

**To:** **COUNCIL**

**Meeting Date:** **11/09/2021**

**Subject:** **Core Areas Financial Incentives – November 9, 2021 Applications**

**Submitted By:** **Trevor McWilliams, Acting Director of Economic Development**

**Prepared By:** **Michael Marini, Economic Development Officer**

**Report No.:** **21-303(CRE)**

**File No.:** **C1101**

---

## **Recommendation(s)**

THAT Report 21-303(CRE), re: Core Areas Financial Incentives – November 9, 2021 Applications be received;

AND THAT Council approve the application for 29 Main Street and the transfer from the Core Area Transformation Fund (CATF) of \$15,367 as outlined in report 21-303 (CRE);

AND THAT staff be authorized to execute a Commitment Letter and any required documentation in order to administer this funding;

AND THAT Council delegate authority to Director of Economic Development and Chief Financial Officer (or designates) to increase the funding to the maximum amount within the parameters of the specific program(s), if necessary;

AND FURTHER THAT the work approved under these enhanced incentives be completed within one (1) year of the date on the Approval Letters.

---

## **Executive Summary**

### **Purpose**

- To request Council to authorize the following grant application for the subject property under the City's new Community Improvement Plan (CIP) as follows:
  - a Commercial Property Improvement Grant (CPIG) of \$15,367 from the CATF Reserve Fund for the redevelopment of the building located at 29 Main Street in Downtown Cambridge.

## Key Findings

- For 29 Main Street, the following chart outlines the application:

Total Project Cost	\$200,000
Total Grant Available CFIG	\$15,367
Eligible Expenses CFIG	\$63,487
Grant Amount CFIG	\$15,367
Remaining Funding Amount CFIG	\$0
Total Grant Funding	\$15,367

## Financial Implications

- The CFIG grant of \$15,367 will be funded from the CATF reserve.
- The total fundable amount of this request for the property at 29 Main Street is \$15,367.
- The total value of the redevelopment project at 29 Main Street is over \$200,000. If the funds are not used, they will still be available in the account for possible future projects.

---

## Background

The CIP provides the basis for financial incentive programs within the three relevant designated CIP Project Areas in the City of Cambridge. It focuses mainly on Cambridge's three (3) Core Areas as designated in the Official Plan and Community Improvement Project Area By-law.

These new financial initiatives will facilitate the planning and financing of development activities that effectively use, reuse and revitalize lands, buildings and infrastructure. They prioritize municipal investment and are intended to stimulate private sector investment, property maintenance and revitalization within the project areas. These new incentives were contemplated under the Council approved Core Areas Transformation Fund (CATF) and will be financed from said fund.

Since the effective date of the programs of August 3, 2021, there has been significant interest in the available grants. Economic Development Staff is pleased to present these requests as part of the new Financial Incentives to Cambridge Council for approval.

The subject application is under the following grant program:

- **Commercial Property Improvement Grant (CPIG):** The Commercial Property Improvement Grant Program is intended to provide financial assistance for commercial property owners & tenants who aim to improve upon the exterior appearance of commercial properties.

Under these programs, grants are available to property owners, who typically have one year to complete the renovations. City Staff will issue an approval letter outlining the scope of work and funding. The next step in this process is the owner or tenant will complete the work as specified on the application. City Staff will inspect the work to make sure it is complete and meets all necessary Municipal codes. The applicant will then submit paid invoices for all work complete which is matched to the work submitted in the application process. If all of the invoices comply with the program regulations, Staff will issue a funding request for the calculated amount of funding.

### **Property Information – 29 Main Street**

The property at 29 Main Street is located in the historic block of lower main. It is currently under re-development and the owners have been working with Economic Development for approximately two years. The complete renovation of the upper half of the historic building will allow for two new residential units to be constructed and an office space, which will see more people living and working in Downtown Cambridge.

---

## **Analysis**

### **Strategic Alignment**

PROSPERITY: To support and encourage the growth of a highly competitive local economy where there is opportunity for everyone to contribute and succeed.

Goal #6 - Economic Development and Tourism

Objective 6.2 Promote vibrant and inviting downtown cores by encouraging partnerships and creating a wide range of unique, exciting destinations and activities.

The Financial Incentive Programs leverages both public and private dollars to improve the public realm and create a pedestrian friendly and interesting core area.

---

## **Comments**

### **Application – 29 Main Street**

The subject property is municipally known as 29 Main Street and is a part of the Lower Main Street Heritage District Block in Downtown Cambridge. The work proposed is a complete renovation of the upper exterior of the building and an interior renovation of the two upper floors that are vacant. The new space will house a commercial office space and two residential units. The owner is working with staff to renovate the building

for the last two years. The applicant received partial funding for the Heritage approved windows through the previous Financial Incentive programs (The Building Revitalization Program), which was accounted for in this funding request.

The applicant has applied for the Commercial Property Improvement Grant (CPIG) for funding assistance. The total fundable amount of this request for the property is of \$15,367. The applicant is investing over \$200,000 into this project.

Staff are supportive of the application to the Commercial Property Improvement Grant because it will be beautify the building as well as allow for a commercial opportunity and residential units to be constructed inside. This building has two current vacant upper floors and this will support a new office tenant leasing one of the units and two new residential units. The stairway enclosure will allow the building to meet building code standards and allow access to the upper floors.

---

## Existing Policy/By-Law

As this property is located in one of the Community Improvement Project Areas (CIPA) in Cambridge, the applicants are eligible for the Financial Incentives Programs 2021 which provides matching funding for certain improvements to the buildings. The City can provide grant funding for up to 50% of eligible costs under the CPIG.

---

## Financial Impact

- This funding request is for:
  - \$15,367 under the Commercial Property Improvement Grant Program
- The total funding amount of \$15,367 will be taken from the CATF Reserve Fund. If the funds are not used, they will still be available in the accounts for possible future projects.
- The balance of the CATF reserve is \$19,124,580 as of September 30, 2021. A portion of this reserve is intended to support private sector stimulus, in addition to the fund's other pillars.

---

## Public Input

Posted publicly as part of the report process.

---

## Internal/External Consultation

Financial Services Department – As part of the new staff process, Financial Services was consulted on the calculation of amounts of each program, in addition to the tax status of the property. For Council's information, in order to be eligible for financial incentives there can be no taxes owing on a property.

Community Development Department – Planning Services Division and Building Department were consulted in the development of this request for funding.

---

## Conclusion

In conclusion, staff respectfully recommends that Cambridge Council approve the total funding of \$15,367 in a grant for the Core Areas CIP Financial Incentive programs. This will support a private investment of over \$200,000 spread across the two buildings. These planned developments will help support the City of Cambridge's effort to revitalize the core areas and have more people working and living in the downtowns.

---

## Signature

### Division Approval



Reviewed by the CFO

Reviewed by Legal Services

**Name: Trevor McWilliams**

**Title: Acting Director of Economic Development**

### Departmental Approval



**Name: Cheryl Zahnleiter**

**Title: Deputy City Manager Corporate Enterprise**

### City Manager Approval



**Name: David Calder**

**Title: City Manager**

---

## Attachments

- Appendix A – Funding Calculations for 29 Main Street



# Appendix A – 29 Main Street

## Appendix



29 Main St

 29 Main St

Disclaimer: This document is subject to copyright and may only be used for your personal, non-commercial use, provided you keep intact the copyright notice. The City of Cambridge assumes no responsibility for any errors and is not liable for any damages of any kind resulting from the use of, or reliance on, the information contained in this document. The City of Cambridge does not make any representations or warranty, express or implied, concerning the accuracy, quality, likely results or reliability of the use of the information contained in this document. © 2021 The Corporation of the City of Cambridge.

Wednesday, October 06, 2021 2:52:40 PM  
G:\CORP\SITS\DO22\_01\_GIS\Information Products\Economic Development\Mxd\Incentive Application\_29MainSt.mxd - walkern

## -CPIG Calculations-



<b>Total Project Cost</b>	<b>\$200,000.00</b>
<b>Total Grant Available CPIG</b>	<b>\$15,367.00</b>
<b>Eligible Expenses CPIG</b>	<b>\$63,487.00</b>
<b>Grant Amount CPIG</b>	<b>\$15,367.00</b>
<b>Remaining Funding Amount CPIG</b>	<b>\$0.00</b>
<b>Total Grant Funding</b>	<b>\$15,367.00</b>