Ontario Building Code and all applicable zoning requirements and planning approvals;
- d) a Building Permit is revoked;
- e) any representation or warranty made by the Owner is incorrect in any material respect;
- f) the Owner fails to perform or comply with any of the obligations contained in the Development Charges Incentive Program Agreement or any other Agreement entered into between the Owner and the City; and,
- g) prior to the payment of the Development Charges Incentive, the Owner makes an assignment for the benefit of creditors, or assigns in bankruptcy or takes the advantage in respect of their own affairs of any statute for relief in bankruptcy, moratorium, settlement with creditors, or similar relief of bankrupt or insolvent debtors, or if a receiving order is made against the Owner, or if the Owner is adjudged bankrupt or insolvent, or if a liquidator or receiver is appointed by reason of any actual or alleged insolvency, or any default of the Owner under any mortgage or other obligation, or if the subject lands or interest of the Owner in the subject lands becomes liable to be taken or sold by any creditors or under any writ of execution or other like process.

If the City issues an approval under this program, and the applicant defaults on the conditions or the terms of the agreement, the approval and funding allocation is lost and the applicant will have to reapply and restart the process. The funds that had been allocated to the program will be returned to the general funding pool and may be assigned to another project or application. If the funding cap has been reached, any new application is not eligible unless funding becomes available.

#### 11. How do I apply for the Program?

- a) Arrange a pre-application meeting with staff in order to determine program eligibility, discuss the application process and your preliminary development concept including proposed building size, height and density, number of residential units, gross floor area of residential and commercial space and other project details.
- b) You will submit an Intent to Apply letter including the information contained in 9a) above and the proposed development timeline to the City prior to making formal application for the program.

- c) City staff will review your Intent to Apply check eligibility requirements and evaluate the potential impact of a formal application on the yearly budget allocation.
- d) If authorized to apply, you will be instructed to complete a formal application form for the Development Charges Incentive Program once you have submitted an application for site plan approval. Please ensure that your application includes all of the information requested in the application form.

#### 12. What happens next?

- a) Applications and supporting documentation are reviewed by staff to ensure that they meet all of the eligibility requirements. If your application does not meet the eligibility requirements, you will be notified of this in writing.
- b) Staff may request clarification or additional supporting documentation.
- c) Staff may perform an initial site visit(s) and inspection(s) of the property (if necessary).
- d) Staff will calculate an estimate of the scoring of the application against the evaluation criteria, the amount of the Development Charges Incentive, and the City Development Charge payable.
- e) City staff will then send the applicant a letter that confirms program eligibility and provides an estimate of the amount of the Development Charges Incentive, and the City Development Charge payable.
- f) Once your site plan is approved, City staff will prepare a recommendation report on the application (including the scoring of the application).
- g) City staff will then forward the recommendation report to Council for consideration. This will include conditions (if any) and a draft of the Development Charges Incentive Program Agreement.
- h) If your application is approved, you will be notified in writing (including the amount of the Development Charges Incentive). If your application is not approved, you will also be notified in writing.
- i) If approved, a Development Charges Incentive Program Agreement will need to be signed by the Owner. Once signed, the Development Charges Incentive Program Agreement will be executed by the City, with a copy returned to you for your records.
- j) Prior to the City paying the Development Charges Incentive on behalf of the Owner, the Development Charges Incentive Program Agreement must be signed, and any other requirements of Council satisfied.
- k) When your building permit is issued, the amount of the Development Charges Incentive will be deducted from the City development charge payable.

## For further information on this program, please contact David VanderBerg, Central Area Planner at (905) 874-2325 or at <u>david.vanderberg@brampton.ca</u>

Further information can also be found on the City website <u>www.brampton.ca</u>. Search under <u>Community Improvement Plan</u>, or <u>Development Charges Incentive Program</u>.

#### Appendix A: Program Boundary

(from Appendix 5.2 Program Area Map, DCI Program Implementation Guidelines)



Criteria	Factor	Yes or No	Rating	Scoring
0. Pre-requisites	The project meets the eligibility criteria			50%
1. LOCATION	<ul> <li>Is the project max. 150m from major intermodal transit node (GO station, Kennedy) OR</li> <li>Is the project max. 150m from major nodes (see map)</li> </ul>		+Up to 10% OR +Up to 5%	(Max 10%)
2. PREFERRED TYPE OF DEVELOPMENT	<ul> <li>Is the project mixed-use (e.g. residential + retail; office + retail; hotel + retail)?</li> <li>Are active uses provided at grade?</li> <li>Is greater than 50% of the property frontage on a major street, active retail/commercial uses</li> <li>Is the residential component condominium?</li> </ul>		+10% +5% +2.5% +2.5%	(Max 20%)
3. HIGH QUALITY PHYSICAL ENVIRONMENT*	<ul> <li>Does the project respond <u>creatively</u> to design policies and CA Vision – does the massing and articulation of the project complement in an exceptional manner with the existing or desired character of the area? AND</li> <li>Does the project exhibit a very high order of architectural quality through urban design and the use of high quality materials?</li> </ul>		+Up to 5% +Up to 5%	(Max 10%)
4. COMMUNITY BENEFIT	<ul> <li>Does the project preserve or restore a heritage building or resources OR</li> <li>Does the project incorporate public realm improvements, e.g. Public art contribution, public space/high quality streetscape contribution</li> </ul>		+Up to 5% OR +Up to 5%	(Max 5%)
5. SUSTAINABILITY	- Does the project incorporate sustainable development features (e.g. LEED-certified, green roofs, energy-saving elements, site development standards (bioswales, permeable paving, sustainable stormwater management)?		+Up to 5%	(Max 5%)
TOTAL				100%

#### Appendix B: Scoring Summary