



PLANNING AND ECONOMIC DEVELOPMENT

POLICY AND PROCEDURE MANUAL			
POLICY NO.	PED-03	PAGE NO.	Page 1 of 4
AUTHORITY	Council, Resolution	APPROVAL DATE	
		EFFECTIVE DATE	
		LAST REVISION DATE	May 14, 2007
SUBJECT	<i>Façade Improvement Policy</i>		

PURPOSE

The purpose of the Façade Improvement Policy is to assist existing businesses to maintain their long-term viability and to assist property owners of vacant properties/spaces in increasing the marketability of their property in order to secure tenants.

POLICY STATEMENT

Façade Improvement Programs have been designed to assist property owners in revitalizing storefronts and backs within the downtown areas. The intent of this program is to encourage individual property owners to renovate/upgrade those portions of their businesses that are readily visible to the public from the street.

Many communities have introduced this program as an economic development tool for business retention. Façade Improvement will beautify the streetscape and enhance our community image and lifestyle as citizens have greater pride in the downtown areas, it focuses on economic renewal through increased local trade and commerce, increased employment, tax income and tourism.

General Program Eligibility Requirements - the following eligibility requirements shall apply to all of the Façade Improvement Program:

- An Applicant who is in arrears of property tax or any other Municipal financial obligation is not eligible to participate in a program approved by Council, an exception to this requirement may be approved for the purposes of Environmental Assessment Grants;
- An Applicant may be required to provide a business plan for the proposed work as part of a program application;
- The total value of grants and loans received for a subject property shall not exceed the cost of rehabilitating the lands and buildings;
- The County may undertake an audit of work done and associated costs if it is deemed necessary;
- An Applicant will enter into an agreement with the County, which will specify the terms of the grant/loan;
- If a building, erected or improved with a program grant or loan, is demolished prior to the expiry of the grant or loan period, the grant or loan is forfeited and will be recovered by the County;

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- If a building, erected or improved with a program grant or loan, is sold prior to the expiry of the grant or loan period, the grant or loan may be transferred to a new owner providing the new owner meets and agrees to the terms and conditions of the grant or loan. The County may register a lien upon the subject property.
- Proposed work will conform with all Municipal policies, standards and procedures including zoning, design guidelines (if any) and heritage matters and will be subject to review and the issuance of necessary planning and development approvals and building permits pursuant to the Ontario Building Code;
- Any outstanding work orders registered against the subject property must be satisfied prior to the grant/loan being made or be satisfied as part of the proposed work; and
- The County may at any time discontinue this program; however, any participants in the program prior to its closing will continue to receive loans or grants as approved for their property until the conclusion of their project.
- County Council will approve, annually, the budgets associated with implementation of the financial incentives proposed in this plan. Budget allocation will be dependent on the resources available and will be determined at the sole discretion of Council.
- County Council will adopt a detailed implementation strategy/action plan that will, among other things, establish staff and other resources necessary for implementation of the Plan. The strategy/action plan will set out the timing for further development of the various projects and programs and will establish the means by which implementation will be monitored.
- The Plan will be assessed periodically. The Scope of the Plan may be adjusted if determined to be necessary for the successful implementation of the Plan. Amendments to the Plan that include a change in eligibility criteria, the addition of new incentives and/or an increase to a financial incentive offered must be approved by the Minister. The municipality may discontinue or cancel a program at the sole discretion of Council.

IMPLEMENTATION PROCEDURE

Applicant

The Applicant must either be the registered owner of the property or a tenant with the written permission of the registered owner of the property. The Applicant must also provide proof that they have adhered to any conditions placed on the property by a mortgage holder. Upon approval of the application, the landlord (registered owner) will be required to sign an Acknowledgement of Loan Approval and Lien being placed on the property.

All commercial and mixed use buildings in Downtown Areas (Attached Maps 2 to 7) are eligible properties. Applications under the Façade Improvement Program are generally anticipated to apply to lands which are located within these areas. Applications for lands not identified on the attached maps may also be considered in accordance with the provision of the Community Improvement Plan.

A credit check authorization will be required as part of the application process.

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Program Criteria and Approval Process

The Applicant must submit an application including a detailed proposal and at least two estimates for consideration, prior to commencement of the improvement works. The General Manager of Planning & Economic Development or designate shall review each application to ensure the eligibility of the Applicant and shall approve successful applicants in accordance with the provisions of the Policy.

The Chief Building Official or designate will inspect and approve improvements of the building upon completion.

The improvement must be consistent with existing urban design guidelines or other policies. In the absence of these policies, written support from the local B.I.A./Chamber of Commerce, or the Norfolk Heritage Committee may be considered where appropriate.

Written confirmation of the commitment will be given and will be valid for one year. If the eligible improvements are not completed within one year, the commitment will expire.

Norfolk County will hold a lien on the property and require that the improvements be maintained as approved and constructed for the loan period.

The property owner who receives a commitment will be required to execute a letter of understanding which includes terms and conditions of the loan/grant.

In order to receive a loan/grant all taxes, utilities and any other municipal financial obligation must be up to date.

Eligible Improvements

Eligible facades are those which are adjacent to or easily visible from a public street or area.

Examples of façade improvements include, but are not limited to: masonry cleaning, restoration and stabilization, installation of storefront awnings, redesign of storefronts, window repair and restoration, installation of appropriate signage, painting of woodwork, and renovation of storefronts.

Improvements **not** included are: landscaping, building insulation, roof work, and interior work.

Professional fees (architects/engineers) are an eligible expense.

Loan Advancement and Repayment

Maximum loan amount is \$10,000 per property and is based on a 50/50 matching cash contribution of the applicant. (In-kind contributions are not eligible contributions.)

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The loan shall be advanced in one stage: 100% upon satisfactory completion following receipt of a notice of completion of the works, submission of paid invoices and final inspection by the Chief Building Official, or designate.

Loans will include a forgivable portion (grant) of 15% of the total loan amount which will be earned at the rate of 20% per year for 5 years. The loan will be interest free and carry a term of 5 years. The forgivable (grant) portion will be conditional on the repayment of the repayable portion in full.

A property may be eligible for more than one loan/grant provided that the loans do not exceed the maximum amount of \$10,000.

Loan Repayment

Loan repayments will not begin until six months after the final advancement of funds. Eligible improvements must be completed within one year of receiving the written commitment. Certain exceptions may be considered by the Treasurer if deemed appropriate.

Norfolk County will provide a monthly repayment schedule included with the terms and conditions of the loan/grant.

The loan shall be payable upon demand, when there is a change in ownership or when the terms of the loan are broken.

The Treasury and Financial Services Division will monitor loan repayment.

SAMPLE LOAN					
Owner Contribution				<u>10,000.00</u>	
Municipal Contribution		Forgivable - 15%		1,500.00	
(Maximum Amount)		Repayable - 85%		<u>8,500.00</u>	
				<u>10,000.00</u>	
Repayment Schedule	Principal	Interest	Repayable Balance	Forgivable Earned	Forgivable Balance
			8,500.00		1,500.00
Month 1	141.66	0.00	8,358.34	25.00	1,475.00
Month 2	141.66	0.00	8,216.68	25.00	1,450.00
Month 3	141.66	0.00	8,075.02	25.00	1,425.00
Month 4	141.66	0.00	7,933.36	25.00	1,400.00
Repayment schedule would be continued for a five year term (60 months). First payment would begin 6 months following final advancement of funds.					