

Bill No. 188
2016

By-law No. C.P.-1467()-_____

A By-law to amend C.P.-1467-175 entitled "A by-law to establish financial incentives for the Downtown Community Improvement Project Areas".

WHEREAS by Subsection 28(2) of the Planning Act, the Council of a municipal corporation may, by by-law, designate such an area as a community improvement project area;

AND WHEREAS by Subsection 28(4) of the Planning Act, the Council of a municipal corporation may adopt a community improvement plan for the community improvement project area;

AND WHEREAS Municipal Council adopted By-law C.P.-1356-234 to designate the Downtown Community Improvement Project Area;

AND WHEREAS Municipal Council adopted By-law C.P.-1357-249 to adopt the Downtown Community Improvement Plan;

AND WHEREAS Municipal Council adopted By-law C.P.-1467-175 to establish financial incentives for the Downtown Community Improvement Project Area;

AND WHEREAS the Official Plan for the City of London contains provisions relating to community improvement within the City of London;

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

1. Delete Schedule "A" of By-law C.P.-1467-175 entitled "A by-law to establish financial incentives for the Downtown Community Improvement Project Areas", and replace with the new attached Schedule "A" entitled "Last Mile"/Fibre Optic Connection Grant Program", and renumber pages as required.
2. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on May 17, 2016.

Matt Brown
Mayor

Catharine Saunders
City Clerk

First Reading – May 17, 2016
Second Reading – May 17, 2016
Third Reading – May 17, 2016

Schedule “A”

“Last Mile”/Fibre Optic Connection Grant Program

1) Purpose:

The Fibre Optic Connection Grant Program is intended to:

- Provide financial assistance to property owners and multi-year tenants in designated areas for the installation and connection of fibre optic broadband services to eligible premises; and,
- Provide participating buildings and properties within the identified community improvement areas with high capacity broadband service.

2) Funding:

The Fibre Optic Connection Grant Program will be funded in an amount determined by the City of London and its program partners, Downtown London/MainStreet London and the London Economic Development Corporation (LEDC), which will be placed in an identified reserve fund. Promotional costs will be a charge to this fund. Grants will be payable upon the completion of an approved project subject to the performance criteria detailed in this program description.

Should there not be adequate funding to meet demand for the grant program, eligible applications will be held and processed in chronological order of their application date as funding becomes available.

3a) Eligible Areas:

The Fibre Optic Connection Grant Program applies to:

- All properties within the Downtown Community Improvement Project Area, and as shown as on Schedule 1.

3b) Eligible Uses:

The Fibre Optic Connection Grant Program applies to:

- Buildings containing a use/user that require high capacity fibre optic service to successfully undertake its business operations. Eligible uses include creative industries, digital marketing and gaming, information technology, medical technology and similar industries, and/or small businesses that rely on high capacity internet connectivity.
- Where the use is not defined, the Applicant shall provide information to the City and its program partners demonstrating how the use meets the eligibility criteria for this program. The City and its program partners shall review the information to determine eligibility.

4) Eligible Fibre Optic Connection Improvements:

Eligible Fibre Optic Connection improvements in the Downtown Community Improvement Project Area would include:

- Costs associated with the installation and connection of the “last mile” of fibre optic service from its nearest mainline/public realm connection to the eligible building and/or user.
- Professional fees at the discretion of the City and/or its program partners.

5a) Eligibility for Grant (owner/tenant):

To be eligible for a Fibre Optic Connection Grant, the applicant must meet all conditions detailed in this program description and the associated grant agreement, including:

- the applicant must submit a complete Fibre Optic Connection Grant Program application. This shall include the following information:
 - description of the company/products and/or services
 - number of current employees
 - area of existing space use (sq. m. /sq.ft.)
 - percent London Region sales
 - percent sales beyond London Region/export sales
 - projected employment after 1 year/2 years/3 years
 - projected space expansion after 1 year/2 years/3 years
 - for projects within buildings without a current eligible use, a description of the proposed improvements to be undertaken to increase the leasability of the property to attract an eligible use
- the applicant may be the registered owner of the property for which the application is being submitted, or a tenant of the property with a multi-year lease with a minimum term of three years;
- the applicant may be the registered owner of a property who is undertaking improvements to the property to increase the leasability of the property to attract an eligible use;
- where the applicant is a tenant of the property, the applicant must provide confirmation in writing that the property owner is aware of, and in support of, the connection and installation of fibre optic cable to the building;
- the owner of the property must pay a levy to the London Downtown Business Association;
- all mortgages and loans must not exceed 90% of the value of the property;
- all City of London realty taxes must be paid in full when the grant is issued;
- there must be no other outstanding debts to the City of London;
- the applicant must not have defaulted on any City-sponsored loan or grant program in the past;
- the intended use/user of the fibre optic connection is a targeted use as defined in this program description;
- the applicant must sign a grant agreement which will identify the terms and conditions of the grant.

5b) Eligibility for Grant (Structure):

Eligible structures for the Fibre Optic Connection Grant Program would include:

- any discrete building held in one ownership in the identified program area. Within a contiguous group of buildings, a discrete building will be interpreted as any structure which is separated from other structures by a solid party wall. The entirety of a multi-unit building, which contains separate units with condominium status, will be considered one building for the purpose of this program;
- Each discrete building on each property is eligible for a grant. Separate applications must be submitted for each discrete building on a single property;

- There must be no City of London Building Division orders or deficiencies when the grant is issued.

6a) General Terms of the Grant:

- The Fibre Optic Connection Grant Program will be a one-time grant. Applicants can apply only once under the program to discourage staged improvements over multiple years.

6b) Grant Amount:

A onetime grant will be issued to cover the lesser of:

- 50% of the cost of the eligible works per building;
- A maximum of \$20,000 per building as of the date of adoption of the Fibre Optic Connection Grant Program.

While more than one building on a single property may be eligible for a grant, grants will not exceed 50% of the cost of the eligible works that related to each discrete building.

The Fibre Optic Connection Grant is a one-time improvement grant. Applicants can only apply once per distinct building under the incentive to discourage staged improvements over multiple years.

6b) Grant Security:

The grant is payable upon the completion of an approved project subject to the performance criteria detailed in this guideline.

6c) Grant Disbursements:

The grant shall be paid to the applicant upon receipt of invoices for completed work and inspection of the completed improvements by the staff of the City of London or staff of the program partners.

The grant agreement will be signed by the City upon the completion of the work. There will be no progress payments. The grants will be disbursed after the completion of work and the signing of the grant agreement.

The Fibre Optic Connection Grant Program is a one-time grant. To be eligible for the grant, the applicant must meet all conditions detailed in this program description and associated grant agreement, including:

- Any City of London Incentive Loans must be in good standing with no arrears owing;
- All City of London realty taxes must be paid in full;
- There must be no outstanding debts to the City of London;
- The applicant must not have defaulted on any City-sponsored loan or grant program in the past; and
- There must be no City of London Building Division orders or deficiencies.

6d) Grant Repayment Provisions:

Not applicable.

6e) Transferable Grants:

At the discretion of the City, grants may be transferable to a new building owner or tenant providing the new owner or tenant meets with, and agrees to, the Terms and Conditions of the grant program. The new owner or tenant must submit a new application under the Fibre Optic Connection Grant Program.

7) Additional Rehabilitation and Demolition:

Not applicable.

8) Relationship to other Financial Incentive Programs:

It is intended that the Fibre Optic Connection Grant Program will complement other incentive programs offered by the City of London. Property owners may also qualify for financial assistance under those programs. However, the funding from these programs cannot be used to subsidize the property owner's share of the total cost of the improvements under the Fibre Optic Connection Grant Program.

9) Procedures:

The following procedures must be completed in entirety prior to the disbursement of funds under the Fibre Optic Connection Grant Program.

9a) Grant Application:

The applicant is required to complete a Fibre Optic Connection Grant Program application form and submit the form to the City of London.

The Fibre Optic Connection Grant Program will not apply retroactively to works completed prior to the approval of the Grant application by the City of London.

9b) A "Complete" Application:

The applicant is required to submit a detailed estimate of the costs of eligible works to be completed. The cost estimate should be supported by two quotations by qualified contractor/service provider. Cost estimates should be consistent with the estimate noted on any required accompanying Building Permit.

The Managing Director, Planning and City Planner, or designate, may require any drawings of the works to be undertaken, product illustrations or other materials associated with the connection and installation of the fibre optic connection. If a Building Permit is required for the contemplated works, the application shall be attached to the application form. It should be noted that some connection and installation projects may require drawings to be prepared by a qualified architect or engineer (as required for any associated Building Permit).

9c) Relationship of the Improvements to Design Guidelines:

Not applicable.

9d) Planning Division Inspection

Following the submission of the grant and prior to its approval, the Planning Division will inspect the building to review its condition and the proposed improvements. The Planning Division will make arrangements for a title search of the property and check on tax payment records.

9e) Final Determination of Eligible Improvements and Eligible Uses:

The final determination as to how much of the proposed work is eligible for funding under the Fibre Optic Connection Grant Program, or if the proposed use is an eligible use will be made by the City of London or program partner. The City of London or program partner may require further drawings, cost estimates, or other items of information relating to the proposed works before approval of the grant is issued.

9f) Grant Approval – Approval Expires in One Year:

Once all eligibility criteria and conditions are met, and provided that funds are available in the supporting Reserve Fund, the City of London will approve the Fibre Optic Connection Grant. If an application is refused, the applicant may appeal the decision to Council through the Planning and Environment Committee.

Approval by means of a letter to the applicant will represent a grant commitment. Grant commitments will be valid for one year and will expire if the work is not completed within that time period. The City of London may, at its discretion, provide a written grant commitment extension of up to one year. It is important to note that the consideration of such an extension will require a written request from the applicant detailing the reasons the extension is being sought.

9g) Inspection of Completed Works:

The grant will be paid to the applicant upon receipt of invoices for all completed work and after the City inspection of all completed improvements has taken place. The City will inspect the work completed to verify that the proposed improvements have been completed as described in the application. The grant amount will relate to the invoices showing the actual costs of completed work and not the estimated costs as described in 9b) above.

9h) Annual Reporting

The Applicant shall consent to an annual meeting after year 1, year 2 and year 3 with representatives of the London Economic Development Corporation to review the information provided as part of the Fibre Optic Connection Grant Program application as described in section **5a) Eligibility for Grant (owner/tenant).**

9i) Grant Payment:

The Fibre Optic Connection Grant Program is a onetime grant incentive.

Prior to the disbursement of the grant, the City of London will ensure that the provisions of Section 6c) Grant Disbursements have been satisfied. Having confirmed that the terms of conditions of Section 6c) have been met, a grant agreement will be signed by the City and the applicant.

10) Commencement of Program:

The Fibre Optic Connection Grant Program will commence on April 1, 2015. The program shall terminate after two years (April 30, 2017), unless extended by the City of London and the program partners. Letters of financial commitment shall expire in one year of the date of the letter, and in no case shall extend beyond April 30, 2018.

Schedule 1 – Downtown Community Improvement Plan Project Area

