



MINUTES
SPECIAL COMMITTEE OF THE WHOLE
Tuesday, March 7, 2017
9:30 a.m.
City Hall Council Chambers

Present: Deputy Mayor L. Roussin
Councillor M. Goss
Councillor D. Reynard
Councillor S. Smith
Councillor C. Wasacase

Regrets: Mayor D. Canfield
Councillor R. McMillan

Staff: Karen Brown, CAO
Heather Kasprick, City Clerk
Melissa Shaw, Planning Assistant
Megan Dokuchie, Economic Development Officer
Devon McCloskey, City Planner

Call Meeting to order – Deputy Mayor L. Roussin

Public Notices

Take Notice that as required under Notice By-law #144-2007, Council intends to adopt the following items at this Special Meeting of Council:

N/A

Declaration of Pecuniary Interest & General Nature thereof

- i) On Today's Agenda
- ii) From a Meeting at which a Member was not in Attendance

There were none declared.

Deputations

None.

Items:

1. Community Improvement Plan Statutory Meeting

The City of Kenora currently has three CIPs in effect: the Keewatin CIP, the Harbourtown Centre CIP, and the Former Mill Site CIP. The City is proposing to amend the existing CIPs as follows:

- Expand the landscaping grant in the Keewatin CIP;
- Add housing grants and incremental tax incentives in the Harbourtown Centre CIP;
- Add housing grants to the Former Mill Site CIP; and
- Expand the Former Mill Site CIP Project Area to include the former clarifier site

In addition, the City is proposing to amend the Official Plan as follows:

- Revise Section 8.2 to indicate that the Keewatin CIP is in effect;
- Add a new Schedule "C" delineating the boundaries of the three CIPs; and
- Revise Section 10.0 to recognize the new Schedule "C"

Nadia De Santi, Senior Planner / Project Manager, Planning, Landscape Architecture & Urban Design, MMM Group opened the meeting with a presentation to Council on the proposed Community Improvement Plan's and Official Plan Amendment.

The public notice indicated that the Keewatin CIP landscaping grant is proposed to be expanded to include Ottawa Street. The landscaping grant now proposed to be extended to the entire Community Improvement Project Area but only for commercial, mixed-use, industrial, institutional properties as well as properties zoned Residential Third Density Zone (R3). Some public notices indicated that an incremental tax incentives is not proposed to be added to the Harbourtown Centre CIP and incremental tax incentives are proposed to be added.

CIP's are a planning and economic development tool under the Ontario Municipal Act and Planning Act. They establish a framework to achieve a wide variety of goals tailored to the community which can include financial incentives through grants and loans. They provide many community benefits by stimulating private sector investment in targeted areas; Promoting revitalization and place-making to attract tourism, business investment and economic development opportunities; Developing affordable housing; Promoting brownfield cleanup and redevelopment; using existing community infrastructure effectively and enhancing streetscapes and building facades

Keewatin CIP

The existing Keewatin CIP was adopted in May, 2015. There was an extensive community consultation process prior to the adoption with a special focus on creating affordable housing in Keewatin. It establishes a series of incentives programs to promote revitalization and affordable housing including: Affordable Living Grant; Seniors Housing; Study Grant; Commercial Space Conversion Grant; Building Façade Grant.

The 2017 State of Housing Report builds upon the 2014 Affordable Housing Study which updated demographic and economic data, information on housing developments completed and underway, and an analysis of current affordability trends in Kenora's housing. The analysis resulted in three main findings: Kenora's lack of multi-residential stock creates challenges for those with low to moderate incomes, especially given the growing prevalence of lone-parent households and ageing demographics; High rental rates, high housing prices, and long waiting lists for subsidized housing create a risk of

homelessness for low income households; and Kenora's existing housing stock is ageing resulting in higher energy costs and repairs that affect affordability.

There is no proposed change to the Community Improvement Project Area for the Keewatin CIP.

Proposed Amendments include: Landscaping and Property Management Grant now applies to the entire CIP Project Area; Only for commercial, mixed-use, industrial, institutional properties as well as properties zoned Residential Third Density Zone (R3) updated to consider new municipal and provincial policy documents.

The presentation displayed examples of Ottawa Street and Wharf Street potential design styles that would include the CIP. Improvements funded in part by: Landscaping and Property Management Grant; Signage Grant; Building Façade Improvement Grant; Application and Permit Fees Grant.

Harbourtown Centre CIP

The existing Harbourtown Centre CIP was adopted in July, 2012. It establishes a series of financial incentives for property owners to encourage the revitalization and continued economic stability of the commercial core of the City. Incentive programs include: Signage Grant; Landscaping Grant; Planning and Design Grant.

There are no changes to the Harbourtown Centre Community Improvement Project Area, however, a member of the community has asked to amend the boundary.

Proposed Amendments include an accessibility grant being added. This is a grant of 50% to a maximum of \$2,500 to assist property owners, tenants, or assignees to encourage the provision of accessibility to existing buildings. An affordable Living Grant would be added which is a grant of up to \$4,000 per new residential dwelling unit created, to a maximum of \$40,000, for a development of 4 or more units. A Residential Conversion and Intensification Grant will be added which is a grant of \$4,000 per new residential dwelling unit created, to a maximum of \$12,000. A Seniors Housing Study Grant will be added which is a grant of 50% to a maximum of \$5,000 of eligible project costs for studies to support a new seniors housing development of 4 or more units. Tax Increment-Based Program will be added which is a property tax break based on varying percentages over 5 years. This is budgeted separately from other CIP grants and also requires Minister of Finance approval. It has been updated to consider new municipal and provincial policy documents. There were proposed designs that are designed to promote economic development and design and won't happen right away. Options for business owners to apply for.

Former Mill Site CIP

The existing former mill site CIP was adopted in June, 2011 and provides financial incentives designed to encourage redevelopment of the Former Mill. Incentives include: brownfield redevelopment tax incentive; tax increment-based program; industrial building improvement grant; leadership in Energy & Environmental Design (LEED®) tax assistance.

Proposed Amendments include the Project Area expanded to include Former Clarifier

And a Residential Grant added which is a grant of up to \$4,000 per new residential dwelling unit created, to a maximum of \$40,000, for a development of 4 or more units. A Seniors Housing Study Grant added which is a grant of 50% to a maximum of \$5,000 of eligible project costs for studies to support a new seniors housing development of 4 or more units. It will update to consider new municipal and provincial policy documents.

The portion of the Former Mill site existing in the Community Improvement Project Area is legally described as PART OF PLAN 33 BLK 3 MAIN MILL SITE ELSS PCLS 39184 PT PCL; 40136; PCL 40137; PCL 41043. The eastern portion of the former Clarifier site shares the same legal description as the Former Mill site. The western portion of the former Clarifier site is legally described as PLAN 158 PT BLK B RP 23R12451 PARTS 1 TO 3.

Community Engagement includes the survey launched on January 13, 2017 and was distributed online and to businesses and property owners in Harbourtown Centre. Thirty two (32) survey responses were received with reasons for establishing businesses in Kenora being: the community feeling, business opportunities (often related to tourism), family connections and location. Survey responses identified a need for additional housing in Kenora and Housing for seniors and retirement communities identified as key opportunities. Kenora & District Chamber of Commerce (KDCC), Kenora Construction Association (KCA), Harbourtown BIZ, and other property owners and business operators in Harbourtown Centre.

Official Plan Amendment

The Official Plan Amendment, number three, adds a new Schedule "C" to the Official Plan. It delineates the Community Improvement Plan (CIP) Project Areas for the City's three existing CIPs: the Keewatin CIP, the Harbourtown Centre CIP, and the Former Mill Site CIP. It will amend Section 8.2 – Community Improvement to recognize that the Keewatin CIP is in effect; and amend Section 10.0 – Schedules to reference the new Schedule "C".

The addition of an Official Plan Schedule delineating the boundaries of the CIPs is intended to benefit the public, businesses, investors and other agencies by making the presence and location of the City's CIPs clear.

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There was a request to expand the Mill Site CIPA. CIPs cannot be used for greenfield development and would need knowledge of contamination. There is a current request from a Bed and Breakfast east of Harbourtown Centre; past requests received from property south of Harbourtown Centre; Triangular removal is an error from original Harbourtown centre CIP and covers half of the school. Propose to exempt that part of the school property.

Since the review, the City has received several change requests and public comments from various parties.

Nadia has reviewed the many recommendations in the Report, and while they are encouraged that the consultant is recommending allowances (as opposed to “bonuses”), we have found that each City and jurisdiction has its own requirements. For example, our surveys show that the biggest challenge in Kenora will not be the payment of rent (that is usually affordable), but the accumulation of sufficient funds for a down payment on a home or condo. This is where the allowances and rebates from the City and other levels of government are absolutely critical.

The meeting was temporarily adjourned at 9:58 a.m. to hold the Statutory Public Zoning Amendment Meeting at 10:00 a.m.

The meeting resumed following the Statutory Public Zoning amendment meeting at 10:15 a.m.

Nadia resumed the discussion at the meeting to explain the process for appeals. March 14, 2017 Council will adopt the bylaws and there will be a 20 day appeal period with early April 2017 when the appeal period ends.

Nadia explained there is merit to include the properties proposed which these grants would offer the opportunity for these people to apply for grants and from a land use planning to include the property and changes can be made up to Council adoption next Tuesday. Karen will have to do some research in the legislation which requires 2/3 majority vote as she does not know of the actual outline of the BIZ and Karen will see what the Municipal Act says along with the solicitor as to the implications of expanding the boundary for the BIZ inclusion.

It is more on the economic development side and if these properties were included what are the impacts on being part of the Harbourtown BIZ and are the implications on the business owners to the taxes. There has been one request by a business owner of Fifth Avenue to be included. From a planning perspective if the decision is to include in the CIP the recommendation is to contact the other two businesses to the north to see if the property owners would like to be part of the CIP area and advise them if they wish to be included there may be implications to the BIZ inclusion. When you look at the street and north of the street makes sense to include those.

One other request by the Kenora Substance and Mental Health Task Force, was to acknowledge the substance plan request was also to amend section 4.3.2 of OP and it was to revise 4.3.2 (i). Three things in the letter that was sent to Devon March 6 and can make reference in the HTC. The request to acknowledge the coordinator and is outside the scope of a CIP. This also effects Keewatin, and can recognize report in the Keewatin CIP.

The request is to amend the OP – the existing policy reads “inclusion Strengthen the commitment statement of providing options for housing in the Harbourtown Centre in recognizing the need to access services available in the downtown core especially to our most vulnerable residents. Amend section 4.3.2 (i) of the Harbourtown Centre Community Improvement Plan: To encourage inclusion and growth in the residential component of the Harbourtown Centre and peripheral areas to support and reinforce the community focus of the area including tourism, local business, administration, direct service delivery, and a space for social gathering.

Nadia and the Planning staff only read the briefly this morning. The request for the additional text is covered off on other sections within policies for example. It is Nadia's opinion that the request to add this additional text and it is already included in the OP. The second recommendation is to section 4.3.2 (j) of the OP – request is to add basically acknowledge other studies that have been included. Nadia acknowledged that is something that could be included.

With respect to the former mill site CIP, two additional areas proposed, vacant buildings, disadvantaged areas, in discussion with ministry, these two properties are not disadvantaged, it is not the purpose of a CIP. Nadia is recommending those areas not be included.

Some comments received late last night, based on land development experience, there are several other programs and funding available for owners who want to develop their land. The federal government has just released a huge federal funding program that is available for developers. The other thing is in reality the size of that site, it may be such that the development is phased, the budget for the CIP in on an annual basis, a portion could be developed and access annual funding. A land owner could apply in consecutive years. The amounts proposed are best practices, given the budget the city has for CIP's make sure all the CIP dollars are not allocated to one site and one land owner. If the numbers proposed in the grants are not adequate, what we are proposing is best practices in other communities. To redevelop this site there is collaboration between the land owner and the developer. A pre-consultation meeting on developing this site is required. For now we are recommending those two locations not be included.

Councillor Reynard questioned the Keewatin CIP. The initial focus of that CIP was on affordable housing. What successes do we have to date in this area? Administration confirmed that we have not had any uptake on the housing side, however, there have been a few applications on the façade improvements.

It was questioned how much money the City has put into CIPs in the 2016 budget. Karen confirmed that \$100,000 is what was budgeted and whatever is left is rolled into reserves.

It was questioned how the applications are fielded and if it is a first come first served basis. It was clarified that the funds are for all CIP's in general.

Nadia explained that it is advised that a municipality not establish a certain budget for a specific area. The reason is if there is uptake and momentum growing in one area and you want to keep that growing, you don't want to say sorry we only have money left in one area and not this one, there is a risk in doing that. There are so many variables, business success, motivation and their own investments.

Councillor Reynard questioned that based on the fact that the recommendation is to expand the Keewatin CIP, amend the Harbourtown CIP is there a recommendation to expand the CIP budget for 2017? Karen advised that at this time the budget is being held at \$100,000. Councillor Reynard questioned if the intent of expanding the CIPs is to increase uptake, are we sending a message that we increase but don't allocate additional dollars to meet the needs of the CIPs.

Karen explained that this can be part of the discussion for the operating budget but there is a nominal amount of dollars left for the CIP and we would have to monitor it for the uptake.

Nadia explained that an owner can apply for more than one grant. On the former mill site, they could apply for a residential grant, brownfield redevelopment tax assistance, seniors housing study grant and they can apply for more than one grant. They cannot apply for these grants plus get the tax incentives. That is separate and the Ministry of Housing says that not the City of Kenora.

We know that CIPs and the marketing of it can be successful. The mill site is unique because it is one land owner. If through the discussions there is a realization that the maximum number of units just because they are not static but reality of market, economics, challenges and opportunities. Those key pieces of information the land owner, city and operations are key.

Deputy Mayor Roussin advised the public present at the meeting that input on the amendments can be received from the public. If there are any questions they can be asked now.

Lydia Eberhart of 204 Water Street advised that she is interested in grants and assistance as this would be a good incentive for her to do more improvements to her location on Water Street.

As there were no further comments, the meeting was declared closed at 10:58 a.m.