

## Cottam CIP Financial Options Overview

Grant Programs	Description	Advantages	Disadvantages
<b>1. Façade/Signage Improvement</b>	Funds are available for a percentage of the total cost for exterior design changes to the front of the existing building	<ul style="list-style-type: none"> <li>- encourages revitalization of the streetscape</li> <li>- admin is straight forward once criteria is established</li> <li>- results at more immediate</li> </ul>	<ul style="list-style-type: none"> <li>- qualification criteria need to be developed to provide consistent application</li> <li>- there are no urban design guidelines in the area to provide direction</li> </ul>
<b>2. Fee Equivalent Program</b>	A percentage of Town planning or building fees is refunded or a portion of the development charges are refunded	<ul style="list-style-type: none"> <li>- this is a rebate program so no additional tax dollars are used to fund the program</li> <li>- may help to encourage new uses or expansion of existing</li> </ul>	<ul style="list-style-type: none"> <li>- reduction of development charges is not recommended as current pool is limited</li> <li>- lost revenue for Building &amp; Planning which requires a replacement of tax dollars</li> </ul>
<b>3. Tax Increment Equivalent Program</b>	As a result of rehab or redevelopment a percentage of the difference in the increase tax assessment is returned to the owner over a set timeframe typically 5 years	<ul style="list-style-type: none"> <li>- this is a rebate program so no tax dollars are used to directly fund the Program</li> <li>- provides potential for new development</li> </ul>	<ul style="list-style-type: none"> <li>- program is very administratively heavy requiring considerable resources which the Town does not currently have</li> <li>- lag in assessment update increases need for monitoring &amp; increases the complexity of administration of the program</li> <li>- lost revenue from year one to four is not recovered in year five</li> </ul>
<b>4. Vacancy Rebate Program</b>	Commercial or industrial property owners unable to find tenants to fill vacancies can make application to the program for a partial rebate of property taxes	<ul style="list-style-type: none"> <li>- provides financial relief to owners to offset loss of revenue</li> <li>- provides a measure of building security through lean economic times by reducing the incentive to demolish vacant buildings</li> <li>- tax savings can be used to reinvest in the vacant property to increase rental viability in the future</li> </ul>	<ul style="list-style-type: none"> <li>- rebate program tends to be contrary to the goals of a CIP to encourage reduction in vacancies and support growth</li> <li>- no guarantee that savings will be used to reinvest in a property</li> <li>- cost-benefit is low when administrative resource commitment is factored in</li> <li>- a vacancy rebate program within a CIP targets rebate dollars to a specific area rather than the entire municipality</li> </ul>
<b>5. Residential Conversion/Intensification Program</b>	Funds are available for the conversion of vacant & underutilized second floor commercial space or limited ground floor space to residential units, renovation of existing residential uses in mixed use buildings, infilling and increased grants for affordable residential units	<ul style="list-style-type: none"> <li>- can increase the population in a CIP area helping to support the existing commercial businesses</li> <li>- helps reduce vacancy and encourage more than minimal maintenance</li> </ul>	<ul style="list-style-type: none"> <li>- can reduce the available commercial square footage available in a CIP</li> <li>- often CIP areas have limited parking resources so you have a commercial need versus residential need which are considerably different</li> <li>- parking issues can lead to a need for the Town to develop additional parking or introduce monetary programs to help pay for future parking development</li> </ul>

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<b>6. Reduced Parking/Parkland Dedication</b>	Relief from required parking for new development or intensification or parkland dedication requirements for lot creation are waived	<ul style="list-style-type: none"><li>- neither program has a direct cost impact on tax dollars</li></ul>	<ul style="list-style-type: none"><li>- lot creation opportunities in CIP areas tend to be very limited</li><li>- requirement for parkland dedication in CIP areas is often unnecessary as this was either not required at the time of development or was dealt with at the time of original development</li><li>- relief from parking is unwise as it is simply ignoring a requirement of the by-law for the benefit of encouraging development</li></ul>
<b>7. Heritage Property Tax Relief</b>	Owners agree to participate in the designation of their building(s) in exchange for a percentage rebate on their property taxes	<ul style="list-style-type: none"><li>- this type of program already exists in Kingsville so it would not require development of a new process</li><li>- can help to further encourage additional designations of properties in the CIP that may not otherwise participate</li></ul>	<ul style="list-style-type: none"><li>- has limited impact as there may be limited properties of interest for designation</li><li>- may require additional administrative resources</li><li>- would have a direct financial impact as tax dollars are lost</li></ul>
<b>8. Brownfields/Environmental Site Assessment</b>	Assistance for property owners seeking to redevelop existing or former uses or sites where environmental contamination may be present	<ul style="list-style-type: none"><li>- encourages clean-up and redevelopment of Brownfield sites</li><li>- can lead to relocation of non-traditional downtown uses</li><li>- can have a beneficial spin-off effect on surrounding properties</li></ul>	<ul style="list-style-type: none"><li>- initial investigations can lead to additional costs</li><li>- program can require significant financial resources in order to truly encourage full remediation</li><li>- program can require significant administrative resources and a need for a certain level of technical understanding</li><li>- limited focus as Brownfield sites are limited in number</li></ul>