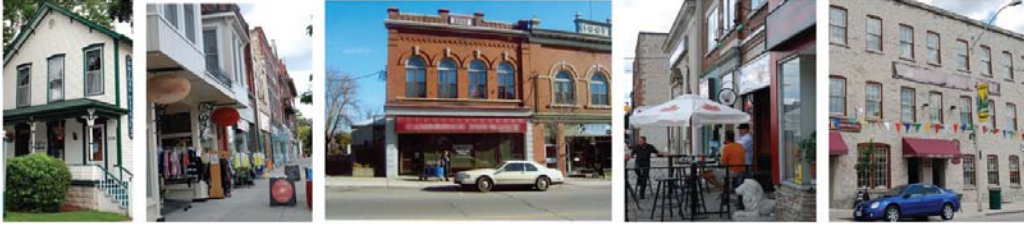


# City of Cambridge Incentive Programs



March 2011





## City of Cambridge Incentive Programs

Cambridge is one of the most beautiful cities in Southwestern Ontario, and the Corporation of the City of Cambridge is taking steps to further enhance our community. By offering financial incentive programs, Cambridge is helping residential and non-residential property owners to preserve,

beautify, clean-up and improve the appearance of properties for the overall benefit of all residents, visitors and business owners in the City. The **Building Revitalization Program** provides financial assistance for physical improvements to the exterior of existing buildings in the designated core areas. The **Design Guide Program** provides funds toward retaining a professional consultant to prepare a design plan for façade improvements of buildings in the designated core areas. The **Tax Increment Grant program** assists property owners with the financial costs to clean up contaminated properties city-wide. The City of Cambridge is committed to providing financial support to property owners to help improve buildings and properties throughout our community.

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## Building Revitalization Program (BRP)

### Core Area Program

#### What is the Building Revitalization Program?

The Building Revitalization Program (BRP) provides matching funding for certain improvements to existing buildings in the three Cambridge downtown Core Areas. The City can provide interest-free and partially forgivable (up to 35%) loan funding for up to 50% of eligible costs. All BRP funding is contingent on approval of the work plan and design by the BRP Review Panel.



#### Who Can Apply?

Building owners or their agents who wish to undertake exterior improvements to existing buildings.

#### What Buildings Qualify?

Buildings must be located in one of the three Core Areas of Cambridge (Galt City Centre, Hespeler Village, Preston Towne Centre). Please refer to maps in this guide for boundaries defining the Core Areas. The Building Revitalization Program does not fund work that has already commenced.

## Building Revitalization Program (BRP)

### Loan Amounts

#### Minimum Loan Amount:

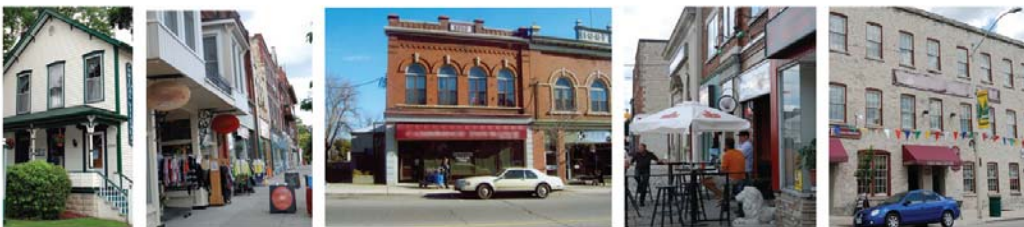
- \$2000  
(based on a minimum total project cost \$4,000)

#### Maximum Loan Amounts:

- Primary Street Frontage: \$20,000
- Additional Frontage(s) :  
add \$5,000 per frontage  
(Must be adjacent to a Public Right-of-Way  
or the Grand and Speed Rivers)
- Designated Heritage Property or Property of  
Interest on the Heritage Registry:  
add \$5,000

Maximum loan amounts will be verified by City Staff at a pre-consultation meeting.

Funding limits are allotted based on property and are not recalculated with change in ownership.





## Building Revitalization Program (BRP)

### Eligible Work

#### A. Primary Eligible Work

- Structural/safety replacement and repair for exterior façade
- Repair/replacement of windows, door, storefronts, awnings, canopies, cornices, eaves, parapets and other architectural details
- Signage (as permitted by the Sign By-law)
- Cleaning/painting of façades visible from adjacent streets and public walkways
- Entrance modifications including wheelchair access
- Permanent (“hard”) landscaping elements (e.g. walkways and planters). Driveways and parking areas are not eligible.
- Consultant costs (e.g. Engineer, Contractor, Designer)

#### B. Secondary Eligible Work\* (not exceeding 50% of total funding amount)

Other items may be considered at the discretion of the City of Cambridge

- Fire Safety upgrades to Code
- Roof repairs/replacement
- Water/flood/weatherproofing
- Structural repairs to walls, floors and foundations
- Landscaping including plant materials
- Paving

#### Notes:

1. *Cannot include work financed by other levels of government*
2. *An amount equal to or less than total amount of work eligible in Section A can be included in the BRP loan calculation.*

## Building Revitalization Program (BRP)

### Funding Options

#### 1. 35% Grant:

- 35% of total loan value is available as a grant (in lieu of a loan)

#### 2. Three-year loan agreement:

- Interest-free loan
- 35% of total loan is forgivable (grant)

#### 3. Maximum Five-year loan agreement

- Minimum annual repayment of 20% of total loan amount
- Loan forgiveness decreases the longer it takes to pay back the BRP Loan Funding

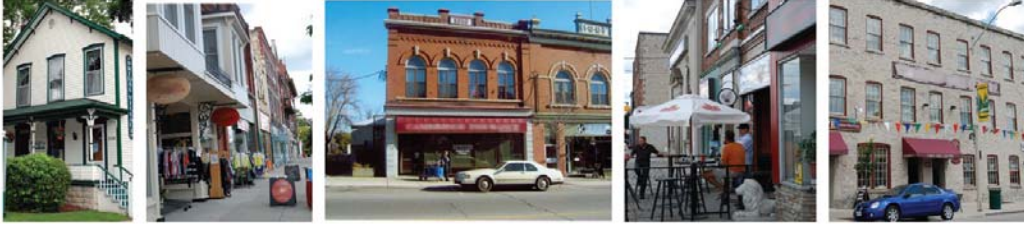


### Timing of BRP Loan Funding

BRP Loan funding is provided after:

- The BRP Review Panel has approved your work plan and design and you have received a Letter of Approval;
- All the work has been completed as per the Letter of Approval;
- All contractors have been paid and copies of paid invoices have been submitted to the City of Cambridge;
- All work has been inspected by a City of Cambridge representative; and
- The BRP Loan Agreement has been executed.





## Building Revitalization Program (BRP)

### Sample Funding Calculation (based on 3 year loan agreement)

Corner building (2 frontages) = BRP Max of **\$25,000**

Item	Quote 1	Quote 2	Approved BRP (\$)
<b>A) Primary Eligible Work</b>			
Exterior Painting	10,000	10,782	10,000
10 New Windows	8,700	8,320	8,320
New Sign	2,300		2,300
		<b>Subtotal</b>	<b>20,620</b>
<b>B) Secondary Eligible Work*</b>			
New Roof	14,500	15,225	14,500
Landscaping	3,000		3,000
		<b>Subtotal</b>	<b>17,500</b>
		Secondary Amount Eligible	<b>17,500</b>
		TOTAL Project Cost (A+B)	<b>38,120</b>
		TOTAL BRP Loan Amount (50% of Eligible Project Costs )	<b>19,060</b>
		35% Grant	<b>6,671</b>
		Total BRP Loan Repayment Amount	<b>12,389</b>
		Total remaining BRP funding available for future projects (\$25,000-\$19,060)	<b>5,940</b>

\*an amount equal to or less than the total amount of work eligible in Section A can be included in BRP Calculation

Building Revitalization Program (BRP) Process	
Step	Details
1. Contact City for Information	Applicant contacts City to confirm that the property is eligible for the program
2. Applicant to set up Pre-consultation Meeting with City Staff	Applicant meets with City staff to discuss process. Applicant brings photos of the building and ideas for improvements. Staff will identify key issues.
3. Applicant Hires a Design Professional	Applicant works with a design professional to develop exterior design for building and a work plan. <i>Design Guide program available to fund design consultant fees.</i>
4. BRP Review Panel Meeting	Applicant presents design and work plan at the BRP Review Panel Meeting.
5. Applicant Submits Application Form	Applicant fills out BRP Application form and submits to City.
6. Applicant Submits Quotes	Applicant submits quotes for each item identified in the work plan. For items over \$5000 two quotes must be submitted
7. Letter of Approval	BRP Review Panel examines the work plan with estimates and if acceptable staff issues a Letter of Approval. The Letter of Approval establishes conditions of funding, confirms the funding amount and specifies a timeline for completion.
8. Applicant Completes Work and provides paid invoices to City	Applicant completes work listed in the Letter of Approval and pays all contractors. Applicant provides City with copies of paid invoices and the City arranges an inspection of the property.
9. BRP Loan Agreement and Funds	After the work is completed the City prepares BRP Loan Agreement and then provides funds.





## Design Guide Program

### Core Area Program

#### What is the Design Guide Program?

The Design Guide is a Core Area incentive program intended to assist with the cost of professional fees incurred through the design of improvements, renovations and restorations of building façades. The City will provide a grant of up to \$1,000 for the first façade and \$250 for each additional façade to a maximum limit of \$1,750 per building. The design consultant utilized must be determined to be a qualified person by the City.

#### Who Can Apply?

Building owners or their agents who wish to explore design solutions aimed at improving the exterior appearance of their building either as a stand-alone project or as a component of a more extensive undertaking.



#### Which Buildings Qualify?

Buildings must be located in one of the three Core Areas of Cambridge (Galt City Centre, Hespeler Village, Preston Towne Centre). Please refer to maps in this brochure for boundaries defining the Core Areas.

## Design Guide Program

### Funding

#### Minimum Grant Amount:

- None

#### Maximum Grant Amounts:

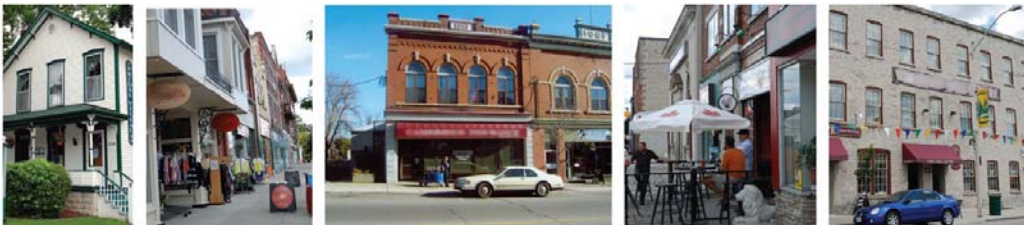
- Primary Street Frontage:  
\$1,000
- Additional Frontage(s) :  
add \$250  
(Must be adjacent to a  
public right-of-way or the  
Grand and Speed Rivers)
- Maximum total:  
\$1,750



The Design Guide funding is intended to apply to design fees to improve (and/or restore) the visual appearance of building façades. Design fees for signage and landscaping design can be submitted when no improvements to the building façade(s) are deemed necessary by the City.

Maximum grant amounts will be verified by City Staff.

Grants are allotted based on property and are not recalculated with change in ownership.





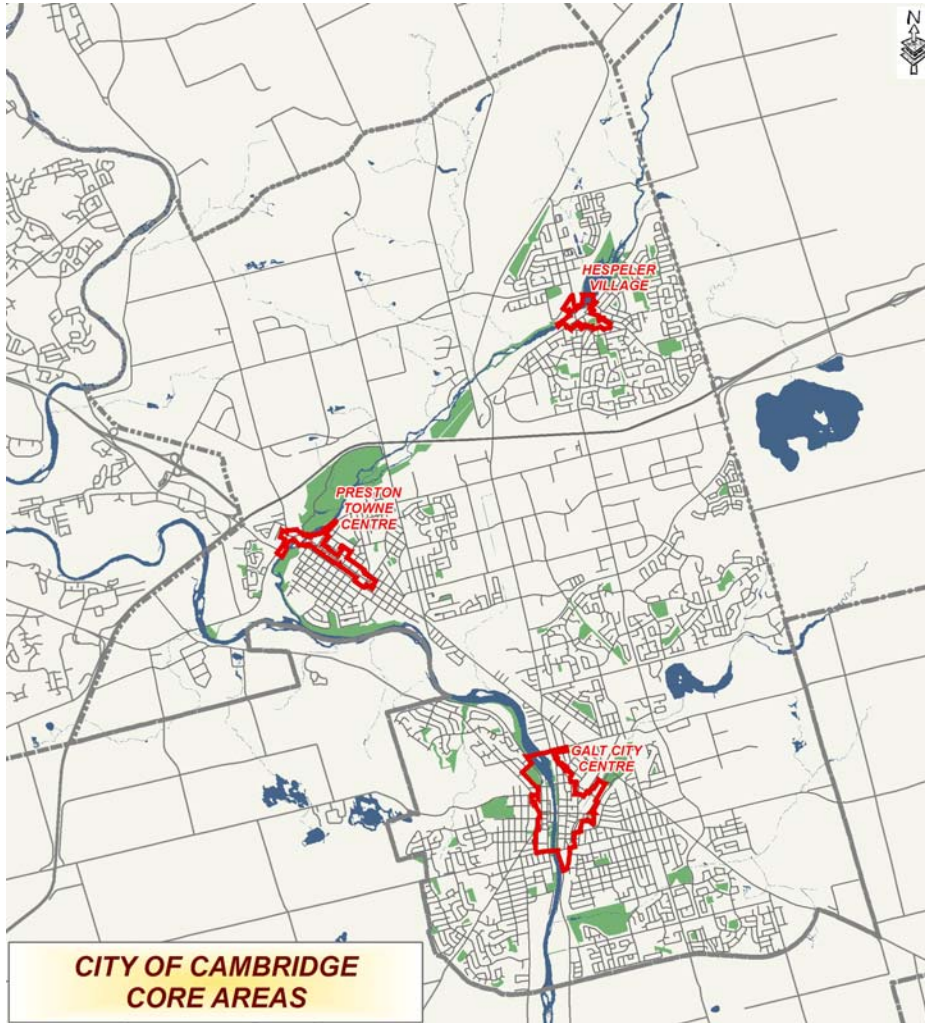
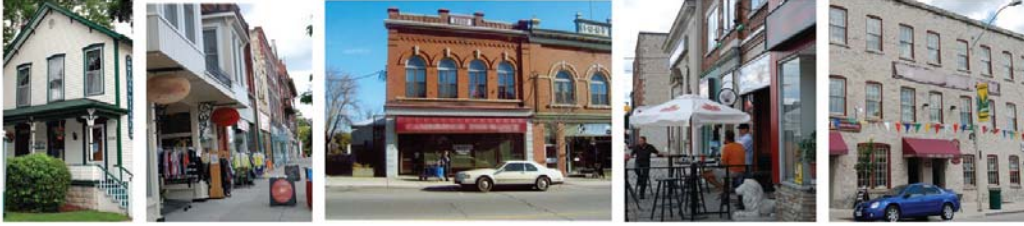
Design Guide Program Process	
Step	Details
1. Contact City for Information	Applicant contacts City to confirm that the property is eligible for the Design Guide Program.
2. Applicant Contacts a Design Professional and Obtains a Letter of Engagement	Applicant with Design Professional to prepare a Contract or Letter of Engagement which includes the following: <ul style="list-style-type: none"> <li>• that the building owner is the purchaser of the design consultant's services;</li> <li>• that the consultant provides design advice connected with the City of Cambridge Building Revitalization Program;</li> <li>• specification of the services to be provided, fee structure and anticipated product which <b>must</b> include a drawing(s);</li> <li>• accreditation of the consultant in order to verify as a qualified person; and,</li> <li>• statement that the City has full access to the consultant's drawings and other documents resulting from professional services without further permission from the building owner.</li> </ul>
3. Applicant Submits Application Form with a Letter of Engagement	Applicant fills out Design Guide Application form and submits to City with a copy of a Contract or Letter of Engagement between the building owner and selected design consultant.
4. Letter of Approval	City Staff reviews the application and Contract or Letter of Engagement and issues a Letter of Approval valid for 4 months.
5. Applicant submits paid invoices and drawings to City	Applicant pays the design professional and submits to the City copies of the paid invoices and drawing(s) completed by the design professional. City ensures that the work met the program objectives.
6. City Issues a Cheque	City issues a cheque to the building owner for the services rendered by the design consultant as per the Letter of Approval.



**What is the relationship between the Design Guide and the Building Revitalization Program (BRP)?**

- The Building Revitalization Program provides loans to building owners to undertake a range of improvements to their buildings to improve the exterior appearance of the structure.
- The Design Guide Program will ensure that building specific improvement proposals will meet the City's approval and will provide both the City and applicants interested in the Building Revitalization Program with appropriately designed proposals and ideas.
- Applicants to the Design Guide Program are encouraged to apply for a BRP but it is not a prerequisite.

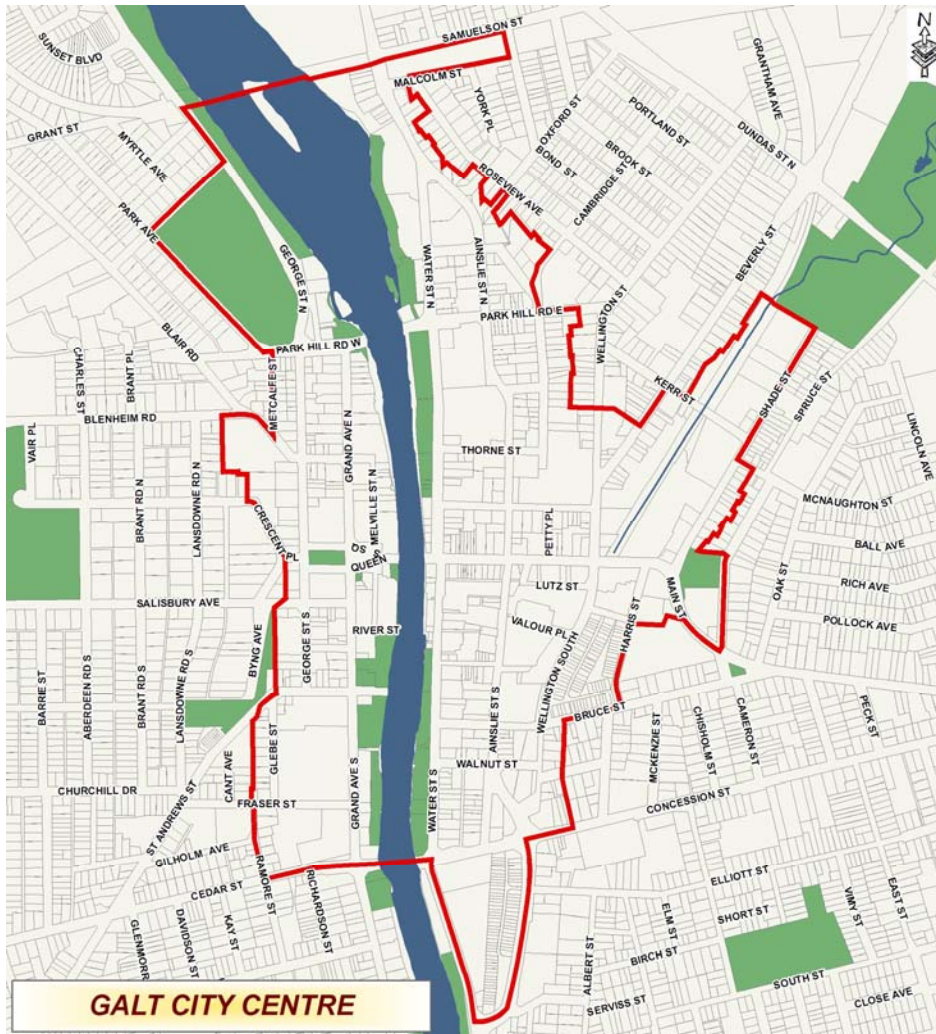
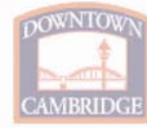




Building Revitalization Program and Design Guide Program funding is only available in the City of Cambridge Core Areas.

— Core Area Boundary

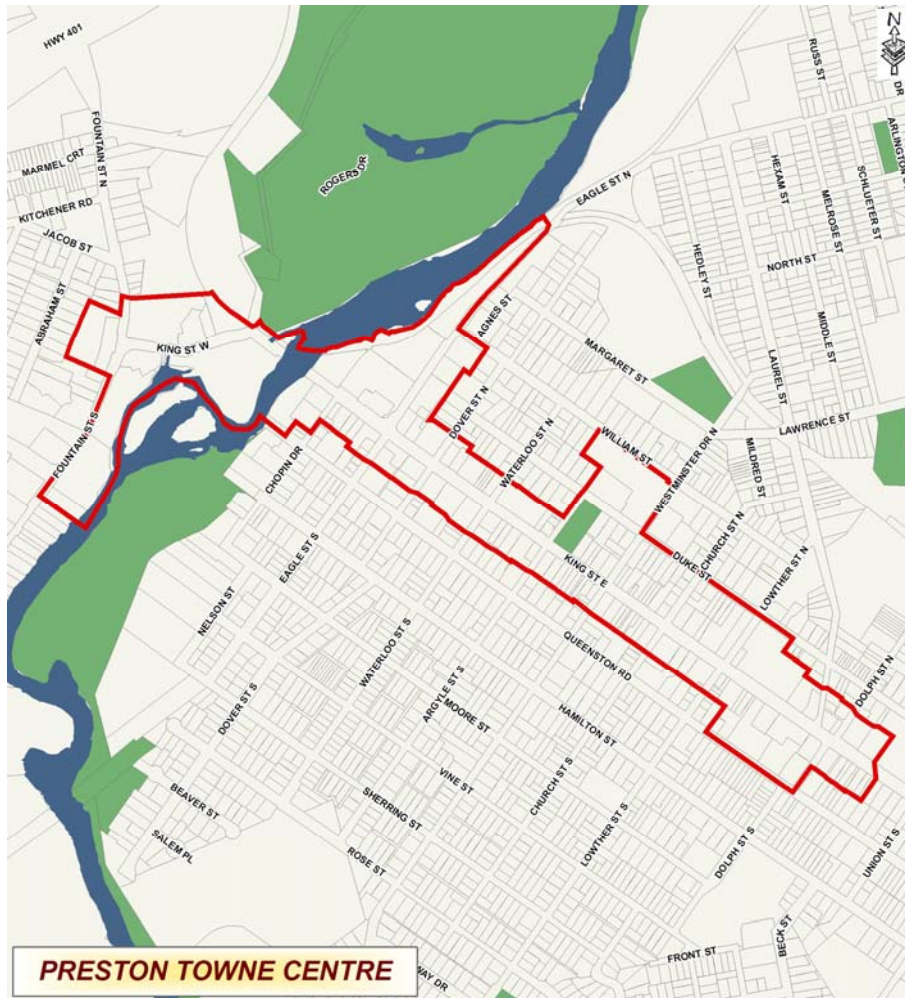




— Core Area Boundary

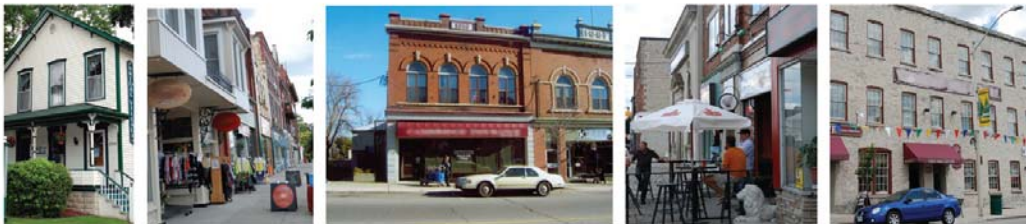






**PRESTON TOWNE CENTRE**

— Core Area Boundary





## Tax Increment Grant Program (TIG)

### City-Wide Program

#### What is the Tax Increment Grant Program?

The City of Cambridge, in collaboration with the Region of Waterloo, offers grants to assist property owners with the remediation and redevelopment of brownfield sites. The TIG is a grant equal to the full amount, or a portion of the amount, that municipal property taxes increase after a property is reassessed. The tax increment is calculated using the change in current value assessment following the completion of the remediation and redevelopment of the property. The difference in taxes between the pre-remediated and redeveloped site is used to provide a grant to the applicant for eligible costs associated with environmental remediation.

#### Who Can Apply?

Property owners who wish to undertake development of an existing contaminated site requiring remediation.

#### Which Buildings Qualify?

Properties must be located within the City of Cambridge and meet the TIG eligibility criteria. The TIG program is **not** limited to the Cambridge Core Areas.



## Tax Increment Grant Program (TIG)

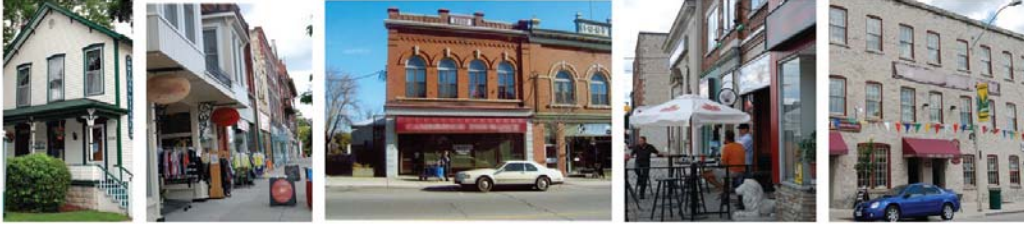
### Eligibility Criteria

Only brownfield sites that have been remediated and redeveloped, and have a Record of Site Condition acknowledgement from the Ministry of the Environment are eligible to receive TIG funding.

To qualify for the TIG, brownfield sites must meet the following criteria:

1. The site must be located within the City of Cambridge;
2. The applicant must be the registered owner of the site or the agent of the owner and must demonstrate clear title and responsibility for the land at the time the TIG is approved by the City and Regional Councils;
3. The applicant cannot be responsible for causing the on-site contamination that requires remediation;
4. The remediation and redevelopment undertaken must result in a minimum increased property assessment value of \$100,000;
5. The Phase I and Phase II Environmental Site Assessments must be completed by a “Qualified Person” as defined by Ontario Regulation 153/04, as amended, before a TIG application can be submitted;
6. Redevelopment plans must meet all approved policy and should comply, where feasible and appropriate, with applicable design guidelines;
7. The site must not be in a position of tax arrears or have any other outstanding municipal financial obligations; and
8. Application for a Tax Increment Grant must be made prior to the issuance of a building permit(s) for redevelopment.





## Tax Increment Grant Program (TIG)

### Eligible Remediation Costs

Total Eligible Remediation Costs include the eligible direct costs of remediating a brownfield site plus a predetermined allowance to account for indirect remediation costs.

Eligible Remediation Costs include:

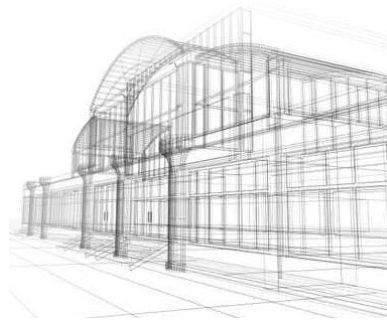
1. Phase I Environmental Site Assessments;
2. Phase II Environmental Site Assessments (excluding any portion already funded by the Region of Waterloo under its Phase II ESA Grant Program);
3. Environmental remediation work identified in a remediation work plan, including work completed 12 months prior to filing of a TIG application. Remediation work would include but is not limited to:
  - a) Remedial work plans;
  - b) Risk assessments;
  - c) Environmental Rehabilitation;
  - d) Disposal of contaminated soil;
  - e) Placing of clean fill and grading; and
  - f) Building demolition related to remediation.
4. Indirect Remediation Costs to a maximum of 10% of eligible remediation costs. Such indirect costs can include planning fees, legal costs, financing fees associated with remediation, insurance premiums, assessment estimates, and the preparation of a Record of Site Condition.

## Tax Increment Grant Program (TIG)

### Notes

Applicants to the Tax Increment Grant Program should be aware of the following:

- TIG payments do not begin until after remediation and redevelopment of the brownfield site has taken place, and may be several years after an initial application before a grant payment is made;
- The total amount of the TIG will be net of any other government financial assistance received by the developer for remediation;
- Site owners continue to be responsible for property tax payments during and after the remediation and redevelopment period; and
- TIGs are capped at the lower of the net eligible costs of remediation or the sum of the annual tax increment for 10 years after the redevelopment.



For additional information on the Tax Increment Grant Program please contact the City of Cambridge or Region of Waterloo staff.

City of Cambridge	Region of Waterloo
Senior Reurbanization Planner (519) 740-4650 ex 4213 planning@cambridge.ca	Principal Planner - Brownfields Coordinator (519) 575-4500 ex 3113 blambert@regionofwaterloo.ca






<b>Tax Increment Grant Program Process</b>	
<b>Step</b>	<b>Details</b>
1. Applicant Contacts City for Information	Applicant contacts City to discuss Tax Increment Grant Program and to obtain program details.
2. Applicant completes Environmental Site Assessments	Applicant completes Phase I and Phase II Environmental Site Assessments.
3. Applicant to set up Pre-consultation Meeting	Applicant meets with City and Region staff to discuss specific property details and the Tax Increment Grant process.
4. Applicant Submits Application	Applicant obtains a copy of the Application Package and submits 2 copies to the City of Cambridge which include following: <ul style="list-style-type: none"> <li>• a completed signed application form;</li> <li>• a letter of intent;</li> <li>• completed Phase I and Phase II Environmental Site Assessments and invoices;</li> <li>• projected remediation costs;</li> <li>• name and contact information of qualified person; and</li> <li>• any other relevant information.</li> </ul>
5. Staff Review Application for Eligibility	Application reviewed by City of Cambridge and Region of Waterloo TIG Committee to determine program eligibility. If the application is deemed ineligible applicant will be notified of reasons for ineligibility.
6. Staff Obtain MPAC Assessment and Estimates TIG Payments	City and Region staff obtain the pre-remediation and redevelopment assessment values from the Municipal Property Assessment Corporation. City staff estimate the amount of the annual TIG payments and payment schedule and Region staff will review.

Tax Increment Grant Program Process Continued	
Step	Details
7. City and Region Councils Approve or Refuse Application	City and Region staff prepare a report with recommendation to respective Councils. Councils make decision for approval or refusal of their portion of the TIG. City and Region staff advise the applicant of the decision.
8. Applicant enters into Legal Agreement with City and Region	If approved, applicant enters into a formal Tri-Partite legal agreement with the City of Cambridge and Region of Waterloo. The agreement will set out the estimated TIG payment and schedule, terms and conditions, obligations of the municipalities and property owners, defaults and remedies.
9. Applicant Remediate the Site	Applicant engages consultant(s) to proceed with remediation work and files a Record of Site Condition with the Ministry of the Environment. Applicant then provides 2 copies of the Ministry of the Environment acknowledgement letter to the City of Cambridge.
10. Applicant Redevelops Site	The applicant obtains building permits and commences development. Upon completion of redevelopment the applicant arranges final inspection with the City.
11. Applicant Obtains Assessment	Applicant obtains the redevelopment assessment from MPAC and forwards to the City. Actual annual TIG payments are established by the City and Region and added into the legal agreement.
12. Applicant Pays Full Taxes for One Year	Applicant pays taxes in full for one year and staff confirms that the property is not in tax arrears and all other requirements of the TIG Program Agreement are met.
13. City issues Payment of TIG	City issues annual payments of the TIG to the applicant until the end of the 10th year or year at which all TIG costs are reimbursed.



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Produced by the City of Cambridge Planning Services Department  
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