

TO:	FINANCE & ADMINISTRATIVE SERVICES COMMITTEE MEETING ON SEPTEMBER 4, 2012
FROM:	MARTIN HAYWARD MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER
SUBJECT:	COMMUNITY IMPROVEMENT PROGRAM RESERVE FUNDS

RECOMMENDATION

That, on the recommendation of the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer, the following actions be taken with respect to Community Improvement Program Reserve Funds:

- a) the attached proposed by-law (Appendix A), **BE INTRODUCED** at the Municipal Council meeting on September 18, 2012 to repeal By-law No. A.-5650-175 entitled “A by-law to establish a reserve fund for the “Upgrade to Building Code Downtown Renovation Loan Program”;
- b) the attached proposed by-law (Appendix B) **BE INTRODUCED** at the Municipal Council meeting on September 18, 2012 to establish the Community Improvement Program - Grant Reserve Fund; and
- c) the attached proposed by-law (Appendix C) **BE INTRODUCED** at the Municipal Council meeting on September 18, 2012 to establish the Community Improvement Program - Loan Reserve Fund.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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None.

SUMMARY

The Financial Planning & Policy Division and the Planning Division reviewed the status of the reserve funds that provide grants and loans for property owners in Community Improvement Project Areas (e.g. Downtown, Old East London). It was determined that housekeeping measures were required to rename the reserve funds to better reflect their current use.

The following summarizes the recommended use for each reserve fund as outlined in the proposed by-laws forming Appendix B and Appendix C to this report.

Community Improvement Program - Grant Reserve Fund

This reserve fund was established to provide financial assistance to property owners in the Community Improvement Project Areas for rehabilitation and redevelopment projects, building improvements that are necessary to ensure that older buildings comply with present day building code standards, façade improvements and identified heritage elements, for building assessments and condition reports, and for signage, lighting and awning improvements. This reserve fund is currently known as Grants – Downtown Rehab & Development.

This reserve fund and the supporting by-law apply to the following areas: Downtown, Old East London, SoHo, London International Airport, and Heritage areas. Municipal Council previously adopted Community Improvement Plans under Section 28 of the *Planning Act* for each of these areas, but the formal by-law to support the administration of funds was not established.

Grants that have been made over the last five years under these programs are as follows:

GRANTS (\$000)	2007	2008	2009	2010	2011	5 YR TOTAL
Downtown Rehabilitation	359	463	739	590	465	2,616
Tax Holiday Program	0	0	5	66	119	190
Awnings/Signage/Lights	0	0	4	26	1	31
Total	359	463	748	682	585	2,837

Community Improvement Program - Loan Reserve Fund

This reserve fund was established to provide financial assistance to property owners in the Community Improvement Project Areas for building improvements that are necessary to ensure that older buildings comply with present day building code standards, façade improvements and identified heritage elements. This reserve fund is currently known as the Downtown and Old East Loan Program.

This reserve fund and the supporting by-law apply to the following areas: Downtown, Old East London, and SoHo. Municipal Council previously adopted Community Improvement Plans under Section 28 of the *Planning Act* for each of these areas and approved a by-law to support the administration of funds, but the by-law is out of date and needs to be repealed and replaced.

Loans that have been made over the last five years under these programs are shown below.

LOANS (\$000)	2007	2008	2009	2010	2011	5 YR TOTAL
Downtown Façade Improvement	0	110	70	223	122	525
Non-Street Facade	0	0	23	57	0	80
Upgrade to Building	99	235	188	560	330	1,412
Total	99	345	399	840	452	2,135

CONCLUSION

Municipal Council previously adopted Community Improvement Plans that provide grants and loans for building improvements in designated areas in the City. Funding for these programs is administered through two reserve funds. As a housekeeping measure, the Managing Director, Corporate Services and City Treasurer, Chief Financial Officer is recommending two new by-laws to support the existing reserve funds.

PREPARED BY:	REVIEWED BY:
Josh Clark, Manager of Financial Planning & Policy	Alan Dunbar, Manager of Financial Planning & Policy
CONCURRED BY:	RECOMMENDED BY:
Larry Palarchio, Director of Financial Planning & Policy	Martin Hayward, Managing Director, Corporate Services and City Treasurer, Chief Financial Officer