

Bill No. 284
2014

By-law No. C.P.-_____

A by-law to adopt the Community Improvement Plan for Industrial land uses.

WHEREAS subsection 28(4) of the *Planning Act* enables the Council of a municipal corporation to adopt community improvement plans within designated areas;

AND WHEREAS The Council of the Corporation of the City of London has, by By-law No. C.P.-_____ designated a community improvement project area identified as the Industrial Community Improvement Project Area;

AND WHEREAS The Industrial Community Improvement Project Area is in conformity with the Official Plan;

NOW THEREFORE the Municipal Council of the Corporation of the City of London enacts as follows:

1. The Industrial Lands Community Improvement Plan dated May 2014, attached hereto as Schedule 2, is hereby adopted as the Community Improvement Plan for the area defined therein.
2. The Incentive Program Guidelines of the Industrial Development Charges Grant program, attached hereto as Schedule 3, is hereby adopted.
3. The Incentive Program Guidelines of the Industrial Corridor Enhancement Grant Program, attached hereto as Schedule 4, is hereby adopted.
4. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on June 10, 2014.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading – June 10, 2014
Second Reading – June 10, 2014
Third Reading – June 10, 2014

Schedule 2

INDUSTRIAL LANDS COMMUNITY IMPROVEMENT PLAN

Schedule 3

Industrial Development Charges Grant – Incentive Program Guidelines

Schedule 3

Industrial Development Charges Grant – Incentive Program Guidelines

Industrial Development Charges Grant – Incentive Program Guidelines

Purpose

- This program provides a major financial incentive to stimulate new investment by existing and new industrial businesses within the Urban Growth Boundary in the form of development, redevelopment, rehabilitation and/or adaptive reuse of buildings for industrial use.

Description/Funding

- This program will provide a grant to an eligible applicant equal to 100% of the City development charge paid on an industrial building that is constructed within the Urban Growth Boundary.
- This grant will be paid by the City at the time of building permit issuance.
- The amount of the DC grant will be determined based upon the total amount of City development charges owing after all exemptions, reductions and credits are applied in accordance with the Development Charges By-law.

Area of Application

- This program applies to all industrial land uses within the Urban Growth Boundary for eligible “industrial building” and “commercial truck service establishment” development, redevelopment, and rehabilitation projects, as defined below in the Definitions section of the Incentive Program Guidelines.

Definitions

“**Adaptive Re-use**” means the physical process undertaken (including constructed improvements) to convert a non-industrial building on previously developed land into an industrial building.

“**Applicant**” means a registered owner or assessed owner of lands and buildings within the Community Improvement Project Area, and any person to whom a registered owner or assessed owner of lands and buildings within the Community Improvement Project Area has assigned the right to receive a grant or loan. Applicants may also be referred to as “owners”, “building owners” or “property owners”.

“**Brownfield**” means abandoned, vacant or underutilized lands and/or buildings within the Urban Growth Boundary of the City of London where expansion, retrofit or redevelopment may be complicated by environmental contamination from past uses and development activity.

“**Commercial Truck Service Establishment**” means a premises purpose designed for repair and servicing of freight carrying trucks, including truck tractors and truck trailers, and shall include the storage and sale of parts accessory to such vehicles;

“**Community Improvement**”, unless otherwise specified, is as defined in accordance with its definition under Section 28 of the *Planning Act*.

“**Community Improvement Plan**” (CIP), unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.

“**Community Improvement Project Area**” (CIPA), unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.

“Development” means the construction of a new industrial building on previously undeveloped land.

“DC” means Development Charges.

“Industrial Building” is a building used for:

- a) manufacturing, producing, fabricating, assembling, compounding or processing of raw materials, goods, component parts or ingredients where the physical condition of such materials, goods, parts or components are altered to produce a finished or semi-finished tangible product, or the packaging, crating, bottling, of semi-processed goods or materials, but not including any of these activities where they primarily serve retail purposes to the general public;
- b) storing or distributing something derived from the activities mentioned in a) above and for greater certainty, shall include the operation of a truck terminal, warehouse or depot and does not include self storage warehousing for use by the general public or retail sales associated with the goods stored or distributed, or accessory storage of a commercial building;
- c) research or development in connection with activities mentioned in (a) above;
- d) retail sales of goods produced by activities mentioned in section a) at the site where the manufacturing, producing or processing from raw materials or semi-processed goods takes place and for greater certainty, includes the sale of goods or commodities to the general public where such sales are accessory or secondary to the industrial use, and does not include the sale of goods or commodities to the general public through a warehouse club;
- e) office or administrative purposes, if they are carried out:
 - i. with respect to the activity mentioned in section a), and
 - ii. in or attached to the building or structure used for activities mentioned in section a) and
 - iii. for greater certainty, shall include an office building located on the same property as, and used solely to support, the activities mentioned in section a);
- f) a business that stores and processes data for retrieval, license or sale to end users and are on lands zoned for industrial uses; or
- g) businesses that develop computer software or hardware for license or sale to end users that are on lands zoned for industrial uses.

“Qualified Person” means a person as defined by Section 168.1 of the Environmental Protection Act Ontario and Ontario Regulation 153/04 (as amended by Ontario Regulation 66/08) who meets the qualifications to be a qualified person.

“Redevelopment” means the construction of a new industrial building and/or the expansion of or addition to an existing industrial building on previously developed land.

“Rehabilitation” means the physical process undertaken (including constructed improvements) to an existing industrial building on previously developed to return the building to a usable state.

“Urban Growth Boundary” means the area referred to and shown in the City’s Official Plan as the “Urban Growth Area” or “Urban Growth Boundary”.

General Program Requirements

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements of the Industrial Lands Community Improvement Plan and the following program requirements:

1. An application for the Industrial Development Charges Grant program contained in this CIP:
 - a) can be made only for development, redevelopment, rehabilitation, and/or adaptive reuse of an industrial building within the Urban Growth Boundary;
 - b) must be submitted to and approved by the City prior to the commencement of any works to which the incentive program will apply and prior to application for building permit; and
 - c) must include plans, drawings, studies, reports, urban design briefs, cost and other studies, details and information as required by the City to satisfy the City with respect to project eligibility, design, performance and conformity with the CIP.
2. The Industrial Development Charges Grant is considered active if Council has approved implementation of the program, and Council has approved a budget allocation for the program;
3. The City is not responsible for any costs incurred by an applicant in relation to any of the program(s), including without limitation, costs incurred in anticipation of a grant;
4. If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the approved grant may be delayed, reduced or canceled, and the applicant may be required to repay part or all of the approved grant;
5. The City may discontinue the Development Charges Grant Program at any time, but applicants with approved grants will still receive said grant, subject to meeting the general and program specific requirements;
6. Proposed land uses must be in conformity with the Official Plan, Zoning By-law and other planning requirements and approvals;
7. If part or all of a building(s) in a project approved for a DC grant is converted to a non-industrial use, the City may require a change of use permit, with associated costs to be paid by the applicant.
8. All proposed works approved under the incentive programs shall conform to provincial laws and City guidelines, by-laws, policies, procedures, and standards;
9. All works completed must comply with the description of the works as provided in the application form and contained in the grant agreement, with any amendments as approved by the City;
10. All construction and 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;
11. Where 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 grant approval or payment;
12. Property taxes must be in good standing throughout the time of program application and approval.
13. City staff, officials, and/or agents may inspect any property that is the subject of an application for incentive program(s) offered by the City;
14. Eligible applicants may apply for one or more of the implemented incentive programs that are contained in the Industrial Lands CIP and/or other applicable CIPs; however, in order to avoid use of two or more incentive programs to pay for

the same eligible cost, if an applicant is eligible to apply for the same program under this CIP and any other applicable CIP, the applicant can apply for DC Grant program under one CIP only;

15. The total of all grants, loans and tax assistance provided in respect of the particular lands and buildings for which an applicant is making application under the programs contained in this CIP and any other applicable CIPs shall not exceed the eligible costs of the improvements to those particular lands and buildings under all applicable CIPs.
16. For projects on brownfield sites, the owner shall meet all applicable program eligibility Requirements of the Brownfields Development Charge Rebate Program in the City's CIP for Brownfield Incentives, including filing in the Environmental Site Registry of a Record of Site Condition (RSC) for the property signed by a qualified person, submission to the City of the signed RSC, and proof that the RSC has been acknowledged by the Ministry of Environment (MOE).
17. The applicant(s) must be the registered property owner(s) for the subject.
18. Separate applications must be made for each discreet property under consideration for the Development Charges Grant program.
19. Industrial Development Charges Grants will not be given retroactively to recognize projects that have begun without application to this program. To be eligible for this program a complete application must be received prior to any works being done which relate to the associated building permit application.

General Procedure and Administration

- A building permit application must be submitted coincident with the application for funding under the Industrial DC Grant program.
- As a condition of application approval, the applicant shall be required to enter into a Grant Agreement with the City. This Agreement will specify the terms and provisions of the incentive to be provided.
- At time of the application, Development Charges fees will be calculated by the Chief Building Official or designate. The total dollar value calculated will be the total Industrial DC Grant available for the given project.
- The administrative process by City of London Staff will ensure the following:
 - i) the Chief Building Official, or designate, advises the Finance Service Area of the value of the Development Charges calculated for the eligible project; and
 - ii) the value of the calculated grant be transferred directly to the Reserve Fund for Development Charges. This direct transfer is instead of Staff collecting 100% of DCs from applicants and then providing applicants with a 100% Grant to rebate the monies collected.

Grant Agreement

1. Participating property owners in the Industrial Development Charges Grant program shall be required to enter into an agreement with the City.
2. This agreement shall include but is not limited to, identification of the dollar value of the grant and confirmation of applicant's agreement with the administrative process.
3. The agreement is intended to encapsulate all of the terms and conditions included in these Incentive Program Guidelines.

Discontinuation of Program

Council may periodically review the Industrial Development Charges Grant program to determine if the program should continue, be modified, or cease to issue new commitments.

Schedule 4

Industrial Corridor Enhancement Grant – Incentive Program Guidelines

Industrial Corridor Enhancement Grant – Incentive Program Guidelines

Purpose

- This program provides an incentive program to enhance the public realm of industrial lands directly abutting the highway. Enhancement will be through incentives to invest in public realm improvements to landscaping, screening and public art.
- This program supports the creation of a unified brand and comprehensive identity for the City of London along the Highway 401/402 Investment Corridor, in alignment with the Industrial Land Development Strategy.

Description/Funding

- This program provides a financial incentive to promote improved landscaping (including tree planting), fencing, berming, screening and public art in the development, redevelopment, rehabilitation and/or adaptive reuse of buildings for industrial use.
- This program provides a grant equal to 50% of the cost of eligible landscaping, fencing, berming, screening and public art on industrial properties that sufficiently improves the aesthetics of industrial sites, and/or provides effective screening of outside storage areas so as to mitigate the visual impact of said industrial uses.
- This program applies to industrial properties where development, redevelopment, rehabilitation and adaptive reuse is taking place.
- The maximum grant per property is \$25,000, with a maximum of one application per property.
- The City of London funding for this program is not to exceed \$250,000 per year, subject to approval of annual City budget.

Area of Application

- This program applies to all industrial land uses within the Urban Growth Boundary that directly abuts Highway 401 and Highway 402.

Definitions

“Adaptive Re-use” means the physical process undertaken (including constructed improvements) to convert a non-industrial building on previously developed land into an industrial building.

“Applicant” means a registered owner or assessed owner of lands and buildings within the Community Improvement Project Area, and any person to whom a registered owner or assessed owner of lands and buildings within the Community Improvement Project Area has assigned the right to receive a grant or loan. Applicants may also be referred to as “owners”, “building owners” or “property owners”.

“Community Improvement”, unless otherwise specified, is as defined in accordance with its definition under Section 28 of the *Planning Act*.

“Community Improvement Plan” (CIP), unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.

“Community Improvement Project Area” (CIPA), unless otherwise specified, is as defined in accordance with its meaning under Section 28 of the *Planning Act*.

“Development” means the construction of a new industrial building on previously undeveloped land.

“Industrial Building” is a building used for:

- h) manufacturing, producing, fabricating, assembling, compounding or processing of raw materials, goods, component parts or ingredients where the physical condition of such materials, goods, parts or components are altered to produce a finished or semi-finished tangible product, or the packaging, crating, bottling, of semi-processed goods or materials, but not including any of these activities where they primarily serve retail purposes to the general public;
- i) storing or distributing something derived from the activities mentioned in a) above and for greater certainty, shall include the operation of a truck terminal, warehouse or depot and does not include self storage warehousing for use by the general public or retail sales associated with the goods stored or distributed, or accessory storage of a commercial building;
- j) research or development in connection with activities mentioned in (a) above;
- k) retail sales of goods produced by activities mentioned in section a) at the site where the manufacturing, producing or processing from raw materials or semi-processed goods takes place and for greater certainty, includes the sale of goods or commodities to the general public where such sales are accessory or secondary to the industrial use, and does not include the sale of goods or commodities to the general public through a warehouse club;
- l) office or administrative purposes, if they are carried out:
 - iv. with respect to the activity mentioned in section a), and
 - v. in or attached to the building or structure used for activities mentioned in section a) and
 - vi. for greater certainty, shall include an office building located on the same property as, and used solely to support, the activities mentioned in section a);
- m) a business that stores and processes data for retrieval, license or sale to end users and are on lands zoned for industrial uses; or
- n) businesses that develop computer software or hardware for license or sale to end users that are on lands zoned for industrial uses.

“Public Art”, unless otherwise specified, is defined in accordance with the City of London Public Art Policy and Program.

“Redevelopment” means the construction of a new industrial building and/or the expansion of or addition to an existing industrial building on previously developed land.

“Rehabilitation” means the physical process undertaken (including constructed improvements) to an existing industrial building on previously developed to return the building to a usable state.

“Urban Growth Boundary” means the area referred to and shown in the City’s Official Plan as the “Urban Growth Area” or “Urban Growth Boundary”.

General Program Requirements

Applicants are eligible to apply for funding under this program, subject to meeting the general program requirements of the Industrial Lands Community Improvement Plan and the following program requirements, subject to availability of funding as approved by Council:

1. An application for the Industrial Corridor Enhancement Grant program contained in this CIP:
 - a) can be made only for the following eligible costs under the grant program: material and labour costs of landscaping (including tree planting), fencing, berming, screening and public art that conforms to applicable City urban design guidelines, Public Art Policy and any other applicable City guidelines;

- b) must be submitted to and approved by the City prior to the commencement of any works to which the incentive program will apply; and
 - c) must include plans, drawings, studies, reports, urban design briefs, cost and other studies, details and information as required by the City to satisfy the City with respect to project eligibility, design, performance and conformity with the CIP.
2. The Industrial Corridor Enhancement Grant is considered active if Council has approved implementation of the program, and Council has approved a budget allocation for the program;
 3. The City is not responsible for any costs incurred by an applicant in relation to any of the program(s), including without limitation, costs incurred in anticipation of a grant;
 4. If the applicant is in default of any of the general or program specific requirements, or any other requirements of the City, the approved grant may be delayed, reduced or canceled, and the applicant may be required to repay part or all of the approved grant;
 5. The City may discontinue the Industrial Corridor Enhancement Grant Program at any time, but applicants with approved grants will still receive said grant, subject to meeting the general and program specific requirements;
 6. Proposed land uses must be in conformity with the Official Plan, Zoning By-law and other planning requirements and approvals;
 7. Site Plan approval shall be required for all properties, regardless of participation in the incentive programs offered through the Industrial Corridor Enhancement Grant Program;
 8. If part or all of a building(s) in a project approved for a Corridor Enhancement grant is converted to a non-industrial use at any time after project completion, but prior to the cessation of grant payments, the City may require a change of use permit, with associated costs to be paid by the applicant;
 9. All proposed works approved under the incentive programs shall conform to provincial laws and City guidelines, by-laws, policies, procedures, and standards;
 10. All works completed must comply with the description of the works as provided in the application form and contained in the grant agreement, with any amendments as approved by the City;
 11. All construction and 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;
 12. Where 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 grant approval or payment;
 13. Property taxes must be in good standing throughout the time of program application and approval.
 14. City staff, officials, and/or agents may inspect any property that is the subject of an application for incentive program(s) offered by the City;
 15. Eligible applicants may apply for one or more of the implemented incentive programs that are contained in the Industrial Lands CIP and/or other applicable CIPs; however, in order to avoid use of two or more incentive programs to pay for

the same eligible cost, if an applicant is eligible to apply for the same program under this CIP and any other applicable CIP, the applicant can only apply under one CIP for incentives to pay for the eligible works described the Corridor Enhancement Grant;

16. The total of all grants, loans and tax assistance provided in respect of the particular lands and buildings for which an applicant is making application under the programs contained in this CIP and any other applicable CIPs shall not exceed the eligible costs of the improvements to those particular lands and buildings under all applicable CIPs.
17. The applicant(s) must be the registered property owner(s) for the subject.
18. Separate applications must be made for each discreet property under consideration for the Industrial Corridor Enhancement Grant program.
19. Corridor Enhancement grants will not be given retroactively to recognize projects that have begun without application to this program. To be eligible for this program a complete application must be received prior to any works being done which relate to the associated building permit application.

General Procedure and Administration

- An application for funding under the Industrial Corridor Enhancement Grant program must be submitted coincident with the site plan application.
- As a condition of application approval, the applicant shall be required to enter into a Grant Agreement with the City. This Agreement will specify the terms and provisions of the incentive to be provided.
- At time of the grant application, the value of proposed works eligible under the Corridor Enhancement Grant program will be calculated as part of Site Plan application. Fifty percent (50%) of the total dollar value calculated, up to a maximum of \$25,000 will be the total Industrial Corridor Enhancement Grant available for the given project.
- The administrative process by City of London Staff will ensure the following:
 - i) Through Site Plan review and approval processes, the Finance Service Area will be advised of the value of the proposed works eligible under the Corridor Enhancement Grant program;
 - ii) A Grant Agreement will be entered into that identifies the value of the works and terms of the incentive;
 - iii) The applicant will undertake the works identified in the Grant Agreement; and
 - iv) Upon completion of the eligible works, an administrative process will ensure a grant rebate is provided to the applicant for the agreed-upon monetary value.

Grant Agreement

4. Participating property owners in the Industrial Corridor Enhancement Grant program shall be required to enter into an agreement with the City.
5. This agreement shall include but is not limited to, identification of the dollar value of the grant and confirmation of applicant's agreement with the administrative process.
6. The agreement is intended to encapsulate all of the terms and conditions included in these Incentive Program Guidelines.

Discontinuation of Program

Council may periodically review the Industrial Development Charges Grant program to determine if the program should continue, be modified, or cease to issue new commitments.