Requesting an Extension
Financial Incentives Programs

• Old East Village BIA is requesting a 2 year extension of:
  ▪ The Forgivable Upgrade to Building Code Loan Program; and
  ▪ The Forgivable Facade Improvement Loan Program.

• Old East Village BIA is asking the committee to support our request and refer it to the Finance Committee for consideration.
City of London’s Financial Incentives Programs

• Long history in the Downtown
  ▪ 1988 – First façade improvement program
  ▪ 1990s – First building upgrade program

• Downtown BIA has also requested a review of the Enhanced Incentive Programs
Old East Village
Dundas St. Corridor in 2002

• Challenges:
  ▪ Businesses not relate to neighbourhood;
  ▪ Deteriorating building stock
  ▪ Lack of investment
  ▪ Minimal local ownership

• Opportunities:
  ▪ Central London Area
  ▪ Active, creative community
  ▪ Outstanding heritage assets
  ▪ Potential for smart growth and intensification
Old East Village
Financial Incentives Programs

- 2002 – Designated a Community Improvement Area, Financial Incentives Programs are introduced:
  - Façade Improvement Loan Program
  - Upgrade to Building Code Loan Program
  - Tax Grant Program
Old East Village
Financial Incentives Programs

- 5 Year Enhanced Programs (Jan 1, 2008 - Dec 31, 2012)
  - Forgivable Upgrade to Building Code Loan Program;
  - Forgivable Facade Improvement Loan Program;
  - Tax Holiday Grant Program;
  - Heritage Building Improvement Grant Program;
  - Heritage Building Assessment/Condition Grant Program
  - Awning, Signage and Decorative Lighting Grant Program;
  - Non-Street Front Facade Improvement Loan Program.
Old East Village
Community Improvement Area
The Impact of the Financial Incentives Programs

- $1 of Municipal investment in CIP, has leveraged $7.50 in private investment

- $1 of Municipal investment in the CIP, has leveraged $20 for other programs.
The Impact of the Financial Incentives Programs

- Total new development projected at $170 million.
- Over 1,200 new residents by 2013
The Impact of the Financial Incentives Programs

- Targeted Uses increased from 33% to 71% (2003-2012)

- Vacancy Rate dropped from 25% to 9% (2003-2010)
The Impact of the Financial Incentives Programs

- 42 properties have utilized the incentive programs.
  - 1 property used the programs before 2008
  - 41 properties used the enhanced incentives programs since 2008

- There are currently 10 more applications in the development phase
The Impact of the Financial Incentives Programs

Green - indicates investment activity, since 2008 such as:

- Private Investment, and / or;
- Utilization of City’s Financial Incentives Programs, Convert to Rent and CMHC’s RRAP Program
The Impact of the Financial Incentives Programs

- Municipal Financial Incentives Dollars in Forgiven Loans To-Date: $926,462.84
- Private Investment Dollars through the Financial Incentives Programs: $6,403,412.76
- Municipal Forgivable Loans have a Private Investment Multiplier of 6.91
The Impact of the Financial Incentives Programs

• The Current Value Assessment:
  - Properties using the Enhanced Financial Incentives Programs increased by 58.90% (2002 - 2012)
  - All properties increased by 40.92% (2002 - 2012)
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