



Growth Committee: Beautification and Development Incentives Programs

March 21, 2019



SAINT JOHN

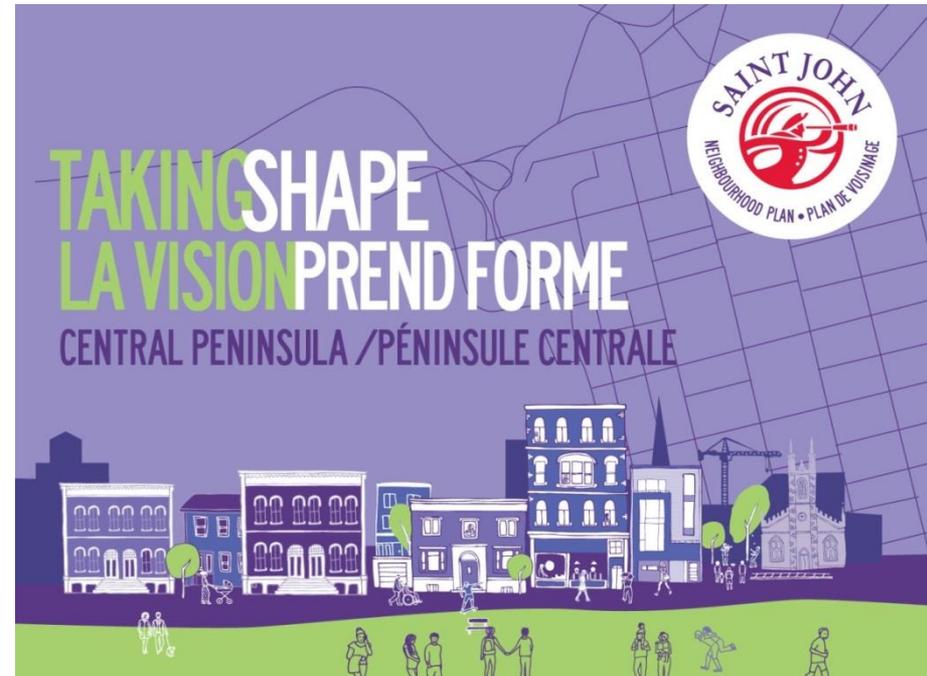
Outline

- Background
- Beautification Program Performance
- Development Incentives Program Performance
- Recommendations



Background – The Central Peninsula

- .66% of land mass but 12.68% of taxes
 - Potential to further maximize tax revenue while driving density in the core



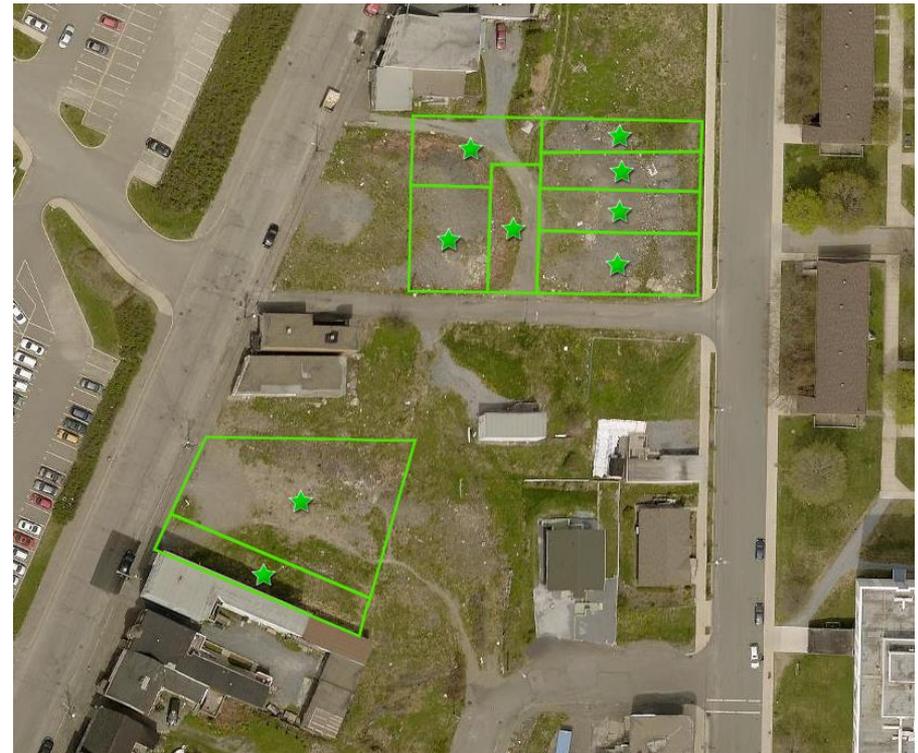
Background – The Central Peninsula

- Estimated 280 vacant lots
 - Population growth in the Uptown but challenges remain at the top and bottom of peninsula (Waterloo Village/South End)

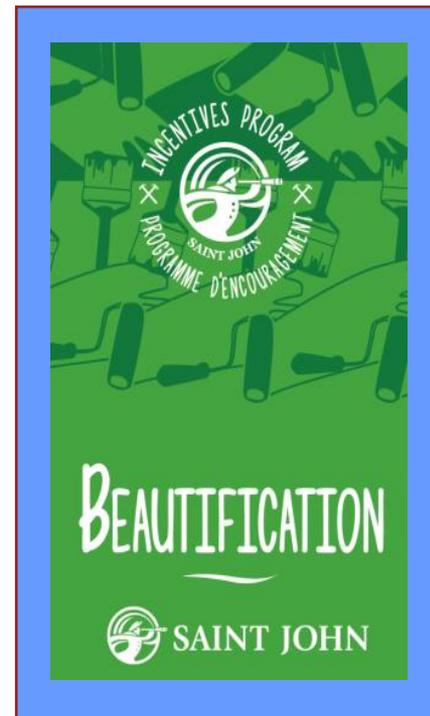


Background – The Central Peninsula

- 31% of the dangerous and derelict building list is on the Central Peninsula (60 cases)
- Approximately 70 buildings assessed below \$70k
 - **Need for new housing stock for all levels of income/demographics**



Background - Types of Projects



Beautification Program Performance

Number of projects:	41
Total amount paid out:	\$95,781
Total Investment Leveraged:	\$551,636



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Beautification Program Performance



Urban Beautification Policy Amendments

- Increase eligibility to exterior painting of side yards under certain circumstances
- Align eligibility area to Central Peninsula Neighbourhood Plan
- Improve administration of program



Program Performance – Development Incentives

Projected Total # of Units:	71
• Semi/townhouse:	3 / 71
• Apt/condo unit:	66 / 71
• Non-market housing:	2 / 71

Total Number of Projects:	11
• Vacant Building	7/11
• Upper Floors	3/11
• Vacant Lot	1/11

6 Projects have been complete



116 Prince William Street



Upper Floors
Redevelopment Project:
3 residential units
2 commercial spaces

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant
Total: \$99,876

Completion Date:
2017

Est. tax increase per year:
\$10,000 - \$11,000



302-306 Prince William Street



Infill Development Project: 3 townhouse units

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant
Total: \$28,443

Completion Date:
2017

Est. tax increase per year:
\$15,000 - \$15,200

135-139 Union Street



Upper Floors Redevelopment Project:

1 residential unit
1 commercial space

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

Total: \$14,393

Completion Date:
2018

Est. tax increase per year:
\$2,500 - \$2,700



82 Germain Street



**Upper Floors
Redevelopment Project:**
3 residential units
1 ground floor commercial
space

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant
Total: \$27,366

Completion Date:

Fall 2018 - 2 units

Est. tax increase per year:
\$4,400 - \$4,500



93-99 Germain Street



**Upper Floors
Redevelopment Project:**
8 residential units
2 floors of commercial space

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant
Total: \$91,049

Completion Date:

2017

Est. tax increase per year:

\$14,800 - \$14,825



1 Charlotte Street



**Vacant Building
Redevelopment Project:**
2 residential units
1 floor commercial

Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

Projected Completion Date:

2019

Estimated Completion of Remainder of Projects

2019

- 16 Orange Street
 - Vacant Building Redevelopment Project
- 23-38 King Street
 - Upper Floors Redevelopment Project
- 86 Coburg Street
 - Vacant Building Redevelopment Project
- 36 St. James Street
 - Vacant Building Redevelopment Project
- 40 Exmouth Street
 - Vacant Building Redevelopment Project



17-7



16 Orange Street

Units:

1 residential unit



Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

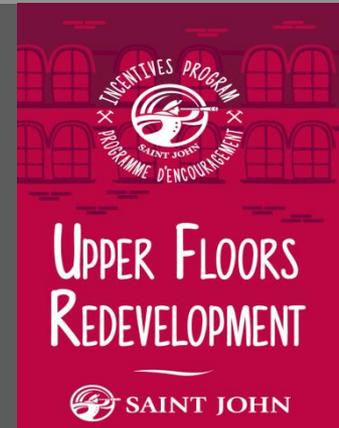
Projected Completion Date:

2019 (estimated)



23-38 King Street

25 residential units



Grant(s):
Urban Residential Density Grant
Construction Barriers Grant

2019 (estimated)

17-10



86 Coburg Street

3 residential units



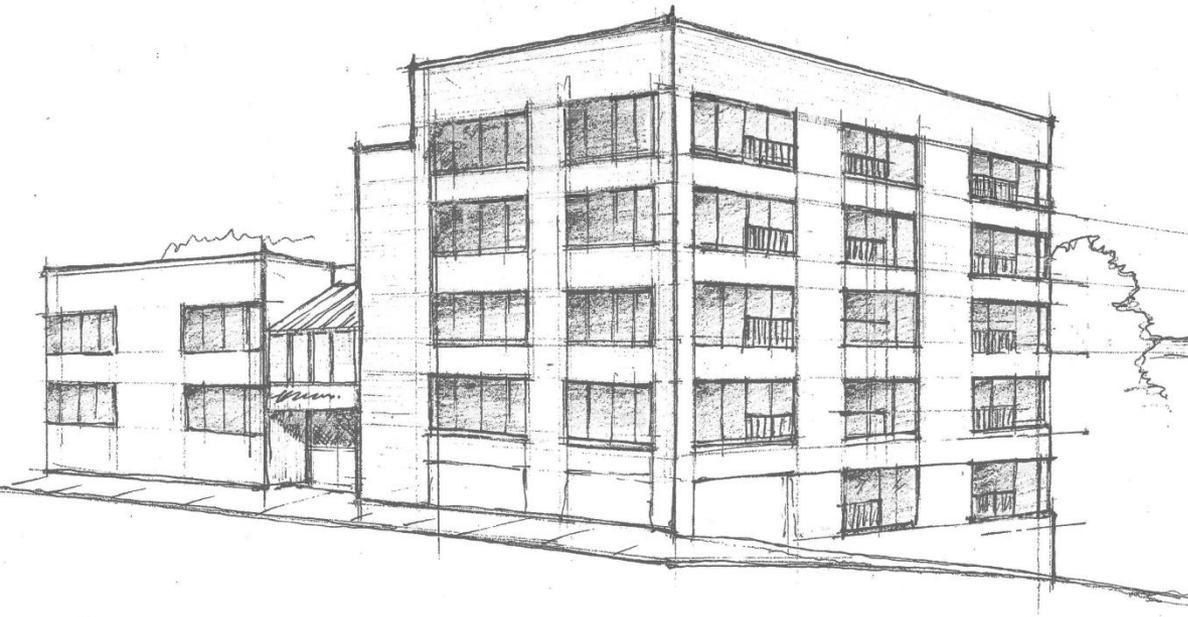
VACANT BUILDING
REDEVELOPMENT



Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

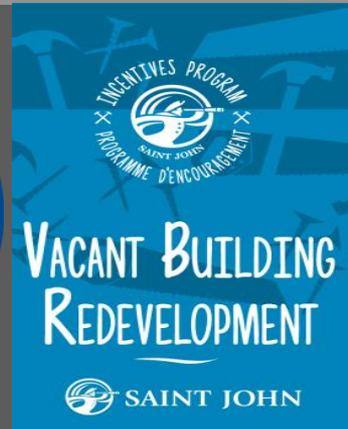
2019 (estimated)



36 St. James Street

Units:

20 units



Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

Projected Completion Date:

2019 (estimated)



40 Exmouth Street

Units:

2 units



Grant(s):

Urban Residential Density Grant
Construction Barriers Grant

Projected Completion Date:

2019 (estimated)



Development Incentive Program Financial Performance

- Total investment leveraged: \$7,300,000
- Total grants committed: \$654,865
- Grants paid out to date: \$143,246
- Committed grants to be paid out: \$511,619



Development Incentive Policy Amendment

Proposed Amendment	Impact
<p>Calculation of Grant Amount- Formula will be changed</p> <ul style="list-style-type: none">• No longer based on construction costs• Will be based on value of property after project complete• Value of residential and commercial will be different (more weighting on commercial)	<ul style="list-style-type: none">• Calculation will be performed each year of payout.• Calculation will attribute more value to commercial than residential.• Grant Agreement will not provide fixed payment schedule over the 5 years.• Remove the \$150,000 cap for grant amounts that can be paid out.• Minimize administrative burden of the program.• Equalizing payments for market and non-market housing projects.
<p>Simplifying the policy</p>	<ul style="list-style-type: none">• Easier for investors to understand and make decisions.



What we hope to achieve

- Eliminate any risk to pay out more than city receives in incremental revenue
- Enable larger projects
- Simplify the policy for ease of understanding and streamline the application and payment processes
- Continue to catalyze growth, increase excitement in investment opportunities, and reduce carrying cost of vacant buildings



Recommendation

- That Growth Committee receive and file the Urban Development Incentive and Urban Beautification Pilot Program Evaluation (2016-2018) presentation;
- That Growth Committee adopt the amended Urban Beautification Grant policy and recommend for approval to Common Council;
- That Growth Committee authorize staff to proceed with amendments to the Urban Development Incentive Program for Common Council's consideration as outlined in this report.

