
HALDIMAND COUNTY

Report EDT-08-2019 Rural Business and Tourism Community Improvement Plan - 4875 Rainham Road, Rainham Centre



For Consideration by Council in Committee on June 18, 2019

OBJECTIVE:

To seek Council approval of one (1) application for funding made under the Terms and Conditions of the Haldimand County Rural Business and Tourism Community Improvement Plan.

RECOMMENDATIONS:

1. THAT Report EDT-08-2019 Rural Business and Tourism Community Improvement Plan - 4875 Rainham Road, Rainham Centre be received;
2. AND THAT the project as outlined in Report EDT-08-2019 be approved for a grant to be funded from the Community Improvement Plan Reserve, to a maximum of \$19,445;
3. AND THAT a maximum of \$30,000 to be funded from the 2020 Community Improvement Plan annual allocation as a result of the approval of CIP projects identified in Reports EDT-08-2019, EDT-09-2019 and EDT-10-2019 be approved;
4. AND THAT the Mayor and Clerk execute the Rural Business and Tourism Community Improvement Plan Financial Incentive Program Agreement with the respective property owner.

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Reviewed by: Lidy Romanuk, BA, EcD, CEcD, Manager, Economic Development and Tourism

Respectfully submitted: Craig Manley, MCIP, RPP, General Manager of Community & Development Services

Approved: Donald G. Boyle, Chief Administrative Officer

EXECUTIVE SUMMARY:

This proposal is to undertake various improvements to property at 4875 Rainham Road, Rainham Centre. Economic Development and Tourism staff recommend that this application be approved for funding under the Rural Business and Tourism Community Improvement Plan Financial Incentives Program, as all program eligibility requirements have been met.

BACKGROUND:

In May 2008, Haldimand County Council adopted the Haldimand County Downtown Areas Community Improvement Plan (CIP) and corresponding Downtown Community Improvement Project Areas (CIPAs). The CIP provides Council with the ability to offer financial incentives to private property owners to revitalize, redevelop, and renovate properties and buildings within the CIPAs. The CIPAs are identified as the downtown areas of the communities of Caledonia, Cayuga, Dunnville, Hagersville, Jarvis and Selkirk. In September 2013, Council approved the Rural Business and Tourism Community

Improvement Plan (RBTCIP). The RBTCIP targets key Haldimand County economic objectives by supporting hamlets, commercial roofed accommodations and value added agricultural businesses. Amendments in November 2014, added a new program to the Downtown Areas CIP to include interior renovations for places of assembly related to arts and culture, commercial roofed accommodations and restaurants, and expanded eligible costs for existing programs based on supporting the growth of the County's tourism businesses.

Economic Development and Tourism (EDT) staff continue to promote both financial incentive programs to the communities and stakeholders. EDT staff also assist proponents with their applications, in order to bring eligible projects before Council in a timely manner. Further, staff continue to work with applicants to ensure that their projects move forward to completion.

As of this report date, one hundred and twenty-nine (129) Downtown Areas CIP applications and twenty-four (24) RBTCIP applications have been approved (including Report EDT-08-2019, EDT-09-2019 and EDT-10-2019). One hundred and twenty-nine (129) of the previously approved applications have been completed and the files have been closed on three (3) applications. Downtown area grants have been approved in Caledonia, Cayuga, Dunnville, Hagersville, Jarvis and Selkirk. Grants have been approved for value added agriculture projects in the rural areas of Haldimand County; as well, projects in the hamlets of Fisherville, Port Maitland, Rainham Centre and York have been approved under the RBTCIP.

Summary of the 153 Downtown Areas CIP and RBTCIP Applications (including EDT-08-2019, EDT-09-2019 and EDT-10-2019) Considered by Council:

Financial Incentive Program <i>(Including EDT-08-2019, EDT-09-2019 and EDT-10-2019)</i>	Downtown Areas	Rural Business and Tourism
Application and Permit Fees Refund	\$227,863	\$21,089
Building Restoration, Renovation and Improvement	\$73,527	\$197,305
Downtown Housing Grant	\$157,971	N/A
Heritage Improvement Grant	\$20,000	\$39,923
Façade Improvement Grant	\$796,898	\$107,359
Total value of CIP grants provided by the County**	\$1,276,259	\$365,676
Total construction value of CIP Projects	\$10,060,894	\$1,101,658
Grant values as a percentage of construction values	13%*	33%
Council approved transfers from CIP Reserve for other initiatives	\$6,360	
Total funds remaining in CIP Reserve	-\$28,356***	

* **Grant as a % of Construction** – This calculation shows the leveraging factor; basically, how much funding the County is contributing to the project compared to the total cost of the project. As it currently stands, for every dollar granted by the County, approximately \$7.00 of additional private funding has been invested in the Downtown Areas of the County. The Kinsmen Park Revitalization and Dunnville Farmers Market Project are not included in the total construction values.

** Includes grant amounts related to staff approved projects under \$5,000.

*** Includes contribution from the Association of Municipalities of Ontario for Main Street Revitalization Funding Program in the amount of \$69,936 (Report PED-EDT-05-2018).

ANALYSIS:

The final completed application for the property known as 4875 Rainham Road, Rainham Centre was received in May of 2019. A location map has been included in this report as Attachment 1. The property previously operated as the Rainham Dairy Freeze and was recently sold. The new owners intend to re-open the business as Three Seasons Ice Cream Parlour & Family Restaurant.

Proposed Improvements

The applicant has applied for funds for a variety of improvements to the exterior and some of the interior of the property. This application is for the Façade Improvement, Signage and Landscape Improvement Grant, the Development Charge, Planning Fees and Building Permit Grant, and the Building Restoration, Renovation and Improvement Grant.

Façade Improvement, Signage, and Landscape Improvement Grant

Work under the Façade Improvement, Signage and Landscape Improvement Grant involves siding the exterior of the building with a board and batten style siding, and leaving the existing brick as is. Photos of the existing exterior can be found in Attachment 2.

Building Restoration, Renovation and Improvement Grant

Improvements under the Building Restoration, Renovation and Improvement Grant involve improvements to rehabilitate the kitchen including improvements to the exhaust system. The applicant is also proposing the creation of an outdoor eating area and improvements to the parking area. This work involves pouring of a concrete pad that is approximately 150 square metres and includes a railing system. Substantial exterior improvements such as these are eligible under the RBTCIP as they are helping to create new commercial opportunities in the County. A site plan of the current and proposed improvements are included in Attachment 3. A waiver of site plan and building permits will be required for the proposed improvements, these fees are eligible to be rebated through Development Charge, Planning Fees and building Permit Grant.

The applicant has previously installed an accessible entrance, washroom, and a small structure for ice cream sales. As the work has been completed on these items, they are not eligible for financial incentives. Previously the property was served by outdoor washrooms and was mainly a take-out style restaurant for the summer months. The intent of the property through the proposed improvements is to create a higher end dining experience that will operate for three seasons. The intent is to license the establishment for alcohol sales.

The improvements to the property at 4875 Rainham Road, Rainham Centre align with a number of tourism development initiatives including cycling tourism, and creation of a new culinary experience.

Review Panel Recommendation			The application is complete and recommended for approval.		
File No.	Community	Address	Value of Project	Value of Grant	Grant as a % of Construction
24	Rainham Centre	4875 Rainham Road	\$36,495	\$19,445	53%
Building Restoration, Renovation and Improvement Grant					\$13,033
Façade, Signage & Landscape Improvement Grant					\$5,215

Development Charge, Planning Fees and Building Permit Grant		\$1,200
Total Grant to 4875 Rainham Road, Rainham Centre		<u>\$19,445</u>
Project Description	Application of siding, creation of an outdoor eating area – 150 square meters concrete pad with railing, improvements to exhaust system and parking area.	
Conditions	<ol style="list-style-type: none"> 1. Property taxes must be in good standing and the property must be in conformity with all County/Provincial/Federal by-laws and legislation throughout the term of the program – i.e. property standards, zoning by-laws, official plan, etc. 2. Waiver of site plan, building permits required for various improvements. 	

FINANCIAL/LEGAL IMPLICATIONS:

The Downtown Areas Community Improvement Plan (CIP) was established in 2008, with an annual allocation of \$100,000 contributed to a Community Improvement Plan Reserve to be used to fund approved grant applications under the financial incentives component of the Downtown Areas CIP. In 2013, the annual base budget contribution was increased to \$150,000 to incorporate the Downtown Areas CIP and the Rural Business and Tourism Community Improvement Plan. Upon approval of this application, Council will have approved a total of \$1,641,932 from this Reserve.

This application in conjunction with those associated with reports EDT-09-2019 and EDT-10-2019 were submitted and the financial information was refined over several months. As such, there was very little ability to coordinate the projects with respect to the available funding. There are currently insufficient funds within the Community Improvement Plan Reserve to approve all three applications before Council. This application requires \$19,445 in funding which would leave the Community Improvement Plan at a negative balance of \$28,356, if reports EDT-08-2019, EDT-09-2019 and EDT-10-2019 are approved by Council. This is a unique situation—while the reserve has been depleted in the past—it is usually close to the end of the calendar year. There are two options available for Council to consider:

Option #1

The program guidelines state the applications are received on a first come, first serve basis. If Council chooses to proceed status quo, the recommendation is to approve reports EDT-08-2019 (\$19,445) and EDT-10-2019 (\$10,000) in full and approve EDT-09-2019 for a partial grant amount of \$21,643 with the funds that are currently remaining in the CIP Reserve.

Option #2

Approve all three projects in full. The shortfall of approximately \$28,356 could be funded from the 2020 CIP annual allocation. This would leave approximately \$121,644 for new projects in 2020, if Council continues to approve the base budget allocation of \$150,000 during review of the 2020 Tax Supported Operating Budget.

Staff is recommending that Council proceed with Option #2 and approve all three projects in full. As a result of the three proposed CIP projects, there will be improvements to buildings within three separate communities, new business created and potentially new employment opportunities.

Moving forward, any new applicants requesting CIP funds will be advised that the program is now closed for 2019 and that new projects will not be consider by Council until early 2020. Staff will continue

to undertake the necessary due diligence work to ensure any proposals that are submitted pending future funding meet the program intent.

Legal: A grant agreement will be prepared for execution by the Mayor and Clerk should Council approve this application. This ensures all works as approved are completed within a specified timeframe. The grant agreement was reviewed by legal counsel in the spring of 2008.

STAKEHOLDER IMPACTS:

All Community Improvement projects are circulated and reviewed by a staff committee that consists of representatives from Building & Municipal Enforcement Services, Planning and Development, Community Development and Partnerships (Heritage and Culture) and Finance Divisions. Once this project has received Council approval, staff from the Building & Municipal Enforcement Services will be required to assist Economic Development and Tourism staff to ensure that all proposed works are carried out in the manner applied for, and that terms and conditions are met.

REPORT IMPACTS:

Agreement: Yes

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Location Map of 4875 Rainham Rd, Rainham Centre.
2. Photos of the existing conditions at 4875 Rainham Rd, Rainham Centre.
3. Existing site plan 4875 Rainham Rd, Rainham Centre.