

MEMO

Date June 24, 2024

Client City of Clarence-Rockland
Project Community Improvement Plan
Topic Implementing a Successful CIP
From Jon Hack, Director, Sierra Planning and Management

Below is a brief note that addresses the 3 items for which you required an opinion and/or information:

1. Examples of successful implementation of CIPs;
2. Internal staffing needs required to maximize success of a CIP; and
3. Risks arising from under-resourcing the implementation of the CIP (this reasonably extends beyond staff resources and includes both the overall working budget of any CIP reserve and effective managerial processes to provide timely and effective decision-making for applications).

EXAMPLES OF SUCCESS

There are many. To aid in the City's deliberations regarding the appropriate package of resources to deploy for the CIP, we provide two examples which cover off both smaller and larger municipalities:

City of Guelph - as an example of a very focused implementation since its inception some 14 years ago.

Town of Bradford West Gwillimbury - a rapidly growing community just north of the Greater Toronto Area (GTA) that similarly commenced a CIP in the early 2010s (2012) when the Town was in general need of a robust suite of programs to sustain downtown and attract industry. Since then, natural growth due to its strategic proximity to the GTA has necessitated that the CIP "tool box" be adjusted over time to continue to provide relevant incentives where these are needed, as opposed to simply rewarding development that would have occurred in the absence of financial incentives.



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In this way Bradford West Gwillimbury is highly comparable to the City of Clarence-Rockland.

In both cases, success was predicated on a progressive investment in staffing, process and financial capacity. In both cases the decision was taken early on to house the implementation of the CIP within the office of Economic Development.

GUELPH

In the larger City of Guelph, the implementation of the CIP was undertaken by the Downtown Guelph Economic Development office that lies within the larger Economic Development office, which itself is within the City's Infrastructure, Tourism and Enterprise department.

Most importantly, three areas of the CIP were given full staffing: the Downtown CIP, a separate Brownfield CIP and a Heritage grants program, all of which had a meticulously crafted coordination structure for allocating funding and evaluating projects that could potentially draw from each plan.

In subsequent years the City has revised its plans, seeking to tighten implementation guidelines, respond to relevant legislation that provides other incentives, such as through Development Charges legislative changes, and redirect the focus away from for-profit housing. All of this is achieved internally through dedicated staff resources.

In financial terms, success to the point where the Downtown CIP was placed on hold was based on decisions to actively fund a tax increment grant reserve direct from annual tax revenues in advance of applications. This built a reserve eventually as high as \$32 million to support applications for major redevelopment, alongside much smaller CIP reserves for the usual array of CIP programs such as facade improvement.

Guelph is a strong example of how successful implementation of complex programs can only be achieved through clear-sighted municipal leadership. The principles of treating the CIP as something that requires not only seed investment, but daily management and efficient application/evaluation processes is DIRECTLY applicable to any CIP program suite developed by Clarence Rockland.

Indeed, the evidence of Clarence-Rockland's CIP to date is that while a number of programs are in place, the programs have been underfunded and insufficient staff resources applied. The next iteration of the CIP (that is currently in development) should remediate these problems.

BRADFORD WEST GWILLIMBURY

The Town made the immediate decision to rest the new CIP in Economic Development and create an effective evaluation committee that included staff from each of Economic Development, Planning and Engineering departments as well as the Bradford Board of Trade.

A dedicated full-time equivalent (FTE) position was created that oversaw all aspects of implementation from application forms, marketing, the work of the evaluation committee, annual reporting to council and individual recommendations for council approval. All decisions are made by the council.

It should be noted that if a CIP includes delegated authority to staff, it is even more essential to dedicate a full-time staff position to the job of implementing the CIP.

As a result of having internal staff dedication, the CIP file was developed as an active part of the economic development mandate leading to two additional CIPs – an Industrial Areas CIP and Seniors Housing CIP.

As an active consideration, the CIPs have each been adjusted by Sierra with an ongoing retainer to review, revise and update on an as-needed basis. This cost-effective measure could not have happened without a dedicated CIP officer in place.

Attached to this memo are the quantified success metrics of each of the reviewed plans. The results are self-apparent, and a significant scale of program implementation has occurred as well as overall leveraging of public funds. The ratio of private to public investment is substantial.

RISKS OF INACTION

With respect to item 3 - the risks associated with maintaining the status quo regarding staffing and funding - please note the following:

- The current CIP in Rockland has not achieved significant impacts across the programs in dollar terms - likely as a result of the need to better market and internally staff the implementation of the programs as well as the impacts of the pandemic.
- Maintaining existing budgets are less the issue than is establishing an overall CIP reserve that is large enough at the outset to enable annual top-up of a reasonable amount. An underfunded CIP stands little chance of success.
- Without staff resources the potential exists for the following failures:
 1. A lack of attention to online marketing of the plan.
 2. A lack of attention to applications and the achievement of complete applications (which can actually lead to far more work in attempting in good faith to help prospective applicants complete the necessary submissions).
 3. A lack of capacity to work with the local chamber of commerce to market, interpret and disseminate the aims of the CIP.
 4. A lack of capacity to manage complex projects. Complex projects and their success should be at the heart of major CIPs.

With effective investment in staff time and process, applicants can achieve the following:

1. Clarity of understanding of the programs and their project eligibility.
2. Self-reliance in completing CIP applications.
3. Developing productive relationships with the city in moving projects forward to development.
4. Become champions and ambassadors of the success of the CIP.

The latter is a major benefit that allows a CIP to gain momentum over time, effectively minimizing staff time in the long run.

CONCLUSION

It is therefore fundamental to success that a municipal council allocate funding not only to program recipients via a CIP reserve but budget the capacity of the municipality itself to actually operationalize and administer the CIP in all respects.

EXAMPLE: City of Guelph CIPs
(excerpt from Performance Review Presentation)

2010-2016 Downtown CIP Delegated Program Activity

	Applications Received	Applications Approved	Applications Executed	Executed Projects Application Value (\$)	Total CIP Grant Value (\$)	Leverage (Public\$ to: Total\$)	Development Activity Supported	Assessment Impact
Feasibility Study Grants (2010-2014)	6	4	3 -1 cancelled	\$40,248	\$14,950	1 : 2.6	Studies	N/A (1)
Façade Improvement Grants (2010-2014)	113	73	60 -13 cancelled	\$2,133,897	\$627,934	1 : 3.4	Exterior Facades & Signage	N/A (1)
Minor Activation Grants (2012-2016)	27	6	5 -1 cancelled	\$2,337,934	\$443,800	1 : 5.3	0 residential units 41,000 sqft of Commercial /Office space	Average 61% assessment increase 2012-2016 (12%/yr vs. 5% city-wide)
Budget Totals:				\$4,512,079	\$1,086,684	1 : 4.2		

(1) correlation of façade and study grants to individual MPAC assessment change is not identifiable against the general growth trend

Downtown + Brownfield CIPs & Heritage

RETURN ON INVESTMENT *once fully built*
Results of the \$32.5M TIBG Reserve funded projects:

- \$316M Construction Value leveraged** *(private 10 times larger)*
- \$293M MPAC Assessment Value created** *(9 times existing)*
- \$3.4M City Tax Income created** *(65% more compared to 2012)*
- 827 Residential units supported** *(exceeded target!)*
- 16,000m2 Commercial/Office space developed** *(331 jobs estimated)*
- 4 Designated sites redeveloped** *(10% added to downtown)*
- 29ha Brownfields remediated** *(7 sites)*

EXAMPLE: Town of Bradford West Gwillimbury CIPs
(excerpt from Comprehensive Review Report)

Program 3: Planning Fees and Building Permit Grant Program:

The objective of this program is to provide assistance for the development and redevelopment of sites via a reduction in applicable planning and building permit fees. Reduced planning and building permit fees may, in concert with other program support, help encourage new development efforts by reducing initial regulatory costs.

Program 4: Cash-in-lieu of Parkland Grant Program: The parkland contribution is land that must be conveyed or the equivalent value in cash that must be paid to the Town as a condition of development or redevelopment of a property. The Planning Act provides that the Town may require this conveyance or payment in order to ensure that adequate land or funds have been set aside for park and recreation purposes as the Town grows.

2.4 Performance Review

Downtown Community Improvement Plan (DCIP)

To date, a total of thirty nine (39) applications/projects have been completed under the DCIP with a total of nearly \$1.56 million paid. The completed projects resulted in \$9.11 million total capital investments, with the average ratio of 5.9 of private investment to 1 public dollar invested through the CIP.

As indicated in the Town’s CIP program monitoring data table, a total of four (4) applications have been approved by Council

(with a value of \$758,119, with 100% of this amount to be paid). Council Approved status means that a contract has not been executed.

Nine (9) DCIP application agreements with a total value of \$256,826 have been executed with 58% of this amount (or \$148,863) to be paid. Agreement Executed status means the work is not fully complete.

Together the 3 categories of CIP program support amount to a total of \$2.57 million.

A summary of programs and funding (completed, approved, and approved with execution agreements in place) within the DCIP is provided in the tables below.

Additionally, the Town’s CIP program monitoring data table includes six (6) projects with the current status “received applications”, of them two (2) applications were not approved. The Town’s CIP program monitoring table also includes 25 projects with status not indicated with the total approved amount of \$184,392. These projects are not included in the tables below.

Exhibit 4: DCIP Completed Projects

Application Number	Program	Amount Paid	Total Capital Investment	Ratio (Public to Total)
2022-01	Building Exterior	\$24,166.73	\$59,239.81	2.5
2022-02	Building Exterior	\$7,380.00	\$14,760.00	2.0
2023-01	Building Exterior	\$9,342.00	\$18,684.00	2.0
2023-06	Building Interior	\$28,401.68	\$55,520.00	2.0
2016-06	Building, Restoration, Renovation	\$51,008.78	\$167,353.00	3.3
2017-04	Building, Restoration, Renovation	\$25,000.00	\$50,123.00	2.0
2018-04	Building, Restoration, Renovation	\$53,784.20	\$194,959.23	3.6
2018-05	Building, Restoration, Renovation	\$50,045.00	\$128,566.17	2.6
2019-02	Building, Restoration, Renovation	\$16,632.44	\$9,904.96	0.6
2021-03	Building, Restoration, Renovation	\$54,381.05	\$107,000.00	2.0
2013-02	TIG	\$53,614.60		
2018-08	TIG	\$13,694.29		
2013-02	DC Grant	\$51,280.42	\$1,467,870.00	10.9
2013-04	DC Grant	\$98,358.00	\$2,250,000.00	22.9
2014-01	Façade, Landscape and Signage	\$15,570.00	\$104,950.00	6.7
2014-02	Façade, Landscape and Signage	\$58,289.00	\$453,145.00	5.6
2014-03	Façade, Landscape and Signage	\$6,250.00	\$77,390.00	12.4
2015-02	Façade, Landscape and Signage	\$11,250.00	\$46,145.69	4.1
2015-04	Façade, Landscape and Signage	\$1,667.00	\$22,000.00	13.2
2016-01	Façade, Landscape and Signage	\$25,000.00	\$88,705.00	3.5
2016-02	Façade, Landscape and Signage	\$15,000.00	\$60,342.00	2.4
2016-02-B	Façade, Landscape and Signage	\$10,000.00		
2017-07	Façade, Landscape and Signage	\$2,203.50	\$8,814.00	4.0
2017-09	Façade, Landscape and Signage	\$34,728.10	\$88,419.65	2.5

Application Number	Program	Amount Paid	Total Capital Investment	Ratio (Public to Total)
2017-10	Façade, Landscape and Signage	\$61,085.31	\$142,224.06	2.3
2017-11	Façade, Landscape and Signage	\$25,000.00	\$67,770.85	2.7
2017-12	Façade, Landscape and Signage	\$15,000.00	\$44,918.63	3.0
2017-13	Façade, Landscape and Signage	\$60,432.22	\$154,208.84	2.6
2018-02	Façade, Landscape and Signage	\$26,457.40	\$56,689.07	2.1
2018-03	Façade, Landscape and Signage	\$25,000.00	\$102,210.66	4.1
2018-06	Façade, Landscape and Signage	\$39,541.46	\$106,160.11	2.7
2018-07	Façade, Landscape and Signage	\$64,142.00	\$137,210.00	2.1
2018-09	Façade, Landscape and Signage	\$26,551.45	\$52,707.49	2.0
2018-11	Façade, Landscape and Signage	\$6,743.81	\$13,217.61	2.0
2019-01	Façade, Landscape and Signage	\$21,248.07	\$60,329.49	2.8
2019-03	Façade, Landscape and Signage	\$3,589.00	\$6,178.00	1.7
2019-04	Façade, Landscape and Signage	\$17,345.00	\$34,690.00	2.0
2020-01	Façade, Landscape and Signage	\$15,000.00	\$37,726.35	2.5
2020-03	Façade, Landscape and Signage	\$44,241.28	\$98,668.75	2.2
2020-05	Façade, Landscape and Signage	\$55,832.50	\$146,659.50	2.6
2020-06	Façade, Landscape and Signage	\$5,208.50	\$79,780.00	15.3
2020-07	Façade, Landscape and Signage	\$69,215.10	\$338,700.00	4.9
2021-01	Façade, Landscape and Signage	\$78,393.38	\$418,292.98	5.3
2021-02	Façade, Landscape and Signage	\$75,033.19	\$290,000.00	3.9
2021-05	Façade, Landscape and Signage	\$7,613.62	\$18,680.00	1.5
2021-06	Façade, Landscape and Signage	\$6,293.74	\$12,875.00	2.3
2021-07	Façade, Landscape and Signage	\$5,808.50	\$33,315.00	5.7
2021-08	Façade, Landscape and Signage	\$15,000.00	\$37,780.00	2.5
2021-10	Façade, Landscape and Signage	\$69,196.67	\$1,145,161.18	16.5
	Total	\$1,556,018.99	\$9,110,045.08	5.9

Exhibit 5: DCIP Approved Applications

Application Number	Program	Total Amount Approved	Amount Remaining to be Paid	% Remaining to be Paid
2013-03	Building, Restoration, Renovation	\$29,516.00	\$29,516.00	100%
2013-05	Façade, Landscape and Signage	\$26,266.00	\$26,266.00	100%
2020-02	Façade, Landscape and Signage	\$2,337.50	\$2,337.50	100%
2020-08	Planning Fees and Building Permit	\$700,000.00	\$700,000.00	100%
	Total	\$758,119.50	\$758,119.50	100%

Exhibit 6: DCIP Application Agreements Executed

Application Number	Program	Total Amount Approved	Amount Remaining to be Paid	% Remaining to be Paid
2015-01	Façade, Landscape and Signage	\$29,006.00	\$0.00	100%
2015-05	Façade, Landscape and Signage	\$36,369.00	\$0.00	100%
2017-03	Façade, Landscape and Signage	\$67,630.25	\$58,500.00	86%
2021-09	Façade, Landscape and Signage	\$20,000.00	\$17,608.64	88%
2023-02	Building Interior	\$25,552.30	\$23,052.30	90%
2023-03	Building Exterior	\$15,891.83	\$14,391.83	91%
2023-04	Building Exterior	\$9,179.45	\$123.31	1%
2023-05	Building Exterior	\$23,457.90	\$8,227.11	35%
2023-07	Building Exterior	\$29,739.87	\$26,960.37	91%
	Total	\$256,826.60	\$148,863.56	58%

Industrial Area CIP (IACIP)

here has been a total of ten (10) completed applications/projects under the IACIP with a total value of \$1,455,063. The completed projects resulted in \$105,069,129 total capital investments, with the average ratio of 72.2 of private investment to 1 public dollar invested through the CIP.

One application has been approved totaling nearly \$84,799.25 and four (4) other applications have executed agreements with a total value of \$213,183.58.

A summary of programs and funding (completed, approved, or pending approval) within the IACIP is provided in the tables below and amounts to \$1,753,046.67.

Additionally, the Town’s CIP database includes five (5) projects with status not indicated with the total amount approved of \$59,146.07. These projects are not included in the following tables.

Exhibit 7: IACIP Completed Projects

Application Number	Program	Amount Paid	Total Capital Investment	Ratio (Public to Total)
2013-01	DC Grant	\$883,346.47	\$3,600,000.00	4.1
2014-01	DC Grant	\$12,789.37	\$25,578.74	2.0
2014-02	DC Grant	\$12,789.37	\$25,578.74	2.0
2014-03	DC Grant	\$11,071.80	\$22,143.60	2.0
2016-01	Planning Fees and Building Permit	\$90,646.29	\$78,000,000.00	860.5
2020-01	Planning Fees and Building Permit	\$53,703.65	\$305,000.00	5.7
2020-02	Planning Fees and Building Permit	\$50,137.50	\$148,298.00	3.0
2021-02	Planning Fees and Building Permit	\$88,502.00	\$18,450,000.00	208.5
2021-03	Planning Fees and Building Permit	\$46,365.43	\$92,530.00	2.0
2019-01	TIG	\$56,495.23	\$4,400,000.00	21.4
	Total	\$1,455,063.84	\$105,069,129.08	72.2

Exhibit 8: IACIP Applications Approved

Application Number	Program	Total Amount Approved	Amount Remaining to be Paid	% Remaining to be Paid
2019-02	Planning Fees and Building Permit	\$84,799.25	\$0.00	100%
	Total	\$84,799.25	\$0.00	100%

Exhibit 9: IACIP Agreements Executed

Application Number	Program	Total Amount Approved	Amount Remaining to be Paid	% Remaining to be Paid
2020-03	Building, Restoration, Renovation	\$55,144.98	\$0.00	100%
2021-04	Planning Fees and Building Permit	\$50,125.00	\$0.00	100%
2021-05	Planning Fees and Building Permit	\$50,842.00	\$0.00	100%
2021-06	TIG	\$57,071.60	\$0.00	100%
	Total	\$213,183.58	\$0.00	100%

Senior Housing Community Improvement Plan (SHCIP)

Under the SHCIP prior to suspension in 2017, two projects were completed worth \$4.4 million in SHCIP grant funding. The projects are successful, creating approximately 250 seniors residential living units. The projects have attracted private investments with the total value of \$78.1 million with the ratio of 17.6 private dollars to 1 public dollar.

Exhibit 10: SHCIP Applications and Status

Application Number	Program	Status	Total Amount Paid	Total Capital Investment	Ratio (Public to Total)
2016-01	DC Grant	Project Completed	\$2,678,774.71	\$44,400,000.00	16.6
2017-01	DC Grant	Project Completed	\$1,767,576.35	\$33,700,000.00	19.1
Total			\$4,446,351.06	\$78,100,000.00	17.6